

## **Buru strengthens balance sheet and operational focus with Carnarvon Basin asset sale.**

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- *Buru Energy has sold its interests in its onshore Carnarvon Basin permit and applications to Energy Resources Limited (MinRes) for an immediate cash payment of \$5 million.*
- *The sale is of Buru's 25% non-operated interests in Exploration Permit EP 510, and Application Areas L22-2 and L22-4 in joint venture with MinRes who will now assume 100% of the permit and application areas.*
- *The sale of these non-core petroleum assets strengthens Buru's balance sheet and together with the \$4 million contribution from Origin for the Rafael 3D seismic survey provides a significantly enhanced runway to the 2024 Rafael appraisal drilling program.*
- *The sale is unconditional and is effective as of today's date.*

Buru Energy Limited (**Buru, Company**) is pleased to advise that it has executed a Sale and Purchase Agreement (SPA) with Energy Resources Limited (**MinRes**) for the sale of its interests in the onshore Carnarvon Basin of Western Australia.

These interests are Exploration Permit EP 510 and Exploration Permit application areas L22-2 and L22-4 where Buru holds a 25% non-operated working interest in joint venture with MinRes (75% and Operator).

The sale is unconditional, and the \$5 million cash proceeds will be available to Buru imminently. The formal transfer of titles is subject to all the customary regulatory consents and approvals.

Buru's acquisition activity for these areas commenced in October 2020 as part of a process of diversification of its core oil and gas activities outside the Canning Basin.

The successful flow test of the Rafael 1 well in 2022 and the subsequent resource certification for Rafael as a significant conventional gas and condensate resource has re-focused the Company's oil and gas efforts on the Canning Basin and the appraisal and commercialisation of the Rafael resource.

The divestment of the Carnarvon Basin interests for an immediate cash payment from our JV partner to provide continued balance sheet strength and allow focus on Rafael, is an appropriate and value adding transaction.

In line with Buru's financial framework and priorities, the proceeds from the transaction will be used to progress the execution of the Rafael phased development strategy as outlined in ASX Release of 3 August 2023.

## **Commenting on the sale, Buru's CEO Thomas Nador said:**

*"The sale of Buru's interests in the onshore Carnarvon Basin to MinRes represents another important milestone in focusing our portfolio, strengthening our balance sheet, and positioning for the future.*

*As our current joint venture exploration partner in the Carnarvon Basin, MinRes is a natural acquirer of these interests, and the sale is a value adding outcome for Buru shareholders and the business.*

*The sale will simplify the Company's oil and gas portfolio and enable it to allocate additional capital and resources toward its strategic priority to develop the first proven significant conventional gas and condensate discovery in the Canning Basin of Western Australia."*

## **Authorisation**

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

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