

Buru completes Placement of \$15 million and launches SPP to raise a total of up to \$20 million

Buru Energy Limited (**Buru** or the **Company**) (ASX: BRU) is pleased to announce a successful share placement, receiving firm commitments from institutional, professional and sophisticated, investors to raise a total of \$15 million before costs (**Placement**). The Company will also undertake a Share Purchase Plan (**SPP**) of up to \$5 million for existing shareholders.

HIGHLIGHTS

- Placement of \$15 million strongly supported by institutional, professional and sophisticated investors
- Share Purchase Plan to raise up to \$5 million opening on 6 May 2021
- Funds raised to strengthen Buru's balance sheet for 2021 exploration and development program and subsequent activities

The Placement attracted strong support from domestic and international institutional investors, as well as sophisticated and professional investors, with bids significantly above the Placement limit.

Buru's Executive Chairman, Eric Streitberg, said:

"The strong support for this raising reflects the exciting exploration program due to commence in mid-June on our world class Canning Basin prospects, and the future participation by the Company in the integrated energy economy.

This is the first capital raising undertaken by Buru outside our existing shareholder base since 2014 and we would like to warmly welcome those new shareholders who have supported the Placement.

We would also like to thank our existing shareholders for their continued support of Buru, and are pleased to provide an opportunity for all eligible shareholders to further participate in their Company via the SPP which I am also pleased to be able to participate in.

The funds raised will put Buru in a strong financial position to execute its exploration and development strategy within its Canning Basin joint ventures as part of our 2021 program and beyond, as well as to pursue new business opportunities."

Use of Proceeds

The funds raised by the Placement and SPP totaling up to \$20 million will be applied towards Buru's 2021 Canning Basin exploration and development program, growth opportunities, and for general working capital purposes including associated capital raising costs. The funds raised will supplement Buru's existing cash reserves and provide support for ongoing exploration, appraisal and development activities following the 2021 program.

Placement Details

The Placement price of \$0.15 per share represents a 25% discount to the closing Buru trading price on Wednesday, 28 April 2021 and a 23.6% discount to the 5-day VWAP to that same date. The Placement shares will be issued on 6 May 2021 under the Company's placement capacity pursuant to ASX Listing Rule 7.1 (64,811,136 shares) and ASX Listing Rule 7.1A (35,188,864 shares). Despite the higher bids received, the Placement was limited to \$15 million in order to provide existing shareholders with an appropriate level of SPP participation.

Share Purchase Plan Details

A Share Purchase Plan (**SPP**) to raise up to \$5 million will also open on 6 May 2021. The SPP will provide all eligible Buru shareholders, as at the record date of 29 April 2021, with the opportunity to apply for shares at a price of \$0.16 per share, representing a discount of 18.53% to the 5-day VWAP to the closing Buru trading price on Wednesday, 28 April 2021 (**SPP Price**).

The SPP Price of \$0.16 (which is 1 cent higher than the Placement price), is necessary due to ASX Listing Rule 7.2 which does not permit the issue of shares under a Share Purchase Plan to be at a discount greater than 20% to the 5-day VWAP.

Under the SPP, each shareholder who held Buru shares as at 7:00pm (Sydney time) on Thursday, 29 April 2021, with a registered address in Australia or New Zealand, will be entitled to participate and purchase shares up to a value of \$30,000. Full details of the SPP will be set out in the SPP Offer Documentation which is expected to be released on 6 May 2021.

Buru reserves the right (in its absolute discretion) to scale back applications under the SPP if demand exceeds \$5 million.

The new shares issued under the Placement and SPP will rank equally with existing Buru shares.

The key indicative dates for the Placement and SPP are as follows:

| Event | Date |
|---|---|
| Record Date for SPP | 7pm (Sydney time) on Thursday 29 April 2021 |
| Announcement of Placement and SPP and re-commencement of trading of Buru shares | Friday 30 April 2021 |
| Settlement and allotment of Placement shares | Thursday 6 May 2021 |
| Announcement and dispatch of the SPP Offer Documentation | Thursday 6 May 2021 |
| SPP opens | Thursday 6 May 2021 |
| SPP Closes | Monday 24 May 2021 |
| SPP results announced | Thursday 27 May 2021 |
| Issue of SPP shares | Thursday 27 May 2021 |

Euroz Hartleys Limited and Aitken Murray Capital Partners acted as Joint Lead Managers to the Placement.

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

For further information on Buru Energy's current and future activities, visit www.buruenergy.com or contact:

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