



Buru Energy Limited
ABN 71 130 651 437
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www.buruenergy.com
ASX: BRU

ASX Announcement

19 August 2013

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

Share Purchase Plan Offer Documentation

The following documents attached to this announcement have today been despatched to shareholders who are eligible to participate in Buru Energy Limited's Share Purchase Plan announced on 8 August 2013:

- Letter from the Managing Director and Executive Director;
- Share Purchase Plan Offer Document dated 19 August 2013; and
- Share Purchase Plan Application Form.

If you have any questions regarding the Share Purchase Plan, please contact the Buru Energy Limited SPP Offer Information Line any time between 8.30am and 5.00pm (Sydney time) Monday to Friday on 1800 810 859 if calling within Australia or +61 2 8280 7211 if calling from outside of Australia.

For other inquiries please contact:

Eric Streitberg	Executive Director; or
Keiran Wulff	Managing Director
Telephone:	+61 8 9215 1800
Freecall:	1800 337 330
Email:	info@buruenergy.com



Buru Energy Limited
ABN 71 130 651 437
Level 2, 88 William Street
Perth, Western Australia 6000
PO Box 7794, Perth
Cloisters Square WA 6850
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www.buruenergy.com

19 August 2013

Dear Shareholder

Offer to participate in Share Purchase Plan

Buru Energy Limited (ABN 71 130 651 437) ("**Company**") recently announced the successful placement of 21.3 million shares to institutional investors at \$1.65 per share, raising \$35 million before costs ("**Placement**").

The Company is now pleased to offer you the opportunity to participate in a share purchase plan ("**SPP**"), under which you can apply for up to \$15,000 in shares at the lower of the Placement price (\$1.65 per share) and the volume weighted average price of the Company's shares over the last 5 trading days in the SPP offer period.

Participation in the SPP is optional. It will be open to shareholders who were holders of fully paid ordinary shares in the Company as at 7.00pm (Sydney time) on 7 August 2013, and whose registered address is in Australia or New Zealand. For New Zealand shareholders, you must still be a shareholder on the date of the offer to participate.

The proceeds raised under the SPP will be applied, together with proceeds from the Placement, to fund the Company's 2014 exploration program outside the Ungani Oil development and Laurel Wet Gas appraisal program, working capital and overheads.

To apply for a parcel of shares, please follow the instructions on the enclosed application form and ensure that your application is received in cleared funds no later than 5.00pm (Sydney time) on 6 September 2013.

Shares issued under the SPP will have the same entitlements as other shares in the Company.

The Company has capped the total amount that may be raised under the SPP at A\$5 million. The Company reserves the right to scale back the maximum participation amount per shareholder if total applications exceed this amount. Should this happen, you may be allocated shares to a value which is less than the parcel of shares you applied for and the difference will be refunded to you. In the event of a scaleback each application will be treated equally and scaled back on a pro-rata basis.

We encourage you to read the attached SPP Terms and Conditions carefully. If you are unsure about whether to participate, please contact your professional adviser. If you require further information, please contact our Share Registry (contact details are in the enclosed instructions).

On behalf of the Board, we invite you to consider this opportunity to increase your investment in the Company and thank you for your continued support.

Yours sincerely

A handwritten signature in black ink, appearing to read "Keiran Wulff".

Dr Keiran Wulff
Managing Director

A handwritten signature in blue ink, appearing to read "Eric Streitberg".

Eric Streitberg
Executive Director



Share Purchase Plan Offer Document

For the offer of fully paid ordinary shares in the Company ("**New Shares**") at the lower of \$1.65 per share and the volume weighted average price of the Company's shares over the last 5 trading days in the SPP offer period.

Share Purchase Plan Offer Document

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Key Dates*

Date (and time if relevant)	Event
7 August 2013 7.00pm (Sydney time)	Record Date The date and time on which the Company determined who is eligible to participate in the SPP.
19 August 2013	Offer Documents mailed to eligible Shareholders.
19 August 2013	Opening Date The date on which the offer opens.
6 September 2013 5.00pm (Sydney time)	Closing Date The offer closes at, and applications must be received by, this time and date.
13 September 2013	Allotment Date The date on which New Shares are allotted.
13 September 2013	Despatch Date Transaction confirmations / holding statements will be sent to shareholders on or around this date.
16 September 2013	Trading Date The date on which New Shares are expected to begin trading.

* *The Company may change any of the Key Dates at its discretion (even if the offer has opened or applications have been received).*

Instructions

To participate in the SPP, please read the Terms and Conditions carefully and follow the step-by-step instructions on the Application Form. To apply and pay, you have two options:

Option 1: BPAY®

Provided you are not a Custodian (see paragraph (d) of “Significance of applying for New Shares” in the Terms and Conditions), you can make a payment by BPAY if you have an Australian bank account enabled for this purpose. If paying by BPAY, you do not need to return your Application Form.

BPAY customers must use the unique customer reference number shown on the Application Form which is required to identify your holding.

By making the application via BPAY you represent to the Company that you have complied with the matters set out in “Significance of applying for New Shares” in the Terms and Conditions.

Option 2: Application Form and cheque or money order

You can complete the Application Form and post or return it to the address below, together with a cheque or money order, in accordance with the instructions on the Application Form:

Buru Energy Limited
C/- Link Market Services Limited
Reply Paid
GPO Box 3560
Sydney NSW 2001

OR

Buru Energy Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

Cheques and money orders must be made payable to "Buru Energy Limited" in Australian dollars and drawn on an Australian bank for the correct amount. The Company will not accept payment by cash.

Timing

All payments and applications must be received **before 5.00pm (Sydney time) on Friday, 6 September 2013**. You cannot withdraw or cancel your application or BPAY payment once you have sent it in.

Do not forward cash. Receipts for payments will not be issued.

Application money will not bear interest as against the Company in any circumstances.

Please read the enclosed application for further details on how to apply for New Shares under the SPP.

Questions

If you have any questions, please contact the Buru Energy Limited SPP Offer Information Line any time between 8.30am and 5.00pm (Sydney time) Monday to Friday on 1800 810 859 if calling within Australia or +61 2 8280 7211 if calling from outside of Australia.

No offer to persons in the United States

These materials do not constitute an offer of securities for sale in the United States and may not be sent or disseminated in, directly or indirectly, the United States. The New Shares have not been and will not be registered under the US Securities Act of 1933 or the securities laws of any state of the United States and may not be offered or sold in the United States or to any person acting for the account or benefit of persons in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable state securities laws.

Terms and Conditions

IMPORTANT NOTICE: The market price of shares in the Company may rise or fall from now to when the New Shares are allotted to you under the SPP. Therefore, if you apply for and we allot to you New Shares under the SPP, the offer price for those New Shares may be more than, or less than, the market price of shares in the Company you could buy at that time. By completing and returning the Application Form or making a BPAY payment, you acknowledge this risk. We encourage you to contact your professional advisor regarding whether to participate in the SPP and how much to contribute.

Offer timetable

- (a) The offer timetable is set out in the Key Dates above and is included in these Terms and Conditions.
- (b) Payment by BPAY, Application Forms, cheques and money orders may not be processed and may not be valid if they have not been received by the Company by the time and date specified for the Closing Date. You must allow adequate time for Application Forms and cheques or money orders forwarded by post to be received by Link Market Services Limited ("**Share Registry**"). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.
- (c) The Company expects to send a transaction confirmation or holding statement to you on or around the Despatch Date.
- (d) The Company expects that the New Shares will be allotted under the SPP on the Allotment Date and will commence trading on ASX on the Trading Date. You must confirm your holding before trading in any New Shares you believe have been allotted to you under the SPP.
- (e) At any time, the Company can change the Closing Date, the Allotment Date, the Trading Date and the Despatch Date (even if the offer has opened, or BPAY payments and Application Forms have been received) by lodging a revised timetable with ASX.

Eligible Shareholders

You are an Eligible Shareholder and may participate in the SPP if you were a registered holder of ordinary shares in the Company with a registered address in Australia or New Zealand as at 7:00pm (Sydney time) on Thursday, 7 August 2013 ("**Record Date**"), unless you hold shares on behalf of a person who resides outside Australia or New Zealand (in which case you will not be eligible to participate in respect of the shares of that person).

For New Zealand shareholders, you must still be a shareholder at the date of this offer, that is, Monday, 19 August 2013.

The Company has determined that it is not practical for holders of shares with registered addresses in other countries to participate.

Further, you are not eligible if you are in the United States or acting for the account or benefit of a person in the United States.

- **Holders receiving more than one offer:** If you are the only registered holder of shares in the Company, but you receive more than one offer under the SPP (due to multiple registered holdings), you may only contribute a maximum of A\$15,000 in applying for New Shares.
- **Joint Holders:** If 2 or more persons are recorded in the register of members of the Company as jointly holding shares, they are considered to be a single registered holder for the purpose of the SPP and they are entitled to participate in the SPP in respect of that single holding only. If as joint holders you receive more than one offer under the SPP due to multiple identical holdings, you may still only contribute a maximum of A\$15,000 in applying for New Shares.
- **Custodians, trustees and nominees:** If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order 09/425 ("**Custodian**"), you may contribute a maximum of A\$15,000 in applying for New Shares for each participating beneficiary on whose behalf you, or a downstream Custodian, holds shares (but joint holders are taken to be a single holder), subject to providing us with a certificate in accordance with paragraph (d) of "Significance of applying for New Shares" below. If you are not a Custodian, the rules for multiple single holdings apply and you may only contribute a maximum of A\$15,000 in applying for New Shares. You are not eligible to participate on behalf of a person who resides in the United States or elsewhere outside Australia and New Zealand.

Participation is optional

Participation in the SPP is entirely optional. If you are an Eligible Shareholder, you can choose whether or not to participate. If you are a Custodian you can choose whether to extend the offer to your beneficiaries.

How much can you invest?

- (a) If you are an Eligible Shareholder, you may apply to buy a parcel of New Shares by

contributing a set amount of A\$2,500, A\$5,000, A\$10,000 or A\$15,000.

- (b) This parcel may be subject to a Scaleback and rounding.
- (c) Unless you are applying as a Custodian, the maximum amount of A\$15,000 applies even if you receive more than one Application Form or if you hold shares in the Company in more than one capacity (for example, if you are both a sole and joint holder of shares in the Company - see "Eligible Shareholders" above) and irrespective of the number of shares you held on the Record Date. We can reject any application for New Shares if we believe you have not complied with this condition.

How to apply for New Shares

If you would like to participate in the SPP, you have two options:

Option 1: BPAY

Provided you are not a Custodian (see paragraph (d) of "Significance of applying for New Shares" on page 5), you can make a payment by BPAY if you have an Australian bank account enabled for this purpose. BPAY customers must use the unique customer reference number shown on the Application Form which is required to identify your holding. If paying by BPAY, you do not need to return your Application Form.

NOTE: By using the BPAY facility to apply for New Shares, you represent that the total of the application price for the following does not exceed A\$15,000:

- (a) the New Shares you are applying for;
- (b) any other shares you are applying for under this SPP, or shares or interests in the class issued under a similar arrangement in the 12 months before this application;
- (c) any other shares or interests in the class which you have instructed a Custodian to acquire on your behalf under this SPP; and
- (d) any other shares or interests in the class issued to a Custodian under an arrangement similar to this SPP in the 12 months before this application as a result of you instructing the Custodian or another Custodian, which resulted in you holding a beneficial interest in the shares or interests.

Payment by BPAY may not be processed and may not be valid if it has not been received by the Company by the time and date specified as the Closing Date. You should be aware that the BPAY system closes at 5.00pm (Sydney time) and your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

Option 2: Application Form and cheque or money order

You must complete an Application Form and return it with a cheque or money order in accordance with the instructions on the Application Form.

Cheques and money orders must be payable to "Buru Energy Limited", in Australian dollars and drawn on an Australian bank for the correct amount. The Company will not accept payment by cash.

The Company's discretion regarding applications

The Company may accept or reject applications for New Shares under the SPP, including if:

- (a) an Application Form is incorrectly completed, incomplete or otherwise determined by the Company to be invalid;
- (b) a cheque is dishonoured or has not been completed correctly;
- (c) the correct amount corresponding to your application is not provided with the Application Form or BPAY payment;
- (d) a BPAY payment is not received or is incomplete or invalid;
- (e) unless you are applying as a Custodian, an applicant appears to be contributing more than A\$15,000 under the SPP;
- (f) if you are a Custodian, we are not satisfied with your certification for any reason;
- (g) an application is received after the time and date specified as the Closing Date. The Company has a discretion whether or not to accept late BPAY payments, Application Forms and cheques or money orders; or
- (h) the Company believes you are not an Eligible Shareholder,

and the Company must reject applications if required to do so under ASIC Class Order CO 09/425.

The Company reserves the right to return your cheque or money order or refund your BPAY payment and not allot you any New Shares.

Offer Price

The offer price of the New Shares will be the lower of \$1.65 per share the volume weighted average price of the Company's shares over the last 5 trading days in the SPP offer period.

Maximum number of New Shares

The Company is seeking to raise a maximum of A\$5 million under the SPP. Therefore, the maximum total number of New Shares that may be issued under the SPP will be calculated by dividing A\$5 million by the offer price ("**Offer Limit**").

Applications may be scaled back

- (a) If the Company receives applications for more than the Offer Limit, it reserves the right, in its absolute discretion, to scale back the maximum participation amount per shareholder (“Scaleback”).
- (b) If there is a Scaleback you may not receive all the New Shares for which you have applied. Each applicant will be treated equally and scaled back on a pro rata basis. If a Scaleback produces a fractional number when applied to your parcel, the number of New Shares you will be allotted will be rounded down.
- (c) The Company will refund to you by direct credit deposit to your nominated bank account (where you have given your nomination to the Share Registry) or by cheque, the difference between your application money and the total offer price for the New Shares allotted to you.

Rounding of New Shares

- (a) If you apply for New Shares under the SPP, you agree to contribute a certain amount to buy New Shares rather than to apply for a certain number of New Shares. The number of New Shares you will receive will be determined by:
 - If there is no Scaleback applied to your allotment, dividing the amount you agree to contribute for New Shares by the offer price; or
 - If there is a Scaleback applied to your allotment, dividing the amount you are taken to have contributed by the offer price.
- (b) If this calculation produces a fractional number, the number of New Shares you will be allotted will be rounded down to the nearest whole number of New Shares and:
 - If there is no Scaleback applied to your allotment, any residual balance will form part of the assets of the Company. You will not receive a refund of this amount, which will always be less than the price of one New Share issued under the SPP; or
 - If there is a Scaleback applied to your allotment, the residual balance from rounding down will be added to the refund you receive from the Scaleback.

No other participation costs

No brokerage, commission or other participation costs are payable by you to acquire New Shares under the SPP.

No interest

No interest will be paid on any application money returned to you.

You cannot transfer your rights under this SPP

Your rights under this offer are personal to you and non-renounceable. This means, if you are eligible, you cannot transfer your right to purchase New Shares under this SPP to anyone else.

Equal ranking and rights to dividends

New Shares issued under the SPP will, at the time of issue, rank equally with existing shares quoted on ASX, with the same voting rights, dividend rights and other entitlements.

Significance of applying for New Shares

If you apply to participate in the SPP:

- (a) you agree that once you have sent in your application or made your BPAY payment, you cannot withdraw or cancel your application and your application is unconditional;
- (b) you confirm that you are an Eligible Shareholder and that you are lawfully permitted to accept the offer under the SPP and participate in the SPP in accordance with these Terms and Conditions and any applicable laws and specifically that you are not in the United States or acting for the account or benefit of a person in the United States;
- (c) you certify that, even if you have received more than one offer under the SPP or received offers in more than one capacity, the aggregate application money paid by you in any capacity (except as a Custodian) for:
 - the New Shares the subject of the Application Form or BPAY payment; and
 - any other shares issued to you, or to a Custodian on your behalf and at your instruction, under the SPP or any similar arrangement operated by the Company in the 12 months before the date we received your application, is not more than A\$15,000;
- (d) if you are a Custodian and are applying for New Shares with a total application price exceeding A\$15,000, you agree to certify to us in writing the matters required by ASIC Class Order CO 09/425 condition 9, in accordance with the Custodian certificate, a copy of which can be obtained from the Share Registry;
- (e) you agree to these Terms and Conditions and you agree not to do anything which would be contrary to the spirit, intention or purpose of the SPP;
- (f) you agree to be bound by the constitution of the Company;
- (g) you authorise the Company (and its officers or agents) to correct any error or omission in your Application Form and to complete the Application Form by inserting missing details if we elect to do so;

- (h) you agree that the Company may determine that your Application Form is valid and in accordance with these Terms and Conditions, even if it is incomplete, contains errors or is otherwise defective;
 - (i) you agree that your application is only effective when received by us and not when posted;
 - (j) you accept the risk associated with any refund that may be sent to you by direct credit or cheque to your address shown on the Company's register;
 - (k) you are responsible for any dishonour fees or other costs which the Company may incur if your cheque for payment is dishonoured;
 - (l) you agree that if there is a rounding down of the number of New Shares and no Scaleback, any remaining balance of your payment after your allotment will form part of the assets of the Company and will not be refunded;
 - (m) you acknowledge that no interest will be paid on any application money held pending the allotment of New Shares or subsequently refunded to you for any reason;
 - (n) you agree that if you have previously provided the Company or the Share Registry with bank account details for the purpose of direct credit of dividends, any refund to be paid to you under these Terms and Conditions may be directed into that nominated account;
 - (o) you agree that the Company and the Share Registry have not provided you with investment or financial product advice, and that they have no obligation to provide advice to you about your decision to apply for and buy New Shares; and
 - (p) you agree that the Company is not liable for any exercise of its discretions referred to in these Terms and Conditions.
- (a) the New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia and New Zealand;
 - (b) the New Shares may not be offered or sold in the United States except in a transaction, exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
 - (c) you may not send copies of these Terms and Conditions or any other material relating to the SPP to any person in the United States;
 - (d) you must not submit an Application Form or make payment by BPAY for any person resident in the United States or elsewhere outside Australia and New Zealand; and
 - (e) if you do not comply with these restrictions, it may result in violations of applicable securities laws.

Withdrawal, waiver, suspension and termination

The Company reserves the right to withdraw the offer at any time up to the Allotment Date.

The Company reserves the right at any time to:

- (a) waive compliance with any provision of these Terms and Conditions;
- (b) amend or vary these Terms and Conditions; and
- (c) suspend or terminate the SPP.

Any amendment, variation, suspension or termination is binding on all Eligible Shareholders even if the Company does not notify you of the event.

Settling disputes

The Company may settle in any manner it sees fit, any difficulties, anomalies or disputes which may arise in connection with the operation of the SPP whether generally or in relation to any participant or any application for New Shares (including any Scaleback). The Company's decision is conclusive and binding on all participants and other persons to whom the determination relates. These rights may be exercised by the Company's Board or any delegate of the Board.

Governing Law

These Terms and Conditions are governed by the laws in force in Western Australia. By accepting this offer, you submit to the non-exclusive jurisdiction of the courts of Western Australia.

No underwriting

The SPP will not be underwritten.

Interpretation

The term "these Terms and Conditions" includes terms and conditions in the Application Form, Instructions and Key Dates.

Notice to New Zealand shareholders

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

No offer outside Australia and New Zealand

If you apply to participate in the SPP, you acknowledge and agree that:

Directory

Registered Office

Level 2, 88 William Street
Perth WA 6000

Share Registry

Link Market Services Limited
Ground Floor
178 St Georges Terrace
Perth WA 6000

Legal Advisers

King & Wood Mallesons
Level 10
Central Park
152 St Georges Terrace
Perth WA 6000