



Byron Energy Limited
ACN 113 436 141
(Company)

Notice of general meeting

Notice is given that the general meeting of the Company will be held at Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000 on **Friday 14 June 2024** at 11:00am (Sydney time).

Resolution 1 — Delisting from the Official List of ASX

To consider and if thought fit pass the following resolution as a **special resolution**:

“That for the purposes of ASX Listing Rule 17.11 and for all other purposes, Byron Energy Limited be removed from the Official List of the ASX on a date to be determined by ASX; and that the Directors be authorised to do all things reasonably necessary for the removal Byron Energy Limited from the Official List of the ASX.”

Note: Voting on the resolution will be by special resolution. This means that to be approved, the resolution must be passed by at least 75% of the votes cast by shareholders of the Company entitled to vote on the resolution and who vote at the meeting in person or by proxy.

No voting exclusions apply to this resolution.

15 May 2024

By order of the Board

A handwritten signature in dark ink, appearing to read "N. Filipovic", is written over a horizontal dotted line.

.....
Nick Filipovic
Company Secretary

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 **Wednesday 12 June 2024**.

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 8, 210 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 www.byronenergy.com.au

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 **Wednesday, 12 June 2024** will be taken to be the holders of shares for the purposes of determining voting entitlements at the meeting.

Explanatory statement

5. 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 general meeting of the Company to be held on **Friday, 14 June 2024**.

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 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).

6. Resolution 1 — Delisting from the Official List of ASX

The Company has applied to the ASX to be removed from the official list of the ASX (**Official List**) pursuant to Listing Rule 17.11 (**Delisting**).

As is usual practice, requires that the Delisting be approved by a special resolution of shareholders of the Company.

Resolution 1 seeks the required shareholder approval to the Delisting under and for the purposes of the ASX Listing Rules and ASX's requirements.

If Resolution 1 is passed, the Company will be able to proceed with the Delisting and the advantages provided below will likely follow. If Resolution 1 is not passed, the Company will remain listed and subject to the ASX Listing Rules.

Reasons and potential advantages of removal from the Official List

(a) Sharemarket trading price undervalues Byron's assets

In the Board's view, the trading price of Byron's shares on ASX, particularly over the past 2 years, does not fairly represent the value of the Company's underlying assets.

In particular, the Board is of the view that there is a large disparity between the share market capitalisation of Byron (on the one hand), and the Board's assessment of the fair value of Byron's underlying assets (on the other hand). This disparity is hindering Byron's ability to attract investments on reasonable terms for development and exploration of its assets, and for working capital purposes.

In assessing the fair value of Byron's underlying assets, the Board has considered, amongst other metrics, the written down value of Byron's net assets as per historical balance sheets. The table below illustrates the disparity between the written down value of Byron's net assets over the past 2 years, as compared to its share market capitalisation:

Byron Energy Limited Group	30 June 2022	31 Dec. 2022	30 June 2023	31 Dec. 2023
A. Net Assets (\$US million)*	106	123	128	136
B. Share-market capitalization (\$A million)	184	124	76	108
C. Share-market capitalization (\$US million)	127	84	50	74
D = C minus A (\$US million)	21	(39)	(78)	(62)

* source: 30 June (audited) and 31 December (audit reviewed) Company balance sheets as released to the ASX. USD:AUD exchange rates are set out in those annual and half-yearly reports, and reflect the prevailing exchange rate at that time.

The Board's view regarding the disparity between the share market capitalisation of Byron (on the one hand), and the Board's assessment of the fair value of Byron's underlying assets (on the other hand), is further supported by equity research reports commissioned by Byron from MST Access, the research platform of MST Financial (**MST**). The latest MST research report dated 2 April 2024 values Byron at \$A0.460 per share, as compared to the closing price for Byron's shares of \$A0.08 as of 5 April 2024.

In the Board's view, delisting the Company should prevent Byron from being hamstrung by its market capitalisation being the primary source of valuation when seeking to raise equity or pursuing value enhancing strategic opportunities and corporate transactions.

(b) *Raising capital is highly dilutive*

The Company has been successful in adding reserves, particularly proved and probable reserves, and generating significant net revenue and net cashflows from operating activities, over the last few years. Nevertheless, it has had to rely solely on internally generated cashflow, revenue prepayment arrangements, with the buyer of the Company's oil production, and loans from Directors to fund its oil and gas exploration and development activities. In the opinion of the Board, this is not in the best interests of the Company or its shareholders.

The Board believes that share price performance on ASX, in both price and liquidity terms, is an impediment to Byron seeking to raise capital, including by way of a farmout and/or partial sale of oil and gas assets, while it remains listed. In the Board's view, the depressed share price and sharemarket capitalisation makes farmout transactions or partial sale of the Company's oil and gas assets on reasonable terms virtually impossible, as potential counterparties use the depressed market capitalisation as a valuation benchmark.

The Board believes that by delisting Byron, a valuation of Byron would no longer be distorted by the application of the Company's depressed share price and market capitalisation as the primary valuation methodology, allowing future valuations to be based solely on an appraisal of Byron's underlying oil and gas properties and exploration and evaluation assets and prospects.

(c) Limited trading and liquidity

One of the key benefits that listing on the ASX is supposed to deliver is liquidity in the trading of shares. However, Byron's shares have experienced a significant lack of liquidity particularly over the past 12 months. General market sentiment towards oil and gas producers and a depressed share price combined with the top 50 shareholders accounting for around 59% of the shares on issue, has resulted in limited interest in Byron's shares, and therefore low liquidity. In particular, Byron has not been able to secure interest from institutional investors due to a low share price and limited liquidity.

Over the 12 months ending 31 March 2024, average daily trading volumes are approximately 423,000 shares and average daily trading value is approximately \$37,000, as evidenced by the statistics below. Over the last year less than 10% of issued shares have changed hands.

In the Board's view, this lack of liquidity has had a disproportionate negative impact on the share price. This in turn impacts investor confidence and the ability of shareholders to realise their shares for fair value by selling on-market. As noted above, the Board believes that in an unlisted environment, it will be able to realise a higher valuation for the Byron's assets, and therefore the Byron shares.

Monthly	Open	High	Low	Close	Volume	Value	Transactions
31/03/2024	\$0.09	\$0.09	\$0.08	\$0.08	5,928,537	\$486,706	489
29/02/2024	\$0.10	\$0.10	\$0.08	\$0.09	7,594,978	\$656,904	509
31/01/2024	\$0.10	\$0.11	\$0.09	\$0.10	7,516,867	\$709,589	645
31/12/2023	\$0.12	\$0.12	\$0.10	\$0.10	7,632,293	\$829,858	310
30/11/2023	\$0.09	\$0.12	\$0.09	\$0.12	11,847,951	\$1,173,402	525
31/10/2023	\$0.08	\$0.10	\$0.07	\$0.08	5,992,598	\$544,707	544
30/09/2023	\$0.09	\$0.10	\$0.08	\$0.09	5,934,531	\$511,272	369
31/08/2023	\$0.09	\$0.11	\$0.08	\$0.09	11,973,837	\$1,141,021	487
31/07/2023	\$0.07	\$0.09	\$0.07	\$0.09	10,333,775	\$794,547	355
30/06/2023	\$0.08	\$0.08	\$0.07	\$0.07	15,768,735	\$1,120,942	461
31/05/2023	\$0.08	\$0.09	\$0.07	\$0.08	8,893,327	\$684,860	265
30/04/2023	\$0.08	\$0.10	\$0.07	\$0.08	6,695,598	\$555,494	402
Average monthly					8,842,752	\$767,442	447
Average daily					422,761	\$36,690	21

(d) Costs saving

In light of the reasons set out in paragraphs (a) to (c) above, the Board is of the view that the costs of maintaining Byron's ASX listing outweigh the benefits. The Board's view is that the funds used to maintain the Company's ASX listing could be directed toward the development of the Company's projects if the Company is delisted from the ASX.

The expected annual operating cost savings are expected to be as follows, if Byron is delisted :

Matter	Annualised Cost Saving post delisting (\$A)
ASX Listing Fee	47,000
ASX and Share Registry Costs	70,000
Audit, Reporting, D&O Insurance, Investor Relations and Professional Fees	143,000
TOTAL	260,000

Accordingly, the Board anticipates that the costs savings associated with delisting could be in the order of \$A260,000. This saving does not include indirect cost associated with the need to devote senior management time attending to matters relating to ASX listing, estimated at 10% of management time amounting to approximately \$A290,000 per annum. If the Company delists, management time will be better spent on other matters for the benefit of Company and its shareholders.

Consequences and potential disadvantages of removal from the Official List (compared to remaining Listed)

(a) Shareholders will no longer have the ability to sell their shares and realise their investment in the Company via trading on the ASX

Following delisting, the Company's shares will only be capable of sale via off-market private transactions which will require shareholders to identify and agree terms with potential purchasers in accordance with the *Corporations Act 2001* (Cth) (**Corporations Act**) and the Company's Constitution. Notwithstanding that there is currently a lack of liquidity in trading of shares on the ASX, it may become more difficult for shareholders to identify and agree terms with potential purchasers post delisting.

(b) Reduced disclosure obligations

Changes to disclosure obligations

If the Company delists from ASX it will become an unlisted disclosing entity. Although it will no longer be required to comply with the continuous disclosure obligations and periodic disclosure obligations under Chapters 3 and 4 of the ASX Listing Rules, the Company will remain subject to continuous disclosure and periodic disclosure obligations under the Corporations Act.

More specifically, following delisting, the Company will no longer be required to comply with continuous disclosure obligations under Listing Rule 3.1, or make specific disclosures under Chapter 3 of the ASX Listing Rules (although such disclosure may nevertheless be required under the Company's continuous disclosure obligations under the Corporations Act). These disclosures include (but are not limited to):

- disclosures of directors' interests;
- certain information about share buy-backs;
- certain information about takeover bids; and
- information about changes to the capital structure of the Company.

Further, following delisting, the Company will not be required to comply with the periodic disclosures provisions under Chapter 4 of the Listing Rules. These include (but are not limited to):

- quarterly activities and cash flow reports;
- corporate governance statements in the Company's annual report; and
- naming substantial holders in the Company's annual report.

By contrast, under the Corporations Act, the Company will be required to disclose information that a reasonable person would be taken to expect to have a material effect on the price or value of the Company's securities, which is effectively the same as the continuous disclosure requirement under the Listing Rules, but without ASX's input and oversight.

Further, under the Corporations Act, the Company will be required to periodically lodge:

- audited annual financial reports for each financial year, including specific disclosures required in Division 1 of Part 2M.3 of the Corporations Act;
- directors' reports for each financial year;
- audited financial reports for each half year; and
- directors' reports for each half year.

Non-Application of ASX Listing Rules generally

In addition to the reduction in the Company's continuous and periodic disclosure obligations, the Company will no longer be subject to the application of other ASX Listing Rules which are intended to protect, or provide information to, shareholders (such as Chapters 7, 10, 11 and 14 of the Corporations Act). For example:

- the Company will no longer be required to obtain shareholder approval for significant transactions, including any transactions which could change the nature or scale of the Company's undertakings;
- unless caught by Chapter 2E, the Company will no longer be required to obtain shareholder approval to enter into transaction with certain persons of influence;
- shareholders will no longer be protected from substantial dilution of their holdings by the 15% placement cap;

- the specific disclosures to be made in a notice of meeting for shareholder approval of the matters set out above no longer need to be made; and
- voting exclusions mandated by the ASX Listing Rules on certain resolutions will no longer apply

(c) No guarantee of better access to capital

While the Board believes the Company will have better access to potential capital and on more favourable terms than would otherwise be available if the Company was to remain listed on the ASX, there is no certainty that the Company will in fact obtain better access to capital and/or on more favourable terms post-Delisting.

Other Matters

Following the delisting the Company will conduct its business as usual. The Directors consider that the delisting will not result in any changes to the Company's governing documents or adversely impact the Company's ability to pay dividends and or undertake share buybacks, subject to Board approval.

Conditions imposed by the ASX

Prior to lodging a formal request with the ASX to be removed from the Official List, the Company obtained in-principle advice from ASX that ASX has resolved to approve the proposed delisting, subject to compliance with the following conditions:

1. The Company's removal from the Official List is approved by special resolution of shareholders (being Resolution 1);
2. The Notice of Meeting seeking shareholder approval for the Company's removal from the Official List must include (being this Notice):
 - a. a timetable of key dates, including the time and date at which the Company will be removed from ASX, if that approval is given;
 - b. a statement to the effect that the removal will take place no earlier than one month after shareholder approval is granted;
 - c. a statement to the effect that if shareholders wish to sell their shares on ASX, they will need to do so before the Company is removed from the Official List, and if they do not, details of the processes that will exist after the Company is removed from the official list to allow security holders to dispose of their holdings and how they can access those processed; and
 - d. the information prescribed in section 2.11 of ASX Guidance Note 33.
3. The Company releases the full terms of ASX's decision to the market upon making a formal application to ASX to remove the Company from the official list of the ASX.

The date for the Company's delisting will be determined by the ASX in consultation with the Company.

The proposed timetable for the Delisting is set out below:

Event	Indicative Date
Formal application submitted to ASX to delist under Listing Rule 15.1	Wednesday, 8 May 2024
Announcement to ASX of proposal to delist	Monday, 13 May 2024
Notice of Meeting and explanatory statement despatched to Company shareholders	Wednesday, 15 May 2024
General meeting held to approve delisting	Friday, 14 June 2024
Suspension from quotation	Monday, 15 July 2024
Removal of the Company from the Official List	Wednesday, 17 July 2024

The above timetable is indicative only and may be subject to change by the Company or ASX without notice.

Shareholder arrangements

If the shareholders of the Company wish to sell their shares on the ASX, they will need to do so before the entity is removed from the Official List. The Company's shares will remain listed on ASX for one month after the proposed shareholder approval, so shareholders have at least that period to sell their securities on ASX should they wish to do so, assuming that shareholders approve the delisting of the Company under Resolution 1 and there remains an active market for those shares.

The Company has already undertaken a minimum holding share buy back on 22 February 2024 pursuant to which 1,775 shareholders had their shares bought back by the Company. The Company does not propose to conduct a further buy-back.

Following the delisting and subject to certain restrictions under the Corporations Act, any shareholder wishing to sell their shares can transfer their shares off-market to a willing third party purchaser in accordance with the Company's Constitution; however, such market may not be liquid and shareholders will be personally responsible for sourcing any potential purchaser for their shares as provided above.

Shareholder remedies

In addition to voting against the resolution, if a shareholder of the Company consider the proposed delisting to be contrary to the interests of the shareholders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, a shareholder or shareholders, then it may apply to the court for an order under Part 2F.1 of the Corporations Act. Under section 233 of the Corporations Act, the court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

Further, if a shareholder considers the proposed delisting involves "unacceptable circumstances" under the Australian takeovers law, it may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act. Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that

Notice of general meeting

those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

The Directors recommend shareholders seek their own professional advice in this regard.

Directors' Recommendation

For the reason set out in this Notice of Meeting and Explanatory Memorandum, the Board unanimously recommends that the shareholders vote in favour of Resolution 1.

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 11:00am (Sydney time) on Wednesday, 12 June 2024.**

TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/byronenergygm2024>
- 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 securityholder 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 **11:00am (Sydney time) on Wednesday, 12 June 2024**. 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/byronenergygm2024>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 8, 210 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** and entitled to attend and vote hereby appoint:

☐ the **Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) 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 Chairman of the Meeting as my/our proxy at the General Meeting of the Company to be held at **Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000 on Friday, 14 June 2024 at 11:00am (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 of the Meeting will vote all undirected proxies in favour of all items of business (including Resolution 1). 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.

Resolution 1	Delisting from the Official List of ASX (special resolution)	For <input type="checkbox"/>	Against <input type="checkbox"/>	Abstain* <input type="checkbox"/>
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STEP 3 SIGNATURE OF SECURITYHOLDERS

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

Individual or Securityholder 1 <div></div> Sole Director and Sole Company Secretary	Securityholder 2 <div></div> Director	Securityholder 3 <div></div> Director / Company Secretary
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Contact Name..... Contact Daytime Telephone..... Date / / 2024