Interim Financial Report

For the six months ended 30 June 2025

Buru Energy Limited ABN 71 130 651 437

BURU ENERGY LIMITED
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The Directors present their report together with the condensed consolidated interim financial statements of the Group comprising Buru Energy Limited (Buru, Buru Energy or the Company) and its subsidiaries for the six month period ended 30 June 2025 and the auditor's independent review report thereon.

Directors

The Directors of the Company in office at any time during or since the end of the period are as follows:

- Mr David Maxwell – Non- Executive Chair
- Ms Joanne Williams – Non-Executive
- Mr Robert Willes – Non-Executive
- Mr Malcolm King – Non-Executive

Principal Activities

The principal activity of the Group during the period was oil and gas exploration and appraisal in the Canning Basin, in the northwest of Western Australia. Following a comprehensive business review in late 2024, the Group made a decision to divest its interests in the two subsidiaries, 2H Resources (natural hydrogen and helium), and Battmin (battery minerals). Further information is included in the Review of Operations.

Review of Operations

Rafael Gas Project Development (EP 428 – Buru Energy 100% interest)

The development of the Rafael Gas Project (Rafael) represents the most valuable opportunity within Buru's portfolio, as the significant cash flow that can be generated from Rafael gas and condensate production can set the foundation for further growth. Rafael is strategically positioned to play a crucial role in transforming the energy system of the greater Kimberley and north Pilbara regions, which currently depend on imported gas (in the form of LNG) and diesel. Rafael provides a safe, cost-effective, and reliable energy source. It is an alternative to expensive, and sometimes unreliable, imports for domestic power generation and mining, particularly for regional customers in the greater Kimberley region.

On 2 April 2025, the Company announced the signing of a Strategic Development Agreement (SDA) with Clean Energy Fuels Australia (CEFA) for the Rafael Gas Project.

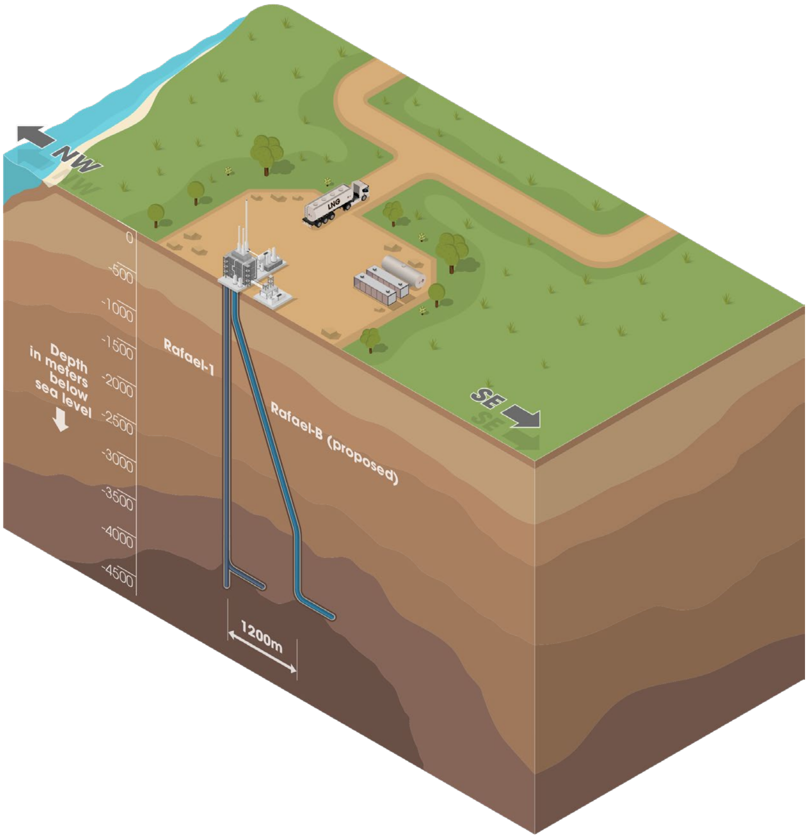
CEFA is an experienced builder, owner, and operator of small-scale Liquified Natural Gas (LNG) plants in Western Australia, making them an ideal partner for co-developing the Rafael gas resource and incorporating Rafael LNG into their portfolio for remote gas customers. They provide LNG distribution capabilities through their associated company, EVOL LNG, which operates the largest fleet of LNG road tankers and ISO containers in Australia. CEFA, part of the OCTA Group of privately held entities, is supported by I Squared Capital, a prominent global infrastructure fund managing over U$40 billion in assets worldwide.

Under the SDA, CEFA will finance, construct, own, and operate an LNG processing plant with a capacity of up to 300 tonnes per day at the Rafael 1 well site, thereby limiting Buru's financial exposure to upstream gas production wells and associated facilities, and a gas and condensate processing tariff paid to CEFA.

Buru and CEFA have committed to collaborating closely on initiatives to further mitigate development risks, aiming for a Final Investment Decision in 2H 2026, with production and cash flow expected to commence in Q1 2028. This timing is consistent with the Western Australian State Government's plans to overhaul the Kimberley energy system and reduce the reliance on imported gas and diesel into the region.

Buru is dedicated to creating a small-footprint Kimberley gas business that ensures long-term cash flow. This low-impact, low-technology risk development concept, suitable for deployment on the existing cleared Rafael 1 well pad, was chosen for its ability to expedite regulatory approvals and land tenure, providing the quickest route to production and cash flow from the Rafael resource.

The integration of a proven modularised LNG plant design, which does not require pipeline infrastructure, enhances the certainty of project delivery within the anticipated timeline. Refer to **Figure 1** below for project schematic and key attributes.



- The Rafael Gas Project is based on high confidence 1C Resource of 85 Bscf[1]
- 2C best estimate (220 Bscf)[1] or the 3C resource case (523 Bscf)[1] adds material upside
- Small footprint (on existing cleared Rafael 1 discovery well pad)
- No pipeline (trucked LNG and condensate)
- Proven design, modularised construction
- Many global plants in operation, with several in Australia (and WA)
- Up to 300t of LNG and ~250bbls condensate per day
- Current plan is 2 wells (including Rafael 1 well recompletion)
- 20-year production life with robust cashflow
- Upside with greater resource and market growth

Figure 1 – Indicative Rafael Gas Project Schematic and Key Project Attributes

Buru plans to drill, complete and production test the Rafael B appraisal well, and recomplete the original Rafael 1 exploration well to be a producing well in 1H 2026. Both wells are likely to include horizontal sections to optimise deliverability and the ultimate reserves.

Based on an 18-month period for the building of the small-scale LNG facilities by CEFA, first production, and material cashflows are expected by Q1 2028 as shown in **Figure 2.**

Further geological and geophysical work continued during the first half of 2025 on the Rafael Gas Project, following the completion of the interpretation from the Rafael 3D seismic survey. Geoscience studies have continued to evaluate the additional prospectivity in the area around the Rafael gas field contained within the EP 428 permit, with opportunities identified for potential backfill or future phases of the foundation Rafael Gas Project.

[1]Refer to the ASX release of 26 July 2024 for full definitions and disclosures. Buru is not aware of any new information or data that materially affects this assessment and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

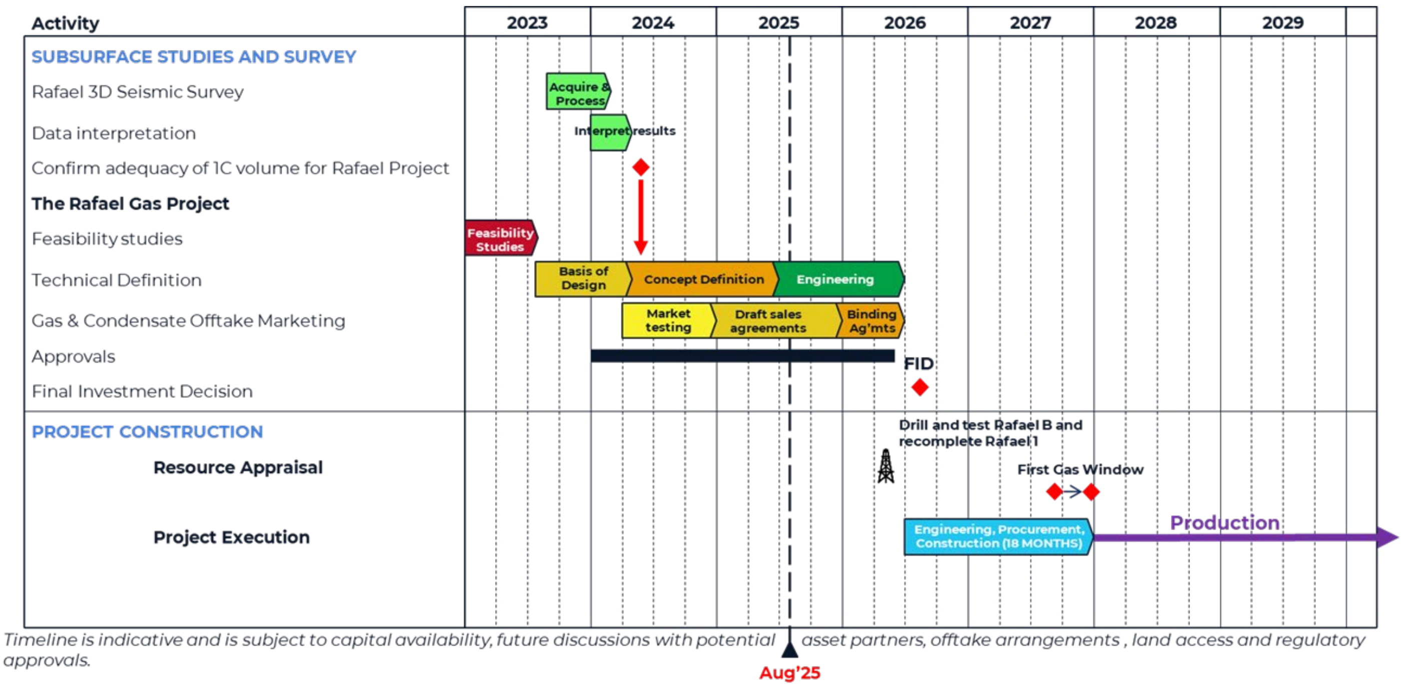


Figure 2 Rafael Gas Project Schedule

Preliminary Economic Screenings have been carried out for Rafael and are summarised in **Figure 3** below. Based on assumptions of A$15/GJ for gas and A$1.50 per litre for condensate, the value generated by Rafael is projected to yield a gross unrisked NPV of A$400 million (100% equity total project economics), along with an annual gross cash flow before tax of approximately A$70 million over a 20-year project life.

Based on a 1C Contingent Resource of 85 Bcf of gas and 1.8 mmbls of condensate 14TJ/d, 250t LNG/250bbls condensate/day. Field Life ~20 years. Equity economics, ungeared in 2025-dollars.			
Gas Price A$/GJ (domestic)	**$10.00**	**$15.00**	**$18.00**
Condensate Price A$/litre (domestic)	**$1.00**	**$1.50**	**$1.80**
Following in gross terms (A$), 2025$, pre-tax			
Total gas revenue ($M)	$ 1,100	**$ 1,800**	$ 2,100
Total condensate revenue ($M)	$ 300	$ 400	$ 500
Total Opex/Royalties ($M)	($ 300)	($ 500)	($ 600)
Average Pre-Tax Operating Cashflow/annum ($M)	**$ 40**	**$ 70**	**$ 87**
NPV10 ($M)	$ 200	$ 400	$ 500
IRR	29%	44%	>50%

Figure 3 – Rafael Gas Project Economic Screening

Ungani Oilfield – L 20 & L 21 (Buru Energy 100%)

The Ungani Oilfield assets remain under a care and maintenance program. The restart of Ungani production requires the renegotiation of certain commercial terms pursuant to the existing Ungani Native Title agreements and requisite field management regulatory approvals.

In addition to investigating options to restart production, Buru continues to explore opportunities to add incremental oil production from near-field prospects located within tie-back distance to the Ungani production facilities. The primary target is the Mars Prospect which is located approximately 9km north of the Ungani production facilities in Production Licence L 20.

Mars is a large fault-bounded anticlinal closure up-dip from the interpreted oil pay in the Ungani North 1 well that is confidently defined on high quality modern 3D seismic data. The prospect was initially identified on the Ungani 3D seismic, with the structure confirmed on the reprocessed Ungani 3D pre-stack depth migration volume in 2019.

Ungani North 1 confirmed excellent reservoir quality within the Reeves Formation sandstones with 17% porosity measured from sidewall cores at 1,765m. Strong oil shows in several sidewall cores recovered from sands of the Reeves Formation at Ungani North 1 provides confidence of oil charge into the Mars structure. Buru's internal assessment indicates a chance of success of 40% for a Mars 1 well[1].

Buru has commenced preparations to farm-out the Mars Prospect. The potential farm-out and exploration success could provide strategic optionality and funding for Buru's Rafael Gas Project development and/or further growth.

1.Further details on the Mars prospect can be found in the ASX announcement released on 17 June 2024, and can be accessed here: https://buruenergy.com/announcements/6385907

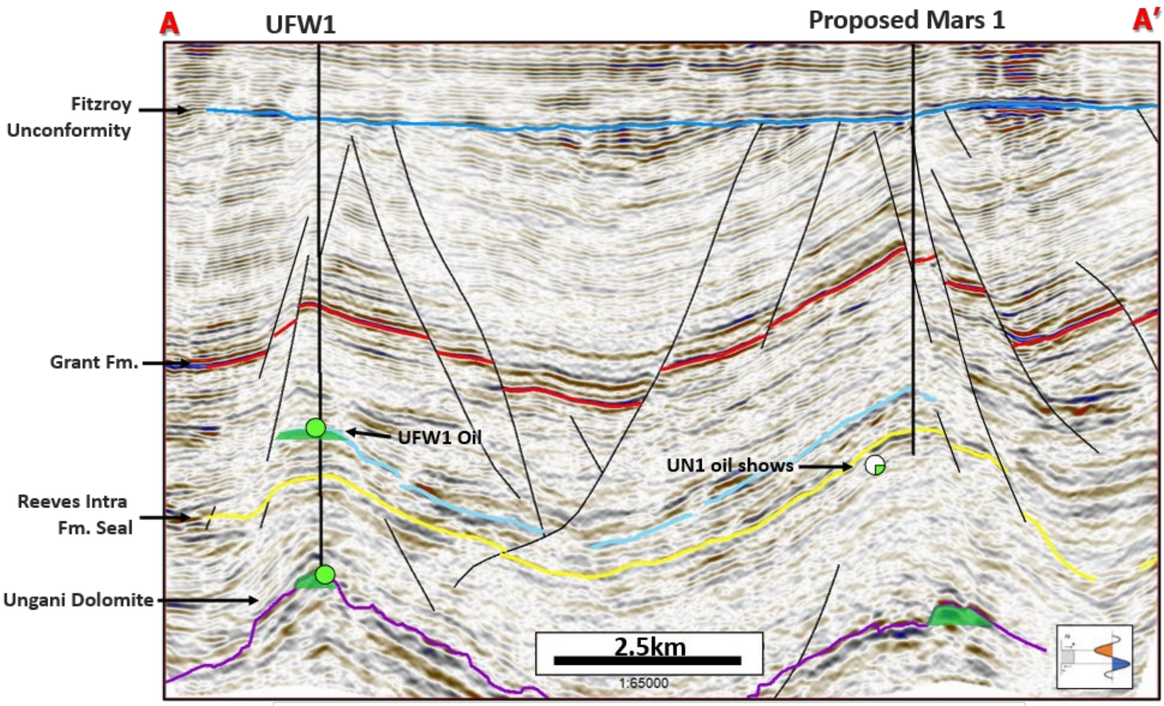


Figure 4 – Section A-A' from Ungani Far West 1 (UFW1) to Mars Prospect

Canning Basin Exploration

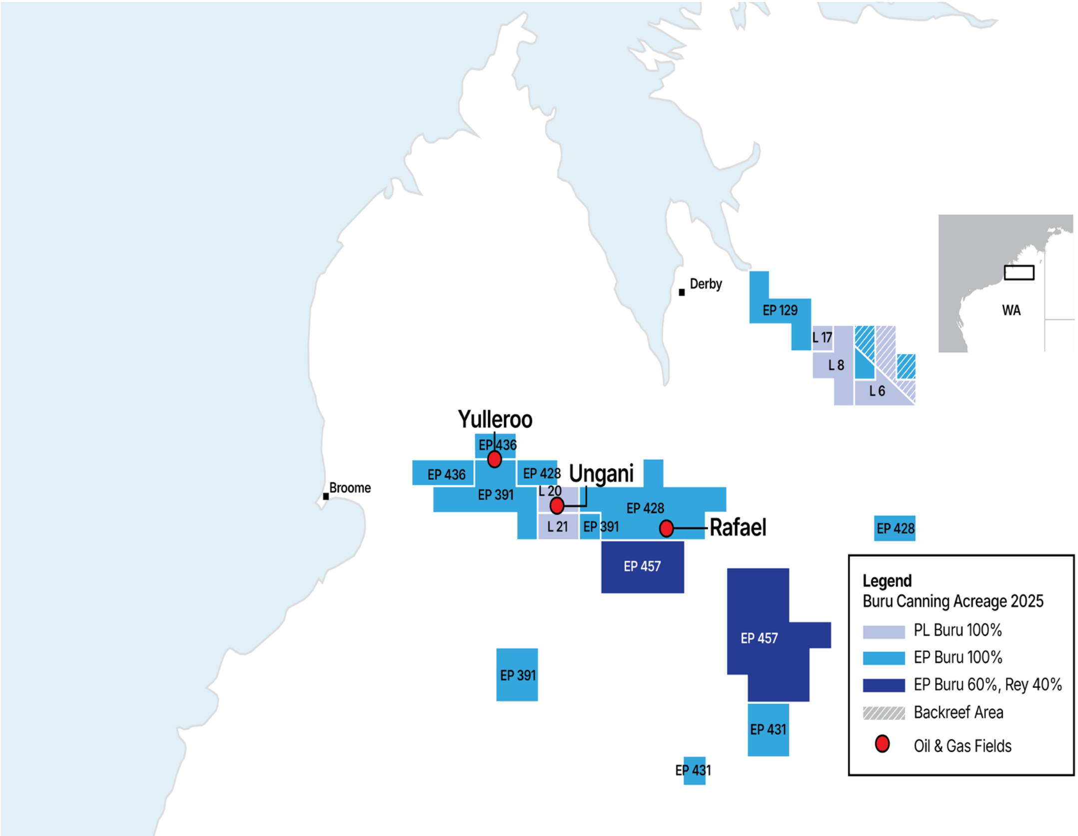


Figure 5 – Buru Canning Basin Assets

Subsequent to the 1H 2025 reporting period, Buru has identified a new exploration prospect located in EP 428 and EP 457 which it operates and owns 100% and 60% respectively.

The prospect, named Flying Fox, was identified on the Rafael 3D seismic and lies immediately beneath the Rafael gas and condensate field at a depth of approximately 4,015m TVDSS.[1]

Flying Fox has been assessed by Buru to hold Prospective Resources[2] between 60 Bscf and 614 Bscf of gas, with a best estimate (P50) volume of 247 Bscf, and between 1.2 MMstb and 12.6 MMstb of condensate with a best estimate (P50) of 5.0 MMstb. This is similar in size to the Contingent Resources [3] assessed for the primary Rafael reservoir interval which currently forms the basis for the Rafael Gas Project. The Flying Fox prospect can be tested by drilling an incremental ~500 meters below the Rafael gas accumulation at the Rafael B target location.

Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and 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.

[1] True Vertical Depth Subsea. [2] Refer to the ASX Release of 14 August 2025 for full definitions and disclosures. Buru is not aware of any new information or data that materially affects this assessment and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

[3] Refer to the ASX release of 26 July 2024 for full definitions and disclosures. Buru is not aware of any new information or data that materially affects this assessment and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

The Flying Fox prospect is imaged on the recently acquired Rafael 3D seismic (**Figure 6**), immediately beneath the gas-bearing Ungani Dolomite (T20) of the Rafael 1 discovery. The primary reservoir target of the gas prospect is the dolomitised, vuggy (rocks with cavities, pores or voids) carbonates of the Nullara or Pillara Formation overlain by the sealing shales of the May River Formation. The large, faulted closure is 26 km^2 in area, with a crest of 4,015m TVDSS and up to ~370m of vertical relief.

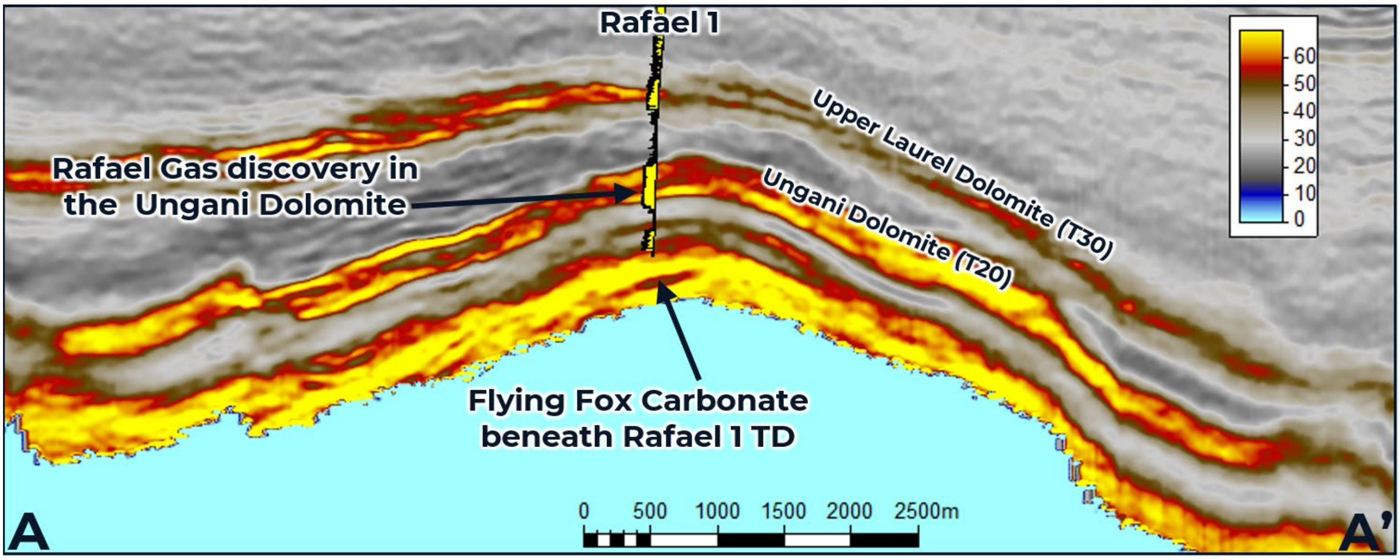


Figure 6 – Flying Fox - seismic inversion indicating carbonate reservoir presence

Remaining Acreage Position

(L 6, L 8, L 17, EP 129, EP 391, EP 431 and EP 436 with Buru 100% and Operator, and EP 457 with Buru 60% and Operator, Rey Resources 40%)

During the reporting period Buru continued engagement with the Western Australian Government Department of Mines, Petroleum and Exploration (DMPE) to rationalise the Company's exploration acreage in the Canning Basin. All applications for work program changes, and seven partial title surrender applications were approved by DMPE after the reporting period.

The outcome of this rationalisation will be a ~60% reduction in exploration permit and production licence areas, as well as the associated regulatory holding costs and work commitments.

Integrated Energy Projects

Natural hydrogen exploration and development – 2H Resources

During the period Buru continued with its divestment process for third parties to acquire all or some of the 2H Resources (2HR) corporate entity or assets and its strategically located natural hydrogen and helium exploration portfolio in Australia.

On 10 July 2025 the Company announced that it has executed a Share Sale and Purchase Agreement (SSPA) with Koloma Australia Pty Ltd (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 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 cash consideration for the transactions combined was $2.0 million with 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 retained an option to acquire a participating interest of up to 30% or $100 million in connection with any future hydrogen discovery by 2HR and the buy-back option is tradeable by Buru.

Subsequent to the reporting period, and as announced to the ASX on 7 August 2025, all the issued share capital of 2HR was transferred from Buru to Koloma with Koloma accountable for 2HR's operational control, costs and work program commitments from 1 July 2025, with Buru receiving the completion payment of $750,000.

Buru and Koloma continue to work toward Completion associated with a separately executed Asset Sales and Purchase Agreement (ASPA) for certain graticular blocks in the Canning Basin of Western Australia, which are non-core to Buru and were part of Buru's Canning Basin rationalisation process. Upon Completion Buru will receive a further payment of $250,000.

The divestment followed a comprehensive business review in late 2024 which resulted in a decision by 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.

Battery Minerals Exploration - Battmin

During the period the Company via its wholly owned subsidiary, Battmin Pty Ltd (Battmin) executed a Sale and Purchase Agreement (SPA) with Sipa Resources Limited (Sipa), whereby Battmin agreed to sell its 50% interest in the two granted Barbwire Terrace tenements E04/2674 and E04/2684 ("Tenements") to Sipa.

The transaction was completed on 23 January 2025 upon which Sipa assumed 100% ownership of the Tenements. As consideration for the transfer Sipa has agreed to grant to Battmin (or its nominated Related Body Corporate) a royalty in respect of the Tenements. The rate of royalty payable by Sipa to Battmin is 0.6% of the Net Smelter Return from future production. The Royalty Deed reflects standard industry terms, with Sipa having retained the right to buy back the Royalty for a one-off payment of $0.6 million. The transfer of the Tenements is subject to customary regulatory approvals.

This transaction concludes the divestment activities within the Battmin subsidiary, with no further material assets being held by Battmin.

Corporate

Buru held its Annual General Meeting (AGM) on 21 May 2025, all resolutions put to shareholders were decided by poll and approved.

Following approval given at the AGM the Company issued 3,900,000 Director Options on 9 June 2025.

On 7 April 2025, Mr Robert Willes informed the Board that he will retire from his position as Non-Executive Director of Buru in September 2025. When Mr Willes retires from the Board, the Company will not replace the position as one of several measures implemented this year supporting our commitment to prudent cost management.

After Balance Date Events

On 1 September 2025, the Company announced it had received firm commitments for a Share Placement, to raise a total of approximately $2.1 million (Placement), each new share issued under the Placement will also receive an attaching option on a 1 for 2 basis with a strike price of 3.0 cents, and an expiry period of 2 years, the issuance of the options are subject to shareholder approval via an Extraordinary General Meeting (EGM). The Company also announced it would undertake a Share Purchase Plan (SPP) for existing shareholders and seek to raise a further $3.0 million, with an attaching options offer to all shareholders who participate in the SPP issued on the same terms as those issued via the Placement.

The funds will be used to ensure that key project activities that are Buru's responsibility under its Strategic Development Agreement with Clean Energy Fuels Australia (CEFA) for the development of the Rafael Gas Project, including but not limited to the securing of an upstream development partner to fund the 2026 Rafael appraisal program are progressed in support of Final Investment Decision in 2H 2026.

On 5 September 2025, the Company issued 105,000,000 new ordinary shares under the Share Placement.

No other significant events have occurred subsequent to balance date, other than described above.

Dividends

The Directors do not propose to recommend the payment of a dividend. No dividends have been paid or declared by the Company during the current period.

Auditor's Independence Declaration

The lead auditor's independence declaration for the period is set out on page 11 and forms part of this Directors' Report.

Rounding Off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 1 April 2016 and in accordance with that Corporations Instrument, amounts in the condensed consolidated interim financial report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of Directors.

Mr David Maxwell	Mr Robert Willes
Non-Executive Chair	Non-Executive Director
Perth	Perth
5 September 2025	5 September 2025

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Buru Energy Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Buru Energy Limited for the half-year ended 30 June 2025 there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. No contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Graham Hogg
Partner
Perth
5 September 2025

BURU ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

in thousands of AUD	**Note**	**30 Jun 2025**	**31 Dec 2024**
Current Assets			
Cash and cash equivalents		2,343	7,944
Trade and other receivables		988	656
Inventories		147	147
Total Current Assets		3,478	8,747
Non-Current Assets			
Exploration and evaluation expenditure	4	22,520	20,857
Property, plant and equipment		1,985	2,192
Total Non-Current Assets		24,505	23,049
Total Assets		27,983	31,796
Current Liabilities			
Trade and other payables		634	1,514
Lease liabilities		361	398
Provisions	5	1,020	1,066
Total Current Liabilities		2,015	2,978
Non-Current Liabilities			
Lease liabilities		483	584
Provisions	5	11,989	11,742
Total Non-Current Liabilities		12,472	12,326
Total Liabilities		14,487	15,304
Net Assets		13,496	16,492
Equity			
Contributed equity	7	310,759	310,771
Reserves		252	69
Accumulated losses		(297,515)	(294,348)
Total Equity		13,496	16,492

The notes on pages 16 to 23 are an integral part of these condensed consolidated financial statements.

in thousands of AUD	**Note**	**30 Jun 2025**	**30 Jun 2024**
Care and maintenance costs		(231)	(312)
Gross loss		(231)	(312)
Other income		14	-
Exploration and evaluation expenditure		(970)	(2,063)
Corporate and administrative expenditure	6	(1,686)	(1,757)
Changes in restoration provision		(9)	(915)
Equity-based payment expenses	9	(183)	-
Results from operating activities		(3,065)	(5,047)
Net finance income / (expense)		(102)	364
Loss for the period before income tax		(3,167)	(4,683)
Income tax expense		-	-
Total comprehensive loss for the period		(3,167)	(4,683)
Loss per share (cents) and diluted loss per share (cents)		(0.41)	(0.70)

The notes on pages 16 to 23 are an integral part of these condensed consolidated financial statements.

BURU ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2025

in thousands of AUD	Share capital $	Share based payment reserve $	Accumulated losses $	Total equity $
Balance as at 1 January 2024	**304,458**	**69**	**(281,333)**	**23,194**
Comprehensive loss for the period				
Loss for the period	-	-	(4,683)	(4,683)
Total comprehensive loss for the period	**-**	**-**	**(4,683)**	**(4,683)**
Transactions with owners recorded directly in equity				
Issue of ordinary shares, net of transaction costs	(21)	-	-	(21)
Equity based payment transactions	-	-	-	-
Employee share options forfeited	-	-	-	-
Total transactions with owners recorded directly in equity	**(21)**	**-**	**-**	**(21)**
Balance as at 30 June 2024	**304,437**	**69**	**(286,016)**	**18,490**

	Share capital $	Share based payment reserve $	Accumulated losses $	Total equity $
Balance as at 1 January 2025	**310,771**	**69**	**(294,348)**	**16,492**
Comprehensive loss for the period				
Loss for the period	-	-	(3,167)	(3,167)
Total comprehensive loss for the period	**-**	**-**	**(3,167)**	**(3,167)**
Transactions with owners recorded directly in equity				
Issue of ordinary shares, net of transaction costs	(12)	-	-	(12)
Equity based payment transactions	-	183	-	183
Employee share options forfeited	-	-	-	-
Total transactions with owners recorded directly in equity	**(12)**	**183**	**-**	**171**
Balance as at 30 June 2025	**310,759**	**252**	**(297,515)**	**13,496**

The notes on pages 16 to 23 are an integral part of these condensed consolidated financial statements.

In thousands of AUD	**Note**	**30 Jun 2025**	**30 Jun 2024**
Cash flows from operating activities			
Payments for production/care and maintenance		(506)	(924)
Exploration and evaluation expenditure		(2,703)	(3,185)
Other payments to suppliers and employees		(1,058)	(1,643)
Research and development tax concession received		323	247
Net cash outflow from operating activities		(3,944)	(5,505)
Cash flows from investing activities			
Interest received		82	297
Interest paid		-	(19)
Payments for exploration and evaluation asset		(1,503)	(5,321)
Joint venture partner exit consideration		-	3,367
Net cash outflow from investing activities		(1,421)	(1,676)
Cash flows from financing activities			
Cost of the issue of share capital		(12)	(21)
Payments for lease liabilities		(223)	(207)
Net cash outflow from financing activities		(235)	(228)
Net decrease in cash and cash equivalents		(5,600)	(7,409)
Cash and cash equivalents at beginning of the period		7,944	18,197
Effect of exchange rate changes on cash and cash equivalents		(1)	103
Cash and cash equivalents at the end of the period		2,343	10,891

The notes on pages 16 to 23 are an integral part of these condensed consolidated financial statements.

1 Reporting Entity

Buru Energy Limited (Buru, Buru Energy or the Company) is a for profit company domiciled in Australia. The address of the Company's registered office is Level 2, 16 Ord Street, West Perth, Western Australia. The condensed consolidated interim financial statements of the Company as at, and for the six months ended, 30 June 2025 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interest in jointly controlled entities. The Group is primarily involved in gas and oil exploration and production in Australia.

2 Basis of Accounting

These interim financial statements are general purpose financial statements which have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2024 (last annual financial statements). They do not include all of the information required for full annual financial statements. The last annual financial statements are available at www.buruenergy.com. All accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied in the last annual financial statements.

These condensed consolidated interim financial statements were approved by the Board of Directors on 5 September 2025.

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the last annual financial statements.

A number of new accounting standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. However, the Group has not early adopted any new standards in preparing these condensed consolidated interim financial statements.

Going concern

The Group's financial statements are prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business.

During the period ended 30 June 2025 the Group recognised a loss of $3,167,000 (30 June 2024: $4,683,000), had net cash outflows from operating and investing activities of $5,365,000 (30 June 2024: $7,181,000). The Group held cash and cash equivalents of $2,343,000 at 30 June 2025 (31 December 2024: $7,944,000).

Subsequent to the reporting period the Group completed a Share Placement which raised $2,100,000 (before costs) and announced a Share Purchase Plan (SPP) to raise additional funds with a target of $3,000,000, with the use of funds being to advance the Rafael Gas Project and working capital.

The Directors review of cash flow forecasts, confirm that the going concern basis of accounting remains appropriate but acknowledge that additional fund-raising activities, by way of a share placement, share issues and / or from asset sales, are required to enable the Group to fund its operations and meet its minimum expenditure, maintain tenements and meet ongoing costs for the twelve month period from the date of this financial report.

In the event the Group is unable to achieve some of the matters above, this would create a material uncertainty with respect to the ability of the Group to continue as a going concern and accordingly to realise its assets and extinguish its liabilities in the ordinary course of the operations.

3 Segment information

The reportable operating segments at the end of the reporting period are based on the Group's strategic business units: oil production, exploration and energy transition. The following summary describes the operations in each of the Group's reportable operating segments:

- Oil Production: Development and production of the Ungani Oilfield. The Ungani Production Facility is currently under a care and maintenance program.
- Exploration: The exploration program is focused on the following:
  - the Rafael area where the Rafael 1 exploration well was drilled in 2021 with a subsequent successful flow test of gas to surface;
  - several other prospects along the Ungani oil trend; and
  - evaluation of the other areas in the Group's portfolio.
- Energy Transition: During the reporting period, the Company was involved in energy transition activities through its three subsidiaries, 2H Resources (natural hydrogen and helium), GeoVault (carbon capture and storage) and Battmin (battery minerals).
  - In January 2025 the Group completed a transaction that divested its remaining assets held in the Battmin subsidiary.
  - Subsequent to the reporting period the Group completed a transaction for the sale of 100% of the issued share capital in 2H Resources.

Information regarding the results of each reportable segment is included below. Performance is measured in regard to the Group and its segments principally with reference to earnings before interest and tax, and capital expenditure on exploration and evaluation assets, oil and gas assets, and property, plant and equipment. The unallocated segment represents a reconciliation of reportable segment revenues, profit or loss and assets to the consolidated figures.

Profit or loss	**Oil Production**		**Exploration**		**Energy Transition**		**Unallocated**		**Total**	
in thousands of AUD	**Jun 25**	**Jun 24**	**Jun 25**	**Jun 24**	**Jun 25**	**Jun 24**	**Jun 25**	**Jun 24**	**Jun 25**	**Jun 24**
Care and maintenance costs	(231)	(312)	-	-	-	-	-	-	**(231)**	**(312)**
Gross Loss	**(231)**	**(312)**	**-**	**-**	**-**	**-**	**-**	**-**	**(231)**	**(312)**
Other income	-	-	-	-	-	-	14	-	**14**	**-**
Exploration and evaluation expenditure	-	-	(478)	(1,146)	(492)	(917)	-	-	**(970)**	**(2,063)**
Corporate and administrative expenditure	-	-	-	-	-	-	(1,437)	(1,492)	**(1,437)**	**(1,492)**
Changes in restoration provision	60	(817)	(69)	(98)	-	-	-	-	**(9)**	**(915)**
Depreciation expense	-	-	-	-	-	-	(249)	(265)	**(249)**	**(265)**
Equity-based payment expenses	-	-	-	-	-	-	(183)	-	**(183)**	**-**
EBIT	**(171)**	**(1,129)**	**(547)**	**(1,244)**	**(492)**	**(917)**	**(1,855)**	**(1,757)**	**(3,065)**	**(5,047)**
Net financial income / (expense)	-	-	-	-	-	-	(102)	364	**(102)**	**364**
Reportable segment loss before tax	**(171)**	**(1,129)**	**(547)**	**(1,244)**	**(492)**	**(917)**	**(1,957)**	**(1,393)**	**(3,167)**	**(4,683)**

Total Assets	**Oil Production**		**Exploration**		**Energy Transition**		**Unallocated**		**Total**	
in thousands of AUD	**Jun 25**	**Dec 24**	**Jun 25**	**Dec 24**	**Jun 25**	**Dec 24**	**Jun 25**	**Dec 24**	**Jun 25**	**Dec 24**
Assets										
Current assets	-	-	147	147	-	-	3,331	8,600	**3,478**	**8,747**
Exploration and evaluation assets	-	-	22,520	20,857	-	-	-	-	**22,520**	**20,857**
Property, plant and equipment	-	-	-	-	-	-	1,985	2,192	**1,985**	**2,192**
Total Assets	**-**	**-**	**22,667**	**21,004**	**-**	**-**	**5,316**	**10,792**	**27,983**	**31,796**
Capital Expenditure	**-**	**-**	**1,663**	**6,011**	**-**	**-**	**-**	**-**	**1,663**	**6,011**
Liabilities										
Current liabilities	63	171	918	1,590	-	-	1,034	1,217	**2,015**	**2,978**
Lease liabilities (Non-current)	-	-	24	29	-	-	459	555	**483**	**584**
Provisions (Non-current)	7,259	6,961	4,640	4,705	-	-	90	76	**11,989**	**11,742**
Total Liabilities	**7,322**	**7,132**	**5,582**	**6,324**	**-**	**-**	**1,583**	**1,848**	**14,487**	**15,304**

4 Exploration and Evaluation Expenditure

in thousands of AUD	30 Jun 2025 $	31 Dec 2024 $
Carrying amount at beginning of the period	20,857	14,846
Exploration assets additions	1,663	6,011
Carrying amount at the end of the period	22,520	20,857

Buru is undertaking a structured pre-commercialisation program for the Rafael discovery including detailed economic screening, engagement with Government and regulators and potential customers, together with feasibility analysis of development options and capital requirements. During the reporting period, Buru signed a Strategic Development Agreement (SDA) with Clean Energy Fuels Australia (CEFA) for the Rafael Gas Project. Although the exploration activities at Rafael 1 have not yet reached a stage which permits a reasonable assessment of the existence of economically recoverable reserves, significant further appraisal operations are planned at Rafael 1 over the coming years.

5 Provisions

in thousands of AUD	30 Jun 2025 $	31 Dec 2024 $
Current		
Provision for annual leave	446	417
Provision for long-service leave	200	210
Provision for site restoration	374	439
	1,020	1,066
Non-Current		
Provision for long-service leave	90	76
Provision for site restoration	11,899	11,666
	11,989	11,742

6 Corporate and Administrative Expenditure

in thousands of AUD	30 Jun 2025 $	30 Jun 2024 $
Corporate and other administration expenses	1,686	1,757

Total personnel expenses for the six months to 30 June 2025 amounted to $1,805,000 (six months to 30 June 2024: $2,561,000) prior to amounts received under Joint Venture reimbursements. Net personnel expenses are included in Care and Maintenance costs, Exploration and Evaluation Expenditure and Corporate and Administrative Expenditure.

7 Capital and Reserves

Share capital

Ordinary Shares	**30 Jun 2025 No.**	**30 Jun 2025 $'000**	**31 Dec 2024 No.**	**31 Dec 2024 $'000**
Fully paid shares on issue at the beginning of the period	779,409,607	310,771	671,345,082	304,458
-Less: Transaction costs arising from 2023 share placements	-	-	-	(21)
Issued under Share Placement – 4 October 2024	-	-	102,983,880	6,385
Issued under Share Placement – 29 November 2024	-	-	5,080,645	315
Less: Transaction costs arising from 2024 share placements	-	(12)	-	(366)
On issue at the end of the period – fully paid	779,409,607	310,759	779,409,607	310,771

The Company did not issue any shares in the six months ended 30 June 2025.

8 Capital and Other Commitments

in thousands of AUD	**30 Jun 2025**	**31 Dec 2024**
Exploration expenditure commitments	**$**	**$**
Contracted but not yet provided for and payable:		
Within one year	-	8
One year later and no later than five years	467	3,500
	467	3,508

The commitments are required in order to maintain the petroleum exploration permits in which the Group has interests in good standing with Department of Mines, Petroleum and Exploration (DMPE), and these obligations may be varied from time to time, subject to approval by DMPE.

9 Equity-based Payment Expenses

Fair value expensed in thousands of AUD	**1 Jan - 30 Jun 2025**	**1 Jan - 30 Jun 2024**
Director options expensed	92	-
Employee performance rights expensed	91	-
	183	-

A total of 3,900,000 unlisted options were granted to directors of the Company as approved by shareholders in the Annual General Meeting held on 21 May 2025. The options have an exercise price of $0.07 and an expiry date of 9 June 2028. All options vested immediately and were exercisable from the grant date of 9 June 2025.

The assumptions used to value the director options are detailed below.

Underlying security spot price	$0.035
Strike / exercise price	$0.07
Risk free rate (bond rate with duration the same as option)	3.36%
Dividend rate (decrease in Share Price)	0%
Grant date	9 Jun 25
Vesting date	9 Jun 25
Expiry date	9 Jun 28
Time to expiry (years)	3
Volatility (annualised)	133%
Valuation per option	$0.0235
Number of options	3,900,000
Value recognised to date	$91,767
Value still to be recognised	-

A total of 3,870,000 Performance Rights were issued under the Company's Employee Incentive Performance Rights Plan to employees of the Company during the reporting period.

These Performance Rights consist of the following:

Number of Rights	Vesting	Basis
1,935,000	1 July 2025	Service Based
1,935,000	1 July 2026	Service Based

The fair value of the Performance Rights is measured using the share price on grant date and expensed on a straight-line basis over the vesting period.

10 Joint Operations

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control exists only when decisions about the relevant activities - i.e. those that significantly affect the returns of the arrangement - require the unanimous consent of the parties sharing control of the arrangement. In accordance with AASB 11, the arrangements have been classified as joint operations (whereby the jointly controlling parties have rights to the assets and obligations for the liabilities relating to the arrangement) as opposed to a joint venture because separate vehicles have not been established through which activities are conducted. The Group therefore recognises its assets, liabilities, and transactions, including its share of those incurred jointly, in its consolidated financial statements.

The consolidated entity has an interest in the following joint operations as at 30 June 2025 whose principal activities were oil and gas exploration, development and production.

Permit/Joint Operation	June 2025 Beneficial Interest	December 2024 Beneficial Interest	Operator
EP 457	60.00%	60.00%	Buru Fitzroy Pty Ltd
E04/2674	-	50.00%	Sipa Resources Ltd
E04/2684	-	50.00%	Sipa Resources Ltd

11 Subsequent Events

Divestment of 2H Resources Pty Ltd (2HR) subsidiary and assets

On 10 July 2025 the Company announced that it has executed a Share Sale and Purchase Agreement (SSPA) with Koloma Australia Pty Ltd (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 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 cash consideration for both the SSPA and ASPA 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 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 was 1 July 2025, all completion obligations under the SSPA were met on 7 August 2025. Koloma is accountable for 2HR's operational control, costs and work program commitments from the effective date, with Buru receiving the completion payment of $750,000.

Completion of Share Placement and launch of Share Purchase Plan

On 1 September 2025, the Company announced it had received firm commitments for a Share Placement, to raise a total of approximately $2.1 million (Placement), each new share issued under the Placement will also receive an attaching option on a 1 for 2 basis with a strike price of 3.0 cents, and an expiry period of 2 years, the issuance of the options are subject to shareholder approval via an Extraordinary General Meeting (EGM). The Company also announced it would undertake a Share Purchase Plan (SPP) for existing shareholders and seek to raise a further $3.0 million, with an attaching options offer to all shareholders who participate in the SPP issued on the same terms as those issued via the Placement.

The funds will be used to ensure that key project activities that are Buru's responsibility under its Strategic Development Agreement with Clean Energy Fuels Australia (CEFA) for the development of the Rafael Gas Project, including but not limited to the securing of an upstream development partner to fund the 2026 Rafael appraisal program are progressed in support of Final Investment Decision in 2H 2026.

On 5 September 2025, the Company issued 105,000,000 new ordinary shares under the Share Placement.

No other significant events have occurred subsequent to balance date, other than described above.

12 Changes in material accounting policies

The Group has adopted all accounting standards and interpretations that had a mandatory application for this reporting period.

In the opinion of the Directors of Buru Energy Limited (the Company):

(a) the financial statements and notes set out on pages 12 to 23, are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the six month period ended on that date; and
   (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Mr David Maxwell	Mr Robert Willes
Non-Executive Chair	Non-Executive Director
Perth	Perth
5 September 2025	5 September 2025

Independent Auditor's Review Report

To the shareholders of Buru Energy Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying ***Interim Financial Report*** of Buru Energy Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Buru Energy Limited does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the ***Group's*** financial position as at 30 June 2025 and of its performance for the Half-year ended on that date; and
- Complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Interim Financial Report*** comprises:

- Condensed Consolidated statement of financial position as at 30 June 2025;
- Condensed Consolidated statement of comprehensive income or loss, Condensed Consolidated statement of changes in equity and Condensed Consolidated statement of cash flows for the Half-year ended on that date;
- Notes 1 to 12 comprising material accounting policies and other explanatory information; and
- The Directors' Declaration.

The ***Group*** comprises Buru Energy Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to Note 2, "Going Concern" in the Interim Financial Report. The events or conditions disclosed in Note 2, indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the Interim Financial Report. Our conclusion is not modified in respect of this matter.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- The preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001; and*
- Such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 30 June 2025 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Half-year Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG

Graham Hogg
Partner
Perth
5 September 2025

Directors

Mr David Maxwell	Non-Executive Chair
Ms Joanne Williams	Independent Non-Executive Director
Mr Malcolm King	Independent Non-Executive Director
Mr Robert Willes	Independent Non-Executive Director

Chief Executive Officer

Mr Thomas Z Nador

Company Secretary

Mr Paul Bird

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