

Operations Update

December oil lifting completed:

- Further oil lifting from Wyndham commenced on 31 December 2018 and was completed at 10:00am 1 January 2019 for ~70,000 barrels (gross)

2019 Program:

- Execution of the contract with NewGen Drilling Pty Ltd for the hire of NGD Rig 405
- 2019 drilling program target start date as soon as practicable after the northern wet season – currently mid April/early May 2019

Corporate:

- Balance sheet strength maintained with recent oil sale
- Potential drilling activity on adjacent permits

Oil Lifting

A further oil lifting was commenced on 31 December 2018 and completed at 10:00am on 1 January 2019 for ~70,000 barrels (gross). As the lifting was completed in January the received price will be calculated on January pricing in accordance with the Trafigura contract. The previous lifting was on 21 October 2018 for some 74,400 barrels gross.

Ungani Production Operations

The onset of the northern wet season has seen periods of intense rain and some minor flooding of the Ungani access road, however, the recent program of maintenance and “weather-proofing” of the access road has meant there has been no interruption to operations.

Testing of the Ungani 4 well is ongoing with oil flows of several hundred barrels a day with only minor amounts of water, providing confidence in the interpretation that the oil water contact in the well is close to the original field oil water contact.

2019 Drilling Program

The rig to be used for the 2019 drilling program is NewGen Drilling Pty Ltd (NGD) Rig 405 and the contract for the rig has now been executed. NGD 405 is a fully automated modular rig with a nominal depth capacity of 5,000 metres, as well as the capacity to drill high angle and horizontal wells.

Because of its modular nature and self-erecting capability, the rig is very well suited to remote operations in areas such as the Canning Basin.

With the execution of the contract the forward program will include a full rig inspection and appropriate functionality testing prior to the commencement of mobilisation.

The Joint Venture will be meeting in late January/early February to finalise the 2019 drilling program and the order of wells.

Corporate

Cash Flow

The 2018 instalment of the Alcoa debt of \$2,500,000 plus interest was paid on 28 December 2018. The remaining liability of \$5,000,000 is repayable in two annual instalments of \$2,500,000 on 31 December 2019 and 2020.

Despite the continued low oil prices having a significant effect on net cash flow, with the recent lifting, and after the repayment of the Alcoa debt, the balance sheet remains strong with in excess of \$60 million in cash.

Adjacent permit activity

Buru holds 100% equity in permit EP 129 in the northeast of the Canning Basin with an identified very large stratigraphic trap prospect known as Butler lying partly on this permit and partly on the adjacent EP 487 permit. The EP 487 permit holders have indicated that they intend to drill the Butler prospect in 2019. This would provide a substantial complement to any exploration program undertaken by Buru in the Basin.

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

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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 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 consents to the inclusion of the information in this document.