

22 March 2018

ASX Release

SM71 Completion Service Tool Recovered Successfully

- **Key portions of the stuck completion tools were recovered today**
- **Operations to fully complete the SM71 F3 for production should take one more week**

Byron Energy Limited (“Byron” or the “Company”) (ASX: BYE) would like to provide the following update on the Company’s efforts to recover stuck completion tools from the SM71 F3 well.

Earlier today, Byron announced that the operations to remove a stuck completion from the MS71 F3 well had positive indications that fishing operations had recovered the stuck completion tools from the wellbore. At approximately 7 PM USA Central Daylight Time on 21 March 2018, the Ensco 68 finished pulling drill pipe and found that a key portion of the stuck equipment has been recovered.

The service tool portion of the completion assembly was successfully recovered through the fishing operation. The washpipe portion of the tool was left in the hole as a result of a downhole mechanical failure. However, the recovery of the service tool was significant as it facilitates the ability to recover the retrievable gravel packer with a standard pulling tool currently on location.

Once the packer is recovered, the remaining portion of the assembly can be washed over and recovered along with the washpipe. After that, new gravel pack equipment will be placed in the hole and the perforated interval will be repacked using sand control techniques appropriate for a low skin completion.

The remaining work should take about one week and then production tubing can be run as per original plan and the Company will release the Ensco 68 rig and begin production from the SM71 F3 well.

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.

CEO Comment:

Maynard V. Smith, Byron's CEO said:

"This is a major positive development in finalizing the F3 well for production. Recovering the service tool and being able to use a retrieving tool to remove the packer is a big step forward. The operation can proceed from here in a straight line to finish the well for production."

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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 record of accomplishment 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.