

ASX ANNOUNCEMENT (ASX: BRU) 25 November 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, 25 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 18 November drilling has continued to a depth of 1474 metres, with continued mud losses. The first primary objective is expected to be encountered during the next week and at that point the intention is to continue drilling to a suitable casing seat, log the hole and then set 7 inch casing. During the week oil has continued to be observed over the shakers while drilling. 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 2 December 2010, subject to any material events occurring in the meantime.

This release and 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



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, 25 November 2010 (AWST)
PROPOSED TOTAL DEPTH	2,500 metres
CURRENT DEPTH (06:00 hours)	1474 metres
PROGNOSED TIME TO TOTAL DEPTH	38 days
SPUD DATE	18 October 2010
DAYS SINCE SPUD	38 days
CURRENT TARGET FORMATION	The Paradise-1 well is targeting sands of the Anderson and Laurel Formations.
OPERATIONS SINCE LAST PROGRESS REPORT	Drilled to 1474 metres with continued losses.
HYDROCARBON INDICATIONS	Oil has continued to be observed over the shakers.
FORWARD OPERATIONS	The first primary objective is expected to be encountered during the next week and at that point the intention is to continue drilling to a suitable casing seat, log the hole and then set 7 inch casing.

PARADISE-1 LOCATION MAP

