

26 August 2019

ASX Release

Casing to be Set after Hydrocarbons Encountered in SM58 011 Well

- Due to the substantial thickness of the pay zone encountered in the SM58 011, casing will be set at the depth of 10,890' MD
- Additional detailed electric logs will be acquired over the next several days
- After casing is set the well will be deepened to its planed total depth of 11,466' MD to evaluate the Lower O Sand

Further to the ASX release earlier today, **Byron Energy Limited ("Byron" or the "Company")** (ASX: BYE) is pleased to announce that as of 2100 Hours US Central Daylight Time on 25 August 2019, it has been decided to set casing on the Byron Energy operated SM58 011 well at a depth of 10,890' Measure depth ("MD"), prior to drilling ahead to the planned total depth of 11,466' MD to evaluate the lower O Sand. Due to the outstanding result achieved thus far in the SM58 011 well, it was decided to set casing across the very thick upper O Sand accumulation to ensure its protection and to optimise the cement job across the entire pay interval.

Prior to setting casing, the Company will run a Measurement After Drill ("MADPASS") set of logging tools to acquire a quad combo suite of electrical logs that will allow a thorough evaluation of the pay interval.

As previously announced, the SM58 011 well is drilling Byron's Cutthroat Prospect*, targeting the highly productive normally pressured O Sands which produced 16.5 million barrels of oil and 85 billion cubic feet of gas on SM58 since production began in 1964. The SM58 011 well is operated by Byron and will be drilled to a plan depth of 11,466 feet Measured Depth ("MD") (10,418 feet true vertical depth).

The Company will bear 100% of the cost of the SM58 011 well. Byron holds all the operator's rights, title, and interest in and to the SM58 Lease Block to a depth of 13,639 ft. subsea with 100% Working Interest ("WI") and 83.33% Net Revenue Interest ("NRI"). To date, all identified drilling opportunities on the SM58 lease are above 13,639 feet subsea.

Below 13,639 feet subsea, Byron has a 50% WI (41.67% NRI) under a pre-existing exploration agreement. Additionally, Byron owns a non-operated 53% WI (44.165% NRI) in the associated existing producing assets being the SM69 E Platform and SM58 E1 wellbore.

Byron will continue to issue progress reports on the SM58 011 well as drilling and logging progresses.

Byron's CEO, Maynard Smith had this to say about the SM58 011 well:-

"We look forward to getting the Upper O pay sand safely behind pipe, and as can be seen from the attachment, we still have a significant seismic target in the Lower O to drill. Certainly, the result that has been achieved at the 011 well will lower the risk and enhances the upside of our Steelhead prospect which will be drilled next year."

For further information, please contact:

Maynard Smith
CEO
61 3 8610 6583

Peter Love
Investor Relations
61 7 3121 5674

**** 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.

The Company's SM58 reserves, for the E1 well only, and the SM58 prospective resources were released to the ASX on 14 February 2019 and 18 March 2019 respectively. 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 in respect to SM58 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.

Forward Looking Statements

This document may contain forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording. Forward-looking information in this document includes, but is not limited to, references to: well drilling programs and drilling plans, estimates of potentially recoverable resources, and information on future production and project start-ups. By their very nature, the forward-looking statements contained in this document require Byron and its management to make assumptions that may not materialise or that may not be accurate. 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.

About Byron:

Byron Energy Limited ("Byron or the Company") (**ASX: BYE**) is an independent oil and natural gas exploration and production company, headquartered in Australia, with operations in the shallow water offshore Louisiana in the Gulf of Mexico. The Company has grown through exploration and development and currently has working interests in a portfolio of leases in federal and state waters. Byron's experienced management team has a proven record of accomplishment of advancing high quality oil and gas projects from exploration to production in the shallow water in the Gulf of Mexico. For more information on Byron please visit the Company's website at www.byronenergy.com.au.

SM58 O Sand with BYE #11

