

## **Adoxa 1 Exploration Well Spuds**

Buru Energy Limited (Buru Energy) is pleased to advise that the Adoxa 1 exploration well was spudded at 21:00 hours on Wednesday the 24th of July 2019.

The Adoxa 1 well is a test of the greater Yakka Munga regional structure on exploration permit EP 428, with a surface location some 20 kilometres to the northeast of the Ungani Production Facility.

Buru Energy and Roc Oil (Canning) Pty Ltd each have a 50% equity interest in the well and in EP 428.

The Adoxa 1 well is being drilled by the NGD 405 rig as a vertical well to a planned total measured depth of 2,400 metres.

The principal objective of the well is oil in conventional sandstones of the Reeves Formation the top of which is prognosed to be encountered at approximately 1,100 metres measured depth. The Anderson Formation clastic reservoirs are a deeper secondary conventional oil target below 1,800 metres. Further technical details of the well are attached.

The closure being tested by the Adoxa 1 well has the potential to hold significant resources of conventional oil in an emerging play type in the basin.

Executive Chairman's comments:

*"The Adoxa 1 well is the first exploration well in this year's drilling program and is targeting conventional sandstone reservoirs in the Reeves Formation. This is a new play type for the Canning Basin and follows up the oil recovery from the Reeves Formation in the Ungani Far West 1 well. If the well is successful there are also a number of follow-up locations that would provide attractive targets.*

*The well is a relatively shallow vertical well that will provide a wealth of geological information and hopefully find significant volumes of oil which would supplement and enhance our existing reserves and production cashflow from our nearby Ungani Oilfield."*

The initial weekly drilling progress report for well is attached.

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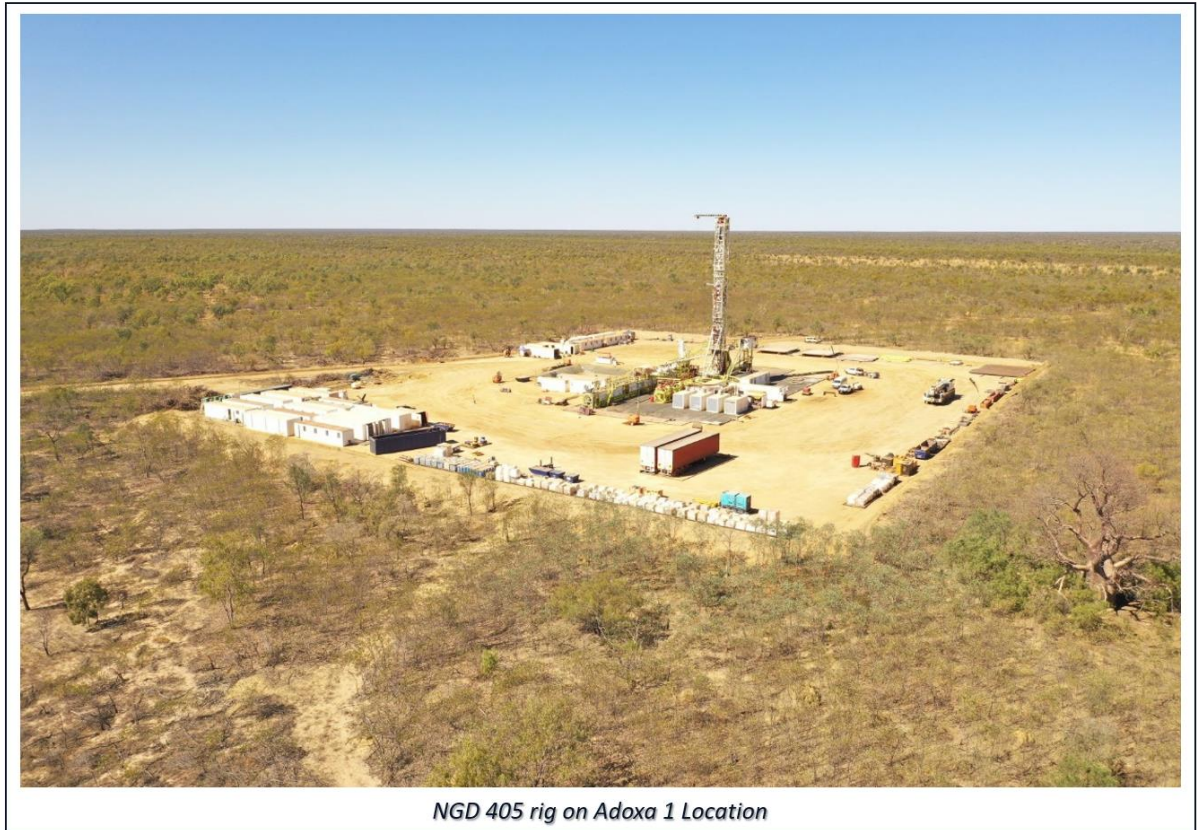
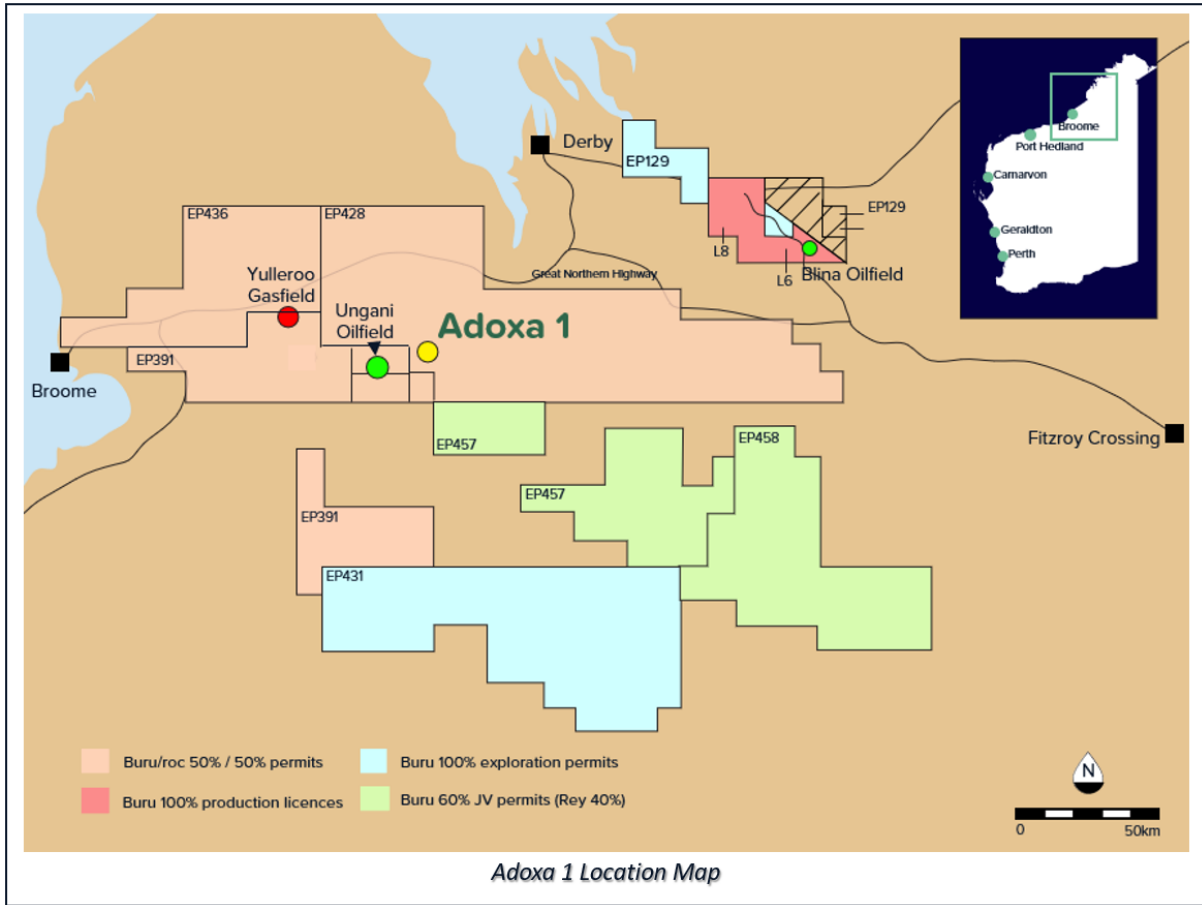
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### **Qualified Petroleum Resources Evaluator Statement**

Except where otherwise noted, 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.

## Weekly Well Operations Report – Adoxa 1

<b>Permit</b>	The Adoxa 1 well is located in Exploration License EP428 in the Canning Basin of northwestern Western Australia. The well is located 120 kms east of Broome and 20 kms northeast of the Ungani oilfield.
<b>Well Surface Location</b>	Latitude: 17° 55' 44.6641"S                      Northing: 8,017,628 mN Longitude: 123° 20' 34.9175"E                      Easting: 536,329 mE
<b>Buru Energy's Interest</b>	Buru Energy Limited holds a 50% interest in the well and in EP428 and is the operator of the permit and the well.
<b>Date of Progress Report</b>	25 July 2019 (AWST)
<b>Proposed Total Depth</b>	+/- 2,400 metres MDRT
<b>Current Depth</b>	118 metres
<b>Commencement Date</b>	24 July 2019
<b>Days Since Commencement</b>	1 day
<b>Target Formation</b>	The objective of the well is conventional oil in potentially stacked Reeves Formation clastic reservoirs in a similar section to where oil was recovered at the Ungani Far West 1 well. The Anderson Formation clastic reservoirs are a deeper secondary conventional oil target below 1,800 metres.
<b>Operations Since Last Progress Report</b>	The well has been drilled ahead in 8-1/2 inch (216mm) hole to current depth of 118 metres. The current operation is drilling ahead to section TD of ~750-800 metres.
<b>Hydrocarbons Indications</b>	None – None expected.
<b>Forward Operations</b>	The surface casing string will be set at ~750-800 metres. The surface section is being drilled using a "drilling with casing" system which provides an efficient method of installing surface casing. The hole size is 8-1/2 inches (216 mm) with a 7 inch (178 mm) casing drilling string. The objective reservoir sections will be drilled in 6 inch (152 mm) hole size.



## Prospect Description

The Yakka Munga structure is a large regional high with multiple structural and geological targets. The structure has been well imaged by good quality 3D seismic data and the Adoxa 1 well will target the crest of the most well defined of the Reeves Formation closures.

The Reeves section at Adoxa is interpreted to contain in excess of 500 metres of seismically defined section that has not yet been drilled anywhere else in the basin. This provides the opportunity for multiple stacked reservoirs to be developed below a depth of approximately 1,100m.

The potential resources if hydrocarbons are present are interpreted to be substantial and importantly there are a number of follow-up structures in the area that are also defined by the 3D seismic grid.

The greater Yakka Munga structure has a number of other potential subsidiary closures and a large deeper closure in a down flank position that is interpreted to have Ungani Dolomite as its potential reservoir section. This will provide an attractive follow-up to a different reservoir target.

