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2025

ANNUAL REPORT



Buru Energy Limited Annual Report
For the year ended 31 December 2025

ABN 71 130 651 437

Buru recognises the Aboriginal People of this nation and their ongoing connection to culture and country.

We acknowledge Aboriginal People as the Traditional Owners and Custodians of the world's oldest living culture and pay respects to their Elders past, present and emerging.

Aboriginal readers are warned that the following report may contain images of deceased persons.

About this Report

This 2025 Annual Report is a summary of Buru Energy's operations, activities and financial position for the 12-month period ended 31 December 2025. In this report, unless otherwise stated, references to 'Buru', the 'Company', 'we', 'us' and 'our' refer to Buru Energy Limited and its subsidiaries. This report contains forward-looking statements.

Please refer to page 2 which contains a notice in respect of these statements. All references to dollars, cents or \$ in this document are to Australian currency, unless otherwise stated. An electronic version of this report is available on Buru's website www.buruenergy.com.

The 2025 Corporate Governance Statement can be viewed on our website on the Corporate Governance page.

CORPORATE REGISTER

Directors	Mr David Maxwell	Independent Non-Executive Chair
	Ms Joanne Williams	Independent Non-Executive Director
	Mr Malcolm King	Independent Non-Executive Director
Chief Executive Officer	Mr Thomas Z Nador	
Company Secretary	Mr Paul Bird	
Registered and Principal Office	Address:	Level 2, 16 Ord Street, West Perth WA 6005
	Telephone:	+61 (08) 9215 1800
	Email:	info@buruenergy.com
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Share Registry:	MUFG Corporate Markets	
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	Telephone:	+61 (08) 9262 6700
	Email:	info@mpms.mufg.com
	Website:	https://www.mpms.mufg.com
Auditors:	KPMG	
	Address:	235 St George's Terrace, Perth WA 6000
Stock Exchange:	Australian Securities Exchange	
	Address:	Exchange Plaza, 2 The Esplanade, Perth WA 6000
ASX Code: BRU		
Current Issued Capital	Fully paid ordinary shares	1,002,408,773
	Unlisted share options	112,033,334
	Unlisted employee performance rights	2,600,000
Trading History	Share price range during 2025	\$0.016 to \$0.057
	Liquidity (annual turnover as % of average issued capital)	35.10%
	Average number of shares traded per day	~1.245 million

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Disclaimer and Forward-Looking Statements

This report contains forward-looking statements that are subject to risk factors associated with the oil and gas industry. All statements in this Report regarding forward plans, forecasts and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward looking statements are based on management's current expectations and reflect judgments, assumptions, estimates and other information available as at the date of this document, and are subject to known and unknown risks and significant uncertainties, many of which are outside the control of Buru. Actual results, performance, actions, and developments by Buru may differ materially from those expressed or implied by the forward-looking statements in this Report. Except as required by applicable law or the Australian Securities Exchange (ASX) Listing Rules, Buru disclaims any obligation or undertaking to publicly update any forward-looking statements.

ABOUT BURU ENERGY

Who we are

Buru Energy Limited (ASX:BRU; "Buru" or "the Company") is a Western Australian energy company focused on exploration and production of gas and oil resources in Australia. The Company is headquartered in Perth with a regional operational office in Broome.

What we do

The Company's current primary focus is the development and commercialisation of the Rafael Gas Project, based on its wholly owned and operated conventional gas and condensate discovery located in the Canning Basin in the southwest Kimberley region of Western Australia.

Buru also operates the conventional Ungani Oilfield, and a basin wide portfolio of exploration permits and licences prospective for conventional and unconventional hydrocarbon resources with working interests ranging from 60% to 100%.

Our Purpose

To bring energy resource developments to life in a way that creates long term value for our shareholders, the communities and Traditional Owners of the lands on which we operate, our employees, joint venture partners and other stakeholders.

Our vision

The Company's vision is to be a valued Australian energy company, committed to business and financial success, that has a positive impact on society and the environment.

Chair's and Chief Executive Officer's Message



Dear Shareholders,

2025: From Strategy to Execution

In 2025 we have pursued the implementation of the necessary and disciplined reset of our corporate trajectory which was defined and communicated in 2024. We began the year with a clear plan: to transform Buru Energy from a diverse explorer into a targeted developer of the only proven significant conventional gas discovery in the Canning Basin - the Rafael Gas Project. The Project includes the production of small-scale LNG for the existing and growing Northern Western Australia market.

During 2025 we have streamlined our portfolio, secured a world-class development partner, and cleared the primary regulatory hurdles required to prepare the Rafael Gas Project for a Final Investment Decision (FID) targeted for the second half of 2026.

The Rafael Gas Project: De-Risking Path to Production

The signing of the Strategic Development Agreement (SDA) with Clean Energy Fuels Australia (CEFA) in April 2025 was a key milestone for Buru. This partnership materially enables the Rafael development by leveraging CEFA's expertise, assets and capital whilst retaining upside value for Buru shareholders. Under the agreement, CEFA will finance, build, and operate the midstream infrastructure—including the LNG and condensate facilities—while Buru retains 100% of the upstream interest. By reducing Buru's Rafael funding requirements to primarily the planned 2026 appraisal program, we have significantly reduced our capital exposure while maintaining the lion's share of the project's value and upside. We are working toward a phased development that targets first gas and long-term cash flows by 2028,

whilst also providing a cost-effective solution to a strategically important portion of Western Australia's tightening domestic gas market.

Operational Excellence and Regulatory Momentum

In the past year Buru has "cleared the deck" in preparation for the 2026 drilling campaign. We successfully secured:

- a 2-year extension for our Production Licence application, providing the necessary runway to finalise the Rafael resource validation;
- key environmental approvals from the Western Australia Government for the 2026 drilling program, including the Rafael 2H (formerly Rafael B) well; and
- technical validation of the Rafael 3D seismic data, which has confirmed our confidence in the core Rafael resource and importantly also identified the high-potential Flying Fox prospect, adding significant "near-field" upside to our Canning Basin hub.

Integrated Energy and Strategic Divestments

To help ensure every dollar of shareholder capital is directed toward our core value-driver, we completed the divestment of our Battmin assets to Sipa Resources Limited and 2H Resources to Koloma Australia Pty Ltd by mid-2025.

While we remain believers in the future of these business lines, they are better placed with specialist operators. The divestment terms provided both immediate cash and long-term potential upside and ensure Buru remains a "pure play" on the massive potential of the Canning Basin.

Chair's and Chief Executive Officer's Message

Our People: a Lean, High-Performance Culture

Following the "right-sizing" of our organisation in late 2024, 2025 was a year of stabilisation and focus on performance. We have successfully cultivated a "lean-core" model - maintaining a small, highly expert internal team while leveraging strategic partnerships for specialised technical, commercial and corporate needs.

This model has allowed us to remain agile and keep overheads low whilst ensuring we retain the deep institutional and geological knowledge of the Canning Basin that is one of Buru's competitive advantages.

We thank our staff for their resilience and commitment during this transition. The "can-do" spirit of the Buru team is what allows us to punch well above our weight. It is this team that will deliver Buru's future.

Governance and Stakeholder Engagement

Transparency and accountability are the cornerstones of how we interact with the capital markets, our local communities and other stakeholders. The Board's focus has been on strategic risk management, particularly in navigating the CEFA partnership and the divestment of non-core assets. The key business decisions were made through a lens of maximizing shareholder medium and long-term value and cost prudence whilst strictly adhering to the ASX Corporate Governance Principles.

Our relationship with the Traditional Owners of the lands on which we operate remains a highly valued and key priority. We continue to engage in proactive, respectful dialogue to ensure that the development of the Rafael Project provides tangible, long-term benefits to the local communities through employment opportunities and business support.

Financial Discipline

We have remained steadfast in our commitment to capital discipline. Following the 40% headcount reduction and \$3 million G&A savings initiated in late 2024, we further rationalized our acreage in 2025, surrendering non-core permits to reduce holding costs by 60%.

The successful \$4.4 million capital raise through our Placement and Share Purchase Plan (SPP) in late 2025 was a clear vote of confidence from the market. These funds have provided the working capital necessary to maintain momentum as we move through our global process to secure upstream funding for the estimated circa \$40 million 2026 Rafael appraisal program.

We are mindful of the significant and long-term value of the Rafael Gas Project and the relatively short time frame to first production and cash flow. Therefore, our objective with respect to financing is to retain as much project equity as possible for the benefit of Buru shareholders.

A Vision for 2026 and Beyond

The Canning Basin is increasingly recognised as a vital pillar of Western Australia's energy security. The recent EPA recommendations for neighbouring hydrocarbon projects in the region further validates our long-held view that this basin will become a Tier-1 energy province.

As we look toward 2026, our priorities are clear:

- Partnering: finalise the global search for upstream funding to support the planned 2026 Rafael appraisal drilling program, whilst retaining as much value as possible for Buru shareholders;
- Drilling: execute the Rafael 2H well and Rafael 1 recompletion and flow tests to convert our contingent resources into certified reserves;
- Approvals: secure environmental and heritage approvals for the Rafael Gas Project, and
- FID: reach a Final Investment Decision (FID) targeted for H2 2026 to unlock the Rafael Gas Project execution phase.

The Board and Management is very conscious that the Buru share price does not reflect the value of the Rafael Gas Project and subsequent growth opportunities. We are confident the successful delivery of the Project and long-term material cash flow will result in a very significant increase in shareholder value.

Conclusion

We thank our Directors, our dedicated team, the Western Australia Government, the Traditional Owner partners and other service providers for their collaboration and support during this transformative year. Most importantly, we thank you, our shareholders, for your patience and support.

Buru Energy is leaner, more focused, and closer to production and significant long-term cashflow than at any point in its history. We are no longer just exploring for "what might be"—we are building the foundation for "what will be."



David P Maxwell
Independent Non-Executive Chair

20 March 2026



Thomas Z Nador
Chief Executive Officer

20 March 2026

REVIEW OF OPERATIONS

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Rafael conventional gas and condensate discovery flow testing 2022

Exploration and Appraisal

Rafael Gas Project (EP 428 – Buru 100% and Operator)

The development of the Rafael Gas Project (Rafael) represents the most valuable opportunity within Buru's portfolio, as the significant long-term 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 trucked LNG) and diesel. Rafael provides a safe, cost-effective, and reliable local energy source. It is a local alternative to higher cost and sometimes interrupted, fuel 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 Liquefied Natural Gas (LNG) plants in Western Australia. They are 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 US\$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 from 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.

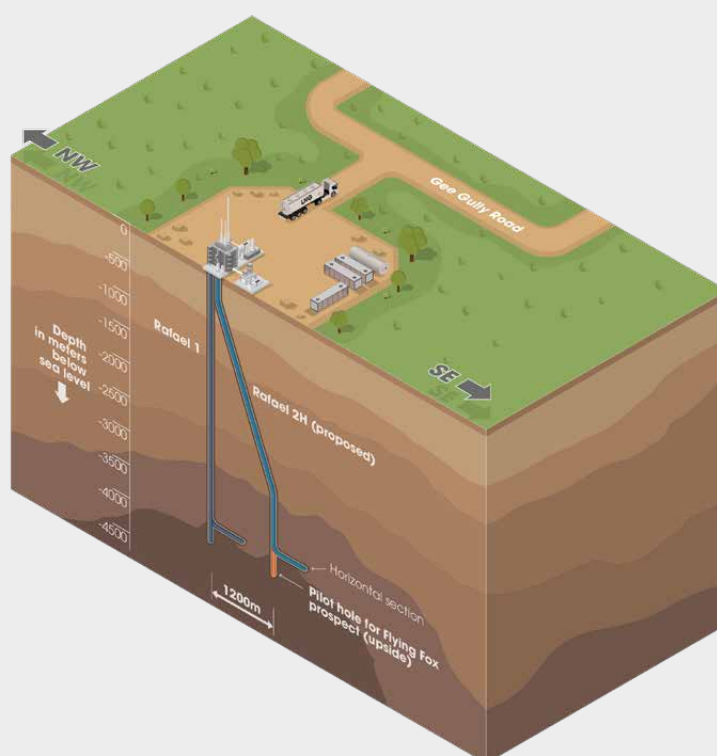
Buru is creating a small-footprint Kimberley gas business that ensures long-term cash flow. This low-impact, low-technology risk development suitable for deployment based around the existing cleared Rafael 1 well pad, was chosen for its ability to expedite regulatory approvals and land tenure, providing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

REVIEW OF OPERATIONS

In November 2025, the Company engaged a Corporate Advisor to manage a global process to secure funding to finance the estimated A\$40 million required for the 2026 Rafael resource and flowrate validation program, and subsequent independent reserves certification. The process has attracted international and domestic parties who are undertaking detailed due diligence on the opportunity to participate in a high value business with significant growth opportunities.

The process is targeted to be completed in time to enable the commitment to long lead items for the 2026 drilling program.

Drilling planning is continuing for the upcoming Rafael resource and flowrate validation program. The current well designs for both Rafael 2H (previously named Rafael B) and Rafael 1 include horizontal sections to optimise deliverability and the ultimate reserves.



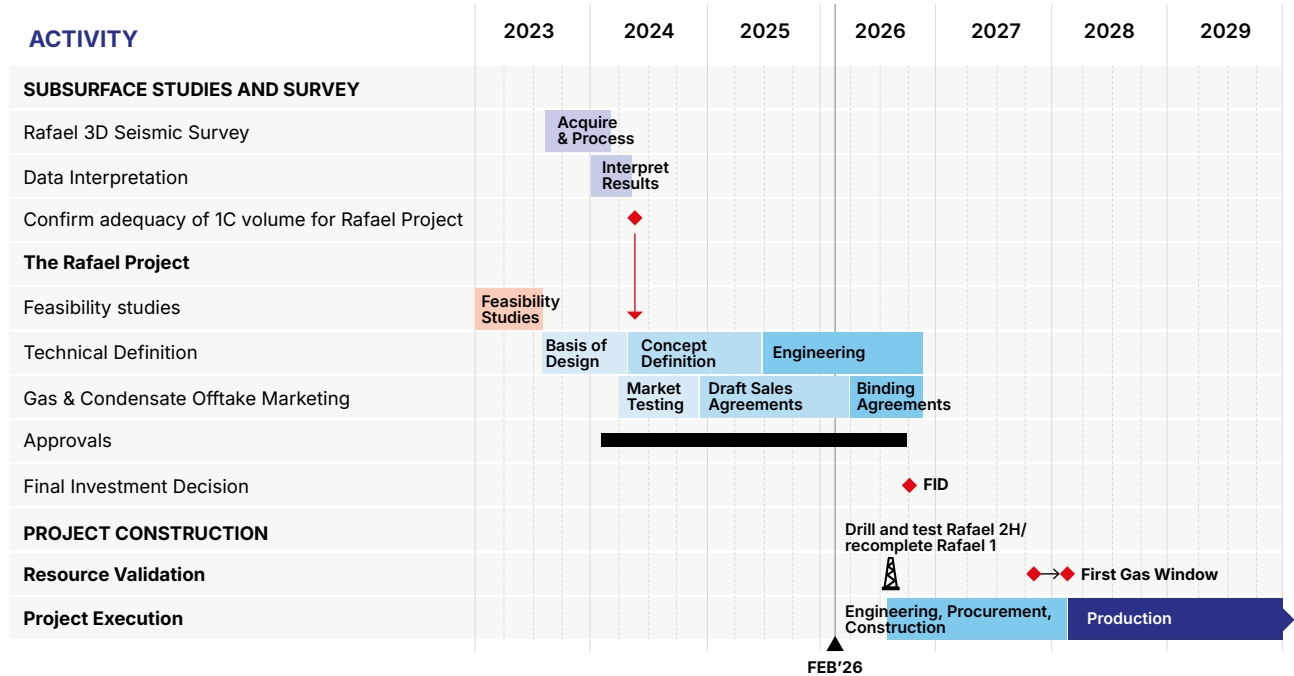
- The Rafael Gas Project is based on high confidence 1C Resource of 85 Bscf¹
- 2C best estimate (220 Bscf)¹ or the 3C resource case (523 Bscf)¹ adds material upside
- Small footprint (based around existing cleared Rafael 1 discovery well pad)
- No pipeline (trucked LNG and condensate)
- Proven design, modularised construction
- Many global plants in operation, with several in Australia and WA
- Up to 300t of LNG and ~250bbls or more of 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

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.

REVIEW OF OPERATIONS

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 mid-2028 as shown in **Figure 2**.



Timeline is indicative and is subject to capital availability, future discussions with potential asset partners, offtake arrangements, land access and regulatory approvals.

Figure 2 Rafael Gas Project Schedule

The Rafael Economic Screening illustrated in Figure 3 below highlights the potential value of Rafael. The development of the Rafael Gas Project represents a transformational value opportunity for Buru.

Based on assumptions of A\$15/GJ for gas and A\$1.50 per litre for condensate, the total project value generated by Rafael is projected to yield a gross unrisks NPV of A\$400 million (100% equity total project economics), along with an annual gross cash flow before tax of approximately A\$70 million.

Based on 1C Contingent Resource of 85 Bcf of gas and 1.8 mmbbls of condensate 14TJ/d, 250t LNG/250bbls condensate/day. Field Life ~20years. 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

REVIEW OF OPERATIONS

Flying Fox Prospect (EP 428 – Buru 100% and Operator)

On 14 August 2025 Buru announced a new exploration prospect, named Flying Fox had been identified following work on the interpretation of the Rafael 3D Seismic acquired in 2023. The Flying Fox prospect lies immediately beneath the main Rafael gas and condensate field at a depth of approximately 4,015m TVDSS³.

The Flying Fox prospect has been assessed to contain Prospective Resources⁵ 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 Resources⁴ 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 2H target location. The Company is currently evaluating the potential to include the testing of the Flying Fox prospect within the 2026 Rafael drilling campaign, via a cost-effective deepening of the Rafael 2H well.

	Chance of Success	Condensate (MMstb)			Gas (Bscf)		
	(COS)	1U	2U	3U	1U	2U	3U
Gross Prospective Resources	45	1.2	5.0	12.6	60	247	614
Net Prospective Resources	45	1.1	4.6	11.3	57	226	551

Figure 4 – Flying Fox Prospective Resources⁵

The Flying Fox prospect has been imaged on the acquired Rafael 3D seismic, 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.

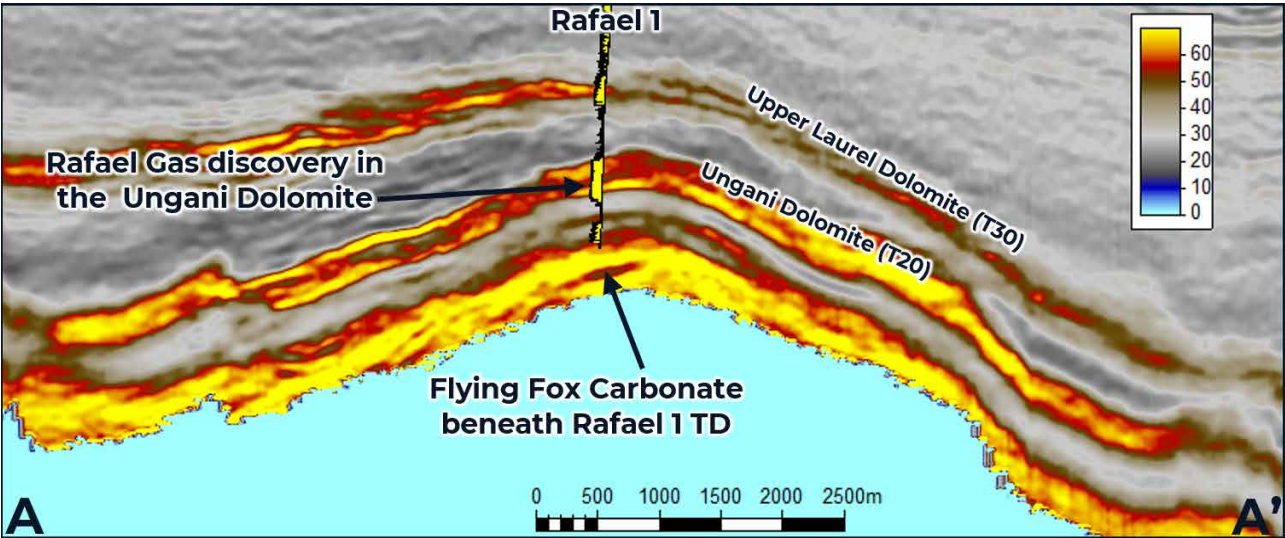


Figure 5 – Flying Fox Prospective location below main Rafael structure

- 3 True Vertical Depth Subsea.
- 4 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.
- 5 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.

REVIEW OF OPERATIONS

Ungani Oilfield (L20/L21 - 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.

Buru continues to explore opportunities to add incremental oil production from near-field prospects located within tie-back distance to the Ungani production facilities, with Mars being the primary target 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 well⁶.

Buru is continuing with its activities to seek a farmout partner for the Mars Prospect, with any potential exploration success providing strategic optionality and funding for Buru's Rafael Gas Project development.

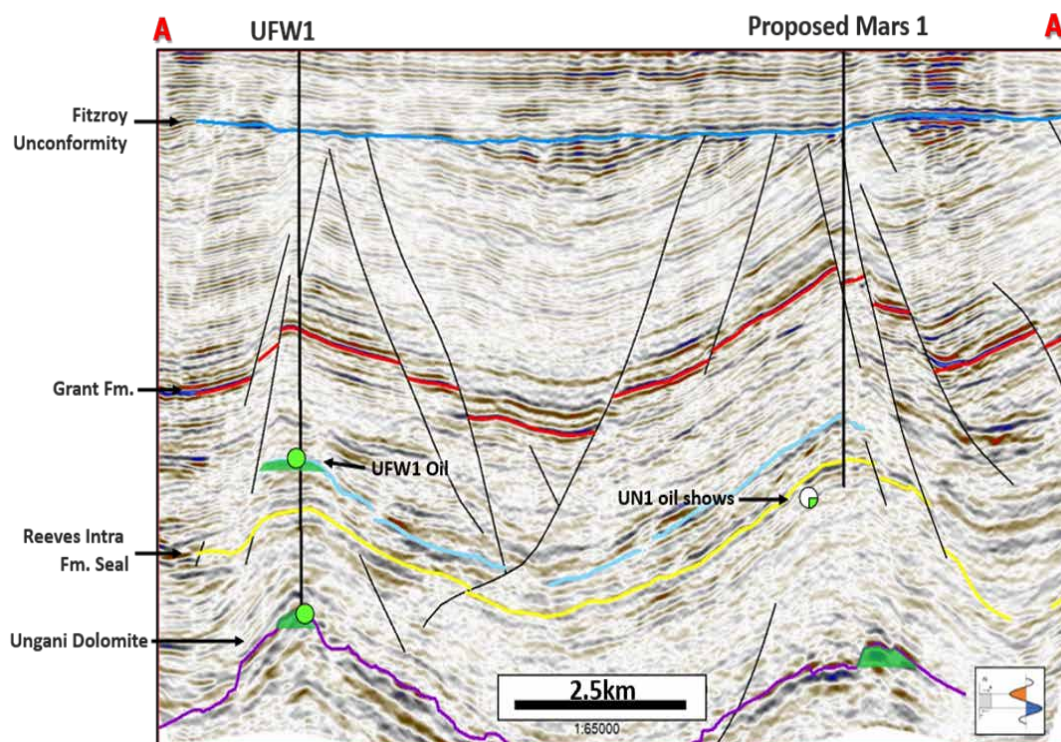


Figure 6 – Section A-A' from Ungani Far West 1 (UFW1) to Mars Prospect

6 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>

REVIEW OF OPERATIONS

Canning Basin Exploration

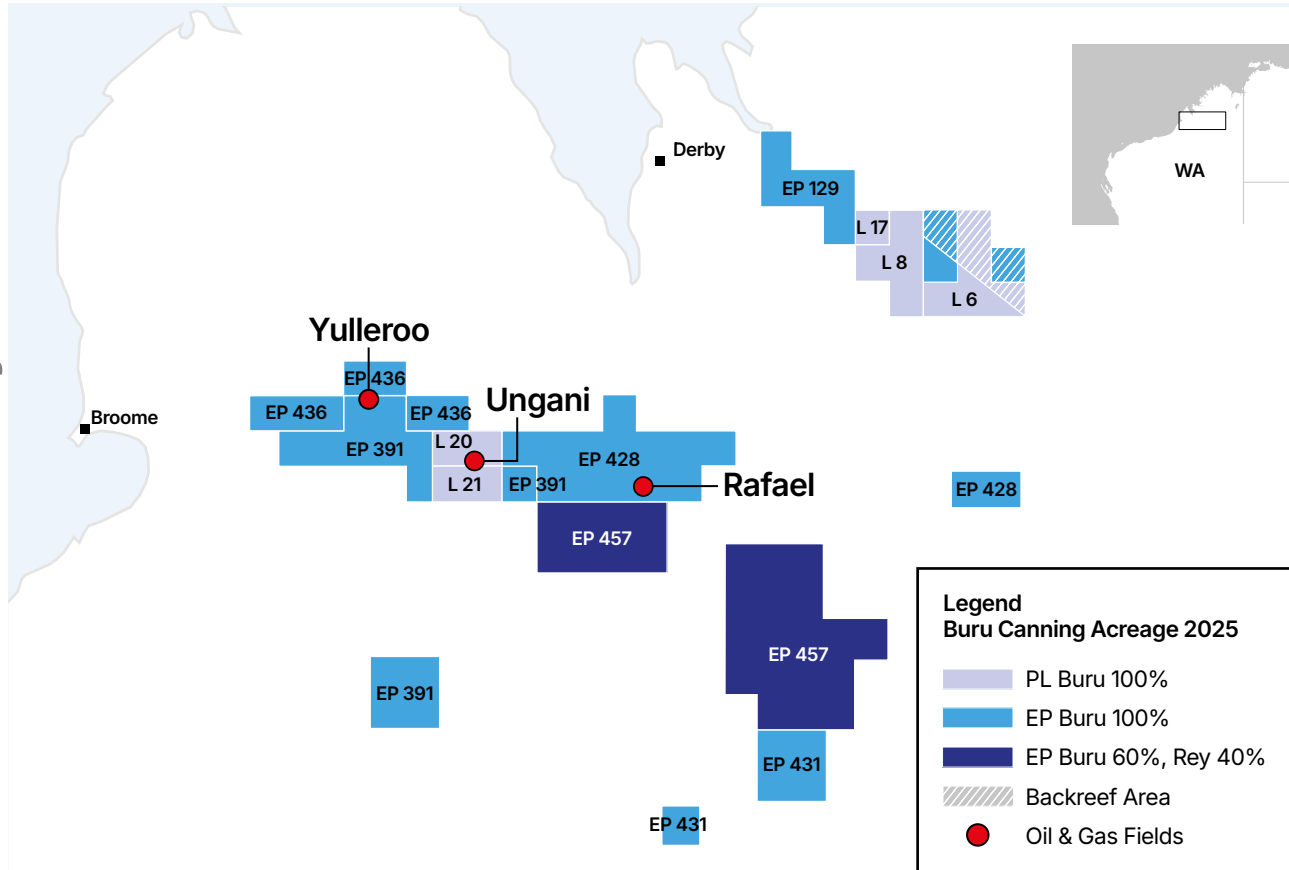


Figure 7 - Buru's Operational Areas in the Canning Basin of Western Australia

Other Assets

L6, L8, L17, EP 129, EP 391, EP 428, EP 431, EP 436, EP 457 (Buru 100% - 60% and Operator)

During the year Buru engaged 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.

The outcome of this rationalisation is a ~60% reduction in exploration permit and production licence areas, as well as the associated regulatory holding costs and work commitments. The Company continues to maintain the permits in good standing with minimal expenditure being incurred.



REVIEW OF OPERATIONS

2H Resources Pty Ltd

On 10 July 2025 the Company announced that it had executed a Share Sale and Purchase Agreement (SSPA) with Koloma Australia Pty Ltd (Koloma) for all the issued share capital of 2H Resources Pty Ltd 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.

The total cash consideration combined was \$1.75 million with an initial cash payment of \$750,000 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.

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.

Buru also executed an Asset Sales and Purchase Agreement (ASPA) with Koloma for certain graticular blocks in the Canning Basin of Western Australia for a consideration of \$250,000.

Battmin (Buru 100%)

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 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.



REVIEW OF OPERATIONS

Corporate

During the year Buru completed a Share Placement and Share Purchase Plan (SPP) raising a total of \$4.45M before costs. The funds raised were used to support Buru's activities identified under its Strategic Development Agreement with Clean Energy Fuels Australia (CEFA) to co-develop the Rafael Gas Project.

On 30 September 2025 Mr Robert Willes retired from his position as Non-Executive Director of Buru. The Board advised there are no plans to appoint an additional director following Mr Willes' departure, with the Board size being reduced to 3 non-executive members for the time being. This was one of several measures implemented during the year supporting the commitment to prudent cost management.

On 18 November 2025, a General Meeting of shareholders was held to approve the ratification of the issue of shares under placement subject to Listing Rule 7.1, issuance of options and ratification of the issue of performance rights to employees. All resolutions put to shareholders were decided by poll and passed.

Corporate Governance

The principles governing the actions of the Board and the employees of the Company are in accordance with the ASX core principles of corporate governance. The Company's full Corporate Governance Statement and Appendix 4G for the year ended 31 December 2025 has been released and can be found on the Company's website.

The Company has in place policies that cover the principal actions under its Corporate Governance Statement, and these may also be found on the Company's website.

Risk Management

The Audit and Risk Committee oversee the establishment, implementation, and annual review of the Group's Risk Management System. Management has established and implemented the Risk Management System for assessing, monitoring, and managing all identified key risks, including material business risks, for the Group (including sustainability risk). The Chief Executive Officer and the Chief Financial Officer have provided assurance, in writing to the Board, that the financial reporting, risk management and associated compliance and controls have been assessed and

found to be operating effectively. The operational and other risk management compliance and controls have also been assessed and found to be operating effectively.

Risk reporting includes the status of risks through integrated risk management programs aimed at ensuring risks are identified, assessed, and appropriately managed. The Audit and Risk Committee report the status of material business risks to the Board on an annual basis.

The risks involved with oil and gas exploration generally and the specific risks associated with Buru Energy's activities in particular are regularly monitored and all exploration and investment proposals reviewed include a conscious consideration of the issues and risks of each proposal. The Company's executive and senior management have extensive experience in the industry and manage and monitor potential exposures facing the Company.

Climate Related Risks and Opportunities

The Board considers the potential impact of climate related risks in its oversight of the Company's strategy. The Company recognises that human activity, including fossil fuel combustion, is contributing to increased levels of carbon dioxide in the atmosphere and that modelling suggests this can lead to changes in the global climate.

The Company recognises that society is transitioning towards energy sources with low carbon dioxide emissions and supports this process. Even in the most ambitious energy transition scenarios, this process will be gradual. Natural gas and oil will continue to play an important role in the global economy for decades to come, and new sources of gas and oil supply are required for a sustainable energy transition. The Company therefore continues with a strategy of monetising its natural gas and oil assets through exploration, appraisal, development, and production.

The Company has identified 3 key areas which are assessed under its Environmental Management Policies, these include *GHG Emissions*, *Climate Adaptation*, *Resilience and Transition* and *Decommissioning*.

Table 1 provides a summary of the Company's performance against its goals set for the material topics identified during the 2024 reporting period for progression in 2025.

REVIEW OF OPERATIONS

Table 1: 2025 Environmental Performance Overview

2025 Material Topic	2025 Goal	2025 Performance
GHG Emissions	Undertake detailed emissions modelling for Scope 1 and 2 emissions associated with the Rafael Gas Project	Rafael Gas Project Scope 1 and 2 emissions modelling commenced.
Climate Adaptation, Resilience & Transition	Pursue best in class LNG facility development as the Rafael Gas Project progresses	In consultation with CEFA and LNG experts, a best-in-class LNG facility development tailored to the Rafael Gas Project was pursued.
	Investigate climate-related exposures that may be relevant to facility design, supply chain and export routes for the Rafael Gas Project	A climate risk assessment was not undertaken in 2025. The climate risk assessment undertaken in 2024 continued to inform facility design during 2025.
	Advocate for the establishment of a commercially viable, safe, and environmentally responsible CCS industry in Western Australia	Buru has continued to communicate the requirements for and barriers to a viable CCS industry in Western Australia to industry and Government bodies and collaborated on a range of proposed CCS policies and programs under the new regulations. Future activities will be linked to the Rafael Project.
	Investigate options for direct carbon capture from Rafael production	Potential options for direct carbon capture were investigated, and none were warranted or appropriate for the Rafael Gas Project at this time.
Decommissioning	Meet decommissioning requirements outlined in permits and legislation	Progressive decommissioning occurred at Company sites across the Canning Basin.
	Continue to identify reuse and repurpose opportunities to minimise landfill disposal	Landfill disposal was minimised with equipment and infrastructure either recycled or repurposed if possible.

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REVIEW OF OPERATIONS

Health, Safety and Environment

Buru Energy is committed to protecting the health and safety of all personnel as well as the environment, cultural heritage, and communities in the vicinity of all its activities. The Company's overarching HSE goal is Zero Harm to people and the environment during its activities. To help manage HSE performance, the Company implements a robust HSE Management System, which includes monitoring and reporting against various targets to meet the overarching goal of Zero Harm.

The Company's onshore operations are regulated by numerous agencies and authorities, principally the Department of Mines, Petroleum and Exploration (DPME) under the Petroleum and Geothermal Energy Resources Act 1967 (PGER Act) and the Petroleum Pipelines Act 1969, Work Health and Safety Act 2020 (WHS Act) and associated regulations. Other regulators include the Department of Water and Environmental Regulation (DWER) under the Rights and Water and Irrigation Act 1914 and the Environmental Protection Act 1986 and a number of other agencies and regulations.

Health, safety, and environmental approvals from the various agencies are required to be in place prior to undertaking any petroleum activities. During

all activities, the Company implements a structured internal HSE audit process to identify opportunities for improvement and measurement of HSE performance. Further, external audits and inspections are often undertaken by regulatory agencies to measure compliance against HSE approvals.

During 2025, Buru Energy is not aware of any material non-compliance with health, safety or environmental legislation or regulations.

Traditional Owner Engagement

No petroleum activity can be conducted on the Company's licences and permits without the consent of the Traditional Owners of the areas, and Buru has never accessed an area without this consent.

The Company continues to comply with the relevant Ungani Traditional Owner agreements it has negotiated with appropriate native title holders and is meeting its targets for Aboriginal employment. Buru also provides support for local Aboriginal ranger groups for key areas in which it operates and gives preference to contracting local Kimberley Aboriginal businesses to provide services subject to pre-qualification requirement, and a competitive tender and selection process.



DIRECTORS' REPORT

The Directors present their report together with the consolidated financial statements of the Group comprising Buru Energy Limited (Buru Energy or Group) and its subsidiaries for the year ended 31 December 2025, and the auditor's report thereon. The Remuneration Report for the year ended 31 December 2025 on pages 26 to 32 forms part of the Directors' report.

Directors

Name, qualifications and independence status	Experience, special responsibilities, and other directorships
 Mr David Maxwell Independent Non-executive Chair (Appointed 29 July 2024) David holds a Master of Technology from Massey University, New Zealand and is a Fellow of the Australian Institute of Company Directors.	David is a leading oil and gas industry executive with more than 25 years' experience in senior executive roles with Cooper Energy (now named Amplitude Energy), BG Group (now owned by Shell), Woodside Energy and Santos. David was the Managing Director and CEO at Cooper Energy from October 2011 until his retirement in March 2023, where he led the transformation and growth of the company into a leading gas supplier for South-east Australia. Prior to Cooper Energy, David worked with the British multinational organisation BG Group, where he led the company's LNG and gas entry into Australia and South-east Asia. His BG roles included a number of material acquisitions and responsibility for all commercial, exploration, business development, strategy and marketing activities for Australia. Before this David held senior leadership positions at Woodside Energy, including three years on the Woodside Executive Committee. David was on the board of the Australian Petroleum Production and Exploration Association from 2018-2023 and has served on a number of other industry association boards, government advisory groups and public company boards. David is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.
 Ms Joanne Williams Independent Non-executive Director (Appointed 22 February 2021) Joanne is a Petroleum/Reservoir Engineer holding a Bachelor of Engineering (Hons) from the University of Adelaide and is a member of the Australian Institute of Company Directors.	Joanne is an experienced industry professional with more than 25 years' experience in technical and executive roles with Woodside Petroleum, Newfield Exploration, Gulf Canada, Clyde Petroleum, Jadestone Energy and Nido Petroleum. Joanne has been directly responsible for managing production operations, exploration drilling and development projects, capital raisings, asset transactions and joint venture interests throughout her career; including as Deputy Managing Director at ASX-listed Nido Petroleum for seven years. Joanne is currently Non-executive Chair of 88 Energy Limited, an Australian-listed explorer and producer and a Non-executive Director of Jadestone Energy plc, an AIM-listed, SE Asian focussed producer. She was previously the Managing Director of Blue Star Helium, a Perth-based helium exploration and development company focused on activities in North America. Joanne is the Chair of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee.

DIRECTORS' REPORT

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Name, qualifications and independence status	Experience, special responsibilities, and other directorships
 Mr Malcolm King Independent Non-executive Director (Appointed 22 February 2021) Malcolm has a Bachelor of Applied Science (Geology) degree from the University of Southern Queensland and a Master of Science (Petroleum Geology) from the University of Aberdeen, Scotland. He is a Member of Australian Institute of Company Directors and a graduate of the Australian Institute of Company Directors Director Program.	Malcolm is an experienced upstream oil and gas executive, with roles spanning technical, commercial and leadership across Asia and Australia, mostly with Shell. His experience includes the exploration & production and gas & power businesses, participating in and leading exploration programs, divestment and M&A campaigns, and LNG project development. He's worked extensively in domestic gas and LNG operations, business development, SPA negotiations and global LNG market development. More recently Malcolm led Senex Energy's commercial and business development functions for their SA and Queensland oil & gas businesses. He is currently an Executive Director of Emperor Energy, an ASX listed energy company with upstream gas assets in south-eastern Australia. Malcolm also provides consulting services to the energy industry. Malcolm is the Chair of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee.
 Mr Robert Willes Independent Non-executive Director (Appointed 2 July 2014) (Retired 30 September 2025) Robert is a Graduate of the Australian Institute of Company Directors and member of the Association of International Petroleum Negotiators. He holds an Honours Degree in Geography from Durham University in the UK and has completed Executive Education Programmes at Harvard Business School in the USA and Cambridge University in the UK.	Robert has over 30 years of extensive international experience in the oil and gas and energy industries, covering senior commercial and leadership positions with BP as well as ASX and government board roles. His BP career included exploration & production, gas & power and global M&A, with responsibility for numerous complex deals such as divestments, farm-ins, asset swaps, new acreage bids, unitisations, gas and LNG sales. A former Managing Director of Challenger Energy Ltd and CEO of Eureka Energy Limited, Robert is also a director of the Mid West Port Authority and has served on a number of boards including the Australian Petroleum Production and Exploration Association, North West Shelf Gas Pty Ltd, North West Shelf Liaison Co. Pty Ltd, North West Shelf Australia LNG Pty Ltd, North West Shelf Shipping Services Co. Pty Ltd, Carbon Reduction Ventures Pty Ltd and Perth Centre for Photography.

DIRECTORS' REPORT

Key Management



Thomas Z Nador

Chief Executive Officer

BSc, PGDip Sc, MAICD

Thomas is a globally experienced oil and gas executive with over 25 years' experience in various roles across the oil and gas value chain, mining and metals, pipelines and infrastructure developments. Thomas has been involved in the development of major oil and gas resources from discovery to production, managed significant pre- and post-merger integrations at an asset and corporate level, and has led large multidisciplinary and multicultural teams to deliver high value, complex and innovative programs of work.

Prior to joining Buru in 2022, Thomas held the position of Group Executive, Development with Beach Energy, Executive Vice President and Country Manager for InterOil Corporation in Papua New Guinea, and Development Manager, Project Interface Manager and Project Integration Manager for LNG projects at Woodside Energy.



Paul Bird

Chief Financial Officer & Company Secretary

BSc, FCCA, AGIA

Paul is a Chartered Accountant and Governance Professional with over 25 years' experience, predominantly within the energy sector with ASX listed companies.

Paul joined Buru in October 2022 following his most recent role as Chief Financial Officer and Company Secretary of ASX listed Metgasco Ltd. He has held previous senior finance leadership roles with national oil companies, publicly listed and private oil companies in Australia, US, Europe and SE Asia.

Paul has been responsible for many aspects of finance and business administration, including financial control and reporting, corporate governance, debt and capital raising, treasury management, insurance and risk management, and tax planning. Paul is experienced in corporate acquisitions and divestments including business valuations and joint venture farm in/out transactions and adds significant strength and diverse capability to Buru.

DIRECTORS' REPORT

Board and Committee Meetings

The number of Board and Committee meetings and the number of meetings attended by each of the Directors of the Company during the year were:

Meeting	Board Meetings		Audit & Risk Committee Meetings		Remuneration & Nomination Committee Meetings	
Director	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
David Maxwell	7	7	5	5	4	4
Joanne Williams	7	7	5	5	4	4
Malcolm King	7	7	5	5	4	4
Robert Willes	5	5	4	4	3	3

Principal Activities

The principal activity of the Group during the period was oil and gas exploration and development in the Canning Basin, in the northwest of Western Australia. Further information is included in the Review of Operations. There were no other significant changes in the nature of the Group's principal activities during the period.

Review of Operations

The Review of Operations for the year ended 31 December 2025 is set out on pages 6 to 16 and forms part of this Directors' Report.

Operating Results

The consolidated loss of the Group after providing for income tax for the year ended 31 December 2025 was \$4,878,000 (31 December 2024: loss of \$13,015,000).

Financial Position

The net assets of the Group totalled \$15,980,000 as at 31 December 2025 (31 December 2024: \$16,492,000).

DIRECTORS' REPORT

Dividends

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

Significant Changes in the State of Affairs

No significant change in the state of affairs of the Group occurred during the period other than as already referred to elsewhere in this report.

After Balance Date Events

No significant events have occurred subsequent to balance date that in the opinion of the directors has significantly affected, or may significantly affect in future financial years:

- the Group's operations; or
- the results of those operations; or
- the Group's state of affairs.

Likely Developments

The Group's likely developments in its operations in future financial years and the expected results of those operations have been included generally in the Review of Operations. Other than as disclosed elsewhere, disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Accordingly, this information has not been disclosed.

Material business risks

1. Exploration, Appraisal and Development

Oil and gas exploration and development involves significant risk and there is no assurance that exploration within the Company's current portfolio, or any other projects that may be acquired in the future, will result in a hydrocarbon discovery. Even if an apparently viable hydrocarbon deposit is discovered or identified, there can be no guarantee that the discovery will be sufficiently productive or the appraisal of the discovery sufficiently positive to justify commercial development or assure a profit on the investment. The ultimate success and continuous profitability of exploration and development activities is influenced by many factors, such as access to customer markets, oil and gas prices, capital, costs, regulatory conditions, community sentiments towards oil and gas activities, actual hydrocarbons and formations encountered by wells, flow consistency and reliability, as well as access to appropriately skilled personnel and other risks.

DIRECTORS' REPORT

2. Reliance on Key Personnel

The Company's success depends to a significant extent upon its key management personnel, as well as other technical and management personnel including contractors, sub-contractors and consultants specific to the oil and gas industry. The loss of the services of any of these personnel or the insolvency or other managerial failure by any of the contractors, sub-contractors or other service providers used by the Company is mitigated by preserving access to alternative options where possible. Notwithstanding this such loss could have an adverse effect on the future operations of the Company.

3. Environmental and Other Regulatory Requirements and Approvals

Before exploration and production activity can commence on any permit or licence, the Company must obtain environmental and other regulatory approvals and there is no assurance that such approvals will be obtained or granted in a timely manner. Delays in the regulatory process and granting of environmental and other necessary approvals could hinder the timing and the Company's ability to pursue operational activities which in some cases could materially impact the outcome.

The Company's operations are subject to environmental laws, including but not limited to, those governing the management of waste, the protection of water and air quality, the discharge of materials into the environment, and the preservation of natural resources which may impact and influence the Company's operations. If the Company fails to comply with environmental laws regarding the discharge of oil, gas, or other materials into the air, soil or water it may be subject to liabilities to the government and third parties, including civil and criminal penalties. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted.

4. Land Tenure

Exploration Permits and Petroleum Licences held by the Company are subject to the approval of the relevant government bodies. Government regulatory authorities generally require permit and licence holder(s) to undertake certain obligations, including work program commitments, and failure to meet those obligations could result in forfeiture or termination. Exploration Permits and Production Licences may also be subject to partial or full relinquishment after certain tenure periods if no alternative permit or licence arrangements (e.g. production licence after periods of non-production) are applied for and approved. In an event of forfeiture, termination or relinquishment, the Company's overall land position would be reduced.

5. Native Title and Heritage Clearances

The Company's exploration permits and production licences are located in the Kimberley region of Western Australia and overlap lands that are subject to native title. Before any exploration activities can be undertaken, the Company is required to obtain heritage clearances from the relevant native title holders or claimants to ensure that no Aboriginal sites will be interfered with by the proposed activities. Although the Company has contractual relationships with the various traditional owner groups and their representative bodies for the areas in which the Company operates, there can be lengthy delays associated with this process, due to weather, availability of traditional owners and representative body staff, and the number of clearances requested by other operators.

6. Future Funding Risk

The Company has a number of appraisal and exploration projects within its portfolio, additional funding will be required at the appropriate time to fund these projects. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its strategy, plans or operations or to look to other funding mechanisms including asset sales or dilution.

DIRECTORS' REPORT

7. Weather

Rainfall associated with the Kimberley's monsoonal wet season (December to March) can isolate sections of the road network in the region, restricting access and hampering drilling, seismic and other operations. The Company is able to conduct operations during the wet season in certain areas where access is available all year round including in and around the Ungani Oilfield, except for short periods following extreme weather events including cyclones.

8. Climate Risk

The Company is exposed to a number of climate change related risks. Material climate related risks include:

- changes in demand and/or prices for products due to regulatory and technological changes (transitional risk);
- increases in operating costs of assets due to carbon-pricing policies or other market mechanisms;
- physical damage to assets or interruption to operations from climatic changes and extreme weather events;
- restrictions on capital deployment to carbon intensive industries; and
- reputational damage driven by stakeholder activism and changing societal expectations.

The occurrence of any of these risks could result in asset impairment, difficulties in accessing project financing, and damage to brand value, amongst other things. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Environmental Regulations

Buru Energy is subject to environmental regulation under relevant Australian and Western Australian legislation in relation to its oil and gas exploration and production activities. DMPE is the primary regulator in Western Australia for petroleum activities though the Group's activities are also regulated by DWER. The Directors actively monitor compliance with these regulations. As at the date of this report, the Directors are not aware of any material breaches in respect of the regulations.

DIRECTORS' REPORT

Directors' Interests

The relevant interest of each Director in the shares or options issued by the Company, as notified by the Directors to the ASX in accordance with s205G(1) of the *Corporations Act 2001*, at the date of this report were as follows:

Directors	Ordinary Shares	Unlisted Options
David Maxwell	7,500,000	2,650,000
Malcolm King	201,824	1,000,000
Joanne Williams	-	1,000,000
Total	7,701,824	4,650,000

Indemnification and Insurance of Officers

The Company has agreed to indemnify all current Directors and officers of the Company and its controlled entities against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

During the year, the Company has paid insurance premiums of \$191,785 (2024: \$214,830) in respect of Directors' and officers' liability. The premiums cover current and former Directors and officers, including senior executives of the Company and Directors and secretaries of its controlled entities. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

Proceedings on Behalf of Company

No person has applied for leave from any Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the period.

Non-audit Services

During the period, the Company's auditor did not perform any other services in addition to their statutory full year audit and half year review. During the year ended 31 December 2025, the amount paid or payable to the Group's auditor (KPMG Australia) for statutory audit and review services totalled \$99,750 (2024: \$103,000).

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DIRECTORS' REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 33 and forms part of the Directors' Report for the year ended 31 December 2025.

Rounding off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the Consolidated Financial Statements 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
Independent Non-Executive Chair

Perth
20 March 2026



Mr Malcolm King
Independent Non-executive Director

Perth
20 March 2026

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REMUNERATION REPORT - AUDITED

Principles of remuneration - Audited

This remuneration report outlines the remuneration arrangements of the Company's Directors and other key management personnel (KMP) in accordance with the requirements of the *Corporations Act 2001* and its Regulations. In accordance with section 308(3C) of the *Corporations Act 2001*, the Remuneration Report has been audited and forms part of the Directors' Report.

KMP have the authority and responsibility for planning, directing and controlling the activities of the Group and comprise the Directors, executives and senior management in accordance with s300A of the *Corporations Act 2001*.

Remuneration levels for KMP are competitively set to attract and retain appropriately qualified and experienced Directors and executives. The remuneration structures explained below are designed to reward the achievement of the Company's strategic objectives and achieve the broader outcome of the creation of shareholder value. The Company's remuneration structures take into account:

- the capability and experience of KMP; and
- the Group's corporate, operational and financial performance.

Remuneration packages include a mix of fixed and variable remuneration, and short and long term performance based incentives.

Fixed remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any FBT charges related to employee benefits), as well as employer contributions to superannuation funds. Remuneration levels are reviewed annually by the Remuneration and Nomination Committee through a process that considers individual, segment and overall performance of the Group. In addition, external consultants may provide analysis and advice to ensure the Directors, executive and senior management remuneration is competitive in the market place. Remuneration is also reviewed on promotion.

Performance linked remuneration

Performance linked remuneration includes both short-term and long-term incentives, and is designed to reward KMP executive members for meeting or exceeding the Company's expectations and agreed objectives. Any short-term incentive (STI) is an 'at risk' bonus provided in the form of cash, while any long-term incentive (LTI) is provided under the Employee Incentive Performance Rights Plan. The LTI is structured to ensure that incentives are appropriately aligned to sustainable shareholder value creation.

Short-term incentive scheme

The STI scheme is an annual "at-risk" component of remuneration, designed to reward executives for the delivery of specific operational, financial, and strategic targets set at the beginning of the financial year.

For the 2025 reporting period, the STI scorecard was weighted toward the core pillars of our business strategy: health, safety, environmental and risk management; asset development and growth outcomes; social license; and business efficiency.

The Board approved the following STI payments to KMP executive members for the year ended 31 December 2025:

Executive	Max STI (% of Fixed Rem)	Actual STI Awarded	% of Max Awarded	% of Max Forgone
Thomas Nador*	33%	-	0%	100%
Paul Bird	25%	\$45,609	49%	51%

*Mr Nador elected to forgo his 2025 STI entitlement.

REMUNERATION REPORT - AUDITED

Long-term incentive scheme

The Remuneration and Nomination Committee considers that an LTI scheme structured around equity-based remuneration is necessary to attract and retain the highest calibre of professionals to the Group, whilst preserving the Group's cash reserves. The purpose of these schemes is to align the interests of KMP executive members with shareholders interests and to reward, over the medium term, KMP executive members for delivering value to shareholders through share price appreciation.

The LTI is delivered in the form of Performance Rights (PR). When exercised, each PR entitles the participant to one ordinary share in the Company for no consideration at the end of the performance period, subject to meeting specific vesting conditions.

For the 2025 period there were no Performance Rights granted under the LTI scheme.

Consequences of performance on shareholder wealth

The Board considers that the most effective way to increase shareholder wealth is through the successful exploration and development of the Group's gas and oil exploration permits. The Board considers that the Group's LTI schemes incentivise KMP to achieve these outcomes by providing rewards, over the short and long term that are directly correlated to delivering value to shareholders through share price appreciation. The Company's relative share price performance is the primary measure when the Board considers the effectiveness of LTI remuneration consequences on shareholder wealth.

The *Corporations Act 2001* requires disclosure of the Company's remuneration policy to contain a discussion of the Company's earnings and performance and the effect of the Company's performance on shareholder wealth in the reporting period and the four previous financial years. The table below provides a five-year financial summary to 31 December 2025.

12 months ended	Dec 25	Dec 24	Dec 23	Dec 22	Dec 21
Net profit / (loss) after tax (\$million)	(4.88)	(13.02)	(5.12)	(32.78)	(10.75)
EPS (loss) (cents) basic	(0.58)	(1.87)	(0.85)	(5.74)	(2.15)
EPS (loss) (cents) diluted	(0.58)	(1.87)	(0.85)	(5.74)	(2.15)
Share price (\$) – start of the year	0.04	0.115	0.092	0.245	0.125
Share price (\$) – end of the year	0.017	0.04	0.11	0.095	0.23
Share on issue (million)	1,002.33	779.41	671.35	596.04	538.44
Market capitalisation (\$million)	17.04	31.18	73.85	56.62	123.84

REMUNERATION REPORT - AUDITED

Service contracts

The employment contract with the Chief Executive Officer, Mr Thomas Nador, is unlimited in term but capable of termination with three months' notice by either party, or by payment in lieu thereof at the discretion of the Company. Six months of base salary and pro-rated STI and LTI entitlements are payable upon termination by either party in the event of a change in control of the Company.

The employment contract with the Chief Financial Officer, Mr Paul Bird, is unlimited in term but capable of termination notice with three months' notice by either party, or by payment in lieu thereof at the discretion of the Company. Three months of base salary and pro-rated STI and LTI entitlements are payable upon termination by either party in the event of a change in control of the Company.

The Remuneration & Nomination Committee determines the amount of remuneration payable to KMP executive members under each agreement. KMP executive members are also entitled to receive their contractual and statutory entitlements including accrued annual and long service leave, together with any superannuation benefits, on termination of employment. Remuneration levels are reviewed each year to take into account, current market rates, cost-of-living changes, any change in the scope of the role performed by KMP executive members and any changes required to meet the principles of the Group's remuneration policy.

Services from remuneration consultants

There were no services received from remuneration consultants during the period.

Non-executive Directors

Total fixed remuneration for all Non-executive Directors, last voted upon by shareholders at the 2012 Annual General Meeting, is not to exceed \$600,000 per annum.

Effective from 1 December 2024, the Non-executive Directors' base fee was reduced from \$96,000 to \$70,000 plus statutory superannuation per annum and the Chair's base fee was reduced from \$150,000 to \$130,000 plus statutory superannuation per annum. An additional fee of \$5,000 (reduced from \$7,400 pre-December 2024) plus statutory superannuation per annum is payable for Non-executive Directors being a member of a Committee and the fee for chairing a Committee is \$10,000 (reduced from \$14,600 pre-December 2024) plus statutory superannuation.

The Chair does not receive any fees for participating in any Committee. As consideration for the reduction in the Non-executive Directors base fees, 3.9 million Director Options were issued to Non-executive Directors following approval by Shareholders at the 2025 Annual General Meeting.

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REMUNERATION REPORT - AUDITED

Key Management Personnel Remuneration - Audited

Details of the nature and amount of each major element of remuneration of each director of the Company and other Key Management Personnel of the consolidated entity are:

		Fees	Total	Superannuation benefits	Share-based payments Options (B)	Total
Mr D Maxwell, NED – Chair	2025	130,000	130,000	15,275	44,707	189,982
	2024	59,575	59,575	6,851	-	66,426
Mr M King, NED	2025	85,000	85,000	9,987	23,530	118,517
	2024	115,250	115,250	12,959	-	128,209
Ms J Williams, NED	2025	81,250	81,250	9,550	23,530	114,330
	2024	108,233	108,233	12,170	-	120,403
Mr R Willes, NED (retired 30 September 2025)	2025	63,750	63,750	7,437	-	71,187
	2024	115,250	115,250	12,959	-	128,209
Mr E Streitberg, NED - Chairman (retired 15 August 2024)	2025	-	-	-	-	-
	2024	93,548	93,548	10,383	-	103,931
Total Directors' Remuneration	2025	360,000	360,000	42,249	91,767	494,016
	2024	491,856	491,856	55,322	-	547,178

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REMUNERATION REPORT - AUDITED

		Short term				Post-employment			Other long term			Share-based payments			s300A(1)(e)(i) proportion of remuneration performance related
		Salary	Annual leave	STI cash bonus	Non-monetary benefits (A)	Other short-term benefits (C)	Total	Super-annuation benefits	Long service leave accrued	Other long-term benefits (D)	Termination benefits	Options (B)	Performance Rights (E)	Total	
Mr T Nador, Chief Executive Officer	2025	470,142	38,462	-	11,835	2,297	522,736	64,500	5,522	50,000	-	-	-	642,758	8%
	2024	473,077	38,462	-	9,895	2,297	523,731	56,250	3,603	-	-	-	-	583,584	0%
Mr P Bird, Chief Financial Officer & Company Secretary	2025	299,182	24,293	45,609	12,829	2,297	384,210	42,621	3,580	-	-	-	16,432	446,843	14%
	2024	300,082	24,198	41,235	10,789	2,297	378,601	40,148	2,352	-	-	-	-	421,101	10%
Total Executive Officer	2025	769,324	62,755	45,609	24,664	4,594	906,946	107,121	9,102	50,000	-	-	16,432	1,089,601	-
Remuneration	2024	773,159	62,660	41,235	20,864	4,594	902,332	96,398	5,955	-	-	-	-	1,004,685	-
Notes in relation to the table of KMP remuneration															
A. Non-monetary benefits to KMP relate to the provision of car parking, life insurance and salary continuance insurance.															
B. The fair value of the options is calculated at the date of grant using the Black & Scholes option-pricing method and expensed at grant date.															
C. Other short-term benefits to KMP relate to the allowance for mobile devices.															
D. Other long-term benefits to KMP relate to cash-settled discretionary payment in lieu of the grant of performance rights associated with the 2023 CEO long-term incentive (LTI) outcome.															
E. 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.															

REMUNERATION REPORT - AUDITED

Loans to Key Management Personnel

There were no loans outstanding at the end of the period to key management personnel or their related parties.

Ordinary Shares held by Key Management Personnel

KMP	Held at 1 Jan 25	Ceased to be a Director of Buru	Exercise of options	Exercise of Performance Rights	Purchased	Sold	Held at 31 Dec 25
Mr D Maxwell	6,000,000	-	-	-	1,500,000	-	7,500,000
Mr M King	201,824	-	-	-	-	-	201,824
Ms J Williams	-	-	-	-	-	-	-
Mr R Willes (Retired)	310,957	(310,957)	-	-	-	-	Not Applicable
Mr T Nador	400,000	-	-	-	50,000	-	450,000
Mr P Bird	4,000	-	-	280,000	-	-	284,000

Options held by Key Management Personnel

KMP	Held at 1 Jan 25	Granted	Purchased	Exercised	Lapsed	Held at 31 Dec 25	Vested During the Year	Vested and exercisable
Mr D Maxwell	-	1,900,000	750,000	-	-	2,650,000	2,650,000	2,650,000
Mr M King	-	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000
Ms J Williams	-	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000
Mr R Willes (Retired)	-	-	-	-	-	-	-	Not Applicable
Mr T Nador	-	-	25,000	-	-	25,000	25,000	25,000
Mr P Bird	500,000	-	-	-	(500,000)	-	-	-

REMUNERATION REPORT - AUDITED

Details of Options Granted to KMP during the year:

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
Accounting value recognised to date	\$91,767
Accounting value still to be recognised	-

Performance Rights held by Key Management Personnel

KMP	Held at 1 Jan 25	Granted	Exercised	Lapsed	Held at 31 Dec 25	Vested During the Year	Vested and exercisable
Mr T Nador	-	-	-	-	-	-	-
Mr P Bird	-	560,000	280,000	-	280,000	280,000	280,000

Details of Performance Rights Granted to KMP executive members during the year:

A total of 560,000 Performance Rights were issued to KMP of the Company during the reporting period.

These Performance Rights consist of the following:

Number of Rights	Vesting	Basis
280,000	1 July 2025	Service Based
280,000	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.



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 audit of the financial report of Buru Energy Limited for the financial year ended 31 December 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

GL + 177

Graham Hogg
Partner
Perth
20 March 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

<i>in thousands of AUD</i>	Note	31 December 2025	31 December 2024
Current Assets			
Cash and cash equivalents	10a	4,149	7,944
Trade and other receivables	8	440	656
Inventories	9	147	147
Total Current Assets		4,736	8,747
Non-Current Assets			
Exploration and evaluation expenditure	6	23,905	20,857
Property, plant and equipment	7	2,091	2,192
Total Non-Current Assets		25,996	23,049
Total Assets		30,732	31,796
Current Liabilities			
Trade and other payables	13	760	1,514
Lease liabilities	7	433	398
Provisions	14	888	1,066
Total Current Liabilities		2,081	2,978
Non-Current Liabilities			
Lease Liabilities	7	556	584
Provisions	14	12,115	11,742
Total Non-Current Liabilities		12,671	12,326
Total Liabilities		14,752	15,304
Net Assets		15,980	16,492
Equity			
Contributed equity	11	314,048	310,771
Reserves		1,089	69
Accumulated losses		(299,157)	(294,348)
Total Equity		15,980	16,492
<i>The notes on pages 38 to 67 are an integral part of these consolidated financial statements</i>			

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>in thousands of AUD</i>	Note	31 December 2025	31 December 2024 Restated*
Care and maintenance costs		(472)	(542)
Other income		255	-
Exploration and evaluation expenditure		(1,611)	(8,673)
Changes in restoration provision		(1)	(52)
Gain on sale of exploration assets		59	-
Movement in inventories		-	113
Corporate and administrative expenditure	2	(3,141)	(3,283)
Share-based payment expenses	15	(199)	-
Results from operating activities		(5,110)	(12,437)
Net finance income / (expense)	3	(73)	353
Loss before income tax from continuing operations		(5,183)	(12,084)
Discontinued Operation			
Profit / (loss) from discontinued operation	4	305	(931)
Loss for the period		(4,878)	(13,015)
Income tax expense	5	-	-
Total comprehensive loss		(4,878)	(13,015)
Loss per share (cents) and diluted loss per share (cents)	12	(0.58)	(1.87)
Loss per share (cents) and diluted loss per share (cents) for continuing operations	12	(0.62)	(1.73)
<i>The notes on pages 38 to 67 are an integral part of these consolidated financial statements</i> <i>* Refer to Note 4 Discontinued Operation - Disposal of Subsidiary</i>			

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital \$	Share-based payment reserve \$	Accumulated losses \$	Total equity \$
<i>in thousands of AUD</i>				
Balance as at 1 January 2024	304,458	69	(281,333)	23,194
Comprehensive loss for the period				
Loss for the period	-	-	(13,015)	(13,015)
Total comprehensive loss for the period	-	-	(13,015)	(13,015)
Transactions with owners recorded directly in equity				
Issue of ordinary shares, net of transaction costs	6,313	-	-	6,313
Share-based payment transactions	-	-	-	-
Share options lapsed	-	-	-	-
Total transactions with owners recorded directly in equity	6,313	-	-	6,313
Balance as at 31 December 2024	310,771	69	(294,348)	16,492
<i>in thousands of AUD</i>				
Balance as at 1 January 2025	310,771	69	(294,348)	16,492
Comprehensive loss for the period				
Loss for the period	-	-	(4,878)	(4,878)
Total comprehensive loss for the period	-	-	(4,878)	(4,878)
Transactions with owners recorded directly in equity				
Issue of ordinary shares, net of transaction costs	3,277	-	-	3,277
Share-based payment transactions	-	1,089	-	1,089
Share options lapsed	-	(69)	69	-
Total transactions with owners recorded directly in equity	3,277	1,020	69	4,366
Balance as at 31 December 2025	314,048	1,089	(299,157)	15,980
<i>The notes on pages 38 to 67 are an integral part of these consolidated financial statements</i>				

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>in thousands of AUD</i>	Note	31 December 2025	31 December 2024
Cash flows from operating activities			
Payments to suppliers and employees		(2,262)	(4,609)
Payments for exploration and evaluation		(4,170)	(8,999)
Research and development tax concession received		751	247
Net cash outflow from operating activities	10b	(5,681)	(13,361)
Cash flows from investing activities			
Interest received		117	440
Receipts from other income		255	-
Payments for capitalised exploration and evaluation		(3,010)	(6,658)
Proceeds from divestment of subsidiary	4	750	-
Net gain from sale of exploration assets		58	-
Joint venture partner exit consideration		-	3,367
Net cash inflow/(outflow) from investing activities		(1,830)	(2,851)
Cash flows from financing activities			
Proceeds from the issue of share capital		4,433	6,700
Transaction costs arising from the issue of share capital		(266)	(387)
Payments for lease liabilities		(447)	(453)
Net cash inflow from financing activities		3,720	5,860
Net increase/(decrease) in cash and cash equivalents		(3,791)	(10,352)
Cash and cash equivalents at the beginning of the period		7,944	18,197
Effect of exchange rate changes on cash and cash equivalents		(4)	99
Cash and cash equivalents at end of the period	10a	4,149	7,944
<i>The notes on pages 38 to 67 are an integral part of these consolidated financial statements</i>			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Basis of Preparation

Buru Energy Limited (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 consolidated financial statements of the Company as at, and for the year ended 31 December 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 the exploration, development and production of gas and oil resources in Australia.

This section sets out the basis upon which the Group's financial statements are prepared as a whole. Significant accounting policies and key judgements and estimates of the Group that summarise the measurement basis used and assist in understanding the financial statements are described in the relevant note to the financial statements or are otherwise provided in this section. The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements of the Group comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB). The financial statements were approved by the Board of Directors on 20 March 2026. The accounting policies have been applied consistently by Group entities to all periods presented in these consolidated financial statements. The consolidated financial statements have been prepared on the historical cost basis unless stated otherwise.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the Consolidated Financial Statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Basis of Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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 31 December 2025 the Group recognised a net loss of \$4,878,000 (31 December 2024: \$13,015,000), had net cash outflows from operating activities of \$5,681,000 (31 December 2024: \$13,361,000) and net cash outflows from investing activities of \$1,830,000 (31 December 2024: \$2,851,000). The Group held cash and cash equivalents of \$4,149,000 at 31 December 2025 (31 December 2024: \$7,944,000).

The Directors review of cash flow forecasts, confirm that the going concern basis of accounting remains appropriate but acknowledge that additional fund-raising activities in the near term, by way of a share placement, share issues, debt 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.

Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars, which is each of the Group entities' functional currency. Transactions in foreign currencies are translated to Australian dollars at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS 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. Information about assumptions and estimation uncertainties in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are:

- Note 5 – Recognition of tax losses
- Note 6 – Exploration and evaluation expenditure
- Note 14 – Provisions

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Results for the Year

This section explains the results and performance of the Group including additional information about those individual line items in the financial statements most relevant in the context of the operations of the Group, including accounting policies that are relevant for understanding the items recognised in the financial statements and an analysis of the Group's result for the year by reference to key areas, including operating segments, revenue, expenses, employee costs, taxation and earnings per share.

1. Segment Information

An operating segment is a component of Buru Energy that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of Buru Energy's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer, Chief Financial Officer and other executives to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Segment results that are reported to the Chief Executive Officer and Chief Financial Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and head office expenses. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

The Group has only one reportable geographical segment being Australia. The reportable operating segments 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 has been placed under care and maintenance after operations were suspended in August 2023. The Company continues to explore opportunities to add incremental oil production from near-field prospects located within tie-back distance to the Ungani production facilities
- 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;
 - evaluation of the other areas in the Group's portfolio.
- Energy Transition: The Company completed the divestment of Battmin (Battery Minerals) assets and 2H Resources (Natural Hydrogen) during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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 segments revenues, profit or loss and assets to the consolidated figures.

Profit or loss	Oil Production			Exploration			Energy Transition			Unallocated			Total	
	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24
<i>in thousands of AUD</i>														
Care and maintenance costs	(472)	(542)	-	-	-	-	-	-	-	-	-	-	(472)	(542)
Other income	-	-	-	-	-	-	-	-	255	-	255	-	255	-
Exploration and evaluation expenditure	-	-	(1,509)	(7,837)	(102)	(836)	-	-	-	-	(1,611)	-	(8,673)	(1,611)
Gain on sale of exploration assets	-	-	59	-	-	-	-	-	-	-	-	-	59	-
Changes in restoration provisions	(146)	367	145	(419)	-	-	-	-	-	-	(1)	-	(1)	(52)
Movement in inventories	-	-	-	113	-	-	-	-	-	-	-	-	-	113
Depreciation expense	-	-	-	-	-	-	-	-	(518)	(518)	(518)	(518)	(518)	(518)
Corporate and administrative expenditure	-	-	-	-	-	-	-	-	(2,623)	(2,765)	(2,623)	(2,765)	(2,623)	(2,765)
Share-based payment expenses	-	-	-	-	-	-	-	-	(199)	-	(199)	-	(199)	-
Profit/(loss) from discontinued operation	-	-	-	-	305	(931)	-	-	-	-	305	-	305	(931)
EBIT	(618)	(175)	(1,305)	(8,143)	203	(1,767)	(3,085)	(3,283)	(4,805)	(3,283)	(4,805)	(13,368)	(4,805)	(13,368)
Net finance income / (expense)	-	-	-	-	-	-	-	-	(73)	353	(73)	353	(73)	353
Reportable segment profit / (loss) before tax	(618)	(175)	(1,305)	(8,143)	203	(1,767)	(3,158)	(2,930)	(4,878)	(2,930)	(4,878)	(13,015)	(4,878)	(13,015)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Total Assets	Oil Production		Exploration		Energy Transition		Unallocated		Total	
<i>in thousands of AUD</i>	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24	Dec 25	Dec 24
Current assets	-	-	147	147	-	-	4,589	8,600	4,736	8,747
Exploration and evaluation assets	-	-	23,905	20,857	-	-	-	-	23,905	20,857
Property, plant and equipment	-	-	-	-	-	-	2,091	2,192	2,091	2,192
Total Assets	-	-	24,052	21,004	-	-	6,680	10,792	30,732	31,796
Capital Expenditure	-	-	3,262	6,011	-	-	-	-	3,262	6,011
Total Liabilities										
Current liabilities	39	171	858	1,590	-	-	1,184	1,217	2,081	2,978
Lease liabilities (Non-current)	-	-	28	29	-	-	528	555	556	584
Provisions (Non-current)	7,173	6,961	4,840	4,705	-	-	102	76	12,115	11,742
Total Liabilities	7,212	7,132	5,726	6,324	-	-	1,814	1,848	14,752	15,304

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

2. Corporate and Administrative Expenditure

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Corporate and other administration expenses	3,141	3,283

The above expense excludes share-based payments disclosed at note 15.

Total personnel expenses for the 2025 year amounted to \$3,657,000, (2024: \$5,097,000) prior to Joint Venture reimbursements. Net personnel expenses are included in Cost of Sales, Exploration and Evaluation Expenditure and Corporate and Administrative Expenditure.

3. Net Finance Income / (Expense)

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Finance Income		
Interest income on bank deposits and receivables	67	430
	67	430
Finance Expense		
Unwinding of interest on restoration liabilities	(109)	(140)
Interest income / (expense) on lease liabilities	(28)	(36)
Net foreign exchange gain / (loss)	(3)	99
	(140)	(77)
Net finance income / (expense) recognised in profit or loss	(73)	353

Accounting Policy

Finance income comprises interest income on funds invested (including financial assets). Interest income is recognised as it accrues in profit or loss, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

4. Discontinued Operation – Disposal of Subsidiary

During the year, the Company executed a Share Sale and Purchase Agreement (SSPA) with Koloma Australia Pty Ltd (Koloma) for all the issued share capital of 2H Resources (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.

On 7 August 2025, all completion obligations under the SSPA were met, accordingly, all the issued share capital of 2HR which includes the beneficial interest in all its PELA and GSELA areas in South Australia, EL in Tasmania, and SPA in Western Australia have been transferred from Buru to Koloma, with Koloma accountable for 2HR's operational control, costs and work program commitments from 1 July 2025.

The total cash consideration was \$1.75 million which is made up of \$0.75 million on Completion, and further staged cash payments up to \$1.0 million payable upon the phased conversion of 2HR's South Australian PELA areas to Exploration Licenses. No amounts have been recognised in these financial statements for the contingent amounts given the assessment of probability at year end.

The result of the operating activities of 2HR up to the date of disposal were:

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Expenditure incurred to date of disposal	(445)	(931)
Loss for the period	(445)	(931)

The Group received cash consideration of \$0.75 million upon completion of the SSPA.

<i>in thousands of AUD</i>	
Consideration received	750
Less: Loss from discontinued operation	(445)
Gain on disposal	305

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

5. Taxation

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Current income tax		
Current income tax charge	-	-
Adjustments in respect of previous current income tax	-	-
	-	-
Deferred income tax		
Tax relating to origination and reversal of temporary differences	-	-
	-	-
Total income tax expense reported in equity	-	-
Numerical reconciliation between tax expense and pre-tax accounting profit		
Accounting profit / (loss) before tax	(4,878)	(13,015)
Income tax (expense) / benefit using the domestic corporation tax rate of 30%	1,463	3,904
(Increase) / decrease in income tax due to:		
Non-deductible expenses	(63)	(4)
Temporary differences and tax losses not brought to account as a DTA	(1,400)	(3,900)
Tax losses utilised	-	-
Income tax benefit / (expense) on pre-tax loss	-	-

Accounting Policy

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Unrecognised net deferred tax assets

Net deferred tax assets have not been recognised in respect of the following items.

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024	Movement
Deferred tax assets			
Accruals	22	34	(12)
Provisions	229	219	10
Development expenditure	4,020	5,136	(1,116)
Rehabilitation	3,679	3,632	47
Lease liabilities	297	294	3
Tax losses	71,309	68,320	2,989
Unrealised foreign exchange	1	(43)	44
	79,557	77,592	1,965
Deferred tax liabilities			
Property, plant and equipment	(239)	(308)	69
Exploration expenditure	(7,172)	(6,257)	(915)
Prepayments	(4)	(5)	1
Lease assets	(339)	(345)	6
	(7,754)	(6,915)	(839)
Net DTA not brought to account	71,803	70,677	1,126

Accounting Policy

Deferred tax is not provided for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, nor differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. In accordance with the group's accounting policies for deferred taxes, a deferred tax asset is recognised for unused tax losses only if it is probable that future taxable profits will be available to utilise those losses. Determination of future taxable profits requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. This includes estimates and judgements about oil and gas prices, reserves, exchange rates, future capital requirements, future operational performance and the timing of estimated cash flows. Changes in these estimates and assumptions could impact on the amount and probability of estimated taxable profits and accordingly the recoverability of deferred tax assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not yet probable that future taxable profit will be available against which the Group can utilise the benefits.

Tax consolidation

The Company and its 100% owned entities have formed a tax consolidated group. Members of the consolidated entity have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned controlled entities on a pro-rata basis. The agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At balance date, the possibility of default is remote.

Tax effect accounting by members of the Consolidated Group

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach which is consistent with the principles of AASB 112 Income Taxes. The allocation of taxes under the tax funding agreement are recognised as an increase/decrease in the controlled entities intercompany accounts with the tax consolidated group head entity, Buru Energy. In this regard, Buru Energy has assumed the benefit of tax losses from the member entities. The nature of the tax funding agreement is such that no tax consolidation contributions by or distributions to equity participants are required.

Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

6. Exploration and Evaluation Expenditure

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Carrying amount at beginning of the period	20,857	14,846
Exploration assets additions	3,262	6,011
Disposal of exploration assets	(214)	-
Carrying amount at the end of the period	23,905	20,857

Accounting Policy

Exploration and evaluation expenditure in respect of each area of interest is accounted for using the successful efforts method of accounting. The successful efforts method requires all exploration and evaluation expenditure to be expensed in the period it is incurred, except the costs of drilling successful wells and the costs of acquiring interests in new exploration assets, and appraisal costs relating to determining development feasibility, which are capitalised as an asset.

An exploration/appraisal well is unsuccessful if no recoverable hydrocarbons are identified, or the Board considers that the hydrocarbons are not commercially viable. Where hydrocarbon resources exist, the costs of successful wells may remain capitalised where further appraisal of the discovery is planned. If this further appraisal does not lead to the discovery of commercially recoverable reserves, all these costs would be impaired. Exploration and evaluation expenditure is accumulated on a well-by-well basis and may be carried forward at the end of a reporting period, pending determination.

An area of interest refers to an individual geological area where the presence of oil or a natural gas field is considered favourable or has been proved to exist, and in most cases will comprise an individual prospective oil or gas field. Exploration and evaluation expenditure is recognised in relation to an area of interest when the rights to tenure of the area of interest are current and either:

- such expenditure is expected to be recovered through successful development and commercial exploitation of the area of interest or, alternatively, by its sale; or
- the exploration activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

The Rafael 1 exploration well was capitalised during the 2021 year with initial results from the well suggesting potential for gas to be present in the structure. Buru completed the acquisition of the Rafael 3D seismic survey in 2023, covering an area of approximately 200 sq kms over and around the Rafael gas and condensate accumulation within the EP 428 and EP 457 permit areas.

During the reporting year, Buru signed a Strategic Development Agreement (SDA) with Clean Energy Fuels Australia (CEFA) for the Rafael Gas Project. The Company has also engaged a Corporate Advisor to manage a global process to secure a funding partnership to finance the estimated A\$40 million required for the 2026 Rafael resource and flowrate validation program, and subsequent independent reserves certification. Pre-FEED activities, including drilling planning, were approximately \$3 million during the year.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Where an ownership interest in an exploration and evaluation asset is exchanged for another, the transaction is recognised by reference to the carrying value of the original interest. Any cash consideration paid, including transaction costs, is accounted for as an acquisition of exploration and evaluation assets. Any cash consideration received, net of transaction costs, is treated as a recoupment of costs previously capitalised with any excess accounted for as a gain on disposal of non-current assets. The carrying amounts of the Group's exploration and evaluation assets are reviewed at each reporting date to determine whether any of the following indicators of impairment exists:

- tenure over the licence area has expired during the period or will expire in the near future, and is not expected to be renewed; or
- substantive expenditure on further exploration for and evaluation of resources in the specific area is not budgeted or planned; or
- exploration for and evaluation of resources in the specific area has not led to the discovery of commercially viable quantities of resources, and the Group has decided to discontinue activities in the specific area; or
- sufficient data exists to indicate that although a development is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or from sale.

Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, and any resultant impairment loss is recognised in the income statement. When a discovered oil or gas field enters the development phase the accumulated exploration and evaluation expenditure is transferred to oil and gas assets. Determining the recoverability of exploration and evaluation expenditure capitalised requires estimates and judgements as to future events and circumstances, in particular, whether successful development and commercial exploitation or sale of the respective area of interest is likely. Critical to this assessment are estimates and assumptions as to the timing of expected cash flows, exchange rates, commodity prices and future capital requirements. If, after having capitalised the expenditure, a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

7. Property, Plant and Equipment (PPE)

<i>in thousands of AUD</i>	Plant and equipment	Right-of-use assets	Cultural assets	Total
Cost				
Carrying amount at 1 Jan 2024	1,210	6,529	877	8,616
Additions	-	39	-	39
Disposals	-	(33)	-	(33)
Balance at 31 Dec 2024	1,210	6,535	877	8,622
Carrying amount at 1 Jan 2025	1,210	6,535	877	8,622
Additions	-	426	-	426
Disposals	(304)	(135)	-	(439)
Balance at 31 Dec 2025	906	6,826	877	8,609
Accumulated Depreciation				
Carrying amount at 1 Jan 2024	(971)	(4,941)	-	(5,912)
Depreciation for the period	(73)	(445)	-	(518)
Balance at 31 Dec 2024	(1,044)	(5,386)	-	(6,430)
Carrying amount at 1 Jan 2025	(1,044)	(5,386)	-	(6,430)
Depreciation for the period	(52)	(445)	-	(497)
Disposal	274	135	-	409
Balance at 31 Dec 2025	(822)	(5,696)	-	(6,518)
Carrying amounts				
At 31 December 2024	166	1,149	877	2,192
At 31 December 2025	84	1,130	877	2,091

Accounting Policy

Items of PPE are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Gains and losses on disposal of an item of PPE are determined by comparing the proceeds from disposal with the carrying amount of PPE and are recognised net in profit or loss. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group, and its cost can be measured reliably. The costs of the day-to-day servicing of PPE are recognised in profit or loss as incurred. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of PPE, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

The estimated useful lives for the current and comparative period are as follows:

- plant & equipment 10 – 30 years
- right-of-use assets 1 – 4 years
- cultural assets not depreciated

The useful life, residual value and the depreciation method applied to an asset are reassessed at least annually. Heritage and cultural assets with the potential to be maintained for an indefinite period through conservation, restoration and preservation activities are considered to have an indefinite life and not depreciated.

The Group's accounting policy under AASB 16 as lessee is as follows:

For any new contracts entered into as a lessee, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluation criteria which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Right-of-use assets and lease liabilities

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate ranging from 3.00% to 4.09%.

As at the end of the reporting year, the Group's current lease liabilities were \$433,000 (2024: \$398,000) and non-current lease liabilities were \$556,000 (2024: \$584,000).

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. Lease liabilities are shown directly on the statement of financial position (current and non-current).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

8. Trade and Other Receivables

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Trade receivable	-	35
Interest receivable	25	27
GST receivable	36	65
Prepayments	316	198
Joint operation receivables	55	-
Other receivables	8	331
Total	440	656

The Group's exposure to credit and currency risks and impairment losses related to trade receivables are disclosed in note 22.

9. Inventories

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Materials and consumables at net realisable value	147	147
	147	147

Accounting Policy

Inventories are valued at the lower of cost or net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is determined as follows:

- Materials and consumables, which include drilling and production materials and consumables, are valued at the cost of acquisition which includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition; and

Materials and consumables are accounted for on a FIFO basis.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

10. (a) Cash and Cash Equivalents

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Bank balances	486	4,281
Term deposits available at call	3,663	3,663
Cash and cash equivalents in the statement of cash flows	4,149	7,944

The Group's exposure to interest rate risk and sensitivity analysis for financial assets is disclosed in note 22.

(b) Reconciliation of Cash Flows from Operating Activities

<i>in thousands of AUD</i>	Note	31 Dec 2025	31 Dec 2024
Cash flows from operating activities			
Loss for the period		(4,878)	(13,015)
Adjustments for:			
Depreciation	7	497	518
(Gain) / loss on asset disposal		(255)	-
Share based payment expenses		199	-
Proceeds from sale of discontinued operation	4	(750)	-
Interest in lease liabilities		(28)	(36)
Net finance (income) / costs	3	101	(317)
Operating loss before changes in working capital and provisions		(5,114)	(12,850)
Changes in working capital			
Change in trade and other receivables		215	(235)
Change in trade and other payables		(820)	(545)
Change in inventories		-	287
Change in provisions		38	(18)
Cash received /(used in) operating activities		(567)	(511)
Net cash outflow from operating activities		(5,681)	(13,361)

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

11. Capital and Reserves

Share capital

Ordinary Shares	31 Dec 2025 No.	31 Dec 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
Issued under Share Placement – 5 September 2025	105,000,000	2,100	-	-
Issued under Share Placement – 14 October 2025	47,500,000	950	-	-
Issued under Share Purchase Plan – 14 October 2025	69,150,000	1,383	-	-
Less: Transaction costs arising from 2025 share placements	-	(266)	-	-
Less: Fair value of free attaching options issued	-	(890)	-	-
Unlisted performance rights exercised – 17 September 2025	1,270,000	-	-	-
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: Transactions costs arising from 2024 share placements	-	-	-	(366)
On issue at the end of the period – fully paid	1,002,329,607	314,048	779,409,607	310,771

Options reserve

	31 Dec 2025 No.	31 Dec 2025 \$'000
Opening balance	-	-
Fair value of free attaching options issued	108,212,500	890
Closing balance	108,212,500	890

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FOR THE YEAR ENDED 31 DECEMBER 2025

The Company does not have authorised capital or par value in respect of its issued shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

During the year, Buru issued some 222 million new shares following the completion of a share placement and share purchase plan (SPP) at 2 cents per share. The combined proceeds of the share placement and SPP raised approximately \$4.4 million (before costs).

The Company issued some 108 million options for no additional consideration (free attaching options) to eligible shareholders who participated in the share placement and SPP. The fair value of the options has been recognised as part of the equity raising costs.

The assumptions used to value the free attaching options are detailed below.

	Under share placement	Under SPP
Underlying security spot price	\$0.018	\$0.017
Strike / exercise price	\$0.03	\$0.03
Risk free rate (bond rate with duration the same as option)	3.69%	4.02%
Dividend rate (decrease in Share Price)	0%	0%
Grant date	20 Nov 25	16 Dec 25
Vesting date	20 Nov 25	16 Dec 25
Expiry date	20 Nov 27	16 Dec 27
Time to expiry (years)	2	2
Volatility (annualised)	113%	111%
Valuation per option	\$0.09	\$0.08
Number of options	52,500,000	55,712,500
Value recognised to date	\$453,352	\$436,317
Value still to be recognised	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

12. Earnings / (Loss) Per Share

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Loss attributable to ordinary shareholders from continuing operations	(5,183)	(12,084)
Profit/(loss) from discontinued operation	305	(931)
Net loss	(4,878)	(13,015)
Basic and diluted earnings / (loss) per share		
Weighted average number of ordinary shares		
	31 Dec 2025 No.	31 Dec 2024 No.
Issued ordinary shares at beginning of the period	779,409,607	671,345,082
Effect of shares issued	58,950,822	25,205,361
Weighted average number of ordinary shares at the end of the period	838,360,429	696,550,443
Basic and dilutive loss per share calculated using the weighted average number of ordinary shares at the end of the period (cents)	(0.58)	(1.87)
Basic and dilutive loss per share calculated using the weighted average number of ordinary shares at the end of the period (cents) from continuing operations	(0.62)	(1.73)

The Group presents basic and diluted earnings or loss per share (EPS or LPS) data for its ordinary shares. Basic EPS or LPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS or LPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

The Company's potential ordinary shares, being 3,900,000 director options, 108,212,000 shareholder options and 2,335,000 performance rights, are not considered dilutive as the options and performance rights were 'out of the money' as at 31 December 2025.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

13. Trade and Other Payables

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Trade payables	310	90
Accruals	427	927
Joint Venture cash calls received in advance	-	469
Other payables	23	28
	760	1,514

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 22.

14. Provisions

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Current		
Provision for annual leave	435	417
Provision for long-service leave	201	210
Provision for site restoration	252	439
	888	1,066
Non-Current		
Provision for long-service leave	102	76
Provision for site restoration	12,013	11,666
	12,115	11,742

Movements in the site restoration provision

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Opening balance	12,105	11,913
Provision used during the period	-	-
Unwinding of discount	109	140
Change in estimate of provision	51	52
Balance at the end of the period	12,265	12,105

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FOR THE YEAR ENDED 31 DECEMBER 2025

Accounting Policy

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and that the obligation can be measured reliably. The site restoration provision is in respect of the Group's obligation to rectify environmental liabilities relating to exploration and production in the Canning Basin in accordance with the requirements of DWER and DMPE. The provision is derived from an annual internal review of the liabilities. These liabilities are also reviewed by independent external consultants as and when required. Due to the long-term nature of the liability, there is uncertainty in estimating the costs that will be incurred at a future date. Changes to estimated future costs are recognised in the statement of financial position by adjusting the rehabilitation asset and liability. The rehabilitation is expected to continue to occur progressively.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted at 3% to determine its present value, and the fair value of any related assets is deducted. The calculation is performed using the projected unit credit method.

15. Share-based Payments

<i>Fair value expensed in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Employee performance rights expensed	107	-
Director options expensed	92	-
	199	-

Accounting Policy

The grant date fair value of share-based payments granted to employees and directors is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees and directors unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group. The fair value of share options granted under the Employee Share Option Plan and Directors' Options are measured using the Black Scholes valuation model. Measurement inputs include share price on a measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information) weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 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.

Employee Share Option Plan (ESOP) and Director Options

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price (\$)	Number of options
Outstanding unlisted options as at 1 January 2025	0.23	1,000,000
Lapsed during the period	0.23	(1,000,000)
Granted to directors	0.07	3,900,000
Outstanding as at 31 December 2025	0.07	3,900,000

The unlisted share options outstanding as at 31 December 2025 have a weighted average exercise price of \$0.07 (Dec 2024: \$0.23), and a weighted average contractual life of 2.4 year (Dec 2024: 1 years).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

16. Group Entities

Parent entity	Country of incorporation	Ownership interest	Ownership interest
Buru Energy Limited	Australia		
Subsidiaries		31 Dec 2025	31 Dec 2024
Royalty Holding Company Pty Limited	Australia	100%	100%
Buru Operations Pty Limited	Australia	100%	100%
Noonkanbah Diamonds Pty Limited	Australia	100%	100%
Buru Fitzroy Pty Limited	Australia	100%	100%
Battmin Pty Ltd	Australia	100%	100%
2H Resources Pty Limited	Australia	0%	100%
Geovault Pty Limited	Australia	100%	100%
Buru Canning Gas Pty Ltd	Australia	100%	100%
Geo-Steam Pty Ltd	Australia	100%	100%

Buru Energy Limited is the head entity of the tax consolidated group and all subsidiaries are members of the tax consolidated group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

17. Parent Entity Disclosures

As at, and throughout the year ended 31 December 2025 the parent company of the Group was Buru Energy Limited.

<i>in thousands of AUD</i>	Company 12 months ended 31 Dec 2025	Company 12 months ended 31 Dec 2024
Result of the parent entity		
Total comprehensive loss for the period	(4,595)	(12,811)
Financial position of the parent entity at year end		
Current assets	4,681	8,734
Total assets	27,432	28,434
Current liabilities	2,081	3,131
Total liabilities	14,752	15,456
Total equity of the parent entity at year end		
Share capital	314,048	310,771
Reserves	1,089	69
Accumulated losses	(302,457)	(297,862)
Total equity	12,680	12,978

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

18. 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 31 December 2025 whose principal activities were oil and gas exploration, development and production.

Permit/Joint Operation	December 2025 Beneficial Interest	December 2024 Beneficial Interest	Operator	Country
EP 457	60.00%	60.00%	Buru Fitzroy Pty Ltd	Australia
E04/2674*	0%	50.00%	Sipa Resources Ltd	Australia
E04/2684*	0%	50.00%	Sipa Resources Ltd	Australia

* The Company via its wholly owned subsidiary, Battmin Pty Ltd (Battmin) sold its 50% interest in E04/2674 and E04/2684 to Sipa Resources Ltd (Sipa) during the year.

19. Capital and Other Commitments

<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
Exploration expenditure commitments		
<i>Contracted but not yet provided for and payable:</i>		
Within one year	467	8
One year later and no later than five years	-	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 the Department of Mines, Petroleum & Exploration (DMPE), and these obligations may be varied from time to time, subject to approval by DMPE.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

20. Contingencies

There were no material contingent liabilities or contingent assets for the Group as at 31 December 2025 other than 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 as noted in Note 4 and a consideration of \$250,000 for certain graticular blocks in the Canning Basin of Western Australia upon completion of an Asset Sales and Purchase Agreement (ASPA) with Koloma.

21. Related Parties

Key management personnel compensation

The key management personnel compensation comprised:

<i>in AUD</i>	31 Dec 2025	31 Dec 2024
Short term employee benefits	1,266,946	1,394,188
Post-employment benefits	149,370	151,720
Long term employee benefits	59,102	5,955
Share-based payments	108,199	-
	1,583,617	1,551,863

Individual directors and executives compensation disclosures

Information regarding individual Directors and executives compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 is provided in the Remuneration Report section of the Directors' report on pages 26 to 32.

Apart from the details disclosed in this note, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving directors' interests existing at the end of the period.

Other related party transactions

No other related party transaction has occurred during the reporting period.

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FOR THE YEAR ENDED 31 DECEMBER 2025

22. Financial Risk Management

Credit risk

The carrying amount of the Group's financial assets represents the Group's maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

<i>in thousands of AUD</i>	Note	Carrying amount	
		31 Dec 2025	31 Dec 2024
Cash and cash equivalents and term deposits at call	10a	4,149	7,944
Trade and other receivables	8	124	458
		4,273	8,402

The Group's cash and cash equivalents and term deposits at call are held with bank and financial institution counterparties, which are rated at least AA-, based on rating agency Fitch Ratings.

Trade and other receivables include accrued interest receivable from Australian accredited banks, JV receivables and tax amounts receivable from the Australian Taxation Office. The Group has elected to measure loss allowances for trade and other receivables at an amount equal to the 12 month Expected Credit Loss (ECL). When determining the credit risk of a financial asset, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both the quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when the financial asset is more than 90 days past due.

As at 31 December 2025, no receivables were more than 30 days past due. No receivables are considered to have a material credit risk.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. This is monitored through rolling cash flow forecasts. The Group maintains sufficient cash to safeguard liquidity risk. The following are contractual maturities of trade and other payables (excluding provisions) and loans and borrowings.

<i>in thousands of AUD</i>	31 Dec 2025		31 Dec 2024	
	Less than 1 year	1 - 5 years	Less than 1 year	1 - 5 years
Lease liabilities	433	556	398	584
Trade and other payables	760	-	1,514	-
	1,193	556	1,912	584

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Market risk

Market risk is the risk that changes in market prices, such as currency rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk on sales that are denominated in a currency other than the functional currency of the Group (AUD). The Group does not hedge its foreign currency exposure.

The Group's exposure to foreign currency risk at balance date was as follows, based on notional amounts:

	31 Dec 2025		31 Dec 2024	
	AUD	USD	AUD	USD
<i>in thousands</i>				
Cash and cash equivalents	205	138	31	19
Gross balance sheet exposure	205	138	31	19

The average exchange rate from AUD to USD during the period was AUD 1.0000 / USD 0.6449 (Dec 2024: AUD 1.0000 / USD 0.6603). The reporting date spot rate was AUD 1.0000 / USD 0.6693 (Dec 2024: AUD 1.0000 / USD 0.6217).

Commodity price risk

The Group does not hedge its commodity price exposure, and the Group did not enter into any commodity derivative contracts during the year.

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FOR THE YEAR ENDED 31 DECEMBER 2025

Interest rate risk

At balance date the Group's exposure to market risk for changes in interest rates relate primarily to the Group's short term cash deposits. The interest rate risk is only applicable to interest revenue as the Group does not have any short or long term borrowings. The Group constantly analyses its exposure to interest rates, with consideration given to potential renewal of the terms of existing deposits. Fixed rate instruments are term deposits held with bank and financial institution counterparties and are available at call, therefore the fair value approximates the carrying amount.

At the reporting date the Group's interest-bearing financial instruments were as follows:

	Carrying amount	
<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
<i>Fixed rate instruments</i>		
Cash and cash equivalents with fixed interest	3,663	3,663
Lease liabilities	989	982
Total fixed interest-bearing financial assets	4,652	4,645
	Carrying amount	
<i>in thousands of AUD</i>	31 Dec 2025	31 Dec 2024
<i>Variable rate instruments</i>		
Cash and cash equivalents with variable interest	486	4,281
Total variable interest-bearing financial assets	486	4,281

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss after tax by \$4,860 (2024: \$42,810). This analysis assumes that all other variables remain constant.

Capital management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so as to maintain future exploration and development of its projects. Capital consists of share capital of the Group. In order to maintain or adjust its capital structure, Buru Energy may in the future return capital to shareholders, issue new shares, borrow funds from financiers or farm-down / sell assets. Buru Energy's focus has been to maintain sufficient funds to fund exploration and development activities.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

23. Changes in significant accounting policies

The Group has adopted all accounting standards and interpretations that had a mandatory application for this reporting period which did not have material impact.

24. Standards issued but not yet effective

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 the following new or amended accounting standards in preparing these consolidated financial statements. New and amended accounting standards are not expected to have a significant impact on the Group's consolidated financial statements.

25. Subsequent Events

No significant events have occurred subsequent to balance date that in the opinion of the directors has significantly affected, or may significantly affect in future financial years:

- The Group's operations; or
- The results of those operations; or
- The Group's state of affairs.

26. Auditors' Remuneration

	31 Dec 2025 (\$)	31 Dec 2024 (\$)
Audit services		
KPMG Australia: Audit and review of financial reports	99,750	95,000
KPMG Australia: Audit of Joint Venture reports	-	8,000
	99,750	103,000

All amounts payable to the Auditors of the Company were paid or payable by the parent entity.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

In accordance with the requirements of subsection 295(3A) of the *Corporations Act 2001*, the table below sets out the consolidated entity disclosure statement of Buru Energy Limited and its controlled entities as at 31 December 2025.

Name of entity	Type of entity	Body corporates		Tax residency	
		Country of incorporation	Percentage of share capital held	Australian or foreign ¹	Foreign jurisdiction
Ultimate Parent Entity					
Buru Energy Limited	Body corporate	Australia	100%	Australian	N/A
Subsidiaries					
Royalty Holding Company Pty Limited	Body corporate	Australia	100%	Australian	N/A
Buru Operations Pty Limited	Body corporate	Australia	100%	Australian	N/A
Noonkanbah Diamonds Pty Limited	Body corporate	Australia	100%	Australian	N/A
Buru Fitzroy Pty Limited	Body corporate	Australia	100%	Australian	N/A
Battmin Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Geovault Pty Limited	Body corporate	Australia	100%	Australian	N/A
Buru Canning Gas Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Geo-Steam Pty Ltd	Body corporate	Australia	100%	Australian	N/A
1. Residency for Australian tax purposes has been determined in accordance with the Commissioner of Taxation's existing public guidance, including Taxation Ruling TR 2018/5.					

DIRECTORS' DECLARATION

- 1 In the opinion of the Directors of Buru Energy Limited ('the Company'):
 - (a) the consolidated financial statements and notes that are contained on pages 34 to 67 and the Remuneration report in the Directors' report, set out on pages 26 to 32, are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance, for the financial period ended on that date; and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
 - (b) the consolidated entity disclosure statement required by subsection 295(3A) of the *Corporations Act 2001* disclosed on page 68 is true and correct.
 - (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
- 2 The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer, for the year ended 31 December 2025.
- 3 The Directors draw attention to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:



Mr David Maxwell
Independent Non-executive Chair

Perth
20 March 2026



Mr Malcolm King
Independent Non-executive Director

Perth
20 March 2026



Independent Auditor's Report

To the shareholders of Buru Energy Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Buru Energy Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 31 December 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2025;
- Consolidated statement of comprehensive income or loss, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 31 December 2025;
- Notes, including material accounting policies; and
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with 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 Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to "Going Concern" disclosure on page 39 in the financial report. The conditions disclosed in this note, indicate a material uncertainty exists that may cast significant doubt on the Group and Company'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 financial report. Our opinion is not modified in respect of this matter.



In concluding there is a material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt in the Group's assessment of going concern. Our approach to this involved:

- Evaluating the feasibility, quantum, and timing of the Group's plans to raise additional shareholder or other funds to address going concern;
- Assessing the Group's cash flow forecasts for incorporation of the Group's operations and plans to address going concern; and
- Determining the completeness of the Group's going concern disclosures for the principle matters casting significant doubt on the Group's ability to continue as a going concern, the Group's plans to address these matters, and the material uncertainty.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the Key Audit Matter.

Exploration and Evaluation Expenditure Capitalised (\$23.9m)

Refer to Note 6 to the Financial Report

The key audit matter

Exploration and evaluation expenditure (E&E) capitalised is a key audit matter due to:

- The significance of the balance (being 78% of total assets).
- The greater level of audit effort to evaluate the Group's application of the requirements of the industry specific accounting standard AASB 6 *Exploration for and Evaluation of Mineral Resources*. This includes the analysis of the conditions allowing capitalisation of relevant expenditure and in particular the assessment of the presence of impairment indicators. The presence of impairment indicators would necessitate a detailed analysis by the Group of the value of E&E. Given the criticality of this to the scope and depth of our work, we involved senior team members to challenge the Group's determination that no such indicators existed.

How the matter was addressed in our audit

Our audit procedures included:

- Evaluating the Group's accounting to recognise exploration and evaluation assets using the criteria in the accounting standard.
- Assessing the Group's determination of its areas of interest for consistency with the definition in the accounting standard. This involved analysing the licenses in which the Group holds an interest and the exploration programs planned for those for consistency with documentation such as license related technical conditions, and joint venture agreements, planned work programs, and active and significant operations in the areas of interest by the Group.
- Assessing the Group's current rights to tenure to the ownership of the relevant license to government registries and evaluating agreements in place with other parties. We also assessed compliance with conditions, such as minimum expenditure requirements.



In assessing the conditions allowing capitalisation of relevant expenditure, we focused on:

- The determination of the areas of interest.
- Documentation available regarding rights to tenure, via licensing, and compliance with relevant conditions, to maintain current rights to an area of interest and the authoritative nature of external registry sources, together with the Group's intention and capacity to continue the relevant E&E activities.
- The Group's determination of whether the capitalised E&E are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale.
- In assessing the presence of impairment indicators, we focused on:
- The Group's determination of the expectation of E&E to be recovered in full through successful development of the area of interest, or alternatively, by its sale.
- The ability of the Group to fund the continuation of activities.

These assessments can be inherently difficult, particularly in uncertain conditions such as those currently being experienced in Australian oil and gas exploration.

- Testing the Group's additions to capitalised E&E for the year by evaluating a statistical sample of recorded expenditure for consistency to underlying records and the capitalisation requirements of the Group's accounting policy and the requirements of the accounting standard.
- Evaluating the Group's documents, such as minutes of Board meetings and ASX announcements for consistency with their stated intentions for continuing E&E in certain areas. We corroborated this through interviews with key operational and finance personnel.
- Analysing the Group's determination of recoupment through successful development and exploitation of the area or by its sale by evaluating the Group's documentation of planned future/continuing activities including work programs and project and corporate budgets for each area.
- Assessing project and corporate budgets including planned expenditure on E&E, for evidence of the ability to fund continued E&E activities.

Other Information

Other Information is financial and non-financial information in Buru Energy Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the *Remuneration Report* and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.



Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- Implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.



Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Buru Energy Limited for the year ended 31 December 2025, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 26 to 32 of the Directors' report for the year ended 31 December 2025. Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Graham Hogg

Partner

Perth

20 March 2026

ADDITIONAL ASX INFORMATION

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

The distribution of ordinary shares ranked according to size as at 28 February 2026 was as follows:

Category	Ordinary Shares	%	No of Holders	%
100,001 and Over	931,920,851	92.97	871	23.36
10,001 to 100,000	64,331,005	6.42	1,695	45.45
5,001 to 10,000	5,362,136	0.53	702	18.83
1,001 to 5,000	747,746	0.07	241	6.46
1 to 1,000	47,035	0.00	220	5.90
Total	1,002,408,773	100.00	3,729	100.00
Unmarketable Parcels	15,180,735	1.51	1,757	47.12

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ADDITIONAL ASX INFORMATION

The 20 largest ordinary shareholders of the ordinary shares as at 28 February 2026 were as follows:

Rank	Name	Number of ordinary shares	%
1	BIRKDALE ENTERPRISES PTY LTD	61,294,092	6.11
2	MR WILLIAM ROBERT RICHMOND	48,500,000	4.84
3	CHEMCO PTY LTD	31,640,097	3.16
4	BNP PARIBAS NOMINEES PTY LTD	26,829,543	2.68
5	MR ERIC CHARLES STREITBERG	18,776,068	1.87
6	COOGEE RESOURCES PTY LTD	18,666,667	1.86
7	LAVERDI NOMINEES PTY LTD	15,810,000	1.58
8	INKESE PTY LTD	15,000,000	1.50
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,616,603	1.36
10	FLEXIPLAN MANAGEMENT PTY LTD	11,053,996	1.10
11	TAPERSLEE PTY LTD	10,757,468	1.07
12	WANDJI INVESTMENTS LIMITED	10,217,561	1.02
13	CHEMCO SUPERANNUATION FUND PTY LTD	10,000,000	1.00
14	CHARRINGTON PTY LTD	8,611,774	0.86
15	CITICORP NOMINEES PTY LIMITED	8,596,663	0.86
16	MR GEORGE SPIROS PAPAConstantINOS	7,312,926	0.73
17	TWINSOUTH HOLDINGS PTY LTD	7,260,000	0.72
17	PARAMON HOLDINGS PTY LTD	7,260,000	0.72
18	EQUITY TRUSTEES LIMITED	7,125,807	0.71
19	MR ADRIAN KEITH TIDMAS	7,000,000	0.70
20	COMPUTER SOLUTIONS AUSTRALIA PTY LTD	6,910,931	0.69
TOTAL TWENTY LARGEST SHAREHOLDERS		352,240,196	35.14
BALANCE OF REGISTER		650,168,577	64.86
TOTAL REGISTER		1,002,408,773	100.00

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ADDITIONAL ASX INFORMATION

The following interests were registered on the Company's register of Substantial Shareholders as at 28 February 2026:

Shareholder	Number of ordinary shares	%
Birkdale Enterprises Pty Ltd	61,294,092	6.11
Chemco Pty Ltd	60,306,764	6.02

Voting rights

Ordinary shares

At a general meeting of shareholders:

- (a) On a show of hands, each person who is a member or sole proxy has one vote.
- (b) On a poll, each shareholder is entitled to one vote for each fully paid share.

Unlisted Options

There are no voting rights attached to the unlisted options.

Other information

Buru Energy Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

The Company is listed on the Australian Securities Exchange. ASX Code: BRU

The Company and its controlled entities schedule of interests in permits as at 28 February 2026 were as follows:

PERMIT	TYPE	OWNERSHIP	BURU INTEREST	OPERATOR
L6 ¹	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
L8	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
L17	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
L20	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
L21	Production licence	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 129 ¹	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 391	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 428	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 431	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 436	Exploration permit	100.00%	Buru Energy Ltd	Buru Energy Ltd
EP 457	Exploration permit	60.00%	Buru Fitzroy Pty Ltd	Buru Fitzroy Pty Ltd

¹ Buru's interest in L6 and EP 129 exclude the Backreef Area

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