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Yulleroo Operations Update

Buru Energy Limited (ASX: BRU) is pleased to provide the following update on the Company's operations at the Yulleroo site.

Yulleroo 2 valve replacement

The work on the Yulleroo 2 wellhead was commenced on Tuesday 20 January and successfully completed on Thursday 22 January. The damaged valve was removed and taken into the custody of the Department of Mines and Petroleum's (DMP) safety branch and will be inspected by a specialist valve service company.

The integrity of the well casing and tubing and down-hole components was confirmed during the operation. The opportunity was also taken to modify the well head configuration by removing components that could be susceptible to further deliberate damage.

DMP inspectors have confirmed that the operation was carried out fully in accordance with all regulations and no incidents or non-conformance of any kind were identified.

Yulleroo site environmental work

The rehabilitation of the water retention ponds used in the drilling of the Yulleroo wells was also commenced, and the burying and capping of the inert drill cuttings from the exploration drilling process was completed on Sunday 25 January by a local indigenous contractor. This work was completed in full accordance with the DMP approved environment plan. Senior Yawuru Traditional Owners inspected this work as it was being carried out.

Buru Executive Chairman Eric Streitberg said:

"This operation has been a complete success at every level. We are also pleased to report that the well was in excellent condition, apart from the damaged valve. The site rehabilitation work is also proceeding in accordance with our approvals, and the visit of the senior Yawuru Traditional Owners to inspect the work was most welcome."

"Buru Energy undertakes regular inspections and well integrity verification of all our suspended wells, including the other Yulleroo wells, and we will be reviewing security at all our sites to ensure such incidents are not repeated."

Visit www.buruenergy.com for information on Buru Energy's current and future activities.

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About Buru Energy

Buru Energy Limited (ASX: BRU, S&P/ASX300) is a Western Australian oil and gas exploration and production company headquartered in Perth with an operational office in Broome. The Company's petroleum assets and tenements are located onshore in the Canning Basin in the southwest Kimberley region of Western Australia. Its flagship high quality conventional Ungani Oilfield project is owned in 50/50 joint venture with Mitsubishi Corporation. As well as Ungani, the Company's portfolio includes potentially world class tight gas resources.

The company's goal is to deliver material benefits to its shareholders, the State of Western Australia, the Traditional Owners of the areas in which it operates, and the Kimberley community, by successfully exploring for and developing the petroleum resources of the Canning Basin in an environmentally and culturally sensitive manner.

Competent Persons Statement

Information in this release related to exploration and production results and petroleum resources is based on information compiled by Eric Streitberg who is an employee of Buru Energy Limited. Mr Streitberg is a Fellow of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors, and a member and Certified Petroleum Geologist of the American Association of Petroleum Geologists. He has over 40 years of relevant experience. Mr Streitberg consents to the inclusion of the information in this document.