

22 January 2018

**ASX Release**

**Operational Update: SM 71 F3 Well Drilling Ahead**

- **SM 71 F3 drilling ahead at 4,969feet MD**
- **10 3/4" surface casing set at 3,539 feet MD**
- **Drilling is proceeding according to plan and the well is currently expected to reach TD by early February**

**Byron Energy Limited** ("Byron or the Company") (**ASX:BYE**) is pleased to advise that the Byron operated OCS G-34266 #F-3 well ("F3") at South Marsh Island Block 71 ("SM 71), was drilled to a depth of 3,539 feet Measured Depth ("MD") on 15 January 2018 and 10 3/4 inch casing was set and cemented in place. As of 4:00 PM USA Central Time, 21 January 2018, the SM 71 F3 well is drilling ahead at 4,969 feet MD in 9 7/8 inch hole. It is anticipated that the well will be drilled to total depth and evaluated by early February.

The SM71 F3 development well is being drilled to a planned total depth of 7,624 ft/2,324 metres MD, equivalent to 7,423 ft/2,263 metres true vertical depth ("TVD"). Completion operations on all three SM 71 wells, F1, F2 and F3, will commence sequentially once drilling of the F3 is finished.

The SM71 F3 well is designed to intersect the D5 Sand very near the point that the F2 well intersected the D5 Sand which logged 117 feet of True Vertical Thickness ("TVT") oil pay. The F3 well will provide a second take point in the D5 Sand reservoir in addition to the F1 well which logged 91 ft TVT oil pay in 2016.

Byron, through its wholly owned subsidiary Byron Energy Inc. is the operator of SM 71 and has a 50% working interest and a 40.625% net revenue interest in SM71. Otto Energy Limited group (**ASX: OEL**) holds the remaining interest in SM71.

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Byron will issue progress reports on the operations at the F3 well as material developments occur.

**For Further Information Contact:-**

Maynard Smith  
Chief Executive Officer  
+61 2 6685 3115

Peter Love  
Investor Relation  
+61 7 3121 5674

**About Byron:**

**Byron Energy Limited** ("Byron or the Company") (**ASX:BYE**) is an independent oil and natural gas exploration and production company, headquartered in Australia, with operations in the shallow water offshore Louisiana in the Gulf of Mexico. The Company has grown through exploration and development and currently has working interests in a portfolio of leases in federal and state waters. Byron's experienced management team has a proven track record of advancing high quality oil and gas projects from exploration to production in the shallow water in the Gulf of Mexico. For more information on Byron please visit the Company's website at [www.byronenergy.com.au](http://www.byronenergy.com.au).

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