



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) 31 May 2010

DRILLING PROGRESS REPORT FAIRWELL-1

Buru Energy Limited (“**Buru**” or “**Company**”) provides the following update on drilling operations at the Fairwell-1 well as at 06:00hrs, 31 May 2010 (AWST). Buru holds a 100% interest in this well.

Since the last progress report the Fairwell-1 well has been drilled ahead from a depth of 716m to a depth of 1,253m.

The top of the first objective section in the well, the Grant Formation Sands, was encountered close to prognosis at 843 metres drill depth. No significant hydrocarbons have been encountered in this section.

The well is now being drilled ahead to the second objective in the well, the Yellow Drum Formation, at a prognosed depth of 1,520 metres. This operation is expected to take approximately three days.

In accordance with its policy of releasing weekly drilling progress reports, the Company expects to issue a further drilling progress report on 3 June 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

FAIRWELL-1

PERMIT	The Fairwell-1 well is located in production licence L8. A map showing the location of the well is set out below.	
WELL LOCATION	17° 32' 38.71"S 124° 18' 58.24"E	8059770.025N 639697.826E
BURU'S INTEREST	Buru Energy Limited holds a 100% interest in the well.	
DATE OF PROGRESS REPORT	0600 hrs, 31 May 2010 (AWST)	
PROPOSED TOTAL DEPTH	1,800m	
CURRENT DEPTH	1,253m	
PROGNOSED TIME TO TOTAL DEPTH	18 days	
SPUD DATE	18 May 2010	
DAYS SINCE SPUD	13 days	
CURRENT TARGET FORMATION	Dolomitic limestones of the Yellow Drum Formation at 1,520 metres.	
OPERATIONS SINCE LAST PROGRESS REPORT	The well was drilled ahead from 716m to 1,253m in 8½" hole.	
HYDROCARBON INDICATIONS	No significant shows.	
FORWARD OPERATIONS	The well will now be drilled ahead to the top of the second objective in the well, the Yellow Drum Formation, at an estimated depth of 1,520 metres.	

LOCATION MAP - FAIRWELL-1

