



Quarterly Report

Period ended 31 December 2021



Buru Energy Limited (Buru) is pleased to provide the quarterly report for the period ended 31 December 2021.

Executive Chairman Eric Streitberg's comments on the report:

"It has been an extraordinary quarter with the completion of the Rafael 1 exploration well that has identified what is potentially a regionally significant conventional wet gas discovery. This discovery is the product of a focused and extensive technical effort over many years in the Canning Basin, and we are very much looking forward to the well test in the coming weeks.

As part of the 2021 drilling program that included the Rafael 1 well, the Currajong 1 exploration well was not rewarded with commercial success, but it was successful in proving the continuation of the highly prospective Ungani Dolomite conventional reservoir trend some 30 kilometres to the west of the Ungani Oilfield.

The Ungani Oilfield continues to provide us with welcome cash flow and we look forward to the completion of the Ungani 8H well under ROC's sole risk proposal.

Our energy transition projects are advancing, particularly our Geovault CCS activity that we see as an important adjunct to any future developments in the Canning Basin. We are also excited about the upcoming Battmin drilling program for lead zinc in the Canning Basin, and also to being able to get on ground on our 2H Resources natural hydrogen permits in South Australia.

The recent resurgence of oil and gas prices is a welcome reminder that fossil fuels will, by necessity, continue to play a significant role in the transition to lower atmospheric carbon dioxide levels over the coming years and decades. Buru recognises its responsibilities in that regard and this year will be preparing a sustainability report for shareholder information.

The Buru team has worked very hard over the quarter, including during the holiday season, and the activity in the coming quarter will continue to be subject to the challenges brought on by the COVID epidemic in relation to both people and equipment."

Highlights

Exploration

- Rafael 1 exploration well completed with initial results suggesting potential for a substantial accumulation of high quality gas to be present in the structure, with flow testing planned to confirm the expected potential.
- The Rafael flow test is now expected to be undertaken during the second half of February when essential highly skilled specialist personnel are planned to be available in Western Australia.
- Currajong 1 exploration well flow test unsuccessful in producing oil, but extends good quality conventional dolomite reservoir fairway.
- Seismic processing of major regional seismic program of 990 kilometres ongoing.
- Planning for 2022 field operations and commercialisation activity underway.

Oil Production from Ungani Oilfield

- Quarterly oil production of ~64,000 bbls (gross, Buru's share 50%)
- Oil lifting of ~74,000 bbls in October, Buru's 50% sales revenue ~\$3.7 million
- Field production rate with all wells on production currently ~650bopd
- Ungani 8 development well currently being drilled with the Ensign 963 rig under a sole risk arrangement with ROC.

Energy Transition Projects

- Integrated energy projects in CCS (Geovault), hydrogen (2H Resources) and battery minerals (Battmin) advanced through dedicated business units.
- Geovault activity focused on identifying suitable carbon dioxide storage sites in Western Australia and assisting in commercialisation options for the Rafael discovery.
- 2H Resources progressing South Australian permit application areas, monitoring the current Buru drilling program for hydrogen, and preparing for field work.
- Battmin, in joint venture with Sipa Resources, preparing for drilling of high potential exploration lead/zinc targets in the Canning Basin.

intersection of Ungani Dolomite in the Rafael 1 well. It is not intended to test these upper zones in the Rafael 1 well in the forthcoming flow test program as they are behind two strings of casing.

Forward well program

The flow test scheduled for late February will gather information on reservoir deliverability, reservoir fluids, reservoir pressures and potential reservoir boundaries required to better define the significant potential of the discovery.

Due to the nature of the flow test, including formation pressures in excess of 6,000 psi and potential high gas and liquid flow rates, specialised test equipment is required to ensure a safe and effective operation. This equipment has been mobilised to site ready to commence the test when operating personnel are available. The skilled specialists that are required to operate the equipment and undertake the test are not currently available in Western Australia. These specialists are based in South Australia and Queensland and have been subject to Western Australia's hard border restrictions that have recently been extended. The flow test is therefore expected to commence in late February after these specialists complete entry requirements, with timing of all operations subject to weather related or other operational delays, including further COVID restrictions on interstate personnel movements.



Ensign 963 rig at Rafael 1

The test program is scheduled to take approximately one week with a series of flow periods and shut-ins to determine reservoir parameters. The results of the test are expected to be announced shortly after it has been completed and the data has been analysed. All of the data on the accumulation including the flow test data will then be reviewed by an independent reserves certifier to estimate the Contingent Resources in the accumulation. This review is expected to be available in late March.

Currajong 1 Exploration Well (Buru 50% and Operator)

Currajong 1 was drilled in the previous quarter as the first well in the 2021 exploration program. Currajong 1 is located some 30 kilometres to the west of the Ungani Oilfield and some 70 kilometres east of Broome. The well is in Exploration Permit 391 in the Canning Basin in northwest Western Australia.

The well encountered a number of zones in the Ungani Dolomite section that were interpreted from wireline log data to have potential for oil recoveries.

As the expected reservoir pressures and fluid content of the zones were expected to be similar to the Ungani Oilfield, a testing program was able to be carried out utilising the Buru Jacking Platform and Buru staff and local contractors.

In early October 2021 four zones were individually flow tested by swabbing. Although good reservoir quality was confirmed in all zones, no oil was recovered and pressure data acquired during the swabbing operations indicates that the zones are water bearing. The well was suspended while the data are examined and the wireline log indications correlated with the test results.

The well has confirmed the presence of good quality Ungani Dolomite reservoir some 30 kms west of the Ungani Oilfield and has therefore substantially increased the size of the prospective area of Ungani Dolomite conventional reservoir potential in the Basin.



Ensign 963 rig at Currajong 1

A specialised hydrogen mudgas detection unit was installed for the Currajong 1 drilling operation and this unit detected a zone of up to 6% hydrogen percentage in mudgas over an interval of approximately six metres from 2,014 metres measured depth. This result is encouraging in confirming the presence of natural hydrogen in the Canning Basin.

2021 Seismic Program (Buru 40%/50% and Operator)

As part of the 2021 exploration program, a multi-permit 2D seismic acquisition program was undertaken by Buru on behalf of its Canning Basin joint venture partners to delineate additional exploration targets for subsequent drilling campaigns. The seismic was acquired over highly prospective areas of the Joint Ventures' extensive acreage holdings in the Canning Basin, and was principally funded by Origin Energy under the terms of the 2020 farmin agreements.

The seismic program was concluded in October with a total of some 990 kilometers of data acquired over three separate surveys: Celestine (~630 line kilometres across EP457 and EP458), Willare (~240km in EP428), and Paradise (~120km in EP428).

Seismic processing is being progressed with subsequent interpretation expected to be concluded during the second quarter of 2022.

Rafael Development

The potential size of the Rafael 1 conventional gas discovery, and its regional significance, has provided the incentive for Buru to commence a detailed planning process for an appraisal and commercialisation program of the discovery subject to the results of the imminent flow test.

An important first step is to acquire additional seismic over the structure and tender submissions for a potential 3D seismic survey to be acquired during the 2022 dry season have already been received and are being evaluated by the joint venture for potential acquisition costs and timing.

The potential pathway to commercialisation of what could be a regionally significant conventional gas and liquids accumulation builds on the extensive work previously undertaken by Buru in co-operation with its previous government, joint venture and industry partners. These options include supply into the local Kimberley market and larger scale gas supply to local petrochemical projects. The potential for LNG export as part of a gas pipeline and gas processing arrangement with third parties, as has been put in place by Perth Basin operators, is also under investigation, with ongoing Government engagement.

Importantly, any development will have a focus on reducing the carbon dioxide emission footprint of the project through the carbon capture and storage expertise being developed by Buru as part of its dedicated Geovault business subsidiary.

Ungani Oilfield (L20/L21 - Buru 50% and operator)

Production

Production from the Ungani Oilfield for the quarter totalled ~64,000 bbls (gross) at approximately 700 bopd (September quarter ~73,500 bbls). Ungani continues to produce at a stable rate of some 650 barrels of oil per day.

Oil Sales

Oil sales are facilitated by secure trucking, storage and export contracts, with the oil being trucked from the Ungani Oilfield to a storage tank at the Port of Wyndham where it is then sold FOB under the marketing agreement with BP Singapore Pte Limited (BP), primarily to SE Asian refineries.

There was one lifting during the December quarter, with the MT SCF Pechora lifting approximately 74,000 bbls (gross – Buru’s share 50%) from Wyndham Port on 12 October 2021. Buru’s 50% revenue share from the lifting was approximately A\$3.7 million.



SCF Pechora at Wyndham

The next lifting from Wyndham Port is scheduled for early February.

Ungani 8H Development Well

The Ungani 8H well is being drilled by the Ensign 963 drilling rig. Buru and Roc Oil (Canning) Pty Ltd (ROC) each have a 50% equity interest in the L20 Production Licence within which the well is situated. The Ungani 8H well has been designed to be drilled as a horizontal well targeting an interpreted undrained section of the Ungani reservoir.

The well spudded on 18 December and was drilled to a total measured depth of 2,605 metres into the Ungani Dolomite at a hole angle of some 76 degrees, substantially as planned. As the drill string was being retrieved prior to running the 9⁵/₈ inch (244 mm) casing it became stuck in the upper part of the Laurel Shale. Despite extensive efforts to recover the drill string it was unable to be freed. It was subsequently backed off at a depth of 2,206 metres measured depth and the remaining drill string was retrieved.

Subsequent to analysis of the options for the forward program for the well it was agreed that ROC will undertake a side-track to complete the well as a sole risk operation. Buru is continuing as Operator of the well under the terms of the Ungani Joint Venture Agreement.

The side-track operation commenced on 22 January 2022 with the remaining drilling and well completion operations expected to take approximately 30 days.

The parties have agreed amended terms to the application of this sole risk operation whereby Buru has the right for a period of six months after the commencement of production from the well to participate in the well at its original 50% interest (Back-in Right). Should Buru choose to exercise the Back-in Right, this will require the payment of an uplift of 2.5 times of Buru’s 50% share of the costs that have been paid by ROC for the sole risk operation up until the date of Buru’s back-in. Any net revenue being sales revenue less pro-rata operating costs earned from the well prior to that date will be retained by ROC.

Other Oil and Gas Assets

Yulleroo Gasfield (*Within EP 391 & EP 436 - Buru 100%*)

The Yulleroo Gasfield accumulation is defined by four wells and a 3D seismic survey and has had a successful fracture stimulation operation on the Yulleroo 2 well. It contains a substantial 2C tight gas resource that has been independently certified. It also forms part of the much larger prospective tight gas resource in the wider Canning Basin and also has potential for conventional gas resources.

During the quarter the mapping of the reprocessed Yulleroo 3D data set has quantified the potential of the conventional sand from which gas was recovered in the Yulleroo 3 well at 3,200 metres drill depth and defined an area of potential conventional sand development that will be the target of a future well.

Blina Oilfield (*L6 - Buru 100%*)

Technical review of the data from the field continued, with engagement of an independent expert to advise on potential secondary recovery and CCS projects. Additional work is also underway to quantify a process and cost for the facilities required for restart of production from the field. The potential for activity on Blina to interface with the Geovault projects is also being actively investigated.

Carnarvon Basin (*L20-1 Buru 50%*)

The L20-1 application area has high potential for conventional oil and gas and also for geothermal energy and carbon dioxide sequestration. The Company is working with Government to understand the regulatory regime that is likely to apply to these various overlapping activities.

During the quarter, work continued on the assembly and validation of the existing technical data on the block with the joint venture aiming to commence field work during 2022.

The requisite Native Title agreements required for the grant of the permit are also being progressed with meetings with the appropriate parties.

Integrated Energy Projects

The Company is progressing a number of initiatives to ensure it is part of the energy transition both through both internal Buru activity and through three subsidiaries, 2H Resources (natural hydrogen), Geovault (Carbon Capture and Storage) and Battmin (battery minerals).

The Company is leveraging its core strengths to advance these projects as it also advances its core activities in oil production, exploration, and geotechnical evaluation.

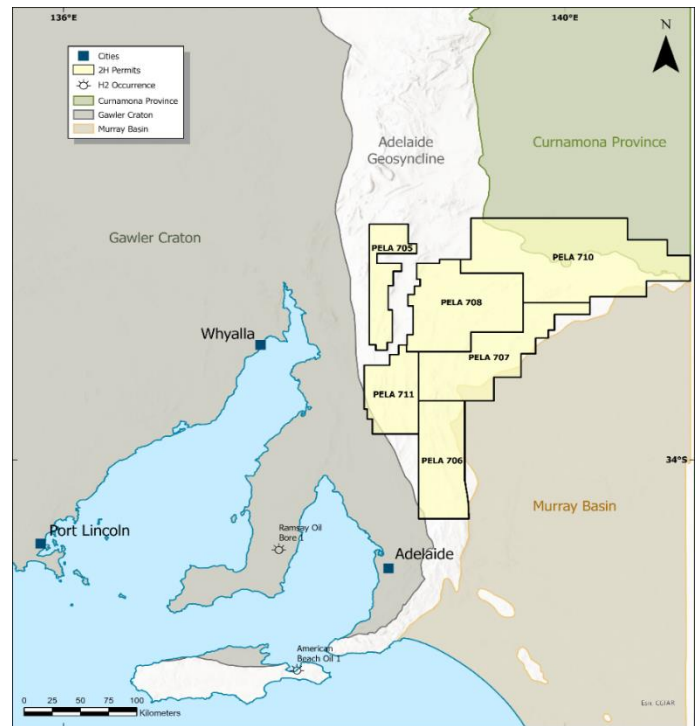
2H Resources

2H Resources is aiming to be a leading explorer for natural hydrogen (Gold or White Hydrogen) and associated helium.

Natural hydrogen is produced from underground accumulations in the earth and not manufactured, so it has the potential for supply of low cost and low carbon intensity hydrogen. More details of natural hydrogen and the activities of 2H Resources are available on the 2H Resources website at 2hresources.com.

Acreage acquisition

2H Resources has initially focused on areas where there is existing legislation that allows for the exploration and production of natural hydrogen. In Australia the South Australian jurisdiction is the most formalised and there is also evidence from historic wells for the presence of natural hydrogen. 2H Resources is the successful applicant for some 29,000 sq km of permits in South Australia that are prospective for natural hydrogen.



2H Resources application areas in South Australia

These applications are currently going through the required regulatory and Native Title processes prior to their grant. Once these are granted, 2H Resources plans to undertake on-ground initial prospecting work on these permits using in-house capabilities and technology, including hydrogen measuring equipment including a recently purchased hydrogen sampling meter.

Regional and development work

2H has developed internal geological expertise in the search for natural hydrogen, and is working with globally recognised specialists and consultants and co-operatively with other natural hydrogen explorers to build up expertise and knowledge in this exciting new field.

Current drilling activity

In addition to routine mudlog hydrocarbon gas detection and logging on current Canning Basin wells, a specialised hydrogen mudgas detection unit has been installed to monitor hydrogen and helium and the unit has measured a number of intervals of hydrogen and helium concentrations in these wells. A number of anomalous hydrogen occurrences have been noted and the Company is working to understand the regional and local significance of these occurrences.

Carbon Capture and Underground Storage (Project Geovault)

All credible paths to net zero by 2050 require utilisation of carbon dioxide capture and storage (CCS). The only method of CCS that has the potential to provide the necessary scale is Carbon Capture and Underground Storage.

Geovault is participating in the CCS industry through the provision of geological sequestration services for major carbon dioxide emitters with sequestration of Buru's own emissions also a focus, particularly in regard to major project facilitation in the Canning Basin.

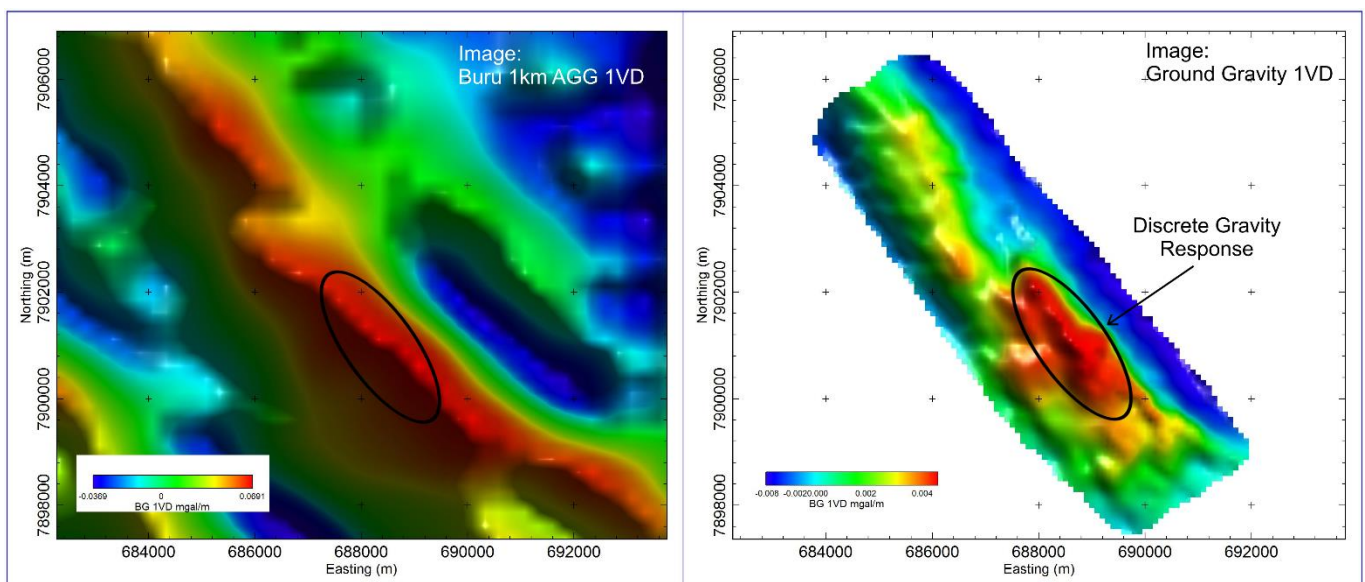
Geovault has a highly experienced technical team to progress the identification and development of viable CO₂ storage sites, especially where these may support development of major projects that have substantive CO₂ emissions. The immediate focus of the team is on feasibility and geological studies to identify and quantify new potential CO₂ storage locations, initially in Western Australia.

Geovault is also progressing relationships with complementary service providers to ensure it is able to provide an integrated CCUS service.

Battery Minerals (Project Battmin)

Battmin has been formed with the objective of identifying mineralised areas that can add value as an adjunct to its petroleum exploration activity, initially in the Canning Basin. Current activity is focused on its joint venture with Sipa Resources Limited where it is expected that a drilling program on hydrothermal lead zinc targets that are well defined on detailed high resolution gravity surveys will be commenced in the third quarter of 2022.

Battmin has also applied for a number of mineral exploration areas in its own right through its association with consultants who are highly experienced in both carbonate hosted mineral deposits and in the Canning Basin and has also applied for a block of tenements that adjoin large areas of thick salt formations that are under application by the Fortescue group.



Gravity image from a portion of the Barbwire Terrace Project area showing the improved resolution of the ground gravity survey in the right-hand image compared with the Buru regional gravity image on the left. The 'discrete gravity response' in the right-hand image will be tested in planned drilling.

Financial

As at 31 December 2021, the Company had ~\$23.7 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 2021 Quarter	Year to date 2021
Opening cash	\$32.9m	\$21.4m
Production (net)	\$1.8m	\$3.1m
Development	-	(\$2.5m)
Exploration	(\$10.4m)	(\$10.8m)
Administration and Corporate	(\$0.6m)	(\$2.5m)
Placement and SPP	-	\$15.0m
Total cash inflow / (outflow)	(\$9.2m)	\$2.3m
Closing cash	\$23.7m	\$23.7m

Production: One lifting of approximately 74,000 bbls (gross – Buru's share 50%) of Ungani crude was made during the quarter. Buru's 50% revenue share from the lifting was approximately A\$3.7 million. The next lifting is scheduled for early February 2022.

Development: The development cash flows were offset by cash calls received in advance from ROC for its share of Ungani 8H costs. The majority of Ungani 8H cash outflows will therefore be recorded in the March quarter.

Exploration: Exploration cash outflows comprise Buru's share of the Currajong 1 and Rafael 1 wells and the 2021 seismic campaign (additional to the Origin farm-in carry contributions) as well as ongoing expenditures relating to desktop geological and geophysical work, asset integrity, Traditional Owner engagement and new ventures. The Company notes that due to the timing impact of JV cash call receipts and subsequent payments to vendors, cash outflows associated with the Rafael 1 exploration well will continue into the March quarter.

Corporate and Admin: Corporate and admin cash outflows were in line with prior quarters.

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

For further information, visit www.buruenergy.com or contact Eric Streitberg, Executive Chairman

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Schedule of interests in permits as at 31 December 2021

<u>Permit</u>	<u>Type</u>	<u>Ownership</u>	<u>Operator</u>	<u>Location</u>
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	50.00%	Buru Energy Ltd	Canning Basin, WA
L 21	Production licence	50.00%	Buru Energy Ltd	Canning Basin, WA
EP 129 ¹	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP 391 ³	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP 428	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP 431	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP 436 ³	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP 457 ²	Exploration permit	40.00%	Buru Fitzroy Pty Ltd	Canning Basin, WA
EP 458 ²	Exploration permit	40.00%	Buru Fitzroy Pty Ltd	Canning Basin, WA

1 – Buru’s interest in L6 and EP129 exclude the Backreef Area

2 – The transfer of each 20% interest to Origin Energy in these permits was registered by DMIRS on 7 Jan 2022

3 – Origin Energy’s interests in EP391 and EP436 exclude the Yulleroo Gasfield Area

About Buru Energy

Buru Energy Limited (ASX: BRU) is a Western Australian oil and gas exploration and production company headquartered in Perth with an operational office in Broome. The Company’s petroleum assets and tenements are located onshore in the Canning Basin in the southwest Kimberley region of Western Australia and the onshore Carnarvon Basin in Western Australia. In the Kimberley it owns and operates 50% of its flagship high quality conventional Ungani Oilfield project and also operates a basin wide portfolio of exploration permits and licences prospective for conventional and unconventional resources ranging from 40% to 100% working interests.

Buru Energy is also participating in the new energy economy through its subsidiary companies’ activities in natural hydrogen, carbon capture and storage, and battery minerals.

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 in an environmentally and culturally sensitive manner.

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.

Except where otherwise noted, information in this report related to exploration and production results and petroleum resources is based on, and fairly represents, information and supporting documentation prepared by Mr Eric Streitberg who is a Qualified Petroleum Resources Evaluator. Mr Streitberg who is an employee and Director of Buru Energy Limited is a Fellow of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors, and a member and Certified Petroleum Geologist of the American Association of Petroleum Geologists. He has over 40 years of relevant experience. Mr Streitberg consents to the inclusion of the information in this document.

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 2021

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	3,696	9,608
1.2 Payments for		
(a) exploration & evaluation	(10,370)	(10,867)
(b) development	(77)	(2,478)
(c) production	(1,864)	(6,472)
(d) admin and corporate costs (staff)	(312)	(1,502)
(e) admin and corporate costs (other)	(325)	(1,247)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	17	77
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Net cash from / (used in) operating activities	(9,235)	(12,881)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(8)	(8)
(d) exploration & evaluation	-	-
(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	-	23
	(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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(8)	15

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	15,938
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	-	(904)
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	-	15,034

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	32,852	21,429
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(9,235)	(12,881)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8)	15
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	15,034

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	115	127
4.6	Cash and cash equivalents at end of period	23,724	23,724

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	9,509	9,133
5.2	Term deposits	14,215	23,719
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)	23,724	32,852

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**

233

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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.</i>		
<i>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)	(9,235)
8.2 Payments for exploration & evaluation classified as investing activities (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(9,235)
8.4 Cash and cash equivalents at quarter end (item 4.6)	23,724
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	23,724
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.6
<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: Not applicable as it is more than 2 quarters. However, it is still noted that the quarter is not reflective of normal spending levels as there were significant exploration cash outflows related to Buru's share of the Currajong 1 and Rafael 1 wells and the 2021 seismic campaign (additional to the Origin farm-in carry contributions).

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: N/A

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: N/A

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: 28 January 2022

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.