

Drilling Update

Buru Energy Limited (Buru Energy) (ASX:BRU) provides the following update on the currently drilling Victory 1 and Senagi 1 wells.

Victory 1

As foreshadowed, the logs are difficult to interpret but do show the presence of the significant lost circulation zones with potential cavernous or vugular porosity below a drill depth of 1,945 metres. Due to the log quality, deep fresh water invasion and hole conditions, it is not possible to determine from logs whether or not hydrocarbons are present in this zone. Logs were unable to be obtained deeper than approximately 2,030 metres due to hole conditions.

The joint venture will now complete the well for testing to determine the nature of the reservoir fluid.

Senagi 1

Coring operations have continued at Senagi 1 in massive dolomites of the Nullara Formation. Core recovery is excellent and the cores contain well developed zones of vugular porosity. No further hydrocarbon shows have been noted. It is intended to continue coring to a drill depth of 1,050 metres to obtain further stratigraphic information and allow the correlation between the planned image logs and the cored section to be as extensive as possible. Coring to 1,050 metres is expected to take another 24 hours.

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

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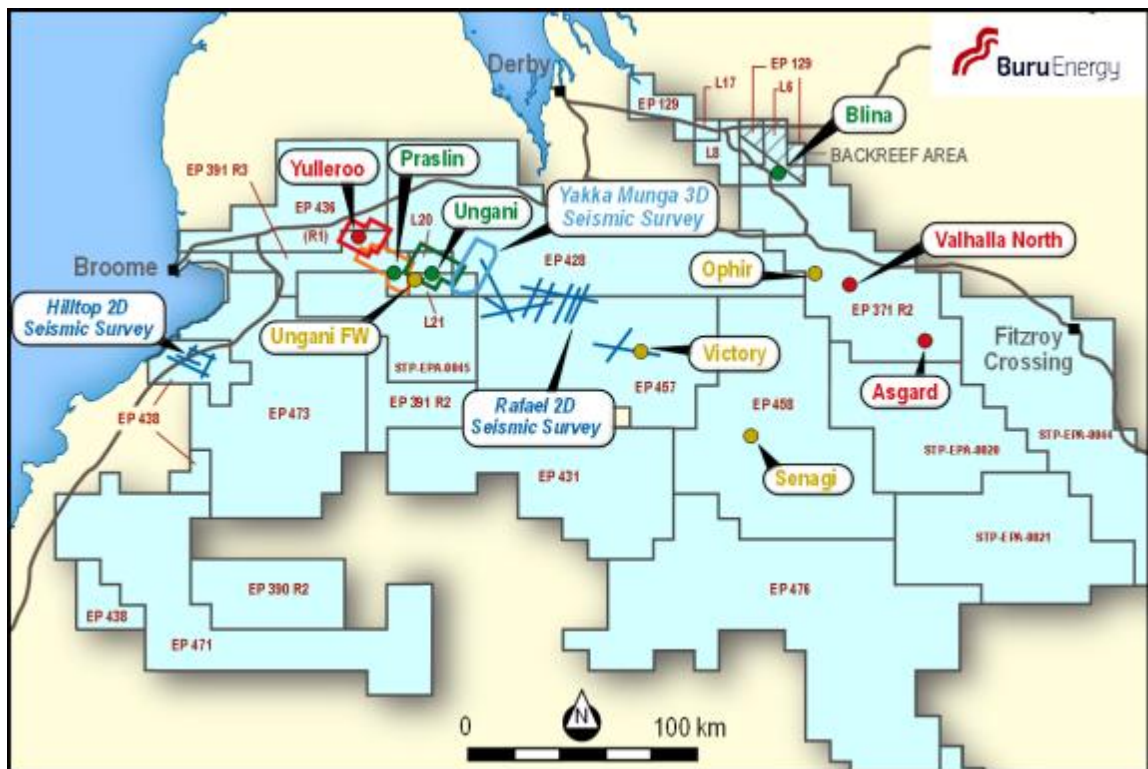
About Buru Energy

Buru Energy Limited (ASX: BRU) 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.



Buru Energy general operations location map