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ASX Release

Operations Update: Drilling Rig Arrives at SM58 for Completion Operations

- Enterprise 264 jack up drilling rig on location at SM58 G Platform on 18 July
- SM58 G1 completion operations have begun and are expected to take 30 days
- Pipeline lay operations are underway and progressing on schedule
- Initial production from SM58 G1 well is expected by 1 September

Byron Energy Limited ("Byron" or the "Company"), (ASX: BYE) is pleased to provide the following operational update on its 100% owned and operated SM58 project.

On Friday, 17 July 2020 (USCDT), the Enterprise Offshore Drilling 264 ("EOD 264") jack up rig was mobilized to the Company's recently installed South Marsh Island 58 ("SM58") G platform. After a 36 hour, 103-mile tow, the EOD 264 was positioned safely on location at the SM58 G Platform on the 18th of July. The EOD 264 was then jacked up to working height over the platform well bay and the process of tying back the SM58 G1 well, drilled and logged in September 2019, began.

The EOD 264 will first disconnect the SM58 G1 well from the mudline hanger and tie it back to the platform and then complete the Upper O Sand for production. The 300-foot-thick hydrocarbon column logged across the Upper O Sand will be perforated, and sand control will be placed in the wellbore. Additional topside work will be required after the completion operations to connect the wellhead into the platform flowlines. Without significant weather delays, first production from the G1 is expected by 1 September 2020.

After the G1 completion is finished, the EOD 264 will remain in place at SM58 G and drill the SM58 G2 well before it is then moved to the SM69 E platform to drill the SM69 E2 well.

As reported on 6 July 2020, the pipeline lay barge was mobilized on Friday, 3 July and arrived on location Saturday, 4 July. Since then the 4-inch diameter 1,000-foot (305 metres) SM58 G oil sales line has been laid and the barge is currently working on the 8-inch diameter 39,000-foot (12 km) SM58 G gas sales line. In anticipation of a successful SM69 E2 well, which will be operated by the Company, a 6 inch diameter bulk oil and gas line and 3-inch diameter gas lift line are also being laid from the SM58 G platform to the SM69 E platform as part of this program. These lines are each 8,850 feet (2.7 km) long and will be connected into the SM69 E platform with new pipeline risers. Refer to Attachment 1 for SM58/69 pipeline schematic. Laying the SM58 to SM69 pipelines at the present time will result in significant time and cost savings and will allow Byron to control and produce the SM69 E2 well through the SM58 G platform rather than through the facilities of the offset operator, thereby enhancing the project economics.

SM58/69 Proposed 2020 Development Plan

