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ASX: BRU

ASX Announcement

1 October 2013

Corporate Presentation

Please find attached Buru Energy Limited's ("**Buru**") latest corporate presentation.

This presentation and further information on the Company is available on the Buru website at www.buruenergy.com.

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Focusing on West Australia's Energy Future



Important Notice and Disclaimer



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All dates in this presentation are for calendar years unless stated FY for financial year. All references to \$ are in Australian currency, unless stated otherwise.

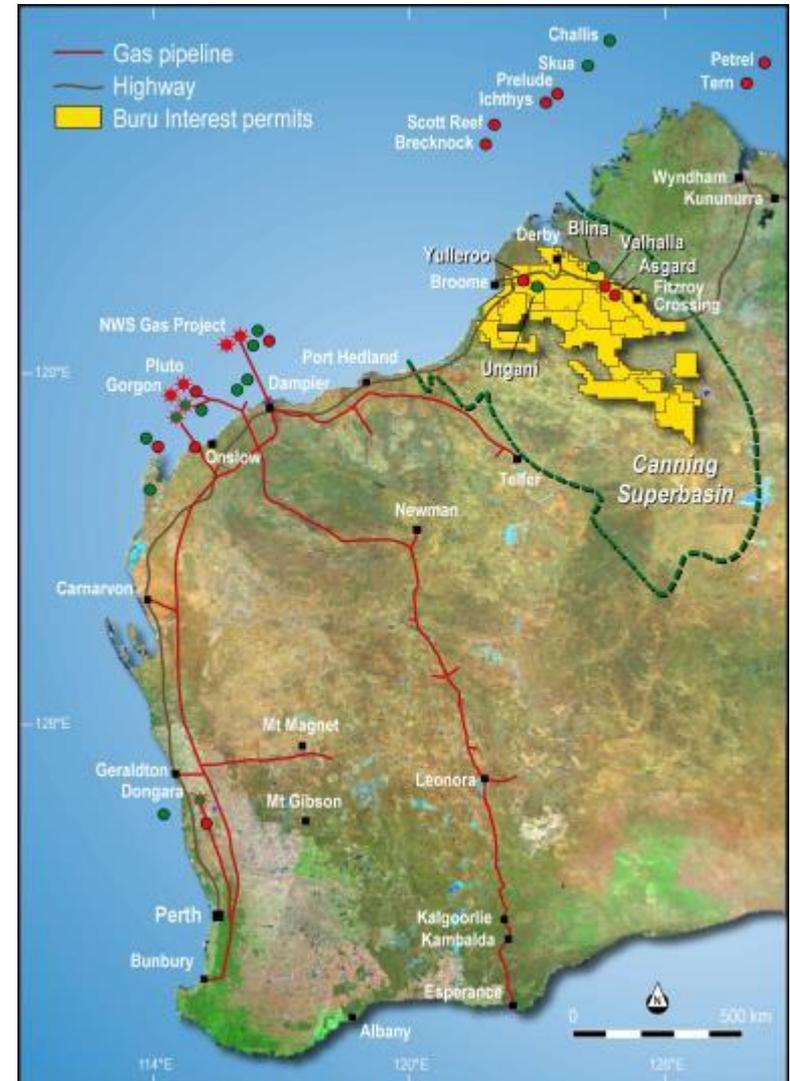
Competent Person's Statement

The information pertaining to reserves and resources contained in this presentation is based on information compiled by Mr Eric Streitberg who is a full time employee of Buru. Mr Streitberg consents to the inclusion of the information in the form and context in which it appears.

Mr Streitberg has over 40 years' experience in petroleum geology and geophysics, oil and gas exploration, and oil and gas company management. He is a Fellow of the Australian Institute of Mining and Metallurgy, a member of the Australian Institute of Company Directors, a member of the Society of Exploration Geophysicists and the Petroleum Exploration Society of Australia, and is a Certified Petroleum Geologist of the American Association of Petroleum Geologists. Information in this presentation has been disclosed to the ASX pursuant to the ASX Listing Rules.

Contents

- Positioning for Growth
- Corporate Summary
- Ungani Development
- Laurel Wet Gas
- Exploration
- Program and Funding
- Key Messages



Buru – Sustainable Growth Pathway

- **High Value and Balanced Work Program**

- Focus on Ungani development and cash flow
- Evaluating gas potential and pathway to commercialisation
- Focus on Ungani trend exploration and derisking /ranking other areas ahead of longer term campaign style programs



- **Major Capability Build**

- Quality, proven and highly experienced team

- **Fit for Purpose Contracting**

- Dedicated new build rig
- Technical/operational/environment/water alliances with world experts

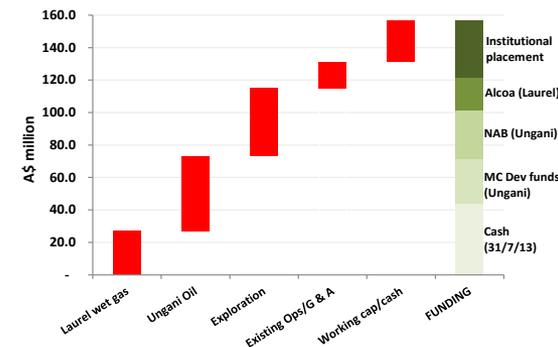


- **Fully Funded Program**

- Balance of cash, project financing and work program carry

- **Building Long Term Alignment with Traditional Owners**

- Full engagement, respect, transparency and focus on opportunity creation



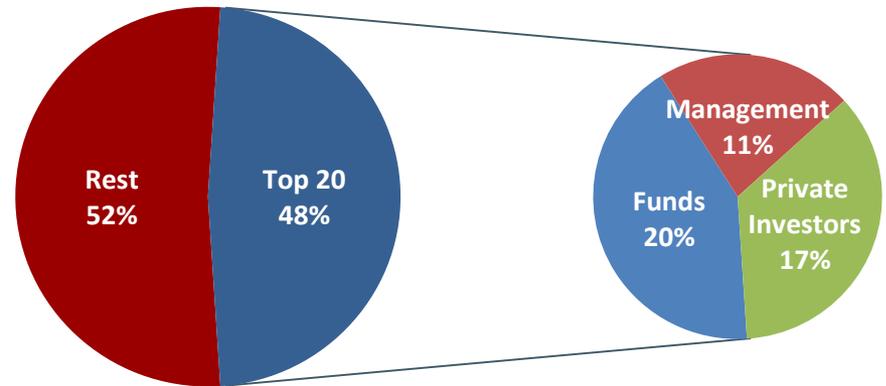
Company Overview

Corporate details

Index	S&P/ASX 200
ASX Code	BRU
Shares on issue	~298M
Current share price	~A\$1.70
Market capitalisation	~A\$505M
Cash on hand	~A\$70M (no debt)

- **Share Register** – Tightly held, recent placement has assisted greater representation by institutional investors
- **Average Daily Volume** - ~1M shares traded (3 month)

Shareholder spread



Highly Experienced & Balanced Board

Strong Mix Of Technical, Commercial, Legal & Corporate History



	Graham Riley Independent Chairman	<ul style="list-style-type: none">• Previously founding Non-Executive Director of ARC Energy Limited and Adelphi Energy Limited• Former Chairman of Giralia Resources NL, and responsible for the spin-off of five independently listed commodity-specific exploration projects, until acquired by Atlas Iron Limited in early 2011• Currently Chairman of Gascoyne Resources Limited, Non-Executive Director of Target Energy Limited and Non-Executive Chairman of Entek Energy Limited• Extensive experience and prior association with petroleum exploration in the Canning Superbasin• Over 10 years experience in commercial law serving as Partner of Legal firm Downing & Downing
	Dr Keiran Wulff Managing Director	<ul style="list-style-type: none">• Over 25 years experience in the oil and gas industry in Australia, PNG, Indonesia, Middle East, Asia & North Africa• Former Group Chief Operating Officer & Head of the Middle East business unit of Oil Search Limited for 17 years• Extensive expertise in the development process from an exploration company to major oil and gas production company with strong leadership, technical & commercial skills• Past Chairman & MD of Aligned Energy, a renewable power company in JV with Oil Search in PNG for localized biomass to power projects for social development and base load power to regional centres.
	Eric Streitberg Executive Director	<ul style="list-style-type: none">• Founding shareholder. More than 38 years' experience in petroleum geology, geophysics and management of petroleum exploration and production companies• Founding shareholder and Managing Director of ARC Energy Limited for 10 years and founding shareholder and Managing Director of Discovery Petroleum NL for 7 years• Previously a founding Non-Executive Director of Adelphi Energy Limited, an early participant in the Eagle Ford unconventional gas and oil play in Texas• Extensive worldwide project management expertise in technical and managerial roles
	Hon Peter Jones Non-Executive Director	<ul style="list-style-type: none">• More than 30 years involvement in the Western Australian resources sector across business and government• Former Non-Executive Director and Chairman of a number of listed companies, including founding Chairman of ARC Energy Limited• Extensive experience in various government bodies, including roles as Chairman of the Australian Defence Housing Authority and the Water Corporation of Western Australia• Previously a member of the Western Australian Parliament for over 10 years, serving in several senior ministerial positions including Minister for Resources Development, Mines, Fuel and Energy
	Austin Miller Non-Executive Director	<ul style="list-style-type: none">• More than 20 years experience in the oil and gas industry• Previously Executive General Manager Investment and Strategy for Oil Search Limited• Extensive experience across a range of strategy, commercial, financial and business development functions• Formerly investment banker with Merrill Lynch and HSBC James Capel in Australia and Asia specializing in the oil and gas sector where he worked on a material number of major corporate, asset and capital markets transactions in the region

Outstanding Acreage Position

Balance of oil, potentially world class tight wet gas & exploration



A major long term position with tenure certainty

Regional Acreage

- Continuous basin wide coverage 64,000sqkms
- Generally 50% equity and operatorship

Unique Portfolio

- Oil development, gas appraisal, quality exploration
- Multiple play types with high potential

Active acreage management – State Agreement

Unique Agreement

- Long term tenure (+25 years)
- recognises investment to date by JV

Work Program

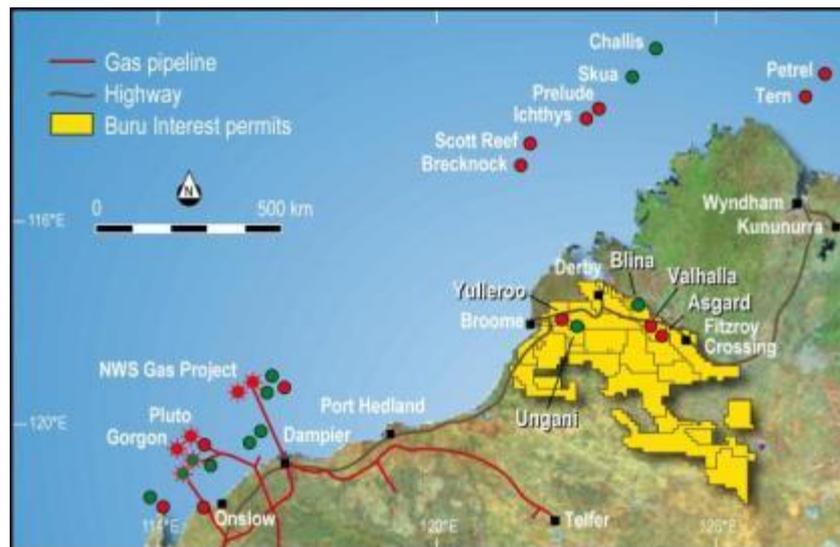
- Offsetting across permits
- Systematic appraisal - optimal development

Project Facilitation

- Commitment to major domestic gas project
- Strong alignment of State Govt with JV

Continued Compliance

- Commitment to Native Title, environmental, heritage, and safety compliance



Buru Controls the Highest Potential Acreage

Highly Prospective & Underexplored



Three major petroleum systems

Ungani Oil Trend

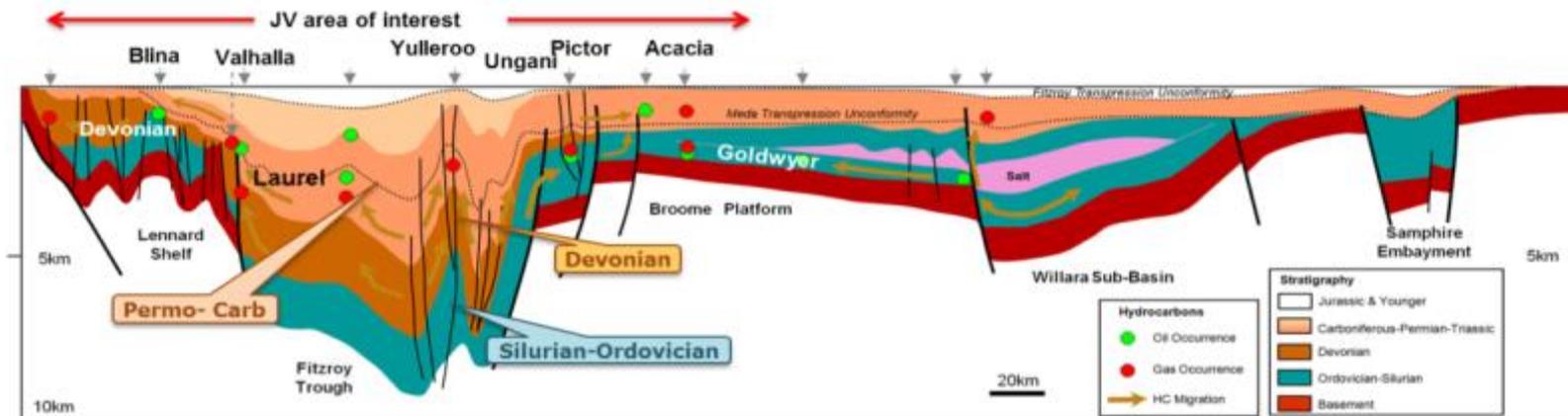
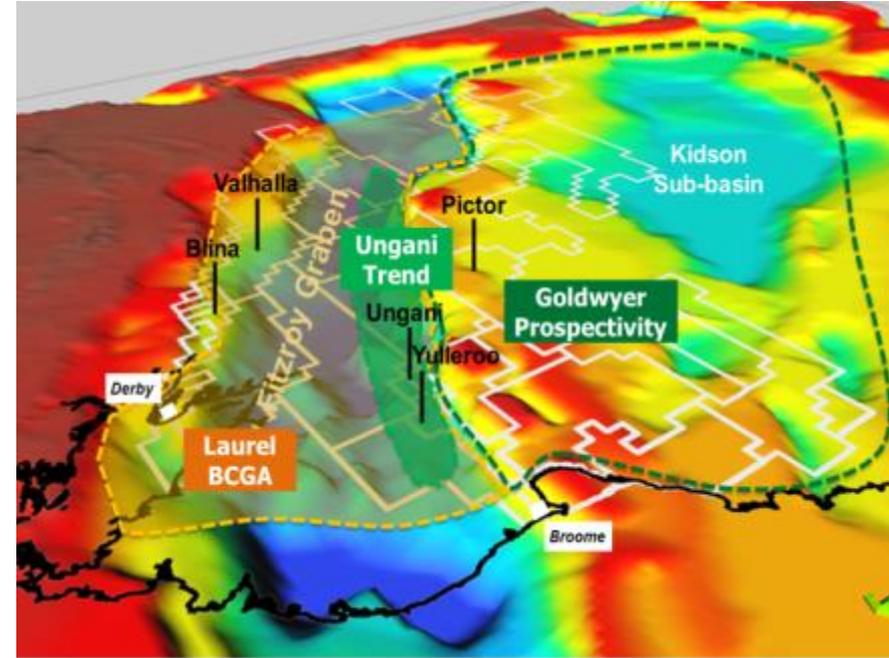
- High quality conventional reservoirs
- Prolific oil source rocks
- Well defined prospects

Laurel Formation

- Basin-wide tight wet gas accumulation
- Continuity defined by current wells
- Potential higher deliverability reservoirs

Goldwyer/Acacia

- Underexplored with huge shale oil potential
- Large scale conventional oil potential in the Acacia Sandstone



Balanced Portfolio & Sustainable Growth

High Value Oil, Major Gas Appraisal & Quality Exploration



- **Ungani - Significant new oil discovery**

- 10 mmbbls gross potential resources, upside of 20 mmbbls
- Targeting 1,000 bopd end 13', building to +5,000 bopd end 14'

- **Significant Upside**

- Seismic along trend and major drilling planned
- High potential for cluster development of additional discoveries

**OIL
DEVELOPMENT**

**GAS
APPRAISAL**

- **Laurel Fm** - Regional basin centered continuous accumulation of wet gas
- 2013-2015 systematic appraisal program ahead of FDP
- Independent estimates - Resource of 47 TCF gas net to Buru in Laurel Formation and net 56 TCF in total

- **Major portfolio**

Independent review identified >150 prospects with up to +200mmbo potential

- Focus on highest value - Ungani trend campaign for cluster style development
- Major derisking program - Seismic & studies ahead of campaign drilling program

- **Goldwyer Shale** - Potential world class resource of tight oil and gas confirmed by EIA

EXPLORATION

**OPERATIONAL
& VALUE DELIVERY
EXPERTISE**

- **Experienced Team**

- International experience
- +150 years combined quality petroleum experience to senior management team
- Focus on internal expertise – less reliance on Third Party contractors in key roles

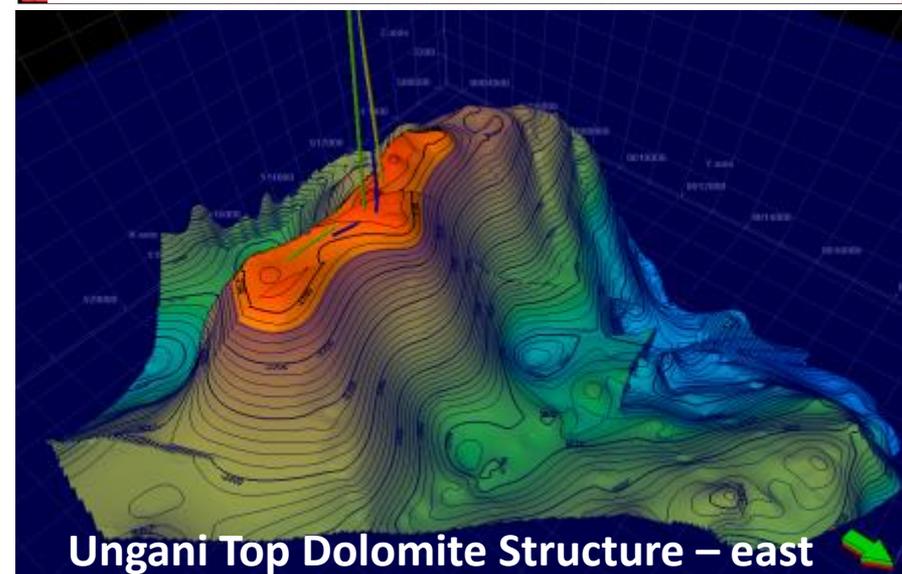
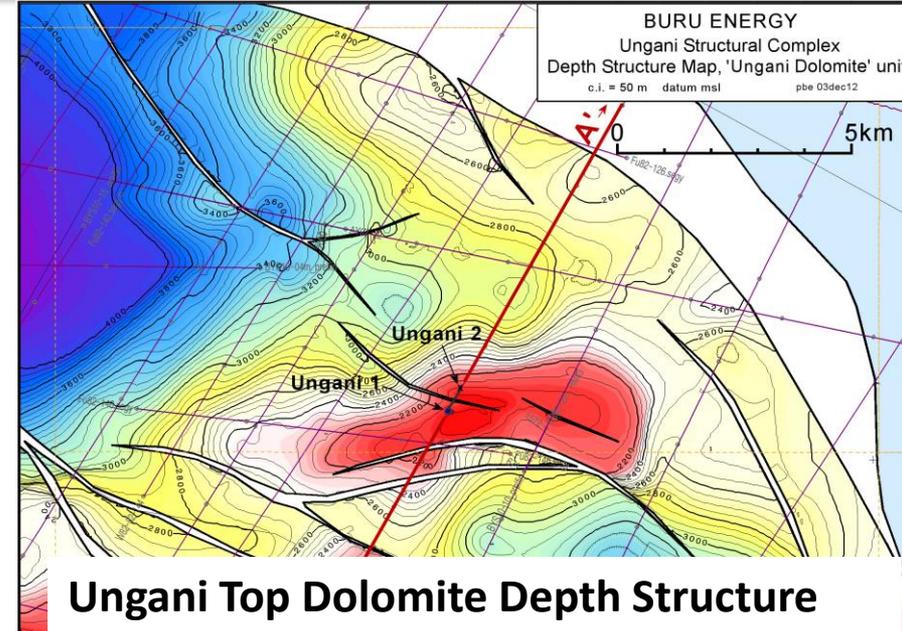
- **Focus on developing long term alignment with Community**

- **Committed to operational and environmental excellence**

Ungani Field Background

A Significant New Oil Field with Significant Upside & Follow-up

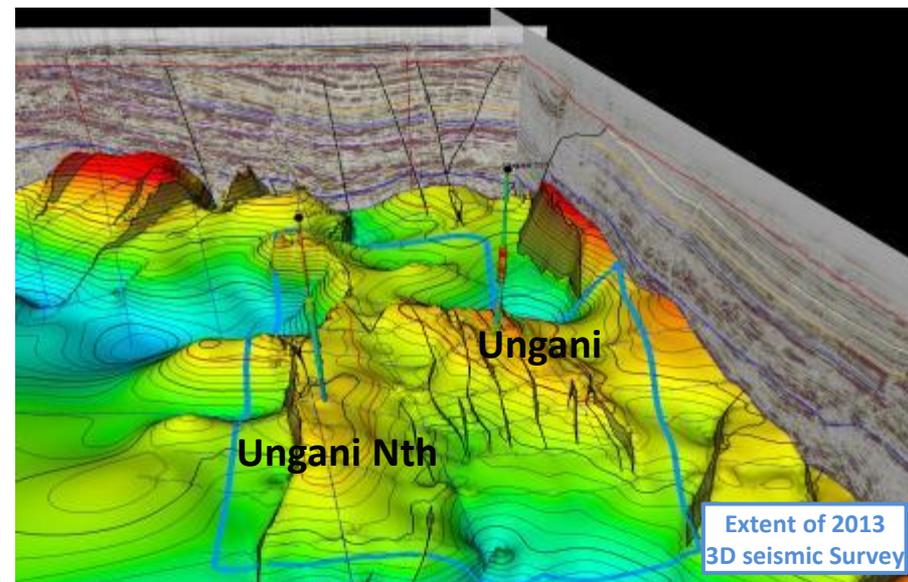
- Discovered in late 2011 and successfully appraised
- Substantial oil column (+50m)
- Buru (operator) 50% /Mitsubishi 50%
- 2 wells in field and Ungani North confirm geographic extent
- Very high quality conventional vuggy dolomite reservoir
- High quality oil: 37 deg API, sweet, high yield crude
- Early Production test (100 kbbls) confirmed high quality reservoir and supported modeling
- Median 10 mmbbls gross potential recoverable resources
- Upside of up to 20 mmbbls will be tested by 3D seismic and appraisal well



Ungani Phase 1 Development

A phased development linked to an active funded program

- Planned EPT production to restart in 4Q/2013
- 3D seismic being acquired over Ungani and Ungani North
- Workover of the Ungani 1 and 2 wells - Oct
- Ungani North 1 test planned
- Existing facilities being upgraded
- Ungani 3 vertical appraisal well planned for December 2013
- Oil trucked to Northwest export point (location under negotiation)
- Staged FID to be taken at completion of Ungani 3 well
- Buru's share of Phase 1 costs (estimated at net \$10 million) to be refunded by Mitsubishi post the FID decision expected to be in the first quarter of 2014
- Planning for Phase 1 of 1,000 bopd building to 3,000 bopd in 2014



Top Reservoir Subsurface Map 3D View from the west

Ungani Phase 2: Full Field Development

Major production increase and export from local port

Post FID (after U3 vertical) Facility Upgrade

- Dedicated water recycle well drilled
- Establishment of permanent high volume export route
- All weather operation - pipeline to highway and loading bay
- Staged FID process for full field recovery and production
 - Target 3,000 bopd during 2014, increasing to 5,000 bopd by the end of 2014
- First horizontal well from either Ungani 3 well bore or the central pad
 - Two additional horizontal wells required for full recovery
- Possible additional water recycle well

Development Funding

- Initial pre-FID expenditure (~\$10 million Buru share) funded from cash reserves
 - At FID, Mitsubishi refunds this expenditure to Buru
- Post FID decision - further funding from a combination of Mitsubishi funding (up to \$27.5 million including pre-FID payment) and Reserve Base Loan Facility
- Field will be strongly cash generative through all phases



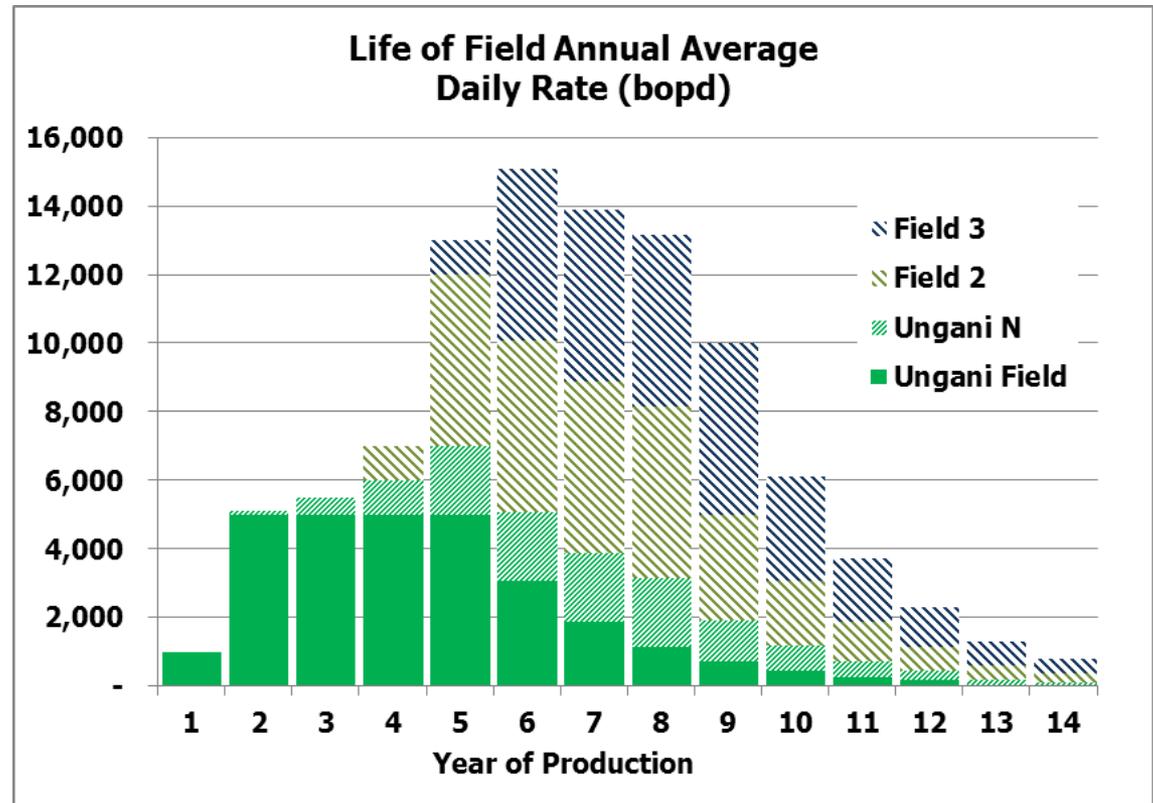
Buru engineers testing Ungani crude oil



BRT road train delivering Ungani oil to BP refinery

Ungani Oil Development

Clear Value Realisation & Growth Path



Potential World Scale Tight Wet Gas & Shale Oil

Massive tight gas and unconventional oil potential



The US Energy Information Agency (“EIA”) identifies the Canning Superbasin as the largest “shale” or unconventional gas potential in Australia

Independent Resource review of Goldwyer Shale

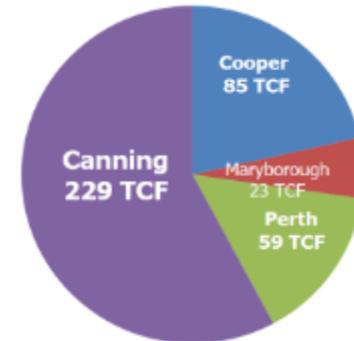
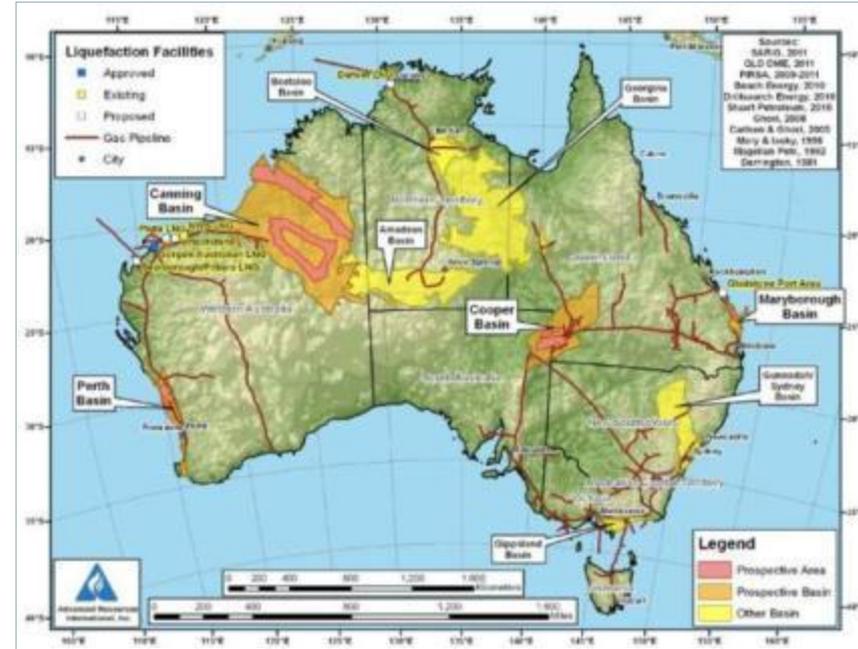
- Recent EAI update confirms Canning as having highest potential in Australia
- NSAI independent estimate of unrisks Median Prospective Recoverable Resources net to Buru (Goldwyer Shale)
 - **7.2 TCF** of gas
 - **4 billion** barrels of oil

Independent review of Laurel Formation tight gas resources

- Laurel Formation resources net to Buru:
 - **+47 TCF** of gas; and
 - **+1 billion bbls** of liquids

Other unconventional plays under evaluation

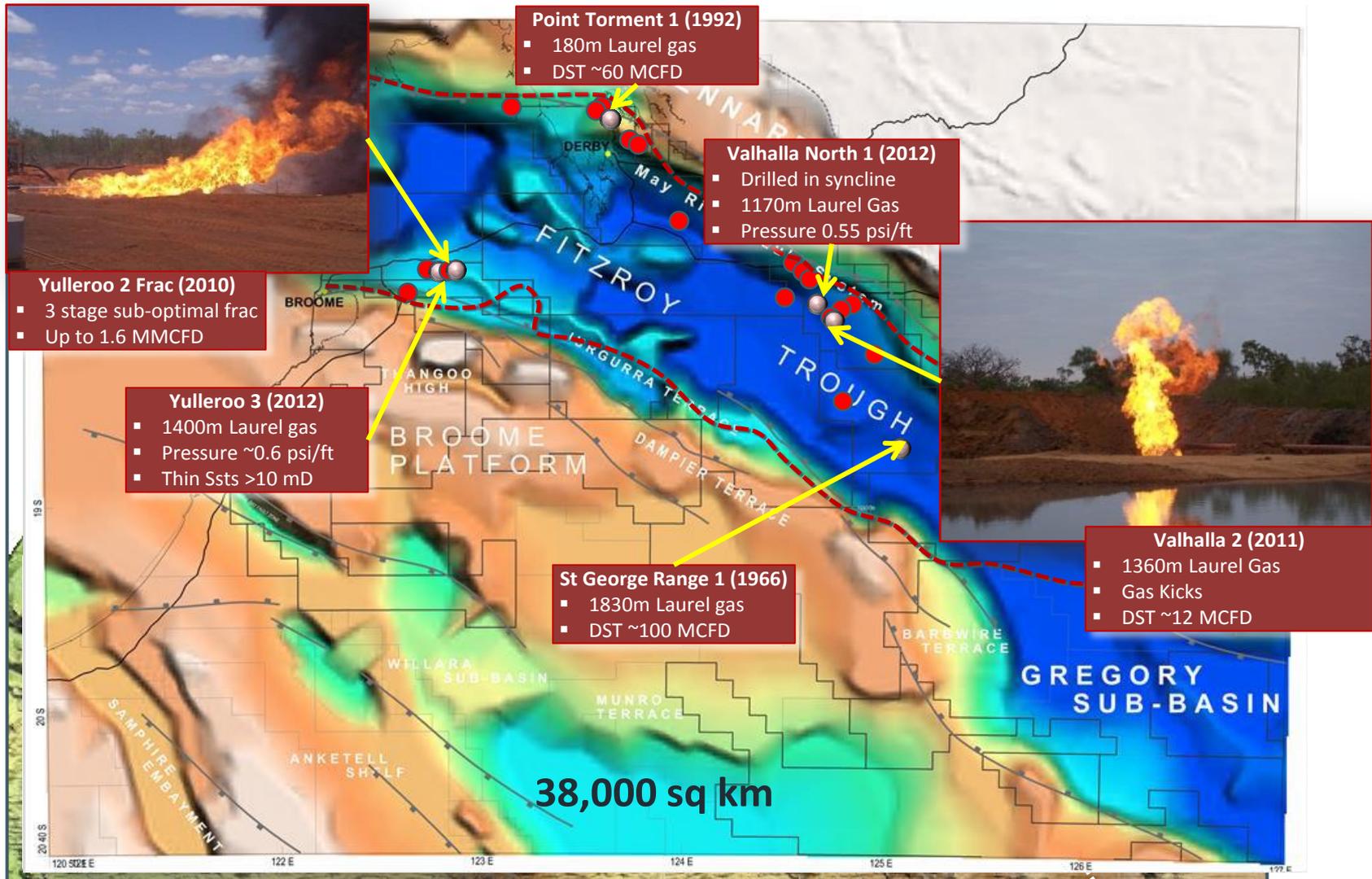
- Gogo Shale** - source for Blina Field oils
- Noonkanbah Shale** - best source rock in the basin outside Ungani oil source
- Bongabinni** - localised high quality source rock



EIA estimate of prospective resources by basin (shale resources only) – not including tight gas

World Class Basin Centred Gas Potential

Systematic evaluation of Laurel tight wet gas



Laurel Gas - A Potential Strategic Resource

Independent analysis suggests potential >40+Tcf net Buru



Background - Potential World Class Accumulation

- Defined by Buru/MC JV drilling of six wells
- Extensive overpressure at drillable depths
- Sweet gas , low CO2, no H2S, high liquids

Preparation for Appraisal Process

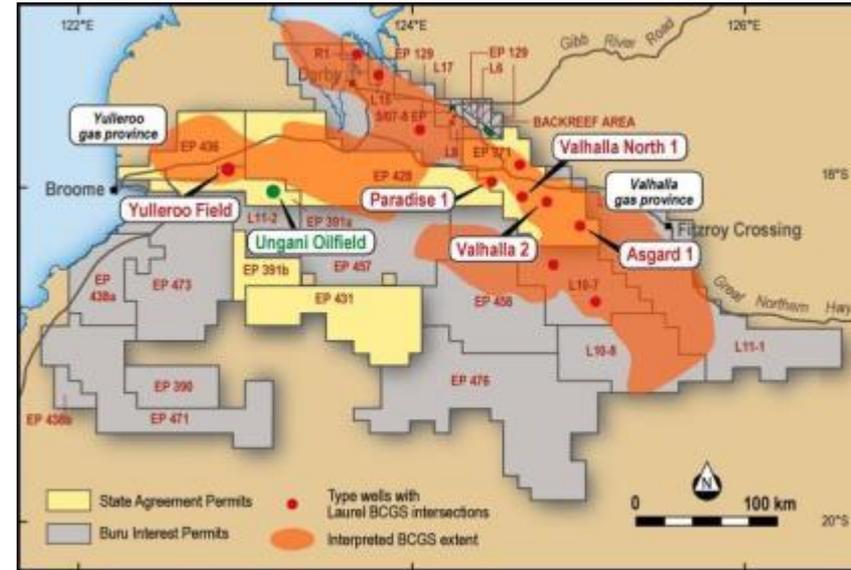
- Extensive baseline modelling
- Best practice reviews
- Community Engagement
- Specialist Alliances - world class expertise
- Stimulate up to five wells and flow back
- Possible Conventional reservoirs testing
- Long lead and operational planning underway
- Deliverability tests during 2014

Key elements present for commercialisation

- High gas prices and markets
- High liquids content
- Focus on well costs and logistics

Funding

- 2014 cost up to \$27 million (Buru share)
- \$20 million released from escrow to cover majority of Buru's costs



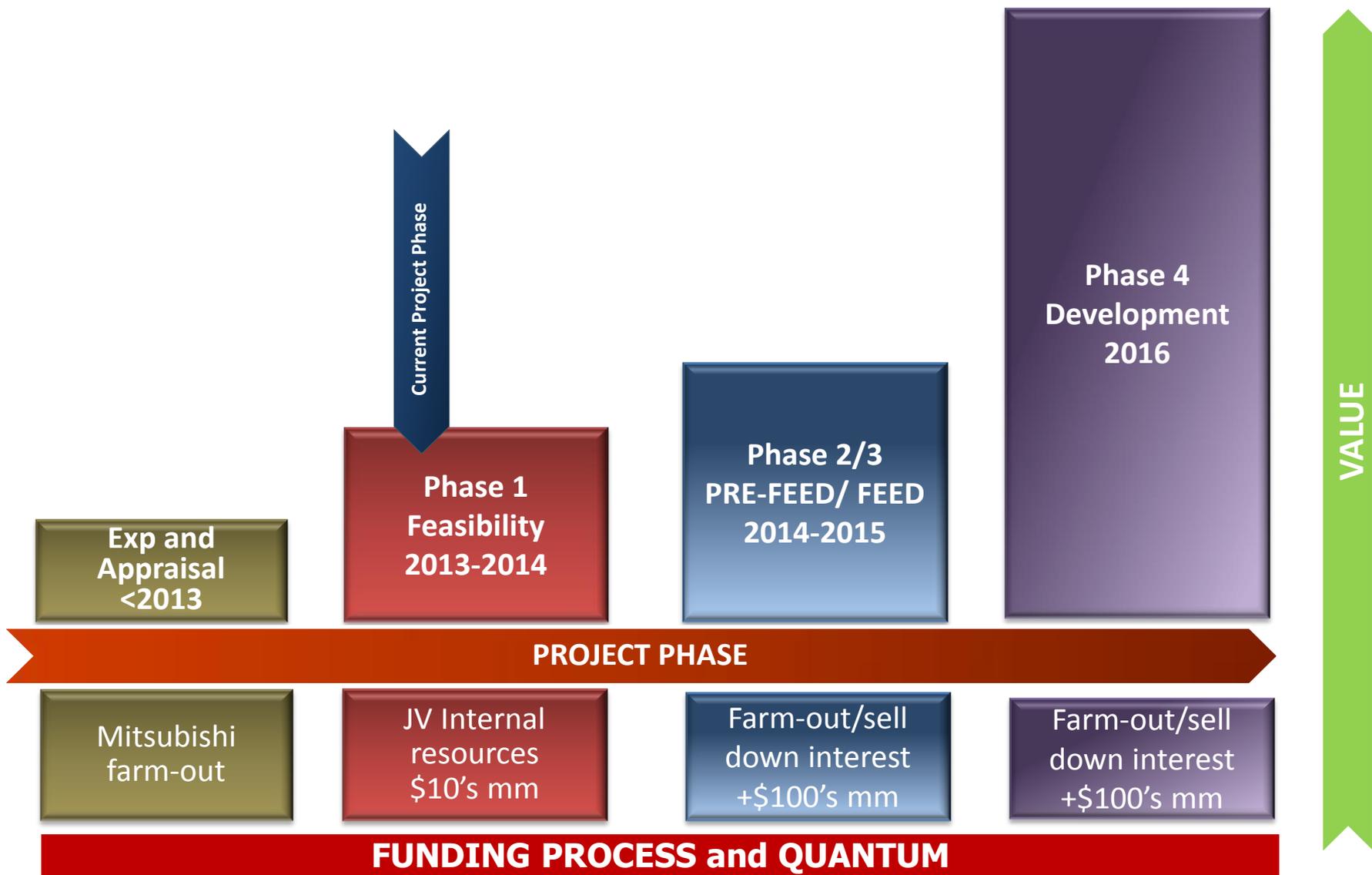
Location of Laurel Basin Centred Gas System in the Canning Superbasin



Ensign Rig 32 drilling the Yulleroo 3 well

Rapid Laurel Gas Value Growth

Systematically derisking leading to major value creation



Buru - High Value Exploration Campaigns

Systematic derisking & localised drilling to maximise efficiencies

1. UNGANI TREND

- 2013 seismic
- 2014 3-4 wells
- Rapid tie-back to Ungani

3. LENNARD SHELF

- 2013 Farmout
- 2014 Drilling

2. FITZROY TROUGH LAUREL

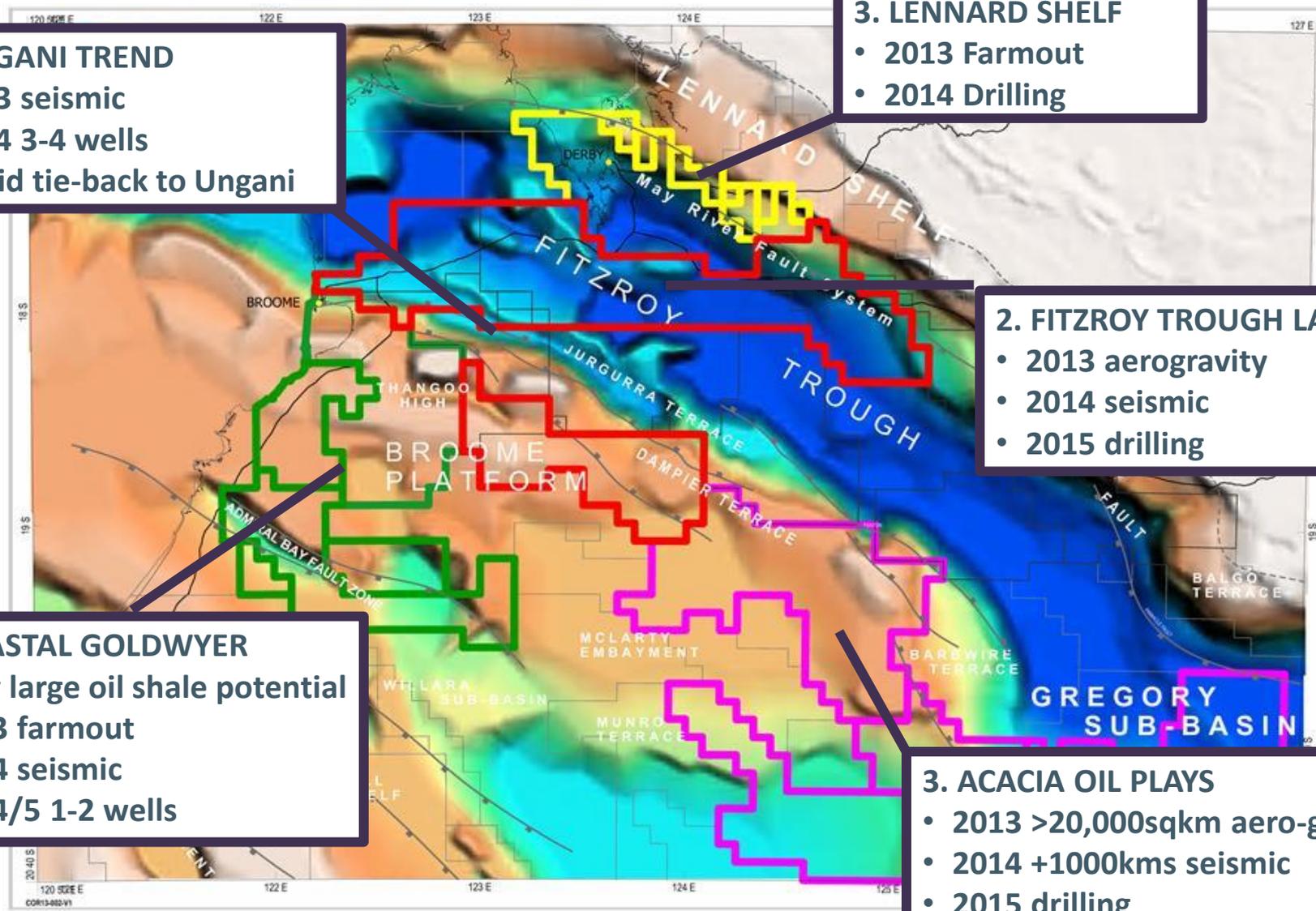
- 2013 aerogravity
- 2014 seismic
- 2015 drilling

2. COASTAL GOLDWYER

- very large oil shale potential
- 2013 farmout
- 2014 seismic
- 2014/5 1-2 wells

3. ACACIA OIL PLAYS

- 2013 >20,000sqkm aero-gravity
- 2014 +1000kms seismic
- 2015 drilling

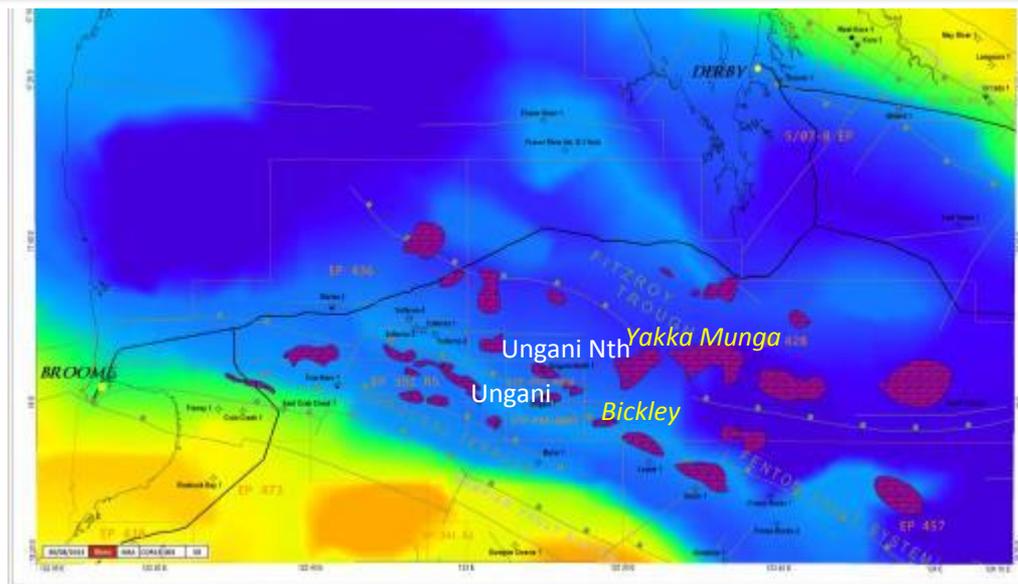


High Value Ungani Exploration Trend

Potential for rapid cluster style development growth

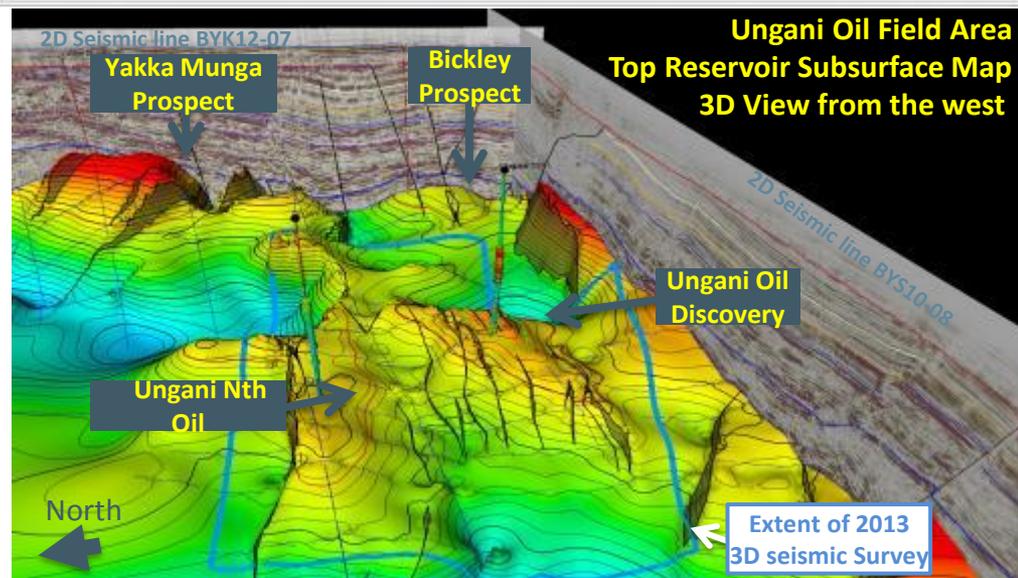
Ungani oil discovery is a “play opener”

- Conventional Vuggy dolomite reservoir
- Ungani Nth proved extensive petroleum system
- Structures are readily imaged by geophysics
- Ungani Oil Trend covers over 120 kms by 40 kms (+1 million acres)
- Buru controls entire trend



Ungani Trend Exploration Program

- Numerous on trend prospects and leads identified
- Following Ungani 3D completion, extensive 2D seismic program along trend planned
- Drilling of oil targets is planned for 2014 dry season immediately after initial Ungani development wells



Targeting Major Drilling Improvements

A focus on safety, environment, well cost & efficiency

Background

- Rigorous process to ensure right rig and the right commercial structure
- Huisman LOC 400 - a step change in drilling technology for Canning exploration
- Deep vertical wells and long reach horizontal wells capability
- Specifically designed as a Low Operating Cost (LOC) rig
- Contract is for an initial four wells with continued program at Buru's option



A Huisman LOC 400 rig on location

Rig Specifications

- Fully automated and modularised with a small footprint and efficient moves
- Rig up and rig down in less than 30% of conventional rig times
- Automated system means fewer crews and safer and more efficient operation
- Recycling and Sumpless drilling capability



Buru's License to Operate

Committed to taking a leading position with Traditional Owners



Listening to residents near our operations helps us to form strong relationships and find solutions for local concerns.

Buru engages with the Traditional Owners

- Respect for cultural and traditional values
- Create jobs and help build skills among local communities
- An appropriate sharing of the social benefits that arise from successful and profitable activity

Activity to date has been aligned

- Buru is very active in the Canning and has overall good relations with Traditional Owners
- Parties now fully engaged and have resolved past issues
- Full engagement to ensure future activities are issue free

Seeking to develop further alignment

- Business development and training
- Capability building for increasing responsibilities
- Program to gain broad agreement on 2 year program aligned with TO issues/concerns
- Active operational and social monitoring program with Indigenous personnel
- Indigenous participation in future planning



A Fully Funded Program

Minimal dilution, activity based and supports quality program

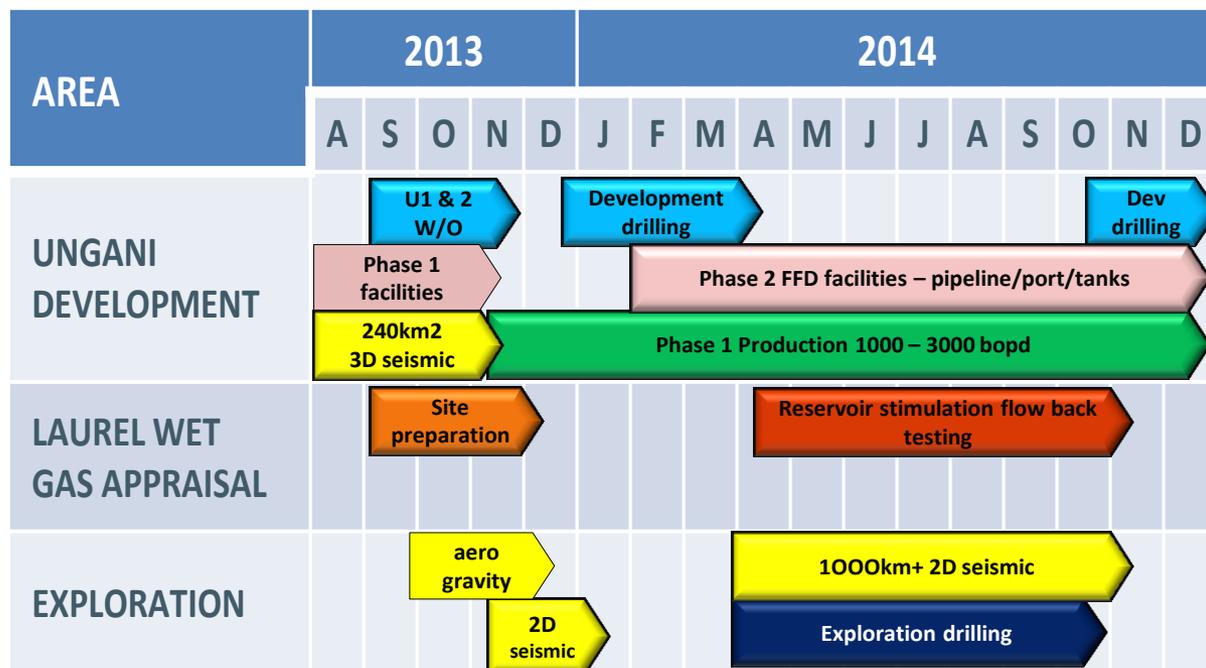


Fully Funded Forward Program*

- **Ungani Oilfield** - A\$92M gross, \$46M net, for full field development at up to 7,500 bopd
- **Laurel Wet Gas** - \$54M gross, \$27M net for stimulation and flow testing of up to five wells
- **Ungani Oil trend and regional exploration** - \$42M net for seismic, studies and 4 wells
- **Buru's activities are subject to JV, regulatory and other approvals, weather, availability of equipment and land access issues*.**

2013 – 2014 FORECAST PROGRAM

(SUBJECT TO APPROVALS)



* Although Buru believes that the costs and programs set out in this table are reasonable, they will be affected by some or all of these factors.

Buru Energy:

A Material & Sustainable Growth Story



2013

**BUILDING THE PLATFORM FOR
LONG TERM GROWTH**

- ✓ Safety & Risk management
- ✓ JV program alignment
- ✓ Traditional Owner Engagement
- ✓ Capability Building
- ✓ Oil Development
- ✓ Tight Gas Validation preparation
- ✓ Major seismic program
- ✓ Securing fit-for-purpose rig
- ✓ Prioritising high value exploration
- ✓ Cost & Logistics Optimisation program

2014

**MATERIAL CASH FLOW
MAJOR DERISKING OF GAS &
CONTINUOUS HIGH VALUE
EXPLORATION DRILLING**

- HSE Excellence
- Material cash flow
- Major Tight Gas program of Strategic importance to WA
- Targeted Gas farmout
- Ongoing High Value Exploration
- Strong Community Engagement

2015

**TARGETED OIL EXPANSION,
CONFIRMING GAS VIABILITY,
MULTI-RIG APPRAISAL &
EXPLORATION GROWTH**

- HSE Excellence
- Material cash flow
- Near Field Oil Tie-ins
- Major Gas Program with strong JV
- Multi well exploration program
- Traditional Owner Engagement

Key Messages

Buru - Set for sustainable and material growth

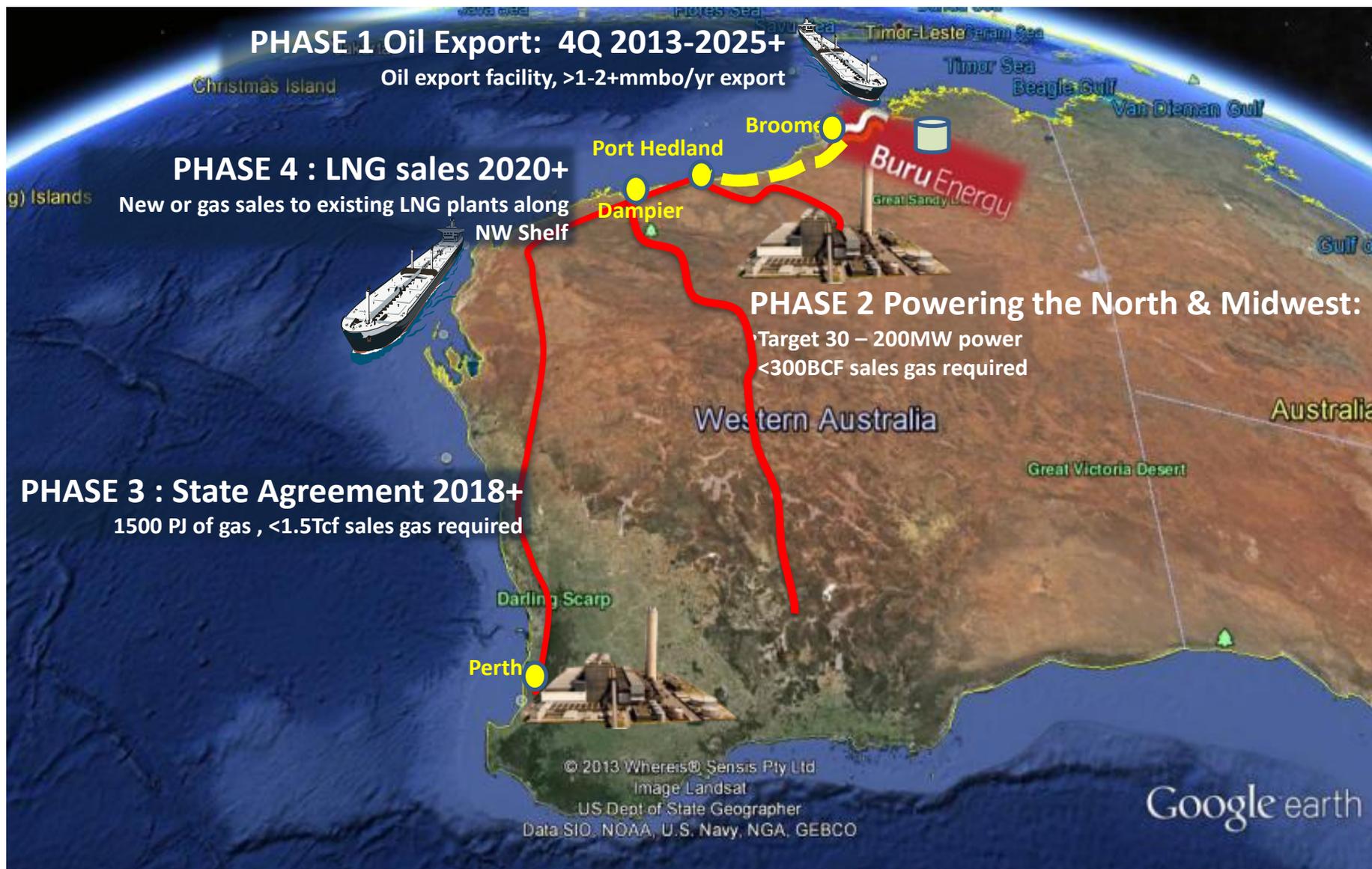


- **Fully funded 2013 – 2014 program and dedicated rig**
 - Oil Development, Major Gas appraisal and Material Exploration program
- **Significant cash flow forecast for 2014**
 - Target 1,000 bopd end 13', 3,000 bopd early 14' and up to 7,500 bopd by end 14'
- **Dominant acreage position, ~64,000km² net (16M acres)**
 - Operator of 20 petroleum titles with World class JV partner (Mitsubishi)
- **Quality Management and Board with proven history of value creation**
- **Absolute commitment to Community and Environment**
 - Respect, Capability building, Commitment and Transparency are core Buru values



Buru's Vision

The Energy Company for all West Australians



An Australian ASX listed company
focused on exploring and developing
the petroleum resources of the Canning
Superbasin

