

ASX Announcement

24 January 2022

Operations Update

Buru Energy Limited (Buru Energy) provides the following update on its Canning Basin well operations.

Rafael 1 Well Test Program

The equipment required for the planned flow test of the Rafael 1 well was mobilised to site as planned prior to Christmas from the SGS storage yard in Dongara.

The hard border closures with the rest of Australia imposed by the Western Australian Government and the recent announcement that these will be extended past 5 February has meant that the specialised operators required to conduct the test have not yet been able to mobilise into Western Australia from their Queensland and South Australian operations bases.

The Company is working with SGS to obtain the relevant approvals from the Western Australian Government for the contractors to travel to Western Australia as planned on 5 February and to then undertake the required 14 days quarantine.

The well test will therefore be undertaken as soon as practicable after 5 February but is most likely to commence in the third week of February.

Further updates will be provided as updated information on travel restrictions becomes available.

Ungani 8H Drilling Program

The Ungani 8H well is being drilled by the Ensign 963 drilling rig. Buru Energy and Roc Oil (Canning) Pty Ltd (ROC) each have a 50% equity interest in the well and in the L20 Production Licence. The Ungani 8H well surface location is on Production License L20 some 700 metres to the north-northwest of the Ungani 1 and 2 surface well locations and the Ungani Production Facility.

Operations on the Ungani 8 well since the last report have included drilling the 12¼ inch (311 mm) hole to a total measured depth of 2,605 metres in the Ungani Dolomite at a hole angle of some 76 degrees, substantially as planned. As the drill string was being retrieved prior to running the 9⅝ inch (244 mm) casing it became stuck in the upper part of the Laurel Shale. Despite extensive efforts to recover the drill string it was unable to be freed and has now been backed off at a depth of 2,206 metres measured depth and the remaining drill string retrieved.

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

The parties have agreed amended terms to the application of this sole risk operation whereby Buru Energy has the right for a period of six months after the commencement of production from the well to participate in the well at its original 50% interest (Back-in Right). Should Buru choose to exercise the Back-in Right, this will require the payment of an uplift of 2.5

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times of Buru's 50% share of the costs that have been paid by Roc for the sole risk operation up until the date of Buru's back-in. Any net revenue earned from the well prior to that date will be retained by ROC.

It is anticipated that the side-track operation will take up to 28 days.

Eric Streitberg, Buru's Executive Chairman, commented

"The further delays to the Rafael 1 well test imposed by the continuation of the WA hard border closures are unfortunate and also have a knock-on effect to other operators who want to use the SGS testing package. We are working closely with the WA Government to ensure we are able to undertake this potentially regionally significant work as soon as practicable.

The difficulties we have been having with the Ungani 8 well are very disappointing given the first part of the program was well executed with an intersection of the Ungani Dolomite substantially as planned. The sole risk operation going forward is an appropriate sharing of risk and costs that will hopefully provide a satisfactory outcome for both parties."

Authorisation

This ASX announcement has been authorised for release by Eric Streitberg, the Executive Chairman of Buru Energy. For further information, visit www.buruenergy.com or contact: Eric Streitberg, Executive Chairman

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