

21 October 2012

The Manager
Australian Securities Exchange
Company Announcements Office
Level 4/20 Bridge Street
SYDNEY NSW 2000

Dear Sir

RE: EP438 –CYRENE-1 UPDATE

We attach herewith an ASX Announcement for Investors regarding activities of Cyrene-1 on EP438.

The Parties to the EP438 Exploration Permit are:

Buru Energy Limited	2.5%
Mitsubishi Corporation (Diamond Resources (Canning) Pty Ltd)	2.5%
Key Petroleum Ltd (Gulliver Productions Pty Ltd)	76.0%
Indigo Oil Pty Ltd	19.0%

Regards



KANE MARSHALL
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ASX AND MEDIA ANNOUNCEMENT

21 October 2012

INVESTOR UPDATE ON EP438 ACTIVITIES

EP438, Canning Basin, Western Australia

The current interests in the EP438 Exploration Permit are:

<i>Buru Energy Limited</i>	2.5%
<i>Diamond Resources (Canning) Pty Ltd</i>	2.5%
<i>Gulliver Productions Pty Ltd</i>	76.0%
<i>Indigo Oil Pty Ltd</i>	19.0%

These interests will change pursuant to a farmin agreement between Buru Energy Ltd, Indigo Oil Pty Ltd and Gulliver Productions Pty Ltd to drill Cyrene-1. Following the satisfaction of the obligations under that farmin agreement, the interests in the EP438 Exploration Permit will be as follows:

<i>Buru Energy Limited</i>	37.5%
<i>Diamond Resources (Canning) Pty Ltd</i>	37.5%
<i>Gulliver Productions Pty Ltd</i>	20.0%
<i>Indigo Oil Pty Ltd</i>	5.0%

Buru and the other joint venture participants have delegated to Gulliver Productions Pty Ltd the role of Operator for the sole purpose of executing and completing the Drilling Program for the Cyrene-1 well (EP438). The EP438 joint venture is currently looking to contract a rig to drill Cyrene-1 and further details will follow shortly.

Competent Persons Statement

Information in this ASX Release relates to information compiled by Mr Kane Marshall. Kane Marshall is a Practising Petroleum Engineer and holds a BSc (Geology), a BCom (Inv & Corp Fin) and a Masters Petroleum Engineering. He is a member of the Society of Petroleum Engineers (SPE) and the American Association of Petroleum Geologists (AAPG).

For further information, please contact:

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