

25 August 2017

Dear Shareholder

Rights Issue to Fund Accelerated Development of Ungani Oilfield

On 10 August 2017 we mailed to you a Buru Energy Prospectus for a 1 for 5 rights issue at 15 cents per share to raise approximately \$10.2 million, with a closing date for the issue of **Friday, 1 September 2017**.

The funds are being raised to accelerate the development of our 100% owned Ungani Oilfield by drilling an additional two wells expected during the fourth quarter of this year. The two planned wells are the Ungani 4 vertical development well, and a side-track of the existing Ungani 3 well. The aim of these two wells is to increase the field's production capacity as well as confirming and potentially increasing the field's recoverable oil resource base.

Enclosed with the Prospectus was a personalised Entitlement and Acceptance Form which sets out how many shares you are entitled to. Shareholders can also apply for an allocation of shortfall shares. Detailed instructions on how to apply for your entitlement and any shortfall shares can be found in section 4 of the Prospectus, on the back of the enclosed personalised Entitlement and Acceptance Form, and on the Buru website.

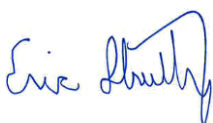
If you are applying for shares using the BPAY® facility you must submit your payment by **3pm (WST) on 1 September 2017**. If you are applying for shares by cheque, please allow sufficient time for your cheque to arrive at Buru Energy's share registry in Sydney before the closing date.

We also encourage you to carefully read the Prospectus which sets out further information about the rights issue, including an indicative timetable, the use of funds and the risks associated with any investment in Buru shares.

If you have misplaced your Prospectus or Entitlement and Acceptance Form or have not received it you can obtain a replacement by contacting Buru Energy's Company Secretary on 08 9215 1800 between 08:30 and 17:00 WST or by email at shanemcdermott@buruenergy.com. Alternatively, you may also contact our share registry (Link Market Services) on 1800 810 859 (within Australia) or +61 1800 810 859 (outside Australia).

Thank you for your continued support of Buru Energy and we look forward to an exciting program ahead.

For and on behalf of
BURU ENERGY LIMITED



Eric Streitberg
EXECUTIVE CHAIRMAN