

Buru executes transaction with Koloma for sale of 2H Resources subsidiary and non-core Canning Basin exploration assets

Buru Energy Limited (Buru, Company) (ASX:BRU) is pleased to announce that it has executed agreements with Koloma Australia Pty Ltd (Koloma) for the sale of its wholly owned geologic hydrogen and helium focused subsidiary, 2H Resources Pty Ltd (2HR), and certain non-core exploration and production blocks in the onshore Canning Basin of Western Australia.

The divestment follows a comprehensive business review in late 2024 which resulted in a decision for Buru to monetise and exit its 2HR subsidiary, having derisked the assets ahead of a period of higher required spend. The 2HR divestment supports the Company's strategy of directing capital and resources to the development of the Rafael Gas Project to generate long term stable and growing cashflow.

Highlights

- **Buru has executed a Share Sale and Purchase Agreement (SSPA) with Koloma for all the issued share capital of 2HR which includes the beneficial interest in all its Petroleum Exploration Licence Application (PELA) areas and Gas Storage Exploration Licence Application (GSELA) areas in South Australia, Exploration Licences (EL) in Tasmania, and Special Prospecting Authorities (SPA) in Western Australia.**
- **Buru has also executed an Asset Sales and Purchase Agreement (ASPA) with Koloma for certain graticular blocks in the Canning Basin of Western Australia. These blocks are non-core to Buru and were part of Buru's Canning Basin rationalisation process.**
- **The total acquisition consideration is up to \$ 2.0 million which is an initial cash payment of \$ 1.0 million and further staged cash payments up to \$ 1.0 million payable upon the phased conversion of 2HR's South Australian Petroleum Exploration Licence Application (PELA) areas to Exploration Licences – expected in total by the end of 2025.**
- **Buru also has an option to acquire a participating interest of up to 30% or \$ 100 million in connection with any future hydrogen discovery by 2HR. This buy-back option is tradable by Buru.**
- **The effective date of the SSPA transaction is 1 July 2025, and subject to completion, Koloma is accountable for 2HR's operational control, costs and work program commitments from this date.**

Buru CEO, Mr Thomas Nador said:

"The divestment of Buru's 2H Resources subsidiary is consistent with our focus and discipline to commercialise the Rafael gas and condensate resource and building a Kimberley based gas business that will generate enduring material cashflows and shareholder returns.

Executing the transaction with Koloma is a testament to the quality of work done to date by the 2H Resources team in assembling a compelling portfolio of assets across Australia. It is now time to hand over the reins to a credible and experienced global player to progress the portfolio to its next phase of value creation. I wish Koloma every success in maturing this exciting field of exploration for the potential benefit of humanity."

Koloma Australia President and VP Exploration, Dr Trey Meckel said:

"We commend Buru and the 2H Resources team for building a compelling portfolio of hydrogen assets in Australia.

Following our successful Series A capital raise, Koloma Australia's acquisition of 2HR is our next step in building a scientifically based, commercially robust and risk-balanced portfolio of natural hydrogen assets in Australia.

We look forward to collaborating with our JV partners, industry, Government, community stakeholders, and investors to execute our ambitious exploration and drilling program. Our goals are to commercialise sustainable natural hydrogen; deliver affordable, cleaner energy; build resilient energy systems; and reach carbon neutrality."

Agreement Structure

Details of the transaction in accordance with ASX listing Rule 8 are outlined in Appendix 1.

Buru and Koloma will work collaboratively to seek approvals, complete the transactions and affect an orderly transfer of the ownership of the 2HR portfolio, including its assets, intellectual property and key stakeholder relationships to Koloma.

About Koloma

Koloma Inc., headquartered in Denver, Colorado USA, is the world's leading natural geologic hydrogen company with production methods that source hydrogen in a clean, continuous, and cost-effective manner, eliminating the barriers that have historically hindered widespread adoption. The company raised over US\$380 million over three years to pursue geologic hydrogen exploration.

In February 2025, following a successful US\$23.8 million capital raise, Koloma Inc. established Koloma Australia Pty Ltd as a separate company to exclusively pursue geologic hydrogen opportunities in Australia.

Authorisation

This ASX announcement has been authorised for release by the Chair of the Board of Directors.

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Attachment 1

Details of the Transaction in accordance with ASX Guidance Note 8

A. Parties to the Share Sale and Purchase Agreement (SSPA) for the 2H Resources Pty Ltd entity are:

- Buru Energy Limited and 2H Resources Pty Ltd
- Koloma Australia Pty Ltd

Parties to the Asset Sale and Purchase Agreement (ASPA) for certain graticular blocks in the Canning Basin are:

- Buru Energy Limited and relevant wholly owned Buru subsidiaries
- Koloma Australia Pty Ltd

B. The assets subject of the Transaction under the SSPA and ASPA with before and after holdings:

Agreement	Assets	Registered Holders before Transaction	Area	Registered Holders after Transaction
SSPA	PELA 705	100% 2H Resources Pty Ltd	South Australia	100% 2H Resources Pty Ltd
	PELA 706			
	PELA 707			
	PELA 708			
	PELA 710			
	PELA 711			
	PELA 763			
	GSELA 764			
	GSELA 765			
	SPA 37 AO	75% 2H Resources Pty Ltd	Western Australia	75% 2H Resources Pty Ltd
	SPA 38 AO			
	SPA 40 AO			
	SPA 43 AO			
	STP-SPA-0101	100% 2H Resources Pty Ltd		100% 2H Resources Pty Ltd
	STA-SPA-0102			
	EL17/2024*	50% 2H Resources Pty Ltd	Tasmania	50% 2H Resources Pty Ltd
	EL5/2025*	70% 2H Resources Pty Ltd		70% 2H Resources Pty Ltd
ASPA	Specific graticular blocks subdivided from non-core exploration permits and licences	100% Buru Energy Ltd and wholly owned Buru subsidiaries	Western Australia	Koloma Australia Pty Ltd

* Exploration Licences subject to final grant by the Tasmania Government

C. Summary of key contractual matters

SSPA for 2H Resources Pty Ltd

1. The SSPA was executed on 10 July with an Effective Date of 1 July 2025, subject to completion.
2. Buru Energy Limited (Buru), as the registered holder and beneficial owner of 100% of all of the issued share capital of 2H Resources Pty Ltd (2HR) comprising 1 ordinary fully paid share (Share) has agreed to transfer the Share to Koloma Australia Pty Ltd (Koloma) on the following terms:
 - Initial payment of A\$ 0.75 million on completion.
 - Staged cash payments totalling a maximum of \$1.0 million payable upon the phased conversion of five of 2HR's South Australian Petroleum Exploration Licence Application (PELA) areas to Exploration Licences.
 - Buru Energy Ltd will have an option to acquire a participating interest up to the lesser of 30% or \$ 100 million in connection with any future hydrogen discovery by 2H Resources Pty Ltd. This buy-back option is tradable by Buru Energy Ltd.
 - Completion is conditional on all regulatory and third-party consents and requirements regarding the Share transfer, on terms satisfactory to Koloma (acting reasonably).

ASPA for specific blocks within non-core exploration permit and licences

1. The ASPA was executed on 10 July with an Effective Date of 1 July 2025, subject to completion.
2. Buru Energy Limited and its wholly owned subsidiaries are the registered holders and beneficial owner of 100% of the relevant exploration permit and licences has agreed to subdivide these areas for the benefit of Koloma. These areas were subject of relinquishment applications with the Department of Mines, Petroleum and Exploration Western Australia prior to negotiations with Koloma. Buru will work collaboratively with Koloma and the government to subdivide these permit areas for the benefit of Koloma. The subdivided blocks to be acquired by Koloma will not include those with residual decommissioning liabilities.
3. Payment of A\$ 0.25 million upon completion.
4. Completion is conditional on all regulatory and third-party consents and requirements regarding the partial title transfers, on terms satisfactory to Koloma (acting reasonably).

D. Commercial implications

Subject to completion, Koloma will assume care, custody, control and costs associated with 2H Resources Pty Ltd from the Effective Date.

E. Other matters

The SSPA will involve the transfer of one 2H Resources Pty Ltd share from Buru Energy Limited to Koloma Australia Pty Ltd. The two Buru Energy Limited Directors of 2H Resources Pty Ltd will resign on and from completion.