

## **ASX ANNOUNCEMENT (ASX: BRU) 11 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, 11 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 4 November additional cement plugs have been run in continuing attempts to cure the lost circulation in the Grant Formation. This process now appears to have been sufficient to allow drilling to continue with intermittent returns, and the well is currently preparing to drill ahead. Although circulation has been intermittent, oil was observed over the shakers when the well was circulated at 908 metres. Given that there has been no significant cuttings returns during the drilling out of the cement plugs, the origin of the oil and its significance cannot be determined at this time. The forward plan if circulation can be maintained is to drill 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. .

In accordance with its policy of releasing weekly drilling progress reports, the Company expects to issue a further drilling progress report on 18 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, 11 November 2010 (AWST)
<b>PROPOSED TOTAL DEPTH</b>	2,500 metres
<b>CURRENT DEPTH (06:00 hours)</b>	926 metres
<b>PROGNOSED TIME TO TOTAL DEPTH</b>	38 days
<b>SPUD DATE</b>	18 October 2010
<b>DAYS SINCE SPUD</b>	24 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>	Attempt to cure mud losses by setting cement plugs. Drilled out cement plugs with intermittent returns/circulation. Pumped LCM sweeps and slugs to attempt to cure lost circulation. Drilled out remaining plugs, pumped LCM slugs. Drilled to 926 metres (2 metres of new formation).
<b>HYDROCARBON INDICATIONS</b>	Intermittent cement returns to surface. Oil over the shakers after circulating at 908 metres.
<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

