

2024

ANNUAL REPORT

Buru Energy Limited Annual Report
For the year ended 31 December 2024

ABN 71 130 651 437



Buru recognises the Aboriginal People of this nation and their ongoing connection to culture and country.

We acknowledge Aboriginal People as the Traditional Owners and Custodians of the world's oldest living culture and pay respects to their Elders past, present and emerging.

Aboriginal readers are warned that the following report may contain images of deceased persons.

About this Report

This 2024 Annual Report is a summary of Buru Energy's operations, activities and financial position for the 12-month period ended 31 December 2024. In this report, unless otherwise stated, references to 'Buru', the 'Company', 'we', 'us' and 'our' refer to Buru Energy Limited and its subsidiaries. This report contains forward-looking statements.

Please refer to page 2, which contains a notice in respect of these statements. All references to dollars, cents or \$ in this document are to Australian currency, unless otherwise stated. An electronic version of this report is available on Buru's website www.buruenergy.com.

The 2024 Corporate Governance Statement can be viewed on our website on the Corporate Governance page.

CORPORATE REGISTER

Directors	Mr David Maxwell	Independent Non-Executive Chair
	Ms Joanne Williams	Independent Non-Executive Director
	Mr Malcolm King	Independent Non-Executive Director
	Mr Robert Willes	Independent Non-Executive Director
Chief Executive Officer	Mr Thomas Z Nador	
Company Secretary	Mr Paul Bird	
Registered and Principal Office	Address:	Level 2, 16 Ord Street, West Perth WA 6005
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Share Registry:	MUFG Corporate Markets	
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	Telephone:	+61 (08) 9262 6700
	Email:	info@mpms.mufg.com
	Website:	https://www.mpms.mufg.com
Auditors:	KPMG	
	Address:	235 St George's Terrace, Perth WA 6000
Stock Exchange:	Australian Securities Exchange	
	Address:	Exchange Plaza, 2 The Esplanade, Perth WA 6000
ASX Code: BRU		
Current Issued Capital	Fully paid ordinary shares	779,409,607
	Unlisted employee share options	1,000,000
	Unlisted employee performance rights	3,870,000
Trading History	Share price range during 2024	\$0.032 to \$0.125
	Liquidity (annual turnover as % of average issued capital)	19.40%
	Average number of shares traded per day	~0.532 million

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Disclaimer and Forward-Looking Statements

This report contains forward-looking statements that are subject to risk factors associated with the oil and gas, carbon capture and storage, natural hydrogen and helium exploration and battery minerals exploration industries. All statements in this Report regarding forward plans, forecasts and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward looking statements are based on management's current expectations and reflect judgments, assumptions, estimates and other information available as at the date of this document, and are subject to known and unknown risks and significant uncertainties, many of which are outside the control of Buru. Actual results, performance, actions, and developments by Buru may differ materially from those expressed or implied by the forward-looking statements in this Report. Except as required by applicable law or the Australian Securities Exchange (ASX) Listing Rules, Buru disclaims any obligation or undertaking to publicly update any forward-looking statements.

ABOUT BURU ENERGY

Who We Are

Buru Energy Limited (ASX:BRU; "Buru" or "the Company") is a Western Australian energy company focused on exploration and production of gas and oil resources in Australia. The Company is headquartered in Perth with a regional operational office in Broome.

What We Do

The Company's primary focus is the development and commercialisation of the Rafael Gas Project, based on its wholly owned and operated conventional gas and condensate discovery located in the Canning Basin in the southwest Kimberley region of Western Australia.

Buru also operates the conventional Ungani Oilfield, and a basin wide portfolio of exploration permits and licences prospective for conventional and unconventional hydrocarbon resources with working interests ranging from 60% to 100%.

Our Purpose

To bring energy resource developments to life in a way that creates long term value for our shareholders, the communities and Traditional Owners of the lands on which we operate, our employees, joint venture partners and other stakeholders.

Our Vision

The Company's vision is to be a valued Australian energy company, committed to business and financial success, that has a positive impact on society and the environment.



CHAIR'S LETTER

Dear Shareholders,

This is the first annual report in 16 years since Buru was listed in 2008 that Eric Streitberg has not been a director. He was Chairman for 11 years and instrumental in developing and growing the Company's core Canning Basin business. I acknowledge and thank Eric for his dedication and significant contribution.



Buru has developed deep connections with the Kimberley community and the Government. We acknowledge and thank the Traditional Owners of the areas in which we operate. We deeply respect their connection to country and understand our role to ensure that our activities create benefit for all parties. We will strive to maintain and further improve these relationships with trust and commitment.

I was appointed a Non-executive Director of your company in July 2024 and elected as Chair in August 2024. The skills required for the development of the Rafael Gas Project are consistent with my executive and leadership career. This is what attracted me to Buru Energy.

The global and Australian energy scene is undergoing a significant transition. It is becoming increasingly evident that the pace of the transition is not going to be as rapid as some may hope and the costs will be higher. It is also very clear that gas is a vital enabler and a required energy form as a part of the transition.

In this context, the Rafael conventional onshore gas discovery in the Canning Basin late in 2021 provides Buru Energy with a unique opportunity to:

- enable the energy transition in the greater Kimberley region; and
- provide significant long-term economic benefit and growth for both the Company's shareholders and the other stakeholders in the broader Kimberley community.

The competition and alternative to Rafael gas and condensate is much higher cost energy and gas and liquid fuels (such as diesel) which are all imported from outside the greater Kimberley region.

It is imperative that the Company prioritise what is required to deliver on the development of the valuable Rafael Gas Project. This has required some significant changes including: divesting non-core assets; reducing costs; and prioritising capital allocation and resources to the development of the Rafael Gas Project.

The successful development of gas projects, such as Rafael, requires a carefully coordinated and managed integration of multiple work streams and prudent risk management. Uppermost in the mind of your Board is ensuring the Rafael Gas Project is set up for success whilst ensuring appropriate funding which balances the return for shareholders and risk. The selection of partners who complement the skills and capabilities of Buru will be important.

To establish the long-term strong foundation cash flow the Rafael Gas Project can deliver from late 2027, careful management of this project will remain the priority of the Board in the year ahead.

When I joined the Board in July 2024, the Company was preparing for a two well Canning Basin drilling campaign to be funded by Sabre Energy Pty Ltd. In September 2024 it became clear that Sabre did not have access to the funds they had committed and which had been separately verified. Quick action was undertaken by the Buru Board and Management. The campaign was reduced to one well and alternative funding put in place, including a placement to



some large existing and new shareholders. Further information on this is provided in the CEO Report and Review of Operations.

Options to restart the Ungani oil field production remain under review. Engagement with parties linked with potential crude oil offtake and sales is continuing for this late life asset.

The company's refined and clearly focussed strategy is appropriate for a company of our size and prioritises the development the Rafael Gas Project.

On behalf of the Board, I express my appreciation to shareholders for their support and patience. I acknowledge that the share price has declined during a year of challenge and change. The priority focus on the Rafael development and delivery of the key milestones will hopefully underline improved outcomes for shareholders.

I thank my fellow directors, the management team and all staff for their hard work, support and resilience in what has been a difficult year. In particular, I thank and acknowledge our CEO, Thomas Nador, who has led the team with clarity and clear purpose.

We look forward to achieving and reporting on key milestones in the year ahead.

David P Maxwell
Independent Non-Executive Chair
25 March 2025

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CHIEF EXECUTIVE OFFICER'S REPORT

Dear Shareholders,

I am pleased to present Buru Energy's Annual Report for 2024.

As we reflect on our journey through the year, I want to express my heartfelt gratitude for your continued support in the Company. This year has been pivotal for us as we advance our plans to establish a Kimberley based gas and liquids business that can generate long term cashflows from late 2027.



The oil and gas sector is undergoing significant transformation, with a growing emphasis on sustainability and the responsible management of natural resources. Despite the ongoing debate about the nature and pace towards decarbonisation, Buru is well-positioned to capitalise on the forecast demand for natural gas in Western Australia, which is essential for both economic development and energy security. Our commitment to sustainable and responsible development continues to guide our forward plans. We are dedicated to minimising environmental impact while maximising economic potential for the Company and the communities we serve.

Throughout 2024, we have made substantial progress in moving the Rafael Gas Project forward, achieving milestones that have strengthened our understanding of the Rafael resource base and project feasibility. Our dedicated team, with the support of international experts, has interpreted and analysed the results from the Rafael 3D seismic survey to assess the full potential of this promising conventional gas and condensate discovery – the first of its kind in onshore Western Australia north of Karratha.

This work has further derisked the Rafael Gas Project by confirming that the project can be supported by the identified and internally assessed 1C resource in EP 428 which is 100% owned by Buru Energy.

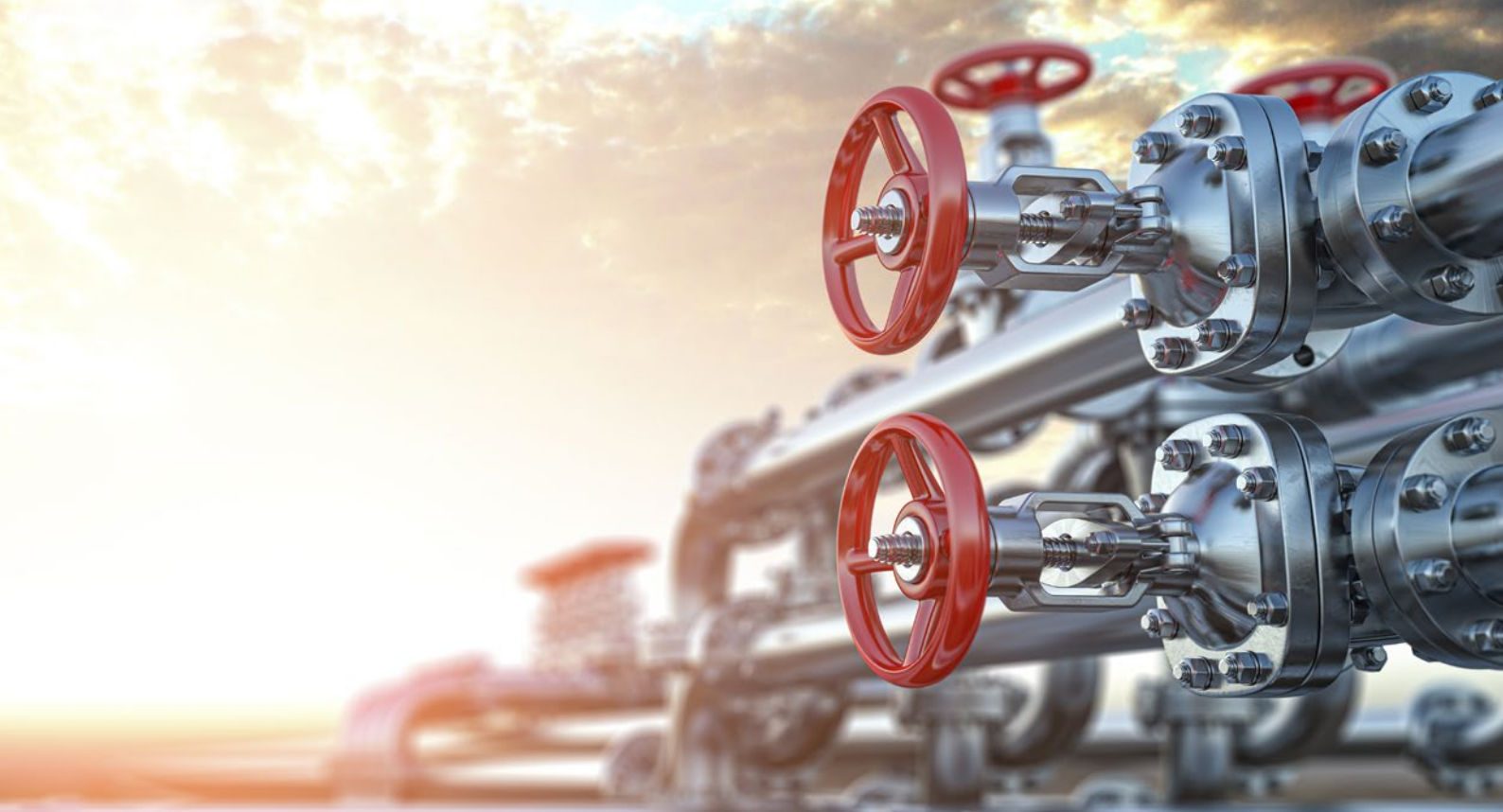
This high confidence, 1C resource case of 85 Bcf is perfectly sized to meet the current and forecast energy demands of the Kimberley for 20 years. It creates a unique opportunity for the Company to transform the regional energy system by replacing the existing long-haul trucked or imported fuel used for power generation

and mining 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.

We are focusing on securing the necessary approvals and partnerships to develop the Rafael Gas Project. In 2025, we are planning to partner with parties who share the same vision for the creation of a regional gas business in the Kimberley as Buru Energy. The Company also plans to re-test the Rafael resource to further derisk the planned development ahead of a Final Investment Decision, currently forecast for late 2025.

Reflecting on our other activities, the year saw the drilling of the Rafael Shallow 1 prospect in EP 428 in October, a high potential oil prospect that was identified as a result of the newly acquired Rafael 3D seismic survey. Following the failed farmout of the prospect to Sabre Energy Pty Ltd, drilling of the well took place with the funding support of entities associated with the Company's long-term shareholders. The decision was taken to test this prospect as a discovery would have added substantial value to Buru and provide an alternate funding path for the Rafael Gas Project. Although the well did not encounter movable hydrocarbons it is important to note that the lack of success at Rafael Shallow 1 does not impact the Rafael Gas Project.

On our Ungani assets, during the year we continued working with third parties to review opportunities to recommence production and sales revenue from the Ungani Oilfield by establishing an alternative regional export route to the previous Wyndham trucking, storage



and shipping model. This work is ongoing and will require further technical and commercial assessment during 2025 to underpin a decision on the forward plans for the asset.

One of the critical elements of our Rafael development strategy is our commitment to cultural and environmental stewardship. We are actively working to implement best practices in these fields, ensuring that our operations are aligned with the appropriate standards. We understand the importance of preserving the unique environmental and cultural ecosystems of the Kimberley region, and we are dedicated to conducting our activities in a manner that protects this heritage.

I assure you that our commitment to transparency and open communication remains a priority. We understand that our shareholders are vital partners on our journey, and we will continue to provide regular updates on our progress and any developments that may impact our plans and operations. Our corporate governance framework is designed to ensure accountability and integrity in all our dealings, and we are continuously reviewing our policies and practices to align with industry best practices.

During the year we undertook a comprehensive business review and implemented measures to reset the Company's focus and capital to the development of the Rafael Gas Project, assessed as the most value accretive opportunity in Buru Energy's portfolio.

The review resulted in a targeted headcount reduction by 40% and measures to deliver a \$3 million reduction in annual general and administration expenditure.

These measures include the deferral of all non-core Canning Basin exploration activities, a rationalisation of Buru Energy's acreage position in the basin, and the monetisation of the Company's 2H Resources and Battmin subsidiary companies or assets.

We will continue to review our activities and practices to ensure all capital and resources are directed toward the realisation of the Rafael Gas Project and the generation of material cashflows from late 2027.

In closing, I extend my sincere appreciation to our shareholders, the Chair and the Board, our talented staff and wide-ranging stakeholders for their support of our Company. Together, we are poised to capitalise on the opportunities that lie ahead. I am excited about the future of the Company and the role it will play in the energy landscape of the Kimberley region.

Thank you for your continued support. We are on a promising path, and I look forward to sharing our progress with you in the coming year.

Thomas Z Nador
Chief Executive Officer
25 March 2025

OUR STRATEGY

The Company's goal is to deliver material benefits to its shareholders, the Traditional Owners, the Government, and communities of the areas in which it operates.

The Company plans to achieve this goal by building a compelling foundation Kimberley-based energy supply business based on its wholly owned Rafael conventional gas and condensate discovery.



In 2024, we continued to execute and deliver against our three-pronged strategy.



Find energy resources safely and competitively

- Incurred no lost time injuries across our operations.
- Interpreted and analysed the Rafael 3D seismic survey data, providing increased confidence in the low volume, high confidence resource as the basis for project development.
- Completed specialist carbonate reservoir studies which highlighted areas of potential improved Rafael reservoir characteristics.
- Matured several leads as potential backfill for a Rafael gas development.
- Commenced Canning Basin acreage rationalisation to focus on the core Rafael development.



Enable opportunities through right partnerships and funding structures

- Commenced discussions with potential downstream development partners (LNG facility builders) to participate in the Rafael Gas Project.
- Commenced Rafael gas and condensate marketing activities.
- Commenced engagement with the Northern Australian Infrastructure Facility (NAIF), the Australian Government entity that supports economic and population growth in northern Australia, to provide project financing options.



Develop with aligned partners whilst maintaining a material interest in producing assets

- Confirmed preferred Rafael Gas Project concept consisting of a small-scale LNG facility (250 tonnes per day LNG and 250 barrels per day of condensate production) situated on the Rafael 1 well pad.
- Ongoing negotiation with the Traditional Owners on a Rafael Gas Project agreement.
- Ongoing care and maintenance activities at the Ungani oilfield, whilst exploring options to restart production.

REVIEW OF OPERATIONS

Exploration and Appraisal

Rafael Gas Project

The Rafael 1 well is located in Exploration Permit 428 in the Canning Basin, some 50 kilometres to the east of the Ungani Oilfield and some 150 kilometres east of Broome. The well was drilled in late 2021 and defined a significant conventional gas and condensate resource in the Ungani Dolomite equivalent reservoir and in the dolomitised Upper Laurel Carbonate reservoir.

A limited section of the interpreted hydrocarbon column in the Ungani Dolomite reservoir was flow tested in 2022 and confirmed high quality gas with low reservoir CO₂, and a high condensate content of 40 barrels per million cubic feet of gas.

Rafael is uniquely positioned; it is the only proven conventional gas and liquids resource located in the greater Kimberley region. The Rafael Gas 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.

REVIEW OF OPERATIONS



Rafael conventional gas and condensate discovery flow testing 2022

During the year, the farmout of Buru's 100% owned Rafael conventional gas and condensate discovery was deferred to allow for specialist technical evaluations to be completed on the Rafael 3D seismic survey data, resulting in the delay of further on-ground Rafael appraisal activities to the 2025 operating season.

These studies subsequently confirmed that the 1C and 2C resource volumes are robust and that the 1C volume contained within the Location declared within the 100% Buru-owned EP 428 is well suited to fully underpin the planned commercialisation of the Rafael resource via a competitive local, small scale Liquefied Natural Gas (LNG) and condensate project.

The pre-Front End Engineering Design for the development was delivered to Buru by GHD Pty Ltd during the year, with the study delivering an added level of design maturity, and associated cost and schedule information to underpin confidence in the commercialisation pathway for the Rafael Gas Project.

This project is designed to meet the forecast energy needs of the Kimberley, significantly reducing the reliance of imported LNG and diesel fuel to support electricity generation and the broader energy needs of the region.

Final Investment Decision for the Rafael Gas Project is currently 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 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.

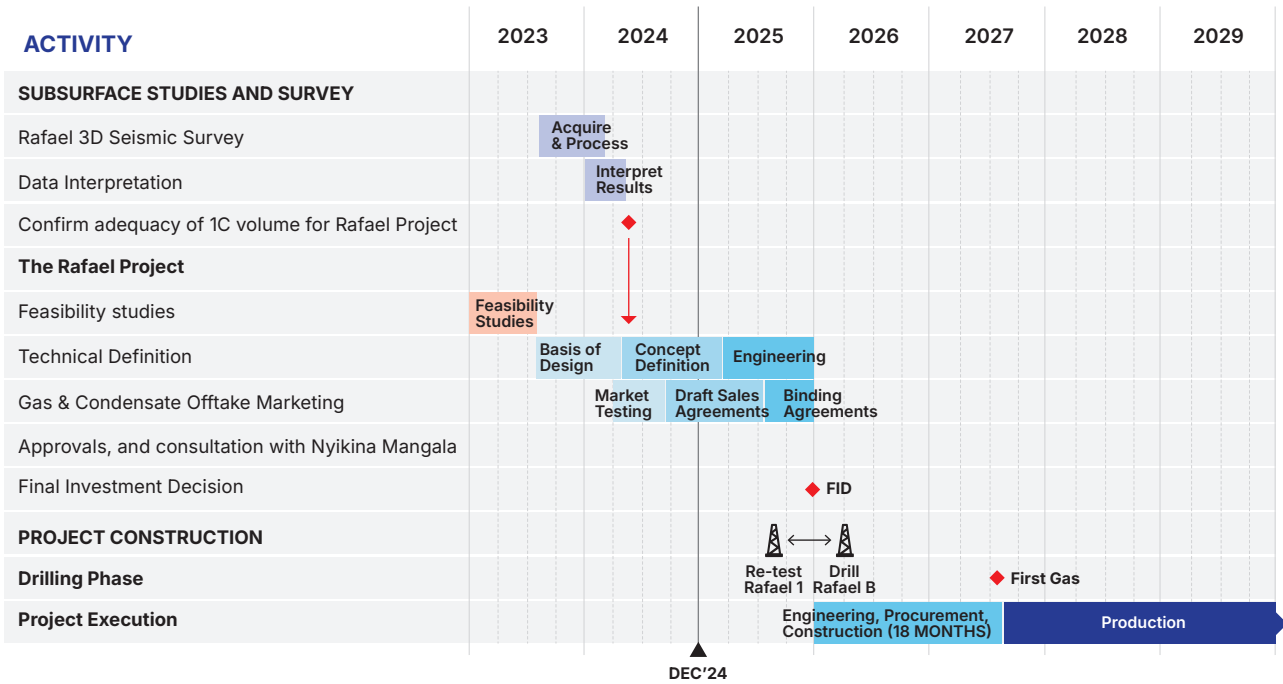
With the Rafael development concept selection now complete, Buru's near-term priority is to secure commercial agreements for the Rafael Gas Project development and gas and liquids offtake.

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.

REVIEW OF OPERATIONS

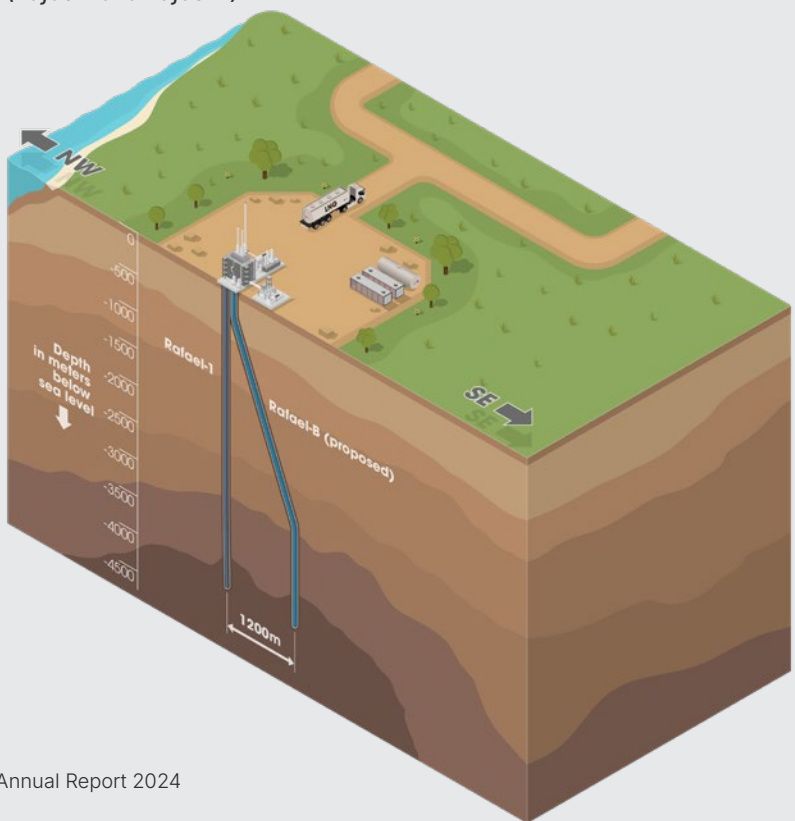
Figure 1 below illustrates the Rafael Gas Project development timeline which is subject to future discussions with potential asset partners, offtake arrangements, land access, regulatory approvals and capital availability.

Figure 1 – Rafael Gas Project Timeline



Timeline is indicative and is subject to capital availability, future discussions with potential asset partners, offtake arrangements, land access and regulatory approvals.

Indicative well locations (Rafael 1 and Rafael B)



REVIEW OF OPERATIONS

Ungani Oilfield (L20/L21 - Buru Energy 100%)

At the beginning of the year Buru executed a Deed of Settlement, Termination and Release with Roc Oil Company Pty Limited (ROC) for ROC's share of liability for costs associated with future decommissioning activities for Production Licences L 20 and L 21. A settlement of \$3.4 million was received on 12 March 2024 by Buru in relation to this Deed.

Buru entered into a Farm-in Agreement (Ungani FIA) with Sabre Energy Pty Ltd (Sabre) on 17 June 2024, for a 70% interest in the Ungani Oilfield production and exploration assets in Petroleum Production Licences L 20 and L 21. The Ungani FIA was a transaction whereby Sabre would contribute \$1.0 million towards the costs associated with the recommencement of production operations at the Ungani Oilfield. Under the Ungani FIA Sabre would further assume an agreed proportion of the future abandonment costs in relation to the Ungani Oilfield, thereby significantly reducing Buru's current abandonment liabilities. Sabre was to also provide a \$5.0 million carry towards the costs of drilling the Mars well in the L 20 production licence.

On 25 September 2024 Buru terminated the Ungani FIA with Sabre due to Sabre's inability to meet their commitments under the Ungani FIA.

Buru is continuing work with third parties to review opportunities to recommence 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 Wyndham export route.

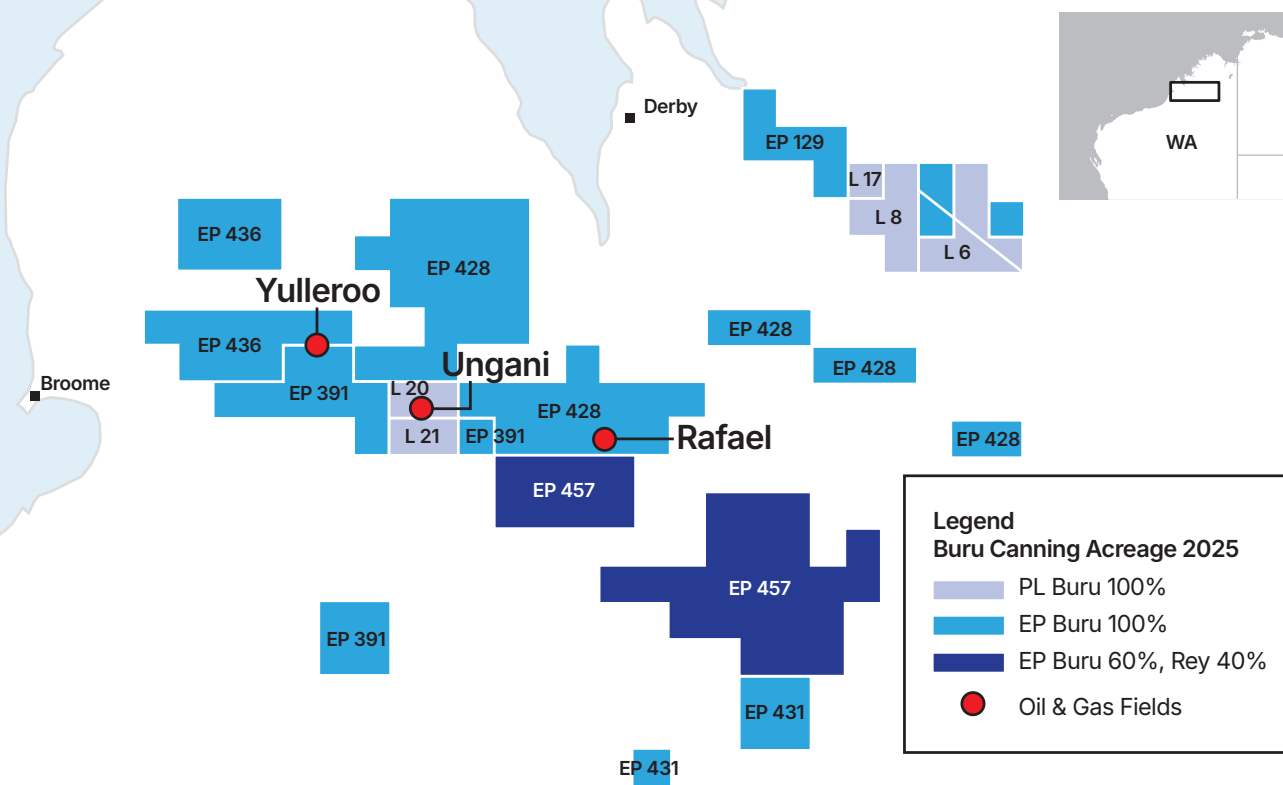
The restart of Ungani production at the optimised production level and a different route to market requires the renegotiation of certain commercial terms pursuant to the existing Ungani Native Title agreements and requisite field management regulatory approvals.

Discussions with potential partners to participate in the high impact Mars exploration prospect within the Ungani Production Licences continue.



Ungani Production Facility

REVIEW OF OPERATIONS



Canning Basin Exploration

Rafael Shallow Prospect (EP 428 – Buru 75%)

On 24 April 2024 Buru announced that following the interpretation of the Rafael 3D seismic survey data, it had identified a high potential, relatively shallow oil prospect in EP 428, partially overlying the Rafael 1 gas and condensate accumulation.

On 5 August 2024 Buru announced it had entered into a Farm-in Agreement (Rafael Shallow FIA) with Sabre Energy Pty Ltd (Sabre) for the drilling of the Rafael Shallow 1 exploration well in EP 428 in Western Australia's onshore Canning Basin. The transaction involved Sabre carrying Buru for \$6 million of the costs associated with the drilling and testing of the Rafael Shallow exploration well to earn a 50% interest in a commercial discovery and subsequent Production Licence, with Buru retaining a 50% interest and Operatorship.

Following lengthy discussions, Sabre failed to meet their financial obligations under the Rafael Shallow FIA. Therefore, on 25 September 2024 Buru and Sabre executed agreements to terminate the Rafael Shallow FIA.

On 26 September 2024, Buru executed binding Term Sheets to secure alternative funding of \$3 million for the Rafael Shallow 1 exploration well, with two entities associated with long-term Buru shareholders to collectively earn a total 25% interest in a commercial discovery and subsequent Production Licence.

On 26 September 2024, Buru executed a Rig Hire Agreement with Silver City Drilling for Rig 24, and on 9 October 2024, the Rafael Shallow 1 well was spudded.

On 23 October 2024, Buru announced that the Rafael Shallow 1 well was drilled safely, on schedule and on budget but did not encounter moveable hydrocarbons. The well was subsequently plugged and abandoned.

The lack of exploration success at Rafael Shallow 1 does not impact the development plans for the Rafael Gas Project.

REVIEW OF OPERATIONS



Other Assets

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

In late 2024, Buru commenced a 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 permits and production licence areas from 13,200 km² (165 blocks) to 5,440 km² (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.

EP 458 (Rey Resources 100% and Operator)

The EP 458 exploration permit lies in the Canning Basin in a remote area to the east of the main prospectivity trends. As a result of previous exploration activity in the area by Buru, the permit is considered to have low prospectivity, with Buru having identified no drillable targets to be able to fulfil the drilling commitment in the next permit year. Therefore, Buru issued a notice of withdrawal to Rey Resources (Rey) under the EP 458 Joint Operating Agreement with effect from 1 January 2024, with Buru assigning its 60% interest and Operatorship of the permit to Rey.

REVIEW OF OPERATIONS

Integrated New Energy Businesses

Natural Hydrogen and Helium Exploration and Development (2H Resources, Buru 100%)



2H Resources was established to apply the geological knowledge of its supporting shareholder (Buru Energy) in the exploration and appraisal of natural hydrogen and helium accumulations. If found in commercially exploitable quantities, natural hydrogen will be cost competitive against all forms of industrially manufactured hydrogen.

The 2H Resources exploration portfolio consists of 17 licence application areas, covering a total 70,000 km² across South Australia, Western Australia and Tasmania.

In late 2024 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.

Carbon Capture and Storage (GeoVault, Buru 100%)



Carbon capture and storage (CCS) is the process of capturing carbon dioxide (CO₂) before it enters the atmosphere, transporting it, and storing it in underground geological formations.

CCS complements other emission reduction technologies by addressing emissions that currently cannot be avoided, including CO₂ emissions from industrial processes.

Since early 2021 Buru has been progressing CCS technical and commercial activities through its GeoVault subsidiary, with a focus on onshore geological greenhouse gas (GHG) storage.

During the year GeoVault completed an initial assessment of the geological greenhouse gas (GHG) storage potential for areas in and around Buru's petroleum licences and permits that has been independently validated by RISC Advisory. This assessment is in support of the commercialisation pathway for Buru's 100% owned, low reservoir CO₂ Rafael Gas Project in the onshore Canning Basin of Western Australia.

Battery Minerals Exploration – Battmin (Buru 50%)

Battmin, a wholly owned subsidiary of Buru, was initially formed to apply the geological knowledge that Buru had acquired in its extensive petroleum exploration activity in the Canning Basin to the exploration for minerals formed by similar processes, and often in association with, oil and gas accumulations.

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.

In late 2024 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. On 23 January 2025, Buru executed a Sales and Purchase agreement for the sale of 100% of Battmin's interest in the Barbwire Terrace Project.

REVIEW OF OPERATIONS

Corporate

On 29 July 2024, Mr David Maxwell was appointed as a Non-executive Director of the Company. On 15 August 2024, Mr Eric Streitberg retired from his position as Chair of Buru and resigned as a Director of the Company. On the same day the Board agreed to elect Mr David Maxwell as Chair.

On 30 September 2024, Buru announced the successful completion of an oversubscribed and scaled back share placement of \$6.7 million (before costs) at 6.2 cents per share which was strongly supported by institutional and professional investors and Directors.

A General Meeting of shareholders was held on 21 November 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.

Corporate Governance

The principles governing the actions of the Board and the employees of the Company are in accordance with the ASX core principles of corporate governance. The Company's full Corporate Governance Statement and Appendix 4G for the year ended 31 December 2024 has also been released and can be found on the Company's website.

The Company also has in place policies that cover the principal actions under its Corporate Governance Statement, and these may also be found on the Company's website.

Risk Management

The Audit and Risk Committee oversees the establishment, implementation, and annual review of the Group's Risk Management System. Management has established and implemented the Risk Management System for assessing, monitoring, and managing all risks, including material business risks, for the Group (including sustainability risk). The Chief Executive Officer and the Chief Financial Officer have provided assurance, in writing to the Board, that the financial reporting, risk management and associated compliance and controls have been assessed and found to be operating effectively. The operational and other risk management compliance and controls have also been assessed and found to be operating effectively.

Risk reporting includes the status of risks through integrated risk management programs aimed at ensuring risks are identified, assessed, and appropriately managed. The Audit and Risk Committee reports the status of material business risks to the Board on an annual basis.

The risks involved with oil and gas exploration generally and the specific risks associated with Buru Energy's activities in particular are regularly monitored and all exploration and investment proposals reviewed include a conscious consideration of the issues and risks of each proposal. The Company's executive and senior management have extensive experience in the industry and manage and monitor potential exposures facing the Company.

Climate Related Risks and Opportunities

The Board considers the potential impact of climate related risks in its oversight of the Company's strategy. The Company recognises that human activity, including fossil fuel combustion, is contributing to increased levels of carbon dioxide in the atmosphere and that modelling suggests this can lead to changes in the global climate.

The Company recognises that society is transitioning towards energy sources with low carbon dioxide emissions and supports this process. Even in the most ambitious energy transition scenarios, this process will be gradual. Natural gas and oil will continue to play an important role in the global economy for decades to come, and new sources of gas and oil supply are required for a sustainable energy transition. The Company therefore continues with a strategy of monetising its natural gas and oil assets through exploration, appraisal, development, and production.

The Company has committed to net zero carbon emissions from its current and future gas and oil operations by 2050 and is actively seeking to reduce or offset its Scope 1 and Scope 2 emissions, particularly in ways that directly benefit the Kimberley community. Buru has also implemented the Taskforce on Climate-related Financial Disclosures (TCFD) framework. The TCFD reporting and further information is included in the Company's ESG Report for the year ended 31 December 2024.

The Company is establishing expertise and operational capability for carbon dioxide capture and storage services through its GeoVault subsidiary.

REVIEW OF OPERATIONS

Health, Safety and Environment

Buru Energy is committed to protecting the health and safety of all personnel as well as the environment, cultural heritage, and communities in the vicinity of all its activities. As such, the Company's overarching HSE goal is Zero Harm to people and the environment during its activities. To help manage HSE performance, the Company implements a robust HSE Management System, which includes monitoring and reporting against various targets to meet the overarching goal of Zero Harm.

The Company's onshore operations are regulated by numerous agencies and authorities, principally the Department of Energy, Mines, Industry, Resources and Safety (DEMIRS) under the Petroleum and Geothermal Energy Resources Act 1967 (PGER Act) and the Petroleum Pipelines Act 1969, Work Health and Safety Act 2020 (WHS Act) and associated regulations. Other regulators include the Department of Water and Environmental Regulation (DWER) under the Rights and Water and Irrigation Act 1914 and the Environmental Protection Act 1986 and a number of other agencies and regulations.

Health, safety, and environmental approvals from the various agencies are required to be in place prior to undertaking any petroleum activities. During all activities, the Company implements a structured internal HSE audit process to identify opportunities for improvement and measurement of HSE performance. Further, external audits and inspections are often undertaken by regulatory agencies to measure compliance against HSE approvals.

During 2024, Buru Energy was not aware of any material non-compliance with health, safety or environmental legislation or regulations. Further information on the Company's HSE performance for 2024 is included in the Company's ESG Report for the year ended 31 December 2024.

Traditional Owner Engagement

No petroleum activity can be conducted on the Company's licences and permits without the involvement and consent of the Traditional Owners of the areas, and Buru has never accessed an area without this consent.

The Company continues to comply with the relevant Ungani Traditional Owner agreements it has negotiated with appropriate native title holders and is meeting its targets for Aboriginal employment. Buru also provides support for local Aboriginal ranger groups for key areas in which it operates and gives preference to contracting local Kimberley Aboriginal businesses to provide services subject to a competitive tender and selection process. Further information is included in the Company's ESG Report for the year ended 31 December 2024.



DIRECTORS' REPORT

The Directors present their report together with the consolidated financial statements of the Group comprising Buru Energy Limited (Buru Energy or Group) and its subsidiaries for the year ended 31 December 2024, and the auditor's report thereon. The remuneration report for the year ended 31 December 2024 on pages 29 to 34 forms part of the Directors' report.

Directors



Left to Right, Malcolm King, Robert Willes, Joanne Williams, David Maxwell

Mr Malcolm King
Independent
Non-executive Director

Mr Robert Willes
Independent
Non-executive Director

Ms Joanne Williams
Independent
Non-executive Director

Mr David Maxwell
Independent
Non-executive Chair

On 15th August 2024, Mr Eric Streitberg retired from his position as Chair of Buru Energy and resigned his position as Director of the Company. Mr Streitberg is a founding shareholder of the Company and was Chair and Director of Buru for 14 years.

DIRECTORS' REPORT

Name, qualifications and independence status	Experience, special responsibilities, and other directorships
<p>Mr David Maxwell Independent Non-executive Chair (Appointed 29 July 2024)</p> <p>David holds a Master of Technology from Massey University and is a Fellow of the Australian Institute of Company Directors.</p>	<p>David is a leading oil and gas industry executive with more than 25 years' experience in senior executive roles with Cooper Energy (now named Amplitude Energy), BG Group (now owned by Shell), Woodside Energy and Santos.</p> <p>David was the Managing Director and CEO at Cooper Energy from October 2011 until his retirement in March 2023, where he led the transformation and growth of the company into a leading gas supplier for South-east Australia. Prior to Cooper Energy, David worked with the British multinational organisation BG Group, where he led the company's LNG and gas entry into Australia and South-east Asia. His BG roles included a number of material acquisitions and responsibility for all commercial, exploration, business development, strategy and marketing activities for Australia. Before this David held senior leadership positions at Woodside Energy, including three years on the Woodside Executive Committee.</p> <p>David was on the board of the Australian Petroleum Production and Exploration Association from 2018-2023 and has served on a number of other industry association boards, government advisory groups and public company boards.</p> <p>David is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.</p>
<p>Mr Robert Willes Independent Non-executive Director (Appointed 2 July 2014)</p> <p>Robert is a Graduate of the Australian Institute of Company Directors and member of the Association of International Petroleum Negotiators. He holds an Honours Degree in Geography from Durham University in the UK and has completed Executive Education Programmes at Harvard Business School in the USA and Cambridge University in the UK.</p>	<p>Robert has over 30 years of extensive international experience in the oil and gas and energy industries, covering senior commercial and leadership positions with BP as well as ASX and government board roles. His BP career included exploration & production, gas & power and global M&A, with responsibility for numerous complex deals such as divestments, farm-ins, asset swaps, new acreage bids, unitisations, gas and LNG sales.</p> <p>A former Managing Director of Challenger Energy Ltd and CEO of Eureka Energy Limited, Robert is also a director of the Mid West Port Authority and has served on a number of boards including the Australian Petroleum Production and Exploration Association, North West Shelf Gas Pty Ltd, North West Shelf Liaison Co. Pty Ltd, North West Shelf Australia LNG Pty Ltd, North West Shelf Shipping Services Co. Pty Ltd, Carbon Reduction Ventures Pty Ltd and Perth Centre for Photography.</p> <p>Robert is the Chair of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee.</p>

DIRECTORS' REPORT

Name, qualifications and independence status	Experience, special responsibilities, and other directorships
<p>Ms Joanne Williams Independent Non-executive Director (Appointed 22 February 2021)</p> <p>Joanne is a Petroleum/Reservoir Engineer holding a Bachelor of Engineering (Hons) from the University of Adelaide and is a member of the Australian Institute of Company Directors.</p>	<p>Joanne is an experienced industry professional with more than 25 years' experience in technical and executive roles with Woodside Petroleum, Newfield Exploration, Gulf Canada, Clyde Petroleum, Jadestone Energy and Nido Petroleum.</p> <p>Joanne has been directly responsible for managing production operations, exploration drilling and development projects, capital raisings, asset transactions and joint venture interests throughout her career; including as Deputy Managing Director at ASX-listed Nido Petroleum for seven years.</p> <p>Joanne is currently also a Non-executive Director of 88 Energy Limited, an Australian-listed explorer and producer and Director and Chief Operating Officer of Jadestone Energy plc, an AIM-listed, SE Asian focused producer.</p> <p>She was previously the Managing Director of Blue Star Helium, a Perth-based helium exploration and development company focused on activities in North America.</p> <p>Joanne is a member of both the Audit and Risk and Remuneration and Nomination Committees.</p>
<p>Mr Malcolm King Independent Non-executive Director (Appointed 22 February 2021)</p> <p>Malcolm has a Bachelor of Applied Science (Geology) degree from the University of Southern Queensland and a Master of Science (Petroleum Geology) from the University of Aberdeen, Scotland. He is a Member of Australian Institute of Company Directors and a graduate of the Australian Institute of Company Directors Director Program.</p>	<p>Malcolm has 35 years of upstream oil and gas experience, mostly with Shell in technical, commercial and executive leadership roles across Asia and Australia. His Shell experience spans the exploration & production and gas & power businesses, participating in and leading exploration and M&A campaigns, and working extensively in LNG operations, business development and market development. More recently Malcolm led Senex Energy's commercial and business development functions for the Cooper Basin oil and Queensland coal seam gas businesses. He currently provides consulting services to the energy industry.</p> <p>Malcolm is the Chair of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee.</p>
<p>Mr Eric Streitberg Non-executive Chairman (Retired 15 August 2024)</p> <p>Eric is a Fellow of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors, a member of the Society of Exploration Geophysicists, Petroleum Exploration Society of Australia and the American Association of Petroleum Geologists.</p> <p>He is a Certified Petroleum Geologist and Geophysicist and holds a Bachelor of Science (App. Geoph.) from the University of Queensland.</p>	<p>Eric has more than 40 years of experience in petroleum geology and geophysics, oil and gas exploration and oil and gas company management. He was a founding shareholder and held the position of Managing Director of ARC Energy Limited which was transformed from a junior oil and gas exploration company into a mid-size Australian oil and gas producer. He was also the founding shareholder and Managing Director of Discovery Petroleum which was a key participant in the renaissance of the Perth Basin as a significant gas producer until the takeover of that company in 1996. Prior to that he held various senior international exploration roles with Occidental Petroleum and BP. He was a founding shareholder and Non-executive Director of Adelphi Energy Limited from 2005 until its takeover in 2010.</p> <p>Eric was previously a Director and Chair of the Australian Petroleum Production and Exploration Association and has also chaired the APPEA Exploration and Environment Committees. He is also a past Chair of the Marine Parks and Reserves Authority of Western Australia.</p> <p>Eric had been a Director since October 2008 and was the Executive Chairman from May 2014 to December 2022, and Non-Executive Chairman from January 2023 to August 2024.</p>

DIRECTORS' REPORT

Leadership Team



Thomas Nador

Chief Executive Officer

BSc, PGDip Sc, MAICD

Thomas is a globally experienced oil and gas executive with over 25 years' experience in various roles across the oil and gas value chain, mining and metals, pipelines and infrastructure developments. Thomas has been involved in the development of major oil and gas resources from discovery to production, managed significant pre- and post-merger integrations at an asset and corporate level, and has led large multidisciplinary and multicultural teams to deliver high value, complex and innovative programs of work.

Prior to joining Buru in 2022, Thomas held the position of Group Executive, Development with Beach Energy, Executive Vice President and Country Manager for InterOil Corporation in Papua New Guinea, and Development Manager, Project Interface Manager and Project Integration Manager for LNG projects at Woodside Energy.



Paul Bird

Chief Financial Officer & Company Secretary

BSc, FCCA, AGIA

Paul is a Chartered Accountant and Governance Professional with over 25 years' experience, predominantly within the energy sector with ASX listed companies.

Paul joined Buru in October 2022 following his most recent role as Chief Financial Officer and Company Secretary of ASX listed Metgasco Ltd. He has held previous senior finance leadership roles with national oil companies, publicly listed and private oil companies in Australia, US, Europe and SE Asia.

Paul has been responsible for many aspects of finance and business administration, including financial control and reporting, corporate governance, debt and capital raising, treasury management, insurance and risk management, and tax planning. Paul is experienced in corporate acquisitions and divestments including business valuations and joint venture farm in/out transactions and adds significant strength and diverse capability to Buru.



Rachel McIntyre

Development Manager

MGeol

Rachel joined Buru in February 2023 and has over 15 years of oil and gas experience across exploration and development and specific expertise in carbon capture and storage (CCS) projects in Australia and throughout the United Kingdom and Europe.

Rachel has a strong geoscience background which she has utilised in a variety of roles and projects through the life cycle of appraisal, development and late life assets.

As central member of a dynamic consultancy team, Rachel has also managed multiple projects across several technical disciplines.

Rachel assumed the role of Development Manager at Buru Energy in January 2024.



Grant McMurtrie

General Manager Exploration

MSc Geology

Grant has 25 years' experience across geoscience and managerial roles, predominantly with multinational organisations BHP and Shell.

He has led the execution of oil and gas exploration work programs across most Australian Basins including operations, seismic acquisition, seabed coring, airborne surveys and drilling wells.

His broad geoscience skillset is complimented by expertise in play-based exploration, remote sensing, new ventures and exploration portfolio management.

Grant assumed the role of General Manager Exploration at Buru Energy in January 2024.

DIRECTORS' REPORT

Board and Committee Meetings

The number of Board and Committee meetings and the number of meetings attended by each of the Directors of the Company during the year were:

Meeting	Board Meetings		Audit & Risk Committee Meetings		Remuneration & Nomination Committee Meetings	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
David Maxwell	6	6	2	2	3	3
Eric Streitberg	6	6	2	2	4	4
Robert Willes	12	12	4	4	7	7
Joanne Williams	12	12	4	4	7	7
Malcolm King	12	12	4	4	7	7

Principal Activities

The principal activity of the Group during the period was oil and gas exploration and development in the Canning Basin, in the northwest of Western Australia. Further information is included in the Review of Operations. There were no other significant changes in the nature of the Group's principal activities during the period.

Review of Operations

The Review of Operations for the year ended 31 December 2024 is set out on pages 10 to 18 and forms part of this Directors' Report.

Operating Results

The consolidated loss of the Group after providing for income tax for the year ended 31 December 2024 was \$13,015,000 (31 December 2023: loss of \$5,118,000).

Financial Position

The net assets of the Group totalled \$16,492,000 as at 31 December 2024 (31 December 2023: \$23,194,000).

DIRECTORS' REPORT

Dividends

The Directors do not propose to recommend the payment of a dividend for the period. No dividends have been paid or declared by the Company during the current period.

Significant Changes in the State of Affairs

No significant change in the state of affairs of the Group occurred during the period other than as already referred to elsewhere in this report.

After Balance Date Events

On 23 January, the Company via its wholly owned subsidiary, Battmin Pty Ltd (Battmin) executed a Sale and Purchase Agreement (SPA) with Sipa Resources Limited (Sipa), whereby Battmin has agreed to sell its 50% interest in the two granted Barbwire Terrace tenements E04/2674 and E04/2684 ("Tenements") to Sipa. The transaction was completed on 23 January 2025 upon which Sipa assumed 100% ownership of the Tenements.

As consideration for the transfer Sipa has agreed to grant to Battmin (or its nominated Related Body Corporate) a royalty in respect of the Tenements. The rate of royalty payable by Sipa to Battmin is 0.6% of the Net Smelter Return from future production. The Royalty Deed reflects standard industry terms, with Sipa having retained the right to buy back the Royalty for a one-off payment of \$0.6 million.

The transfer of the Tenements is subject to customary regulatory approvals. As at 31 December 2024 no value was attributed to the Tenements.

No other significant events have occurred subsequent to balance date that in the opinion of the directors has significantly affected, or may significantly affect in future financial years:

- the Group's operations; or
- the results of those operations; or
- the Group's state of affairs.

Likely Developments

The Group's likely developments in its operations in future financial years and the expected results of those operations have been included generally in the Review of Operations. Other than as disclosed elsewhere, disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Accordingly, this information has not been disclosed.

Material business risks

1. Exploration, Appraisal and Development

Oil and gas exploration and development involves significant risk and there is no assurance that exploration within the Company's current portfolio, or any other projects that may be acquired in the future, will result in a hydrocarbon discovery. Even if an apparently viable hydrocarbon deposit is discovered or identified, there can be no guarantee that the discovery will be sufficiently productive or the appraisal of the discovery sufficiently positive to justify commercial development or assure a profit on the investment. The ultimate success and continuous profitability of exploration and development activities of the is influenced by many factors, such as access to customer markets, capital, costs, regulatory conditions, community sentiments towards oil and gas activities, actual hydrocarbons and formations encountered by wells, flow consistency and reliability, as well as access to appropriately skilled personnel and other risks.

DIRECTORS' REPORT

2. Reliance on Key Personnel

The Company's success depends to a significant extent upon its key management personnel, as well as other technical and management personnel including contractors, sub-contractors and consultants specific to the oil and gas industry. The loss of the services of any of these personnel or the insolvency or other managerial failure by any of the contractors, sub-contractors or other service providers used by the Company could have an adverse effect on the future operations of the Company.

3. Environmental and Other Regulatory Requirements and Approvals

Before exploration and production activity can commence on any permit or licence, the Company must obtain environmental and other regulatory approvals and there is no assurance that such approvals will be obtained or granted in a timely manner. Delays in the regulatory process and granting of environmental and other necessary approvals could hinder the Company's ability to pursue operational activities which in some cases could materially impact the outcome.

The Company's operations are subject to environmental laws, including but not limited to, those governing the management of waste, the protection of water and air quality, the discharge of materials into the environment, and the preservation of natural resources which may impact and influence the Company's operations. If the Company fails to comply with environmental laws regarding the discharge of oil, gas, or other materials into the air, soil or water it may be subject to liabilities to the government and third parties, including civil and criminal penalties. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted.

4. Land Tenure

Exploration Permits and Petroleum Licences held by the Company are subject to the approval of the relevant government bodies. Government regulatory authorities generally require permit and licence holder(s) to undertake certain obligations, including work program commitments, and failure to meet those obligations could result in forfeiture or termination. Exploration Permits and Production Licences may also be subject to partial or full relinquishment after certain tenure periods if no alternative permit or licence arrangements (e.g. production licence after periods of non-production) are applied for and approved. In an event of forfeiture, termination or relinquishment, the Company's overall land position would be reduced.

5. Native Title and Heritage Clearances

The Company's exploration permits and production licences are located in the Kimberley region of Western Australia and overlap lands that are subject to native title. Before any exploration activities can be undertaken, the Company is required to obtain heritage clearances from the relevant native title holders or claimants to ensure that no Aboriginal sites will be interfered with by the proposed activities. Although the Company has contractual relationships with the various traditional owner groups and their representative bodies for the areas in which the Company operates, there can be lengthy delays associated with this process, due to weather, availability of traditional owners and representative body staff, and the number of clearances requested by other operators.

6. Future Funding Risk

The Company has a number of appraisal and exploration projects within its portfolio, additional funding will be required at the appropriate time to fund these projects. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its strategy, plans or operations or to look to other funding mechanisms including asset sales or dilution.

7. Weather

Rainfall associated with the Kimberley's monsoonal wet season (December to March) can isolate sections of the road network in the region, restricting access and hampering drilling, seismic and other operations. The Company is able to conduct operations during the wet season in certain areas where access is available all year round including in and around the Ungani Oilfield, except for short periods following extreme weather events including cyclones.

DIRECTORS' REPORT

8. Climate Risk

The Company is exposed to a number of climate change related risks. Material climate related risks include:

- changes in demand for products due to regulatory and technological changes (transitional risk);
- increases in operating costs of assets due to carbon-pricing policies or other market mechanisms;
- physical damage to assets or interruption to operations from climatic changes and extreme weather events;
- restrictions on capital deployment to carbon intensive industries; and
- reputational damage driven by stakeholder activism and changing societal expectations.

The occurrence of any of these risks could result in asset impairment, lost revenue, difficulties in accessing project financing, and damage to brand value, amongst other things. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Environmental Regulations

Buru Energy is subject to environmental regulation under relevant Australian and Western Australian legislation in relation to its oil and gas exploration and production activities. DEMIRS is the primary regulator in Western Australia for petroleum activities though the Group's activities are also regulated by DWER. The Directors actively monitor compliance with these regulations. As at the date of this report, the Directors are not aware of any material breaches in respect of the regulations.

DIRECTORS' REPORT

Directors' Interests

The relevant interest of each Director in the shares or options issued by the Company, as notified by the Directors to the ASX in accordance with s205G(1) of the *Corporations Act 2001*, at the date of this report were as follows:

Directors	Ordinary Shares	Unlisted Options
David Maxwell	6,000,000	-
Robert Willes	310,957	-
Malcolm King	201,824	-
Joanne Williams	-	-
Total	6,512,781	-

Indemnification and Insurance of Officers

The Company has agreed to indemnify all current Directors and officers of the Company and its controlled entities against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

During the year, the Company has paid insurance premiums of \$191,785 (2023: \$213,020) in respect of Directors' and officers' liability. The premiums cover current and former Directors and officers, including senior executives of the Company and Directors and secretaries of its controlled entities. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

Proceedings on Behalf of Company

No person has applied for leave from any Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the period.

Non-audit Services

During the period, the Company's auditor did not perform any other services in addition to their statutory full year audit, half year review and Joint Venture audits. During the year ended 31 December 2024, the amount paid or payable to the Group's auditor (KPMG Australia) for statutory and other audit and review services totalled \$103,000 (2023: \$99,500).

DIRECTORS' REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 35 and forms part of the Directors' Report for the year ended 31 December 2024.

Rounding off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the Consolidated Financial Statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of Directors.



Mr David Maxwell
Independent Non-Executive Chair

Perth
25 March 2025



Mr Robert Willes
Independent Non-executive Director

Perth
25 March 2025

REMUNERATION REPORT - AUDITED

Principles of remuneration - Audited

The Directors present their Remuneration Report for Buru Energy for the year ended 31 December 2024. This remuneration report outlines the remuneration arrangements of the Company's Directors and other key management personnel (KMP) in accordance with the requirements of the *Corporations Act 2001* and its Regulations. In accordance with section 308(3C) of the *Corporations Act 2001*, the Remuneration Report has been audited and forms part of the Directors' Report.

KMP have the authority and responsibility for planning, directing and controlling the activities of the Group and comprise the Directors, executives and senior management in accordance with s300A of the *Corporations Act 2001*.

Remuneration levels for KMP are competitively set to attract and retain appropriately qualified and experienced Directors and executives. The remuneration structures explained below are designed to reward the achievement of the Company's strategic objectives and achieve the broader outcome of the creation of shareholder value. The Company's remuneration structures take into account:

- the capability and experience of KMP; and
- the Group's corporate, operational and financial performance.

Remuneration packages include a mix of fixed and variable remuneration, and short and long term performance based incentives.

Fixed remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any FBT charges related to employee benefits), as well as employer contributions to superannuation funds. Remuneration levels are reviewed annually by the Remuneration and Nomination Committee through a process that considers individual, segment and overall performance of the Group. In addition, external consultants may provide analysis and advice to ensure the Directors, executive and senior management remuneration is competitive in the market place. Remuneration is also reviewed on promotion.

Performance linked remuneration

Performance linked remuneration includes both short-term and long-term incentives, and is designed to reward KMP for meeting or exceeding the Company's expectations and agreed objectives. Any short-term incentive (STI) is an 'at risk' bonus provided in the form of cash, while any long-term incentive (LTI) is provided under the Employee Share Option Plan (ESOP) or Employee Incentive Performance Rights Plan. The LTIs are structured to ensure that incentives are appropriately aligned to sustainable shareholder value creation.

Short-term incentive bonuses

All STI bonuses are subject to the Board's ultimate discretionary approval. The payments of any STI bonuses are based on the key performance indicators (KPIs) and individual achievements. The KPIs are designed to enhance staff retention and promote shareholder value creation and include financial and non-financial measures. The financial and non-financial KPIs include health, safety, environmental and risk management; asset development and growth outcomes; social license; and business efficiency.

REMUNERATION REPORT - AUDITED

Long-term incentive bonuses

The Remuneration and Nomination Committee considers that an LTI scheme structured around equity-based remuneration is necessary to attract and retain the highest calibre of professionals to the Group, whilst preserving the Group's cash reserves. The purpose of these schemes is to align the interests of KMP with shareholders and to reward, over the medium term, KMP for delivering value to shareholders through share price appreciation.

Options are issued under the ESOP in accordance with the thresholds set in the plan approved by shareholders. The number of options available to be issued under the ESOP is limited to 5% of the total number of ordinary shares in the Company. The options are issued for no consideration and vest immediately. All options refer to options over ordinary shares of Buru Energy Limited which are exercisable on a one for one basis.

Performance Rights are subject to certain vesting conditions being met before they become exercisable. When exercised, each Performance Right entitles the holder to receive one ordinary share in the Company for no consideration.

Consequences of performance on shareholder wealth

The Board considers that the most effective way to increase shareholder wealth is through the successful exploration and development of the Group's gas and oil exploration permits and development of new energy resources in Australia. The Board considers that the Group's LTI schemes incentivise KMP to achieve these outcomes by providing rewards, over the short and long term that are directly correlated to delivering value to shareholders through share price appreciation. The Company's relative share price performance is the primary measure when the Board considers the effectiveness of LTI remuneration consequences on shareholder wealth.

The *Corporations Act 2001* requires disclosure of the Company's remuneration policy to contain a discussion of the Company's earnings and performance and the effect of the Company's performance on shareholder wealth in the reporting period and the four previous financial years. The table below provides a five-year financial summary to 31 December 2024.

12 months ended	Dec 24	Dec 23	Dec 22	Dec 21	Dec 20
Net profit / (loss) after tax (\$million)	(13.02)	(5.12)	(32.78)	(10.75)	(28.82)
EPS (loss) (cents) basic	(1.87)	(0.85)	(5.74)	(2.15)	(6.67)
EPS (loss) (cents) diluted	(1.87)	(0.85)	(5.74)	(2.15)	(6.67)
Share price (\$) – start of the year	0.115	0.092	0.245	0.125	0.17
Share price (\$) – end of the year	0.04	0.11	0.095	0.23	0.12
Share on issue (million)	779.41	671.35	596.04	538.44	432.07
Market capitalisation (\$million)	31.18	73.85	56.62	123.84	51.85

REMUNERATION REPORT - AUDITED

Service contracts

The employment contract with the Chief Executive Officer, Mr Thomas Nador, is unlimited in term but capable of termination with three months' notice by either party, or by payment in lieu thereof at the discretion of the Company. Six months of base salary and pro-rated STI and LTI entitlements are payable upon termination by either party in the event of a change in control of the Company.

The employment contract with the Chief Financial Officer, Mr Paul Bird, is unlimited in term but capable of termination notice with three months' notice by either party, or by payment in lieu thereof at the discretion of the Company. Three months of base salary and pro-rated STI and LTI entitlements are payable upon termination by either party in the event of a change in control of the Company.

The Remuneration & Nomination Committee determined the amount of remuneration payable to KMP under each agreement. KMP are also entitled to receive their contractual and statutory entitlements including accrued annual and long service leave, together with any superannuation benefits, on termination of employment. Remuneration levels are reviewed each year to take into account cost-of-living changes, any change in the scope of the role performed by KMP and any changes required to meet the principles of the Group's remuneration policy.

Services from remuneration consultants

There were no services received from remuneration consultants during the period.

Non-executive Directors

Total fixed remuneration for all Non-executive Directors, last voted upon by shareholders at the 2012 Annual General Meeting, is not to exceed \$600,000 per annum. Effective from 1 December 2024, the Non-executive Directors' base fee was reduced from \$96,000 to \$70,000 plus statutory superannuation per annum and the Chair's base fee was reduced from \$150,000 to \$130,000 plus statutory superannuation per annum. An additional fee of \$5,000 (reduced from \$7,400 pre-December 2024) plus statutory superannuation per annum is payable for Non-executive Directors being a member of a Committee and the fee for chairing a Committee is \$10,000 (reduced from \$14,600 pre-December 2024) plus statutory superannuation.

REMUNERATION REPORT - AUDITED

Key Management Personnel Remuneration - Audited

Details of the nature and amount of each major element of remuneration of each director of the Company and other key management personnel of the consolidated entity are:

		Short term			Post-employment	Other long term	Share-based payments			s300A(1)(e)(i) proportion of remuneration related	s300A(1)(e)(vi) value of share based payments as a proportion of remuneration	
		Salary & Fees	Annual leave	STI cash bonus			Non-monetary benefits (A)	Total	Super-annuation benefits			Long service leave accrued
Non-executive Directors												
Mr D Maxwell, NED – Chair (appointed as NED 29 July 2024, appointed as Chair 15 August 2024)	2024	59,575	-	-	-	6,851	-	-	-	-	66,426	0%
	2023	-	-	-	-	-	-	-	-	-	-	-
Mr R Wiles, NED	2024	115,250	-	-	-	12,959	-	-	-	-	128,209	0%
	2023	118,000	-	-	-	12,685	-	-	-	-	130,685	0%
Ms J Williams, NED	2024	108,233	-	-	-	12,170	-	-	-	-	120,403	0%
	2023	110,800	-	-	-	11,911	-	-	-	-	122,711	0%
Mr M King, NED	2024	115,250	-	-	-	12,959	-	-	-	-	128,209	0%
	2023	118,000	-	-	-	12,685	-	-	-	-	130,685	0%
Mr E Streitberg, NED – Chairman (retired 15 August 2024)	2024	93,548	-	-	-	10,383	-	-	-	-	103,931	0%
	2023	150,000	-	-	-	16,125	-	-	-	-	166,125	0%
Total Directors' Remuneration	2024	491,856	-	-	-	55,322	-	-	-	-	547,178	
	2023	496,800	-	-	-	53,406	-	-	-	-	550,206	

REMUNERATION REPORT - AUDITED

		Short term					Post-employment		Share-based payments			s300A(1)(e) (vi) value of share based payments as a proportion of remuneration		
		Salary & Fees	Annual leave	STI cash bonus (C)	Non-monetary benefits (A)	Other short-term benefits (D)	Total	Super-annuation benefits	Long service leave accrued	Termination benefits	ESOP (B)		Total	s300A(1)(e)(i) proportion of remuneration performance related
Mr T Nador, Chief Executive Officer	2024	473,077	38,462	-	9,895	2,297	523,731	56,250	3,603	-	-	583,584	0%	
	2023	484,616	38,462	155,540	8,409	1,149	688,176	66,325	1,118	-	-	755,619	0%	
Mr P Bird, Chief Financial Officer & Company Secretary	2024	300,082	24,198	41,235	10,789	2,297	378,601	40,148	2,352	-	-	421,101	0%	
	2023	276,100	22,362	-	7,781	1,149	307,392	30,492	653	-	34,611	373,148	9%	
Mr K Waddington, Chief Operating Officer (resigned December 2023)	2024	-	-	-	-	-	-	-	-	-	-	-	-	
	2023	313,353	26,496	50,000	7,516	-	397,365	42,560	17,221	-	-	457,146	11%	
Total Executive Officer Remuneration	2024	773,159	62,660	41,235	20,684	4,594	902,332	96,398	5,955	-	-	1,004,685		
	2023	1,074,069	87,320	205,540	23,706	2,298	1,392,933	139,377	18,992	-	34,611	1,585,913		
Total Directors and Executive Officer Remuneration	2024	1,265,015	62,660	41,235	20,684	4,594	1,394,188	151,720	5,955	-	-	1,551,863		
	2023	1,570,869	87,320	205,540	23,706	2,298	1,889,733	192,783	18,992	-	34,611	2,136,119		

Notes in relation to the table of KMP remuneration

- Non-monetary benefits to KMP relate to the provision of car parking, life insurance and salary continuance insurance.
- The fair value of options issued under the ESOP in 2023 are calculated at the date of grant using the Black & Scholes option-pricing method and expensed at grant date.
- During the year, the Remuneration & Nomination Committee approved Short-Term Incentives (STI) bonuses. All STI bonuses are subject to the Board's discretionary approval.
- Other short-term benefits to KMP relate to the allowance for mobile devices.

REMUNERATION REPORT - AUDITED

Loans to Key Management Personnel

There were no loans outstanding at the end of the period to key management personnel or their related parties.

Shares held by Key Management Personnel

KMP	Held at 1 Jan 24	Ceased to be a Director of Buru	Exercise of options	Purchased	Sold	Held at 31 Dec 24
Mr D Maxwell	-	-	-	6,000,000	-	6,000,000
Mr E Streitberg	21,686,279	21,686,279	-	-	-	-
Mr R Willes	310,957	-	-	-	-	310,957
Mr M King	121,179	-	-	80,645	-	201,824
Mr T Nador	300,000	-	-	100,000	-	400,000
Mr P Bird	4,000	-	-	-	-	4,000

J Williams did not hold any shares during this period.

Analysis of share based payments - ESOP

The movement during the period by number of options granted under the ESOP to KMP during the period is detailed below.

KMP	Held at 1 Jan 24	Granted as remuneration	Exercised	Lapsed / Forfeited	Held at 31 Dec 24	Vested during the year	Vested and exercisable
Mr P Bird	500,000	-	-	-	500,000	-	500,000

No options have been granted since the end of the financial year. All options were provided at no cost to the recipients and expire on the earlier of their expiry date or 30 days after the termination of the individual's employment or at a date determined by the Board. All options vested immediately and were exercisable from the grant date. During the reporting period, no shares were issued on the exercise of options previously granted as remuneration.

AUDITOR'S INDEPENDENCE DECLARATION



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Buru Energy Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Buru Energy Limited for the financial year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

GL + 177

Graham Hogg

Partner

Perth

25 March 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

<i>in thousands of AUD</i>	Note	31 December 2024	31 December 2023
Current Assets			
Cash and cash equivalents	10a	7,944	18,197
Trade and other receivables	8	656	395
Inventories	9	147	434
Total Current Assets		8,747	19,026
Non-Current Assets			
Exploration and evaluation expenditure	6	20,857	14,846
Property, plant and equipment	7	2,192	2,704
Other receivables		-	3,367
Total Non-Current Assets		23,049	20,917
Total Assets		31,796	39,943
Current Liabilities			
Trade and other payables	13	1,514	2,670
Lease liabilities	7	398	450
Provisions	14	1,066	1,058
Total Current Liabilities		2,978	4,178
Non-Current Liabilities			
Lease Liabilities	7	584	944
Provisions	14	11,742	11,627
Total Non-Current Liabilities		12,326	12,571
Total Liabilities		15,304	16,749
Net Assets		16,492	23,194
Equity			
Contributed equity	11	310,771	304,458
Reserves		69	69
Accumulated losses		(294,348)	(281,333)
Total Equity		16,492	23,194

The notes on pages 40 to 67 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>in thousands of AUD</i>	Note	31 December 2024	31 December 2023
Revenue	2	-	4,733
Cost of sales		-	(3,464)
Movement in crude inventories		-	(1,064)
Care and maintenance costs		(542)	-
Gross profit / (loss)		(542)	205
Exploration and evaluation expenditure		(9,604)	(6,776)
Changes in restoration provision		(52)	(1,173)
Gain on sale of exploration interests		-	5,000
Gain on termination of leases (O&G)		-	687
Movement in inventories		113	-
Corporate and administrative expenditure	3	(3,283)	(2,929)
Share based payment expenses		-	(69)
Results from operating activities		(13,368)	(5,055)
Net finance income / (expense)	4	353	(63)
Loss before income tax		(13,015)	(5,118)
Income tax expense	5	-	-
Total comprehensive loss		(13,015)	(5,118)
Loss per share (cents) and diluted loss per share (cents)	12	(1.87)	(0.85)

The notes on pages 40 to 67 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>in thousands of AUD</i>	Share capital \$	Share based payment reserve \$	Accumulated losses \$	Total equity \$
Balance as at 1 January 2023	295,971	550	(276,765)	19,756
Comprehensive loss for the period				
Loss for the period	-	-	(5,118)	(5,118)
Total comprehensive loss for the period	-	-	(5,118)	(5,118)
Transactions with owners recorded directly in equity				
Issue of ordinary shares, net of transaction costs	8,487			8,487
Share based payment transactions	-	69	-	69
Share options lapsed	-	(550)	550	-
Total transactions with owners recorded directly in equity	8,487	(481)	550	8,556
Balance as at 31 December 2023	304,458	69	(281,333)	23,194

<i>in thousands of AUD</i>	Share capital \$	Share based payment reserve \$	Accumulated losses \$	Total equity \$
Balance as at 1 January 2024	304,458	69	(281,333)	23,194
Comprehensive loss for the period				
Loss for the period	-	-	(13,015)	(13,015)
Total comprehensive loss for the period	-	-	(13,015)	(13,015)
Transactions with owners recorded directly in equity				
Issue of ordinary shares, net of transaction costs	6,313	-	-	6,313
Share based payment transactions	-	-	-	-
Share options lapsed	-	-	-	-
Total transactions with owners recorded directly in equity	6,313	-	-	6,313
Balance as at 31 December 2024	310,771	69	(294,348)	16,492

The notes on pages 40 to 67 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>in thousands of AUD</i>	Note	31 December 2024	31 December 2023
Cash flows from operating activities			
Cash receipts from sales		-	4,733
Payments to suppliers and employees		(4,609)	(6,620)
Payments for exploration and evaluation		(8,999)	(6,420)
Research and development tax concession received		247	-
Net cash outflow from operating activities	10b	(13,361)	(8,307)
Cash flows from investing activities			
Interest received		440	508
Receipts from sale of plant and equipment		-	3
Payments for capitalised exploration and evaluation		(6,658)	(3,889)
Payments for oil and gas development		-	(25)
Proceeds from sale of exploration interests		-	5,000
Joint venture partner exit consideration		3,367	-
Net cash inflow/(outflow) from investing activities		(2,851)	1,597
Cash flows from financing activities			
Proceeds from the issue of share capital		6,700	8,660
Transaction costs arising from the issue of share capital		(387)	(173)
Payments for lease liabilities		(453)	(1,223)
Net cash inflow from financing activities		5,860	7,264
Net increase/(decrease) in cash and cash equivalents		(10,352)	555
Cash and cash equivalents at the beginning of the period		18,197	17,922
Effect of exchange rate changes on cash and cash equivalents		99	(280)
Cash and cash equivalents at end of the period	10a	7,944	18,197

The notes on pages 40 to 67 are an integral part of these consolidated financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Basis of Preparation

Buru Energy Limited (Buru Energy or the Company) is a for profit company domiciled in Australia. The address of the Company's registered office is Level 2, 16 Ord Street, West Perth, Western Australia. The consolidated financial statements of the Company as at, and for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interest in jointly controlled entities. The Group is primarily involved in the exploration, development and production of gas and oil resources in Australia.

This section sets out the basis upon which the Group's financial statements are prepared as a whole. Significant accounting policies and key judgements and estimates of the Group that summarise the measurement basis used and assist in understanding the financial statements are described in the relevant note to the financial statements or are otherwise provided in this section. The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements of the Group comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB). The financial statements were approved by the Board of Directors on 25 March 2025. The accounting policies have been applied consistently by Group entities to all periods presented in these consolidated financial statements. The consolidated financial statements have been prepared on the historical cost basis unless stated otherwise.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the Consolidated Financial Statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Basis of Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Going Concern

The Group's financial statements are prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business.

During the period ended 31 December 2024 the Group recognised a loss of \$13,015,000 (31 December 2023: \$5,118,000), had net cash outflows from operating activities of \$13,361,000 (31 December 2023: \$8,307,000) and net cash outflows from investing activities of \$2,851,000 (31 December 2023: inflows of \$1,597,000). The Group held cash and cash equivalents of \$7,944,000 at 31 December 2024 (31 December 2023: \$18,197,000).

The Directors review of cash flow forecasts, confirm that the going concern basis of accounting remains appropriate but acknowledge that additional fund-raising activities, by way of a share placement, share issues or from asset sales, are required to enable the Group to fund its operations and meet its minimum expenditure, maintain tenements and meet ongoing costs for the twelve month period from the date of this financial report.

In the event the Group is unable to achieve some of the matters above, this would create a material uncertainty with respect to the ability of the Group to continue as a going concern and accordingly to realise its assets and extinguish its liabilities in the ordinary course of the operations.

Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars, which is each of the Group entities' functional currency. Transactions in foreign currencies are translated to Australian dollars at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Information about assumptions and estimation uncertainties in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are:

- Note 5 – Recognition of tax losses
- Note 6 – Exploration and evaluation expenditure
- Note 7 – Right-of-use assets
- Note 14 – Provisions

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Results for the Year

This section explains the results and performance of the Group including additional information about those individual line items in the financial statements most relevant in the context of the operations of the Group, including accounting policies that are relevant for understanding the items recognised in the financial statements and an analysis of the Group's result for the year by reference to key areas, including operating segments, revenue, expenses, employee costs, taxation and earnings per share.

1. Segment Information

An operating segment is a component of Buru Energy that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of Buru Energy's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer, Chief Financial Officer and other executives to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Segment results that are reported to the Chief Executive Officer and Chief Financial Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and head office expenses. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

The Group has only one reportable geographical segment being Australia. The reportable operating segments are based on the Group's strategic business units: oil production, exploration and energy transition. The following summary describes the operations in each of the Group's reportable operating segments:

- Oil Production: Development and production of the Ungani Oilfield. The Ungani Production Facility has been placed under care and maintenance after operations were suspended in August 2023. The Company is currently reviewing opportunities to re-establish production and explore alternative routes to market for the Ungani Oilfield.
- Exploration: The exploration program is focused on the following:
 - the Rafael area where the Rafael 1 exploration well was drilled in 2021 with a subsequent successful flow test of gas to surface;
 - several other prospects along the Ungani oil trend and
 - evaluation of the other areas in the Group's portfolio.
- Energy Transition: The Company maintains an interest in the energy transition through its three subsidiaries, 2H Resources (Natural Hydrogen), GeoVault (Carbon Capture and Storage) and Battmin (Battery Minerals).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Information regarding the results of each reportable segment is included below. Performance is measured in regard to the Group and its segments principally with reference to earnings before interest and tax, and capital expenditure on exploration and evaluation assets, oil and gas assets, and property, plant and equipment. The unallocated segment represents a reconciliation of reportable segments revenues, profit or loss and assets to the consolidated figures.

Profit or loss	Oil Production		Exploration		Energy Transition		Unallocated		Total	
	Dec 24	Dec 23	Dec 24	Dec 23	Dec 24	Dec 23	Dec 24	Dec 23	Dec 24	Dec 23
<i>in thousands of AUD</i>										
External revenues	-	4,733	-	-	-	-	-	-	-	4,733
Cost of sales	-	(3,464)	-	-	-	-	-	-	-	(3,464)
Movement in crude inventories	-	(1,064)	-	-	-	-	-	-	-	(1,064)
Care and maintenance costs	(542)	-	-	-	-	-	-	-	(542)	-
Gross Profit / (Loss)	(542)	205	-	-	-	-	-	-	(542)	205
Exploration and evaluation expenditure	-	-	(7,837)	(5,552)	(1,767)	(1,224)	-	-	(9,604)	(6,776)
Gain on termination of leases	-	687	-	-	-	-	-	-	-	687
Changes in restoration provisions	367	(1,639)	(419)	466	-	-	-	-	(52)	(1,173)
Sale of exploration interests	-	-	-	5,000	-	-	-	-	-	5,000
Movement in inventories	-	-	113	-	-	-	-	-	113	-
Depreciation expense	-	-	-	-	-	-	(518)	(632)	(518)	(632)
Corporate and administrative expenditure	-	-	-	-	-	-	(2,765)	(2,297)	(2,765)	(2,297)
Share based payment expenses	-	-	-	-	-	-	-	(69)	-	(69)
EBIT	(175)	(747)	(8,143)	(86)	(1,767)	(1,224)	(3,283)	(2,998)	(13,368)	(5,055)
Net finance income / (expense)	-	-	-	-	-	-	353	(63)	353	(63)
Reportable segment profit / (loss) before tax	(175)	(747)	(8,143)	(86)	(1,767)	(1,224)	(2,930)	(3,061)	(13,015)	(5,118)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Total Assets	Oil Production		Exploration		Energy Transition		Unallocated		Total	
	Dec 24	Dec 23	Dec 24	Dec 23	Dec 24	Dec 23	Dec 24	Dec 23	Dec 24	Dec 23
<i>in thousands of AUD</i>										
Current assets	-	-	147	434	-	-	8,600	18,592	8,747	19,026
Other receivable	-	3,367	-	-	-	-	-	-	-	3,367
Exploration and evaluation assets	-	-	20,857	14,846	-	-	-	-	20,857	14,846
Property, plant and equipment	-	-	-	-	-	-	2,192	2,704	2,192	2,704
Total Assets	-	3,367	21,004	15,280	-	-	10,792	21,296	31,796	39,943
Capital Expenditure	-	-	6,011	4,649	-	-	-	-	6,011	4,649
Total Liabilities										
Current liabilities	171	1,068	1,590	1,757	-	-	1,217	1,353	2,978	4,178
Lease liabilities (Non-current)	-	-	29	283	-	-	555	661	584	944
Provisions (Non-current)	6,961	7,289	4,705	4,160	-	-	76	178	11,742	11,627
Total Liabilities	7,132	8,357	6,324	6,200	-	-	1,848	2,192	15,304	16,749

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. Revenue

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Sales of crude oil	-	4,688
Timing effect of revenue	-	45
	-	4,733

Accounting Policy

Revenue is recognised when a customer obtains control of the goods or services. Under the previous contract, the sale of oil was recognised on Free on Board (FOB) terms, whereby the customer obtains control of the oil as it is loaded onto the vessel. Revenue from the sale of crude oil in the course of ordinary activities is recognised in the income statement at the consideration in the contract received or receivable. The price received FOB Wyndham represents the realised Brent linked oil price less the buyer's marine transport discount. Contract terms for crude sales allow for a final price adjustment after the date of sale, based on average Brent Platts in the month the crude is sold and final volume. The adjustment between the provisional and final price is separately disclosed as timing effect of revenue. Payment terms for invoices are thirty days from the Bill of Lading date.

3. Corporate and Administrative Expenditure

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Corporate and other administration expenses	3,283	2,929

The above expense excludes share-based payments disclosed at note 15.

Total personnel expenses for the 2024 year amounted to \$5,097,000, (2023: \$7,075,000) prior to Joint Venture reimbursements. Net personnel expenses are included in Cost of Sales, Exploration and Evaluation Expenditure and Corporate and Administrative Expenditure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Net Finance Income / (Expense)

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Finance Income		
Interest income on bank deposits and receivables	430	485
	430	485
Finance Expense		
Unwinding of interest on restoration liabilities	(140)	(178)
Interest income / (expense) on lease liabilities	(36)	(90)
Net foreign exchange gain / (loss)	99	(280)
	(77)	(548)
Net finance income / (expense) recognised in profit or loss	353	(63)

Accounting Policy

Finance income comprises interest income on funds invested (including financial assets). Interest income is recognised as it accrues in profit or loss, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

5. Taxation

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Current income tax		
Current income tax charge	-	-
Adjustments in respect of previous current income tax	-	-
	-	-
Deferred income tax		
Tax relating to origination and reversal of temporary differences	-	-
	-	-
Total income tax expense reported in equity	-	-
Numerical reconciliation between tax expense and pre-tax accounting profit		
Accounting profit / (loss) before tax	(13,015)	(5,118)
Income tax (expense) / benefit using the domestic corporation tax rate of 30%	3,904	1,536
(Increase) / decrease in income tax due to:		
Non-deductible expenses	(4)	(25)
Temporary differences and tax losses not brought to account as a DTA	(3,900)	(1,511)
Tax losses utilised	-	-
Income tax benefit / (expense) on pre-tax loss	-	-

Accounting Policy

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Unrecognised net deferred tax assets

Net deferred tax assets have not been recognised in respect of the following items.

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023	Movement
Deferred tax assets			
Accruals	34	33	1
Provisions	219	245	(26)
Development expenditure	5,136	6,703	(1,567)
Rehabilitation	3,632	3,574	58
Lease liabilities	294	418	(124)
Tax losses	68,320	60,605	7,715
Unrealised foreign exchange	(43)	60	(103)
	77,592	71,638	5,954
Deferred tax liabilities			
Property, plant and equipment	(308)	(330)	22
Exploration expenditure	(6,257)	(4,454)	(1,803)
Prepayments	(5)	-	(5)
Lease assets	(345)	(477)	132
	(6,915)	(5,261)	(1,654)
Net DTA not brought to account	70,677	66,377	4,300

Accounting Policy

Deferred tax is not provided for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, nor differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. In accordance with the group's accounting policies for deferred taxes, a deferred tax asset is recognised for unused tax losses only if it is probable that future taxable profits will be available to utilise those losses. Determination of future taxable profits requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. This includes estimates and judgements about oil and gas prices, reserves, exchange rates, future capital requirements, future operational performance and the timing of estimated cash flows. Changes in these estimates and assumptions could impact on the amount and probability of estimated taxable profits and accordingly the recoverability of deferred tax assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not yet probable that future taxable profit will be available against which the Group can utilise the benefits.

Tax consolidation

The Company and its 100% owned entities have formed a tax consolidated group. Members of the consolidated entity have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned controlled entities on a pro-rata basis. The agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At balance date, the possibility of default is remote.

Tax effect accounting by members of the Consolidated Group

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach which is consistent with the principles of AASB 112 Income Taxes. The allocation of taxes under the tax funding agreement are recognised as an increase/decrease in the controlled entities intercompany accounts with the tax consolidated group head entity, Buru Energy. In this regard, Buru Energy has assumed the benefit of tax losses from the member entities. The nature of the tax funding agreement is such that no tax consolidation contributions by or distributions to equity participants are required.

Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

6. Exploration and Evaluation Expenditure

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Carrying amount at beginning of the period	14,846	10,197
Exploration assets additions	6,011	4,649
Carrying amount at the end of the period	20,857	14,846

Accounting Policy

Exploration and evaluation expenditure in respect of each area of interest is accounted for using the successful efforts method of accounting. The successful efforts method requires all exploration and evaluation expenditure to be expensed in the period it is incurred, except the costs of drilling successful wells and the costs of acquiring interests in new exploration assets, and appraisal costs relating to determining development feasibility, which are capitalised as an asset.

An exploration/appraisal well is unsuccessful if no recoverable hydrocarbons are identified, or the Board considers that the hydrocarbons are not commercially viable. Where hydrocarbon resources exist, the costs of successful wells may remain capitalised where further appraisal of the discovery is planned. If this further appraisal does not lead to the discovery of commercially recoverable reserves, all these costs would be impaired. Exploration and evaluation expenditure is accumulated on a well-by-well basis and may be carried forward at the end of a reporting period, pending determination.

An area of interest refers to an individual geological area where the presence of oil or a natural gas field is considered favourable or has been proved to exist, and in most cases will comprise an individual prospective oil or gas field. Exploration and evaluation expenditure is recognised in relation to an area of interest when the rights to tenure of the area of interest are current and either:

- such expenditure is expected to be recovered through successful development and commercial exploitation of the area of interest or, alternatively, by its sale; or
- the exploration activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

The Rafael 1 exploration well was capitalised during the 2021 year with initial results from the well suggesting potential for gas to be present in the structure. Buru completed the acquisition of the Rafael 3D seismic survey in 2023, covering an area of approximately 200 sq kms over and around the Rafael gas and condensate accumulation within the EP 428 and EP 457 permit areas.

During the reporting year, Buru provided an update to the ASX on its volumetric assessment of the Rafael gas and condensate accumulation. The assessment increases confidence the 1C Contingent Resource will support the planned Rafael development via a competitive small-scale facility in the Kimberley aimed at supplying the local gas and condensate market. Pre-FEED activities were approximately \$6 million during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Where an ownership interest in an exploration and evaluation asset is exchanged for another, the transaction is recognised by reference to the carrying value of the original interest. Any cash consideration paid, including transaction costs, is accounted for as an acquisition of exploration and evaluation assets. Any cash consideration received, net of transaction costs, is treated as a recoupment of costs previously capitalised with any excess accounted for as a gain on disposal of non-current assets. The carrying amounts of the Group's exploration and evaluation assets are reviewed at each reporting date to determine whether any of the following indicators of impairment exists:

- tenure over the licence area has expired during the period or will expire in the near future, and is not expected to be renewed; or
- substantive expenditure on further exploration for and evaluation of resources in the specific area is not budgeted or planned; or
- exploration for and evaluation of resources in the specific area has not led to the discovery of commercially viable quantities of resources, and the Group has decided to discontinue activities in the specific area; or
- sufficient data exists to indicate that although a development is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or from sale.

Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, and any resultant impairment loss is recognised in the income statement. When a discovered oil or gas field enters the development phase the accumulated exploration and evaluation expenditure is transferred to oil and gas assets. Determining the recoverability of exploration and evaluation expenditure capitalised requires estimates and judgements as to future events and circumstances, in particular, whether successful development and commercial exploitation or sale of the respective area of interest is likely. Critical to this assessment are estimates and assumptions as to the timing of expected cash flows, exchange rates, commodity prices and future capital requirements. If, after having capitalised the expenditure, a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

7. Property, Plant and Equipment (PPE)

<i>in thousands of AUD</i>	Plant and equipment	Right-of-use assets	Cultural assets	Total
Cost				
Carrying amount at 1 Jan 2023	1,358	6,967	877	9,202
Additions	-	31	-	31
Disposals	(148)	(469)	-	(617)
Balance at 31 Dec 2023	1,210	6,529	877	8,616
Carrying amount at 1 Jan 2024	1,210	6,529	877	8,616
Additions	-	39	-	39
Disposals	-	(33)	-	(33)
Balance at 31 Dec 2024	1,210	6,535	877	8,622
Accumulated Depreciation				
Carrying amount at 1 Jan 2023	(1,025)	(4,400)	-	(5,425)
Depreciation for the period	(91)	(541)	-	(632)
Disposal	145	-	-	145
Balance at 31 Dec 2023	(971)	(4,941)	-	(5,912)
Carrying amount at 1 Jan 2024	(971)	(4,941)	-	(5,912)
Depreciation for the period	(73)	(445)	-	(518)
Balance at 31 Dec 2024	(1,044)	(5,386)	-	(6,430)
Carrying amounts				
At 31 December 2023	239	1,588	877	2,704
At 31 December 2024	166	1,149	877	2,192

Accounting Policy

Items of PPE are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Gains and losses on disposal of an item of PPE are determined by comparing the proceeds from disposal with the carrying amount of PPE and are recognised net in profit or loss. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group, and its cost can be measured reliably. The costs of the day-to-day servicing of PPE are recognised in profit or loss as incurred. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of PPE, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

The estimated useful lives for the current and comparative period are as follows:

- plant & equipment 10 – 30 years
- right-of-use assets 1 – 4 years
- cultural assets not depreciated

The useful life, residual value and the depreciation method applied to an asset are reassessed at least annually. Heritage and cultural assets with the potential to be maintained for an indefinite period through conservation, restoration and preservation activities are considered to have an indefinite life and not depreciated.

The Group's accounting policy under AASB 16 as lessee is as follows:

For any new contracts entered into as a lessee, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluation criteria which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Right-of-use assets and lease liabilities

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate ranging from 3.00% to 3.85%.

As at the end of the reporting year, the Group's current lease liabilities were \$398,000 (2023: \$450,000) and non-current lease liabilities were \$584,000 (2023: \$944,000).

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. Lease liabilities are shown directly on the statement of financial position (current and non-current).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

8. Trade and Other Receivables

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Trade receivable	35	30
Interest receivable	27	71
GST receivable	65	120
Prepayments	198	146
Other receivables	331	28
Total	656	395

The Group's exposure to credit and currency risks and impairment losses related to trade receivables are disclosed in note 22.

9. Inventories

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Materials and consumables at net realisable value	147	434
	147	434

Accounting Policy

Inventories are valued at the lower of cost or net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is determined as follows:

- Materials and consumables, which include drilling and production materials and consumables, are valued at the cost of acquisition which includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition; and

Materials and consumables are accounted for on a FIFO basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

10. (a) Cash and Cash Equivalents

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Bank balances	4,281	6,934
Term deposits available at call	3,663	11,263
Cash and cash equivalents in the statement of cash flows	7,944	18,197

The Group's exposure to interest rate risk and sensitivity analysis for financial assets is disclosed in note 22.

(b) Reconciliation of Cash Flows from Operating Activities

<i>in thousands of AUD</i>	Note	31 Dec 2024	31 Dec 2023
Cash flows from operating activities			
Loss for the period		(13,015)	(5,118)
Adjustments for:			
Depreciation	7	518	632
Gain on termination of leases (O&G)		-	(932)
(Gain) / loss on asset disposal		-	(3)
Share based payment expenses		-	69
Gain on sale of exploration interests		-	(5,000)
Interest in lease liabilities		(36)	(90)
Net finance (income) / costs	4	(317)	63
Operating loss before changes in working capital and provisions		(12,850)	(10,379)
Changes in working capital			
Change in trade and other receivables		(235)	(3,025)
Change in trade and other payables		(545)	90
Change in inventories		287	1,064
Change in provisions		(18)	3,943
Cash received /(used in) operating activities		(511)	2,072
Net cash outflow from operating activities		(13,361)	(8,307)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

11. Capital and Reserves

Share capital

Ordinary Shares	31 Dec 2024 No.	31 Dec 2024 \$'000	31 Dec 2023 No.	31 Dec 2023 \$'000
Fully paid shares on issue at the beginning of the period	671,345,082	304,458	596,043,085	295,971
Issued under Share Placement – 20 November 2023	-	-	43,308,700	4,981
Issued under Share Purchase Plan – 13 December 2023	-	-	31,993,297	3,679
Less: Transaction costs arising from 2023 share placements	-	(21)	-	(173)
Issued under Share Placement – 4 October 2024	102,983,880	6,385	-	-
Issued under Share Placement – 29 November 2024	5,080,645	315	-	-
Less: Transactions costs arising from 2024 share placements	-	(366)	-	-
On issue at the end of the period – fully paid	779,409,607	310,711	671,345,082	304,458

The Company does not have authorised capital or par value in respect of its issued shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

In October 2024, Buru issued some 103 million new shares following the completion of a share placement at 6.2 cents per share. A General Meeting of shareholders was held in November to approve the ratification of issue of approximately 5 million shares under placement to Directors at 6.2 cents per share. The combined proceeds of the share placements was approximately \$6.7 million (before costs).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

12. Earnings / (Loss) Per Share

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Loss attributable to ordinary shareholders	(13,015)	(5,118)
Basic and diluted earnings / (loss) per share		
Weighted average number of ordinary shares		
	31 Dec 2024 No.	31 Dec 2023 No.
Issued ordinary shares at beginning of the period	671,345,082	596,043,085
Effect of shares issued	25,205,361	6,442,565
Weighted average number of ordinary shares at the end of the period	696,550,443	602,485,650
Basic and dilutive loss per share calculated using the weighted average number of ordinary shares at the end of the period (cents)	(1.87)	(0.85)

The Group presents basic and diluted earnings or loss per share (EPS or LPS) data for its ordinary shares. Basic EPS or LPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS or LPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

The Company's potential ordinary shares, being 1,000,000 options, are not considered dilutive as the options were 'out of the money' as at 31 December 2024.

13. Trade and Other Payables

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Trade payables	90	715
Accruals	927	1,475
Joint Venture cash calls received in advance	469	433
Other payables	28	47
	1,514	2,670

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 22.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

14. Provisions

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Current		
Provision for annual leave	417	399
Provision for long-service leave	210	195
Provision for site restoration	439	464
	1,066	1,058
Non-Current		
Provision for long-service leave	76	178
Provision for site restoration	11,666	11,449
	11,742	11,627
Movements in the site restoration provision		
<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Opening balance	11,913	7,194
Provision used during the period	-	(630)
Unwinding of discount	140	178
Change in estimate of provision	52	5,171
Balance at the end of the period	12,105	11,913

Accounting Policy

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and that the obligation can be measured reliably. The site restoration provision is in respect of the Group's obligation to rectify environmental liabilities relating to exploration and production in the Canning Basin in accordance with the requirements of DWER and DEMIRS. The provision is derived from an annual internal review of the liabilities. These liabilities are also reviewed by independent external consultants as and when required. Due to the long-term nature of the liability, there is uncertainty in estimating the costs that will be incurred at a future date. Changes to estimated future costs are recognised in the statement of financial position by adjusting the rehabilitation asset and liability. The rehabilitation is expected to continue to occur progressively.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted at 3% to determine its present value, and the fair value of any related assets is deducted. The calculation is performed using the projected unit credit method.

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15. Share-based Payments

<i>Fair value expensed in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Employee Share Option Plan expense	-	69
	-	69

Accounting Policy

The grant date fair value of share-based payments granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group. When the Company grants options over its shares to employees of subsidiaries, the fair value at grant date is recognised as an increase in the investments in subsidiaries, with a corresponding increase in equity over the vesting period of the grant. The fair value of share options granted under the Employee Share Option Plan are measured using the Black Scholes valuation model. Measurement inputs include share price on a measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information) weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

No options were granted to employees of the Company under the terms of the Employee Share Option Plan (ESOP) during the reporting period.

Employee Share Option Plan (ESOP)

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price (\$)	Number of options
Outstanding unlisted options as at 1 January 2024	0.23	1,000,000
Outstanding as at 31 December 2024	0.23	1,000,000

The unlisted share options outstanding as at 31 December 2024 have a weighted average exercise price of \$0.23 (Dec 2023: \$0.23), and a weighted average contractual life of 1 year (Dec 2023: 2 years).

NOTES TO THE FINANCIAL STATEMENTS

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16. Group Entities

Parent entity	Country of incorporation	Ownership interest	Ownership interest
Buru Energy Limited	Australia		
Subsidiaries		31 Dec 2024	31 Dec 2023
Royalty Holding Company Pty Limited	Australia	100%	100%
Buru Operations Pty Limited	Australia	100%	100%
Noonkanbah Diamonds Pty Limited	Australia	100%	100%
Buru Fitzroy Pty Limited	Australia	100%	100%
Battmin Pty Ltd	Australia	100%	100%
2H Resources Pty Limited	Australia	100%	100%
Geovault Pty Limited	Australia	100%	100%
Buru Canning Gas Pty Ltd	Australia	100%	100%
Geo-Steam Pty Ltd	Australia	100%	100%

Buru Energy Limited is the head entity of the tax consolidated group and all subsidiaries are members of the tax consolidated group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. Parent Entity Disclosures

As at, and throughout the year ended 31 December 2024 the parent company of the Group was Buru Energy Limited.

<i>in thousands of AUD</i>	Company 12 months ended 31 Dec 2024	Company 12 months ended 31 Dec 2023
Result of the parent entity		
Total comprehensive loss for the period	(12,811)	(2,756)
Financial position of the parent entity at year end		
Current assets	8,734	19,026
Total assets	28,434	35,666
Current liabilities	3,131	4,217
Total liabilities	15,456	16,190
Total equity of the parent entity at year end		
Share capital	310,771	304,458
Reserves	69	69
Accumulated losses	(297,862)	(285,051)
Total equity	12,978	19,476

NOTES TO THE FINANCIAL STATEMENTS

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18. Joint Operations

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control exists only when decisions about the relevant activities - i.e. those that significantly affect the returns of the arrangement - require the unanimous consent of the parties sharing control of the arrangement. In accordance with AASB 11, the arrangements have been classified as joint operations (whereby the jointly controlling parties have rights to the assets and obligations for the liabilities relating to the arrangement) as opposed to a joint venture because separate vehicles have not been established through which activities are conducted. The Group therefore recognises its assets, liabilities, and transactions, including its share of those incurred jointly, in its consolidated financial statements.

The consolidated entity has an interest in the following joint operations as at 31 December 2024 whose principal activities were oil and gas exploration, development and production.

Permit/Joint Operation	December 2024 Beneficial Interest	December 2023 Beneficial Interest	Operator	Country
EP 457	60.00%	60.00%	Buru Fitzroy Pty Ltd	Australia
EP 458	0%	60.00%	Buru Fitzroy Pty Ltd	Australia
E04/2674	50.00%	50.00%	Sipa Resources Ltd	Australia
E04/2684	50.00%	50.00%	Sipa Resources Ltd	Australia

19. Capital and Other Commitments

<i>in thousands of AUD</i>	31 Dec 2024	31 Dec 2023
Exploration expenditure commitments		
<i>Contracted but not yet provided for and payable:</i>		
Within one year	8	-
One year later and no later than five years	3,500	3,000
	3,508	3,000

The commitments are required in order to maintain the petroleum exploration permits in which the Group has interests in good standing with the Department of Energy, Mines, Industry Regulation & Safety (DEMIRS), and these obligations may be varied from time to time, subject to approval by DEMIRS.

20. Contingencies

There were no material contingent liabilities or contingent assets for the Group as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

21. Related Parties

Key management personnel compensation

The key management personnel compensation comprised:

<i>in AUD</i>	31 Dec 2024	31 Dec 2023
Short term employee benefits	1,394,188	1,889,733
Post-employment benefits	151,720	192,783
Long term employee benefits	5,955	18,992
Share-based payments	-	34,611
	1,551,863	2,136,119

Individual directors and executives compensation disclosures

Information regarding individual Directors and executives compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 is provided in the Remuneration Report section of the Directors' report on pages 29 to 34.

Apart from the details disclosed in this note, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving directors' interests existing at the end of the period.

Other related party transactions

No other related party transaction has occurred during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

22. Financial Risk Management

Credit risk

The carrying amount of the Group's financial assets represents the Group's maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

<i>in thousands of AUD</i>	Note	Carrying amount	
		31 Dec 2024	31 Dec 2023
Cash and cash equivalents and term deposits at call	10a	7,944	18,197
Trade and other receivables	8	458	249
		8,402	18,446

The Group's cash and cash equivalents and term deposits at call are held with bank and financial institution counterparties, which are rated at least AA-, based on rating agency Fitch Ratings.

Trade and other receivables include accrued interest receivable from Australian accredited banks, JV receivables and tax amounts receivable from the Australian Taxation Office. The Group has elected to measure loss allowances for trade and other receivables at an amount equal to the 12 month Expected Credit Loss (ECL). When determining the credit risk of a financial asset, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both the quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when the financial asset is more than 90 days past due.

As at 31 December 2024, no receivables were more than 30 days past due. No receivables are considered to have a material credit risk.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. This is monitored through rolling cash flow forecasts. The Group maintains sufficient cash to safeguard liquidity risk. The following are contractual maturities of trade and other payables (excluding provisions) and loans and borrowings.

<i>in thousands of AUD</i>	31 Dec 2024		31 Dec 2023	
	Less than 1 year	1 - 5 years	Less than 1 year	1 - 5 years
Lease liabilities	398	584	450	999
Trade and other payables	1,514	-	2,670	-
	1,912	584	3,120	999

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Market risk

Market risk is the risk that changes in market prices, such as currency rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk on sales that are denominated in a currency other than the functional currency of the Group (AUD). The Group does not hedge its foreign currency exposure.

The Group's exposure to foreign currency risk at balance date was as follows, based on notional amounts:

<i>in thousands</i>	31 Dec 2024		31 Dec 2023	
	AUD	USD	AUD	USD
Cash and cash equivalents	31	19	3,282	2,245
Gross balance sheet exposure	31	19	3,282	2,245

The average exchange rate from AUD to USD during the period was AUD 1.0000 / USD 0.6603 (Dec 2023: AUD 1.0000 / USD 0.6644). The reporting date spot rate was AUD 1.0000 / USD 0.6217 (Dec 2023: AUD 1.0000 / USD 0.6840).

Commodity price risk

The Group does not hedge its commodity price exposure, and the Group did not enter into any commodity derivative contracts during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Interest rate risk

At balance date the Group's exposure to market risk for changes in interest rates relate primarily to the Group's short term cash deposits. The interest rate risk is only applicable to interest revenue as the Group does not have any short or long term borrowings. The Group constantly analyses its exposure to interest rates, with consideration given to potential renewal of the terms of existing deposits. Fixed rate instruments are term deposits held with bank and financial institution counterparties and are available at call, therefore the fair value approximates the carrying amount.

At the reporting date the Group's interest-bearing financial instruments were as follows:

<i>in thousands of AUD</i>	Carrying amount	
	31 Dec 2024	31 Dec 2023
<i>Fixed rate instruments</i>		
Cash and cash equivalents with fixed interest	3,663	11,263
Lease liabilities	982	1,394
Total fixed interest-bearing financial assets	4,645	12,657

<i>in thousands of AUD</i>	Carrying amount	
	31 Dec 2024	31 Dec 2023
<i>Variable rate instruments</i>		
Cash and cash equivalents with variable interest	4,281	6,934
Total variable interest-bearing financial assets	4,281	6,934

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss after tax by \$42,810 (2023: \$69,340). This analysis assumes that all other variables remain constant.

Capital management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so as to maintain future exploration and development of its projects. Capital consists of share capital of the Group. In order to maintain or adjust its capital structure, Buru Energy may in the future return capital to shareholders, issue new shares, borrow funds from financiers or farm-down / sell assets. Buru Energy's focus has been to maintain sufficient funds to fund exploration and development activities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. Changes in significant accounting policies

The Group has adopted all accounting standards and interpretations that had a mandatory application for this reporting period which did not have material impact.

24. Standards issued but not yet effective

A number of new accounting standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. However, the Group has not early adopted the following new or amended accounting standards in preparing these consolidated financial statements. New and amended accounting standards are not expected to have a significant impact on the Group's consolidated financial statements.

25. Subsequent Events

On 23 January, the Company via its wholly owned subsidiary, Battmin Pty Ltd (Battmin) Battmin and executed a Sale and Purchase Agreement (SPA) with to Sipa Resources Limited (Sipa), whereby Battmin has agreed to sell its 50% interest in the two granted Barbwire Terrace tenements E04/2674 and E04/2684 ("Tenements") to Sipa. The transaction was completed on 23 January 2025 upon which Sipa assumed 100% ownership of the Tenements.

As consideration for the transfer Sipa has agreed to grant to Battmin (or its nominated Related Body Corporate) a royalty in respect of the Tenements. The rate of royalty payable by Sipa to Battmin is 0.6% of the Net Smelter Return from future production. The Royalty Deed reflects standard industry terms, with Sipa having retained the right to buy back the Royalty for a one-off payment of \$0.6 million.

The transfer of the Tenements is subject to customary regulatory approvals. As at 31 December 2024 no value was attributed to the Tenements.

No other significant events have occurred subsequent to balance date that in the opinion of the directors has significantly affected, or may significantly affect in future financial years:

- The Group's operations; or
- The results of those operations; or
- The Group's state of affairs.

26. Auditors' Remuneration

	31 Dec 2024 (\$)	31 Dec 2023 (\$)
Audit services		
KPMG Australia: Audit and review of financial reports	95,000	90,000
KPMG Australia: Audit of Joint Venture reports	8,000	4,500
KPMG Australia: Audit of Traditional Owner Royalty Statements	-	5,000
	103,000	99,500

All amounts payable to the Auditors of the Company were paid or payable by the parent entity.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

In accordance with the requirements of subsection 295(3A) of the *Corporations Act 2001*, the table below sets out the consolidated entity disclosure statement of Buru Energy Limited and its controlled entities as at 31 December 2024.

Name of entity	Type of entity	Body corporates		Tax residency	
		Country of incorporation	Percentage of share capital held	Australian or foreign ¹	Foreign jurisdiction
Ultimate Parent Entity					
Buru Energy Limited	Body corporate	Australia	100%	Australian	N/A
Subsidiaries					
Royalty Holding Company Pty Limited	Body corporate	Australia	100%	Australian	N/A
Buru Operations Pty Limited	Body corporate	Australia	100%	Australian	N/A
Noonkanbah Diamonds Pty Limited	Body corporate	Australia	100%	Australian	N/A
Buru Fitzroy Pty Limited	Body corporate	Australia	100%	Australian	N/A
Battmin Pty Ltd	Body corporate	Australia	100%	Australian	N/A
2H Resources Pty Limited	Body corporate	Australia	100%	Australian	N/A
Geovault Pty Limited	Body corporate	Australia	100%	Australian	N/A
Buru Canning Gas Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Geo-Steam Pty Ltd	Body corporate	Australia	100%	Australian	N/A
1. Residency for Australian tax purposes has been determined in accordance with the Commissioner of Taxation's existing public guidance, including Taxation Ruling TR 2018/5.					

DIRECTORS' DECLARATION

- 1 In the opinion of the Directors of Buru Energy Limited ('the Company'):
 - (a) the consolidated financial statements and notes that are contained on pages 36 to 67 and the Remuneration report in the Directors' report, set out on pages 29 to 34, are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance, for the financial period ended on that date; and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
 - (b) the consolidated entity disclosure statement required by subsection 295(3A) of the *Corporations Act 2001* disclosed on page 68 is true and correct.
 - (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
- 2 The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer, for the year ended 31 December 2024.
- 3 The Directors draw attention to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:



Mr David Maxwell
Independent Non-executive Chair

Perth
25 March 2025



Mr Robert Willes
Independent Non-executive Director

Perth
25 March 2025

INDEPENDENT AUDITOR'S REPORT



Independent Auditor's Report

To the shareholders of Buru Energy Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Buru Energy Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 31 December 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2024;
- Consolidated statement of comprehensive income or loss, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 31 December 2024;
- Notes, including material accounting policies; and
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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INDEPENDENT AUDITOR'S REPORT



Material uncertainty related to going concern

We draw attention to, "Going Concern" disclosure on page 41 in the financial report. The conditions disclosed in this note, indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

In concluding there is a material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt in the Group's assessment of going concern. Our approach to this involved:

- Evaluating the feasibility, quantum and timing of the Group's plans to raise additional funds to address going concern;
- Assessing the Group's cash flow forecasts for incorporation of the Group's operations and plans to address going concern; and
- Determining the completeness of the Group's going concern disclosures for the principle matters casting significant doubt on the Group's ability to continue as a going concern, the Group's plans to address these matters, and the material uncertainty.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the Key Audit Matter.

Exploration and Evaluation Expenditure Capitalised (\$20.9m)

Refer to Note 6 to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>Exploration and evaluation expenditure (E&E) capitalised is a key audit matter due to:</p> <ul style="list-style-type: none">• the significance of the balance (being 66% of total assets); and• the greater level of audit effort to evaluate the Group's application of the requirements of the industry specific accounting standard AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, in particular the conditions allowing capitalisation of relevant expenditure and presence of impairment indicators. The presence of impairment indicators would	<p>Our audit procedures included:</p> <ul style="list-style-type: none">• evaluating the Group's accounting policy to recognise exploration and evaluation assets using the criteria in the accounting standard;• assessing the Group's determination of its areas of interest for consistency with the definition in the accounting standard. This involved analysing the licenses in which the Group holds an interest and the exploration programs planned for those for consistency with documentation such as license related technical conditions, and joint venture

INDEPENDENT AUDITOR'S REPORT



<p>necessitate a detailed analysis by the Group of the value of capitalised E&E. Given the criticality of this to the scope and depth of our work, we involved senior team members to challenge the Group's determination that no such indicators existed.</p> <p>In assessing the conditions allowing capitalisation of relevant expenditure, we focused on:</p> <ul style="list-style-type: none"> the determination of the areas of interest; documentation available regarding rights to tenure, via licensing, and compliance with relevant conditions, to maintain current rights to an area of interest and the authoritative nature of external registry sources, together with the Group's intention and capacity to continue the relevant E&E activities; and the Group's determination of whether the capitalised E&E are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale. <p>In assessing the presence of impairment indicators, we focused on:</p> <ul style="list-style-type: none"> the Group's determination of the expectation of E&E to be recovered in full through successful development of the area of interest, or alternatively, by its sale; and the ability of the Group to fund the continuation of activities. <p>These assessments can be inherently difficult, particularly in uncertain conditions such as those currently being experienced in Australian oil and gas exploration.</p>	<p>agreements, planned work programs, and active and significant operations in the areas of interest by the Group;</p> <ul style="list-style-type: none"> assessing the Group's current rights to tenure by comparing the ownership of the relevant license to government registries and agreements in place with other parties. We also assessed compliance with conditions, such as minimum expenditure requirements; testing the Group's additions to capitalised E&E for the year by evaluating a statistical sample of recorded expenditure for consistency to underlying records and the capitalisation requirements of the Group's accounting policy and the requirements of the accounting standard; evaluating Group documents, such as minutes of Board meetings and ASX announcements for consistency with their stated intentions for continuing E&E in certain areas. We corroborated this through interviews with key operational and finance personnel; analysing the Group's determination of recoupment through successful development and exploitation of the area or by its sale by evaluating the Group's documentation of planned future/continuing activities including work programs and project and corporate budgets for each area; and assessing project and corporate budgets including planned expenditure on E&E, for evidence of the ability to fund continued E&E activities.
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Other Information

Other Information is financial and non-financial information in Buru Energy Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the *Remuneration Report* and our related assurance opinion.

INDEPENDENT AUDITOR'S REPORT



In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT



Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Buru Energy Limited for the year ended 31 December 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 29 to 34 of the Directors' report for the year ended 31 December 2024.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Graham Hogg

Partner

Perth

25 March 2025

ADDITIONAL ASX INFORMATION

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

The distribution of ordinary shares ranked according to size as at 28 February 2025 was as follows:

Category	Ordinary Shares	%	No of Holders	%
100,001 and Over	701,889,618	90.05	792	20.02
10,001 to 100,000	70,429,119	9.04	1,881	47.54
5,001 to 10,000	6,207,472	0.80	808	20.42
1,001 to 5,000	837,531	0.11	266	6.72
1 to 1,000	45,867	0.01	210	5.31
Total	779,409,607	100.00	3,957	100.00
Unmarketable Parcels	9,384,707	1.20	1,487	37.58

ADDITIONAL ASX INFORMATION

The 20 largest ordinary shareholders of the ordinary shares as at 28 February 2025 were as follows:

Rank	Name	Number of ordinary shares	%
1	BIRKDALE ENTERPRISES PTY LTD	61,294,092	7.86
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	53,850,070	6.91
3	CHEMCO PTY LTD	31,640,097	4.06
4	MR ERIC CHARLES STREITBERG	18,776,068	2.41
5	COOGEE RESOURCES PTY LTD	18,666,667	2.39
6	AUSTRADE HOLDINGS PTY LTD	11,000,000	1.41
7	BNP PARIBAS NOMINEES PTY LTD	10,855,845	1.39
8	TAPERSLEE PTY LTD	10,757,468	1.38
9	WANDJI INVESTMENTS LIMITED	10,217,561	1.31
10	LAVERDI NOMINEES PTY LTD	9,060,000	1.16
11	CHARRINGTON PTY LTD	8,611,774	1.10
12	FLEXIPLAN MANAGEMENT PTY LTD	7,820,813	1.00
13	UBS NOMINEES PTY LTD	7,715,667	0.99
14	BUTTONWOOD NOMINEES PTY LTD	7,700,654	0.99
15	PARAMON HOLDINGS PTY LTD	7,260,000	0.93
15	TWINSOUTH HOLDINGS PTY LTD	7,260,000	0.93
16	EQUITY TRUSTEES LIMITED	7,125,807	0.91
17	MAJOR DEVELOPMENT GROUP PTY LTD	6,351,228	0.81
18	MR KEITH BROWN	5,250,243	0.67
19	CITICORP NOMINEES PTY LIMITED	5,175,996	0.66
20	MR ILIA LAKAEV & MRS GLORIA LAKAEV	5,000,000	0.64
Total Twenty Largest Shareholders		311,390,050	39.95
Balance of Register		468,019,557	60.05
Total Register		779,409,607	100.00

ADDITIONAL ASX INFORMATION

The following interests were registered on the Company's register of Substantial Shareholders as at 28 February 2025:

Shareholder	Number of ordinary shares	%
Birkdale Enterprises Pty Ltd	61,294,092	7.86
Chemco Pty Ltd	50,306,764	6.45

Voting rights

Ordinary shares

At a general meeting of shareholders:

- (a) On a show of hands, each person who is a member or sole proxy has one vote.
- (b) On a poll, each shareholder is entitled to one vote for each fully paid share.

Unlisted Options

There are no voting rights attached to the unlisted options.

Other information

Buru Energy Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.


The Company is listed on the Australian Securities Exchange. ASX Code: BRU

The Company and its controlled entities schedule of interests in permits as at 28 February 2025 were as follows:

PERMIT	TYPE	OWNERSHIP	BURU INTEREST	OPERATOR
L6 ¹	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
L8	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
L17	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
L20	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
L21	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 129 ¹	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 391	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 428	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 431	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 436	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 457	Exploration permit	60.00%	Buru Fitzroy Pty Ltd	Buru Fitzroy Pty Ltd

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



 **Buru
Energy**

ABN 71 130 651 437