

Quarterly Report

31 December 2024



Buru Energy Limited

ASX:BRU

Buru Energy Limited (Buru, Company) provides the Quarterly Report for the period ending 31 December 2024.

Quarter Highlights

- Rafael Project partnering discussions on track to deliver commercial agreements in 1Q 2025.
- Enhanced subsurface imaging of Rafael accumulation, and the Ungani Dolomite reservoir has increased confidence of the in-place resources to support the Rafael Project.
- Planning underway for on-ground activity in 2025 to provide additional confidence in Rafael well productivity and flow assurance.
- Engagement with third parties for potential oil offtake and sales have continued to support the recommencement of oil production from the Ungani Oilfield.
- On schedule to divest subsidiary companies 2H Resources and Battmin in 1Q 2025.
- Comprehensive business review completed, delivering up to \$3 million reduction in annual expenditure.

Capital Structure

Shares on issue:	779.4 million
Market capitalisation ¹ :	\$44 million
Cash ² :	\$7.9 million
Debt:	Nil
12-month high:	12.5c
12-month low:	3.2c

1. As at 20 January 2025

2. As at 31 December 2024

Chief Executive Officer's comments

"Buru Energy finished the year with a very clear focus. This is to do all that is needed to deliver its 100% owned Rafael Project, which is the most value accretive pathway for the Company and the stakeholders.

As the only proven conventional gas and liquids resource in the greater Kimberley region, developing Rafael is a unique opportunity for the Company to build a foundation energy business to supply an established and growing regional energy market.

The Rafael Project is forecast to generate long term annual cashflows that are in excess of the Company's current market capitalisation in less than three years from now, and it provides opportunities for regional development through the provision of a cost competitive, secure source of dispatchable energy.

The Company has undertaken a review of its portfolio during the quarter and implemented measures to ensure its resources and capital are prioritised to the delivery of the Rafael Project.

The review has delivered a forecast reduction of up to \$3 million in annual expenditure through the planned near-term divestment of the 2H Resources and Battmin subsidiary company assets, Canning Basin acreage rationalisation and headcount and operating cost reductions.

I thank our shareholders for their support as we look forward to a productive and value accretive 2025."

Thomas Z Nador

Chief Executive Officer



Activities during the Quarter

Rafael Gas and Condensate Asset

(EP 428 – Buru 100%; EP 457 – 60% Buru as Operator and 40% Rey Resources.)

Rafael Project Development

Buru is focused on generating an increase in shareholder value through the establishment of a Kimberley based gas and liquids business to deliver long term annual cashflow from late 2027 that is in excess of Buru’s current market capitalisation.

Rafael is uniquely positioned. It is the only proven conventional gas and liquids domestic resource located in the greater Kimberley region. The Rafael Project is targeting the replacement of long-haul trucked or imported fuel used for power generation in the region with a local source of trucked Liquefied Natural Gas (LNG) and liquids. This provides a cost competitive, secure and emissions reduced source of dispatchable energy for the region.

Final Investment Decision (FID) for the Rafael Project is planned for late 2025 with production scheduled to commence in 2H 2027. This opportunity will enable Buru to establish itself as the sole future gas and liquids energy producer and supplier in the Kimberley Region. This timeline to commence production aligns with the Western Australian State Government’s plans to overhaul the Kimberley energy system by 2028.

With the Rafael development concept selection now complete, Buru’s Q1 2025 priority is to secure commercial agreements for the Rafael Project development and gas and liquids offtake.

Discussions with several parties are underway, including potential customers, LNG facility builders, owners and operators. The discussions include funding facilities and customers seeking supply from late 2027/early 2028. Buru is targeting the execution of commercial agreements in 1Q 2025.

Figure 1 below illustrates the Rafael Project development timeline which is subject to future discussions with potential asset partners, offtake arrangements, land access, regulatory approvals and capital availability.

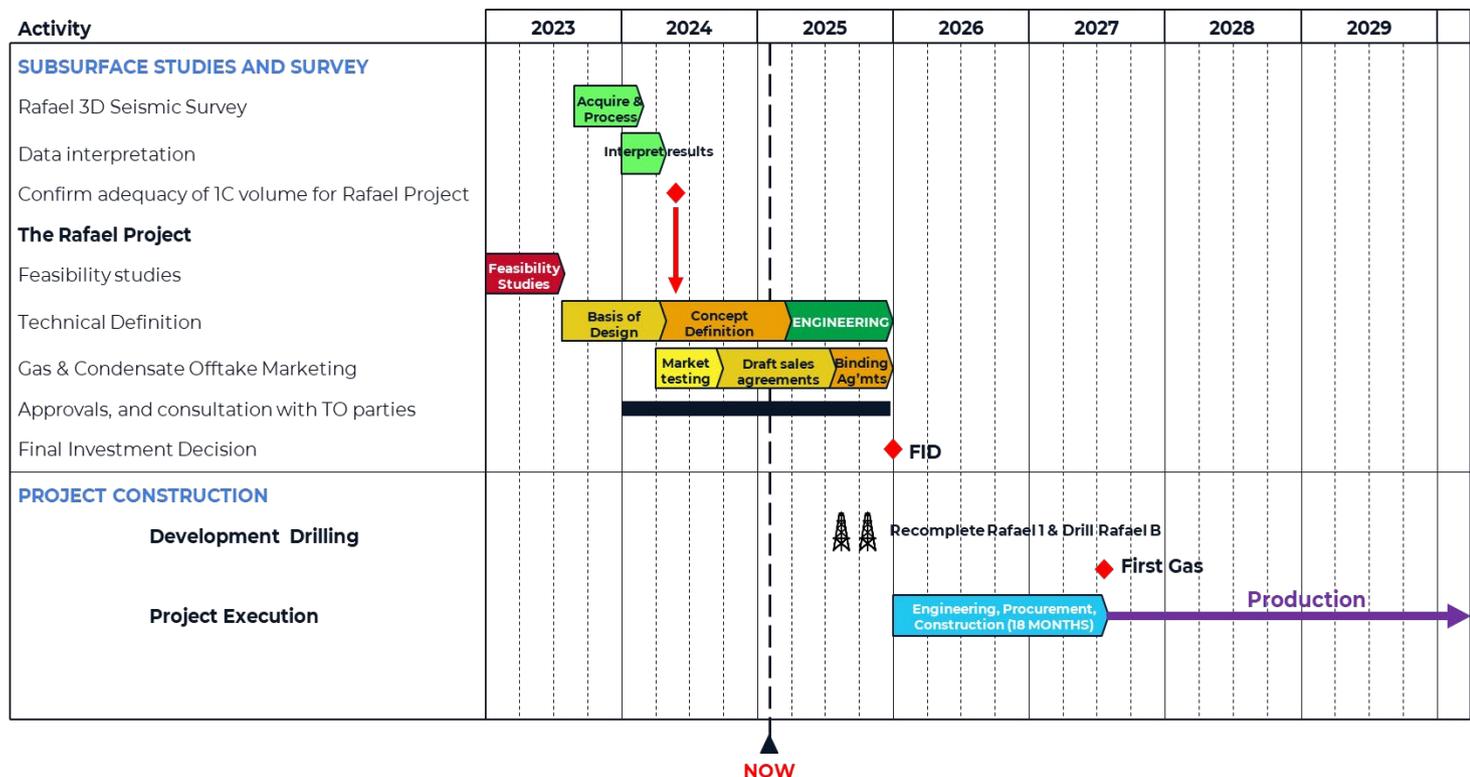


Figure 1 Rafael Project Development Timeline



Rafael Subsurface

Further geological and geophysical work to support the development of the Rafael Project continued during the quarter.

Further production testing of the original Rafael 1 well and potentially drilling of a second well (Rafael B) is planned for the 2025 Kimberley operating season. The drilling program will provide additional confidence in well productivity and flow assurance to support the Rafael Project.

Several studies have recently been completed which support the characterisation of the Ungani Dolomite reservoir and aid development planning for the Rafael Project.

- An Amplitude versus Offset (AVO) compliant prestack time migration (PSTM) and prestack depth migration (PSDM) of the Rafael 3D seismic dataset. This has enhanced the imaging of the Ungani Dolomite reservoir and increased confidence in the estimates of the in-place resources.
- A 3D inversion dataset and rock physics study has been completed over the core of the Rafael 3D seismic survey area. The results have been used to support optimisation of the proposed Rafael B well path toward the thicker sections of porous reservoir.
- Carbonate studies of the Ungani Dolomite reservoir interval in Rafael 1 were undertaken. These studies improve the understanding of pore space created by dolomitisation and natural fracturing. These learnings will be applied to the proposed 2025 production flow testing.

Ungani Oilfield

(L20/L21 – Buru 100%)

During the quarter Buru continued working with third parties to review opportunities to re-establish production and sales revenue from the Ungani Oilfield by establishing an alternative regional export route to the previous Wyndham trucking, storage and shipping model.

Analysis to date indicates that the most economic path to produce the remaining Ungani resources involves a field production rate of between 200-250 bopd. This is lower than the previous operating model that required field production rates of 400 bopd or higher to account for the higher fixed costs associated with the Wyndam export route.

The restart of Ungani production at the optimised production level and a different route to market requires the renegotiation of certain commercial terms pursuant to the existing Ungani Native Title agreements and requisite field management regulatory approvals.

Buru is focused on achieving the restart of the Ungani Oilfield as early as practicable upon conclusion of the analysis and negotiations.

Discussions with potential partners to participate in the high impact Mars exploration prospect and other exploration and appraisal opportunities within the Ungani Production Licences continued during the quarter.



Canning Basin Exploration

Rafael Shallow Prospect

(EP 428 – Buru 75%)

The Rafael Shallow 1 exploration well was drilled in October 2024. The well was drilled safely, on schedule and on budget but did not encounter moveable hydrocarbons. Subsequently the well has been plugged and abandoned. This result does not impact the development of the Rafael Project.

Remaining Acreage Position

(L6, L8, L17, EP 129, EP 391, EP 428, EP 431, EP 436, EP 457 – Buru 100% - 60% and Operator)

During the Quarter, Buru commenced the process with the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) to rationalise the Company's exploration acreage in the Canning Basin. The rationalisation is aimed at:

- holding and maintaining a corridor of key exploration areas around known assets and the highest potential prospects and leads and surrendering non-core acreage;
- surrendering areas with operational limitations and low value within the Fitzroy River Buffer; and
- retaining areas with outstanding decommissioning and rehabilitation obligations.

The results from this process are forecast to deliver:

- a significant reduction in the exploration permit and production licence areas from 13,200km² (165 blocks) to 5,440km² (68 blocks);
- a material reduction in exploration work program commitments and expenditure associated with surrendered areas; and
- reduced internal costs, annual fees, levies and surcharges.

Integrated Energy Projects

2H Resources (Buru 100%)

During the Quarter Buru commenced a divestment process for third parties to acquire all or some of the 2H Resources corporate entity or assets and its strategically located natural hydrogen and helium exploration portfolio in Australia. This process has attracted several Australian and international parties who are currently undertaking due diligence.

The 2H Resources exploration portfolio consists of 17 licence application areas, covering a total 70,000 km² across South Australia, Western Australia and Tasmania. This provides access to a range of natural hydrogen and helium sources with scalable commercialisation options.

The Company is targeting the conclusion of the divestment process in 1Q 2025.

Battmin (Buru 100%)

During the quarter and in line with the outcomes of the recent business review, Buru commenced a process to explore divestment opportunities ahead of the next phase of capital requirement for Battmin.

Since September 2020, Battmin has been exploring the Barbwire Terrace Project in a 50:50 Joint Venture (JV) with Sipa Resources (ASX:SRI, Operator).



The Barbwire Terrace Project is located south-east of Broome in Western Australia, covering the south-western margin of the Fitzroy Trough where historic drilling has confirmed the potential for base-metal mineralisation.

Following a drilling campaign completed in 2023, the JV completed an on-ground gravity program in September 2024, with the next round of drilling planned for 2025.

Buru is currently in advanced discussions with a third party to acquire its interest in the Barbwire Terrace Project and expects to conclude the divestment process in early 1Q 2025.

Corporate

During the quarter, the Company completed a comprehensive business review of its operations and cost base, resulting in the delivery of up to \$3 million reduction in annual expenditure via:

- a headcount reduction of 40%,
- a reduction of Director fees, and
- the forfeiting of the CEO's 2024 Short-Term Incentive.

The Company issued 108,064,525 new shares following the completion of a share placement of \$6.7 million (before costs) at 6.2 cents per share.

A General Meeting of shareholders was held to approve the ratification of the issue of shares under placement subject to Listing Rules 7.1 and 7.1A and the issuance of new shares to directors under the same terms as the share placement.

Financial

As at 31 December 2024, the Company had \$7.9 million in cash and cash equivalents, with no debt. The ASX Appendix 5B attached to this report contains the Company's cash flow statement for the quarter which is summarised as follows:

Cashflows	December 2024 Quarter	Year to Date 2024
Opening cash	\$7.5m	\$18.2m
Exploration	(\$5.2m)	(\$15.7m)
Care and maintenance	(\$0.2m)	(\$1.9m)
Corporate & admin (net of interest income)	(\$0.4m)	(\$2.4m)
Joint venture partner exit consideration	-	\$3.4m
Share placement (net of costs)	\$6.2m	\$6.3m
Total cash inflow / (outflow)	(\$0.4m)	(\$10.3m)
Closing cash	\$7.9m	\$7.9m



Exploration

Exploration cash outflows mainly consisted of drilling expenditure for the Rafael Shallow exploration well, and geological and geophysical work across the Canning Basin portfolio.

Care and Maintenance

Cash outflows for the quarter primarily consisted of fixed and monthly operating costs for the Ungani Production Facility whilst under care and maintenance.

Corporate and Admin

Corporate and admin cash outflows reflect a reduction from prior quarters, in line with the outcome of Buru's recent business review to reduce costs. As outlined in the attached Appendix 5B (section 6.1), \$128,000 in payments were made to related parties for Directors' fees.

Proceeds from Issue of Equity

Proceeds (net of costs) of \$6.2 million were received during the quarter following a Share Placement which resulted in the issuance of some 108.1 million new shares.

Authorisation

This ASX announcement has been authorised for release by the Buru Board of Directors.

For further information, visit www.buruenergy.com or contact Thomas Nador, Chief Executive Officer.

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Appendix 1 – Buru’s Operational Areas

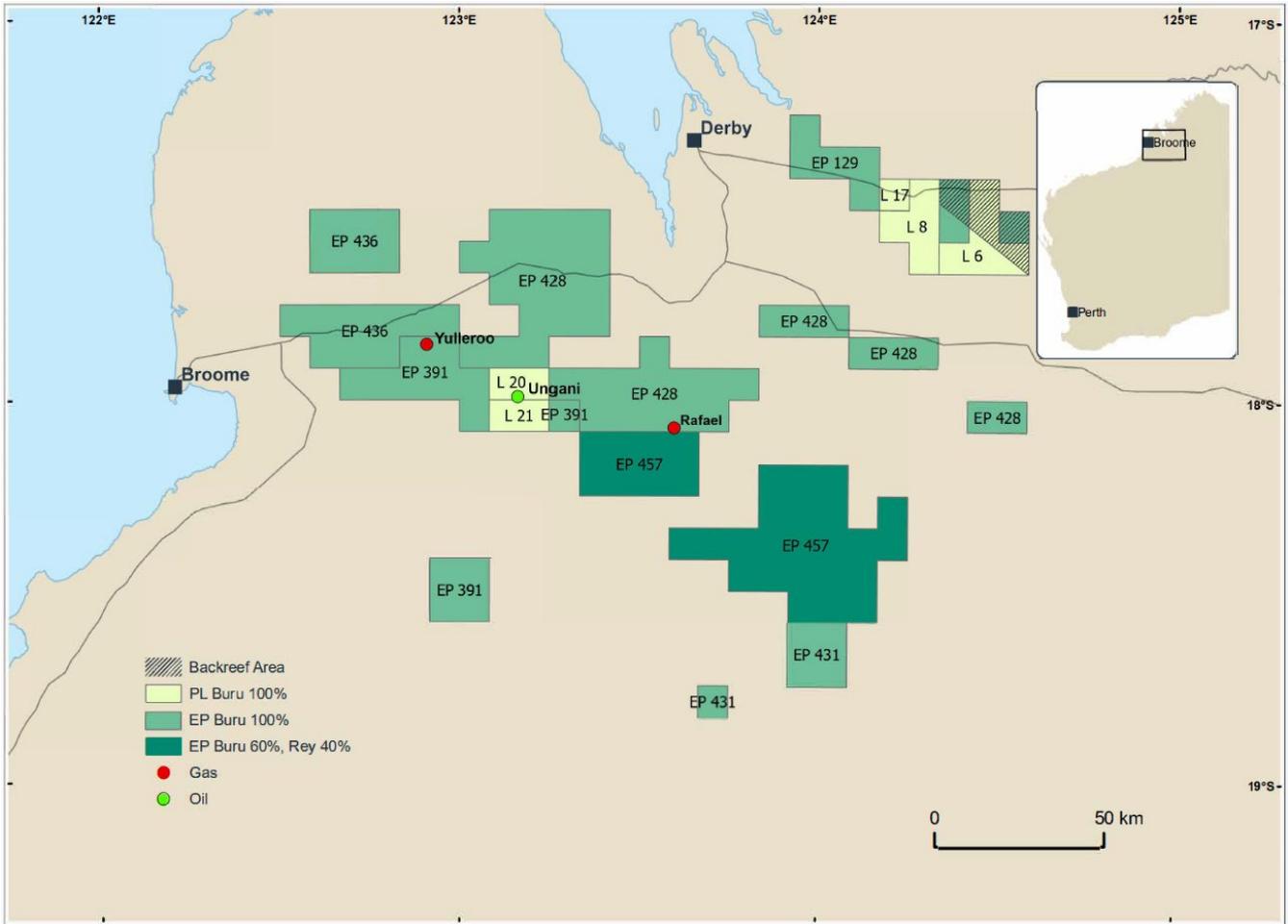


Figure 2 Buru’s Operational Areas in the Canning Basin of Western Australia



Appendix 2 – Schedule of interests in permits as at 31 December 2024

Permit	Type	Ownership	Operator	Location
L 6 ¹	Production licence	100.00%	Buru Energy Ltd	Canning Basin, WA
L 8	Production licence	100.00%	Buru Energy Ltd	Canning Basin, WA
L 17	Production licence	100.00%	Buru Energy Ltd	Canning Basin, WA
L 20	Production licence	100.00%	Buru Energy Ltd	Canning Basin, WA
L 21	Production licence	100.00%	Buru Energy Ltd	Canning Basin, WA
EP 129 ¹	Exploration permit	100.00%	Buru Energy Ltd	Canning Basin, WA
EP 391	Exploration permit	100.00%	Buru Energy Ltd	Canning Basin, WA
EP 428	Exploration permit	100.00%	Buru Energy Ltd	Canning Basin, WA
EP 431	Exploration permit	100.00%	Buru Energy Ltd	Canning Basin, WA
EP 436	Exploration permit	100.00%	Buru Energy Ltd	Canning Basin, WA
EP 457	Exploration permit	60.00%	Buru Fitzroy Pty Ltd	Canning Basin, WA
E04/2674	Exploration permit	50.00%	Sipa Resources Pty Ltd	Canning Basin, WA
E04/2684	Exploration permit	50.00%	Sipa Resources Pty Ltd	Canning Basin, WA

¹ Buru's interest in L6 and EP 129 exclude the Backreef Area.



About Buru Energy

Western Australian energy company headquartered in Perth with an operational office in Broome. The Company's goal is to deliver material benefits to its shareholders, the State of Western Australia, the Traditional Owners and communities of the areas in which it operates, by successfully exploring for and developing petroleum resources and by contributing to driving the energy transition in an environmentally and culturally sensitive manner.

The Company's petroleum assets and tenements are located onshore in the Canning Basin in the southwest Kimberley region of Western Australia. In the Kimberley it operates and owns 100% of the conventional Ungani Oilfield project and owns and operates 100% of the conventional gas condensate discovery at Rafael 1. It also operates a Canning Basin wide portfolio of exploration permits and licences prospective for conventional and unconventional resources with working interests ranging from 60% to 100%.

Forward Looking Statements

This document has been prepared by Buru Energy Limited ABN 71 130 651 437 ("Buru Energy"). This report contains certain statements which may constitute "forward-looking statements". It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve and resource estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates. All of Buru's operations and activities are subject to joint venture, regulatory and other approvals and their timing and order may also be affected by weather, availability of equipment and materials and land access arrangements, including native title arrangements. Although Buru believes that the expectations raised in this report are reasonable there can be no certainty that the events or operations described in this report will occur in the timeframe or order presented or at all.

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way. Any contingent resources and prospective resources presented in this report are pursuant to the Company's ASX release of 26 July 2024. The estimates of contingent and prospective resources included in this Presentation have been prepared in accordance with the definitions and guidelines set forth in the SPE PRMS. Buru Energy is not aware of any new information or data that materially affects the information included in this presentation and all material assumptions and technical parameters underpinning the estimates in this presentation continue to apply and have not materially changed. The probabilistic method was used to prepare the estimates of the contingent and prospective resources. No representation or warranty, expressed or implied, is made by Buru or any other person that the material contained in this report will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of Buru, its officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this report and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence if any information in this report or any error or omission there from. Neither Buru nor any other person accepts any responsibility to update any person regarding any inaccuracy, omission or change in information in this report or any other information made available to a person nor any obligation to furnish the person with any further information. All references to \$ are in Australian currency, unless stated otherwise.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

BURU ENERGY LIMITED

ABN

71 130 651 437

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(4,769)	(9,138)
(b) development	-	-
(c) production (care and maintenance)	(219)	(1,915)
(d) admin and corporate costs (staff)	(430)	(2,173)
(e) admin and corporate costs (other)	(46)	(815)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	59	453
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	247
1.8 Net cash from / (used in) operating activities	(5,405)	(13,341)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(358)	(6,691)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (JV partner exit consideration)	-	3,367
2.6	Net cash from / (used in) investing activities	(358)	(3,324)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	6,600	6,700
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(366)	(388)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	6,234	6,312
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,466	18,197
4.2	Net cash from / (used in) operating activities (item 1.8 above)	(5,405)	(13,341)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(358)	(3,324)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,234	6,312

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	6	99
4.6	Cash and cash equivalents at end of period	7,943	7,943

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,280	3,803
5.2	Term deposits	3,663	3,663
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,943	7,466

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
128
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Amounts included in 6.1 are remuneration payments made to Directors.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.8)	(5,405)
8.2 Payments for exploration & evaluation classified as investing activities (item 2.1(d))	(358)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(5,763)
8.4 Cash and cash equivalents at quarter end (item 4.6)	7,943
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	7,943
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.38
<i>Note: if the entity has reported positive relevant outgoings (i.e. a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise a figure for the estimated quarters of funding available must be included in item 8.7.</i>	

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: The quarter is not reflective of normal spending levels as there were significant exploration cash outflows related to Buru's share of the drilling of any exploration well in October 2024. It is also noted that during the quarter, Buru completed a review of its operations and costs base, resulting in up to \$3m reduction in annual expenditure.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: As point 8.8.1 above.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: As point 8.8.1 above.

Note: where item 8.7 is less than 2 quarters, all questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 21 January 2025

Authorised by: The Buru Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.