

15 September 2017

ASX Release
CEO and Executive Directors' Contract Extension and Remuneration Review

Highlights

- **Maynard Smith, Chief Executive Officer, has agreed to extend his service agreement with Byron Energy Limited ("Byron") for three years**
- **Prent Kallenberger, Chief Operating Officer, has agreed to extend his service contract with Byron for three years**
- **Bill Sack, Executive Director, has agreed to extend his service contract with Byron for three years**
- **The Company has also undertaken a review of Executive Directors' remuneration**

Further to the ASX announcement dated 18 August 2017, Byron Energy Limited ("Byron" or the "Company") (**ASX:BYE**) is pleased to announce that its Chief Executive Officer ("CEO"), Maynard Smith, Chief Operating Officer ("COO"), Prent Kallenberger, and Executive Director, Bill Sack have now entered into new three year service agreements.

In addition, the Company's Non-Executive Directors have undertaken a review of the remuneration of the executive directors. The Executive Director's remuneration has not been reviewed since April 2015 when they agreed to reduce their remuneration by 33% as a result of the oil price collapse and its consequences for Byron.

Recognising the successful oil discovery at South Marsh Island Block 71, their current below market remuneration and the desire to retain their services for the future, the remuneration of Messrs, Kallenberger and Sack has been reinstated to its former level. The remuneration of Maynard Smith, CEO, which is well below market, will remain at current rates and will be reviewed from time to time, with the next review to be conducted after production at SM 71 has commenced.

The key terms of the new agreements are summarised in Appendix 1.

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Doug Battersby, Chairman of Byron, commented: -

“Byron is delighted to have finalised the service contract extensions with Messrs Smith, Kallenberger and Sack. They are a high calibre team of very experienced oil and gas executives who have been instrumental in the Company’s success, particularly the SM 71 oil discovery. We look forward to continued success as we bring our SM 71 project into production and implement the Company’s growth strategy in the Gulf of Mexico. The Board considers Byron to be very fortunate to retain the services of Messrs Smith, Kallenberger and Sack.”

For further information contact:-

Doug Battersby
Chairman
+61 2 9247 4211

Peter Love
Investor Relations
+ 61 7 3121 5674

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Appendix 1 - Terms and Conditions of Employment

Maynard Smith (CEO)	
Commencement Date	15 September 2017
Term	3 years with an automatic extension for a further one year unless the parties elect to terminate the contract at the end of three years, subject to termination on 3 months' notice by either party. The Company may terminate immediately for cause.
Base remuneration	A\$160,000 per annum, to be reviewed from time to time including after production commences at SM 71.
Benefits	Reasonable expenses
Short and Long Term Incentives	Eligible to participate in the Company's incentive schemes (including issue of options and bonus pools, as determined by the Board from time to time.

Prent Kallenberger (COO)	
Commencement Date	15 September 2017
Term	3 years with an automatic extension for a further one year unless the parties elect to terminate the contract at the end of three years, subject to termination on 3 months' notice by either party. The Company may terminate immediately for cause.
Base remuneration	US\$350,000 per annum, reviewed from time to time
Benefits	Medical benefits plus reasonable expenses
Short and Long Term Incentives	Eligible to participate in the Company's incentive schemes (including issue of options and bonus pools, as determined by the Board from time to time.

Bill Sack (ED)	
Commencement Date	15 September 2017
Term	3 years with an automatic extension for a further one year unless the parties elect to terminate the contract at the end of three years, subject to termination on 3 months' notice by either party. The Company may terminate immediately for cause.
Base remuneration	US\$350,000 per annum, reviewed from time to time
Benefits	Medical benefits plus reasonable expenses.
Short and Long Term Incentives	Eligible to participate in the Company's incentive schemes (including issue of options and bonus pools, as determined by the Board from time to time.