

15th November 2019

ASX Release

Byron Successfully Raises A\$25.9 Million in Placement and Fully Underwritten Entitlement Issue

- Firm commitments received for a Placement to raise approximately A\$14.5 million (before costs)
- A fully underwritten 1 for 18 pro-rata non-renounceable entitlement offer (Entitlement Offer) launched, to raise approximately A\$11.4 million
- Funds will be used to accelerate the development of the SM58 field following the success of the Byron SM58 G1 well, and proposed further drilling at the SM71 field
- Placement received strong support from existing, new professional and sophisticated investors
- Follows recent announcement of debt facility with Crimson Midstream of US\$15 million which is due to close by the end of November

Byron Energy Ltd (**Byron or the Company**) (ASX: BYE), an oil and gas exploration, development and production company with its operations exclusively in the shallow waters of the Gulf of Mexico offshore Louisiana in the USA, is pleased to announce that it has received firm commitments from institutional and sophisticated investors for a Placement of ordinary shares in Byron to raise a total of approximately A\$14.5 million (before costs).

A fully underwritten 1 for 18 pro-rata non-renounceable entitlement offer will also be offered to eligible shareholders to raise approximately A\$11.4 million.

The capital raising, together with the recently announced US\$15 million in debt from Crimson Midstream (due to close by the end of November) and ongoing cashflow from SM71, will enable the Company to fund the development of its SM58 field where Byron recently announced a major discovery in the G1 well. It will also facilitate further drilling at SM71.

Shareholders should refer to the Investor Presentation which has been lodged at the ASX today for full details of the current financial and operating position, its most recently announced independently assessed reserves and resources, project summaries of SM58 and SM71 and a 3 year forecast development model with an activity timeline.

About the Placement

The Placement was managed by Bell Potter Securities Limited. The Placement is to be completed in two tranches as follows:

Number of Shares	Price per share	Conditions precedent to issue	Proposed issue date
51,961,055 ordinary shares	A\$0.27 per Share	Nil. To be issued under Listing Rule 7.1 placement capacity.	Thursday 21 November 2019.
2,000,000 ordinary shares to related parties being interests associated with directors Doug Battersby and Paul Young	A\$0.27 per Share	Shareholder approval for the purposes of Listing Rule 10.11	As soon as practicable after shareholder approval has been given

About the Entitlement Offer

Byron is pleased to offer eligible shareholders the opportunity to subscribe for Byron shares under a fully underwritten 1 for 18 pro-rata non-renounceable Entitlement Offer at the price of A\$0.27 per Byron share (**Offer Price**), being the same price as for the Placement, to raise approximately A\$11.4 million.

The Entitlement Offer will result in the issue of approximately 42.1 million new fully paid ordinary shares, in addition to the Placement shares.

Directors who have a total interest in 17.6% of the shares on issue (before the Placement shares are issued) intending to take up their full entitlements.

The Entitlement Offer is fully underwritten by Bell Potter Securities Limited ACN 006 390 772. The underwriting is subject (amongst other typical conditions) to the Offer Booklet and the section 708AA cleansing notice being lodged with the ASX in accordance with the Key Dates detailed in this Announcement below. A detailed summary of the underwriting agreement is set out in the offer booklet for the Entitlement Offer (**Offer Booklet**).

The Offer Price equates to a discount of approximately 14.3% based on the share price of A\$0.315 at close of trading on Tuesday 12 November 2019, and a discount of approximately 17.6% to the 5-day volume weighted average price up to and including Tuesday 12 November 2019.

Participation in the Entitlement Offer is open to all holders of Byron shares with eligible addresses on the Record Date, being 7:00pm (Sydney time) on Monday 25 November 2019 (**Eligible Shareholders**).

The shares issued under the Entitlement Offer will rank equally in all respects with Byron's existing fully paid ordinary shares.

More information regarding the Entitlement Offer will be set out in the Offer Booklet to be circulated to eligible shareholders in accordance with the timetable of Key Dates below. The Offer Booklet will be accessible from the ASX (www.asx.com.au) and Byron (www.byronenergy.com.au) websites on Wednesday 20 November 2019.

Option holders will not be able to participate in the Entitlement Offer unless they have become entitled to exercise their options in Byron under the terms of their issue and do so, so they are registered as holders of Shares (underlying those options) prior to the Record Date.

The Entitlement Offer will include the ability for Eligible Shareholders to apply for additional shares not taken up by other Eligible Shareholders.

Henslow Pty Ltd acted as corporate advisor to Byron in the capital raising.

Key Dates

Indicative Timetable for the Entitlement Offer and Placement

Announcement of the Entitlement Offer and lodgement of Appendix 3B	Friday, 15 November 2019
Lodgement of Offer Booklet and 708AA cleansing notice with the ASX	Wednesday, 20 November 2019
Issue of Shares under the Placement	Thursday, 21 November 2019
Letter to Shareholders regarding the Entitlement Offer	Thursday, 21 November 2019
Trading on ex basis	Friday, 22 November 2019
Record Date for the Entitlement Offer (7.00pm Sydney time)	Monday, 25 November 2019
Offer Booklet and Entitlement and Acceptance Form sent to Eligible Shareholders	Thursday, 28 November 2019
Offer opens	Thursday, 28 November 2019
Last day to extend the Closing Date	Friday, 6 December 2019
Closing Date for acceptances under the Entitlement Offer (5.00pm Sydney time)	Wednesday, 11 December 2019
Quotation on deferred settlement basis	Thursday, 12 December 2019
ASX notified of shortfall	Thursday, 12 December 2019
Allotment of Shares under the Entitlement Offer and lodgement of Appendix 3B and 708A cleansing notice (for the underwritten shortfall)	Wednesday, 18 December 2019
Expected despatch of Holding Statement and normal ASX trading for New Shares issued under the Entitlement Offer	Thursday, 19 December 2019

The above timetable is subject to change and Byron reserves the right to withdraw or vary the timetable for the Offer without notice. In particular, Byron reserves the right to extend the Closing Date for the Entitlement Offer, to accept late applications whether generally or in particular cases or to withdraw the Entitlement Offer without prior notice.

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Use of funds

The proceeds of the Placement and Entitlement Offer will be used to:

- fund the ongoing exploration and development program at SM71 and SM58 fields in the Gulf of Mexico USA;
- partially repay loans from Directors and others; and
- pay the costs of the Entitlement Offer and Placement.

CEO Comment

Byron CEO Maynard Smith said, *“Byron is at a pivotal time in its history. We have a major opportunity in front of us to generate substantial shareholder value with a superb portfolio of prospects and a structured drilling program that is now fully funded from this capital raise, the recently announced US\$15 million debt facility, and ongoing positive cash flow from our SM71 field, and ultimately the newly discovered SM58 field. Given the US\$170 million capex plan for the next eighteen months to two years, I strongly feel that we have struck the right balance between debt, equity and speed of execution of the program.*

The significant level of interest received from new investors in this raise is a strong endorsement of the Company’s development plan and future growth potential. No doubt we have an exciting year ahead of us as our development plan unfolds and I would expect a substantial increase in both production and cash flow in the near term whilst still having a large number of remaining prospects to exploit into the future. I am sure that existing investors, many of whom have supported us over the past two years since the last capital raising, will join my fellow directors and I in subscribing for their entitlements.”

Enquiries

For further information in relation to the Entitlement Offer, please contact the Company’s Share Registry, Boardroom, on 1300 737 760 or +61 2 9290 9600 (outside Australia) at any time between 8:30am and 5:30pm (AEST), Monday to Friday.

For further information, please contact:

Maynard Smith
CEO
61 3 8610 6583

Peter Love
Investor Relations
61 7 3121 5674

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.

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Forward-Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on Byron's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Byron, which could cause actual results to differ materially from such statements. Byron makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.

Not for release to US wire services or distribution in the United States

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