

5 February 2019

**ASX Release
NOTICE UNDER SECTION 708A(5)(e)
CORPORATIONS ACT 2001 (CTH) and APPENDIX 3B**

Byron Energy Limited ("Byron or the Company") (**ASX:BYE**) today issued 4,669,904 shares to Metgasco Limited ("Metgasco") in consideration for Metgasco converting the remaining \$A1,000,000 in convertible notes at \$A0.2141 per share into shares ("Conversion Shares") in the Company. All of the convertible notes issued to Metgasco in January 2017 (\$A8,000,000) have now been redeemed or converted to shares.

In order to permit the on-sale of the Conversion Shares without the need for a disclosure document to be prepared under Part 6D.2 of the *Corporations Act 2001* (Cth) ("Corporations Act"), Byron makes the following statements for the purposes of compliance with sections 708A(5)(e) and 708A(6) of the Corporations Act:

- a) The Conversion Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act.
- b) This notice is being given under paragraph 5(e) of section 708A of the Corporations Act.
- c) As at the date of this notice, Byron has complied with the provisions of Chapter 2M (as they apply to Byron) and section 674 of the Corporations Act.
- d) As at the date of this notice, there is no excluded information (as defined in sections 708A(7) and 708A(8) of the Corporations Act.).

An Appendix 3B in relation to the issue of the Conversion Shares is attached.

Yours sincerely,



Nick Filipovic
CFO & Company Secretary
61 (3) 8610 6583

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Byron Energy Limited

ABN

88 113 436 141

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--------------------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 4,669,904 Fully paid ordinary shares |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Yes
5	Issue price or consideration	Issued for \$A0.2141 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Conversion of the remaining \$A1,000,000, in convertible notes held by Metgasco Limited, into shares in the Company at 10% discount to 30 day volume weighted average price of the Company's ordinary shares
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	22 November 2018
6c	Number of +securities issued without security holder approval under rule 7.1	None
6d	Number of +securities issued with security holder approval under rule 7.1A	None

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	4,669,904 approved by shareholders at the Company's EGM held on 12 September 2016	
6f	Number of +securities issued under an exception in rule 7.2	None	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not Applicable	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not Applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1 - Part 1 and Part 2	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	5 February 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number 695,373,417	+Class Fully paid ordinary shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class										
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><td>10,000,000</td><td>Options exercisable at \$Ao.25 expiry date 5.00 pm (Sydney time) 21 July 2019</td></tr><tr><td>9,500,000</td><td>Options exercisable at \$Ao.25 expiry date 5.00 pm (Sydney time) 31 December 2019</td></tr><tr><td>28,350,000</td><td>Options exercisable at \$Ao.12 expiry date 5.00 pm (Sydney time) 31 December 2021</td></tr><tr><td>2,000,000</td><td>Options exercisable at \$Ao.16 expiry date 5.00 pm (Sydney time) 31 December 2021</td></tr><tr><td>10,750,000</td><td>Options exercisable at \$Ao.40 expiry date 5.00 pm (Sydney time) 31 December 2021</td></tr></table>	10,000,000	Options exercisable at \$Ao.25 expiry date 5.00 pm (Sydney time) 21 July 2019	9,500,000	Options exercisable at \$Ao.25 expiry date 5.00 pm (Sydney time) 31 December 2019	28,350,000	Options exercisable at \$Ao.12 expiry date 5.00 pm (Sydney time) 31 December 2021	2,000,000	Options exercisable at \$Ao.16 expiry date 5.00 pm (Sydney time) 31 December 2021	10,750,000	Options exercisable at \$Ao.40 expiry date 5.00 pm (Sydney time) 31 December 2021
10,000,000	Options exercisable at \$Ao.25 expiry date 5.00 pm (Sydney time) 21 July 2019											
9,500,000	Options exercisable at \$Ao.25 expiry date 5.00 pm (Sydney time) 31 December 2019											
28,350,000	Options exercisable at \$Ao.12 expiry date 5.00 pm (Sydney time) 31 December 2021											
2,000,000	Options exercisable at \$Ao.16 expiry date 5.00 pm (Sydney time) 31 December 2021											
10,750,000	Options exercisable at \$Ao.40 expiry date 5.00 pm (Sydney time) 31 December 2021											
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable										

Part 2 - Pro rata issue

11	Is security holder approval required?	Not Applicable
12	Is the issue renounceable or non-renounceable?	Not Applicable
13	Ratio in which the +securities will be offered	Not Applicable
14	+Class of +securities to which the offer relates	Not Applicable

+ See chapter 19 for defined terms.

15	+Record date to determine entitlements	Not Applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not Applicable
17	Policy for deciding entitlements in relation to fractions	Not Applicable
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not Applicable
19	Closing date for receipt of acceptances or renunciations	Not Applicable

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	Not Applicable
21	Amount of any underwriting fee or commission	Not Applicable
22	Names of any brokers to the issue	Not Applicable
23	Fee or commission payable to the broker to the issue	Not Applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not Applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not Applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not Applicable
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not Applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not Applicable

+ See chapter 19 for defined terms.

32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	+Issue date	Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of ⁺ securities for which ⁺ quotation is sought	Not Applicable	
39	⁺ Class of ⁺ securities for which quotation is sought	Not Applicable	
40	<p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Not Applicable	
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)</p>	Not Applicable	
42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in clause 38)	Number	⁺ Class
		Not Applicable	Not Applicable

⁺ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Company secretary)

Date: 5/2/2019

Print name: Nick Filipovic

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	684,987,034
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	1,950,000 8,436,383
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	0
“A”	695,373,417

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	104,306,013
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	1,250,000
“C”	1,250,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	104,306,013
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	1,250,000
Total [“A” x 0.15] – “C”	103,056,013 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	695,373,417
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	69,537,342
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	0
“E”	0

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	69,537,342
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	69,537,342 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.