

ASX Announcement

20 December 2021

Buru Energy Spuds Ungani 8H Development Well

Buru Energy Limited (Buru Energy) is pleased to advise that the Ungani 8H development well was spudded at 17:00 hours on Saturday the 18th of December 2021 by the Ensign 963 drilling rig. Buru Energy as Operator and Roc Oil (Canning) Pty Ltd each have a 50% equity interest in the well and in the L20 Production Licence.

Location

The Ungani 8H well surface location is on Production License L20 some 700 metres to the north-northwest of the Ungani 1 and 2 wellheads and the Ungani Production Facility.

Well Objectives and Design

Ungani 8H is designed to access undrained oil reserves in a crestal location within the north eastern part of the central fault block (CFB) of the Ungani Field. The Ungani 6H and 6H ST/1 wells drilled in 2019 targeted the same culmination within the CFB but were unable to complete the planned horizontal reservoir section due to operational issues.

Ungani 8H is planned to intersect the Ungani Dolomite reservoir section at least 50 metres above the original oil water contact at a subsea depth of 2,065 metres. Ungani 6H and 6H/ST1 provide the closest offset well control with the reservoir intersection in Ungani 8H predicted to be some 50 metres laterally from the U6H/6HST1 intersections and some 550 metres laterally from the surface location.

Once the top of the Ungani Dolomite is intersected a casing string will be set and the well will then be drilled horizontally through the Ungani Dolomite reservoir section. The well will be completed "barefoot" without casing over the reservoir section to provide the optimum flow path and production volumes.

Operational

Key learnings from the Ungani 6H/ST1 operations have been incorporated into the planning for Ungani 8H, including drilling the well with larger hole and casing sizes than were used for Ungani 6H/ST1. This design provides contingency for additional casing strings and was successfully implemented for the Ungani 7H well.

The well is expected to take some 32 days to drill and complete.

Well operation updates will be provided as per ASX requirements.

Buru Energy's Executive Chairman, Eric Streitberg said:

"We are very pleased to be drilling a further development well on the Ungani Oilfield to take advantage of the current strong oil price environment. The well will also provide valuable information as to the remaining production potential of the field."

We have also planned the well carefully taking in to account our learnings from the Ungani 6 and 7 drilling campaign to ensure we have the potential for the best outcome from drilling the horizontal section of the well."

Authorisation

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

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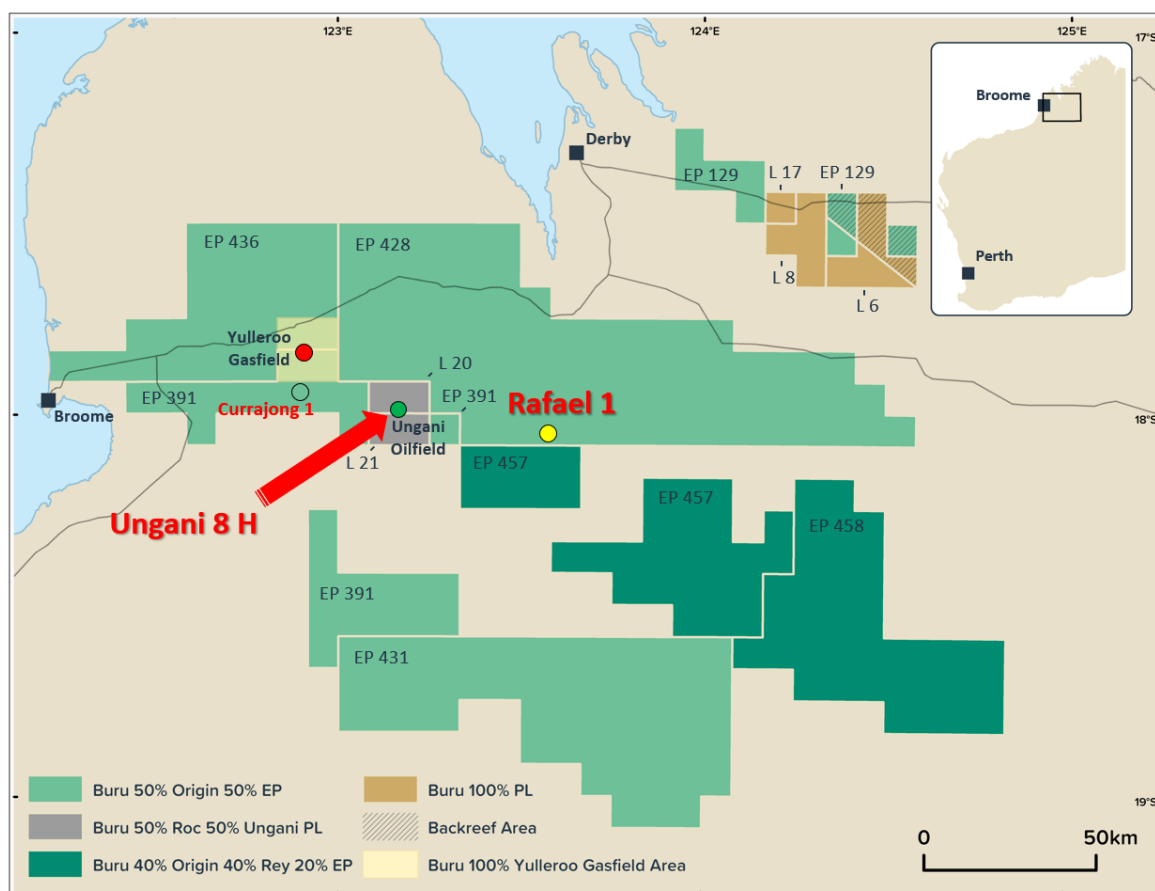
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Investor relations

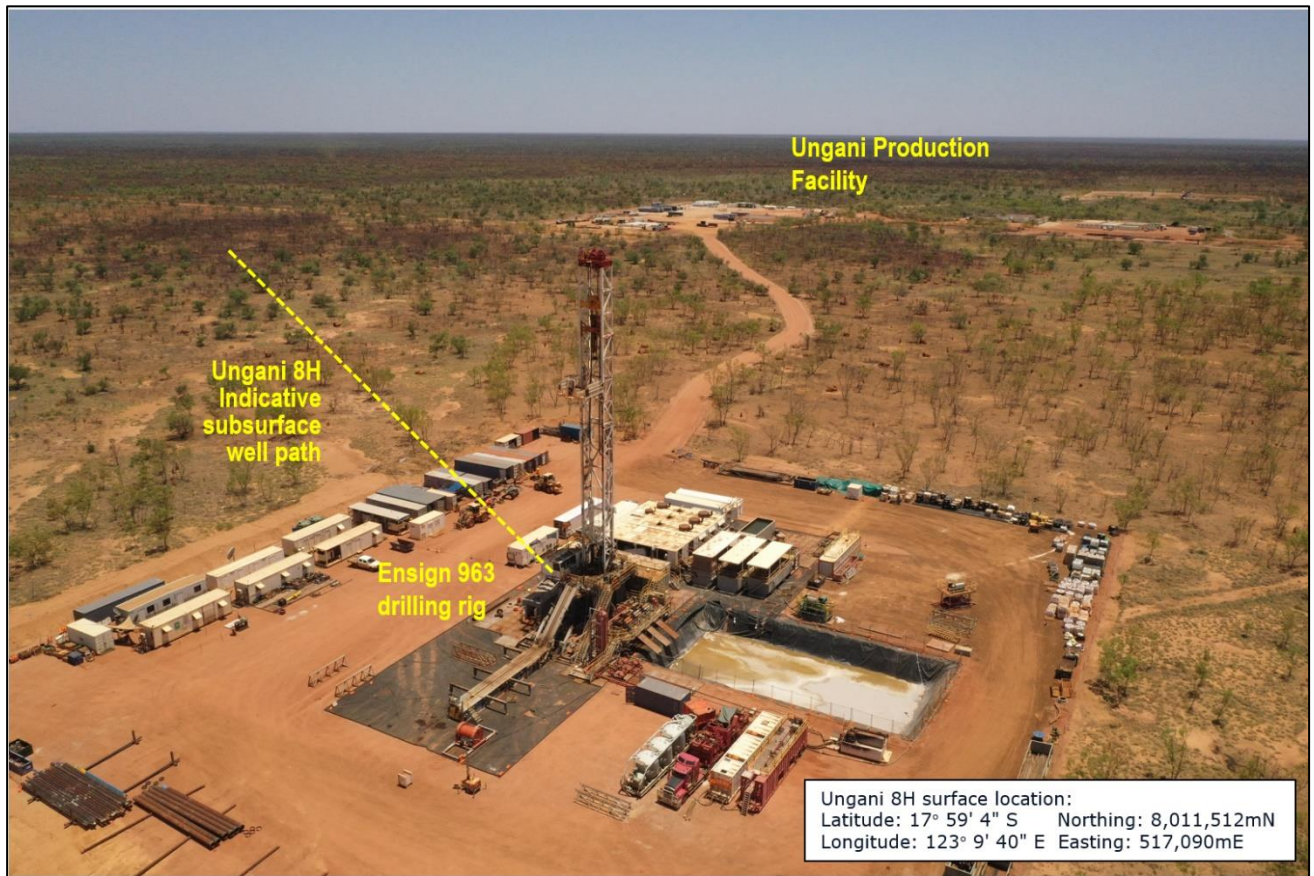
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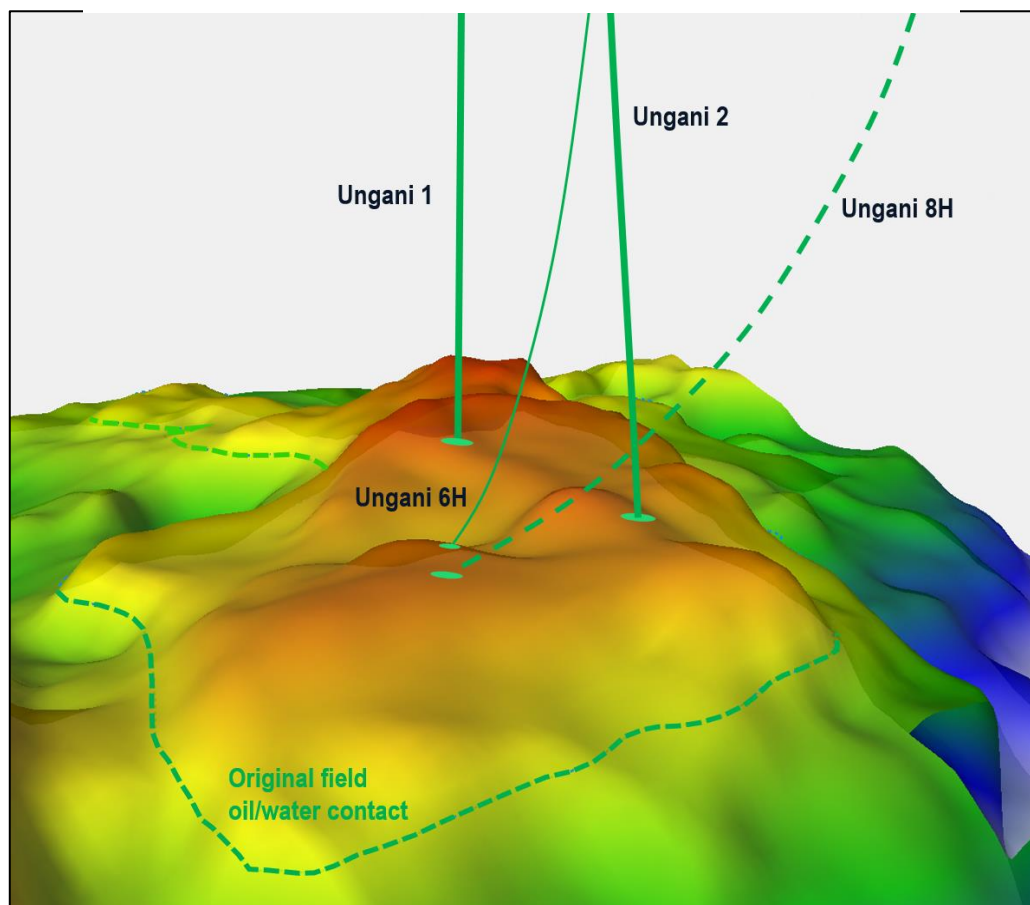
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Ungani 8H Location map



Ungani 8H location showing surface expression of well path



Ungani 8H well path