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## **ASX ANNOUNCEMENT (ASX: BRU)**

**9 August 2012**

### **Weekly Drilling Progress Report – Ungani North-1**

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Buru Energy Limited (“**Buru**” or “**Company**”) provides the following weekly update on the drilling operations at the Ungani North-1 well as at 06:00hrs, 9 August 2012 (AWST).

Ungani North-1 is the fourth well to be drilled by the Buru – Mitsubishi Corporation (“**MC**”) Joint Venture in 2012. The well is located in exploration permit EP 391 some 100 kilometres to the east of Broome, and lies some six kilometres north of the Ungani Production Facility. Buru and MC each have a 50% interest in this well and in EP 391, with MC and Buru each contributing 50% of the cost of the well.

Since the last progress report, the well has been drilled ahead in 12¼” hole from a measured depth of 1,927 metres to a measured depth at 06:00 hours today of 2,090 metres. During the week there has been slow progress due to continued minor rig problems and slow drilling through hard sections of the Lower Anderson Formation similar to that encountered in the Yulleroo area. Poor to fair oil shows and minor mud gas increases have continued to be noted in sands of the Anderson Formation above the primary objective. While encouraging, the significance of these shows will be evaluated by wireline logs once section total depth is reached. If drilling conditions improve it is anticipated that the primary objective Ungani Dolomite will be encountered in approximately 5 to 7 days once section total depth is reached and 9<sup>5</sup>/<sub>8</sub>” casing is run.

The forward operation is to drill ahead to the intermediate casing point at a prognosed measured depth of 2,260 metres.

In accordance with its policy of releasing weekly drilling progress reports, the Company expects to issue a further drilling progress report on 16 August 2012, subject to any material events occurring in the meantime.

Further information on the Company is available at: [www.buruenergy.com](http://www.buruenergy.com)

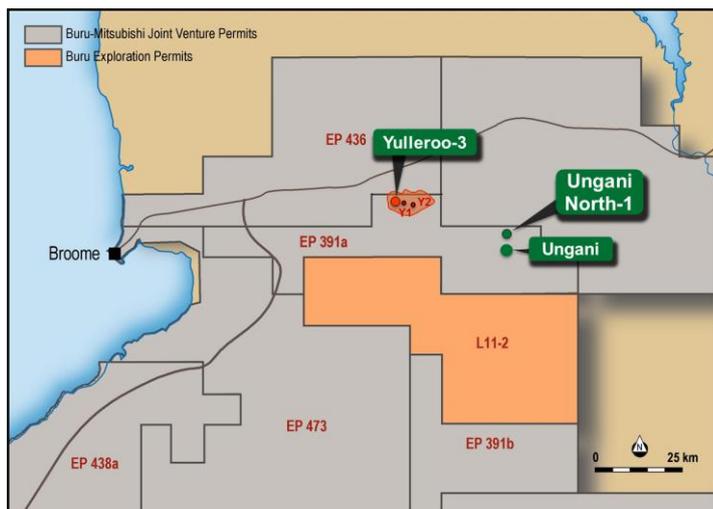
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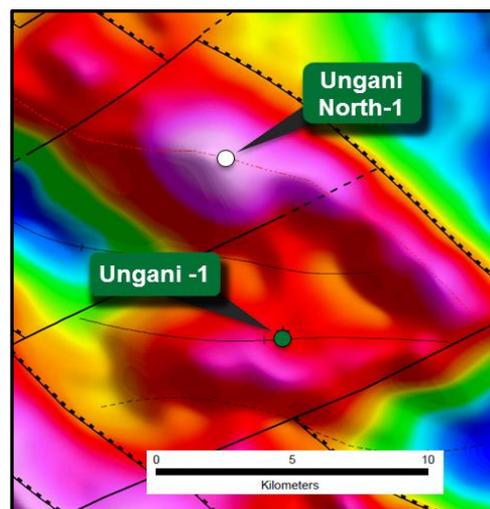
## UNGANI NORTH-1

<b>PERMIT</b>	The Ungani North-1 well is located in exploration permit EP 391 some 100 kilometres east of Broome. Maps showing the location of the well are set out below.
<b>WELL LOCATION</b>	Latitude: 17° 55' 58.5" S      Easting: 517415m Longitude: 123° 09' 52.0" E      Northing: 8017229m
<b>BURU'S INTEREST</b>	Buru Energy Limited holds a 50% interest in the well
<b>DATE OF PROGRESS REPORT</b>	06:00hrs, 9 August 2012 (AWST)
<b>PROPOSED TOTAL DEPTH</b>	3,000 metres
<b>CURRENT DEPTH</b>	2,090 metres
<b>PROGNOSED TIME TO COMPLETION</b>	32 days
<b>SPUD DATE</b>	5 July 2012
<b>DAYS SINCE SPUD</b>	35 days
<b>CURRENT TARGET FORMATION</b>	The Ungani North-1 well is targeting the Ungani Dolomite as seen in the Ungani Field together with the underlying Nullara section which had good oil and gas shows in the Ungani-1 well.
<b>OPERATIONS SINCE LAST PROGRESS REPORT</b>	Since the last progress report, the well has been drilled ahead in 12¼" hole to a measured depth at 06:00 hours today of 2,090 metres.
<b>HYDROCARBON INDICATIONS</b>	Poor to fair oil shows and minor mud gas increases have continued to be noted in sands of the Anderson Formation. The significance of these shows will be evaluated by wireline logs once section total depth is reached.
<b>FORWARD OPERATIONS</b>	Drill ahead to the intermediate casing point at a prognosed measured depth of 2,260 metres. It is anticipated that the primary objective Ungani Dolomite will be encountered in approximately 5 to 7 days once section total depth is reached and 9⅝" casing is run.

### LOCATION MAPS



*Ungani North-1 Regional location map*



*Ungani North-1 Interpreted gravity gradient map*