

## **ASX ANNOUNCEMENT (ASX: BRU)      24 October 2008**

### **Issue of Bonus Options**

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Buru advises shareholders that due to a processing error within Buru's share registry function, 44 Buru shareholders were issued with fewer Bonus Options than they were entitled to under the terms of Buru's recent bonus offer, as set out in the prospectus dated 24 September 2008 and supplementary prospectus dated 10 October 2008. Buru has issued a further 1,182,091 Bonus Options to the affected shareholders, bringing the total number of Bonus Options on issue to 55,176,975.

An Appendix 3B in relation to the issue of these further options is attached, and new holding statements have been despatched to affected shareholders. The Bonus Options trade on ASX under the code BRUO.

Questions in relation to the number of Bonus Options you have been issued or your holding statement should be directed to Buru's share registry, Link Market Services on 1800 810 859 (within Australia) or +61 2 8280 7211 (outside Australia)

Further information on the company is available on the Buru website at:  
[www.buruenergy.com](http://www.buruenergy.com)

**For inquiries please contact:**

<b>Adrian Cook</b>	<b>Managing Director</b>
<b>Telephone</b>	<b>+61 8 9215 1800</b>
<b>Freecall</b>	<b>1800 337 330</b>
<b>Email</b>	<b><a href="mailto:adriancook@buruenergy.com">adriancook@buruenergy.com</a></b>

Yours faithfully,

A handwritten signature in black ink, appearing to be "Adrian Cook", written in a cursive style.

**ADRIAN COOK**  
**Managing Director**

# 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   | BONUS OPTIONS  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 1,182,091  |
| 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) | EXERCISE PRICE: \$0.94 (SUBJECT TO ADJUSTMENT IN ACCORDANCE WITH THE TERMS OF THE OPTIONS)<br><br>EXPIRY DATE: 10 OCTOBER 2010 |

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

YES.

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

5 Issue price or consideration

NIL

6 Purpose of the issue  
(If issued as consideration for the acquisition of assets, clearly identify those assets)

CORRECTION TO BONUS ISSUE

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

22 OCTOBER 2008

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	162,119,728	FULLY PAID ORDINARY SHARES
	55,176,975	BONUS OPTIONS
	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	33,900,000	UNLISTED D&E OPTIONS

+ See chapter 19 for defined terms.

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

## Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required? NO

12 Is the issue renounceable or non-renounceable? NON RENOUNCEABLE

13 Ratio in which the <sup>+</sup>securities will be offered 1 FOR 3

14 <sup>+</sup>Class of <sup>+</sup>securities to which the offer relates BONUS OPTIONS

15 <sup>+</sup>Record date to determine entitlements 3 OCTOBER 2008

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? N/A

17 Policy for deciding entitlements in relation to fractions FRACTIONS OF 0.5 OR MORE ROUNDED UP

18 Names of countries in which the entity has <sup>+</sup>security holders who will not be sent new issue documents  
N/A  
Note: Security holders must be told how their entitlements are to be dealt with.  
Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations N/A

20 Names of any underwriters N/A

21 Amount of any underwriting fee or commission N/A

22 Names of any brokers to the issue N/A

23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	10 OCTOBER 2008
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	10 OCTOBER 2008

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+ 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

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

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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)

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

Number	+Class

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+ 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: .....  
(Director/~~Company secretary~~)

Date: 23/10/08

Print name: ADRIAN COOK .....

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+ See chapter 19 for defined terms.

Item 35

Rank	Investors	Available Balance	% Issued Capital
<b>Security: BRUO</b>		<b>BRU OPTIONS</b>	
1	ARC Energy Limited	8,105,514	14.69%
2	Birkdale Enterprises Pty Ltd	3,333,333	6.04%
3	JPMorgan Nominees Australia Limited	2,836,2336	5.14%
4	MLEQ Nominees Pty Limited	2,128,836	3.86%
5	Trojan Equity Limited	2,007,500	3.64%
6	HSBC Custody Nominees (Australia) Limited – A/C 2	1,514,329	2.74%
7	UBS Nominees Pty Ltd	1,099,403	1.99%
8	National Nominees Limited	1,075,112	1.95%
9	Citicorp Nominees Pty Limited	1,063,962	1.93%
10	HSBC Custody Nominees (Australia) Limited	990,709	1.80%
11	ANZ Nominees Limited	875,239	1.59%
12	Aegis Exploration Pty Ltd	734,778	1.33%
13	HSBC Custody Nominees (Australia) Limited – GSI ECSA	519,676	0.94%
14	Piat Corp Pty Ltd	500,000	0.91%
15	Rocket Science Pty Ltd	500,000	0.91%
16	Mrs Christine Streitberg	425,545	0.77%
17	JH Nominees Australia Pty Ltd	400,000	0.72%
18	Mr Carl Adolph Morawitz and Mrs Gail Josephine Morawitz	388,333	0.70%
19	HSBC Custody Nominees (Australia) Limited – A/C 3	354,592	0.64%
20	Mr Graham Douglas Riley and Mrs Ann Marie Riley	341,667	0.62%
<b>TOTAL FOR TOP 20</b>	<b>20</b>	<b>29,194,761</b>	<b>52.91%</b>

	Available Balance	Investors	% Issued Capital
<b>TOTAL IN THIS REPORT</b>	<b>29,194,761</b>	<b>20</b>	<b>52.91%</b>
<b>TOTAL OTHER INVESTORS</b>	<b>25,982,241</b>	<b>10,388</b>	<b>47.09%</b>
<b>GRAND TOTAL</b>	<b>55,176,975</b>	<b>10,408</b>	<b>100.00%</b>

Item 36

Ranges	Investors	Securities	% Issued Capital
<b>Security Code: BRUO</b>		<b>BRU OPTIONS</b>	
<b>Totals for Security Code BRUO</b>			
1 to 1,000	5,841	2,578,156	4.67%
1,001 to 5,000	3,662	7,679,474	13.92%
5,001 to 10,000	492	3,540,572	6.42%
10,001 to 100,000	377	9,470,285	17.16%
100,001 and Over	36	31,908,488	57.83%
<b>Total</b>	<b>10,408</b>	<b>55,176,975</b>	<b>100.00%</b>