

23 October 2017

## ASX Release

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### Pipeline/Production Facility and Drilling Plan Update: SM71

- Work to lay the 4" oil line and 6" gas line at Byron operated SM71 F platform is now complete
- Jacket and deck load-out scheduled for late October with installation in mid-November
- Drilling operations on Byron operated SM71 F2 well anticipated to commence in late November



*Byron Energy operated SM71 "F" helideck, jacket, and platform preparing for load-out. Galveston, Texas*

Byron Energy Limited ("Byron" or "the Company"), (ASX: BYE) is pleased to announce, that operations at its South Marsh Island 71 ("SM71") oil and gas development to lay the 500 foot 4-inch oil and 7,000 foot 6-inch gas pipelines were completed on October 21, 2017. Each pipeline has been laid and buried to within tie-in distance to Byron's SM71 F platform location and their respective sales lines. Final tie-in work at the platform end and sales lines will be made by dive crews soon after the jacket and decks are installed at the platform location in SM71. All project pipeline work will be performed by Chet Morrison Construction from Houma, Louisiana.

Additionally, the Company advises that the timeline for load-out and installation of the Byron operated SM71 F production platform has been set. Construction work in Galveston, Texas is proceeding to schedule and the onshore construction portion of the project is nearly complete. The 3-day process of loading the jacket, pilings and deck on to material barges is currently slated to begin October 30, 2017. After load-out, work to tie-down

all equipment will take approximately 6 days. By November 7, the barges should be ready for the 2-day transit to SM71. Once on location at SM71, the Tetra Hedron derrick barge will commence operations to set the jacket and drive the pilings to secure it to the seafloor. After that step, the deck will be lifted in to position and welded in place on the top of the jacket. In total, installation operations are expected to take 6 days offshore. The sequence of events leading to installation is subject to weather conditions and will occur only when the risk of weather is minimised to ensure safe working conditions and to reduce the potential for weather related delays to maintain cost control.

#### CEO Comment

**Maynard V. Smith, Byron's CEO had this to say about the SM71 pipeline and construction status:-**

*"Byron continues to stay on schedule as we move toward first production at SM71 in early 2018. Laying our two pipelines represents yet another milestone and we are pleased this part of the project is completed. Load-out design and the engineering of the jacket and deck installation procedure are complete and those major phases are scheduled to begin in just a few days. The Byron team in Lafayette and Australia continues to move forward every day and at this point the major source of any potential delay we might face is weather. We are excited to enter this critical portion of the SM71 project and the arrival of the Ensco 68 drilling rig in late November with the subsequent drilling of the SM71 F2 and the completion operations that will follow. Most of all, we are especially looking forward to the first production and subsequent cash flow in early 2018."*

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#### SM71 Project Summary

<b>SM 71 Block</b>	<b>Gulf of Mexico, USA.</b>	<b>Water Depth 137 feet</b>
<b>Operator:</b>	<b>Byron Energy Inc.</b>	<b>WI 50% NRI 40.625%</b>
<b>Partner:</b>	<b>Otto Energy (Louisiana) LLC</b>	<b>WI 50% NRI 40.625%</b>

#### Byron Energy Inc. SM71 F1 Well – Drilled May 2016 - Four Hydrocarbon Sands Logged

<b>Reserves:</b>	<b>2,269 mboe (2P) *</b>	<b>2,867 mboe (3P) * Net to Byron - all sands</b>
<b>Primary D5 Sand:</b>	<b>938 mboe (2P) *</b>	<b>1,018 mboe (3P) * mboe Net to Byron</b>
<b>Status:</b>	<b>Mudline suspended, waiting completion and facility installation</b>	

#### Byron Energy Inc SM71 F2 Well – Expected SPUD Date – Late November 2017

<b>Two Target Sands:</b>	<b>B65 Sand (net to Byron)</b>	<b>1,616 mboe (Prospective Resource) *</b>
	<b>D5 Sand (net to Byron)</b>	<b>625 mboe (2P)/ 679 (3P) *</b>

#### Project Timing and Expected Production:

<b>First Production:</b>	<b>Late January 2018</b>
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*\*The reserves and resources referred to in this release were reported on 28 September 2017 (refer to the Company's ASX announcement dated 28 September 2017) and were prepared by Collarini and Associates, Houston, TX.*

#### For Further Information Contact:-

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