



Share Purchase Plan Booklet 2016

This document is dated 12 January 2016

This is an important document. Please read it carefully before making an investment decision in relation to the Share Purchase Plan. If you have any doubts as to what you should do, please consult your stockbroker, accountant or other professional adviser.

If you have any questions in relation to how to participate in the Share Purchase Plan after reading this booklet, please contact the Byron Energy Limited Australia SPP Offer Information Line on **1300 737 760** if calling within Australia or **+61 2 9290 9600** if calling from outside Australia. If you have any questions in relation to whether an investment in Byron Energy Limited through the Share Purchase Plan is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

This document does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs.

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

United States

This document may not be released or distributed in the United States. The ordinary shares of Byron Energy Limited being offered under the Share Purchase Plan have not been and will not be registered under the US Securities Act of 1933 (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. The ordinary shares of Byron Energy Limited offered under the Share Purchase Plan may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.



Dear Shareholder

12 January 2016

Share Purchase Plan

Your directors are pleased to invite you to participate in an opportunity to subscribe for additional ordinary shares in Byron Energy Limited (**Company**) under a share purchase plan (**SPP**).

The SPP is offered to shareholders who at the record date at 7:00 pm (Sydney time) on 29 December 2015 had a registered address in Australia or New Zealand (**Eligible Shareholder**).

The issue price will be A\$0.15 per share. This is the same price that was offered under the Company's share placement announced on 30 December 2015, being a 11.77% discount to the last ASX traded price of the Company's shares on 30 December 2015 and a 14.80% discount to the volume weighted average market price of shares traded in the ordinary course of ASX in the five trading days up to the date of the announcement of 30 December 2015.

The volume weighted average price of the Company's shares on ASX during the five trading days immediately before the announcement of the SPP was A\$0.1761.

The purpose of the SPP is to raise funds for the Company's Gulf of Mexico oil and gas projects and to provide general working capital. Following our announcement on 11 December 2015 of a multi well farm out, a copy of which is enclosed, we look forward to our 2016 drilling programme which is expected to commence in February.

The SPP will raise a maximum of A\$2.5 million.

The SPP will enable Eligible Shareholders, regardless of the number of shares they hold in the Company, to subscribe for their choice of any one of the following parcels of shares:

- 100,000 for the total amount of A\$15,000;
- 66,667 for the total amount of A\$10,000;
- 33,334 for the total amount of A\$5,000;
- 13,334 for the total amount of A\$2,000.

The SPP provides Eligible Shareholders with the opportunity to increase smaller holdings into larger and more financially viable parcels and expand shareholdings without the cost of brokerage or commission.

This SPP is optional and the offer is non-renounceable. Accordingly, Eligible Shareholders cannot transfer to other parties their right to subscribe for shares under the SPP. All shares issued under the SPP will rank equally with the existing ordinary shares of the Company and will carry the same rights.

If you wish to participate in the SPP, you can choose either of the following payments methods:

- payment by BPAY® – please refer to the Biller code and Reference number on your personalised application form and contact your participating financial institution to make your payment. You are not required to return the application form;
- payment by cheque, money order or bank draft – if paying by this method, complete the application form, attach your cheque, money order or bank draft in Australian dollars, drawn on a bank or financial institution in Australia and made payable to Byron Energy Limited and return them in the envelope provided.

No cash or card payments will be accepted.

The Terms and Conditions of the SPP and your personalised Application Form are attached. I recommend that you read the Terms and Conditions before making a decision regarding your participation in the SPP. I encourage you to contact your professional adviser if you are uncertain as to what action you should take.

If you have any questions in relation to the SPP, please contact [the Byron Energy Limited SPP Offer Information Line] on 1300 737 760 if calling from Australia or +61 2 9290 9600 if calling from outside of Australia.

Thank you for your continued support of Byron.

Yours sincerely



Doug Battersby
Chairman

BYRON ENERGY LIMITED

ABN 88 113 436 141

Share Purchase Plan Terms and Conditions

Offer

Byron Energy Limited (**Company**) is offering its shareholders the opportunity to purchase up to A\$15,000 of fully paid ordinary shares in the Company by way of its share purchase plan (**SPP**).

The price per share under the SPP (**SPP Price**) being offered is A\$0.15. This is the same price that was offered to institutional investors under the placement announced on 30 December 2015. The SPP Price is a **14.80%** discount to the volume weighted average market price of shares traded in the ordinary course on ASX in the five trading days up to the day on which the SPP was announced.

Eligibility

All shareholders at **7pm** (Sydney time) on **29 December 2015 (Record Date)** with a registered address in Australia or New Zealand (**Eligible Shareholders**), are offered participation in the SPP.

The Company has determined that it is unlawful or impractical for the SPP to be offered to a shareholder whose address on the register of members is a country outside of Australia or New Zealand.

Participation in the SPP by acceptance of the offer:

- (a) is optional for Eligible Shareholders; and
- (b) is subject to these Terms and Conditions.

Subscription

Eligible Shareholders, regardless of the number of shares they hold in the Company, may subscribe for any one of the following parcels (subject to any scale back described below):

	Subscription Amount	Shares allotted at the SPP Price
Minimum application	\$2,000	13,334
	\$5,000	33,334
	\$10,000	66,667
Maximum application	\$15,000	100,000

No Eligible Shareholder may be issued with shares with an application price totalling more than A\$15,000.

Important dates

Record Date (5pm Sydney time)	29 December 2015
Opening Date	12 January 2016
Closing Date (5pm Sydney time)	29 January 2016
Share Issue Date	4 February 2016
First Trading Date	8 February 2016
Dispatch of Holding Statements/Confirmation advice	8 February 2016

Offers non-renounceable

Offers made under the SPP are non-renounceable. Eligible Shareholders cannot transfer their right to other parties to subscribe for shares under the SPP. Acquisition by an Eligible Shareholder of additional shares or a new separate holding of shares before the Closing Date, will not give rise to any additional right to subscribe for shares under this SPP offer.

Single Eligible Shareholders

Single Eligible Shareholders that receive more than one offer under the SPP, for example due to multiple registered holdings, may only apply for an aggregate of up to A\$15,000 worth of shares (one maximum parcel).

Joint Eligible Shareholders

Eligible Shareholders recorded on the register with one or more other persons as the joint holder of shares are considered to have a single registered holding for the purpose of the SPP. If the same joint holders receive more than one offer under the SPP due to multiple holdings, the joint holders may only apply for an aggregate of up to A\$15,000 worth of shares (one maximum parcel).

Custodians, trustees and nominees

A custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [09/425], or in any other ASIC relief granted to the Company in relation to the SPP (**Custodian**) who holds shares on behalf of one or more persons (**Participating Beneficiary**), may apply for up to a maximum of A\$15,000 worth of shares for each Participating Beneficiary, subject to providing notice in writing to the Company (by way of Custodian Certificate) certifying the following:

- (a) that the Custodian holds the shares on behalf of Participating Beneficiaries who have instructed it to apply for shares in the Company on their behalf under the SPP;
- (b) the number of Participating Beneficiaries;
- (c) the name and address of each Participating Beneficiary;
- (d) the number of shares in the Company that the Custodian holds on behalf of each Participating Beneficiary;

- For personal use only
- (e) the number or dollar amount of shares which each Participating Beneficiary has instructed the Custodian, either directly or indirectly through another custodian, to apply for on their behalf;
 - (f) that there are no Participating Beneficiaries in respect of which the total of the application price exceeds A\$15,000 worth of the Company's shares, calculated by reference to shares in the Company applied for by the Custodian on behalf of each Participating Beneficiary under:
 - (i) the SPP; and
 - (ii) any other shares in the Company issued to the Custodian as custodian in the 12 months before the Custodian's application under an arrangement similar to the SPP,in each case, as a result of an instruction given by the Participating Beneficiary to the Custodian to apply for shares in the Company on their behalf;
 - (g) that a copy of these Terms and Conditions was given to each Participating Beneficiary;
 - (h) where shares are held by the Custodian on behalf of the Participating Beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian; and
 - (i) any such additional or varied information as might be required under any more specific ASIC relief that might be granted to the Company in relation to the SPP.

The offer under this SPP is made to the Custodian as the registered holder, not to the beneficiaries directly.

For the purposes of these Terms and Conditions, a Custodian is as defined in ASIC Class Order [09/425].

If shares in the Company are held as a trustee or nominee for another person, but are not a Custodian as defined in ASIC Class Order [09/425], that holder cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings apply.

If a Custodian Certificate or further information on how to apply is required, contact the Company's SPP Offer Information Line on **1300 737 760** (within Australia) and **+61 2 9290 9600** (outside Australia).

Overseas shareholders

This SPP does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The SPP is not being extended to, and shares will not be allotted to, shareholders with a registered address which is outside Australia or New Zealand.

Beneficial shareholders not resident in Australia or New Zealand should consult their professional advisors to determine whether any government or other consents are required or whether formalities need to be observed to allow them to accept their entitlement.

Agreement

Eligible Shareholders may only acquire up to a maximum of A\$15,000 of shares under a SPP or similar plan in any 12 month period (as prescribed by ASIC Class Order [09/425]).

By submitting the application form (together with a cheque, bank draft or money order) or making a BPay® payment the Eligible Shareholder certifies:

- (a) the aggregate of the application price paid for:
 - (i) the shares the subject of the application form or BPay® payment; and
 - (ii) any other shares in the Company applied for or which a Custodian has been instructed to acquire under the SPP, or any similar arrangement operated by the Company in the 12 months before the date of submission, does not exceed A\$15,000 (except when applying as a Custodian for one or more beneficiaries);
- (b) it agrees that the application is only effective as of the date on which the application is signed (if applicable) (**Effective Date**);
- (c) it agrees generally to otherwise be bound by these Terms and Conditions; and
- (d) it authorises the Company to place its name on the register of members in respect of the shares which are issued to the Eligible Shareholder under the SPP offer and agrees to be bound by the constitution of the Company.

The Company reserves the right and in certain circumstances may be required by ASIC Class Order [09/425] or other conditions, to reject any application for shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these Terms and Conditions or any statute, law, regulation, statutory instrument or the ASX Listing Rules.

Acceptance

Applications will only be open for acceptance on and from **12 January 2016** in order to comply with legal requirements.

Applications may only be made by:

- (a) submitting the enclosed application form (together with a cheque, bank draft or money order) to the Company's share registry at the address shown on the application form; or
- (b) making payment by BPay® in accordance with the instructions set out on the enclosed application form.

Application forms or payment by BPay® (as applicable) must be received before 5pm (Sydney time) on **29 January 2016 (Closing Date)** in order for the application to be valid and capable of acceptance by the Company. Applications received after that time will not be accepted. If the exact amount of application money is not tendered with the application form or via BPay®, the Company reserves the right to reject the application.

Once an application is received, the application and associated payment under the SPP may not be withdrawn and the interest (if any) accruing on the application money will accrue and be payable to the Company.

Calculation of number of shares to be issued

In the absence of scale back, and subject to the Eligible Shareholder not exceeding the A\$15,000 maximum parcel limit, the number of shares in the Company to be issued to each Eligible Shareholder will be calculated by dividing the application money received from each Eligible Shareholder under the SPP by the SPP Price, then rounding up to the nearest whole share.

Scale back

The Company is seeking to raise a maximum of **\$A2,500,000** under the SPP. Further, in accordance with the ASX Listing Rules the number of shares to be issued under the SPP will not be greater than 30% of the number of the Company's shares on issue at the Record Date.

If the Company scales back applications, the amount of the application as scaled back may not be equal to a whole number of the Company's shares. In that event, the number of the Company's shares to be allotted will be rounded up to the nearest whole number of shares.

If the Company undertakes a scale back, Eligible Shareholders will receive the number of shares determined by the Company in its absolute discretion which may be less than the parcel of shares which was applied for. In this case, the difference between the application money received and the number of shares allocated to the Eligible Shareholder multiplied by the SPP Price, may be refunded by direct credit (to a nominated account if recorded on the Company's share register) or cheque as soon as practicable without interest at the time of allotment.

Price risk

Note that the market price of the Company's shares may rise or fall between the date this SPP offer was announced and made and the issue date. This means that for the same aggregate application amount, the number of shares acquired by an Eligible Shareholder under the SPP may be lower than the number of shares that may be acquired on the market on the date that the shares are issued.

This offer is not made under a prospectus or other disclosure document. Accordingly, shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on ASX.

Issue of shares

Shares issued under the SPP will rank equally in all respects with all other fully paid ordinary shares in the Company on the date of issue.

Costs of participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and issue of shares under, the SPP.

Allotment and quotation dates

Shares are expected to be allotted under the SPP on **4 February 2016** and the Company will apply for these shares to be listed for quotation on ASX.

The Company expects to dispatch a holding statement or confirmation advice in respect of the shares allotted under the SPP on **8 February 2016**. Eligible Shareholders should confirm their holding before trading in any shares in the Company that they believe have been allotted to them under the SPP.

Underwriting

The SPP will not be underwritten.

General

The Company may determine, in any manner it thinks fit, any disputes or anomalies which arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any Eligible Shareholder or application for shares. The decision of the Company will be conclusive and binding on all persons to whom the determination relates.

The Company reserves the right to waive compliance with any provision of these Terms and Conditions, to amend or vary these Terms and Conditions and to suspend or terminate the SPP at any time. Any variation in these Terms and Conditions will be notified by a release to the ASX.

The Company may at any time irrevocably determine that an application is valid, in accordance with these Terms and Conditions, even if the application form is incomplete, contains errors or is otherwise defective. The Company and its officers and agents are authorised to correct any error in, or omission from, an application form by the insertion of any missing details.

The Company's rights and discretions under the SPP may be exercised by the directors of the Company or any delegate of the directors.

The Company collects information about each applicant provided on an application for the purposes of processing the application and, if the application is successful, to administer the applicant's security holding in the Company.

By submitting an application, each applicant agrees that the Company may use the information provided by that applicant on that application for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to the ASX and other regulatory authorities.

If you do not provide the information required on the application, the Company may not be able to accept or process your application.

An applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. Access requests must be made in writing to the Company's registered office.

This offer is governed by the law of New South Wales. By accepting the offer the Eligible Shareholder submits to the non-exclusive jurisdiction of the courts of New South Wales.

ASIC Class Order [09/425]

This offer of shares under the SPP is made in accordance with the requirements of ASIC Class Order [09/425]. That Class Order grants relief from the requirement to prepare a prospectus for the offer of shares under the SPP.

Independent financial and taxation advice

The offer under this SPP is not a recommendation to purchase shares. The Company recommends that Eligible Shareholders seek independent financial and taxation advice before participating in the SPP.

Questions

Any questions in respect of the SPP should be directed to the Byron Energy Limited Australia SPP Offer Information Line on:

Telephone: **1300 737 760** (within Australia)

+61 2 9290 9600 (outside Australia)

Corporate Directory

Directors

Mr Doug Battersby (Chairman, Non Executive Director)
Mr Maynard Smith (CEO & Executive Director)
Mr Prent Kallenberger (Executive Director)
Mr William Sack (Executive Director)
Mr Charles Sands (Non Executive Director)
Mr Paul Young (Non Executive Director)

CFO & Company Secretary

Mr Nick Filipovic

Registered Office

Level 4, 480 Collins Street
Melbourne Vic 3000
Tel: (03) 8610 6583

Website

<http://www.byronenergy.com.au>

Share Register

Boardroom Pty Limited
Level 12
Grosvenor Place
225 George Street
Sydney NSW 2000
Tel: 1300 737 760

Solicitors

Piper Alderman
Level 23
Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Corporate Adviser

Baron Partners Limited
Level 32
Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000

11 December 2015

ASX Release

Byron Secures Multi-well Farm Out Deal with Otto on GOM Properties

Highlights

- Byron Energy Limited (Byron or the "Company") (ASX: BYE) has entered into a multi-well staged farm-out agreement with Otto Energy Limited ("Otto") (ASX: OEL) that potentially injects \$US 17.3 million in capital into Byron's existing projects.
- This transaction accelerates Byron's drilling program in the Gulf of Mexico ("GOM") by partnering with a well-capitalised partner, reducing Byron's capital requirements while Byron retains operatorship and leverages its Gulf of Mexico expertise.
- Otto will earn a 50% working interest in Byron's SM 6 lease by paying a disproportionate share of drilling costs of the SM 6 #2 well and reimbursing a portion of Byron's past costs. Otto will then have an option to earn a 50% working interest in Byron's SM 70/71 leases by paying a disproportionate share of drilling costs of the SM 71 #1 well and reimbursing a portion of Byron's SM 70/71 past costs.
- Otto will also have an option to earn a 45% working interest in Byron's Bivouac Peak leases by paying a disproportionate share of drilling costs of the first well on the leases and reimbursing a portion of Byron's past costs.
- Byron will utilise the Hercules 264 jack up rig, as previously announced, to drill one well at SM 6, followed by an optional well at SM 71 beginning in the March 2016 quarter.
- Byron has also taken steps to place the SM 6 lease on a path to production by executing a Production Handling Agreement with the offset operator, Fieldwood Energy LLC, and has applied for the necessary approvals with BOEM to modify the existing SM 6 caisson with the goal of establishing initial production in March 2017 quarter.

Transaction Summary

Byron Energy Limited (Byron or the "Company") (ASX: BYE) is pleased to announce that its wholly owned subsidiary, Byron Energy Inc has entered into a binding participation agreement ("PA") with Otto Energy (Louisiana) LLC, a wholly owned subsidiary of Otto Energy Limited ("Otto") (ASX: OEL). This agreement covers three of Byron's existing projects, with Otto contributing up to \$US 17.3 million in drilling costs and past expenditure recovery, as part of a staged farm out program, to advance the three projects. The injection of this funding through a staged program will substantially reduce Byron's need for capital and could ultimately lead to three new wells being drilled by Byron during calendar year 2016, offering Otto an attractive, accelerated entry into an established basin.

Under the PA, Otto pays a disproportionate share of drilling costs to earn 50% of Byron's interest in three projects:- South Marsh Island 6, South Marsh Island 70/71 and Bivouac Peak. After drilling of the program's initial SM 6 #2 well, Otto will then have a short option period to elect to participate in the SM 71 #1 well; in the event Otto elects to participate in SM 70/71, Otto will reimburse Byron for a portion of past costs on the SM 6 lease and the SM 70/71 leases. After the drilling of SM 71 #1 well, Otto will have earned an option to participate in the drilling of the first well on Bivouac Peak leases.

If all three wells are ultimately drilled, the end result will bring \$US 17.3 million in funding for Byron's existing projects. Should Otto elect not to participate in further drilling after the drilling of SM 6 #2 well, Otto will not earn the option to participate in the SM 70/71 leases and the agreement will cease.

Otto will also have the option of participating for up to a 50% interest in one new asset acquired by Byron, if any, through to March 2017 by paying 66.67% of related drilling costs or acquisition costs, and proportionate treatment of related expenses.

Key Terms

SM 6: Under the PA, Otto will participate in the drilling of the SM 6 #2 well during the March 2016 quarter. Otto will pay 66.67% of the estimated dry hole costs to earn a 50% working interest in the SM 6 lease. Otto's promoted exposure will be capped at \$US 5.3 million of the estimated \$US 8.0 million dry hole cost, after which both companies will bear their own proportionate interests. At earning depth, Otto will have the right to elect to participate in the drilling of the SM 71 #1 well. Upon a positive election at SM 71, Otto will reimburse Byron for past costs at SM 6 of \$US 2.1 million as well as past costs at SM 70/71 of \$US 0.9 million.

SM 71: At SM 71, Otto will pay 66.67% of the expected \$US 4.5 million dry hole costs to earn a 50% working interest in the SM 71 and SM 70 leases. Otto's promoted drilling exposure will be capped at \$US 3.0 million, after which both companies will bear their own proportionate interests. At earning depth, Otto can elect to participate in Byron's Bivouac Peak Project.

Bivouac Peak: Should Otto decide to participate in Byron's recently acquired Bivouac Peak leases, Otto will pay 66.67% of Byron's share of the drilling costs to earn a 45% share of the Bivouac Peak leases. Otto's drilling contribution will be capped at \$US 6.0 million based on a dry hole estimate of \$US 10 million. Otto will also reimburse Byron for 50% of Byron's past costs in the project at the time of election.

In total, Otto will potentially contribute \$US 14.3 million in drilling costs and approximately \$US 3.0 million in past cost reimbursements, if all three wells are drilled and Otto elects to participate in all three projects.

Lease	Drilling Date (forecast)	8/8ths Dry Hole Cost	Byron Cost After Otto Contribution	Otto Past Cost Reimbursement	Net Cost to Byron	Byron NRI after Otto Earns
SM 6	Mar qtr 2016	\$US 8.0 million	\$US 2.7 million	\$US 2.1 million	\$US 0.6 million	40.625%
SM 71	Mar qtr 2016	\$US 4.5 million	\$US 1.5 million	\$US 0.9 million	\$US 0.6 million	40.625%
Bivouac Peak	2nd half 2016	\$US 10.0 million	\$US 3.0 million	TBD	~\$US 3.0 million	33.525%

CEO Comment

Maynard Smith said:-

"We are pleased to welcome Otto as a co-venturer, initially at SM 6 and potentially at SM 70/71 and Bivouac Peak. The commitment by Otto to participate in the drilling of SM 6 #2 well validates Byron's GOM strategy to build a high quality, low risk portfolio of assets with undeveloped reserves and/or prospective resources which can be drilled, developed and brought on production relatively quickly, with highly competitive capital and operating costs, given the established infrastructure in the GOM."

"The transaction with Otto will provide a significant proportion of the capital needed to drill these highly attractive oil and gas properties that Byron has assembled over the last few years. In total, Otto will contribute \$US 14.3 million in drilling costs and at least \$US 3.0 million in past cost reimbursements, if Otto participates in the three projects, substantially reducing Byron's capital needs under this cascading agreement."

"The Otto-Byron transaction is well timed to take advantage of the substantially lower drilling and service costs in the current environment."

Permitting

Byron expects to spud the SM 6 #2 well during the first quarter of 2016. That well will be followed immediately by the SM 71 #1 well assuming Otto elects to participate in the drilling of the SM 71 #1 well. Byron has initiated permitting on both wells and expects approvals by mid-January 2016.

Byron has also filed a Development Operations Coordination Document ("DOCD") with BOEM which will allow Byron to modify the existing SM 6 caisson, lay a flow line to the SM 10 "A" platform where hydrocarbons will be separated and transported to market for sale. Along with that DOCD application Byron has requested a Suspension of

Production ("SOP") from BSEE for the SM 6 lease which will extend the lease term to give Byron time to design, install and hook up new facilities. A key component of this process is a Production Handling Agreement between Byron and the offset operator at SM 10, Fieldwood Energy LLC.

Drilling - SM 6 #2 and SM 71 #1

The primary target for the SM 6 #2 well is the G 20 Sand, which has been assigned by Collarini and Associates gross proved and probable undeveloped reserves of 1.9 million barrels of oil and 11.0 Bcf of gas, equivalent to 1.5 million barrels of oil and 9.0 Bcf of gas on a net basis to Byron's existing 81.25% Working Interest ("WI"). The well is programmed to drill beyond the G 20 Sand to test the H and I Sands which Collarini and Associates have assigned undeveloped 3P reserves of 1.2 million barrels of oil and 10.6 Bcf of gas on a net basis to Byron's existing 81.25% WI*.

The SM 71 #1 well will target two objective sands. The first target is the J Sand, which has been assigned by Collarini and Associates gross proved and probable undeveloped reserves of 0.8 million barrels of oil and 0.5 Bcf of gas, equivalent to 0.7 million barrels of oil and 0.4 Bcf of gas net to Byron's existing 81.25% WI. The primary target is the D5 Sand, which has been assigned by Collarini and Associates gross prospective resources of 5.6 million barrels of oil and 4.1 Bcf of gas, equivalent to 4.6 million barrels of oil and 3.4 Bcf of gas net to Byron's existing 81.25% WI*.

* If and when Otto earns a 50% WI in SM 6 and SM 70/71, Byron's share of previously reported SM 6 and 70/71 reserves and prospective resources, including the ASX release dated 4 September 2015 and the 2015 Annual Report, will be reduced by 50%.

For further information contact:-

Maynard Smith
Chief Executive Officer
61 2 6685 3115

Bill Sack
Executive Director
1 337 889 3869

Disclaimers

Competent Persons Statement

The information in this report that relates to oil and gas reserves and resources was compiled by technical employees of independent consultants Collarini and Associates, under the supervision of Mr Mitch Reece BSc PE. Mr Reece is the President of Collarini and Associates and is a registered professional engineer in the State of Texas and a member of the Society of Petroleum Evaluation Engineers (SPEE), Society of Petroleum Engineers (SPE), and American Petroleum Institute (API). 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 Statement are based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Reece. Mr Reece 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.

Reserves Cautionary Statement

Oil and gas reserves estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. Additionally, by their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates are likely to change. The may result in alterations to development and production plans which may, in turn, adversely impact the Company's operations. Reserves estimates and estimates of future net revenues are, by nature, forward looking statements and subject to the same risks as other forward looking statements.

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.

Forward Looking Statements

Statements in this announcement which reflect management's expectations relating to, among other things, production estimates, target dates, Byron's expected drilling program and the ability to fund exploration and development are forward-looking statements, and can generally be identified by words such as "will", "expects", "intends", "believes", "estimates", "anticipates" or similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements and may contain forward-looking information and financial outlook information. Statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions that some or all of the reserves described can be profitably produced in the future. These statements are not historical facts but instead represent management's expectations, estimates and projections regarding future events.

Although management believes the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are based on the opinions, assumptions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on such statements.

All of the forward-looking information in this presentation is expressly qualified by these cautionary statements. Forward-looking information contained herein is made as of the date of this document and Byron disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by law. In relation to details of the forward looking drilling program, management advises that this is subject to change as conditions warrant, and we can provide no assurances that drilling rigs will be available.

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