



27 November 2017

Ungani 4 – Update Report

Buru Energy Limited (Buru Energy) provides the following update on operations at the Ungani 4 development well as at 0600 hours Monday 27 November 2017.

Since the last report on Friday 24 November the wireline unit has been repaired and was put back in service on Saturday 25 November. An extended clean out trip of the Ungani 4 well was undertaken while the unit was being repaired to try and ensure the hole was stabilised for the logging and completion operation.

Attempts to obtain wireline logs since that time have been unsuccessful due to the shale section immediately above the Ungani reservoir bridging off, partly due to the length of time the hole has been open while the wireline unit was repaired.

The additional equipment required to obtain logs in this type of situation, and to ensure the completion is able to be run through the shale section without incident, is not currently available on site. Consequently, it has been decided to temporarily suspend the well and move the rig to drill the Ungani 5 well as planned. The additional equipment required to ensure Ungani 4 is able to be successfully logged and completed will be sourced and mobilised to site while Ungani 5 is being drilled.

Given the positive results of the Ungani 4 well to date, construction of the flowline from Ungani 4 back to the production facility will also be commenced, once final regulatory approvals are received, so that when the Ungani 4 well is completed it will be able to be quickly put on production.

In light of the issues encountered on Ungani 4, the logging and completion programs for Ungani 5 will also be reviewed. It should be noted that the Ungani Far West 1 well had a similar geological section and casing configuration and the logging and completion of that well was trouble free.

The Ungani 4 well is being drilled by the DDGT1 rig and is located some 500 metres to the southwest of Ungani 1ST1 on a separate drilling pad and is designed to provide an additional drainage point in the Ungani Oilfield and to verify reservoir continuity.

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

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Qualified Petroleum Resources Evaluator 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.