

Quarterly Report for the Period Ended 30 June 2019

Summary

- Byron's share of oil and gas production (net sales volume) for the June 2019 quarter, from SM71 and SM58 E1 well, was 112,302 barrels of oil and 210,864 mmbtu of gas;

- Net revenue recorded for the March quarter, from SM71 and SM58, was approximately US\$ 7.6 million (net to Byron after quality adjustments, transportation charges and royalties);

The SM74 prospect well, SM74 D-14, spudded in mid May 2019 from the adjacent existing SM 73 D platform and was drilling ahead as of 30 June 2019; the well was plugged and abandoned in July 2019;

Byron further optimised its lease portfolio through the acquisition of SM60, assignment of VR232 and relinquishment of VR251;

- Purchase of a production platform, which can be utilised on any future Byron development, completed; and
- South Marsh Island Project Area 3D seismic reprocessing work resulted in the generation of several new prospect opportunities on the existing leasehold acreage, especially SM58, where multiple prospects have been generated and a rig was contracted for a well to test an undrilled O Sand prospect in August 2019.

Name:	Byron Energy Limited
ASX code:	BYE
Shares on issue at 30 June 2019:	695.4 million
Quoted shares:	695.4 million
Options on issue (unquoted):	60.6 million
Cash at Bank 30 June 2019:	US\$6.78 million
Market Capitalisation at 30 June 2019:	A\$202 million (@A\$0.29 per share)

Directors

Doug Battersby (Non-Executive Chairman)
 Maynard Smith (Chief Executive Officer)
 Prent Kallenberger (Chief Operating Officer)
 Charles Sands (Non-Executive Director)
 Paul Young (Non-Executive Director)
 William Sack (Executive Director)

Company Secretary and Chief Financial Officer

Nick Filipovic

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Corporate

Issued Capital

As at 31 March 2019, Byron's issued capital comprised:-

Securities	Total issued	Quoted	Unquoted
Shares (ASX:BYE)	695,373,417*	695,373,417	Nil
Options	60,600,000*	Nil	60,600,000
Convertible Notes	Nil	Nil	Nil

*as reported on 25 July 2019, Metgasco Limited exercised 10.0 million options at \$A0.25 each over unissued shares in Byron, for an additional investment of \$A2.5 million, resulting in total issued shares increasing to 705.4 million and total issued options decreasing by 10.0 million to 50.6 million.

Project Updates

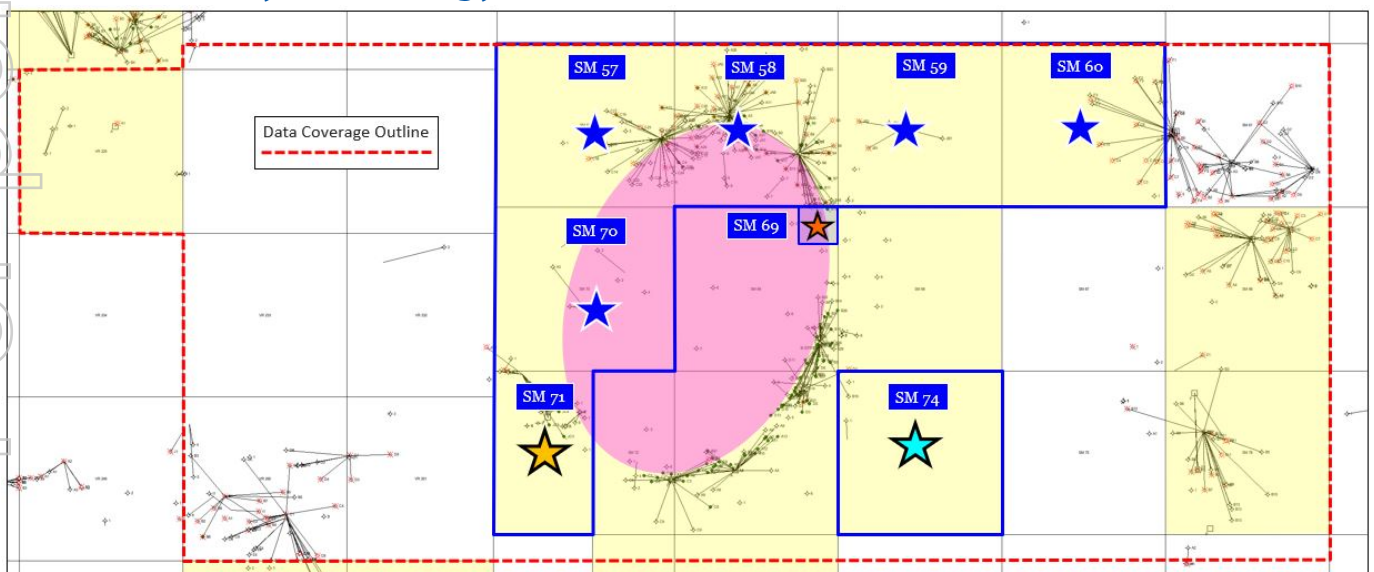
Salt Dome Projects

1. South Marsh Island 73 Salt Dome

The SM 73 field encompasses nine OCS lease blocks (81 square miles) which overlie a large piercement salt dome. The salt dome is responsible for providing the trapping mechanism for production in all portions of the SM73 field. The SM73 field is productive from discrete hydrocarbon-bearing sandstone reservoirs which are primarily trapped in three-way structural closures bound either by salt or stratigraphic thinning, on their updip edge. These reservoirs are Pleistocene to Pliocene age sands ranging in depth from 5,000 feet to 8,800 feet Total Vertical Depth ("TVD"). The majority of the field production has come from depths less than 7,500 feet in high quality sandstone reservoirs.

Byron is the operator and 100% working interest holder in 5 blocks around the SM73 field, comprising SM57/58/59/60/70, as shown below. Byron is also the operator of SM74, where it has less than a 100% working interest. In addition, Byron has entered into a farm-in agreement to earn a 100% working interest and to operate future exploration activities of the north east quarter of the north east quarter of SM69.

Byron Energy GOM South Marsh Island Leases



BYRONENERGY INC.
Byron 100% WI

BYRONENERGY INC.
METGASCO
Byron 70% WI/MEL 30% WI

BYRONENERGY INC.
OTTO
Byron/Otto 50% WI

BYRONENERGY INC.
Ankor/Byron Agreement**

** Refer ASX release 1st April 2019

Salt Dome Projects (cont)

South Marsh Island 73 Salt Dome (cont)

(a) South Marsh Island 71

Byron owns the South Marsh Island Block 71 ("SM71") a lease in the South Marsh Island Block 73 ("SM 73") field. Byron is the designated operator of SM71 and owns a 50% Working Interest ("WI") and a 40.625% Net Revenue Interest ("NRI") in the block, with Otto Energy Limited ("Otto") group holding an equivalent WI and NRI in the block. Water depth in the area is approximately 137 feet.

Oil and gas production, from the Company generated Reverse Time Migration ("RTM") 3D based prospects originally drilled in 2016, began from the Byron operated SM71 F platform began on 23 March 2018 from three wells.

(i) SM 71 Production

The F1 and F3 wells are producing in the primary D5 Sand reservoir and the F2 well is producing from the B55 Sand, a secondary exploration target.

As of 6:00 AM July 4th Central Daylight Time, the SM71 F facility has produced over 1.5 million barrels of oil (gross) since initial production began. The facility has also produced over 2.3 billion cubic feet of gas (gross) which, on a revenue basis, is approximately equivalent to an additional 123,000 barrels of oil.

(ii) Current Production

As of 30 June 2019, the SM71 platform gross production rate was approximately 3,200 barrels of oil per day and 5.0 million cubic feet of gas per day and no water from all three wells. As of the date of this report, daily production rates are consistent with the daily production rates as of 30 June 2019.

(iii) SM 71 Production Statistics

Byron's share of SM 71 production for the quarter ended 30 June 2019 is shown in the table below.

Production (sales)	Jun 2019 Quarter	Mar 2019 Quarter	YTD 30 Jun 2019	YTD 30 Jun 2018
Gross production				
Oil (bbls)	264,992	255,880	1,116,375	348,581
Gas (mmbtu)	516,304	666,768	2,213,706	300,430
Byron share of Gross Production (50% WI)				
Oil (bbls)	132,496	127,940	558,188	174,291
Gas (mmbtu)	258,152	333,384	1,106,853	150,215
Net production (Byron share 40.625% (after royalty))				
Oil (bbls)	107,653	103,951	453,527	141,611
Gas (mmbtu)	209,749	270,875	899,318	122,050

Salt Dome Projects (cont)

South Marsh Island 73 Salt Dome (cont)

Oil production for the June 2019 quarter was approximately 4% above that achieved for the March quarter mainly due to higher daily production rates.

The most recent month of June was the highest month of production since August 2018. During June 2019, production (gross) averaged 3,213 barrels of oil per day ("bopd") and 5.8 million standard cubic feet of gas per day ("MMscfgpd").

Sale revenue (accrual basis) US\$ million	June 2019 quarter	March 2019 quarter	YTD 30 June 2019	YTD 30 June 2018 (only 3+ months)
Net sales revenue (Byron share 40.625% after royalty)	7.3	6.5	31.0	9.5

For the quarter ended 30 June 2019, Byron's share of net revenue was approximately US\$ 7.2 million compared to US\$ 6.5 million in March 2019 quarter, mainly due to higher realised oil prices.

Based on the high quality of Louisiana Light Sweet crude ("LLS") produced at SM71, Byron receives a premium based on LLS verses West Texas Intermediate ("WTI") price differentials. During the June 2019 quarter, Byron realised an average oil price after uplift for LLS price differentials and deductions for transportation, oil shrinkage and other applicable adjustments of US\$ 62.41 per bbl (US\$ 66.74 excluding transportation) compared to US\$ 54.69 per bbl and US\$ 61.52 per bbl respectively for the March quarter.

Byron realised an average price after transportation deductions of approximately US\$ 2.28 per mmbtu during the June quarter (US\$ 2.66 excluding transportation) compared to US\$ 2.61 per mmbtu and US\$ 2.99 per mmbtu respectively for the March quarter. Gas was not processed for NGLs as direct gas sales delivered higher proceeds due to suppressed NGL commodity pricing during the quarter.

(b) South Marsh Island 74

The Byron operated SM74 D-14 well, the first test well on the South Marsh Island 74 ("SM74") block, spudded on 15 May 2019.

As at 30 June 2019, the SM74 D-14 well was drilling ahead at a depth of 13,780 feet Measured Depth (12,872 feet True Vertical Depth) planning to drill to a depth of 16,747 feet Measured Depth (14,726 feet True Vertical Depth).

Post 30 June 2019, Byron announced that the well would be plugged and abandoned. Because the first two primary objectives were wet and due to difficult hole conditions, it was decided not to drill deeper but to plug and abandon the hole. The well targeted three amplitude supported target sands prospective for oil and gas (see ASX releases dated 25 June 2019 and 5 July 2019 for additional details). The rig was released late in July 2019, following completion of P&A operations.

As previously announced, Byron farmed-out a 30% working interest share of the SM74 prospect to Metgasco (ASX: MEL) on industry standard terms whereby Metgasco would earn their interest by paying 40% of the \$11.4 million initial well dry hole costs and Byron would pay the remaining 60%. On 18 July 2019 Byron announced that agreement had been reached with Metgasco to limit Metgasco's financial exposure to the SM74 project. Byron will cap Metgasco's additional costs for the drilling of SM74 D14 well at A\$1.75m (in addition to \$US 4.5 million

Salt Dome Projects (cont)

South Marsh Island 73 Salt Dome (cont)

already contributed by Metgasco). Byron's share of SM74 D14 well cost will, be written off in the Company's 30 June 2019 financial statements.

(c) South Marsh Island Project Area 3D Seismic Processing Agreement

As announced on 3 May 2018, Byron undertook high effort seismic reprocessing of approximately 172 square miles (445 square kilometres) or 22 Outer Continental Shelf lease blocks of high quality, modern seismic data the Company previously licensed from WesternGeco, a Schlumberger Company. The goals of the project were to improve the resolution and subsurface imaging of Byron's existing licensed 3D seismic data in the South Marsh Island area where Byron currently holds eight leases.

There were four key issues addressed during the project:- (i) improve signal to noise ratios by using new pre-processing techniques, (ii) verify that the wavelet phase of the data is zero phase in order to accurately tie existing well control, (iii) perform new Reverse Time Migrating (RTM) and Kirchhoff Prestack Depth Migration ("KDM") at higher frequencies to improve data resolution and (iv) to generate seismic inversion volumes to allow a deeper investigation of seismic amplitude responses and predict lithology. Other processing products created include Vector Image Partition processing and Common Depth Point gathers for both the Reverse Time Migration and KDM data volumes allowing for Amplitude Versus Offset analysis to further evaluate seismic responses across known hydrocarbon accumulations and allow comparisons of responses of prospects.

This work was carried out by a team of eleven experienced professionals at WesternGeco, a recognized leader in seismic processing and was completed in late March of 2019. At the end of March, all final data products have been delivered and interpretation work has been ongoing. Byron personnel worked closely with the WesternGeco team and provided insight on the geologic setting of the project area and ensured that all geophysical concerns were addressed.

The result is a data set with greatly improved signal to noise ratios, higher frequency content and a consistent wavelet phase across all portions of the project. Additionally, the ability to create seismic volumes using Vector Imaging Partitioning data has increased Byron's ability to more accurately map the subsurface in complex areas of the project. While interpretation work will always be ongoing, already Byron is seeing the benefits of this processing work in the generation of several new prospect opportunities on its existing leasehold acreage, especially SM58, where multiple prospects have been generated and well planning has begun for a well to test an undrilled O Sand prospect later in 2019.

(d) South Marsh Island 58

Byron closed the acquisition of South Marsh Island Block 58 ("SM58") and associated SM69 assets, in March 2019 for US\$ 4.25 million with an effective date of 1st January 2019.

Byron holds all of the operator's rights, title, and interest in and to the SM58 Lease Block to a depth of 13,639 ft subsea with 100% WI and 83.33% NRI and a non-operated 53% WI (44.165% NRI) in the associated producing assets being the SM69 E Platform, the E1 wellbore, and the E platform to B platform pipelines located within SM69; all part of the greater SM73 Field. Below 13,639 ft subsea, Byron has a 50% WI (41.67% NRI) under a pre-existing exploration agreement.

SM58 is located immediately between Byron's SM57 and SM59 leases, which when combined provide Byron with contiguous exploration acreage across the northern half of the SM73 Field.

Salt Dome Projects (cont)

South Marsh Island 73 Salt Dome (cont)

In addition to the producing E1 well, Byron has to date, identified seven additional well locations on SM58 in the shallow section above 13,639 ft subsea with approximately 18.5 Mmbo and 57 Bcf in Prospective Resources (gross). All seven of these prospects can be tested without drilling through geo-pressure, which greatly reduces most of the drilling risk and cost overruns associated with drilling in the Gulf of Mexico. Four of the seven locations will test development prospects in reservoirs which have been productive in down dip locations which reduces the geologic risk and greatly enhances the likelihood of success. All seven wells can be drilled from a common surface location. Additional information will be provided as evaluation is matured.

The other three locations, identified by Byron, will test exploration prospects which Byron considers to be low to moderate risk.

As previously reported, the low risk nature of the drilling opportunities identified on SM58 has prompted a review of Byron's previously announced drilling timeline to the market with SM58 now being brought forward ahead of the EI77 and EI63 wells.

Subsequent to the end of June 2019 Byron contracted Enterprise 263 for the drilling of Byron's next exploration program well, the Byron SM58 # 11, which is expected to spud in early August 2019. The SM58 11 well is designed to test Byron's Cutthroat Prospect, an O Sand prospect lying updip to thick, wet O Sands as demonstrated by wells previously on the block. The O Sand section has produced about half of the oil produced from SM58 to date.

For additional information on the SM58 acquisition, refer to the Company's ASX release dated 18 March 2019.

(i) SM 58 Production Statistics

Byron's share of production for the quarter ended 30 June 2019 is shown in the table below. Byron acquired the SM 58 lease effective 1st January 2019; therefore only the March and June 2019 quarterly production statistics are shown in the table below.

Production (sales)	June 2019 quarter	March 2019 quarter	YTD 30 June 2019	YTD 30 June 2018
Gross production				
Oil (bbls)	10,525	9,158	19,683	n/a
Gas (mmbtu)	2,524	8,232	10,756	n/a
Byron share of Gross Production (53% WI)				
Oil (bbls)	5,613	4,884	10,497	n/a
Gas (mmbtu)	1,346	4,390	5,736	n/a
Net production (Byron share 40.625% (after royalty))				
Oil (bbls)	4,649	4,044	8,693	n/a
Gas (mmbtu)	1,115	3,636	4,751	n/a

Salt Dome Projects (cont)

South Marsh Island 73 Salt Dome (cont)

Sale revenue (accrual basis) US\$ million	June 2019 quarter	March 2019 quarter	YTD 30 June 2019	YTD 30 June 2018
Net sales revenue (Byron share 44.165% after royalty)	0.3	0.2	0.5	n/a

(e) South Marsh Island 57 and 59

Byron currently holds a 100% WI and an 81.25% NRI in SM 57/59. Water depth in the area is approximately 125 feet.

The SM57/59 blocks, as part of the larger SM71 project area, are also focus areas of the seismic processing project, announced on 3 May 2018, which Byron is undertaking with Schlumberger's subsidiary WesternGeco (see below) to help evaluate potential future exploration drill sites

(f) South Marsh Island 69

On 1 April 2019, Byron announced that it has signed a Letter of Intent with SM69 leaseholders to drill a SM69 E2 development well off the recently acquired E Platform to earn interest in the north-east portion of the SM69 lease block. Byron and SM69 leaseholders are finalising a Joint Exploration Agreement for the E2 well and the north-east ¼ of the north east ¼ of SM69.

By funding 100% of the well Byron will earn 100% WI and 80.33% NRI until E2 Project Payout, at which time and at the leaseholder's election, Byron's NRI will either adjust to 76.33% OR the leaseholders can convert to a 30% WI and Byron's interest in the project would adjust to 70% WI with an unburdened 58.33% NRI.

As of 30 June 2019, Byron and the SM69 leaseholders were working to finalise documentation of a formal Joint Exploration Agreement relating to the E2 well and the north-east 1/4 of the north-east 1/4 of SM69 lease block and related Production Handling Agreement.

If the first well on SM 69 is successful, first production from the E2 well is expected within six months.

For additional information of the SM69 E2 development well agreement, refer to the Company's ASX release dated 1 April 2019.

(g) South Marsh Island 60

Byron Energy Inc, a wholly owned subsidiary of the Company, was the apparent high bidder on the South Marsh Island 60 lease ("SM60"), the only bid placed by the Company at the Gulf of Mexico, Outer Continental Shelf ("OCS") Lease Sale 252 held in New Orleans, Louisiana on Wednesday, 20 March 2019.

In early June 2019, Byron was advised by the Bureau of Ocean Energy Management ("BOEM") that its bid for SM60 was deemed acceptable by the BOEM and the leases awarded to Byron.

As reported in the Company's ASX release as of 21 March 2019, Byron bid approximately \$US188,000 as a bonus bid. Byron has a 100% working interest and an 87.50% net revenue interest in the block, reflecting the reduced Federal Government Royalty of 12.5% versus the pre-2017 rate of 18.75%.

From 1978 through 2006, nine wells completed for production on SM60 produced a combined total of 385 billion cubic feet of gas and 787,000 barrels of oil. SM60 lies within the area of Byron's recently announced RTM reprocessing project which was used to evaluate the prospect potential on the block.

Salt Dome Projects (cont)

South Marsh Island 73 Salt Dome (cont)

(h) Production Platform Purchase

As reported on 9 May 2019 Byron purchased a production platform consisting of two decks, a jacket and production equipment from a private company for a total price of \$US1.0 million.

Significant time savings of 6 – 9 months and cost savings in the order of \$US4-6 million are expected through the purchase of this facility. Overall, the modifications to the facility are moderate.

Because the bulk of engineering design work is already done, engineering costs and design time will also be substantially lower.

While this structure could be used at any of Byron's South Marsh Island leases and the deck package could be used at any of Byron's Eugene Island leases, the Company currently expects that it is likely to be used on SM58, assuming the future SM58 #1 well is a commercial discovery. The topside structure is expected to remain in the fabrication yard, requiring little further expenditure until the drilling of SM 58#1 well is concluded.

In May 2019 the platform was offloaded at Acadian Contractors in Abbeville, Louisiana where it will eventually undergo modifications and build out to Byron specifications.

Overall, the required modifications and refurbishment to the facility are moderate. The jacket will require modifications to accommodate the 130 to 135-foot water depth in the South Marsh Island ("SM") area where Byron owns 100% interest in seven Outer Continental Shelf lease block and a partial interest in one other lease block. Additional well slots can also be added to bring the total available well slots from six to nine.

(i) Vermilion 232

Byron acquired a 100% WI and 87.5% NRI (royalty rate of 12.5%) in Vermilion 232 ("VR 232") at the Gulf of Mexico OCS Lease Sale 250 held on 21 March 2018 in New Orleans, Louisiana. Water depth in the area is approximately 131 feet.

As reported in the Company's ASX release dated 9 May 2019, the new seismic processing has shown that the three prospective lead areas previously mapped on the block are not supported by the new data. With the new data processing the previously documented VR232 lead areas do not exhibit the same characteristics as known hydrocarbon accumulations in the same stratigraphic intervals, a key component in Byron's prospect evaluation methods. When ranked against Byron's other prospects in the area, VR232 does not make the Company's list of drillable prospects.

Based on Byron's recent geological and geophysical assessment, the Company recommended to Otto Energy limited group ("Otto"), holder of a 50% WI in VR232, that the VR232 lease be relinquished prior to the next annual lease rental due on or before 31 July 2019 or that Otto could elect to take full assignment of the lease. Otto has elected to take the full 100% working and net revenue interest and will maintain the VR232 lease. The necessary assignments and other documents to complete the transfer to Otto have been executed and submitted to the BOEM for approval.

Byron will write of the VR232 carrying value in its financial report for the year ended 30 June 2019.

(j) Vermilion 251

Byron acquired 100% WI and 87.5% NRI (royalty rate of 12.5%) in Vermilion 251 ("VR 251") at the Gulf of Mexico OCS Lease Sale 250 held on Wednesday 21 March 2018 in New Orleans, Louisiana.

Salt Dome Projects (cont)

South Marsh Island 73 Salt Dome (cont)

Byron had identified several higher risk exploratory leads on both VR 251.

As reported in the Company's ASX release dated 9 May 2019, the VR251 lease was evaluated with the reprocessed seismic data (see above) and found that the initial prospect ideas on the block were also not supported. Consequently, Byron relinquished VR251 in July 2019.

Byron will write of the VR251 carrying value in its financial report for the year ended 30 June 2019.

(k) South Marsh Island 70

Byron has a 100% WI and 87.5% NRI (royalty rate of 12.5%) South Marsh Island 70 ("SM 70") at the Gulf of Mexico OCS Lease Sale 250 held on Wednesday 21 March 2018 in New Orleans, Louisiana.

Byron has identified several higher risk exploratory leads on SM 70. These leads are being evaluated following completion Byron's South Marsh Island project seismic reprocessing work in late 2018 (see above).

No material activity was undertaken on SM70 during the June 2019 quarter.

2. Eugene Island blocks 62, 63, 76 and 77

Byron acquired Eugene Island blocks 62, 63, 76 and 77 ("EI 62/63/76/77"), at Gulf of Mexico OCS Lease Sale 250 held on 21 March 2018 in New Orleans, Louisiana. Water depth in the area is approximately 20 feet.

Byron currently holds a 100% WI and an 87.5% NRI in EI 62/63/76/77, reflecting the recently reduced Federal Government Royalty of 12.5% versus pre-2017 rate of 18.75%.

EI 62/63/76/77 were designated as the Eugene Island 77 Field in the 1960's and have produced 362 billion cubic feet of gas and 6.5 million barrels of oil from sands trapped by the Eugene Island 77 salt dome. Initial production from the field began in 1957. There is no production on these blocks currently.

The EI 63 and 76 leases were previously held by the Company before being relinquished in January 2018. Byron currently holds a 100% WI and an 87.5% NRI in EI 62/63/76/77, reflecting the recently reduced Federal Government Royalty of 12.5% versus pre-2017 rate of 18.75%.

In 2014, Byron engaged WesternGeco (a Schlumberger group company) to undertake a proprietary RTM of its 3D seismic data over the entire four block Eugene Island 77 Field. As a result of this work, Byron identified several exploration and development opportunities. In 2017 and 2018, Byron undertook a detailed year-long reservoir analysis which resulted in the identification of several low risk development opportunities which are updip from productive reservoirs. On the basis of this work, Byron acquired EI 62/63/76/77 at the OCS Lease Sale 250. As a result of this detailed work, in combination with the RTM, Byron significantly upgraded the reserve potential of EI 62/63/76/77.

In the September 2018 quarter, Byron began a reprocessing effort similar that undertaken on the SM71 Project Area with WesternGeco over all four Eugene Island blocks leased by the Company. The objectives of this work were to improve seismic imaging in some geologically complex portions of the project. The scope of work is focussed on refining the sediment and salt velocity model. The final products will include new RTM migrations, Kirchhoff migrations and inversion products. VIP imaging will also be viable as post of the work scope and should prove to be extremely helpful in mapping the sediment - salt interface and delineating prospects. Final deliverables were received in the June quarter 2019.

Discussion with several drilling contractors for drilling of EI 77 commenced during the December 2018 quarter but have now been paused, with SM58 now being brought forward ahead of the EI77 field wells.

Salt Dome Projects (cont)

3. Main Pass 293, 305 & 306

Byron currently holds a 100% WI and an 87.50% NRI in Main Pass 293, 305 & 306 ("Main Pass 306 Field") acquired at the Gulf of Mexico, Outer Continental Shelf ("OCS") Lease Sale 251 ("Lease Sale 251") held in New Orleans, Louisiana on 15 August 2018.

The three leases comprise the MP 306 field as formerly designated by the Bureau of Ocean Energy Management ("BOEM"). The MP 306 Field was discovered in 1969 and lies in approximately 200 feet of water. Total produced hydrocarbons from the field are 96 million barrels of oil and 107 bcf of gas from 172 of the 249 total wells drilled. The field ceased production in late 2009 and the last well drilled on any of these blocks was in 2004. The production was from a number of sands ranging from a depth of 4,000 to 9,000 feet.

The produced hydrocarbons on these leases were trapped in Pliocene sands truncated by a structurally complex salt dome. The structural complexity of the salt dome combined with the stratigraphic variation of the trapping sands and possible deeper stratigraphic targets makes this salt dome an ideal candidate for RTM seismic imaging, similar to Byron's operated SM 71 salt dome project.

No material activity was undertaken on Main Pass 306 during the March 2019 quarter.

Non-Salt Dome Projects (Byron Operated)

1. Bivouac Peak Leases

Byron announced on 11 October 2018, that the Bivouac Peak state leases were relinquished during the December 2019 quarter and the private leases are expected to be relinquished in the coming months.

2. Grand Isle Block 95

Grand Isle Block 95 ("GI95") is located in US Federal waters, approximately 100 miles southeast of New Orleans, Louisiana, at a water depth of approximately 201 feet. The Company has a 100% operated WI and an 87.5% NRI, reflecting the recently reduced Federal Government Royalty of 12.5% versus pre- 2017 rate of 18.75%. Water depth in the area is approximately 197 feet.

Byron acquired the GI95 lease at Central Gulf of Mexico OCS Lease Sale 249 held on 16 August 2017 in New Orleans, Louisiana.

GI95 was previously owned by Byron and relinquished in August 2016. The Company took the opportunity to bid for the lease, at a modest cost and no work commitments, over a large gas resource.

No material activity was undertaken on GI 95 during the June 2019 quarter.

3. Eugene Island Block 18

As reported in the March 2019 ASX quarterly report, Byron's expenditure on EI18 was written off in the Company's 31 December 2018 half year accounts and the block was relinquished in May 2019.

Properties

As at 30 June 2019, Byron's portfolio of properties, all in the shallow waters of the Gulf of Mexico, and coastal marshlands of Louisiana, USA comprised:-

Properties	Operator	Interest WI/NRI* (%)	Lease Expiry Date	Area (Km ²)
South Marsh Island Block 71	Byron	50.00/40.625	Production	12.16
South Marsh Island Block 57	Byron	100.00/81.25	June 2022	21.98
South Marsh Island Block 59	Byron	100.00/81.25	June 2022	20.23
South Marsh Island Block 60	Byron	100.00/87.50	June 2024	20.23
South Marsh Island Block 58 (Excl. E1 well)	Byron	100.00/83.33**	Production	20.23
South Marsh Island Block 58 (E1 well in S ½ of SE ¼ of SE ¼ and associated production infrastructure in NE ¼ of NE ¼ of SM69)	Ankor	53.33/44.165		
South Marsh Island Block 74***	Byron	100.00/81.25	June 2022	20.23
South Marsh Island Block 70	Byron	100.00/87.50	June 2023	22.13
Eugene Island Block 62	Byron	100.00/87.50	June 2023	20.23
Eugene Island Block 63	Byron	100.00/87.50	June 2023	20.23
Eugene Island Block 76	Byron	100.00/87.50	June 2023	20.23
Eugene Island Block 77	Byron	100.00/87.50	June 2023	20.23
Main Pass Block 293	Byron	100.00/87.50	October 2023	20.23
Main Pass Block 305	Byron	100.00/87.50	October 2023	20.23
Main Pass Block 306	Byron	100.00/87.50	October 2023	20.23
Grand Isle Block 95	Byron	100.00/87.50	September 2022	18.37
Transition Zone (Coastal Marshlands, Louisiana)				
Bivouac Peak Private Landowner Leases	Byron	43.00/32.0325	September 2019	9.70

* Working Interest ("WI") and Net Revenue Interest ("NRI").

** 100.00% WI to a depth of 13,639 ft TVD and 50% WI below 13,639 ft TVD

*** Metgasco Limited ("Metgasco") paid 40% (\$US4.5 million, of the initially estimated drilling costs of SM74 D14 to earn a 30% WI in SM74.

On 18 July 2019 Byron announced that agreement had been reached with Metgasco to limit Metgasco's financial exposure to the SM74 project. Byron will cap Metgasco's additional costs for the drilling of SM74 D14 well at A\$1.75 million (in addition to \$US 4.5 million already contributed by Metgasco).

Glossary

bbl = barrels

bcf = billion cubic feet

Bopd = barrels of oil per day

Btu = British Thermal Units

mcf = thousand cubic feet of gas

mcfcpd = thousand cubic feet of gas per day

mcf = thousand cubic feet

mmcf = million cubic feet

mmbtu = million British Thermal Units

NGL = Natural Gas Liquids, such as ethane, propane and butane

tcf = trillion cubic feet

Conversions

6:1 BOE conversion ratio for gas to oil; 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency

1 mcf = 1.09 mmbtu's currently for SM 71 production; the heat content of SM 71 gas may vary over time

Prospective Resource – LR 5.25 Information - SM 58

Prospective resource estimates in this report for SM58 was included in the Company's ASX release dated 18 March 2019.

The prospective resource information in this document for SM58 is effective as at 31 December, 2018 (Listing Rule (LR) 5.25.1).

The prospective resource information in this document:-

- (i) has been estimated and is classified in accordance with SPE-PRMS (Society of Petroleum Engineers - Petroleum Resources Management System) (LR 5.25.2)
- (ii) is reported according to the Company's economic interest in the prospective resource net of royalties (LR 5.25.5)
- (iii) has been estimated and prepared using the deterministic method (LR 5.25.6)
- (iv) has been estimated using a 6:1 BOE conversion ratio for gas to oil; 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency (LR 5.25.7)
- (v) is reported on a best estimate basis (LR 5.28.1).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed (LR 5.43.2).

Prospective Resource Estimates

For prospective resources, 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 (LR 5.28.2)

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Byron's planned operations program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Byron believes its expectations reflected in these statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Byron Energy Limited

ABN

88 113 436 141

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter US\$'000	Year to date (12 months) US\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers (net of royalties)	7,277	31,630
1.2 Payments for		
(a) exploration & evaluation	(11,690)	(23,663)
(b) development	(17)	(2,770)
(c) production	(658)	(2,221)
(d) staff costs	(567)	(3,182)
(e) administration and corporate costs	(459)	(2,065)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	8
1.5 Interest and other costs of finance paid	-	(322)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
- Refundable Security Deposits	-	(1,350)
- Cash contributions from farminees / JV partners	136	13,070
1.9 Net cash from / (used in) operating activities	(5,974)	9,135
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements	(185)	(5,550)
(c) investments	-	-
(d) other non-current assets	-	-

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (12.months) US\$'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(185)	(5,550)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		344
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings	-	4,195
3.6	Repayment of borrowings / convertible notes	-	(3,556)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	-	7
3.10	Net cash from / (used in) financing activities	-	990
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	12,969	2,257
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,974)	9,135
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(185)	(5,550)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	990
4.5	Effect of movement in exchange rates on cash held	(27)	(49)
4.6	Cash and cash equivalents at end of period	*6,783	*6,783

*Note: The cash balance shown above is after a transfer of US\$ 4.377 million into an escrow account for the subsequent payment of the SM74 D-14 Raptor well costs.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter US\$'000	Previous quarter US\$'000
5.1 Bank balances	6,783	12,969
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,783	12,969

6. Payments to directors of the entity and their associates	Current quarter US\$'000
6.1 Aggregate amount of payments to these parties included in item 1.2	323
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7. Payments to related entities of the entity and their associates	Current quarter US\$'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$'000	Amount drawn at quarter end \$'000
8.1 Loan facilities (unsecured and repayable by 30 November 2019 and bearing 10% interest p.a.)	A\$ 3,100 & US\$ 2,000	A\$ 3,100 & US\$ 2,000
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

9.	Estimated cash outflows for next quarter	US\$'000
9.1	Exploration and evaluation	(12,500)
9.2	Development	-
9.3	Production	(650)
9.4	Staff costs	(600)
9.5	Administration and corporate costs	(450)
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	(14,200)

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Eugene Island 18 (Gulf of Mexico)		100%	0%
		Vermillion 232 (Gulf of Mexico) subject to transfer of title*		100%*	0%*
		Vermillion 251 (Gulf of Mexico) relinquished in July 2019**		100%**	0%**
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

+ See chapter 19 for defined terms
1 September 2016

For personal use only

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



(Company secretary)

Date: 30 July 2019

Print name: Nick Filipovic

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.