

ASX ANNOUNCEMENT (ASX: BRU) 10 October 2011

Buru's Canning Superbasin Exploration Footprint Expands

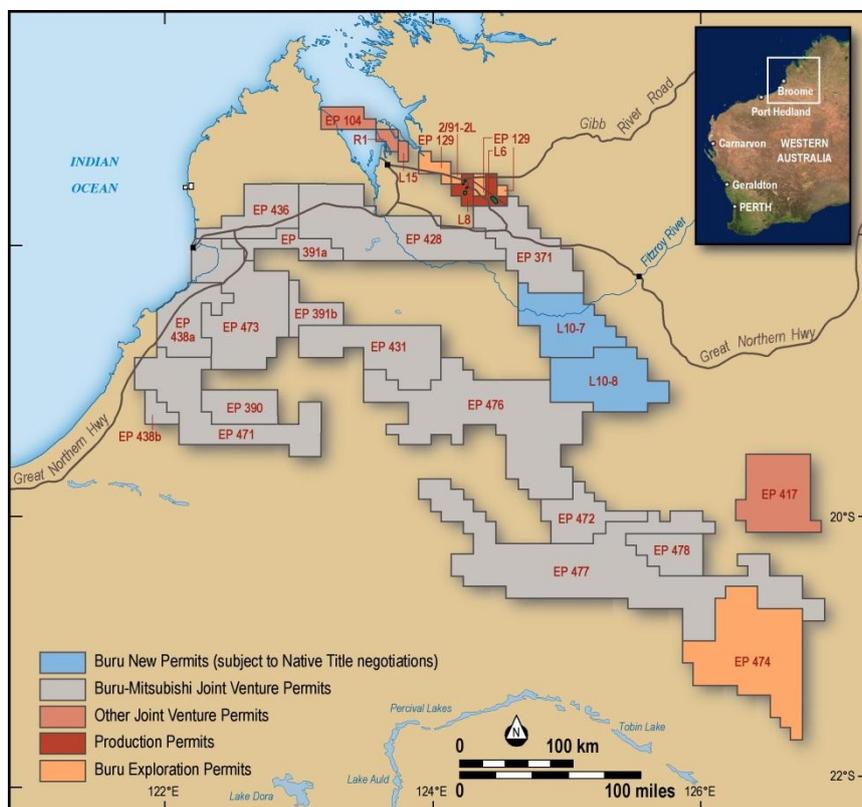
Buru Energy Limited ("**Buru**" or "**Company**") is pleased to announce that the Company is the preferred applicant for two additional petroleum exploration permits in the Canning Superbasin, L10-7 and L10-8.

The permits provide additional exposure to the exploration trends identified in the Paradise-Valhalla area to the north in EP 371, including the shallow oil plays seen in the Paradise and Valhalla wells, and the Laurel Formation tight gas play, together with a number of other exploration plays that have been developed by Buru.

Although little systematic exploration has previously been carried out in the area of these new permits, Buru's review of the existing data has identified a number of focus areas which will be the subject of early exploration once the permits are formally granted.

The permits will provide a very important addition to Buru's portfolio, bringing its net equity acreage position in the Canning Superbasin to a total of some 48,000 sq km (~11.9 million acres).

Canning Superbasin showing location of L10-7 and L10-8



The offer of the two new permits by the Department of Mines and Petroleum was the result of a competitive bid process. Final award of the permits is subject to completion of negotiations with Traditional Owners under the *Native Title Act 1993* (Cth).

Commenting on Buru's status as preferred applicant, Buru's Executive Director, Eric Streitberg, said:

"We are extremely pleased to have been the successful bidder in what we understand was a highly competitive bid round. The bid criteria include work program elements, technical competence and financial capacity, and Buru's successful bid reflects its strong and unique track record in "money in the ground" exploration in the Canning Superbasin.

Buru has a diverse and attractive portfolio in the Canning Superbasin that these new permits complement. The portfolio includes significant exposure to the Goldwyer Shale play, as well as proven resources at the Yulleroo wet gas field, very large potential resources in the Laurel Formation tight gas play and the new play type defined by the Ungani-1 well.

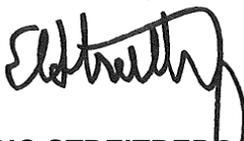
The increased interest in the basin being shown by major international companies is a reflection of Buru's confidence that the Canning Superbasin's time has come, and we look forward to delivering the exploration results from our aggressive exploration and appraisal programs including those on these new permits."

This release and further information on the Company is available on the Buru website 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



ERIC STREITBERG
Executive Director