Trading Update

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Burford Capital
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Burford Capital Announces Continued Investment Progress

Burford Capital Limited ("Burford" or the "Company"), the world's largest dispute financier, is pleased to report on its further progress since the Company's previous update on 23 March 2011.

Investment Highlights

- More than $165 million of capital committed to date in 29 investments
    - More than $26 million in new capital commitments across four investments made in the last three months
- Short duration portfolio continues to progress since our last report
    - There has been a favorable resolution of the litigation in a short duration matter. That resolution removes litigation risk from the investment, although Burford's counterparty has not yet

received any proceeds and thus timing and collection risk remains. Burford's $6 million investment in this matter, made in September 2010, entitles the Company to a return of at least 50% today, with that return rising over time until Burford receives proceeds.

- Two arbitration matters have completed their final merits hearings and are awaiting decision.
- One litigation matter has a firm trial date next month.
- Thus, of the eight matters currently in the short duration portfolio - in addition to two prior matters that have been fully resolved and proceeds received - the status is as follows:
  - Favorable resolutions, awaiting funds: 2 matters
  - Positive trial result: 1 matter
  - Positive appeal result: 1 matter
  - Merits hearing completed, awaiting decision: 1 matter
  - Trial date next month: 1 matter
  - Litigation continuing: 1 matter
  - Previously identified as likely to disappoint: 1 matter

Portfolio Information

Burford's current investment portfolio is as shown in the table below. [1]

Portfolio Type	**Total Investments**	**Total Capital Committed**[2]
Short duration	8	$38 million
Core	16	$96 million
Special Situations	3	$21 million[3]

Burford continues to see strong demand for its capital with an active pipeline of potential investments of widely varying size and duration.

Additions to Burford Group's Team

Burford Group, the Company's investment adviser, has recently announced a further addition to its industry-leading team. Joseph Cheavens, a highly experienced litigator, former Chairman of the Baker Botts litigation department and member of the firm's Executive Committee, has joined Burford Group to

focus on the Texas market. Baker Botts is a Texas institution, founded there in 1840; it has since expanded to be a leading international law firm with 725 lawyers around the world.

Industry Developments

Litigation finance continues to receive significant media attention in both the United Kingdom and the United States. The Company was pleased to note that the prestigious New York City Bar Association, in response to the ongoing media attention, undertook its own study of litigation finance and concluded that "non-recourse litigation financing is on the rise, and provides to some claimants a valuable means for paying the costs of pursuing a legal claim" and that it is "not unethical" for lawyers to be involved in litigation financing arrangements. Reuters described the development as: "New York City Bar gives thumbs up to litigation funding".

Annual Report

Pursuant to AIM Rule 20, the Company advises that it has sent the Company's Annual Report for the year ended 31 December 2010 to shareholders. The report may also be viewed on the Company's website at www.burfordcapital.com.

Semi-Annual Report and Investment Update

The Company anticipates releasing its results as at 30 June 2011 in early September. At the same time, the Company will provide a further update on its investment activities covering the period up until the date of that release, as is its usual custom.

The Company notes that law firms tend to be less focused on closing investments in the summer and as a result anticipates lower than normal investment activity in its next report given both the short reporting period and the summer months. Nevertheless, the Company has a robust pipeline of investment opportunities and reaffirms its prior guidance about its intention to deploy its total capital raised by mid-2012.

Christopher Bogart, Chief Executive Officer of Burford Group, commented:

"We are very pleased with where Burford stands today. We provide investors with market-leading portfolio diversification and a strong team, the results of which are showing themselves both in our continued deployment of capital and ongoing performance of the portfolio."

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About Burford Capital

Burford Capital's strategy is to create and manage a portfolio of commercial dispute financing investments diversified by duration, claim type, geography and a number of other variables, with the aim of providing shareholders with attractive levels of dividends and capital growth. The Company expects returns to be uncorrelated to general equity market performance.

In the short term, the Company's focus is on commercial disputes in the United States and on international arbitration matters; in the medium term, the Company may expand its focus to other attractive and suitable jurisdictions.

Burford Group Limited acts as Investment Adviser to the Company. www.burfordgroupltd.com

[1] The Company reports "topline" total gross capital commitments (now in excess of $165 million) without deduction for realizations, subsequent participations or other changes, and also provides more detailed current portfolio information in this chart which is net of realizations, participations and other changes.

[2] It should be noted that when Burford enters into agreements to fund international arbitration matters, one of its core areas of business, it typically does so using a form of agreement that commits the claimant to Burford irrevocably on agreed terms but provides a period of further case development during which Burford is free to withdraw unilaterally from the agreement with no penalty and usually without having expended any capital. This approach is desirable because it ensures that Burford does not expend undue time and resources on intensive diligence without being sure that it can fund the case on agreed terms once the diligence is completed. As a result, although the Company reports matters once definitive agreements have been signed, there remains the possibility that in some matters Burford will elect not to proceed in light of further information learned during the case development period. One matter, with a $4 million commitment, is presently in this case development period.

[3] The special situations portfolio includes an investment made in October 2010 and reported in Burford's November 2010 portfolio update with a total commitment of $15 million. Burford subsequently sold a participation in that investment to a third party for $4 million and has thus reduced the capital commitment shown here accordingly.

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