



Not for release or distribution in the United States

Buru Energy Limited
ABN 71 130 651 437
Level 2, 97 William Street
Perth, Western Australia 6000
PO Box 7794, Perth
Cloisters Square WA 6850
Ph: 61-8 9215 1800
Fax: 61-8 9215 1899
www.buruenergy.com

ASX ANNOUNCEMENT (ASX: BRU)

15 June 2012

Buru successfully raises \$50m in Institutional Placement

Buru Energy Limited (“**Buru**” or “**Company**”) is pleased to announce that it has successfully raised \$50 million through the placement of new shares to institutional investors (“**Institutional Placement**”).

As announced yesterday, an Institutional Placement was conducted overnight via a fixed price bookbuild at \$3.00 per share, a 7.1% discount to the 5-day VWAP of \$3.23. The bookbuild was well oversubscribed.

Under the Institutional Placement, Buru will issue 16,666,667 shares, representing some 7.1% of the Company’s current issued capital, which will rank equally with existing shares from allotment. Settlement of the Institutional Placement is expected for Wednesday 20 June 2012, with allotment expected on Thursday 21 June 2012.

Proceeds raised under the Institutional Placement will be used to continue and to expand Buru’s exploration, appraisal and development program in the Canning Superbasin, with the funds being applied to the ongoing appraisal of the Ungani Field and the drilling of further exploration wells in both the Ungani oil trend and on new play types. The proceeds will also be used to fund the initial phase of the gas commercialisation planning process for Valhalla and Yulleroo. Funds will provide flexibility to immediately follow up discoveries made during 2012 and provide Buru with the ability to participate in any further consolidation of the Canning Superbasin acreage. Following the Institutional Placement, Buru expects to be fully funded for its 2012 program, and for part of its 2013 program.

Commenting on the Placement Buru’s Executive Director, Mr Eric Streitberg said:

“We are very pleased with the strong level of support shown for the Institutional Placement. We are delighted to welcome a range of new high quality institutional investors to the Buru register, and acknowledge the ongoing support of our existing shareholders.

Particularly given the current volatility in equity markets, we are particularly pleased with the outcome of the capital raising, which provides us with funding for the continued and expanded appraisal and development of our recent discoveries.”

Please find attached the Appendix 3B in relation to this Institutional Placement.

This release and further information on the Company is available at:
www.buruenergy.com

For inquiries please contact:

Eric Streitberg	Executive Director
Telephone	+61 8 9215 1800
Freecall	1800 337 330
Email	ericstreitberg@buruenergy.com

IMPORTANT NOTICE

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any securities and neither this announcement nor anything contained in it shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Buru Energy Limited

ABN

71 130 651 437

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 16,666,667 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares ranking equally in all respects with existing quoted ordinary shares. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>\$3.00 per share</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Proceeds raised under the Institutional Placement will be used to continue and to expand Buru's exploration, appraisal and development program in the Canning Superbasin, with the funds being applied to the ongoing appraisal of the Ungani Field and the drilling of further exploration wells in both the Ungani oil trend and on new play types. The proceeds will also be used to fund the initial phase of the gas commercialisation planning process for Valhalla and Yulleroo. Funds will provide the flexibility to immediately follow up any discoveries made during 2012 and provide Buru with the ability to participate in any further consolidation of the Canning Superbasin acreage.</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>21 June 2012</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1724 989 1780">Number</th> <th data-bbox="989 1724 1377 1780">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1780 989 2004">251,007,144</td> <td data-bbox="989 1780 1377 2004">Fully Paid Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	251,007,144	Fully Paid Ordinary Shares
Number	+Class				
251,007,144	Fully Paid Ordinary Shares				

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
	3,720,000	Unlisted options under the ESOP exercisable at \$0.48, expiring 31 Dec 2012
	290,000	Unlisted options under the ESOP exercisable at \$0.75, expiring 31 Dec 2012
	1,850,000	Unlisted options under the ESOP exercisable at \$1.24, expiring 31 Dec 2013
	2,500,000	Unlisted options under the ESOP exercisable at \$1.03, expiring 30 Apr 2013
	2,500,000	Unlisted options under the ESOP exercisable at \$1.12, expiring 31 Oct 2013
	2,500,000	Unlisted options under the ESOP exercisable at \$1.20, expiring 30 Apr 2014
	50,000	Unlisted options under the ESOP exercisable at \$1.58, expiring 31 Dec 2013
	320,000	Unlisted options under the ESOP exercisable at \$1.86, expiring 31 Dec 2013

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- | | | |
|----|---|--|
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | |
| 33 | +Despatch date | |

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 15 June 2012
Company secretary

Print name: Shane McDermott

+ See chapter 19 for defined terms.