

7 July 2022

ASX RELEASE
Company Activity Update

- **SM58 G5 well set up for future production from the N2 Sand**
- **Sand control measures have been pumped across the L2 Sand**
- **Oil was recovered during perforation operations of the L2 and N2**
- **RTM seismic data acquired over Byron's Main Pass leases**
- **Permits for future projects on SM60 and SM70 approved by BOEM**
- **Byron's Eugene Island leases relinquished**

Byron Energy Limited (Byron or the Company) (ASX: BYE) is pleased to provide the following update on the status of the Company's South Marsh Island 58 drilling and completion program, Eugene Island blocks 62, 63, 76 and 77, Main Pass blocks 293, 305 and 306, and the Company's ongoing permitting efforts.

South Marsh Island 58 Completion Progress

As of 6 July 2022 (USCDT), the Byron operated South Marsh Island 58 G5 well (G5) has been perforated in both the L2 and N2 sands with oil recovered on the surface during those operations. The shallower L2 Sand has been perforated and sand control measures have been pumped. Currently, the rig crews are preparing to run 2 7/8" production tubing. Pressures measured during the sand control operation on the L2 Sand have indicated that the reservoir may have overall lower than expected average permeability or is of limited extent. However, the extent and quality of the L2 Sand reservoir cannot be determined until production is initiated in mid-July and rates are stabilized.

The G5 well has been set up for a future downhole through tubing completion in the N2 Sand with sand control. The decision to utilize through tubing completion technology for the N2 was driven by hole conditions and the 5" liner. The N2 Sand in the G5 is expected to produce at rates of 300 to 500 barrels of oil per day (bopd) in this scenario and is still expected to recover the mapped N2 reserves over a longer time than originally planned.

As stated in the Company's ASX release dated 26 May 2022, the K4/B65 and N2 Sands were the primary targets of the G5. The L2 was not expected to be encountered in the G5 well so its extent is unknown. In the event the L2 perforated in the G5 is of limited extent, Byron is advancing plans to undertake through tubing sand control measures across the N2 Sand to maximize production from the G5 well. A through tubing completion can be done without a drilling rig using equipment placed on the SM58 G Platform.

Once the G5 completion work is finished, the drilling rig will skid to the South Marsh Island 58 G3 well (G3) and completion operations will begin. The G3 well will be set up for production from the J Sand and the K4/B65 Sand. Byron will decide which sand will be produced first in the G3 after perforation data is obtained. Initial production from the G3 is expected in early August.

SM71 F2/F4 Recompletion Update

The lift boat needed for the recompletion of the SM71 F2 and F4 wells has been delayed further due to the increased scope of plugging and abandonment work being undertaken by the current operator. Byron was advised last week that the lift boat should not be expected until September. Further details on the SM71 F2 and F4 recompletions can be found in the Company's March quarterly Activities and Cashflow Report, released to the ASX on 28 April 2022.

Main Pass Seismic Data License Acquired

Byron currently holds a 100% Working Interest and a 87.50% Net Revenue Interest on Main Pass blocks 293, 305 and 306 comprising the previously abandoned Main Pass 306 Field (MP306) which has produced approximately 96 MMBO and 108 Bcf of gas. MP306 is a structurally and stratigraphically complex salt dome which should lend itself to advanced RTM interpretation techniques as employed at Byron's SM58 salt dome project. These leases were acquired at the Gulf of Mexico, Outer Continental Shelf Lease Sale 251 held on 15 August 2018.

Byron recently licensed 3D Reverse Time Migration (RTM) seismic data that was reprocessed by the contractor (TGS) in 2022 and has begun interpretation. MP306 was discovered in 1969 and lies in approximately 200 feet of water. Byron's licensed data area allows the integration of all producing wells on the MP 306 salt dome and also ties recent discoveries in the adjacent area which may serve as analogues for any generated prospects. Byron's technical team has begun the interpretation project and the work is ongoing.

Permitting Status

Byron has received approval from the Bureau of Ocean Energy Management (BOEM) on Development Operations Coordination Documents (DOCD) filed on South Marsh Island blocks 60 and 70. DOCD's are the initial environmental permits required prior to drilling new wells, setting new platforms, and laying new pipelines. The Company is also in the process of filing a revised DOCD for an additional well (E3) from the SM69 E Platform. These permits were prepared and filed in anticipation of the four well program set for late 2022 or early 2023 as announced to the ASX on 7 June 2022 and to give the Company flexibility in determining what prospects are drilled under that program.

Eugene Island Project Update

Byron acquired leases over Eugene Island blocks 62, 63, 76 and 77 (EI77) in 2018 based on 2015 legacy RTM processed 3D seismic data. In 2018, Byron undertook a proprietary RTM reprocessing project with WesternGeco, a Schlumberger Company, using the same processing workflow that was applied to Byron's South Marsh Island 58/71 project. Once this data was delivered in late 2019 an extensive subsurface remapping project was undertaken that was recently completed. The 2019 reprocessing resulted in a major data quality uplift and after full evaluation, it has been determined that several previously identified development attic opportunities did not meet the Company's technical and economic risk criteria. It was also determined that the previously identified deep exploratory concepts did not meet certain geological and geophysical criteria and were judged to be too high risk to warrant drilling. Also, the EI77 leases are in very shallow water depths (less than 25 feet) and there is only one jackup rig currently operating in the GOM able to access a drilling location in that water depth. That rig is on long term contract to another operator and hence unavailable. Thus, on a technical, economic, and practical basis, Byron elected to relinquish all four leases prior to the full lease term and has filed the necessary paperwork with the BOEM.

In preparation of its annual accounts, Byron will reduce the previously capitalised exploration and evaluation expenditure of approximately US\$2.5 million to nil and will remove the EI77 undeveloped reserves and prospective resources from the Company's booked reserves and resources. Total 2P net reserves of 1.9 million barrels of oil (Mmbo) and 67.9 billion cubic feet (Bcf) of gas and 3P net reserves

of 4.5 Mmbo and 86.6 Bcf attributed to E177 were included in the Company's 2021 reserves report (refer to the Company's ASX release dated 28 September 2021 for details of E177 reserves and prospective resources).

Byron's financial statements for the year ended 30 June 2022 and its reserves report as at 30 June 2022, which will be issued before 30 September 2022, will reflect the decision to relinquish E177.

Byron's CEO Maynard Smith said:

"Our operations at South Marsh Island 58 are moving forward and we will soon add production from the G3 and G5 wells off our SM58 G Platform. It was a good sign that oil was recovered upon perforating both the N2 and L2 sands. The results of the sand control procedure in the L2 are concerning, but we are making plans to optimize production in the event the L2 does not perform to our expectations.

With respect to E177 the Company spent significant time and manpower on the final evaluation of the four Eugene Island leases and concluded that the geologic and geophysical risks were too high to devote capital to a drilling program. The uplift in data quality was significant and the generation of additional seismic derived products played a role in this decision underscoring the reason for our 2019 reprocessing project. We will continue to focus our human resources and financial capital on the SM58 area development opportunities. Similar interpretation work is underway now over our Main Pass 293, 305 and 306 leases and we look forward to evaluating what initially looks to be a structurally and stratigraphically interesting oil rich area."

Authorised by: The Board of Directors

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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 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.

Disclaimers

Forward looking statements

Statements in this document which reflect management's expectations relating to, among other things, production estimates, target dates, Byron's expected drilling program and the ability to fund exploration and development are forward-looking statements, and can generally be identified by words such as "will", "expects", "intends", "believes", "estimates", "anticipates" or similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements and may contain forward-looking information and financial outlook information. Statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions that some or all of the reserves described can be profitably produced in the future. These statements are not historical facts but instead represent management's expectations, estimates and projections regarding future events.

All of the forward-looking information in this document is expressly qualified by these cautionary statements. Forward-looking information contained herein is made as of the date of this document and Byron disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by law. In relation to details of the forward-looking drilling program, management advises that this is subject to change as conditions warrant, and we can provide no assurances that drilling rigs will be available.