

## **ASX ANNOUNCEMENT (ASX: BRU)      18 November 2010**

### **WEEKLY DRILLING PROGRESS REPORT - PARADISE-1**

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Buru Energy Limited (“**Buru**” or “**Company**”) provides the following update on drilling operations at the Paradise-1 well as at 06:00 hrs, 18 November 2010 (AWST).

Paradise-1 is the third exploration well to be drilled in Buru’s 2010 Canning Superbasin drilling program, and the first in the Joint Exploration Program with Mitsubishi Corporation (“**MC**”). The well is located in exploration permit EP 428, on the boundary with EP 371. Buru holds a 60% interest in the well and in EP 428 and EP 371, with MC holding the remaining 40% interest under the terms of the farmin agreement between Buru and MC.

Since the last report on 11 November drilling has continued to a depth of 1,119 metres, with continued lost circulation and continued efforts to cure the lost circulation. These efforts have been partially successful and the current plan is to drill ahead to the first primary objective, log the hole and set 7 inch casing. Despite the losses and lost circulation material added to the hole, oil has continued to be observed over the shakers when circulation is recommenced and coating the drill pipe when pulling out of the hole. The origin of the oil and its significance cannot be determined at this time.

In accordance with its policy of releasing weekly drilling progress reports, the Company expects to issue a further drilling progress report on 25 November 2010, subject to any material events occurring in the meantime.

This release and further information on the company is available at:  
[www.buruenergy.com](http://www.buruenergy.com)

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Yours faithfully



**ERIC STREITBERG**  
**Executive Director**

## PARADISE-1

<b>PERMIT</b>	The Paradise-1 well is located in exploration permit EP 428, on the boundary with EP 371. A map showing the location of the well is set out below.
<b>WELL LOCATION</b>	17° 59' 59.6" S 124° 34' 35.5" E
<b>JOINT VENTURE INTEREST</b>	Buru holds a 60% interest in the well and in EP 428 and EP 371, with MC holding the remaining 40% interest under the terms of the farmin agreement between Buru and MC.
<b>DATE OF PROGRESS REPORT</b>	06:00 hrs, 18 November 2010 (AWST)
<b>PROPOSED TOTAL DEPTH</b>	2,500 metres
<b>CURRENT DEPTH (06:00 hours)</b>	1,119 metres
<b>PROGNOSED TIME TO TOTAL DEPTH</b>	38 days
<b>SPUD DATE</b>	18 October 2010
<b>DAYS SINCE SPUD</b>	31 days
<b>CURRENT TARGET FORMATION</b>	The Paradise-1 well is targeting sands of the Anderson and Laurel Formations.
<b>OPERATIONS SINCE LAST PROGRESS REPORT</b>	Pumped LCM sweeps and slugs to attempt to cure lost circulation. Drilled to 1,119 metres with continued losses.
<b>HYDROCARBON INDICATIONS</b>	Intermittent returns to surface. Oil has continued to be observed over the shakers when circulation is recommenced and coating the drill pipe when pulling out of the hole.
<b>FORWARD OPERATIONS</b>	If circulation can be maintained the well will be drilled ahead to the first primary objective. If further losses are encountered, a suitable casing point will be selected and the well will be logged and cased and then drilled ahead to the first primary objective.

### PARADISE-1 LOCATION MAP

