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## **ASX ANNOUNCEMENT (ASX: BRU)      22 September 2011**

### **WEEKLY DRILLING PROGRESS REPORT UNGANI-1**

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Buru Energy Limited (“**Buru**” or “**Company**”) provides the following weekly update on drilling operations at the Ungani-1 well as at 06:00hrs, 22 September 2011 (AWST).

The Ungani-1 well is the third well in the Buru – Mitsubishi Corporation (“**MC**”) 2011 Joint Exploration Program. Buru and MC each have a 50% interest in this well and in EP 391, with MC contributing 80% of the cost of the well under the terms of its farm-in agreement with Buru.

Since the last progress report, the Ungani-1 well was drilled ahead in 8½” hole to a total depth of 3,593 metres. During subsequent hole conditioning operations to facilitate logging, the drill string became stuck in the hole and subsequently parted with the top of the fish at 2,216 metres measured depth. Subsequent attempts to obtain logs over the interval from 2,160 to 2,210 metres, where good oil shows and increases in mud gas were observed in dolomites of the Laurel Carbonates, were unsuccessful.

The joint venture is currently considering whether to undertake sidetracking operations to enable a full evaluation to be undertaken of the hydrocarbon indications observed in the well. If approved by the joint venture, sidetrack operations are expected to take up to 10 days to complete.

Ungani-1 is being drilled by Ensign Rig #32.

In accordance with its policy of releasing weekly drilling progress reports, the Company expects to issue a further drilling progress report on 29 September 2011, subject to any material events occurring in the meantime.

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

**For inquiries please contact:**

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## UNGANI-1

<b>PERMIT</b>	The Ungani-1 well is located in exploration permit EP 391. A map showing the location of the well is set out below.
<b>WELL LOCATION</b>	Latitude: 17° 59' 25.6"S      Northing: 8010864m Longitude: 123° 09' 50.8"E      Easting: 517375m
<b>BURU'S INTEREST</b>	Buru Energy Limited holds a 50% interest in the well.
<b>DATE OF PROGRESS REPORT</b>	06:00hrs, 22 September 2011 (AWST)
<b>PROPOSED TOTAL DEPTH</b>	3,593m (revised from 3,200m)
<b>CURRENT DEPTH</b>	3,593m
<b>SPUD DATE</b>	13 August 2011
<b>DAYS SINCE SPUD</b>	40 days
<b>CURRENT TARGET FORMATION</b>	Laurel Formation
<b>OPERATIONS SINCE LAST PROGRESS REPORT</b>	<p>Since the last progress report, the Ungani-1 well was drilled ahead in 8½" hole to a total depth of 3,593 metres.</p> <p>During subsequent hole conditioning operations to facilitate logging, the drill string became stuck in the hole and subsequently parted with the top of the fish at 2,216 metres measured depth. Subsequent attempts to obtain logs over the interval from 2,160 to 2,210 metres, where good oil shows and increases in mud gas were observed in dolomites of the Laurel Carbonates, were unsuccessful. The well will now be sidetracked to enable a full evaluation to be undertaken of the hydrocarbon indications observed in the well.</p>
<b>HYDROCARBON INDICATIONS</b>	No further significant shows were noted subsequent to those reported last week
<b>FORWARD OPERATIONS</b>	The joint venture is currently considering whether to undertake sidetracking operations to enable a full evaluation to be undertaken of the hydrocarbon indications observed in the well.

### LOCATION MAP – UNGANI-1

