

Corporate Update

Buru Energy Limited provides the attached Corporate Update.

Visit www.buruenergy.com for information on Buru Energy's current and future activities.

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About Buru Energy

Buru Energy Limited (ASX: BRU) is a Western Australian oil and gas exploration and production company headquartered in Perth with an operational office in Broome. The Company's petroleum assets and tenements are located onshore in the Canning Basin in the southwest Kimberley region of Western Australia. Its flagship high quality conventional Ungani Oilfield project is owned in 50/50 joint venture with Diamond Resources (Fitzroy) Pty Ltd. As well as Ungani, the Company's portfolio includes potentially world class tight gas resources.

The Company's goal is to deliver material benefits to its shareholders, the State of Western Australia, the Traditional Owners of the areas in which it operates, and the Kimberley community, by successfully exploring for and developing the petroleum resources of the Canning Basin in an environmentally and culturally sensitive manner.

Corporate Presentation

14 September 2016



- ↓ Oil price collapsed
- ↓ Markets were dire
- ↓ Budgets slashed
- ↓ Exploration collapsed
- ↓ Contractors went under

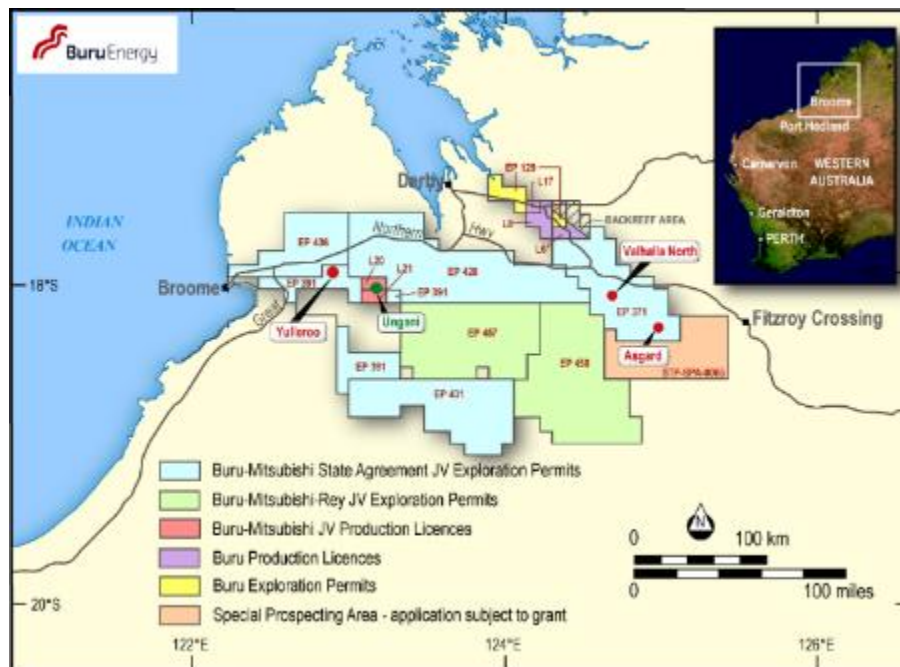
But we survived and came out fighting

- ✓ Successful frac program
- ✓ Another landmark Native Title Agreement
- ✓ Made an oil discovery
- ✓ Replenished the prospect portfolio
- ✓ Fixed the balance sheet
- ✓ Slashed the cash burn
- ✓ Rationalised and reduced commitments
- ✓ Have a path back to profitable oil production



Overview of Buru Energy's unique position

- **Sole Focus** on the Canning Superbasin in Northwest Western Australia
- **Secure strategic acreage position** of gross ~33,200 sq kms / 8.2 million acres (4.1 million net acres)
- **Oil**
 - Well defined petroleum system
 - New field discovery on production
 - Large prospect inventory on 3D seismic
 - Great running room
- **Gas**
 - World scale tight gas continuous resource defined
 - Large scale contingent resource independently confirmed
 - Excellent prospectivity for conventional gas resources
 - Commercialisation pathway defined



Capital Structure

Formed	2008
Ticker	ASX:BRU
Index	S&P/ASX All Ords
Shares on Issue	~340 million
Share Price	~\$0.20
Market Cap	~\$70 million
Cash on Hand	~\$38.1 million (at 1 Aug)

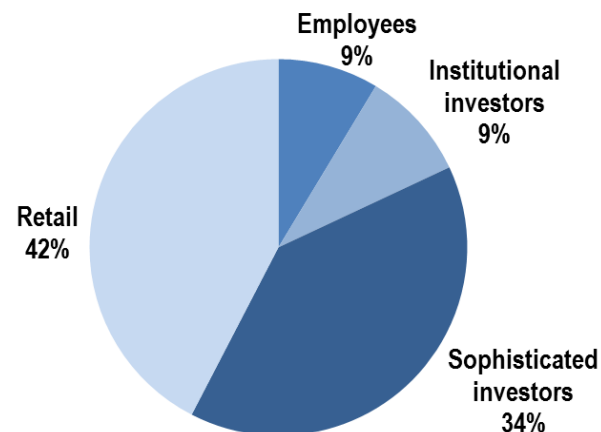
Key asset value drivers

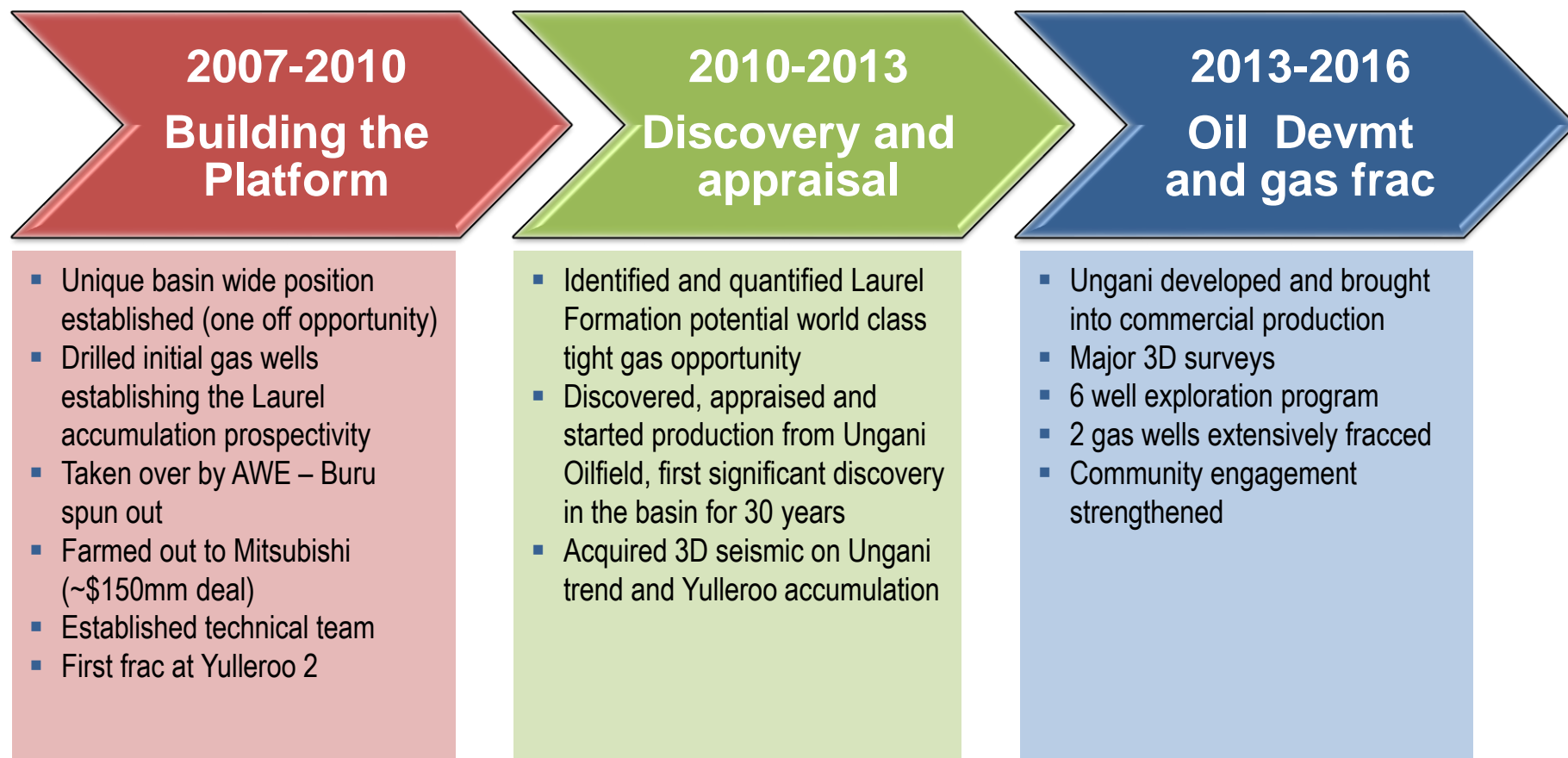
- **High equities** of ~50% in all core permits
- **Minimal work commitments** to hold acreage
- Major international partner – **Mitsubishi Corporation**
- **Operator** of all core permits with ~30 staff in Perth/ Broome/ Kimberley
- Experienced local operator with **strong Government and community links**
- **Fit for purpose structure**

Board and Management

Eric Streitberg	Executive Chairman
Eve Howell	Non Executive Director
Robert Willes	Non Executive Director
Shane McDermott	Company Secretary
Nick Rohr	General Counsel
David Long	Exploration
Kris Waddington	HSE and approvals

Shareholder Breakdown





Unique whole of basin program

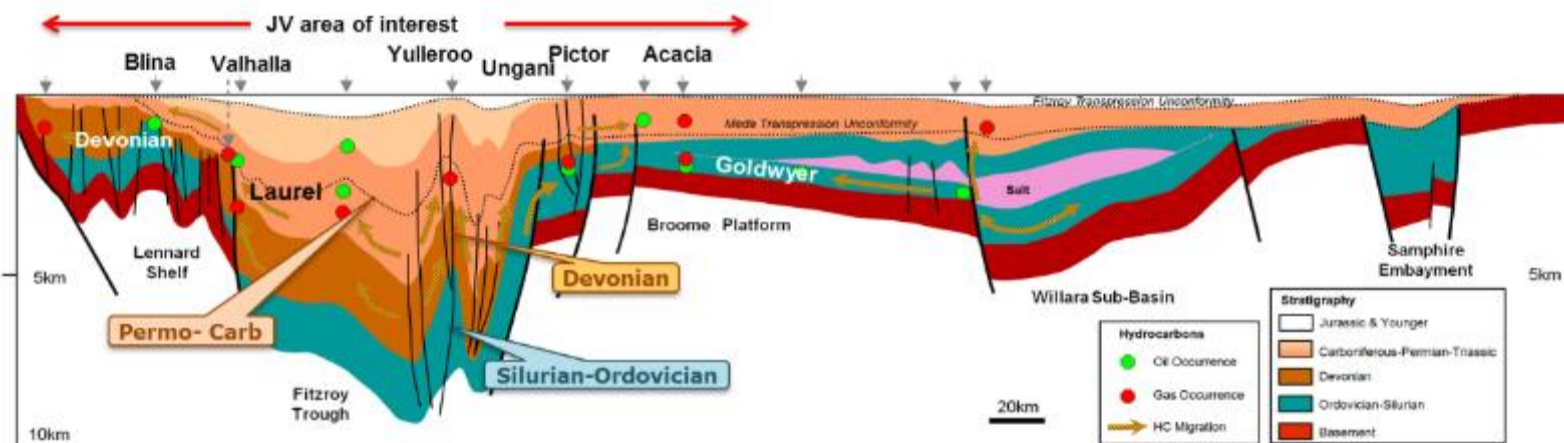
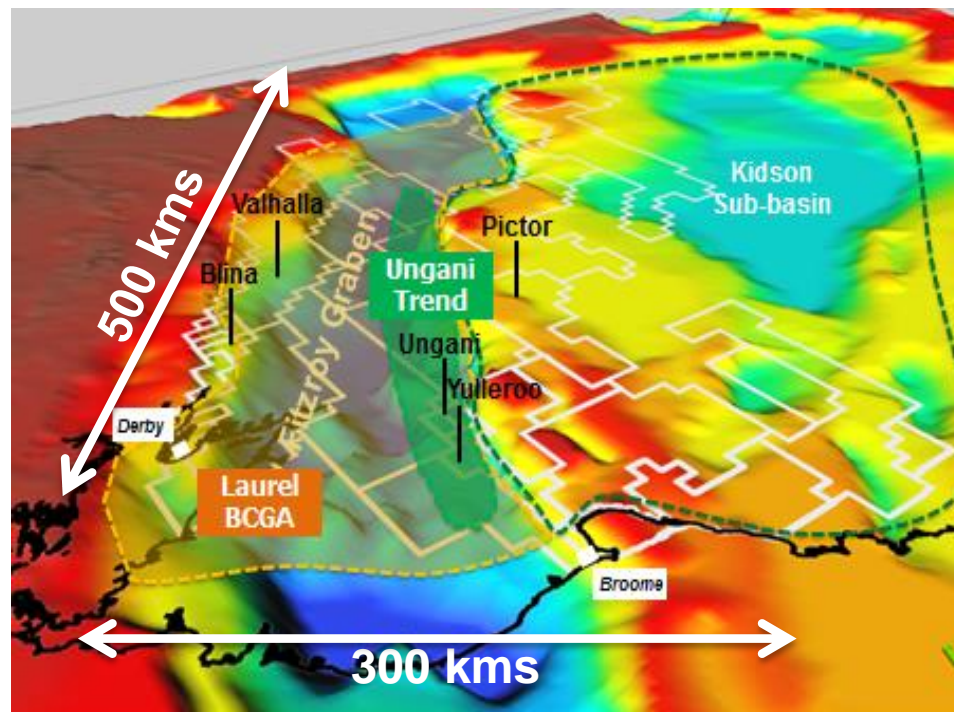
- Working in the basin since 2006
- Frontier area but now unravelling the geology
- Systematic step by step process

Oil

- High quality conventional reservoirs
- Two petroleum systems
- Well defined prospects with systematic exploration program

Gas

- Basinwide tight wet gas continuous resource accumulation defined and appraised
- Frac program confirms accumulation producibility
- High potential conventional prospects present



Oil Business



Discovery – 2011, first new field discovery in the Canning for 30 years. Development process influenced by precedent setting agreements.

Resource

- 4 way dip closed feature – 3D seismic defines the reservoir gross rock volume
- Substantial oil column (+50m) with underlying large residual column – very large volumes of oil generated in the basin
- High quality conventional reservoir – vuggy dolomite reservoir with regional continuity confirmed by on trend wells.
- Light Sweet crude - 37 deg API, high yield, sells at premium to Brent
- Oil Source – confirmed as Permo-Carb Laurel Formation

Production system

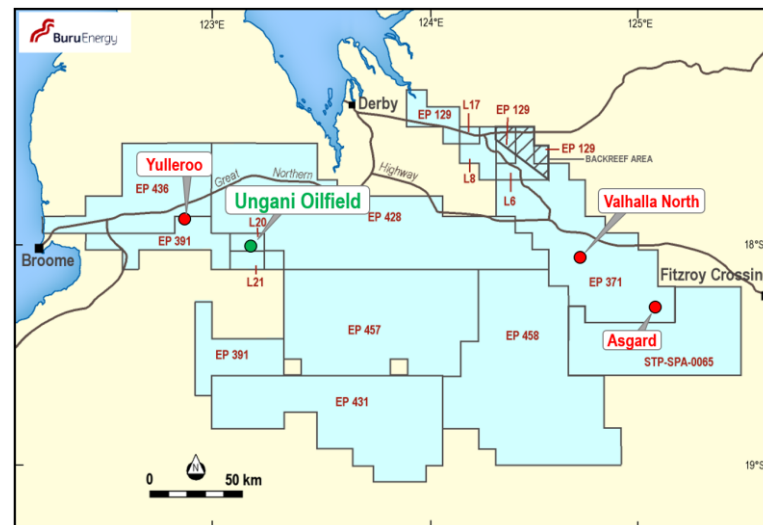
- Field production system - simple and relatively cheap, no gas and light high quality oil
- Export system - trucking to ship export port
- Principal future development costs - additional wells

Resource volumes

- Independent review by GCA confirms 2C resources

Ungani Oilfield Contingent Resources (100%WI, MMstb)			
Contingent Resources as at 30 April 2016	1C	2C	3C
	2.08	6.65	18.80

Note - Buru's beneficial interest in the resources is 50% of the above numbers. The full resource statement is set out in accordance with ASX listing rules in Buru's ASX release of 16 May 2016 and on the following slide



Ungani Oilfield location



Ungani field facility

Further to the Company’s internal resource estimates as set out in the ASX release of 28 April 2015, the Company has commissioned Gaffney Cline and Associates (“GCA”) to undertake an assessment of the resources of the Ungani Oilfield for Buru’s corporate use.

This assessment has now been completed and the results are set out below in summary, and in accordance with the ASX listing rules. The resources are classified as Contingent Resources at this time as production from the field is currently suspended pending a recovery in the oil price and the completion of a program aimed at reducing operating costs. The GCA 3C assessment is significantly greater than the internal assessment by Buru in 2015 which illustrates the potential upside in the field.

GCA’s estimate of the Contingent Resources of the Ungani Field as of 30 April 2016 is as follows. Buru’s interest is 50% of these estimates. The field has produced some 615,000 barrels since production commenced on 31 May 2012 until the most recent suspension of production on 26 January 2016.

Ungani Oilfield Contingent Resources (100%WI, MMstb)			
	P90	P50	P10
Original in place	8.99	16.13	32.30
Estimated Ultimate Recovery (EUR)	2.70	7.26	19.41
Production until the 26 of January 2016	0.62	0.62	0.62
Contingent Resources as at 30 April 2016	1C	2C	3C
	2.08	6.65	18.80
For comparison, Buru’s estimate of the initial Contingent Resources (EUR) as previously reported as at 28 April 2015 for the Ungani Field	3.90	6.10	9.40

- i. Evaluation date 30 April 2016.*
- ii. Probabilistic method used and the estimates are the statistical aggregates of resources.*
- iii. Qualified petroleum reserves and resources evaluator requirements are detailed in Buru Energy’s ASX release of 16 May 2016 and Buru Energy is not aware of any new information or data that materially affects the information included in that ASX release and all material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.*
- iv. Application of any risk factor to contingent resources quantities does not equate contingent resources with reserves.*
- v. There is no certainty that it will be commercially viable to produce any portion of the resources evaluated.*

Current Status

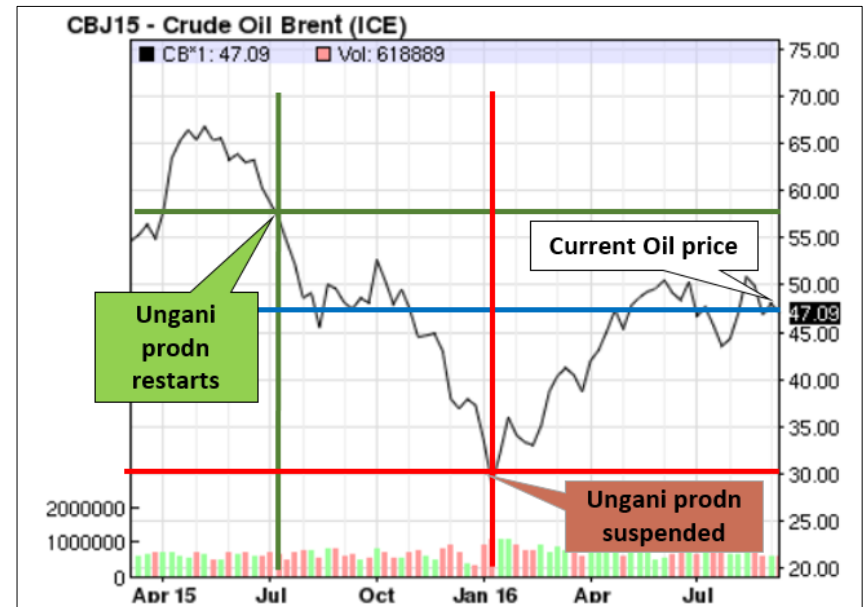
- Excellent reservoir performance confirmed by recent production
- Production to date ~600,000 bbls gross
- Production Licence start date 16 July 2015
- Production suspended 26 January 2016
- Suspension cost minimal – positioned for an easy restart

Restart Parameters

- Field
 - ‘Future proof’ the field using experience from previous production period
 - Install artificial lift and upgrades to production handling and water disposal system
 - Upgrades and scoping costs defined
 - Relatively simple, routine and low cost
 - Operation cost review led to very significant reduction
- Export Solution
 - Discussions advancing for alternative lower cost solutions

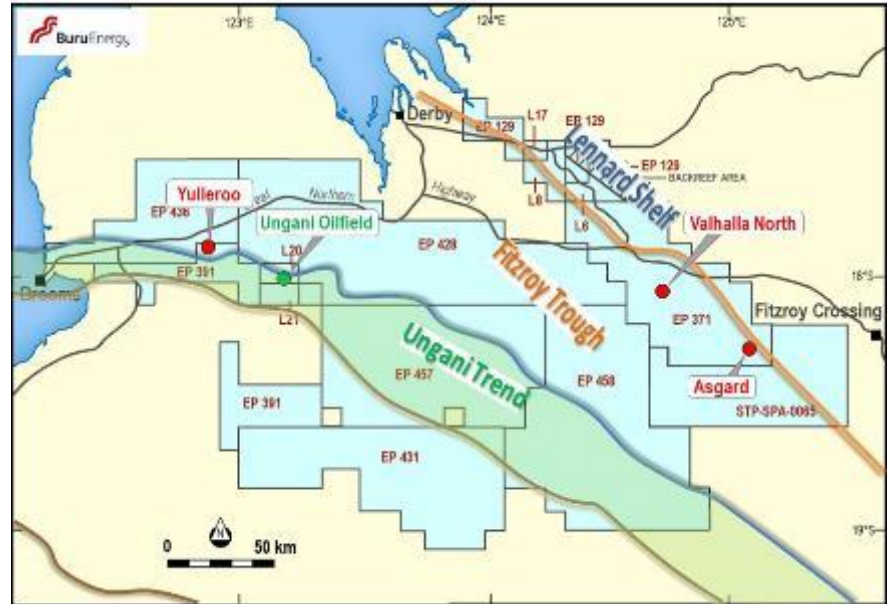
Restart Timing

- Dependent on oil price
- Objective is to restart at acceptable margin and protect margins through hedging
- Will require several months from go decision to restart



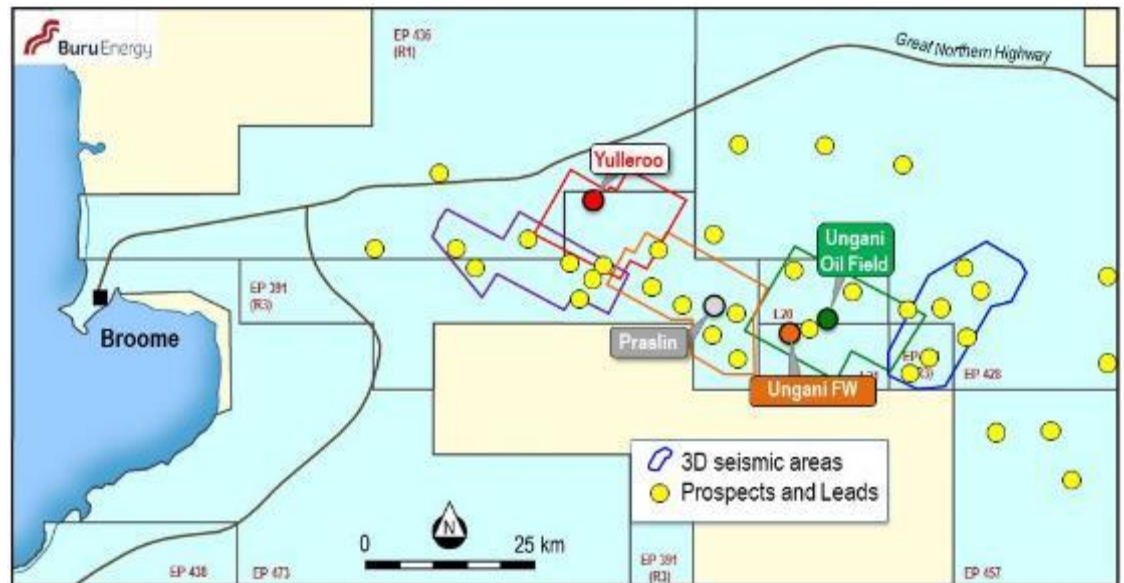
Evaluation program

- Drilling has focused on gas until 2015 program
- 2015 program drilling program - oil discovery at Ungani Far West and trend extenders at Praslin/Senagi
- Extensive 3D seismic surveys also acquired
- JV program re-evaluating all data to define best targets for next drilling campaign
- Focused on Ungani trend
- Also focused on new plays from the Anderson discovery in Ungani FW1
- Study being finalised but has generated suite of large high quality prospects



Forward program

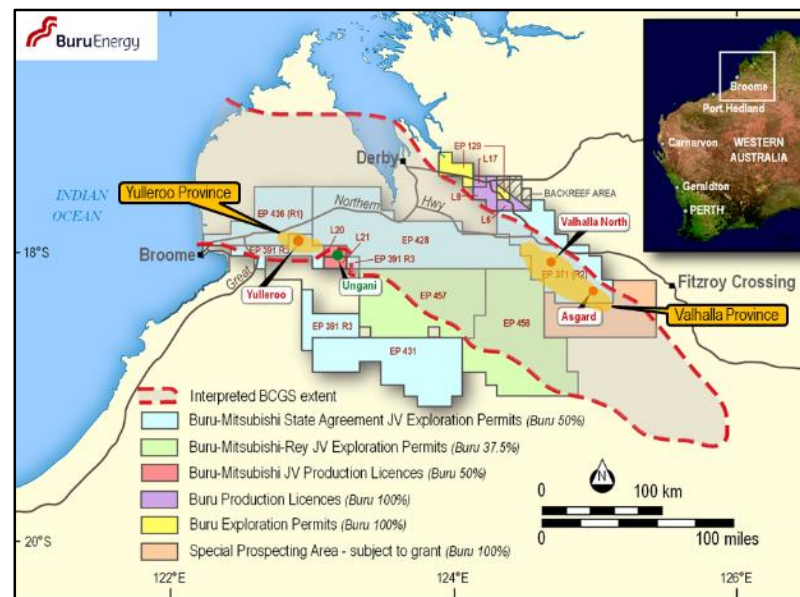
- Evaluation program, oil price, market conditions and rig availability means drilling challenging this year (noting that onshore exploration in Australia is at its lowest level 15 years and has fallen over 80% since 2014)
- One DMP commitment well on overall portfolio for 2017 – exploring potential funding for multiwell high impact program



Gas Resources



- The accumulation is a basin centred tight gas accumulation defined by numerous historic wells and 8 wells drilled by Buru and the current JV
- The gas is hosted in a thick (+1500 metres) multi zone accumulation of tight sands, silts, shales and limestones
- 2D seismic data and numerous well penetrations provide good control on stratigraphy, continuity and thickness
- JV has acquired extensive core data and undertaken comprehensive Tight Rock Analysis
- The JV have fraced and flowed back three wells on opposite sides of the basin
- The extensive multi zone fracs have demonstrated potential; for commercial flows
- Independent review has confirmed significant contingent resources



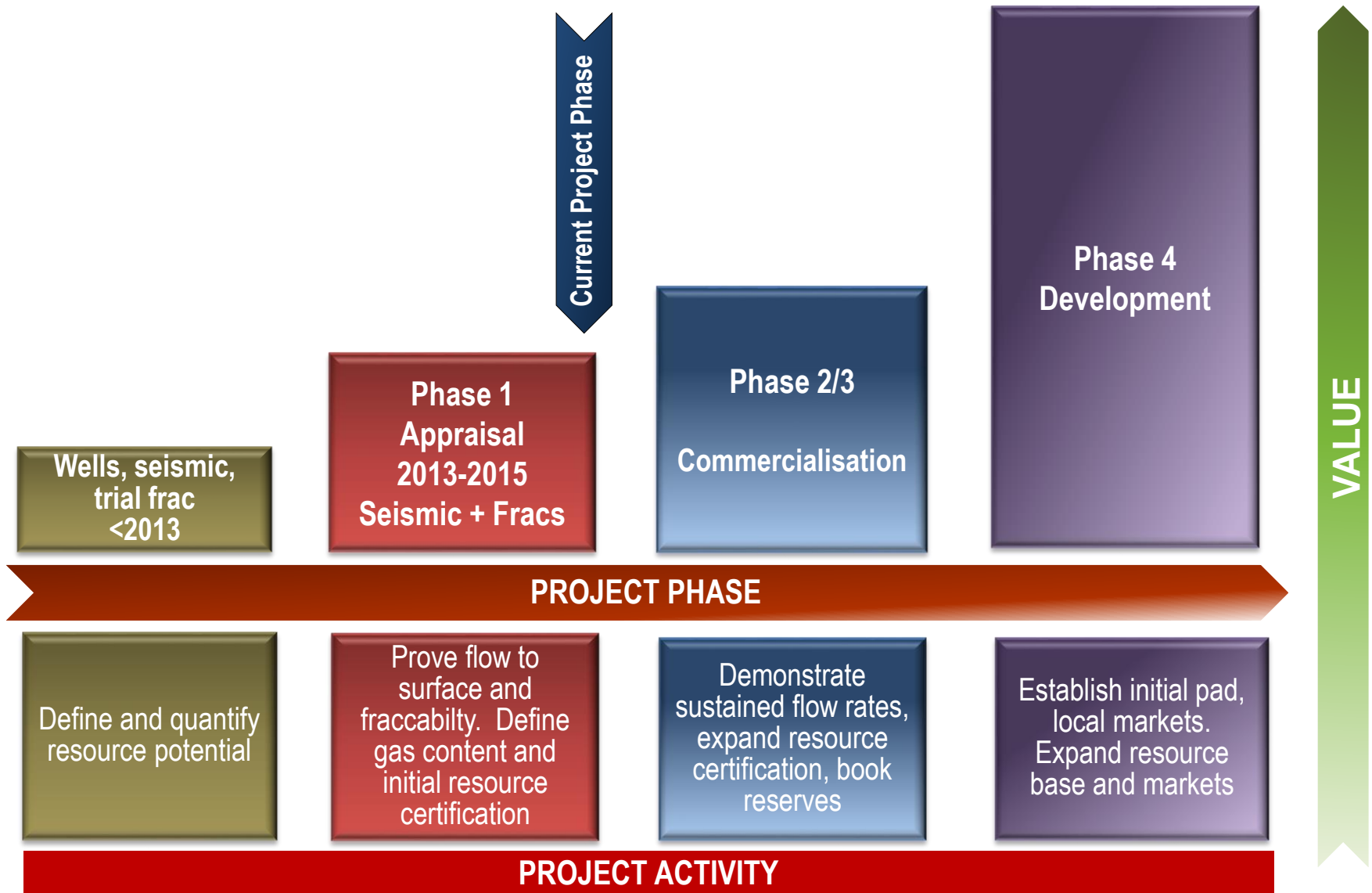
Basin wide review by RISC quantifies the resource:
47 TCF net Prospective resources to Buru in the Basin:

Product	Prospective Resources (net to Buru)		
	Low Case (MMbbl/TCF)	Best Estimate Case (MMbbl/TCF)	High Case (MMbbl/TCF)
Condensate	226	1,177	4,717
Natural Gas	12	47	150

Values have been rounded to the nearest TCF and MMbbl

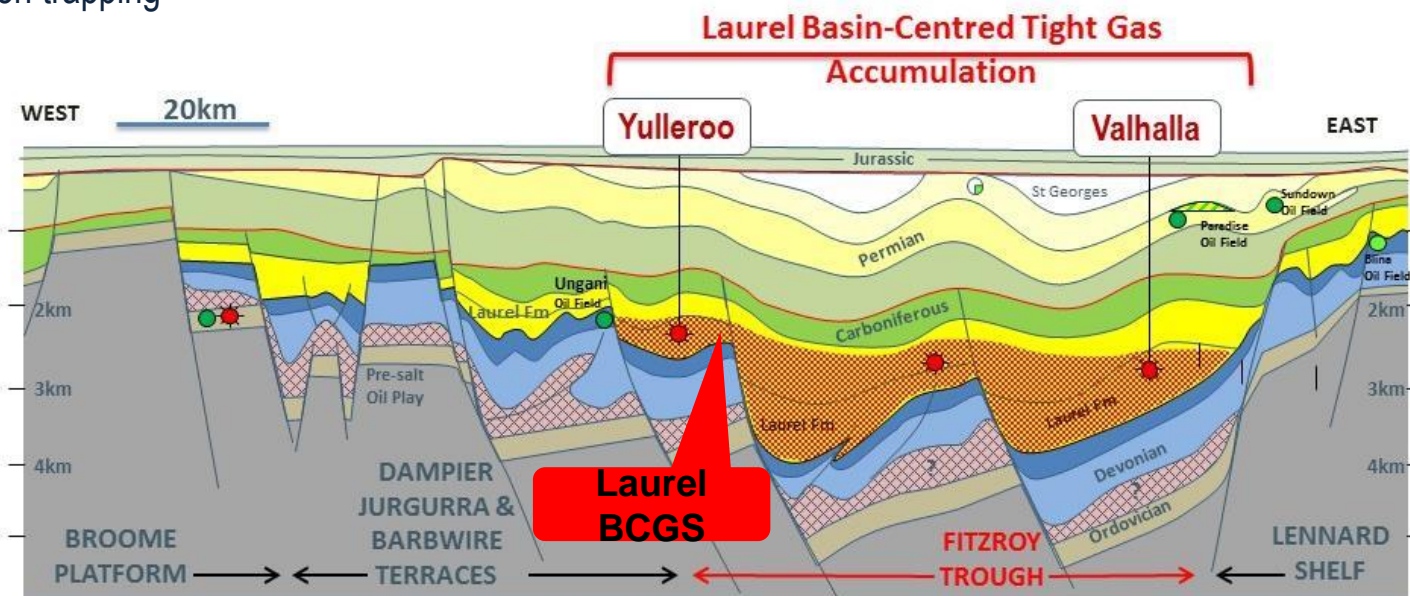
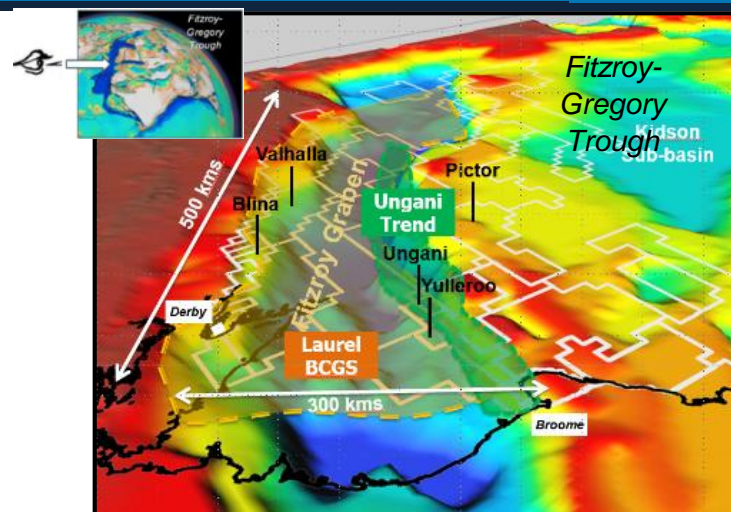
** Refer to ASX Release dated 8 February 2013 (Evaluation date) for evaluation by RISC.
Deterministic method used.

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.



Laurel Formation Tight Wet Gas Accumulation

- Basin-wide tight gas continuous resource accumulation
- Occupies centre of Fitzroy Trough – main depocentre of Canning Basin
- Established as continuous resource accumulation (Basin-Centered Gas)
 - low permeability
 - significant overpressure
 - continuous gas saturation up to 2,000m thick
 - no down-dip water leg
 - No structural trap component
- Mixed lithology – silts, shales, sands, limestones
- Gas generated from thermally mature thinly interbedded shales of the Laurel Formation with TOC >0.5%
- Significantly over-pressured gas zone within the Laurel Formation from uplift in the Triassic (post-generation) with tight rock hydrocarbon trapping



Operational

- Accumulation on the northeastern side of the Basin
- Accumulation defined by Buru wells and fracs
- Two vertical wells multi zone fracs in 2015, total 11 zones stimulated
- The fracs have demonstrated:
 - Large SRV per zone
 - Excellent gas quality (< 5% inerts)
 - Significant liquids content in thick wet gas zones (25 to 38 bbls/mmcf)
 - Significant overpressure driving strong gas flows 0.5 to 2.0 mmcfd with wells still cleaning up
 - Well blow down rates of up to ~44 mmcfd
- Operationally successful – wells currently suspended while very extensive data set analysed

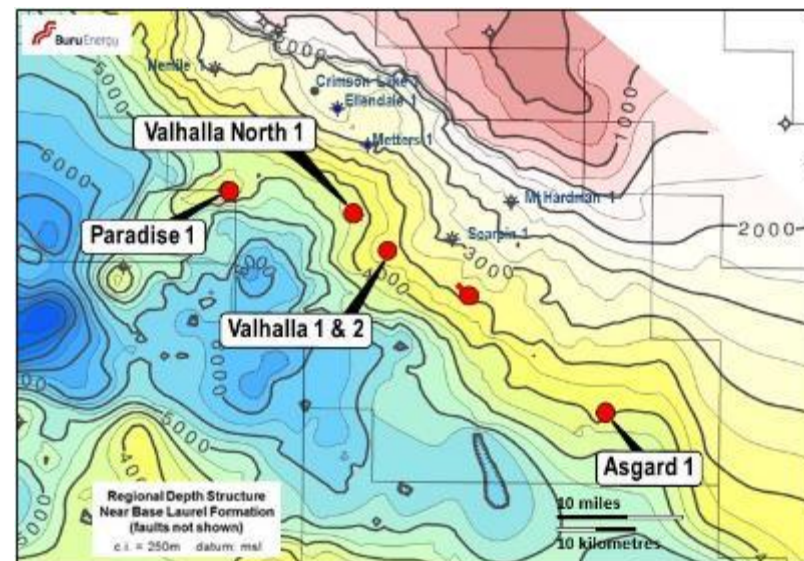
Social and environmental

- Program undertaken with full co-operation and participation of local Traditional Owners
- Very extensive monitoring program and no discernible effects on the environment

Program outcomes

- Updated resource report provided by DeGolyer and McNaughton
- Substantial Contingent Resources defined
- 2C – 1.5 TCF with clear path to +3 TCF

(full resource statement set out in ASX release of 28 April 2016 and following slide)

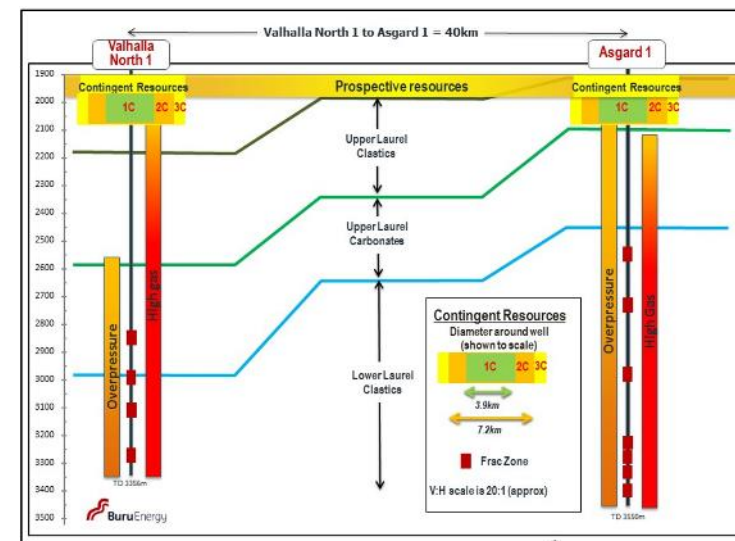
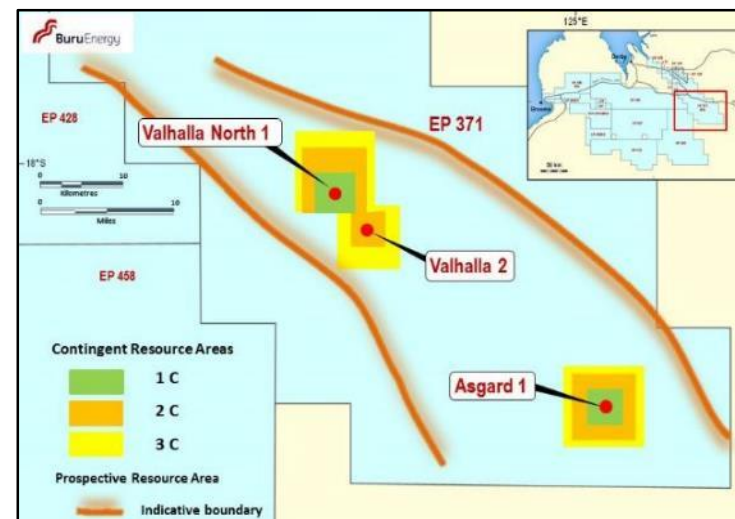


Contingent Resources

Unrisked Gross Contingent Resources (Buru 50%)			
Product	1C (MMbbl/BCF)	2C (MMbbl/BCF)	3C (MMbbl/BCF)
Condensate	9	32	66
Natural Gas	455	1,533	2,981
Total BOE	85	288	563

Prospective Resources

Unrisked Gross Prospective Resources (Buru 50%)					Risked
Product	Low (MMbbl/ BCF)	Best (MMbbl/ BCF)	Mean (MMbbl/ BCF)	High (MMbbl/ BCF)	Mean (MMbbl/ BCF)
Condensate	79	191	232	445	83
Natural Gas	5,607	11,482	13,024	22,368	5,234
Total BOE	1,014	2,105	2,403	4,173	956



- i. Evaluation date 31 March 2016.
- ii. Probabilistic method used and the estimates are the statistical aggregates of unconventional resources.
- iii. Qualified petroleum reserves and resources evaluator requirements are detailed in Buru Energy's ASX release of 18 April 2016. Buru Energy is not aware of any new information or data that materially affects the information included in that ASX release and all material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.
- iv. BOE refers to Barrels of Oil Equivalent. Gas quantities are converted to BOE using 6,000 cubic feet of gas per barrel. Quoted estimates are rounded to the nearest whole BOE.
- v. Application of any risk factor to contingent resources quantities does not equate contingent resources with reserves.
- vi. There is no certainty that it will be commercially viable to produce any portion of the resources evaluated.
- vii. The low, best, high and mean case estimates for prospective resources are P90, P50, P10 and mean respectively. The mean is the average of the probabilistic resource distribution.
- viii. Pg (chance of geological success) has not been applied to the unrisked volume estimates of prospective resources.

Major gas and liquids accumulation on the western side of basin close to Broome and customers

- Four wells define the accumulation - all intersecting thick gas saturated sections with gas below closure mapped on 3D seismic and Yulleroo 4 deliberately drilled outside closure
- Potential conventional pay in Yulleroo 3
- Trial small scale frac of Yulleroo 2 in 2010 (3 zones) produced rates up to 1.8 mmcf/d and high condensate content
- Independent review by RISC in 2011 confirms contingent resources as set out in ASX release of 27 May 2011 (evaluation date)

Category (Contingent Resources)	1C	2C	3C
Unlimited Recoverable Sales Gas (PJ)	53	205	846
Unlimited Recoverable Associated Liquids (mmboe)	1.9	7.8	32.3
Total Recoverable Hydrocarbons (mmboe)	10.8	42	173.3
Total Recoverable Hydrocarbons – net to Buru (mmboe)	5.4	21.0	86.7

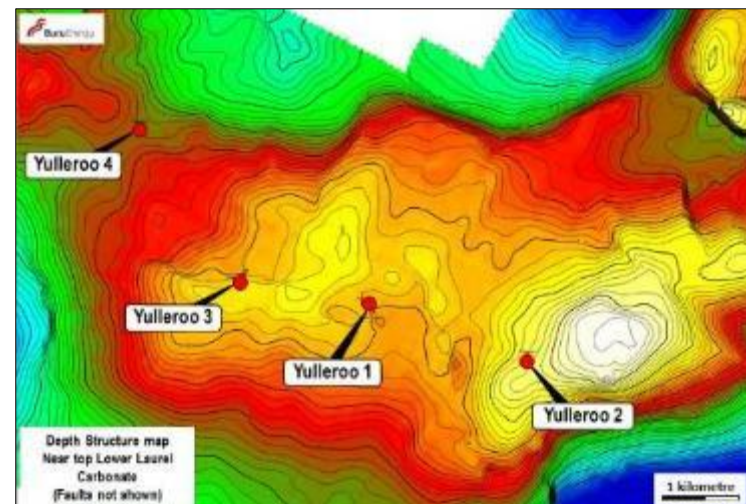
Probabilistic method used. Contingent Resources means those quantities of petroleum estimates as of a given date to be potentially recoverable from known accumulations by application of development projects but which are not currently considered to be commercially recoverable due to one or more contingencies, Contingent Resources are a class of discovered recoverable resources.

A further review of prospective resources by RISC in 2013 as set out below.

	Low	Best	High
Net recoverable gas (TCF)	1.76	6.56	20.17
Net recoverable condensate (mmbbls)	33.30	164.30	622.90

Refer to ASX Release dated 8 February 2013 (Evaluation date). Deterministic method used.

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.



Yulleroo 2 clean-up flow 2010

Step by step commercialisation strategy with ultimate aim of delivering TCF's into pipeline gas and existing LNG projects

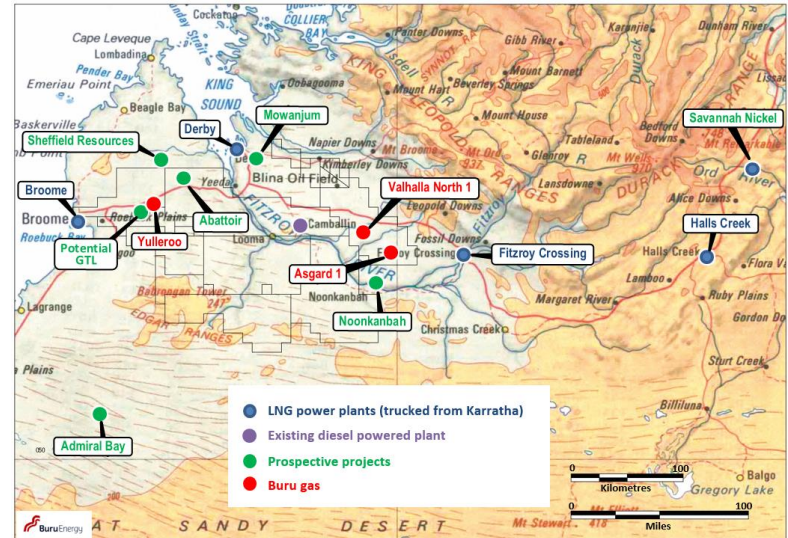
- **Micro project (<1 mmcf/d)**
 - Gas supply from existing wells to local markets including indigenous community power and agricultural projects
- **Mini Project in two stages (up to 20 mmcf/d)**

2016 appraisal program

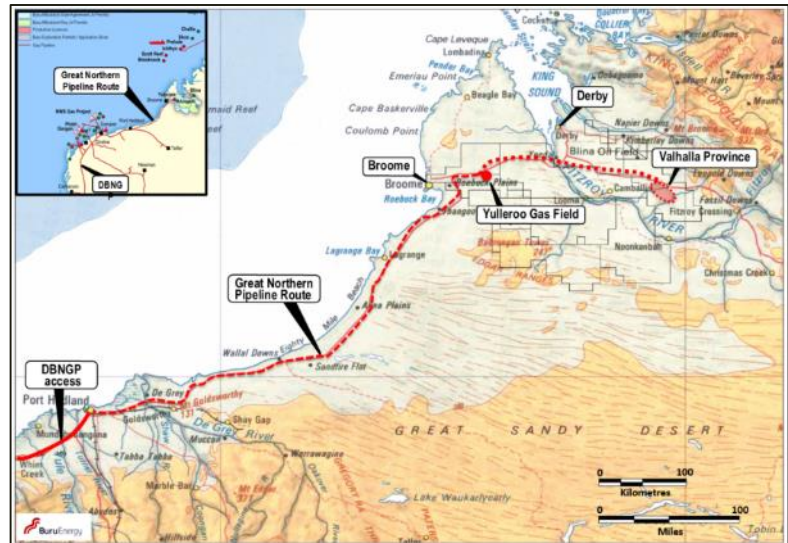
 - 3D seismic, wells and fracs incorporating learnings from current program.
 - Gas from testing potentially incorporated into the micro project

2017 full scale pilot project for FID (<20 mmcf/d)

 - 6 wells from pilot pad on most prospective area.
 - CNG/LNG project to capture the gas. Ready market for up to 20 mmcf/d
- **Full scale development (+100 mmcf/d)**
 - Pipeline (Domgas) supply/LNG. Comprehensive analysis of the full development case. +20 year project with +\$1 billion investment



Local project markets



Pipeline export route

Export Route

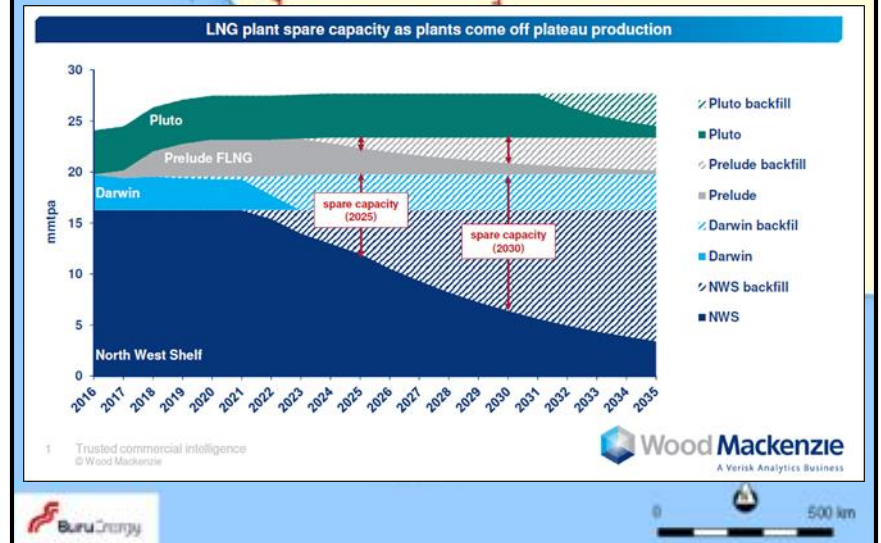
- Pipeline interconnect (Great Northern Pipeline) required to access NWS and SW markets
- Pipeline access requires 500PJ of reserves with initial rates of +70 TJ/day, well within current project resources

Markets

- Potential markets are;
 - Large scale local GTL
 - DOMGAS opportunity in pipeline gas to SW WA in 2020/21
 - LNG backfill opportunity to NWS gas plants in 2020/21 (graph after Wood Mackenzie adjacent)
 - Longer term (and distance) pipeline to join Northern territory gas network for access to Darwin LNG

Forward program

- Expected ultimate resource volumes will underpin long life and large scale contracts
- Project flow is to market initial tranche of gas to underwrite pipeline, facilitate development and to create project cash flow to fund further project expansion



Corporate



Philosophy and practice

- Education programs based on facts
- Support of independent expert advice for communities
- Extensive baseline studies & mapping
- Continuous, comprehensive and transparent monitoring

Independent Review process for fracking – Wider Program

- Government reviews consistent that there is very low risk if properly regulated
- Independent inquiries into fracking recently undertaken in WA (Nov 2015) and NT (Nov 2014)

Buru Energy facilitated processes

- 3 independent scientific reviews on fracking carried out to ensure Traditional Owners were well informed
- All reviews agreed the environmental risk is extremely low as has every other Government or regulatory review

Community Support

- Noonkanbah people fully engaged and access agreement signed

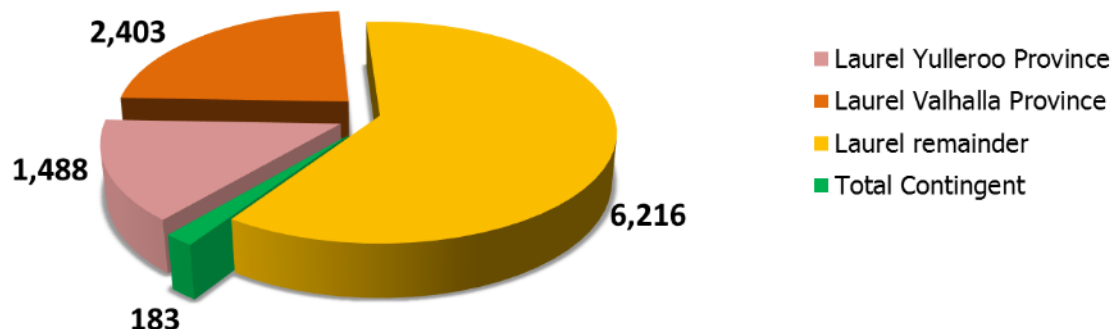


Excellent mix of Contingent and Prospective resources

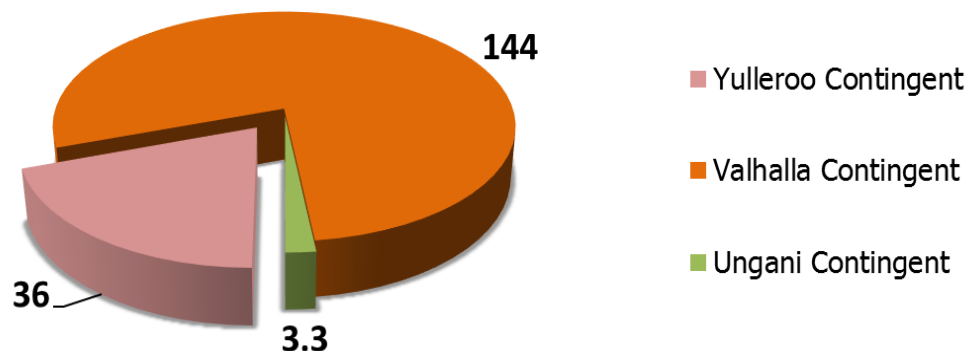
- **Oil:**
 - Contingent resources at Ungani while field is shut in
- **Gas and liquids:**
 - Contingent resources at Yulleroo and Valhalla while markets are established. Sufficiently large volumes to underpin a major development with clear pathway to Contingent Resource increases.
 - Huge Prospective Resources across the basin

Graphed contingent and prospective resources are summaries of contingent and prospective resources set out elsewhere in this presentation.

Total Contingent and Prospective Resources net to Buru (BOE millions)



Contingent resources net to Buru (BOE millions)



Current Situation

- Cash: End of June quarter ~A\$38M
- Debt: Unsecured Alcoa repayments \$12.5mm this year and June 2018
- Costs: Major cost reduction made in staffing and operations. G&A costs reduced by two thirds over 18 months
- Commitments: Low level and able to be met from current cash

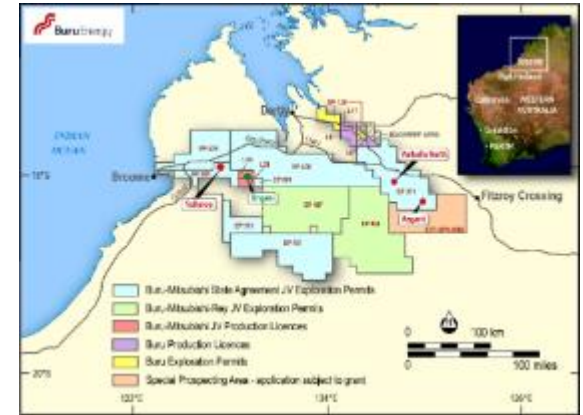
Forward Funding

- Ungani further development
 - Relatively low cost - main cost is wells
 - Mitsubishi Funding agreement reset (\$27.5M) with full carry through end 2016 of up to \$9M
- Oil exploration
 - Commitments funded internally
 - Wider exploration via excess cash from Ungani and external sources
- Gas exploration, appraisal and development
 - Laurel farm-in partner planned to be introduced this year



- ✓ Sole focus on the Canning Superbasin in the Northwest WA
- ✓ Secure strategic acreage position of gross ~33,200 sq kms / 8.2 million acres (4.1 million net acres)
- ✓ Balance sheet in good shape
- ✓ New trend oil discovery ready for production
- ✓ Large oil prospect inventory on 3D seismic
- ✓ World scale tight gas continuous resource defined
- ✓ Large scale contingent resource independently confirmed
- ✓ Excellent prospectivity for conventional gas resources
- ✓ Commercialisation pathway defined

Potential for huge value delivery !





Disclaimer

This document has been prepared by Buru Energy Limited ABN 71 130 651 437 ("**Buru Energy**"). This presentation contains certain statements which may constitute "forward-looking statements". It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to:

price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve and resource estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates.

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Although Buru Energy believes that the expectations raised in this presentation are reasonable there can be no certainty that the events or operations described in this presentation will occur in the timeframe or order presented or at all.

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All dates in this presentation are for calendar years. All references to \$ are in Australian currency, unless stated otherwise.

Competent Person's Statements

Information in this presentation related to petroleum resources of the Ungani Oilfield is based on information compiled by Dr Stuart Weston who is a consultant to Buru Energy Limited. Dr Weston has over 19 years experience in petroleum exploration and engineering, holds a Bachelor Degree in Physics, a PhD in Petroleum Engineering and is a member of SPE. Dr Weston is qualified in accordance with ASX Listing Rules and consents to the inclusion of the information in this document.

Information in this presentation related to exploration and production estimates and results is based on information compiled by Eric Streitberg who is an employee 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 is qualified in accordance with ASX Listing Rules and consents to the inclusion of the information in this document.