

Oil Price Risk Management Update

- Byron has elected to add to its oil price hedge book, taking total daily hedged production to 650 bopd for balance of 2021;
- Swaps for 200 bopd executed locking in an average price of US\$62/bbl (WTI base price) for March to December 2021;
- Approximately 40% of current daily production now hedged for 2021, through a physical forward sale agreement and financially-settled swaps, increasing the average base WTI price by nearly US\$3.00/bo to US\$55.67

Byron Energy Limited (“Byron or the Company”) (**ASX: BYE**) is pleased to provide an update on its oil price risk management.

Following the recent rally in prices, which has seen front-month WTI prices rise approximately 36% since January 1 2021 to multi-year highs, and consistent with a prudent focus on oil price risk management, Byron has elected to add to its oil price hedge position through financially-settled swaps for the balance of this calendar year, increasing its WTI base price received on hedged production by almost \$3.00/bbl to approximately \$55.67.

As reported in the Company’s ASX December Quarterly Activities Report Byron’s long term hedge position as of December 31 2020, under the Forward Sale Agreement (“FSA”) of December 2, 2019, comprised:-

- Jan-Dec 2021 and Jan-Dec 2022: a fixed base oil price hedge of US\$52.86/barrel on 450 bopd and \$52.70/barrel on 400 bopd respectively for Jan-to-Dec 2021 and 2022 periods, all **prior to** taking into account the LLS/WTI differential, the Roll and adjustments for Transportation.

On March 5, 2021 (US time) Byron executed additional hedges, all financially-settled swaps (“Swaps”) as follows:-

| Period | Volumes bbls (@200bopd) | WTI Swap Price per bbl |
|--------------|-------------------------|------------------------|
| March 2021 | 6,200 | US\$63.70 |
| Apr-Jun 2021 | 18,200 | US\$63.89 |
| Jul-Sep 2021 | 18,400 | US\$61.75 |
| Oct-Dec 2021 | 18,400 | US\$59.80 |
| Mar-Dec 2021 | 61,200 | (average US\$62.00) |

The Swaps guarantee the price that Byron will receive for the hedged barrels and protect it from any subsequent decline in oil prices below those levels. For example, if the WTI base price settles below \$63.89 each month during the June 2021 quarter, Byron is guaranteed to receive a WTI base price of \$63.89/bbl on the hedged barrels.

The combined hedge volumes for March-to-December 2021, under the FSA and the Swaps, are as follows:-

- Daily volumes hedged - 650 bopd, with 450 bopd under the FSA and 200 bopd through Swaps, representing approximately 40% of Byron's current net daily oil production;
- Total volume hedged for March-December 2021- 198,900 bbl; and
- Average hedged base price of US\$55.67/bbl, excluding LLS/WTI differential, the Roll and adjustments for Transportation

Byron's overall realised prices for oil are a combination of hedged and unhedged volumes.

The hedging counterparty for the Swaps and FSA, one of the global oil industry's "supermajors", is also the purchaser of Byron's oil production under a mutually agreed long term purchase arrangement, which provides Byron with a stable, aligned counterparty.

Byron's CEO, Maynard Smith, commented:

"Consistent with our focus on oil price risk management, the Company continues to hedge a material portion of its future production to capture current increases in oil prices to improve our combined average hedged price and to protect a portion of our production against lower crude oil prices."

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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 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.