

5 March 2018

ASX Release

SM71 Update: F2 Well Completion Operations Conclude Successfully

- **Successful perforations with sand control measures in B65 Sand**
- **2 7/8-inch production tubing run and the well is shut-in**
- **Completion operations on the SM71 F3 have commenced**
- **Byron remains on track to start production at SM71 in mid-March**

Byron Energy Limited (“Byron” or “the Company”) (**ASX: BYE**) is pleased to advise that perforation and sand control operations have concluded on the Byron operated OCS-G34266 #F2 well (“F2”) on South Marsh Island Block 71 (“SM 71). A 72-foot measured depth interval of the B65 Sand was perforated on February 26, 2018 and sand control measures were pumped across the interval on February 28, 2018. After rigging down the pumping equipment, 2 7/8” production tubing was run in the well. After the production tubing was landed, a short flow back to recover completion fluids and oil occurred before the F2 well was shut in by closing a surface controlled subsurface safety valve.



*D5 Sand Oil sample from the SM71 F1 well
February 28, 2018*

No production rates were determined during this phase of the project due to limited oil storage tank capacity currently on location. As each SM71 well is hooked into the production manifold and SM71 lease pipelines, it will be individually tested, and optimal rates will be established based on reservoir pressure drawdown.

The F2 well is the second of three completions Byron will perform on the SM71 F platform. The Ensco 68 drilling has now skidded into position over the SM71 F3 well and completion operations in the D5 Sand have begun. The D5 Sand in the F3 well will be completed with sand

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control measures similar to the F1 and F2 wells. These sand control measures are designed to improve the production rate and to minimize reservoir pressure drawdown, resulting in better performance and longevity. The SM71 F3 well will be the last well completed for production during this phase of the project and production will begin shortly after the F3 well is finished.

Final piping and instrumentation work on the SM71 F platform is nearing completion. Production start-up is targeted for mid-March. It is anticipated that the three wells will utilize a high percentage of the SM71 F Platform's oil and gas production capacity.

Byron, through its wholly owned subsidiary Byron Energy Inc. is the operator of SM71 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.

Byron will issue progress reports regarding the ongoing completion operations at SM71 as material developments occur.

CEO Comment:

Maynard Smith, Byron Energy Ltd CEO, had this to say about the SM71 F1 operations:

"The completion operations at SM71 have gone to plan and the pressures of both wells have met our expectations. Our team of service companies and our consulting engineers have worked together very well, and we are right on schedule for a start-up of production in Mid-March."

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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.