



Chairman's Address 2014 Annual General Meeting

On behalf of the Byron Energy Board, I am pleased to preside over the Byron Energy Limited 2014 Annual General Meeting.

2014 was a busy year for Byron. We spudded the South Marsh Island ("SM") 6 #1 well late in May and drilled during June and July resulting in a discovery in the F sands, as previously reported. Notwithstanding the success in the F sands, we did not reach the primary target, the G Sand, where we were targeting substantial oil potential as Byron had to suspend operations of the SM 6#1 BP 02 well due to mechanical problems. The well has been left in a condition which allows completion of the F 30 and F 40 sands in the future.

The 2014 year is also notable for the release of the Company's first reserves report under the classification and reporting requirements of the Petroleum Resources Management System ("PRMS") as required by ASX Listing Rule 5 – Additional reporting on Mining and Oil and Gas Production and Exploration Activities. The reserves, as at 30 June 2014, were estimated by Collarini Associates, an independent consultant based in Houston Texas, and covered four of our more advanced Gulf of Mexico projects – SM 6, SM 70/71, EI 63/76 and GI 95. SM 6, SM 70/71 and EI 63/76 are salt dome projects with oil potential and GI 95 is a conventional gas project.

As previously stated we intend to return to SM 6 and drill a second well into the G, H and I sands utilising the existing caisson that was driven for the SM 6 #1 well. In this regard, we currently intend to drill the SM 6 #2 well in the first quarter of 2015 subject to funding and drilling rig availability.

In relation to our other salt dome projects, work has commenced on an Exploration Plan for submission to the Bureau of Ocean Energy Management ("BOEM") for the SM 70 /71 project. Submission of the Exploration Plan and its approval by the BOEM is the first step in obtaining a drilling permit.

As a Board we are fortunate to have a management team with a track-record of success in the Gulf of Mexico. In that regard I was particularly pleased that Byron was able to secure Bill Sack as Executive Director in October, adding to the Company's capabilities to identify, secure and exploit projects in the Gulf of Mexico.

Finally, I remain grateful to our shareholders for their continued support of Byron.

I will now turn to the formal part of the AGM.

Doug Battersby
Chairman
25 November 2014