

28 September 2016

ASX Release

GI 95 Relinquishment and Contingent & Prospective Resources Update

Byron Energy Limited (“Byron or the Company”) advises that it has elected to not renew the Grand Isle 95 (“GI 95”) lease for the fifth and final year of a five year lease term. Consequently, GI 95 will be relinquished at the end of September 2016.

GI 95 is a dry gas project, and Byron’s decision not to renew the lease for the final year of the lease term is due to continuing low gas prices, the Company’s focus on development of SM 71 and plans to drill the Bivouac Peak Prospect.

As a result of this decision, the contingent and prospective resources previously attributed to GI 95, and included in the Company’s 30 June 2016 reserves and resources statement, released to the ASX on 25 July 2016, have been removed. There are no other changes to the Company’s previously reported reserves and resources. The table below shows the impact of the decision to relinquish GI 95.

The relinquishment of GI 95 resulted in a non-cash charge of \$US0.29 million to the profit and loss for the financial year ended 30 June 2016.

Reserves & Resources	(ASX release 25 July 2016) As at 30 June 2016			Adjustment for GI 95 relinquishment			Adjusted Reserves & Resources as at 30 June 2016		
	Oil MBBL	Gas MMCF	MBOE (6:1)	Oil MBBL	Gas MMCF	MBOE (6:1)	Oil MBBL	Gas MMCF	MBOE (6:1)
Gulf of Mexico, Offshore									
Louisiana, USA									
Reserves (Undeveloped)									
Proved (1P)	582	404	649	-	-	-	582	404	649
Probable Reserves	1,797	1,627	2,068	-	-	-	1,797	1,627	2,068
Proved and Probable (2P)	2,379	2,031	2,718	-	-	-	2,379	2,031	2,718
Possible Reserves	968	1,065	1,146	-	-	-	968	1,065	1,146
Proved, Probable & Possible (3P)	3,347	3,096	3,863	-	-	-	3,347	3,096	3,863
Contingent Resource									
CR1C	19	9,407	1,587	(19)	(9,407)	(1,587)	-	-	-
CR2C	151	41,780	7,114	(151)	(41,780)	(7,114)	-	-	-
CR3C	52	22,467	3,797	(52)	(22,467)	(3,797)	-	-	-
Total Contingent Resource	222	73,654	12,498	(222)	(73,654)	(12,498)	-	-	-
Total Prospective Resource									
Best Estimate (unrisked)	20,180	333,359	75,740	(304)	(40,456)	(7,047)	19,876	292,903	68,693

Reserves - The aggregate 1P may be a very conservative estimate and the aggregate 3P may be a very optimistic estimate due to the portfolio effects of arithmetic summation

Conversion to boe - MBBL = thousand barrels; MMCF = million cubic feet; MBOE = thousand barrels of oil equivalent ("BOE") with a BOE determined using a ratio of 6,000 cubic feet of natural gas to one barrel of oil – 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency

Prospective Resource - 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

Reserves Cautionary Statement

Oil and gas reserves and resource 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. They 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.

For further information contact:-

Maynard Smith
Chief Executive, Byron Energy Limited
+1 337 534 3601

Peter Love
Investor relations
+61 7 3121 5674

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.

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