



Buru Energy Limited
ABN 71 130 651 437
Level 2, 97 William 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)

29 July 2011

Sale of Securities by AWE

Buru Energy Limited (“**Buru**” or “**Company**”) has today been advised that AWE Limited (“**AWE**”) through its wholly owned subsidiary ARC Energy Limited (“**ARC**”) has sold all of its 24,316,543 ordinary shares held in Buru. This represents 13.30% of the total number of Buru ordinary shares on issue. Buru was demerged from ARC immediately prior to the merger between AWE and ARC on 25 August 2008. AWE acquired the Buru shares as a result of this transaction.

The shares were sold at a price of \$0.70 per share. This is in line with the Company’s average closing price for the past 30 trading days.

Buru understands that this sale is as a result of AWE’s previously announced corporate review. The Company thanks AWE for its support over the past three years.

Buru understands that AWE’s shares have been sold to a number of institutions and high net worth individuals both in Australia and overseas. The Company welcomes its new shareholders and looks forward to continued growth in the value of the Company through appraisal of the recent significant Valhalla-2 wet gas discovery, further appraisal of the Yulleroo-2 wet gas field and the ongoing exciting 2011 exploration drilling program.

For inquiries please contact:

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| Eric Streitberg | Executive Director |
| Telephone | +61 8 9215 1800 |
| Freecall | 1800 337 330 |
| Email | ericstreitberg@buruenergy.com |

Yours faithfully

A handwritten signature in black ink, appearing to read "Eric Streitberg", written over a white background.

ERIC STREITBERG
Executive Director