

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) 16 October 2008

Lawford 1 Well – Drilling Update

Please find attached release made by the operator, New Standard Energy for the Lawford 1 Well Drilling Update.

Buru has a 35% participating interest in this well with an option to earn an additional 15% interest.

Further information on the company is available on the Buru website at: <u>www.buruenergy.com</u>

For inquiries please contact:

Adrian Cook	Managing Director
Telephone	+61 8 9215 1800
Freecall	1800 337 330
Email	adriancook@buruenergy.com

Yours faithfully,

ADRIAN COOK Managing Director



16th October 2008

ASX Announcement

LAWFORD 1 WELL DRILLING UPDATE (ASX: NSE)

New Standard Energy Ltd (**NSE**) is pleased to provide the attached drilling update for the Lawford 1 well currently being drilled on EP417. The Lawford 1 well was at a depth of 1,050m as at 06:00hrs this morning and drilling currently continues ahead in 8 $\frac{1}{2}$ " hole. From correlation with the offset wells of Bindi 1 (35km away) and Kilang Kilang 1 (57km away) the well is drilling ahead in the lower Grant shale/sand sequence. The Grant formation section is thicker than predicted and as a result, the expected top of the Anderson formation will be lower than originally prognosed. At this stage the well remains ahead of expectations in terms of drilling progress as can be seen from the attached time depth curve.

The Lawford 1 well is targeting the reservoir sands of the Anderson Formation and the Laurel Formation. The Lawford 1 well is testing a very large basin-centred anticlinal structure with in excess of 150 metres of vertical closure. The structure has an areal extent of more than 69 square kilometres. The large size of the Lawford structure means it has the potential to contain very significant volumes of oil and gas if hydrocarbons are present. Conservative volumetric calculations suggest that if hydrocarbons are present, the structure could hold in excess of 500 BCF of recoverable gas or some 440 million barrels of oil in place

Further drilling updates will be provided in due course.

Lawford 1 participants:

New Standard Energy Ltd	65%
Buru Energy Ltd	35%

For further information please contact:

Sam Willis	Dr Mark Hagan
Managing Director	Technical Director
Ph: + 618 9481 7477	Ph: + 618 9481 7477
email: swillis@newstandard.com.au	email: mhagan@newstandard.com.au

Competent Person: The information in this announcement is based on information compiled and reviewed by Dr Mark Hagan (BSc Hons, PhD) who is a Petroleum Geologist and Geophysicist with more than 35 years experience in the industry. Dr Hagan is Technical Director of New Standard Energy and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ground Floor, 30 Richardson St, West Perth WA 6005 | PO Box 1542, West Perth WA 6872 T: +61 8 9481 7477 | F: +61 8 9486 7670 | www.newstandard.com.au

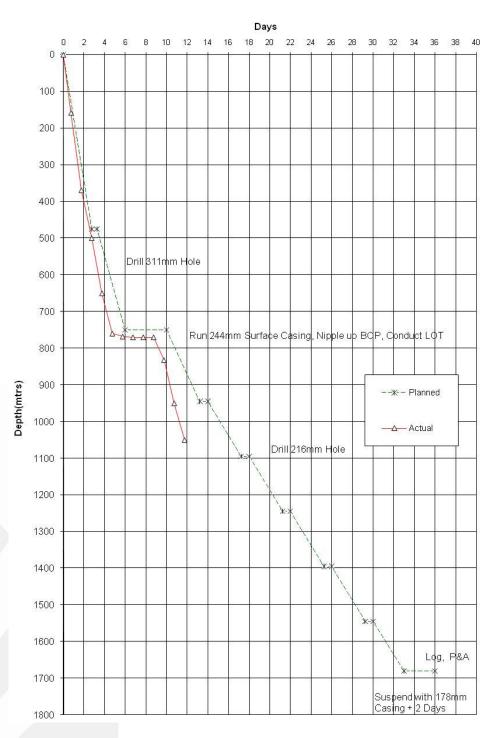


ASX RELEASE

Lawford I Petroleum Exploration Well EP 417, Canning Basin, Western Australia

Permit:	EP417, Canning Basin, Western Australia
Well Name:	Lawford 1
Drilling Rig:	ADS rig 6
Report Period:	06:00 hrs Monday 13 October to 06:00hrs Thursday 16 October
Spud Date:	12:30 hrs, Saturday 4 October '08
Well Location:	19° 50′ 38″ S 126° 37′ 50″ E
Elevation:	286m above sea level
Proposed Total Depth:	1,650m
Primary Targets:	Anderson sands Laurel sands
Present Depth:	1,050m as at 06:00 hrs on Thursday 16 October '08
Operations Since Last Report:	Drilled out casing shoe and drilled ahead from a depth of 770m in the upper Grant shales to 1,050m as at 06:00hrs on Thursday 16 October.
Current Operations:	Drilling ahead in 8 $\frac{1}{2}$ " hole through the Lower Grant for the sandstones reservoir targets of the Anderson and Laurel formations.
Hydrocarbon Indications:	Trace background gas
Well Participants:	65% New Standard Energy Ltd 35% Buru Energy Ltd
Comments:	The Grant formation section is thicker than predicted and as a result the expected top of the Anderson formation will be lower than originally prognosed.

Ground Floor, 30 Richardson St, West Perth WA 6005 | P0 Box 1542, West Perth WA 6872 T: +61 8 9481 7477 | F: +61 8 9486 7670 | www.newstandard.com.au



Lawford 1 Time Depth Curve

Ground Floor, 30 Richardson St, West Perth WA 6005 | P0 Box 1542, West Perth WA 6872 T: +61 8 9481 7477 | F: +61 8 9486 7670 | www.newstandard.com.au