

3 April 2018

## ASX Release

### South Marsh Island 71 F3 Well Update

- **Removed damaged completion assembly from F3**
- **High rate water pack operation complete with production from F3 by end of the week**
- **Production from SM71 F1 and F2 wells steady at 2500 bopd and 1400 mcfpd**

Byron Energy Limited (“Byron” or the “Company”) (ASX: BYE) would like to provide the following operations update on the Company’s South Marsh Island Block 71 oil project.

#### SM71 F3 Well Update

On 29 March 2018, at approximately 11 PM US Central Daylight Time (“USCDT”), the final 290-foot-long portion of the collapsed completion assembly was successfully and completely removed from the SM71 F3 wellbore during fishing operations. Since then, operations have focused on finalising the F3 well for production from the D5 Sand reservoir where over 200 feet of measured depth oil pay (174 feet true vertical depth thickness) was logged during drilling in January 2018.

The Haliburton Stim Star IV returned to SM71 on 31 March 2018 USCDT and a high rate water pack was performed to place sand on the backside of the completion screens. The operation was successful and the well responded positively to the process. As of 2 PM USCDT Monday, 2 7/8” production tubing has been run and landed into a completion packer inside the wellbore.

The F3 well is expected to be opened to flowback equipment on the Ensco 68 rig for an initial clean-up on Tuesday, 3 April 2018 USCDT. No production rates will be established from the F3 well at that time, due to limited oil tankage on the rig. Once the flowback is accomplished, the Ensco 68 will begin the process of de-rigging and jacking down before it is released later this week. The Company will then make the final flowline tie-ins to the F3 well and install instrumentation equipment so that production can commence by the end of the week.

#### SM71 Oil Pipeline Maintenance

Byron has been advised by Crimson Gulf, LLC, the operator of the oil pipeline that carries SM71 oil to market that due to maintenance on other sections of the oil pipeline, a pipeline shut in will occur next week. Currently, the shut in is scheduled to begin on 10 April 2018 and last 2 or 3 days. Byron’s SM71 wells will be off line during that time and will resume as soon as possible when the shut in is over.

For personal use only

Byron will issue a report regarding the ongoing production operations at SM71 when flow rates from all three SM71 wells are stabilised and established once the F3 well is brought on line or if material developments occur.

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 had this to say:*

*"The successful removal of the damaged completion assembly from the F3 well is a great accomplishment that required a coordinated effort between many industry specialists. The crews offshore have worked swiftly since late last Thursday night to finalize the F3 for production. The data acquired during the high rate water pack indicates we have established very good communication between the wellbore and the D5 Sand reservoir which should result in good production rates."*

*"We are very pleased that production from all three of our wells on the SM71 F platform will commence late this week and will fully update the market when the wells are producing at reservoir appropriate flow rates. The production and income from SM71 will provide the foundation for Byron's future growth."*

---

***For further information, please contact:***

Maynard Smith  
CEO  
61 2 6685 3115

Peter Love  
Investor Relations  
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 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](http://www.byronenergy.com.au).