

12 June 2018

ASX Release

Eugene Island 62, 63, 76 and 77 Leases Awarded

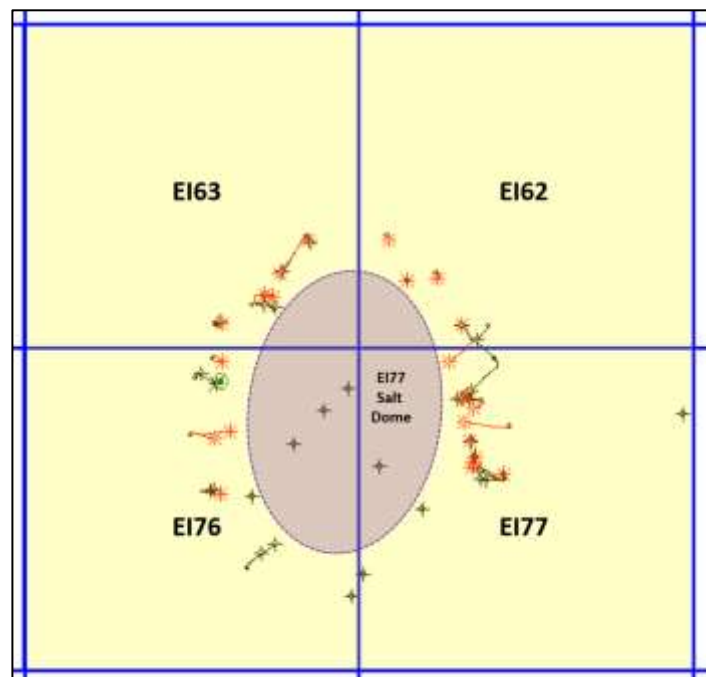
- Byron's high bids for Eugene Island blocks 62, 63, 76 and 77 have been deemed acceptable
- The four blocks, in a water depth of about 20 feet, cover the entire Eugene Island 77 Field where Byron undertook proprietary Reverse Time Migration seismic processing in 2014
- The Company has identified a number of high-quality prospects using its proprietary RTM seismic data with total in-house mapped gross potential of 308 Bcf and 12,600 mbo

Byron Energy Limited ("Byron or the Company") (ASX: BYE) is pleased to announce that Byron Energy Inc., a wholly owned subsidiary of the Company, has been advised by the Bureau of Ocean Energy Management ("BOEM") that its bids for Eugene Island blocks 62, 63, 76 and 77, at Gulf of Mexico OCS Lease Sale 250 held on Wednesday 21 March 2018 in New Orleans, Louisiana, have been deemed acceptable by the BOEM and the leases have now been awarded to Byron.

In the Company's ASX release dated 22 March 2018, we advised that Byron was the apparent high bidder on the four Eugene Island Blocks.

The Company bid \$253,000 for each block for a total of \$1,012,000 for all four blocks as the lease bonus amount. With the recently reduced royalty rates in place for new shelf leases in the Gulf of Mexico, Byron will now receive an 87.5 % net revenue interest (previously 81.25%) for its 100% working interest in blocks EI 62, 63, 76 and 77. Final payment for the four leases and first year lease rentals are due 26 June 2018.

The EI 63 and 76 leases were previously held by the Company before being relinquished in January of 2018 and were included in Byron's independent Reserves and Resource Report released to ASX on 28 September 2017, prepared by Collarini and Associates ("Collarini"). Byron's latest in-house mapping indicates a total gross prospective resource of 308 bcf of gas and 12,600 mbo of oil for all four blocks (270 bcf and 11,025 mbo net to Byron). EI 62, 63, 76 and 77 will all be included in



The Eugene Island 77 Field has produced 362 Bcf and 6.5 Mmbo since 1957. Byron has mapped additional potential across the field based on using RTM data.

Company's independent reserves and resource report, as at 30 June 2018, expected to be completed in the September quarter of 2018.

Eugene Island Blocks 62, 63, 76 and 77 were designated as the Eugene Island 77 Field in the 1960's and have produced 362 billion cubic feet of gas and 6.5 million barrels of oil from sands trapped by the Eugene Island 77 salt dome. Initial production from the field began in 1957. There is no production on these blocks currently.

In 2014, Byron undertook proprietary Reverse Time Migration ("RTM") utilizing WesternGeco (a Schlumberger group company) over the entire Eugene Island 77 Field. Byron has identified a number of exploration and exploitation opportunities using the RTM seismic data. Many of these prospects are in an updip position to previous oil and gas production and are considered to be low to moderate risk drilling opportunities. RTM data was instrumental in identifying the prospect that led to Byron's recent successful drilling campaign and subsequently establishing production at South Marsh Island 71. Byron's stated strategy is to identify opportunities for growth in the Gulf of Mexico using state of the art geophysical technology.

As announced In the Company's ASX release dated 22 March 2018, Byron was also apparent high bidder for three other blocks at Sale 250. Those blocks, South Marsh Island 70, Vermillion 232, and Vermilion 251 have not yet been awarded. BOEM has 90 days from the March 21 sale date to finish its evaluation of submitted bids, unless BOEM extends the deadline.

CEO Comment

Byron's CEO Maynard Smith said:

"We are very pleased to announce that our bids for EI 62, 63, 76 and 77 have been accepted by BOEM. Our proprietary RTM data has identified a very good mix of exploitation type opportunities which follow up older wells drilled on all four blocks and some high potential exploration opportunities in other parts of the blocks. Our team of experienced professionals has worked this dataset thoroughly and folded historical production data in to our analysis to identify these prospects which will grow in value as oil and natural gas prices strengthen."

"Once again, the use of high tech geophysics has allowed us to identify and add another high-quality asset to our project inventory. The continued, steady production and cash flow from our operated SM71 oil project will provide a financial foundation as we move toward the drilling phase of the Eugene Island project with a goal of re-establishing production within the old EI 77 field. Acquiring these leases with a 100% working interest over an entire productive salt dome and with no obligation to joint venture or farm-out partners adds significant optionality to our portfolio of projects beyond SM71, SM74 and Bivouac Peak."

For further information, please contact:

Maynard Smith
CEO
61 2 6685 3115

Peter Love
Investor Relations
61 7 3121 5674

About Byron:

Byron Energy Limited ("Byron or the Company") (**ASX: BYE**) is an independent oil and natural gas exploration and production company, headquartered in Australia, with operations in the shallow water offshore Louisiana in the Gulf of Mexico. The Company has grown through exploration and development and currently has working interests in a portfolio of leases in federal and state waters. Byron's experienced management team has a proven record of accomplishment of advancing high quality oil and gas projects from exploration to production in the shallow water in the Gulf of Mexico. For more information on Byron please visit the Company's website at www.byronenergy.com.au.

Prospective Resources Cautionary Statement

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

Competent Persons Statement

The information in this report that relates to oil and gas prospective resources was compiled by Mr Prent H. Kallenberger (BSc. Geology, MSc. Geophysics.), an Executive Director of Byron Energy Limited. The reserves and resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/American Association of Petroleum Geologists (AAPG)/Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The reserves and resources information reported in this release are based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Kallenberger. Mr Kallenberger is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

Prospective Resources Reporting Notes (EI 62, 63, 76 and 77 reported for the first time)

(i) The prospective resources information in this document is effective as at 11 July 2018 (Listing Rule (LR) 5.25.1). (ii) The prospective resources information in this document has been estimated and is classified in accordance with SPE PRMS (Society of Petroleum Engineers Petroleum Resources Management System) (LR 5.25.2). (iii) The prospective resources information in this document is reported according to the Company's economic interest in each of the reserves and net of royalties (LR 5.25.5). (iv) The prospective resources information in this document has been estimated and prepared using the deterministic method (LR 5.25.6). (v) The prospective resources information in this document has been estimated using a 6:1 BOE conversion ratio for gas to oil; 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency (LR 5.25.7). (vi) The prospective resources information in this document has been estimated on the basis that products are sold on the spot market with delivery at the sales point on the production facilities (LR 5.26.5.) (vii) Prospective resources are reported on a best estimate basis (LR 5.28.1). (viii) For prospective resources, the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons (LR 5.28.2). (ix) In respect to the prospective resources referred to in this statement, Byron has acquired (EI 62, 63, 76 and 77 (each lease approx. 5,000 acres) at the BOEM Lease Sale 250 held on March 21, 2018, all of which are located in the shallow waters of the Gulf of Mexico, offshore Louisiana, USA (LR 5.35.1). (x) The prospective resources have been estimated on the following basis (LR 5.35.2):- prospective resources have been identified on the basis of offset production from the same intervals; a combination of volumetric assessment and field analogues have been used to estimate the prospective resources; exploration drilling will be required to assess these resources.. (xi) The chance of discovery is considered moderate as the prospective resources in a proven oil and gas producing province. There is a risk that exploration will not result in sufficient volumes of oil and/or gas for a commercial development (LR 5.35.3). (xii) Prospective resources are un-risked and have not been adjusted for an associated chance of discovery and a chance of development (LR 5.35.4).