



Buru Energy Limited
ABN 71 130 651 437
Level 1, 418 Murray Street
Perth, Western Australia 6000
PO Box 7794, Perth
Cloisters Square WA 6850
Ph: 61-8 9215 1800
Fax: 61-8 9215 1899
www.buruenergy.com

ASX ANNOUNCEMENT (ASX: BRU) 28 October 2010

WEEKLY DRILLING PROGRESS REPORT PARADISE-1

Buru Energy Limited (“**Buru**” or “**Company**”) provides the following update on drilling operations at the Paradise-1 well as at 06:00 hrs, 28 October 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 21 October the well has been drilled ahead to 771 metres.

In accordance with its policy of releasing weekly drilling progress reports, the Company expects to issue a further drilling progress report on 4 November 2010, subject to any material events occurring in the meantime.

Further information on the company is available at: www.buruenergy.com

For inquiries please contact:

Eric Streitberg Executive Director
Telephone: +61 8 9215 1800
Freecall: 1800 337 330
Email: ericstreitberg@buruenergy.com

Yours faithfully

A handwritten signature in black ink, appearing to read "Eric Streitberg", written over a white background.

ERIC STREITBERG
Executive Director

PARADISE-1

PERMIT	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.
WELL LOCATION	17° 59' 59.6" S 124° 34' 35.5" E
JOINT VENTURE INTEREST	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.
DATE OF PROGRESS REPORT	06:00 hrs, 28 October 2010 (AWST)
PROPOSED TOTAL DEPTH	2,500 metres
CURRENT DEPTH (0:600 hours)	771 metres
PROGNOSED TIME TO TOTAL DEPTH	38 days
SPUD DATE	18 October 2010
DAYS SINCE SPUD	10 days
CURRENT TARGET FORMATION	The Paradise-1 well is targeting sands of the Anderson and Laurel Formations.
OPERATIONS SINCE LAST PROGRESS REPORT	Drilled ahead to 771 metres. Encountered several lost circulation zones in unconsolidated sands. Attempt to cure mud losses.
HYDROCARBON INDICATIONS	None.
FORWARD OPERATIONS	After curing lost circulation the well will be drilled ahead to the first primary objective.

PARADISE-1 LOCATION MAP

