



Buru Energy Limited
ABN 71 130 651 437
Level 2, 97 William Street
Perth, Western Australia 6000
PO Box 7794, Perth
Cloisters Square WA 6850
Ph: 61-8 9215 1800
Fax: 61-8 9215 1899
www.buruenergy.com

ASX ANNOUNCEMENT (ASX: BRU)

2 August 2012

Weekly Drilling Progress Report - Yulleroo-3

Buru Energy Limited (“**Buru**” or “**Company**”) provides the following weekly update on the drilling operations at the Yulleroo-3 well as at 06:00hrs, 2 August 2012 (AWST).

Yulleroo-3 is the third well in the Buru – Mitsubishi Corporation (“**MC**”) 2012 Joint Exploration Program. The well is located in exploration permit EP 391 some 80 kilometres to the east of Broome. 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 well has been drilled ahead from a measured depth of 3,603 metres to a total depth of 3,712 metres. The well has encountered a further sand package with high gas readings, and wireline logs and rotary sidewall cores have been obtained over this section and are currently being interpreted and analysed.

The current operation is running 7” casing, and at the completion of that operation Ensign Rig #32 will be released and mobilised to the Asgard-1 well site. This is expected to be the last weekly drilling report in respect of the Yulleroo-3 well.

Further information on the Company is available at: www.buruenergy.com

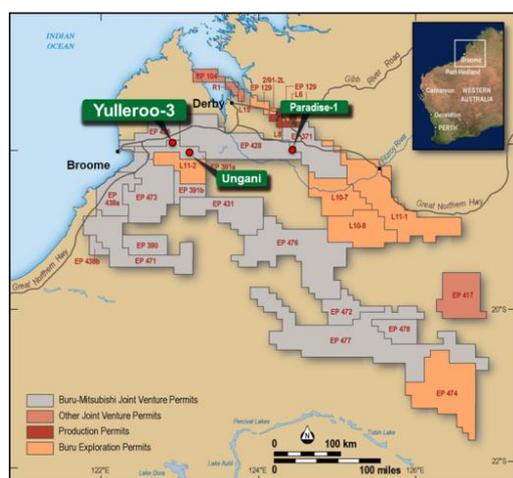
For inquiries please contact:

Eric Streitberg	Executive Director
Telephone	+61 8 9215 1800
Freecall	1800 337 330
Email	ericstreitberg@buruenergy.com

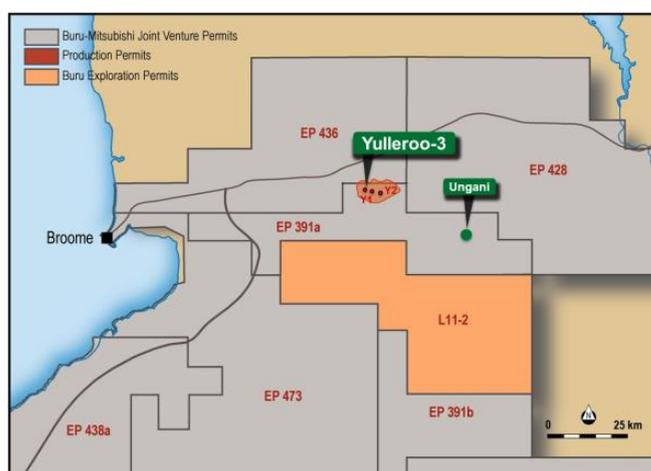
YULLEROO-3

PERMIT	The Yulleroo-3 well is located in exploration permit EP 391 some 80 kms east of Broome. Maps showing the location of the well are set out below.		
WELL LOCATION	Latitude: 17 ^o 50' 59.39" S	Easting: 488510m	Longitude: 122 ^o 53' 20.59" E
BURU'S INTEREST	Buru Energy Limited holds a 50% interest in the well		
DATE OF PROGRESS REPORT	06:00hrs, 2 August 2012 (AWST)		
PROPOSED TOTAL DEPTH	3,712 metres (revised from original TD of 3,600 metres)		
CURRENT DEPTH	3,712 metres		
SPUD DATE	25 May 2012		
DAYS SINCE SPUD	69 days		
CURRENT TARGET FORMATION	The Yulleroo-3 well is targeting the Upper and Lower Laurel gas sands encountered in the Yulleroo-1 and 2 wells.		
OPERATIONS SINCE LAST PROGRESS REPORT	Since the last progress report, the well has been drilled ahead from a measured depth of 3,603 metres to a total depth of 3,712 metres.		
HYDROCARBON INDICATIONS	The well has encountered a further sand package with high gas readings, and wireline logs and rotary sidewall cores have been obtained over this section and are currently being interpreted and analysed.		
FORWARD OPERATIONS	7" casing will now be run and cemented and Ensign Rig #32 will be released and mobilised to the Asgard-1 well site.		

LOCATION MAPS



Yulleroo-3 Regional location map



Yulleroo-3 Detailed location map