

20 September 2021

ASX Release

South Marsh Island 69 E2 Well Cased and Cemented

- **7 5/8" production casing has been run and successfully cemented**
- **All producible hydrocarbons pay sands are now behind pipe and secure**
- **Completion operations have begun with oil and gas production expected to commence in late October or early November**

Byron Energy Limited (Byron or the Company) (ASX: **BYE**) is pleased to provide the following update regarding the drilling of the Byron operated, 100% working interest, South Marsh Island 69 E2 well (SM69 E2).

As announced on 13 September 2021, the Byron SM69 E2 well reached a total depth of 8,157 feet Measured Depth (MD)/7,648 feet True Vertical Depth (TVD) on 9 September 2021 (USCDT).

After logging operations, the well is now cased, and completion operations have begun with a goal of first production in late October or early November 2021.

Log responses and analysis of the real time triple combo logs obtained in the SM69 E2 well confirmed the presence of oil in the K (B55), K4 (B65) and L2 (C10) Sands and verified the net pay counts released on 13 September, shown below.

Net Pay Counts – SM69 E2 Well

Sand	Measured depth (ft)	Net oil measured depth thickness (ft)	Net oil true vertical thickness (ft)
K Sand (B55)	6,734 – 6,778	24	14
K4 Sand (B65)	6,878 – 6,986	66	38
L2 Sand (C10)	7,582 – 7,624	23	16
M6 Sand	8,050 – 8,112	16	13

The logs also confirmed the initial post-drill geologic picture is reflective of the final logs. Because of the wellbore geometry, Byron will utilize high rate gravel pack type completion methods to maximize flow rates and provide sand control to each completion.

A fourth target, the M6 (D5) Sand, was confirmed to have an oil water contact. However, further review of seismic data indicates that the SM69 E2 is not an ideal take point for the M6 (D5) Sand which may be the target of a future well from the SM69 E platform.

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Operations to recover the stuck triple combo logging tools were unsuccessful and after attempting recovery, it was decided to proceed with the casing job. 7 5/8" inch casing was run and cemented below the deepest, productive oil sand, the L2 Sand. The abandonment of the triple combo tool in the wellbore will add US\$2.0-2.5 million to the overall cost of the SM69 E2 well. While that outcome is unfortunate, it is a near term cost issue and has little adverse effect on the overall economics of the SM69 E2 well.

Byron's third-party reserve engineers, Collarini, have been provided with downhole and subsurface data for the SM69 E2 well and a post drill assessment of reserves is expected to be available and released when production commences.

The SM69 E2 was identified as a low risk, step out opportunity using the Company's proprietary Reverse Time Migration (RTM) processed seismic 3D and was designed to test an undrilled fault block adjacent to production from the SM58 E1 well. Like the adjacent SM58 E1 fault block, the RTM data identified multiple target sands in this fault block. The SM69 E2 well results have confirmed the high-quality oil-bearing sands in the K (B55), K4 (B65) and L2 (C10) Sands.

CEO Comment:

Maynard Smith, Byron's CEO had this say about the results of the SM69 E2 well:

"Recovering stuck tools is always a challenge and, in this case, we were unable to recover the tools. Fortunately, we were able to run casing to protect the oil sands we logged in the well and can now proceed with completion operations. With our pipelines already in place to transport oil and gas to our SM58 G Platform for sales, we look forward to starting production in late October or early November."

Authorised by:
The Board of Directors

Byron Energy Ownership: SM 69 E Platform and proposed SM69 E2 well

Byron holds a non-operated 53% WI (44.167% NRI) in the South Marsh Island 69 E platform with one active producing well, the SM58 E1 well.

Byron also holds a farm-in right under a Joint Exploration Agreement ("JEA") with the ANKOR group which provides for the Byron operated drilling of a SM 69 E2 exploration well in the NE portion of SM69. Pursuant to the JEA Byron will operate the drilling of the E2 well off the jointly owned SM69 E platform and if productive, Ankor as the operator of record of SM69 will operate the subsequent production under the direction of Byron. Production will flow through the SM69-to-SM58 flowline and be processed by Byron through the SM58 facility.

By funding 100% of the SM69 E2 well, Byron can earn 100% WI and 80.33% NRI until E2 Project Payout, at which time and at the leaseholder's election, Byron's NRI would either adjust to 77.33% or the Ankor group can convert up to a 30% WI and, if fully converted, Byron's interest in the project would then adjust to 70% WI with an unburdened 58.33% NRI (equivalent to 83.33% 8/8ths) going forward.

For Further Information Contact:-

Maynard Smith
Chief Executive Officer
+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 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.