



1 December 2017

Ungani 5 Appraisal Well Spuds

Buru Energy Limited (Buru Energy) is pleased to advise that the Ungani 5 Appraisal Well was spudded at 14:30 hours on Friday 1 December.

The well is being drilled by the DDGT1 rig to a prognosed total depth of approximately 2,200 metres, and is expected to take 33 days to drill and complete.

The well is located some 1,140 metres to the east of Ungani 1 on a separate drilling pad and is designed to appraise the oil pool discovered by the Ungani 3 well. Further technical details of the Ungani 5 well are set out in the attachments.

If the well is successful it will provide a further pathway to the target production rate from the Ungani Oilfield of 3,000 bopd, and will add substantially to the currently estimated Ungani field oil resources.

Buru Energy's Executive Chairman, Eric Streitberg said:

"We are looking forward to the results of this well as we do not currently carry any material resources in the Ungani Eastern Fault Block (Ungani 3 closure), and a successful Ungani 5 will add significantly to our resources in the field."

The original Ungani 3 well provided considerable encouragement as it proved the presence of an oil pool additional to the Ungani Central area. However, it is now interpreted that the completion did not allow access to the productive part of the reservoir, and Ungani 5 is designed to test that interpretation."

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

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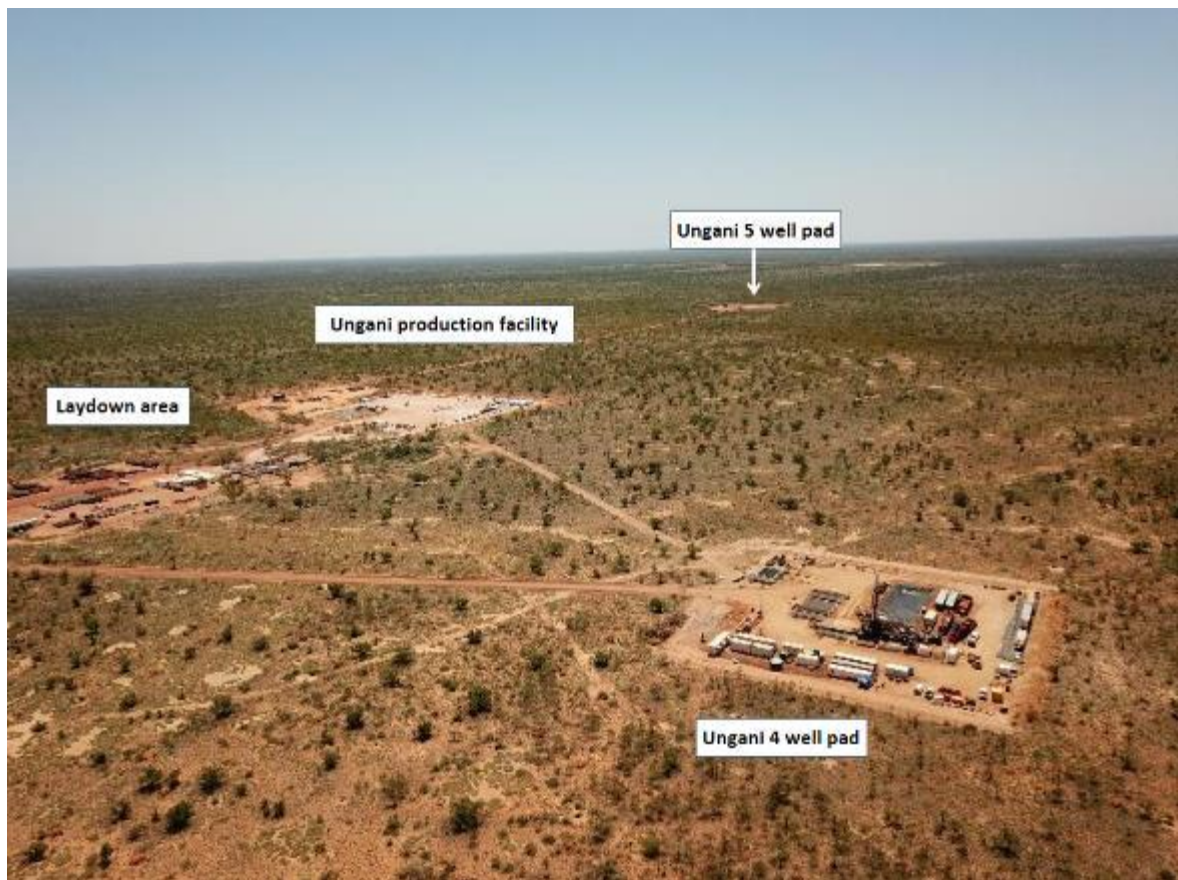
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Qualified Petroleum Resources Evaluator Statement

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.

Well Operations Report – Ungani 5

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| PERMIT | The Ungani 5 well is located in Production License L20 in the Canning Basin of northwestern Australia, 97 kms east of Broome. It is located some 1,140 metres east of the Ungani 1ST1 well. |
| WELL LOCATION | Latitude: 17° 59' 20.0010"S Easting:518505.106 Longitude: 123° 10' 29.2741"E Northing:8011035.04 |
| BURU ENERGY'S INTEREST | Buru Energy Limited holds 100% interest in the well and the PL |
| DATE OF PROGRESS REPORT | 14:30 hours, 1 December 2017 (AWST) |
| PROPOSED TOTAL DEPTH | +/- 2,200 metres |
| CURRENT DEPTH | Well was spudded at 14:30 hours today |
| PROGNOSED TIME TO COMPLETION | 33 days |
| COMMENCEMENT DATE | 1 December 2017 |
| DAYS SINCE COMMENCEMENT | Well was spudded at 14:30 hours today |
| CURRENT TARGET FORMATION | The objective of the well is the conventional Ungani Dolomite reservoir section of the Ungani Oilfield. |
| HYDROCARBON INDICATIONS | None – none expected |
| OPERATIONS SINCE LAST PROGRESS REPORT | The well was spudded at 14:30 hours on 1 December 2017 |
| FORWARD OPERATIONS | Drill ahead to 9-5/8 inch (244 mm) casing shoe at approximately 905 metres, run 9-5/8 inch casing. |



Ungani 5 well location in relation to Ungani facilities and Ungani 4

WELL SUMMARY

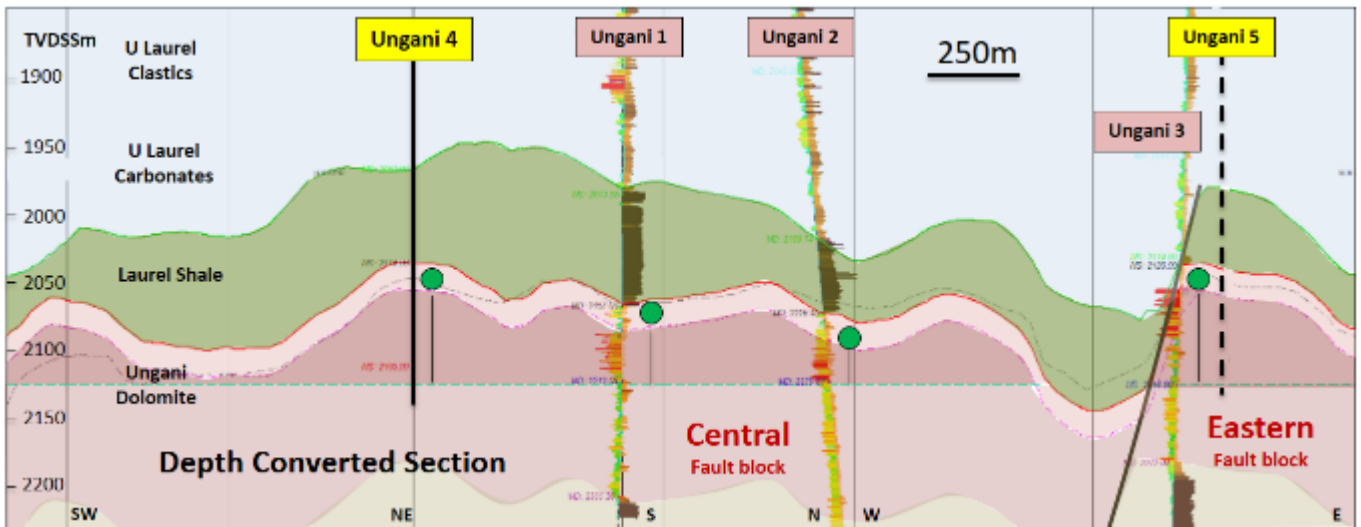
Geological setting

The well is an appraisal of the eastern fault block of the Ungani Oilfield. The Ungani 3 well was drilled as an appraisal of the eastern fault block but is interpreted to have intersected the bounding fault close to or in the top of the reservoir section and was not completed in a way that would allow access to the upper part of the reservoir section.

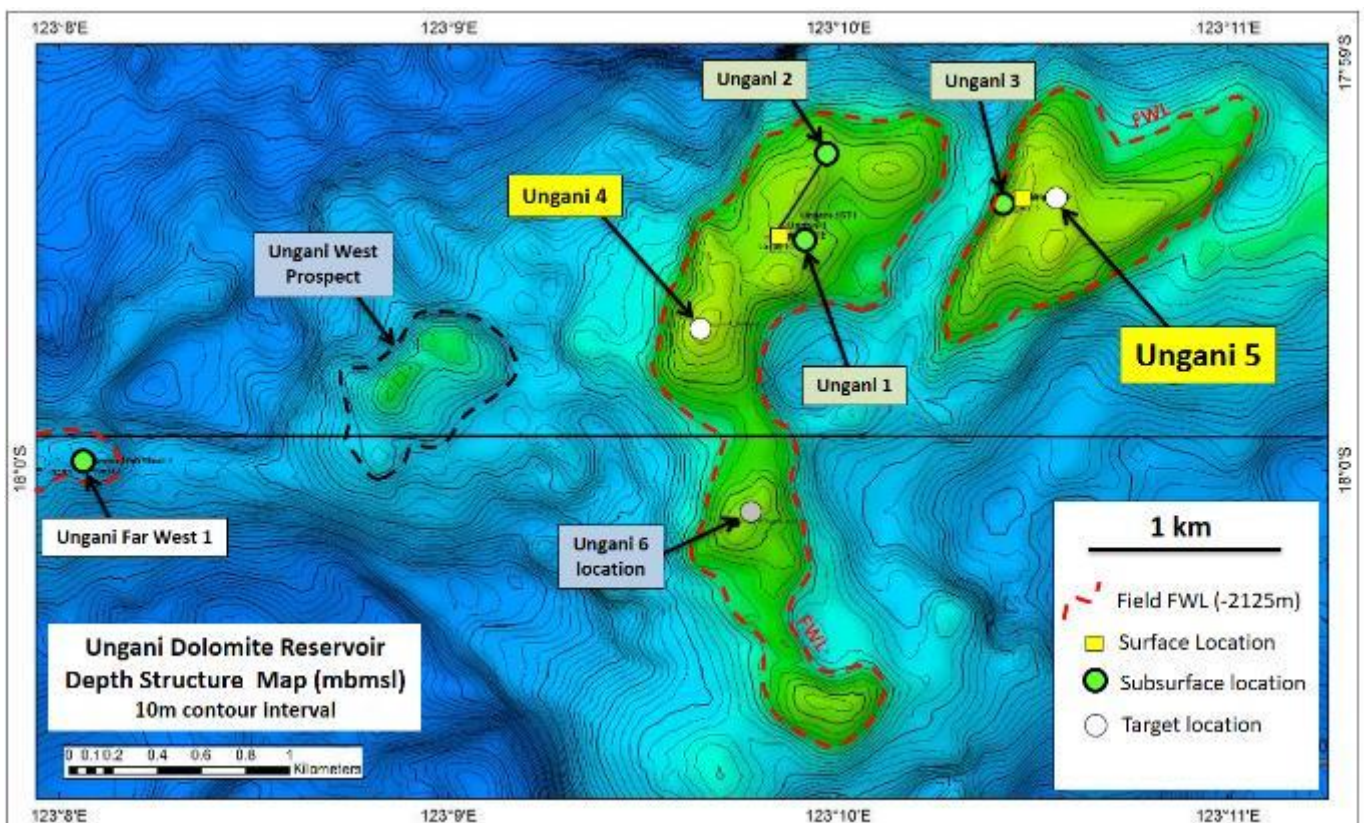
However, Ungani 3 did encounter a substantial oil column with the oil water contact at or about the main field oil water contact, and pressure data confirmed that it is in pressure communication with the main Ungani field area. Ungani 3 produced oil at low rates from the middle part of the Ungani Dolomite section.

Ungani 5 is planned as a vertical well and is sited to intersect the Ungani Dolomite reservoir some 100 metres to the east of the Ungani 3 reservoir intersection. This is considered to be a sufficient distance to ensure that there is no influence in Ungani 5 at the reservoir level of the fault intersection in Ungani 3 or the cementing operations undertaken in Ungani 3.

The Ungani eastern fault block is a separate structural closure that is well imaged on 3D seismic data and is interpreted to have the potential to contain 3 to 4 million barrels of recoverable oil.



Cross section of the Ungani Field showing the location of Ungani 5



Depth structure map with location of Ungani 5

Operational

The well will be drilled with the DDGT1 rig that has undertaken the drilling of the Ungani 4 well and completed the workover and the pump installation in the Ungani 1ST1 and Ungani 2 wells.

As for the Ungani 4 well, the Ungani 5 well is planned to be completed "barefoot" to ensure the vugular Ungani Dolomite oil reservoir is not exposed to cement from casing cementing operations. The final completion design is currently being reviewed in light of the Ungani 4 experience. The current estimate for the drilled and completed cost of the Ungani 5 well is some A\$4.55 million.