

## **ASX ANNOUNCEMENT (ASX: BRU)      13 December 2010**

### **OPERATIONS PROGRESS REPORT - PARADISE-1 & YULLEROO-2**

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Buru Energy Limited ("Buru" or "Company") provides the following update on operations as at 06:00 hrs, 13 December 2010 (AWST).

#### **Paradise-1**

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. Following MC's decision to participate in Buru's 2011 exploration program, each of Buru and MC hold a 50% interest in the well and in EP 428 and EP 371.

Since the last report on 9 December a number of attempts have been made to undertake an inflate straddle drill stem test ("DST") of the interpreted oil zone over the interval 902.5 to 910.9 metres in the Lower Grant Formation. Due to failures with equipment supplied by the Company's contractors a successful test has not yet been completed. Additional testing equipment has now been mobilised to site and further attempts will be made to undertake the DST across the next 48 hours.

At the completion of the DST, 7 inch casing will be run and the well suspended, due to the imminent onset of the wet season.

#### **Yulleroo-2**

The well flowback operation has been continued with intermittent gas flows and continued flow of frac fluid. A total of approximately 3,200 bbls of frac fluid have now been recovered and the well continues to clean up with the results of the clean up flow being subject to ongoing analysis.

Further results and an update on the forward program will be made available once the flowback period has been completed.

This release and further information on the company is available at: [www.buruenergy.com](http://www.buruenergy.com)

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