ASX Announcement
3 November 2021

Operations Update – Rafael 1 exploration well

Buru Energy Limited (Buru Energy) is pleased to provide the following update on Buru Energy's Canning Basin Rafael 1 well drilling operations.

Operational

Since the last report the well has been drilled ahead in 8½ inch (216 mm) hole from the 9⅝ inch (244 mm) casing setting depth of 3,500 metres to the current depth of 3,872 metres. The current operation is pulling out of hole for a bit change and scheduled BOP test.

Geological

The well has penetrated the top of the seismically interpreted main objective carbonate section and has encountered interpreted Laurel Formation carbonates and shales overlying a section interpreted to be the Ungani Dolomite. Some 250 metres of potential objective section remain to be drilled below the current depth of the well.

A number of zones with hydrocarbon indications have been intersected as set out in the appended table. These hydrocarbon indications are interpreted from calculated gas wetness ratios to be light oil to wet gas in nature. The indications of hydrocarbons included mudgas increases, and increases in rate of penetration (ROP) which are normally associated with better reservoir quality.

Whilst these indications are encouraging, their significance and fluid composition will only be able to be determined following wireline logging and, where warranted, subsequent flow testing as approved by the joint venture.

Forward program

On the completion of current operations the well is planned to be drilled ahead to evaluate the remaining section that is identified on seismic to have further reservoir potential within the mapped Rafael closure.

Buru Energy's Executive Chairman Eric Streitberg commented:

"The presence of wet gas to light oil mudgas shows is encouraging, but wireline logs will be required to determine the significance of the indications we have seen to date. We have a way to go in the section yet, there is further potential deeper in the structure, and we intend to drill as much of the seismically prospective section as possible."

Authorisation

This ASX announcement has been authorised for release by Eric Streitberg, the Executive Chairman of Buru Energy.

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Qualified Petroleum Reserves and Resources Evaluator Statement

The statements in regard to hydrocarbon drilling results have been based on, and fairly represents, information and supporting documentation prepared by Mr Eric Streitberg who is a Qualified Petroleum Resources Evaluator.

Mr Streitberg who is an employee and Director of Buru Energy Limited 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.

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Appendix: Hydrocarbon Indications

Interpreted Formation	Interval (MD)	Hydrocarbon Indications	Comments
Upper Laurel Carbonate/ Sandstone	3532-3556m	Gas peaks up to 5.15% above a background of 0.5%.	Mudgas wetness ratios suggest the presence of wet gas to gas condensate. No significant hydrocarbon shows observed in drill cuttings. ROP's average 5m/hr with drilling breaks of up to 10m/hr.
Upper Laurel Carbonate	3598-3630m	Total gas of 18.6% above a background of 0.4%.	Mudgas wetness ratios suggest the presence of light oil to gas condensate. Minor hydrocarbon shows observed in drill cuttings. ROP's average 4-5m/hr with drilling breaks of up to 30m/hr
Ungani Dolomite Equivalent	3785-3798m	Gas influx of total gas of 26% from a background of 3.8%. Well shut in to circulate gas out with significant flare.	Mudgas wetness ratios indicate the presence of light oil to condensate. Minor hydrocarbon shows observed in drill cuttings. ROP's show significant drilling break of 16m/hr from an average of 6m/hr.

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