



ACN 113 436 141  
(Company)

**Notice of extraordinary general meeting**

Notice is given that the extraordinary general meeting of the Company will be held at the offices of Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000 on 20 January 2020 at 11am (Sydney time).

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**Resolution 1 — Approval of the issue of Placement Shares to Paul Young**

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.11, and for all other purposes, the Company is authorised to issue 1,000,000 fully paid ordinary shares at an issue price of A\$0.27 per share under the Placement, to Paul Young, Non-Executive Director of the Company, or his nominee, on the terms set out in the Explanatory Statement.”*

**Note:** If approval is obtained under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

**Resolution 2 — Approval of the issue of Placement Shares to Douglas Battersby**

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.11, and for all other purposes, the Company is authorised to issue 1,000,000 fully paid ordinary shares at an issue price of A\$0.27 per share under the Placement, to Douglas Battersby, Non-Executive Chairman of the Company, or his nominee, on the terms set out in the Explanatory Statement.”*

**Note:** If approval is obtained under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

**Resolution 3 — Approval and ratification of the issue of 51,961,055 shares**

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

*“That the issue of 51,961,055 fully paid ordinary shares in the Company on 21 November 2019 to sophisticated and professional investors on the terms summarised in the Explanatory Statement, be approved for the purpose of Listing Rule 7.4 of the ASX Listing Rules, and for all other purposes.”*

20 December 2019

By order of the board

A handwritten signature in black ink that reads "N. Filipovic".

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Nick Filipovic  
Company Secretary

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### Proxy voting and entitlement to vote:

1. A member entitled to attend and vote at this meeting is entitled to appoint one proxy or, if the member is entitled to cast two or more votes at the meeting, two proxies to attend and vote on behalf and instead of the member.
2. Where two proxies are appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.
3. A proxy need not be a member.
4. A proxy form accompanies this notice. To be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting, namely by 11am (Sydney time) on 18 January 2020.

Proxy forms may be lodged using the enclosed reply paid envelope or:

- (a) by hand delivery to Byron Energy Limited, C/- Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000;
  - (b) by post to Byron Energy Limited, C/- Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
  - (c) by facsimile to +61 2 9290 9655; or
  - (d) online at <https://www.votingonline.com.au/byeegm2020>
5. A determination has been made by the board of directors of the Company under regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that those persons who are registered as the holders of shares in the Company as at 7pm (Sydney time) on 18 January 2020 will be taken to be the holders of shares for the purposes of determining voting entitlements at the meeting.

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**Voting exclusion statement:**

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the resolutions. The Company will disregard any votes cast in favour of the following resolutions by or on behalf of the following persons:

<b>Resolution</b>	<b>Excluded Party(s)</b>
Resolution 1	Paul Young, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by being a shareholder in the Company), and any of their associates
Resolution 2	Douglas Battersby, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by being a shareholder in the Company), and any of their associates
Resolution 3	a person who participated in the issue, and any of their associates

However, the Company need not disregard a vote in relation to a resolution if it is cast by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## Explanatory statement

### 1. General information

This explanatory statement is an important document and should be read carefully. It comprises part of, and should be read in conjunction with, the notice of extraordinary general meeting of Byron Energy Limited (**Company**) to be held on 20 January 2020.

If you do not understand its contents or are not sure what to do, you should consult your stockbroker or other professional adviser.

If you have any questions regarding the matters set out in this explanatory statement (or elsewhere in the notice of extraordinary general meeting), you may contact the Company's share registrar, Boardroom Pty Limited, as follows:

Telephone: 1300 737 760 (within Australia)  
+61 2 9290 9600 (outside Australia)

between 8:30 am and 5:00 pm (Sydney time) Monday to Friday (except public holidays).

### 2. Background to Resolutions 1, 2 and 3

On 21 November 2019, the Company completed the first tranche of the placement of shares to institutional and professional investors (**Placement**) announced to the market on 15 November 2019, through the issue of 51,961,055 shares, raising approximately A\$14.0 million, before costs.

The company now seeks:

- Shareholder approval for the purposes of Listing Rule 10.11 to undertake the second tranche of the Placement of 2,000,000 ordinary shares to related parties being interests associated with directors Paul Young and Douglas Battersby, representing a maximum of 3.7% of the Placement; and
- Shareholder approval to approve and ratify the issue of the 51,961,055 shares under the Placement in order to refresh its Listing Rule 7.1 capacity.

### 3. Resolution 1 - Approval of the issue of Placement Shares to Paul Young

#### *Proposed shareholder approval*

Shareholder approval is sought for the issue of 1,000,000 fully paid ordinary shares at an issue price of A\$0.27 per share to Paul Young or his nominee.

Listing Rule 10.11 requires the approval of Shareholders before equity securities can be issued to Paul Young, a Non-Executive Director of the Company.

If Resolution 1 is passed, approval for the issue of the ordinary shares will not be required under Listing Rule 7.1 (see Listing Rule 7.2, Exception 14) and Paul Young or his nominee will be issued with 1,000,000 shares in consideration for which, the Company will receive A\$270,000. If Resolution 1 is not passed, then these shares will not be issued and the Company will not have the benefit of receiving A\$270,000.

## Notice of annual general meeting

### *Information required by Listing Rule 10.13*

For the purposes of Listing Rule 10.13, the following information is provided:

- (a) the securities will be issued to Paul Young or his nominee;
- (b) Paul Young is a related party of the Company by virtue of being a director of the Company;
- (c) the maximum number of securities to be issued are 1,000,000 fully paid ordinary shares;
- (d) the shares are expected to be issued within 5 days of the meeting, but in any event will be issued on a date which will be no later than one month after the date of this meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (e) the issue price of the shares is A\$0.27 per share;
- (f) the proceeds of the issue of the shares will be used to fund the Company's ongoing exploration and development programme in the SM71 and SM58 fields in the Gulf of Mexico, to repay short term loans from directors and to fund issue costs; and
- (g) a voting exclusion statement applies to Resolution 1.

### *Directors' recommendation*

The Directors (with Paul Young abstaining) recommend that Shareholders vote in favour of Resolution 1.

#### **4. Resolution 2 - Approval of the issue of Placement Shares to Douglas Battersby**

##### *Proposed shareholder approval*

Shareholder approval is sought for the issue of 1,000,000 fully paid ordinary shares at an issue price of A\$0.27 per share to Douglas Battersby or his nominee.

Listing Rule 10.11 requires the approval of Shareholders before equity securities can be issued to Douglas Battersby, the Non-Executive Chairman of the Company.

If Resolution 2 is passed, approval for the issue of the ordinary shares will not be required under Listing Rule 7.1 (see Listing Rule 7.2, Exception 14) and Douglas Battersby or his nominee will be issued with 1,000,000 shares in consideration for which, the Company will receive A\$270,000. If Resolution 2 is not passed, then these shares will not be issued and the Company will not have the benefit of receiving A\$270,000.

### *Information required by Listing Rule 10.13*

For the purposes of Listing Rule 10.13, the following information is provided:

- (a) the securities will be issued to Douglas Battersby or his nominee;
- (b) Douglas Battersby is a related party of the Company by virtue of being a director of the Company;
- (c) the maximum number of securities to be issued are 1,000,000 fully paid ordinary shares;

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## Notice of annual general meeting

- (d) the shares are expected to be issued within 5 days of the meeting, but in any event will be issued on a date which will be no later than one month after the date of this meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (e) the issue price of the shares is A\$0.27 per share;
- (f) the proceeds of the issue of the shares will be used to fund the Company's ongoing exploration and development programme in the SM71 and SM58 fields in the Gulf of Mexico, to repay short term loans from directors and to fund issue costs; and
- (g) a voting exclusion statement applies to Resolution 2.

### *Directors' recommendation*

The Directors (with Douglas Battersby abstaining) recommend that Shareholders vote in favour of Resolution 2.

## **5. Resolution 3 – Approval and ratification of the issue of 51,961,055 Placement Shares**

### *Proposed shareholder approval*

Shareholder approval is sought to approve and ratify the issue of 51,961,055 shares under the placement to sophisticated and professional investors.

Listing Rule 7.4 states that an issue of securities made without shareholder approval under Listing Rules 7.1, such as the issue of the shares under the Placement, is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue of shares did not breach Listing Rule 7.1, and Shareholders subsequently approve it.

The issue of the shares under the Placement did not breach Listing Rule 7.1 — they did not represent more than 15% of the issued shares of the Company, and any other equity securities issued by the Company in the last 12 months had been approved by shareholders under Listing Rule 7.1 or 7.4.

If Resolution 3 is passed, the approval of Shareholders to the issue of the shares will be obtained for the purpose of Listing Rule 7.4. The Company will then have the flexibility to issue additional equity securities in the next 12 months up to 15% of the ordinary shares in the Company currently on issue, plus any other shares issued with shareholder approval under Listing Rule 7.1 (once they are issued).

If Resolution 3 is not passed, then the number of equity securities that the Company will be able to issue over the next 12 months will be 15% of the ordinary shares in the company currently on issue, less 51,961,055.

### *Information required by Listing Rule 7.5*

For the purposes of Listing Rule 7.5, the following information is provided:

- (a) the shares were issued to sophisticated and professional investors, selected by the company and the underwriter;
- (b) the maximum number of shares to be issued under the Placement are 51,961,055 fully paid ordinary shares;
- (c) the shares under the Placement were issued on 21 November 2019;

## Notice of annual general meeting

- (d) the issue price for the shares was \$0.27 per share;
- (e) the proceeds of Placement will be used to fund the Company's ongoing exploration and development programme in the SM71 and SM58 fields in the Gulf of Mexico, to repay short term loans from directors and to fund issue costs;
- (f) a voting exclusion statement applies to Resolution 3.

### *Directors' recommendation*

The Directors recommend that Shareholders vote in favour of Resolution 3.

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**All Correspondence to:**

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

**YOUR VOTE IS IMPORTANT**

For your vote to be effective it must be recorded **before 11am (Sydney time) on Saturday, 18 January 2020.**

**TO VOTE ONLINE**

**STEP 1: VISIT** <https://www.votingonline.com.au/byeegm2020>

**STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**

**STEP 3: Enter your Voting Access Code (VAC):**

**BY SMARTPHONE**

Scan QR Code using smartphone  
QR Reader App

**TO VOTE BY COMPLETING THE PROXY FORM****STEP 1 APPOINTMENT OF PROXY**

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

**Appointment of a Second Proxy**

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

**STEP 2 VOTING DIRECTIONS TO YOUR PROXY**

To direct your proxy how to vote, mark one of the boxes opposite each item of business.

All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

**Proxy which is a Body Corporate**

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

**STEP 3 SIGN THE FORM**

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

**STEP 4 LODGEMENT**

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11am (Sydney time) on Saturday, 18 January 2020.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Proxy forms may be lodged using the enclosed Reply Paid Envelope or:**

💻 **Online** <https://www.votingonline.com.au/byeegm2020>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

**Attending the Meeting**

If you wish to attend the meeting please bring this form with you to assist registration.



**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Byron Energy Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting** (mark box)

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held at **Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000, on Monday, 20 January 2020 at 11am (Sydney time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chairman is authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chairman of the Meeting as my/our proxy or the Chairman of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1-2, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of these Resolutions.

The Chairman of the Meeting will vote all undirected proxies in favour of all items of business. In exceptional circumstances, the Chairman of the Meeting's intentions with respect to voting undirected proxies may change. If you wish to appoint the Chairman of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
<b>Resolution 1</b>	Approval of the issue of Placement Shares to Paul Young	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2</b>	Approval of the issue of Placement Shares to Douglas Battersby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3</b>	Approval and ratification of the issue of 51,961,055 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SECURITYHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / /