

Rafael Gas Project Activity Update

Buru Energy Limited (Buru, Company) (ASX: BRU) provides the following update in relation to the development of its 100% owned Rafael Gas Project, located in EP 428 in Western Australia's onshore Canning Basin.

The Rafael resource was discovered in November 2021 and is the first proven conventional gas and liquids discovery in onshore Western Australia, north of the main Liquefied Natural Gas (LNG) and industrial hub in Karratha.

Replacing currently trucked or imported gas and diesel into the far north of Western Australia (including the Kimberley region) with a local source of gas and condensate is a unique opportunity to build and grow a regional gas business that will generate enduring material cashflows and significantly increased returns for Buru shareholders.

Highlights

- **Rafael Gas Project development timeline has been amended to reduce risk and increase the probability of higher reserves**
- **Sequence changed to drill and test Rafael B and then recomplete Rafael 1**
- **Drilling now planned to commence in June Quarter 2026**
- **Rafael Gas Project schedule remains on track for first production late 2027.**

Buru CEO, Mr Thomas Nador said:

"The Rafael technical assurance process has delivered valuable information to underpin decision making on the risks and opportunities of our planned Rafael appraisal and production flow test program.

Drilling and testing the Rafael B appraisal well next is the optimum pathway to proving up the resource and underpinning a robust Final Investment Decision, whilst maintaining our first cashflow target of late 2027."

The Rafael flow test

The Rafael gas and condensate field in the onshore Canning Basin was discovered in late 2021. Rafael is a conventional gas and condensate resource. The discovery well was flow tested in 2022 and an independent assessment of the Rafael gas and liquids resource was prepared by ERCE Australia Pty Ltd. The flow test and the independent resource assessment provided confidence that the Rafael resource can underpin a regionally significant gas and condensate project.

The 2022 flow test was conducted on a limited portion of the total interpreted hydrocarbon column in the Rafael 1 well. There are also intervals of reservoir that are interpreted from log data to have better porosity and therefore permeability behind the casing. These were not part of the 2022 tested open hole section.

Observations and measurements recorded during the flow test also suggest that there was an obstruction in the lower part of the reservoir which a logging tool could not pass below. Based on this, it is considered possible and likely that the lower part of the reservoir was isolated and may not have contributed to flow during the flow test.

Notwithstanding the limited section of reservoir that contributed to the flow and the likelihood of some damage to the reservoir due to it being exposed to heavy completion and drilling fluids for several months prior to the flow test, the well flowed at rates of over 7 million cubic feet a day of high-quality gas with low inerts and high condensate.

These results were announced on 22 March 2022 (<https://buruenergy.com/announcements/4104992>).

To better define the Rafael field and to plan field development, a 3D seismic survey was acquired in 2023. The processing and interpretation of the 3D seismic data was completed in 2024.

Following the initial well tests the Company planned to undertake the recompletion of Rafael 1 and an extended production flow test of the reservoir, followed by the drilling of Rafael B.

Rafael appraisal

Preparations to recomplete and production flow test Rafael 1 have been matured significantly in 2025.

As part of the detailed technical assurance for the production testing activity, Buru together with third-party experts has concluded there is a more optimum approach to flow test and further appraise the Rafael gas field. This is because it has recently been assessed as possible that the well bore condition near the targeted Rafael 1 flow zone may not deliver the best and optimum result. The well bore section near the target test zone may have been compromised during previous drilling and testing activities.

Buru has carefully considered the issues and alternative scenarios and assessed that drilling and testing the high impact Rafael B appraisal well in 2026 is a more favourable alternative. It is assessed that Rafael B will deliver a better production flow test and independent reserves certification results for the Rafael Gas Project development.

Impact on the Rafael Gas Project timeline

Buru has determined the optimum drilling and testing sequence is to drill, complete and production test Rafael B and then recomplete Rafael 1 with both wells likely to include horizontal sections to optimise deliverability and the ultimate reserves. The planning and preparation required for this well program means the drilling and testing activity is now expected to be undertaken in the June Quarter 2026.

The current Rafael Gas Project development concept is unchanged and based on Rafael 1 and Rafael B delivering feedstock gas for the Rafael LNG Project together with Clean Energy Fuels Australia (CEFA) as announced on 2 April 2025 (<https://buruenergy.com/announcements/6893043>).

The impact of this change in the Rafael appraisal and testing activity plan is a shift by six (6) months to the Final Investment Decision (FID), which is now targeted to be early 3Q 2026 as per Figure 1 below.

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 late 2027 which is unchanged from previous plans.

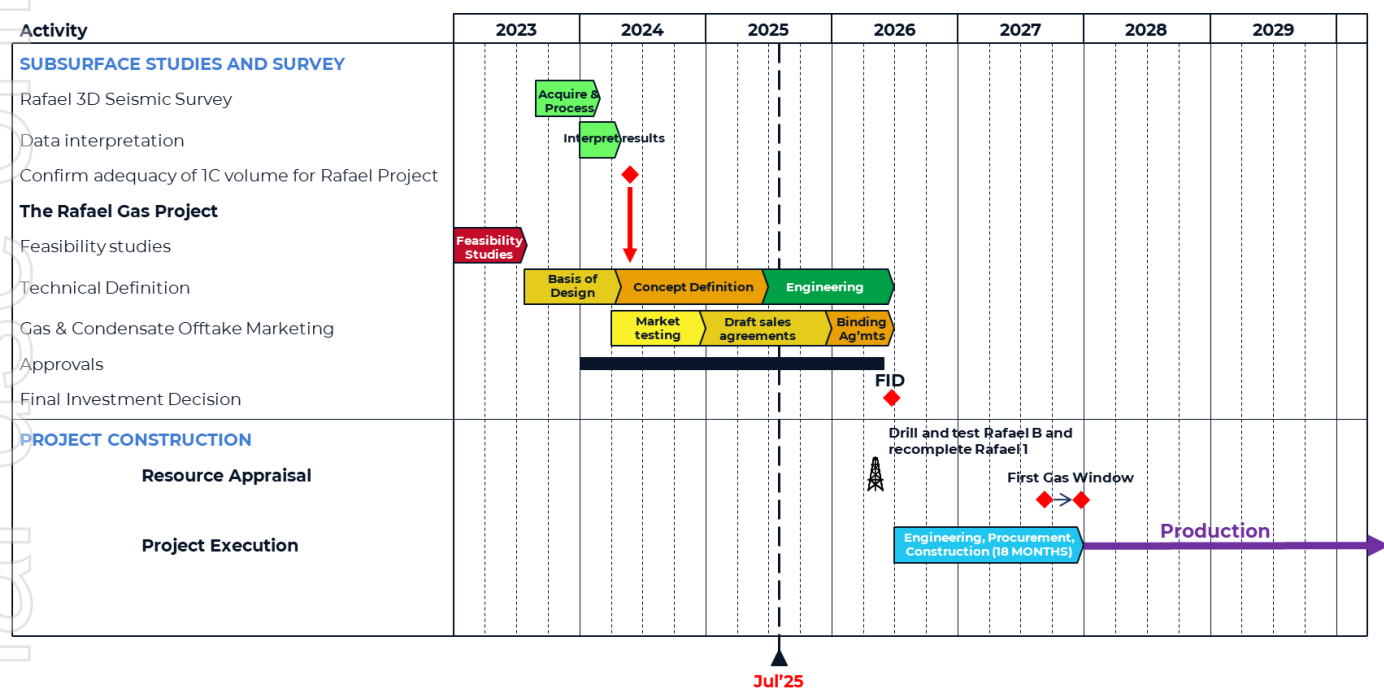


Figure 1 Rafael Gas Project Schedule

Next steps

Buru continues to expedite the Rafael Gas Project development activities in line with the Western Australian Government's stated plans to overhaul the Kimberley energy system by 2028. This includes advancing securing the requisite regulatory approvals, the traditional owner agreements and the gas and condensate marketing arrangements to underpin the Rafael Gas Project.

In parallel with these activities Buru is advancing asset and corporate initiatives to introduce an upstream partner and finalise funding for the upstream portion of the Rafael Gas Project, with dataroom activities underway. In this regard all options are being considered.

Authorisation

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

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