

21 November 2019

Dear Shareholder

**NON-RENOUNCEABLE ENTITLEMENT OFFER – INELIGIBLE SHAREHOLDERS**

Byron Energy Limited (**Byron** or the **Company**) announced on 15 November 2019 a placement of 54 million shares to sophisticated and professional investors, together with an underwritten non-renounceable entitlement offer (**Entitlement Offer**) to raise approximately \$25.9 million before costs.

The net proceeds of the Entitlement Offer and the Placement will be used primarily to fund Byron's ongoing exploration and development programme in the SM71 and SM58 fields in the Gulf of Mexico, USA (\$18.9 million), to repay short term loans from directors (est \$5.5 million) and to fund issue costs (est \$1.5 million).

In accordance with ASX Listing Rule 7.7.1(b), Byron hereby advises that it will not be offering the New Shares under the Entitlement Offer to you. The New Shares that would otherwise have been offered to you will make up part of the shortfall that may be issued to Eligible Shareholders under the Top-Up Offer or taken up by the Underwriter or its Nominees.

**You will not be receiving a copy of the Offer Document and the Entitlement Offer will not be offered or made available to you.**

**Details of the Entitlement Offer are set out in the Offer Document that has been lodged with ASX. The Offer Document is available on the ASX's website ([www.asx.com.au](http://www.asx.com.au)) and on Byron's website ([www.byronenergy.com.au](http://www.byronenergy.com.au)).**

The key information of the Entitlement Offer is also summarised below.

**Summary of key information**

Type of offer	Non-renounceable pro-rata entitlement offer of 42,074,138 New Shares to Shareholders with a registered address in Australia, New Zealand, United Kingdom, Hong Kong and Singapore on the Record Date ( <b>Eligible Shareholders</b> ) to raise up to approximately \$11.4 million
Offer price	\$0.27
Offer ratio	Eligible Shareholders will be able to subscribe for 1 new fully paid ordinary share ( <b>New Share</b> ) for every 18 shares held on the Record Date
Record Date	7.00pm (Sydney time) on 25 November 2019
Non-renounceable	As the Entitlement Offer is non-renounceable, Eligible Shareholders cannot trade their entitlements. Any New Shares not taken up will form part of the shortfall and can be applied for by other Eligible Shareholders as part of the Top-Up Offer or subscribed for by the Underwriter or its nominees
Ranking of New Shares	The New Shares will be fully paid and will rank equally in all respects with Byron's existing issued fully paid ordinary shares
Quotation	Byron applied for quotation of the New Shares on the date of the announcement of the Entitlement Offer

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**Please note that the Byron's shares will be quoted on an 'ex' basis from 22 November 2019, and therefore any Byron shares bought on market on or after this date will not be entitled to participate in the Entitlement Offer.**

The indicative timetable for the Entitlement Offer is as follows:

<b>Event</b>	<b>Date</b>
Notice of Entitlement Offer sent to all Shareholders	21 November 2019
Ex-Date: the date on which Shares commence trading without entitlement to participate in the Entitlement Offer	22 November 2019
Record Date (7:00pm Sydney time)	25 November 2019
Dispatch of Offer Document and Application Form to Eligible Shareholders	28 November 2019
Closing Date (5:00pm Sydney time)	11 December 2019
New Shares quoted on deferred settlement basis	12 December 2019
Shortfall Shares notification to ASX	12 December 2019
New Shares issued and allotted	18 December 2019
Expected despatch of holding statements and normal ASX trading in Shares commences	19 December 2019

All the dates and times are indicative only. Subject to compliance with the ASX Listing Rules, Byron reserves the right to: (i) not proceed with the Entitlement Offer and return any application money received without interest; or (ii) vary the dates and times above including closing the Entitlement Offer earlier or later. All times are references to Sydney time.

If you have any queries about the Entitlement Offer, please contact either Byron's Share Registry, Boardroom Pty Ltd, on 1300 737 760 or the Company Secretary, Mr Nick Filipovic on (03) 8610 6582.

Yours sincerely,



Nick Filipovic  
Company Secretary

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