



ABN 88 113 436 141

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting of members of Byron Energy Limited ("Byron or the Company") will be held at the Christie Conference Centre, Yangtze Room, Mezzanine Level (M), 3 Spring Street, Sydney NSW 2000 on Friday 19 June 2015 at 10:30am (Sydney time).

AGENDA

Ordinary Business

Resolutions 1A, 1B, 1C and 1D – Approval to Issue Shares to Directors or Their Associates (Placement Shares)

To consider and, if thought fit to pass, the following resolutions as separate **ordinary resolutions**:

- A. *"That, for the purposes of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 1,000,000 fully paid ordinary Shares at an issue price of A\$0.25 per Share to Veruse Pty Ltd (ABN 69 003 884 446), a company controlled by Mr Douglas (Doug) Battersby, a Director of the Company, on the terms and conditions set out in the Explanatory Statement."*
- B. *"That, for the purposes of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue: (i) 1,600,000 fully paid ordinary Shares at an issue price of A\$0.25 per Share to Clapsy Pty Ltd (ABN 27 083 056 919), an entity controlled by Mr Paul Young, a Director of the Company; and (ii) 608,000 fully paid ordinary Shares at an issue price of A\$0.25 per Share to Baron Partners Limited (ABN 45 003 397 528), an entity associated with Mr Paul Young, a Director of the Company, on the terms and conditions set out in the Explanatory Statement."*
- C. *"That, for the purposes of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 400,000 fully paid ordinary Shares at an issue price of A\$0.25 per Share to Mr William Sack and/or his associates, a Director of the Company, on the terms and conditions set out in the Explanatory Statement."*
- D. *"That, for the purposes of Listing Rule 10.11 and for all other purposes, the Company be authorised to issue 140,000 fully paid ordinary Shares at an issue price of A\$0.25 per Share to Mr Maynard Smith and/or his associates, a Director of the Company, on the terms and conditions set out in the Explanatory Statement."*

Resolution 2 – Approval and Ratification of the Issue of 19,584,000 Shares

To consider and, if thought fit to pass, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 7.4 and for all other purposes, approval and ratification is given to the issue and allotment of 19,584,000 fully paid ordinary Shares on the terms and conditions set out in the Explanatory Statement."

Resolution 3 – Approval of the Proposed Issue of 20,668,000 Shares

To consider and, if thought fit to pass, the following resolution as an **ordinary resolution**:

"That for the purpose of Listing Rule 7.1 and all other purposes, approval is given for the Company to issue up to 20,668,000 fully paid ordinary Shares at an issue price of A\$0.25 per Share on the basis set out in the Explanatory Statement."

Resolution 4 – Approval of the Proposed Issue of up to 12,000,000 Shares Under a Share Purchase Plan

To consider and, if thought fit to pass, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, shareholders approve the allotment and issue of up to 12,000,000 fully paid ordinary Shares at an issue price of A\$0.25 per Share pursuant to a share purchase plan on the terms and conditions described in the Explanatory Statement."

Voting Exclusion Statement

For the purposes of the Corporations Act and Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes on the following Resolutions cast by or on behalf of the following persons:

Resolution	Excluded Party(s)
Resolution 1A	Mr Douglas Battersby and any of its associates.
Resolution 1B	Mr Paul Young and any of his associates.
Resolution 1C	Mr William Sack and any of his associates.
Resolution 1D	Mr Maynard Smith and any of his associates.
Resolution 2	A person who participated in the share issue the subject of Resolution 2 and any of their Associates.
Resolution 3	A person who may participate in the proposed issue of securities and any person who might benefit from the issue of securities under Resolution 3, except a benefit solely in the capacity of a holder of ordinary shares if the resolution is passed, and any of their Associates.

However, the Company need not disregard a vote on Resolutions 1 to 3 if it is cast by:

- the person as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form; or
- the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board



Nick Filipovic, Company Secretary

19 May 2015

For personal use only

Explanatory Statement to Shareholders to accompany Notice of the Extraordinary General Meeting

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Extraordinary General Meeting to be held at the Christie Conference Centre, Yangtze Room, Mezzanine Level (M), 3 Spring Street Sydney NSW 2000 on Friday 19 June 2015 at 10:30am (Sydney time).

The purpose of this Explanatory Statement is to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in this Notice of the Extraordinary General Meeting.

Your Vote is Important

The business of the Extraordinary General Meeting affects your shareholding and your vote is important.

Voting in Person

To vote in person, attend the Extraordinary General Meeting on the date and at the place set out above.

Proxy Voting and Undirected Proxies

Members may appoint a proxy to attend the meeting and vote on their behalf. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post (in the reply paid envelope) to Byron Energy Limited, C/- Boardroom Pty Ltd, GPO Box 3993, SYDNEY NSW 2001 Australia;
- (b) in person to Byron Energy Limited, C/- Boardroom Pty Ltd Boardroom Pty Ltd, Level 12, 225 George Street SYDNEY NSW 2000;
- (c) facsimile to Byron Energy Limited C/- Boardroom Pty Ltd on facsimile number + 61 2 9290 9655,

so that it is received not later than 10.30am (Sydney time) on Wednesday 17 June 2015.

Proxy forms received later than this time will be invalid.

1 Resolutions 1A, 1B, 1C and 1D – Approval to Issue Shares to Directors or Their Associates (Placement Shares)

1.1 Background

In an announcement to the ASX, dated 7 May 2015, Byron announced a share placement ("The Placement"). The Placement consists of 44,000,000 fully paid new ordinary Shares to be issued at A\$0.25 per Share to raise \$A11.0 million ("Placement Shares").

The Placement Shares comprise two tranches:-

- an unconditional placement of 19,584,000 Shares to raise approximately A\$4.9 million under the Company's existing 15% placement capacity ("Tranche 1 Placement Shares"); and
- a conditional placement of 24,416,000 Shares ("Tranche 2 Placement Shares") to raise approximately A\$6.1 million which includes subscriptions from Byron directors for 3,748,000 Shares.

1.2 Listing Rule 10.11

Listing Rule 10.11 requires a listed company to obtain shareholders' approval by ordinary resolution prior to the issue of securities to a related party. Mr Doug Battersby, Mr Paul Young, Mr William Sack and Mr Maynard Smith are related parties of Byron because they are Directors of Byron. In the event that shareholder approval to Resolutions 1A, 1B, 1C and 1D is obtained under Listing Rule 10.11, further Shareholder approval for the issue of the Shares the subject of Resolutions 1A, 1B, 1C and 1D is not required under Listing Rule 7.1 (see Listing Rule 7.2, Exception 14).

For personal use only

1.3 Technical information required by Listing Rule 10.13

Pursuant to and in accordance with the requirements of Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Tranche 2 Placement Shares to Mr Doug Battersby, Mr Paul Young, Mr William Sack and Mr Maynard Smith or their associates:

- (a) the Tranche 2 Placement Shares will be issued to Mr Doug Battersby, Mr Paul Young, Mr William Sack and Mr Maynard Smith or their associates as noted above;
- (b) the maximum number of Tranche 2 Placement Shares to be issued to Mr Doug Battersby, Mr Paul Young, Mr William Sack and Mr Maynard Smith or their associates is 3,748,000 at an issue price of A\$0.25 per Tranche 2 Placement Share;
- (c) the Tranche 2 Placement Shares will be allotted and issued on a date which will be no later than one month after the date of this Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (d) the Tranche 2 Placement Shares are fully paid ordinary Shares in the capital of Byron and will rank equally with Byron's current issued Shares; and
- (e) the funds raised under Tranche 2 Placement Shares will be used to fund the Company's exploration and development projects in the Gulf of Mexico and for working capital purposes.

1.4 Recommendations of Directors

The Directors (with Mr Doug Battersby abstaining in respect of Resolution 1A, Mr Paul Young abstaining in respect of Resolution 1B, Mr William Sack abstaining in respect of Resolution 1C and Mr Maynard Smith abstaining in respect to Resolution 1D) recommend that Shareholders vote in favour of Resolutions 1A, 1B, 1C and 1D.

Resolution 2 – Approval and Ratification of the Issue of 19,584,000 Shares

2.1 Background

As noted in Item 1.1 above, in an announcement to the ASX, dated 7 May 2015, Byron announced The Placement. As the Tranche 1 Placement Shares used up almost all of Byron's Listing Rule 7.1 capacity, Byron now wishes to refresh its Listing Rule 7.1 capacity.

2.2 Listing Rule 7.4

Under Listing Rule 7.4, Shareholders may approve the issue of securities made within the limitation of Listing Rule 7.1. By obtaining the approval of Shareholders under Listing Rule 7.4, the Company will retain the flexibility to issue up to 15% of its issued capital, if required, in the next 12 months without the need to obtain prior Shareholder approval.

2.3 Technical information required by Listing Rule 7.5

Listing Rule 7.5 requires the following information to be provided to Shareholders:

- (a) the total number of shares issued under Tranche 1 Placement Shares was 19,584,000 at an issue price of A\$0.25 per share;
- (b) the Shares issued under Tranche 1 Placement Shares are fully paid ordinary Shares in the capital of Byron and will rank equally with Byron's current issued Shares;
- (c) the allottees were select investors introduced by Paterson Securities Limited and Baron Partners Limited; and
- (d) the funds raised under Tranche 1 Placement Shares will be used to fund the Company's exploration and development projects in the Gulf of Mexico and for working capital purposes.

2.4 Recommendation of Directors

The Directors recommend that Shareholders vote in favour of Resolution 2.

For personal use only

Resolution 3 – Approval of the Proposed Issue of 20,668,000 Shares

3.1 Background

As noted in Item 1.1 above, in an announcement to the ASX, dated 7 May 2015, Byron announced The Placement. As the size of the Placement exceeded Byron's capacity under Listing Rule 7.1, it was undertaken in two tranches, with the Tranche 2 Placement Shares being subject to shareholder approval under Listing Rule 7.1.

As the issue of 3,748,000 Shares to Mr Doug Battersby, Mr Paul Young, Mr William Sack and Mr Maynard Smith or their associates is the subject to shareholder approval under Resolutions 1A, 1B, 1C and 1D above, further approval of the issue of those Shares is not required under Listing Rule 7.1. Accordingly, approval is only sought for the issue of 20,668,000 Shares under Resolution 3.

3.2 Listing Rule 7.1

Listing Rule 7.1 effectively allows a company to issue up to 15% of its capital without seeking Shareholder approval in a 12 month period. However, issues in excess of the 15% in 12 months require shareholder approval.

3.3 Technical Information required by Listing Rule 7.3

In accordance with Listing Rule 7.3 the following information is provided in respect of Resolution 3:

- (a) the maximum number of Shares that will be issued under this Resolution is 20,668,000;
- (b) the Shares will be issued and allotted within 3 months of the date of the meeting, or adjournment of the meeting, at which Resolution 3 is approved, allottees will not include related parties;
- (c) the Company intends to issue the new Shares at \$A0.25 per Share;
- (d) the identity of the allottee(s) was determined through the same process as referred to in the explanatory notes to Resolution 2 above;
- (e) the Shares issued will rank equally in all respects with existing fully paid ordinary shares; and
- (f) the funds raised are intended to be used by the Company to fund the Company's exploration and development projects in the Gulf of Mexico and for working capital purposes.

3.4 Recommendation of Directors

The Directors recommend that shareholders vote in favour of Resolution 3.

Resolution 4 – Approval of the proposed issue of up to 12,000,000 Shares Under a Share Purchase Plan

4.1 Background

At the same time as the announcement of the Placement on 7 May 2015, Byron further announced its proposal to undertake a share purchase plan under which persons who were shareholders of Byron on the record date of 5:00pm (Sydney time) on 6 May 2015, could subscribe for up to A\$15,000 worth of shares at an issue price of A\$0.25 per share ("SPP").

Resolution 4 proposes that Shareholders approve the proposed issue of the Shares under the SPP on the basis set out below.

4.2 Why Shareholder approval is being sought

Listing Rule 7.1 provides that a listed entity must not issue equity securities that total more than 15% of its fully paid ordinary shares in a 12 month period without the approval of shareholders.

Exception 15 of Listing Rule 7.2 would otherwise have applied to the SPP but for the fact that the proposed issue price of A\$0.25 under the SPP (being the same as the issue price under the Placement) is likely to be less than 80% of the average market price for Shares over the 5 day period required by that Exception.

Accordingly, the passing of Resolution 4 will ensure that Listing Rule 7.1 does not limit the Company's ability to issue the Shares under the SPP and any further equity securities within the 15% annual limit in the next 12 months.

For personal use only

4.3 Listing Rule 7.3

In accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the maximum number of Shares that will be issued under this Resolution is 12,000,000;
- (b) the Shares will be issued and allotted within 3 months of the date of the meeting, or adjournment of the meeting, at which Resolution 3 is approved, allottees will not include related parties;
- (c) the Company intends to issue the new Shares at A\$0.25 per Share;
- (d) the identity of the allottee(s) is each eligible person who was registered as a Shareholder of Byron as at 5.00pm (Sydney time) on 6 May 2015 (being the record date for the SPP), and who takes up Shares under the SPP;
- (e) the Shares issued will rank equally in all respects with existing fully paid ordinary Shares; and
- (f) the funds raised are intended to be used by the Company to fund the Company's exploration and development projects in the Gulf of Mexico and for working capital purposes.

4.4 Other relevant information

As is common for issues of SPP Shares to be made in these circumstances, the Company has applied for, and has been granted waivers, to the extent necessary, to enable:

- (a) Resolution 4 to be put to Shareholders without including a voting exclusion statement in this Notice of Meeting (as would ordinarily have been required under Listing Rule 7.3.8); and
- (b) (provided Resolution 4 is passed) the Directors and their associates to participate in the SPP on the same terms as other eligible Shareholders without the need for approval by Shareholders for the purposes of Listing Rule 10.11.

4.5 Recommendation of Directors

The Directors recommend that shareholders vote in favour of Resolution 4.

All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:30am AEST on Wednesday 17 June 2015.**

🖥 TO VOTE ONLINE**📱 BY SMARTPHONE**

STEP 1: VISIT www.votingonline.com.au/byronenergyegm2015

STEP 2: Enter your holding/investment type:

STEP 3: Enter your Reference Number:

STEP 4: Enter your VAC:

PLEASE NOTE: For security reasons it is important you keep the above information confidential.



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM**STEP 1 APPOINTMENT OF PROXY**

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:30am AEST on Wednesday 17 June 2015**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** www.votingonline.com.au/byronenergyegm2015

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Byron Energy Limited

ABN 88 113 436 141

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Byron Energy Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held at **Christie Conference Centre, Yangtze Room, Mezzanine Level (M), 3 Spring Street, Sydney, NSW, 2000 on Friday 19 June 2015 at 10:30am AEST** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

At the date of the Notice of Meeting, the Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business. In exceptional circumstances, the Chair of the Meeting's intentions with respect to voting undirected proxies may change.

STEP 2 VOTING DIRECTIONS

*** If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.**

	For	Against	Abstain*
Resolution 1A Approval to Issue Shares to a Director or Their Associates (Placement) – Mr Douglas Battersby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1B Approval to Issue Shares to a Director or Their Associates (Placement) – Mr Paul Young	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1C Approval to Issue Shares to a Director or Their Associates (Placement) – Mr William Sack	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1D Approval to Issue Shares to a Director or Their Associates (Placement) – Mr Maynard Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval and Ratification of the Issue of 19,584,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval of the Proposed Issue of 20,668,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval of the Proposed Issue of up to 12,000,000 Shares Under a Share Purchase Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2015

For personal use only