

22 February 2018

ASX Release

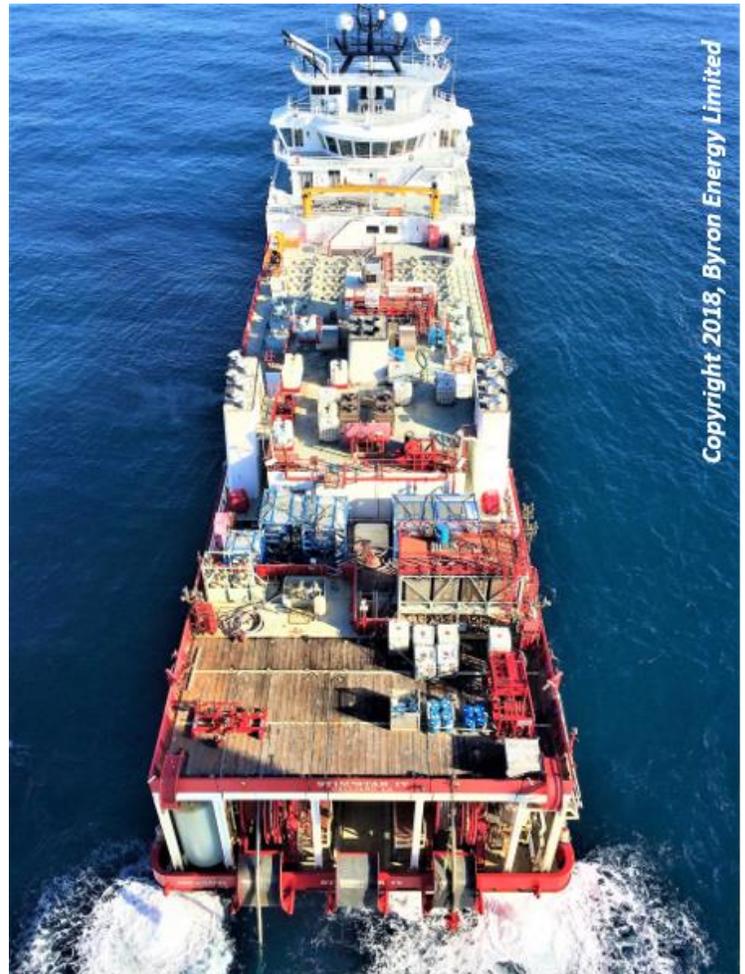
SM71 Update: F1 Well Completion Operations Conclude Successfully

- D5 Sand successfully perforated with sand control measures installed
- 2 7/8-inch production tubing run and the well now shut-in
- Completion operations on the SM71 F2 well have begun
- 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 the Byron operated OCS-G34266 #F1 well (“F1”) on South Marsh Island Block 71 (“SM 71”) has been completed for production. A 70-foot measured depth interval of the D5 Sand was perforated on February 16, 2018 and sand control measures were pumped across the interval on February 18, 2018. After rigging down the pumping equipment, 2 7/8” production tubing was run in the well. All operations were successful and after a short flow back that recovered completion fluids and oil, the F1 well was shut in by closing a surface controlled subsurface safety valve.

No production rates were determined during this phase of the project due to limited oil storage tank capacity currently on location. As each 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 F1 well is the first of three completions Byron will perform on the SM71 F platform. The Ensco 68 drilling rig is preparing to skid into



**Halliburton STIM STAR IV on location at SM71
February 18, 2018**

position over the SM71 F2 well and completion operations in the B65 Sand will begin immediately. The B65 Sand in the F2 well will be completed with sand control measures similar to the F1 well. 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 following the F2 well.

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 utilise 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:

"We are very pleased with the progress at SM71. The F1 completion job went according to its designed plan and the reservoir pressures are exactly in line with our expectations. Most importantly, the operation was carried out in a safe manner without safety incidents."

"Byron continues to remain on track to initiate first oil and gas sales at SM71 in mid-March when we will begin to bring each well into production one at a time."

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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.