



3 October 2014

ASX Release

Byron Energy appoints new Executive Director

Byron Energy Limited ("Byron or the Company") (ASX:BYE) is pleased to announce the appointment of Mr William Sack to the position of Executive Director. Mr Sack is an explorationist with 26 years' experience in the Gulf of Mexico region in both technical and executive roles. He was appointed to the Board of Directors on 3 October 2014.

Mr Sack (*BSc. Earth Sci./Physics, MSc. Geology, MBA*) was co-founder/Managing Partner of Aurora Exploration, LLC ("Aurora") a private entity focused on generating and drilling Gulf of Mexico exploration opportunities. He has drilled more than 55 wells with a success rate in excess of 80%, resulting in the discovery of more than 185 bcf of gas and 4 million barrels of oil.

Aurora will enter into a one-year exploration option agreement ("Exploration Option Agreement") with Byron Energy Inc ("BEI"), a wholly owned subsidiary of the Company, whereby BEI will have the option to acquire specified exploration projects ("Prospects") from Aurora on the following terms:-

- (i) payment of US\$187,500 upon execution of the Exploration Option Agreement,
- (ii) a further payment of up to a maximum of US\$187,500 upon submittal of a bid or lease proposal for the Prospects,
- (iii) acquisition of mutually agreed upon 3D seismic licenses to further evaluate the Prospects, at BEI's sole cost, and
- (iv) grant by BEI of a 2.5% overriding royalty interest to Aurora for Prospects, if any, acquired by BEI under the Exploration Option Agreement (to be formalized in recordable form if and when Prospects are granted to BEI following its election to pursue them).

Mr. Maynard Smith, CEO of Byron, said, "Byron is delighted to have secured the services of a very talented and experienced executive. His contribution together with Prent Kallenberger, the Company's Chief Operating Officer, will be invaluable during the next phase of the company's growth. Bill's excellent technical and executive capability, coupled with his extensive network of industry contacts, will be of significant benefit to the company. His appointment will also provide Byron with the opportunity to access a number of new and exciting exploration prospects in the Gulf of Mexico, under the Exploration Option Agreement with Aurora."

Mr Sack's employment terms are summarised on the next page.

For further information contact:-

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Terms and Conditions of Employment

Commencement Date	3 October 2014
Term	2 years with an automatic extension for a further one year unless the parties elect to terminate the contract at the end of 2 years, subject to termination on 3 months' notice by either party. The Company may terminate immediately for cause.
Base remuneration	US\$350,000 per annum.
Benefits	Medical, dental and life insurance benefits of US\$19,140 per annum.
Options	1,700,000 options ("Options") in Byron Energy Limited ("The Company") exercisable at an exercise price of \$A0.65 per Share on or after issue at any time on or before 30 September 2017, with the issue of Options subject to approval by shareholders of the Company at the next annual general meeting of the Company.

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