

# Riding Out The Storm



# Buru is Positioned for Recovery and Growth

Strategically positioned



Prudent and deliberate strategy to be prepared for volatility.

Strong balance sheet



A\$30mm cash at end Q1 2020, minimal debt (\$2mm due 31 December 2020).

Expenditure control



All exploration and capital expenditure discretionary, no material permit commitments.

Resilient base business



Onshore oil production with production and operational flexibility.

Tier 1 asset portfolio



Basin wide high graded exploration portfolio. Existing oil production and major gas resources.

# Business Optimised for Current Situation

Conservative strategy



Business structured with continuing strong cash position with only discretionary activity.

Unsurprised by Volatility



Commodity business always volatile. Board and management experienced and adaptable to cycles.

Quick and decisive action



Corporate personnel costs reduced by 50%. Field costs optimised. Discretionary expenditure halted.

Operational flexibility



Ungani oil production resilient to temporary suspension if required, supportive contractors.

Prepared to restart exploration



Major portfolio review to ensure prospectivity properly documented. Farmout process underway.

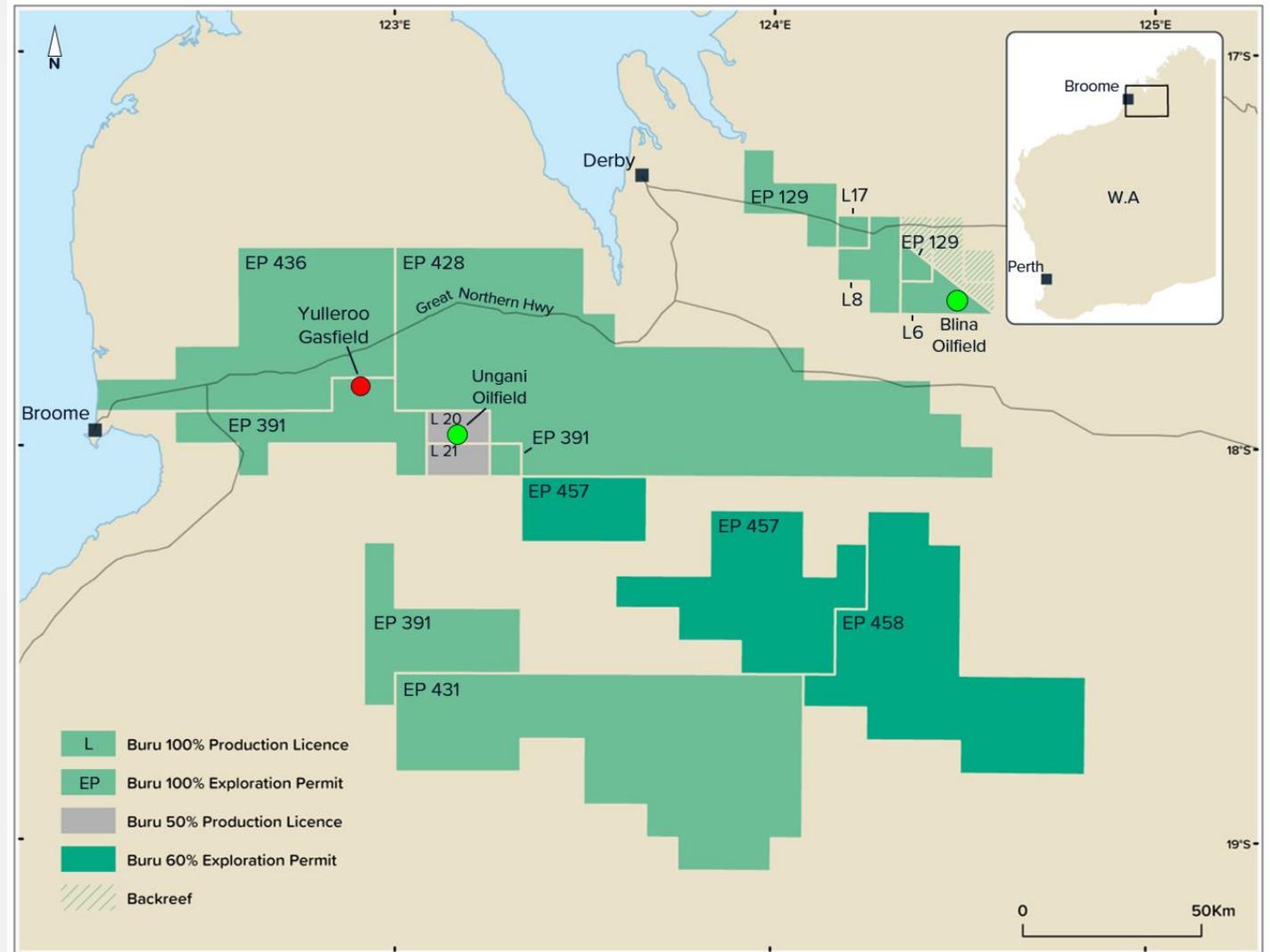
# Ungani Oilfield Production

- Production being maintained at ~1,500 bopd
- Next lifting from Wyndham storage tank by Petro Diamond in mid-May (~75,000 barrels)
- Final lifting under existing contract with Petro Diamond
- Next tank fill by early July which will be subject to spot market lifting terms
- Working with suppliers and staff on reducing costs
- JV will assess temporary production suspension after July tank fill
- Precedents for suspension at low cost and with no material operational issues



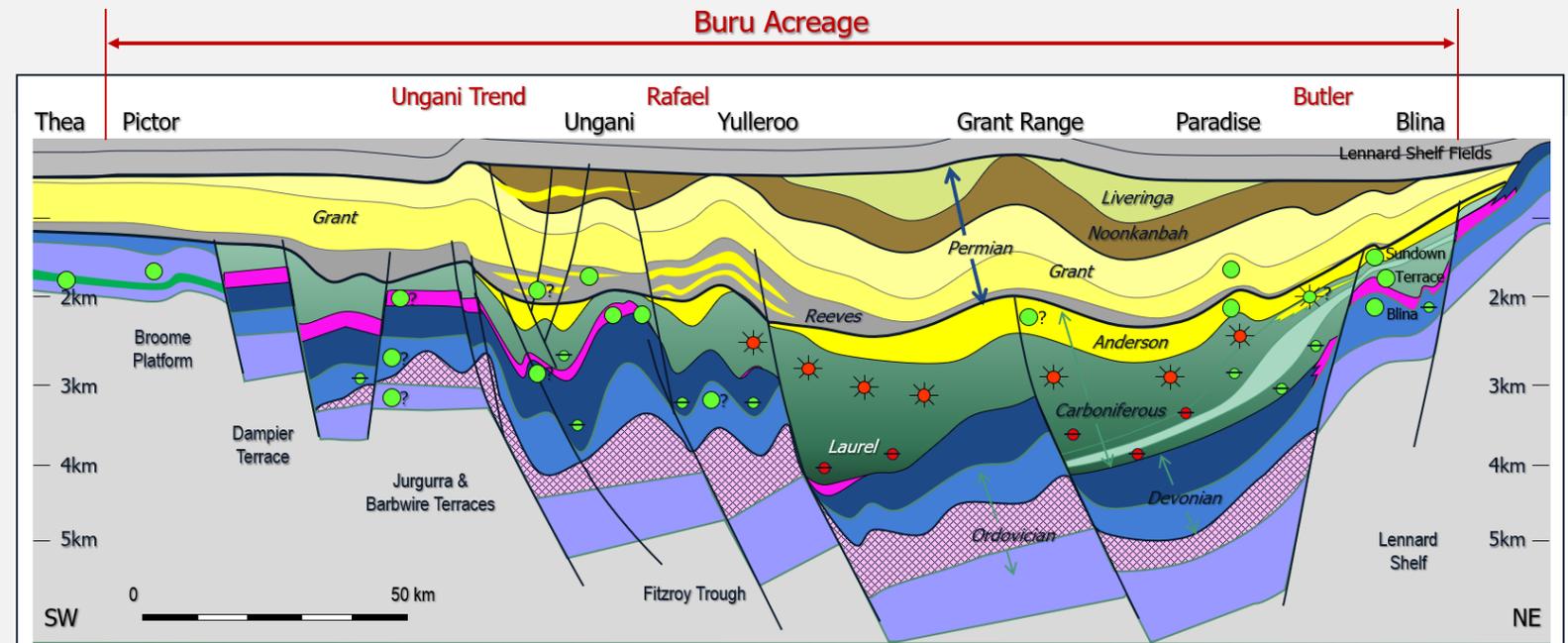
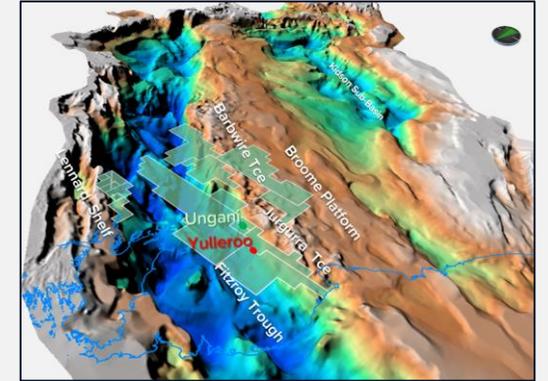
# High Potential Portfolio

- Underexplored onshore basin with significant conventional oil potential
- High graded portfolio of gross ~20,600 sq kms / 5.1 million acres (4.6 million net acres)
- Long term secure tenure with no immediate drilling commitments
- High impact exploration portfolio with large conventional oil prospects and extensive 3D seismic
- Established world scale, condensate rich, tight gas resource
- Major portfolio review completed with enhanced portfolio and prospectivity



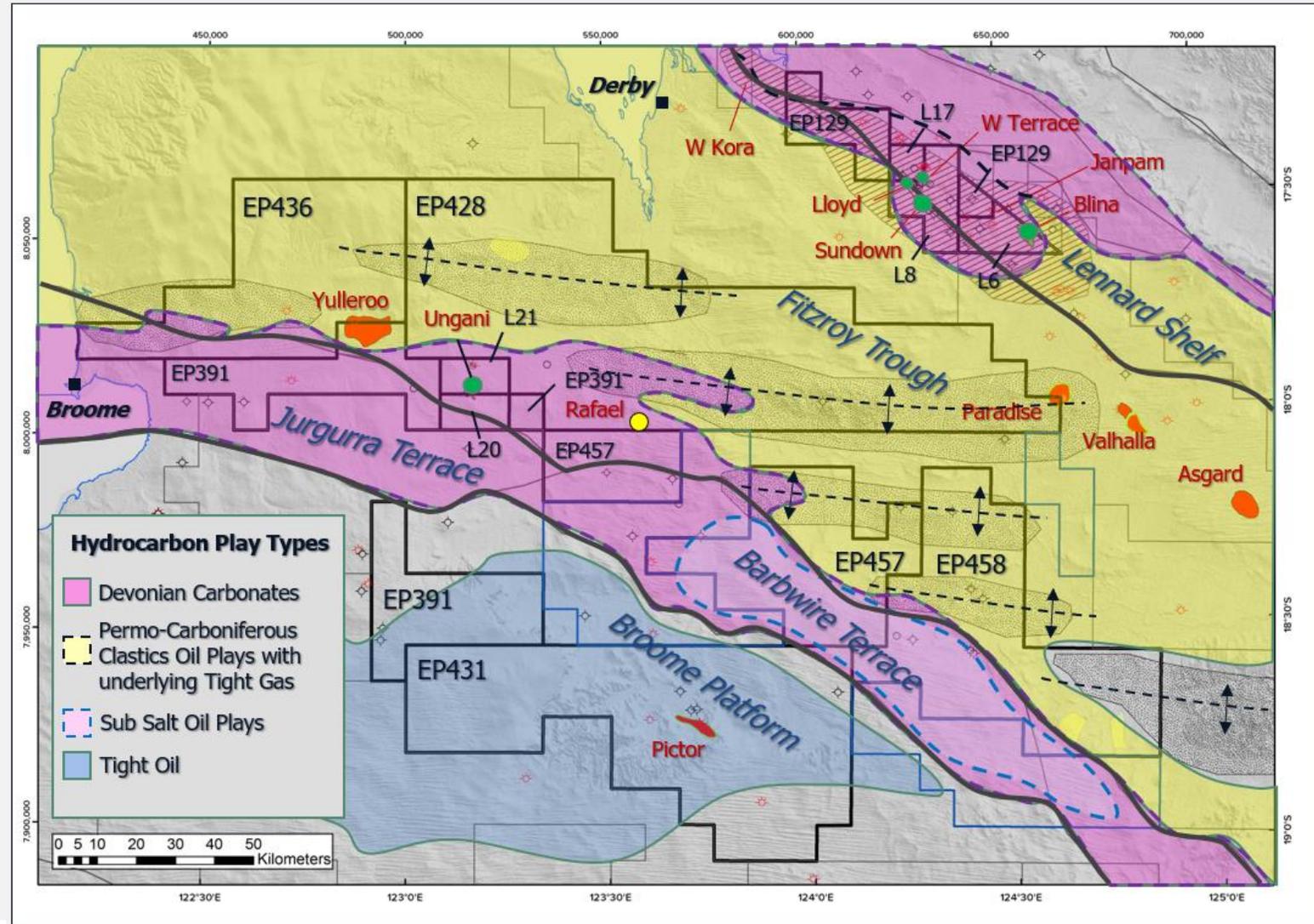
# Canning Basin Overview

- Largest onshore sedimentary basin in Western Australia
- Thick sequences of Ordovician to Early Triassic sediments with multiple petroleum systems
- Discovered Blina and Ungani Oilfields in dolomitic reservoirs, and a number of smaller fields in the overlying clastic sequences.
- New plays identified based on re-interpretation of well results and improved seismic imaging
- World scale basin centered condensate rich tight gas accumulation defined by wells and fracs
- Diverse prospect portfolio of conventional oil, tight oil and basin centered gas



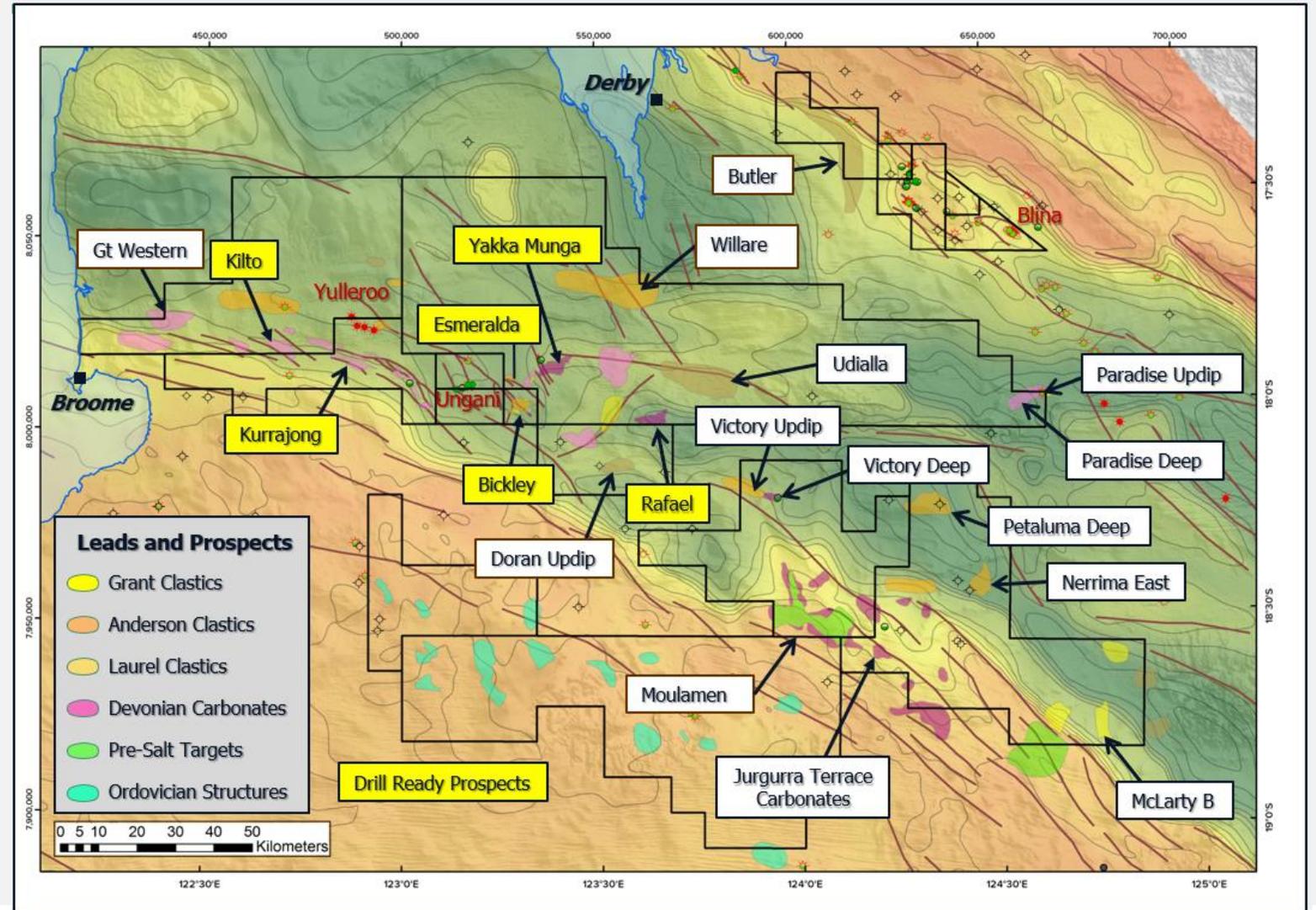
# Basin Wide Prospectivity

- High graded overlapping large scale exploration provinces
- Numerous look alike prospects to existing discoveries
- New play types with world scale potential
- Contiguous large scale permits provide extensive running room for new play types
- High equities (generally 100%) provide farmout flexibility



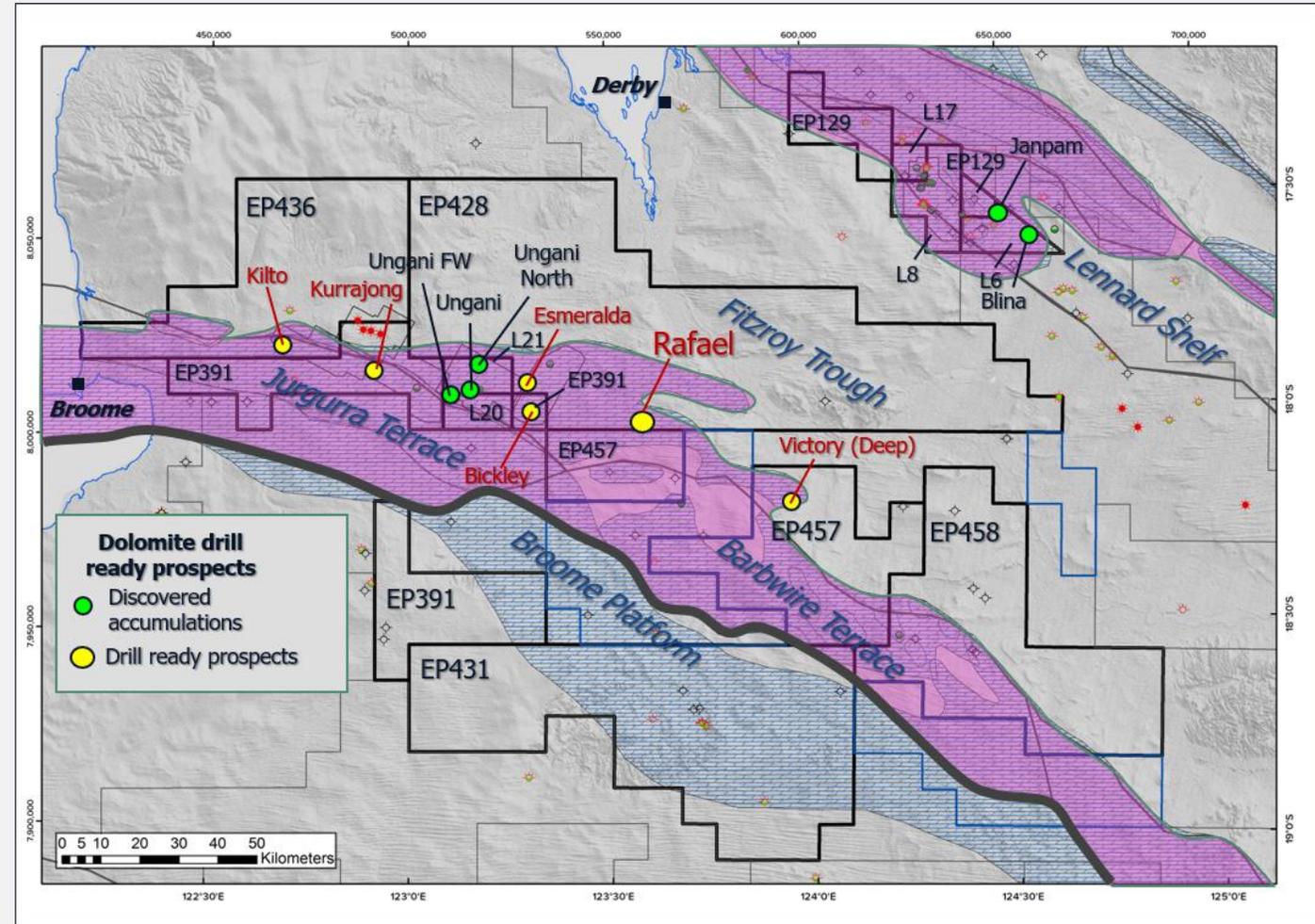
# Extensive Exploration Prospect Portfolio

- The portfolio has substantial depth and variety with a range of prospect maturity and will be added to as exploration progresses
- Over 20 prospects identified with many more leads
- 6 drill ready prospects
- Evaluation of the portfolio is ongoing as part of the business development process
- Current farmout discussions include detailed review of prospects and leads portfolio with positive feedback



# Ungani Style Prospects – Rafael World Scale

- High quality vugular dolomite reservoirs with multi Darcy permeabilities and high quality oils
- Ungani Field - Ungani Dolomite reservoir in early stage of development (~1,500 bopd with continuing development underway)
- Blina Field - first discovery in the basin in the Nullara reefal dolomites on opposite side of the basin on the Lennard Shelf
- Dolomite reservoirs developed in other reefal facies including Pillara Formation with the Rafael prospect drill ready with world scale size
- Extensive 3D seismic coverage over identified sweet spots
- Generally modest drilling depths (1,000m to 3,500m)
- 6 drill ready prospects identified



# Sandstone Conventional Prospect Portfolio

## Reeves

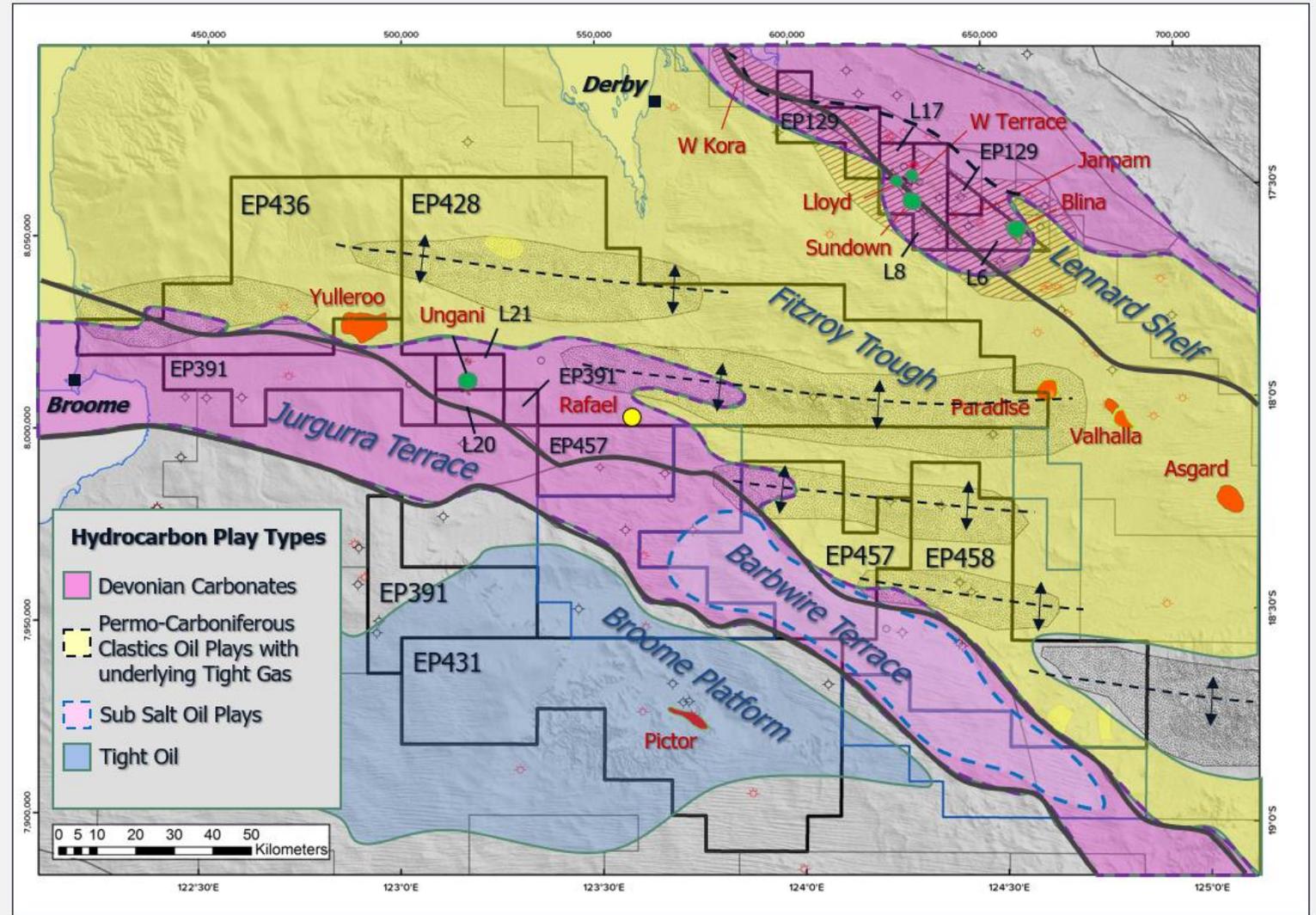
- Emerging play recognised along southern margin of the basin following oil recovery at Ungani Far West 1
- Upside potential in erosional remnant play (Dorado setting equivalent) in the underlying Anderson Fm

## Anderson

- Good quality shallow marine to fluvial sands and shale seals
- The Anderson Play is underexplored in the majority of the basin

## Grant

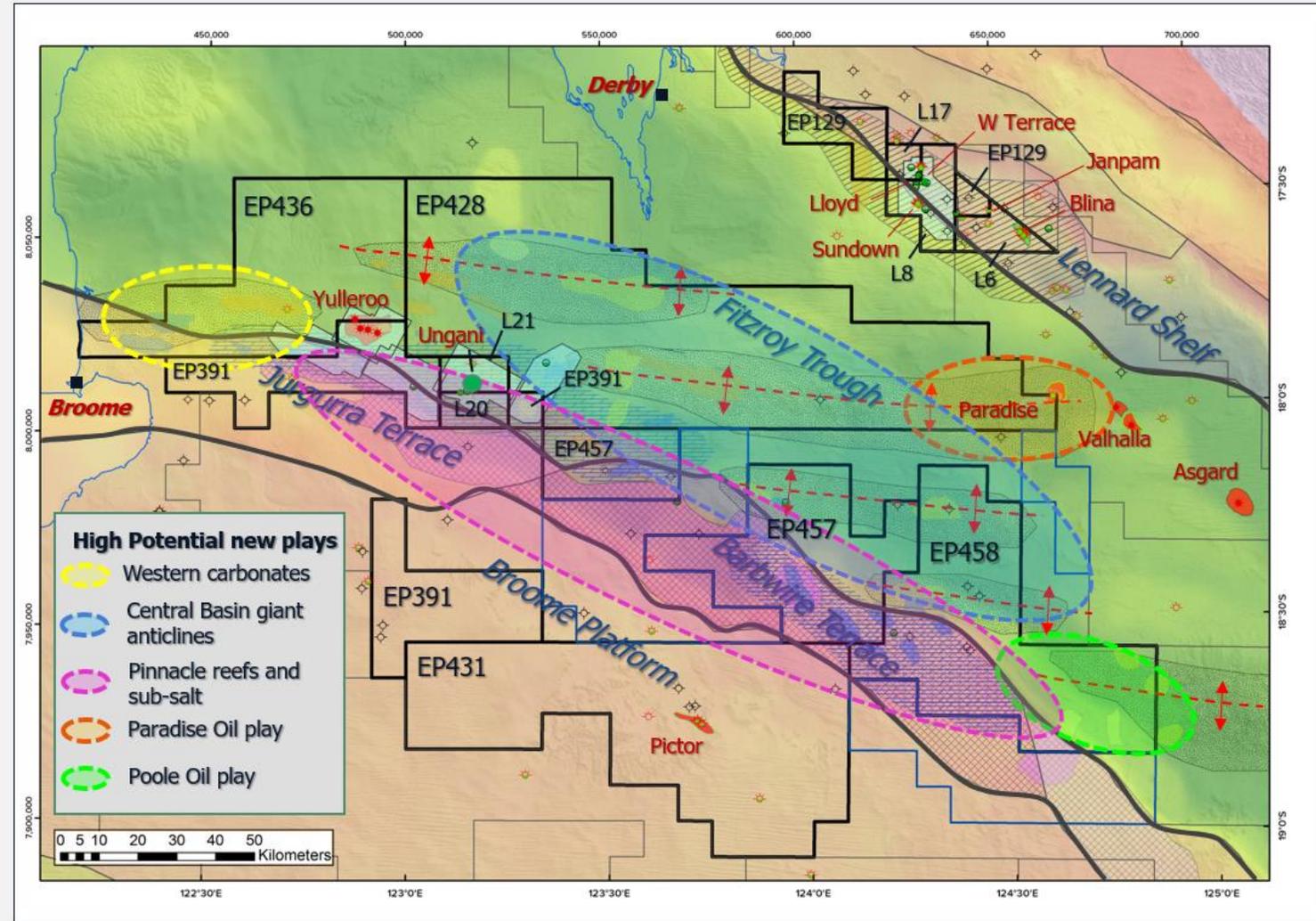
- Thick and extensively distributed over the basin
- New 2D seismic and 3D seismic shows stratigraphic complexity within the Grant Fm with untested prospectivity



# Large Scale New Play Types

New play types/ prospective areas emerging from ongoing regional basin evaluation

- 🟢 Western carbonate trends with large leads on sparse seismic
- 🟢 Large Central Basin anticlines with stratigraphic upside and untested deep clastic potential
- 🟢 Southern flank pinnacle reefs within the Pillara sequence
- 🟢 Large subsalt play on the Jurgurra Terrace under newly identified Devonian aged salt
- 🟢 Paradise trends with proven oil recoveries on southeastern Lennard Shelf
- 🟢 Deep Poole Sandstone play in the McClarty Basin



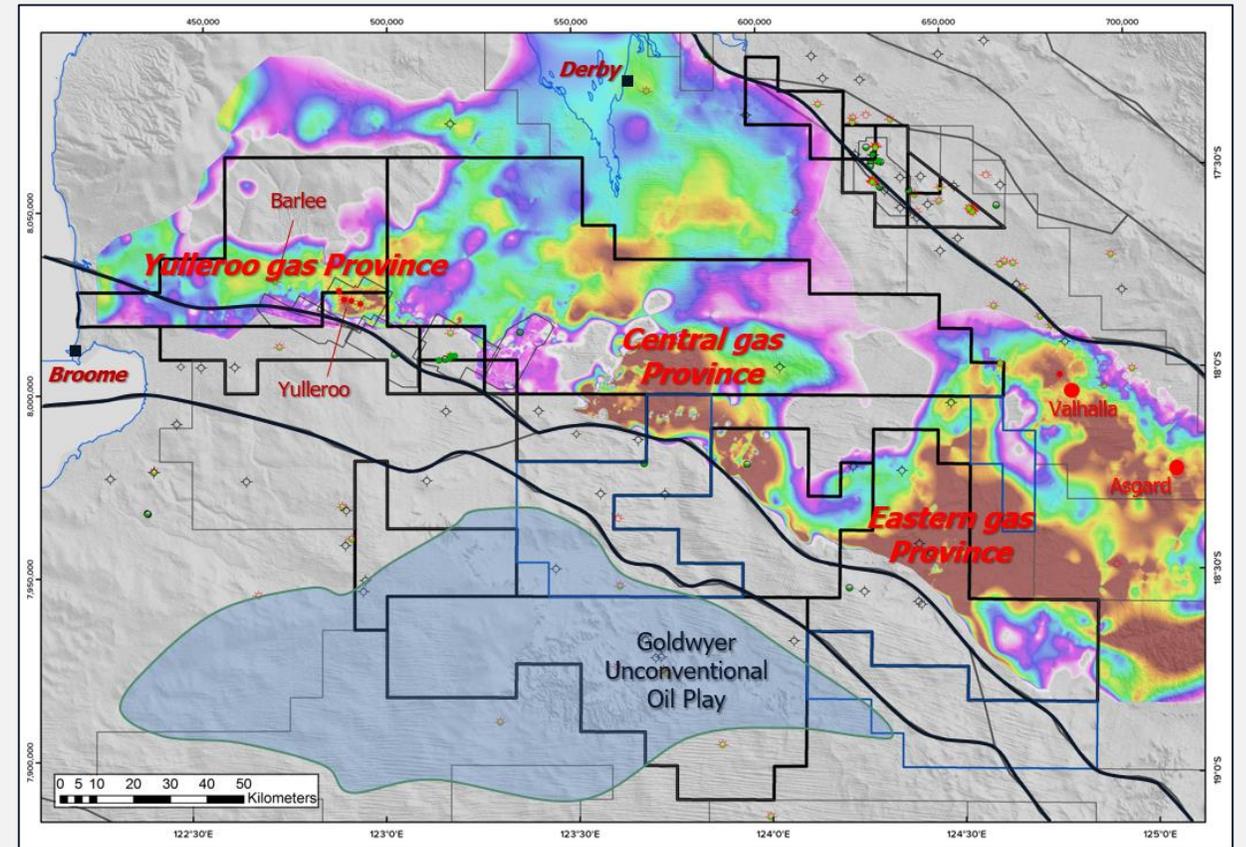
# World Scale Tight Gas and Oil

## World Scale condensate rich tight gas resources

- Laurel Formation basin centered tight gas - Canadian Montney equivalent
- High liquids content (+30bbls/mmcf)
- Successful play proving vertical fracs completed
- ~700 BCF 2C Contingent Resources independently certified in Yulleroo Field (refer to ASX release dated 18 January 2018)
- Best Estimate Prospective Resources of 6.6 TCF in the Yulleroo regional area and multiple TCFs in the wider basin (refer to ASX release dated 8 February 2013)
- Project further advanced and potentially larger than the Beetaloo Basin

## Tight Oil (Goldwyer Formation)

- Equivalent to early stage Bakken play
- Potential confirmed by adjacent Theia 1 well
- Strong acreage position to take advantage of future developments



# Forward Plan

Winston Churchill: "Never let a good crisis go to waste"

Maximise value from existing resources



- ◆ Ensure lowest cost production and highest recovery from Ungani
- ◆ Continue work on undeveloped and legacy resources
- ◆ Drive value from existing gas resources

Complete farmout of exploration areas



- ◆ Value adding exploration activity by external funding
- ◆ Farmout drives sustained longer term activity
- ◆ Success has multiplier effects on production and cost reduction

Brownfield new business



- ◆ Expand core acreage and enhance play types
- ◆ Value add to oil production
- ◆ Gas value adding through development/farmout

Greenfield new business



- ◆ Corporate opportunities under review
- ◆ Asset opportunities being evaluated
- ◆ Numerous bolt-ons (e.g. green energy, contracting)

# Financial and Corporate

ORDINARY SHARES ON ISSUE ~432M

MARKET CAPITALISATION ~\$38M

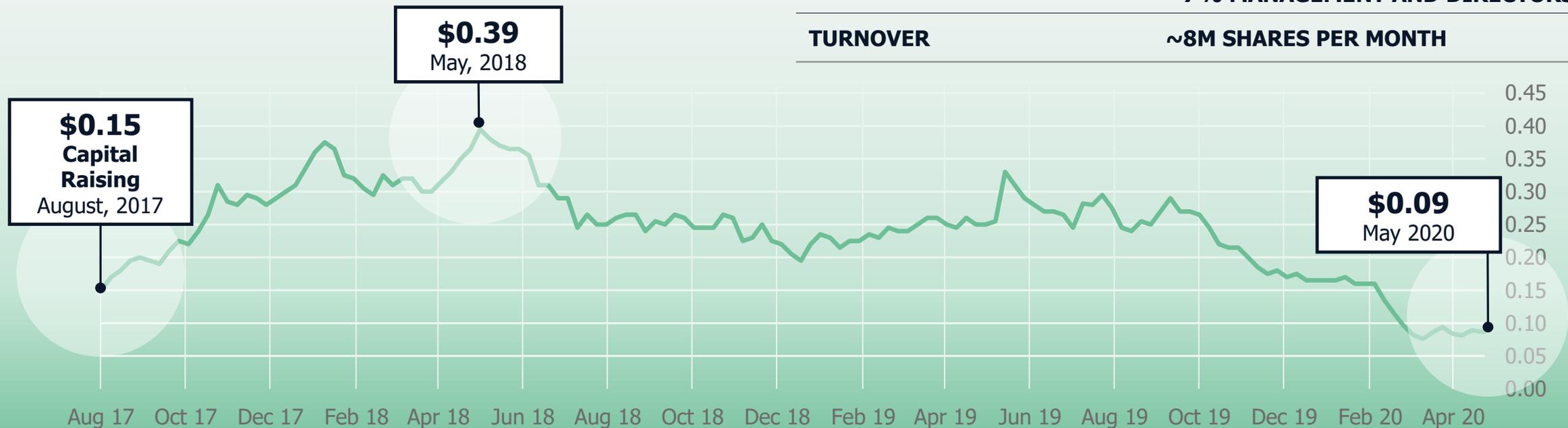
CASH (AS OF 31 MAR 2020) ~\$30M

DEBT (AS OF 31 MAR 2020) ~\$2M

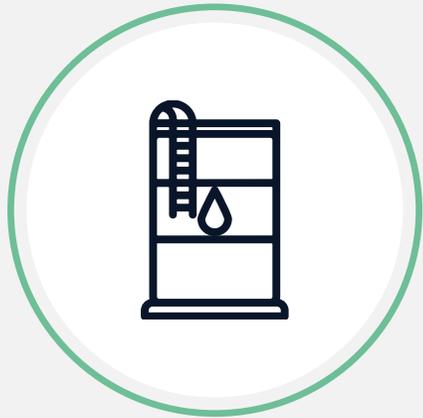
REGISTER ~50% SOPHISTICATED AND INSTITUTIONS  
~7% MANAGEMENT AND DIRECTORS

TURNOVER ~8M SHARES PER MONTH

ASX:BRU

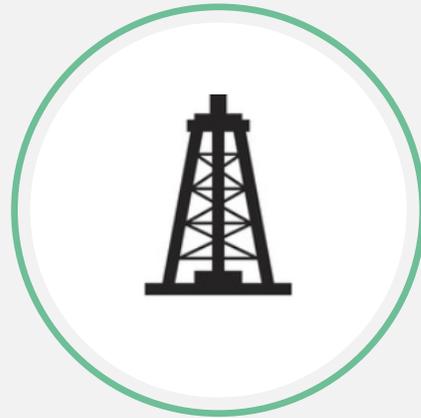


# Investment Thesis



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**EXISTING OIL  
PRODUCTION AND  
INFRASTRUCTURE,  
PROVEN GAS  
RESOURCES**



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**HIGHLY  
PROSPECTIVE  
EXPLORATION  
AREAS WITH  
WORLD SCALE  
PROSPECTS**



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**STRONG BALANCE  
SHEET AND CASH  
FLOW FROM  
PRODUCTION**



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**CAREFULLY  
POSITIONED TO DRIVE  
VALUE: STRONG  
BALANCE SHEET.  
PROVEN RESOURCES  
AND LARGE SCALE  
EXPLORATION**

# Authority

## Authority for this announcement

|   |                                     |
|---|-------------------------------------|
| This announcement has been authorised for release by: | Eric Streitberg, Executive Chairman |
| Contact person for this announcement:                 | Eric Streitberg, Executive Chairman |
| Contact phone number:                                 | 1800 337 330                        |
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## Qualified Petroleum Resources Evaluator Statement

Except where otherwise noted, information in this release related to exploration and production results and petroleum resources is based on information compiled by Eric Streitberg who is the Executive Chairman of Buru Energy Limited. Mr Streitberg is a Fellow of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors, and a member and Certified Petroleum Geologist of the American Association of Petroleum Geologists. He has over 40 years of relevant experience. Mr Streitberg consents to the inclusion of the information in this document.

# Disclaimer

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