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ASX ANNOUNCEMENT (ASX: BRU)

20 August 2012

Update on Drilling Operations – Ungani North-1

Buru Energy Limited (“**Buru**” or “**Company**”) provides the following update on drilling operations at the Ungani North-1 well. The well is being drilled using Century Rig #7.

During routine tripping operations for a new drill bit, a mechanical failure in the rig drawworks has resulted in damage to the top drive and potentially to other parts of the rig.

No injuries occurred as a result of the incident and the damage to the top drive and rig generally is currently being assessed. Drilling operations have been suspended while this assessment is completed and the well is secured. Depending on the results of the investigation of the incident, it is likely that the well will now be suspended and the rig released. As the well has not yet reached the primary geological target, the completion of the drilling operation in due course with Ensign Rig #32 following completion of the Asgard-1 well is the most likely forward scenario.

Updates on the forward program and the incident management will be provided as they become available.

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

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