

29 August 2017

ASX Release

Byron Receives Extension for SM 71 Lease

Byron Energy Limited (Byron or the "Company") (ASX: BYE) is pleased to announce that it has obtained an extension of the lease term over the South Marsh Island 71 ("SM 71") lease.

In the Company's June 2017 ASX quarterly activities report, Byron advised that it had requested a Suspension of Production ("SOP") from the Bureau of Safety and Environmental Enforcement ("BSEE") for SM 71 to extend the lease term to give Byron time to complete platform construction, install and hook up new production facilities and lay production pipelines.

Byron received notice today that its SOP request for SM 71 has been granted by BSEE and is effective from August 1, 2017 through November 30, 2017. The approved SOP is based on an activity schedule submitted by Byron. In accordance with this activity schedule, the Company will first complete the platform fabrication, submit an Application for Permit to Modify the initial completion of SM 71 #1 well and an Application for Permit to Drill SM 71 #2 well. Under the activity schedule, operations for drilling of SM 71 #2 well and completion of SM 71 #1 well are expected to commence before the end of November.

Byron has a 50% working interest/40.625% net revenue interest in SM 71 and is the operator. **Otto Energy Limited ("Otto") (ASX: OEL)** holds the remaining interest in SM 71.

CEO Comment

Commenting on the SOP, Byron's Chief Executive Officer, Mr. Maynard Smith said:-

"We are very pleased to receive the SOP. This will now allow us to complete the development of our SM 71 oil a project, including the drilling of SM 71 #2 well, with production and cash flow expected to commence in January 2018."

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