

## **Chairman's AGM Address**

---

Please find below the address to be given today to the 2020 Annual General Meeting from the Company's Executive Chairman, Mr Eric Streitberg which will be provided via the audio webcast facility. The audio webcast facility can be accessed online at <https://webcast.openbriefing.com/5955/>.

*"I would like to welcome all shareholders to the first Buru virtual meeting.*

*One of the defining characteristics of the oil and gas industry is that we are innovative and quickly embrace appropriate technology. So the current circumstances have seen us able to quickly and easily adapt to working in a primarily digital environment, including today's mostly virtual meeting. We have also been very fortunate to have a State Government that has taken a pragmatic and measured approach to the control of the COVID-19 pandemic. This has allowed us to continue our operations in a controlled and effective way and we thank the Premier and his team for their handling of the crisis.*

*As a Board and a Company we are also used to volatile commodity markets and to the currently rapidly changing face of the energy industry. So this turmoil in the oil markets is nothing new for us. We are used to making sure we are always prepared to ride out these changes, and Buru is in an excellent position to do just that. We have had a prudent and deliberate strategy to ensure we have maintained a healthy balance sheet with minimal debt and that we do not have commitments on our acreage that would force us into unwanted or unnecessary activity.*

*So I would now like to address Buru's current situation and our plan for the future.*

*I know many shareholders are as distressed as we are with the current share price, except of course for those shareholders who have recently been acquiring shares at these historically low prices. Buru is one of the few listed small Australian oil and gas companies that has solid cash reserves, an excellent asset base and no material exploration commitments. This strong position reflects the long-term strategy of Buru, we don't over extend and we prepare for all eventualities. Although this preparedness is not reflected in the current share price, the Company is well positioned to ride out the storm and take advantage of strategic and high value opportunities that will inevitably arise.*

*In regard to our current position, the Company has continued to produce from its conventional Ungani oilfield at a steady rate of ~1,500bopd. The next lifting from the CGL storage tank in Wyndham is in a few days and we expect to receive a payment in line with the average Brent price for this month of May, less the buyer's normal fixed discount under the current contract.*

*The joint venture is carefully monitoring the current oil market and shipping constraints, and will make a decision in the third quarter as to whether a temporary suspension of production from Ungani would be prudent. We are in a fortunate position of being able to suspend production with no material operational consequences, as we have done on occasions in the past.*

*Looking to the future, we are currently inviting interested parties to participate in our exploration acreage. We have done a very thorough technical evaluation of the prospectivity of the acreage and have been delighted to not only confirm the original prospectivity but also to have identified a number of new play concepts with high potential. We will release an updated corporate presentation after the AGM that sets out the results of this review in more detail and I would encourage interested shareholders to review that presentation.*

*The farmout progress is ongoing with interested parties now accessing the virtual data room. These processes take time to complete given the level of due diligence undertaken by incoming parties, and we are aiming for completion of any potential transaction later this year as a prelude to activity next year.*

*These are realistic time frames and expectations and are partly driven by our ability to drill exploration wells in this dry season being severely limited by the very high level of disruption the pandemic has caused to exploration operations, and the consequent shortage of drilling rigs and associated contracting equipment and services. It is also appropriate for Buru to defer exploration until there is some stability in the oil and equity markets.*

*However, as the Sage of Omaha and various Chinese philosophers have noted, in times of trouble and disruption, opportunities arise. Those like Buru who are well prepared for these times will find that both corporate and asset opportunities will indeed arise. These will be both in our core business activity, and also in value adding businesses that may include, for example, local value adding to Ungani crude and the establishment of a renewable energy precinct backed up by conventional gas resources. We have formed an internal business unit from existing staff to specifically focus on the opportunities.*

*I would like to reiterate that the Company is in excellent shape to weather these turbulent times and emerge stronger and more efficient, and the Board and management has the experience and capability to deliver for the future.*

*In that regard I would like to thank the staff of the Company, many of whom have taken very significant salary reductions but have continued to put in normal, and in many cases more than usual hours in the business. I would also like to thank the many shareholders who have persevered with their investments and recognise the considerable financial difficulty many of our smaller shareholders find themselves in. We are hopeful that we will emerge stronger and more robust from these current circumstances and thank you for your continued support."*

This ASX announcement has been authorised for release by the Board of Buru Energy.

For further information, visit [www.buruenergy.com](http://www.buruenergy.com) or contact:

Eric Streitberg, Executive Chairman

Telephone: +61 8 9215 1800

Freecall: 1800 337 330

Email: [info@buruenergy.com](mailto:info@buruenergy.com)