

15 December 2014

**ASX Release**

**Byron strengthens cash position with \$2.27 million equity raising**

Byron Energy Limited (“Byron” or the “Company”) (ASX:BYE) is pleased to announce that commitments have been received to raise approximately \$2.27 million through a placement (“Placement”) to sophisticated investors.

**Placement details**

The Company will issue a total of 4,541,095 fully paid ordinary shares at \$0.50 per share within its placement capacity under ASX Listing Rule 7.1.

The placement was jointly managed by Blue Ocean Equities Pty Ltd and Morgans Corporate Limited. Byron was advised by Baron Partners Limited.

The placement price of \$0.50 per share is in line with Byron’s closing price on ASX on Wednesday, 10 December, 2014, at a 0.1% discount to the 5 day volume weighted average price (“VWAP”) and at a 11.2% discount to the 15 day VWAP.

Settlement of the Placement shares is expected to occur by 19 December, 2014. The new shares issued under the Placement will rank equally with existing Byron shares.

**CEO Comment**

Byron’s Chief Executive Officer, Mr Maynard Smith said:-

“The equity raising provides Byron with working capital to continue progressing its drilling plans in the shallow waters of the Gulf of Mexico which is a very attractive region to explore for oil and gas because of its proximity to refiners and strong pipeline and production infrastructure. These factors combined with the conventional nature of the reserves make for attractive economics.

With Byron’s 100% owned portfolio of conventional oil and gas properties we are well positioned in this lower price environment.

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We are pursuing strategic approaches that have been made to us to source capital to fund our drilling programme initially for a second well at South Marsh Island 6 ("SMI 6") following on from our successful discovery on the first well at SMI 6 recently.

We are pleased that the equity raising was supported by investors, primarily by some of our larger and long term shareholders in Australia, in what is a very difficult equity market for oil and gas stocks", he said.

For further information contact:-

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#### *About Byron Energy*

*Byron Energy (ASX:BYE) is engaged in exploration and development of oil and gas properties in the shallow waters of the Gulf of Mexico ("GOM"), offshore Louisiana, USA. Byron's board and management has more than 150 years' experience in the GOM, an identifiable track record of generating significant shareholder value and owns over one third of the company, having invested over \$15 million cash.*

*Byron has 2P reserves (undeveloped), independently assessed by Collarini Associates, of 4.8mmbo of oil and 70.1 bcf of gas and has significant potential on 15 leases over 7 wholly owned projects.*