

# Quarterly Report for the Period Ended 31 March 2024

## Summary

- Byron generated quarterly net sales revenue for the March 2024 quarter of approximately US\$9.6 million (92% oil and 8% natural gas), down approximately 19% on the December 2023 quarter of US\$11.8 million due to lower production of oil and gas and lower realised oil and gas prices;
- Byron's share of oil and gas production (net sales volume) for the March 2024 quarter was 120,032 barrels of oil and 318,667 mmbtu of gas compared to the previous quarter of 141,443 barrels of oil and 387,574 mmbtu of gas. Oil and gas production for the March 2024 quarter was lower mainly due to compressor and lift-boat downtime at SM58 and SM69 E2 downtime due to SM69 E platform crane issues;
- Realised net prices of US\$ 73.44 per barrel of oil and US\$ 2.12 per mmbtu of natural gas net to Byron after quality adjustments, oil and gas transportation charges and royalties were achieved during the March 2024 quarter (December 2023 quarter: net realised prices of US\$ 75.54 per barrel of oil and US\$ 2.63 per mmbtu of natural gas);
- The SM58 G5 well recompletion commenced in mid-February; after multiple attempts were made to wash out the fill with no progress, it was decided to abandon the N2 Sand completion in the wellbore and move up-hole to the K4 Sand where the G5 was recompleted in late March 2024;
- Byron was formally awarded the SM60 and SM70 leases which the Company bid for at the Gulf of Mexico OCS Lease Sale 261 held in New Orleans, Louisiana on 20 December 2023; and
- Byron completed a minimum holding share-buy-back offer with the final number of shares bought back being 2,609,623 ordinary shares comprising 1,775 shareholders, which represents approximately 87% of eligible shareholders.

<b>Name:</b>	<b>Byron Energy Limited</b>
<b>ASX code:</b>	<b>BYE</b>
<b>Shares on issue at 31 Mar 2024:</b>	<b>1,078.8 million</b>
<b>Quoted shares:</b>	<b>1,078.8 million</b>
<b>Options on issue (unquoted):</b>	<b>2.0 million</b>
<b>Cash at Bank 31 Mar 2024:</b>	<b>US\$3.3 million</b>
<b>Borrowings 31 Mar 2024:</b>	<b>US\$3.4 million</b>
<b>Revenue prepayment 31 Mar 2024:</b>	<b>US\$17.9 million</b>
<b>Market Capitalisation at 31 Mar 2024:</b>	<b>A\$89 million (@A\$0.082 per share)</b>

### Directors

Doug Battersby (Non-Executive Chairman)  
 Maynard Smith (Chief Executive Officer)  
 Prent Kallenberger (Chief Operating Officer)  
 Charles Sands (Non-Executive Director)

### Directors (continued)

Paul Young (Non-Executive Director)  
 William Sack (Executive Director)  
**Company Secretary and Chief Financial Officer**  
 Nick Filipovic

## Corporate

### Issued Capital

As at 31 March 2024, Byron's issued capital comprised:-

Securities	Total issued	Quoted	Unquoted
Shares (ASX:BYE)	1,078,785,479*	1,078,785,479*	Nil
Options (expiring on 31 December 2024 with an exercise price of A\$0.16)	2,000,000	Nil	2,000,000

\*Includes 40,840,000 shares subject to voluntary escrow. These shares are already quoted on the ASX and have the same rights as all other ordinary shares issued by Byron, except they are placed in trading lock. The shares in voluntary escrow are held by executive directors, staff and contractors of the Company

### Minimum Holding Share Buy Back

During the March quarter Byron completed a minimum holding share-buy-back offer (Unmarketable Parcel Buy-Back) as announced to the ASX on 5 January 2024.

The Unmarketable Parcel Buy back details are as follows:

Eligible shareholders (number)	2,047
Participating shareholders (number)	1,775
Shares bought back (number of ordinary shares)	2,609,623
Buyback price (based on 10-day VWAP)	\$A 0.103
Cost to Byron (2.609 m shares @\$A 0.103)	\$A 269,000

### Borrowings and oil revenue prepayment

As at 31 March 2024, Byron's outstanding loans comprised:-

Lender	US\$ M	A\$ M	31 March 2024 US\$ equivalent (@A\$1=US\$0.6532)	31 December 2023 US\$ equivalent (@A\$1=US\$0.6840)
Directors	2.00	1.75	3.14	3.20
Shareholder	-	0.35	0.23	0.24
<b>Total</b>	<b>2.00</b>	<b>2.10</b>	<b>3.37*</b>	<b>3.44*</b>

\*as at 31 March 2024, Byron also had US\$ 1.1 million in insurance premium financing outstanding.

### Directors' and Shareholder Loans

Byron's outstanding loans of approximately US\$ 3.37 million as of 31 March 2024, from entities associated with Doug Battersby, Maynard Smith, Charles Sands, Paul Young, all directors of the Company, and a longstanding shareholder. These loans are due to be repaid by 31 December 2025.

## Corporate (cont.)

### Oil Revenue Prepayment

In August 2023, the Company's oil purchaser provided access to further funding (Oil Prepayment Facility) primarily to fund the SM58 development drilling & completion program.

An initial draw of US\$ 10 million was taken in September 2023 and a second draw of US\$ 9 million was made in December 2023, taking the total draw to US\$ 19.0 million.

Byron made its first repayment of US\$ 1.06 million in March 2024, with the balance outstanding at 31 March 2024 of US\$ 17.9 million.

For further information on the Oil Prepayment Facility refer to the Company's ASX release of 15 September 2023 and 15 December 2023.

### Oil price hedging

Byron's realised prices for oil may at any time be a combination of hedged and unhedged volumes. The Company's oil hedging position as at 31 March 2024 comprised three transactions under the Forward Sale Agreement (FSA), which specifies a price per physical barrel in advance for each delivery period during the term of the contract.

As of 31 March 2024, Byron's hedged oil production is as follows: -

Period	Daily Hedged WI Volume (bopd)	Period Hedged WI Volume (bbl)	Daily Hedged NRI Volume (bopd)	Period Hedged NRI Volume (bbl)**	NYMEX WTI Fixed Base Price Crude Oil*
FSA Hedge 1st April 2024-31st August 2025 (entered during Sep 2023 quarter)	250	152,250	208	126,367	US\$74.68
FSA Hedge 2 1st Jan 2024-31st August 2025 (entered during the September 2023 quarter)	225	137,025	187	113,731	US\$74.56
FSA Hedge 3 1st April 2024-30th June 2024 (entered during the December 2023 quarter)	200	18,200	166	15,106	US\$72.50

\*West Texas Intermediate (WTI) fixed base price is then adjusted for NYMEX Roll, LLS/WTI price differentials, Transportation (estimated at -US\$5.69/barrel +0.20) to arrive at a realised price; the fixed price per barrel under the FSA qualifies for purposes of royalty calculations.

\*\*The actual NRI volume will depend on weighted average production from SM58 G and SM71 F platforms.

Subsequent to the end of the March quarter, Byron entered into an additional oil price hedge in the form of put options comprising 400 bopd (net to Byron) at US\$ 80 per barrel for the period 1 April to 30 June 2024 at a cost of US\$ 2.25 per barrel.

### Cashflow

Byron generated receipts from customers of approximately US\$ 9.5 million during the March 2024 quarter, compared to US\$ 9.9 million for the December 2023 quarter. After deducting payments for production (lease operating expenses) net receipts from production were US\$ 6.9 million for the quarter, a decrease of US\$ 1.0 million from the previous quarter. After deducting payments for development of US\$ 6.5 million and other operating activities of US\$ 1.9 million and deducting the first repayment of US\$ 1.1 million in oil revenue prepayments, the net cash outflow from operating activities was US\$ 2.6 million. Byron ended the March 2024 quarter with a cash balance of US\$ 3.3 million, a reduction of US\$ 3.3 million over the 31 December 2023 balance.

## Corporate (cont.)

Consolidated statement of cash flows (US\$ million)	Mar 24 quarter	Dec 23 quarter
<b>Cashflow from operating activities</b>		
Receipts from customers	9.5	9.9
Payments for production	-2.6	-2.0
<b>Net receipts from production</b>	<b>6.9</b>	<b>7.9</b>
Payment for development	-6.5	-25.3
Payments for other operating activities (net)	-1.9	-1.8
Oil revenue pre-payment / (repayment)	-1.1	9.0
<b>Net cash from / (used in) operating activities</b>	<b>-2.6</b>	<b>-10.2</b>
<b>Cash flows from investing activities</b>		
Exploration and evaluation	-0.5	-0.1
<b>Net cash from / (used in) investing activities</b>	<b>-0.5</b>	<b>-0.1</b>
<b>Cash flows from financing activities</b>		
<b>Net cash from / (used in) financing activities</b>	<b>-0.2</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>-3.3</b>	<b>-10.3</b>
<b>Cash and cash equivalents at end of quarter</b>	<b>3.3</b>	<b>6.6</b>

For further details on the March 2024 quarter cashflows refer to Appendix 5B.

## Oil and Gas Production/Sales

Byron's share of oil and gas production and sales for the March 2024 quarter and financial year to date is summarised in the table below.

Production (sales)	March 2024 quarter	Dec 2023 quarter	Year to date 31 March 2024 (9 months)	Year to date 31 March 2023 (9 months)
<b>Net production (Byron share (NRI basis) SM71)</b>				
Oil (bbls)	30,454	30,767	88,960	191,216
Gas (mmbtu)	24,571	25,668	82,134	171,094
<b>Net production (Byron share (NRI basis) SM58)</b>				
Oil (bbls)	89,385	108,715	266,474	248,400
Gas (mmbtu)	293,953	361,795	861,512	1,118,109

## Oil and Gas Production/Sales (cont.)

Production (sales)	March 2024 quarter	Dec 2023 quarter	Year to date 31 March 2024 (9 months)	Year to date 31 March 2023 (9 months)
<b>Net production (Byron share (NRI basis) SM58 E1 well)</b>				
Oil (bbls)	193	1,961	5,607	14,021
Gas (mmbtu)	143	111	529	2,343
<b>Total Net production (NRI basis)</b>				
Oil (bbls)	120,032	141,443	361,041	453,637
Gas (mmbtu)	318,667	387,574	944,175	1,291,546

Aggregate oil and gas production and sales, net to Byron, were 120,032 bbls of oil and 318,667 mmbtu of gas for the March 2024 quarter compared to 141,443 bbls of oil and 387,574 mmbtu of gas for the December 2023 quarter. Oil and gas production and sales for the March 2024 quarter was below the December quarter mainly due to lower oil and gas production at SM58, largely because of compressor and lift-boat downtime and SM69 E platform crane issues. Production from SM71, was only marginally down on the previous quarter.

The quarterly and financial year to date net sales revenue is summarised below.

Sale revenue (accrual basis) US\$ million	March 2024 quarter	Dec 2023 quarter	Year to date 31 March 2024 (9 months)	Year to date 31 March 2023 (9 months)
<b>Net sales revenue (Byron share on NRI basis)</b>	<b>9.6</b>	<b>11.8</b>	<b>29.8</b>	<b>43.6</b>

Net sales revenue for the March 2024 quarter was approximately US\$ 9.6 million (92% oil and 8% natural gas) after quality adjustments, oil transportation charges and royalties, and down approximately 19% compared to US\$ 11.8 million for the prior quarter with the decrease due to lower oil and gas production and lower realised oil and gas prices.

For the March 2024 quarter, Byron realised an average oil price after adjustment for LLS price differentials and deductions for transportation, oil shrinkage and other applicable adjustments of US\$ 73.44 per bbl (US\$ 79.13 excluding transportation) compared to US\$ 75.54 per bbl and US\$ 81.23 per bbl respectively for the December 2023 quarter.

Oil prices increased over the March quarter with the West Texas Intermediate oil price starting the March quarter at US\$ 71.89 per bbl and ending the quarter at US\$ 83.96 having traded in the range of US\$70.62/bbl to US\$83.96/bbl.

Benchmark crude oil prices were range bound for a large part of the March quarter, as the market had already priced in the announced extension of OPEC+ voluntary production cuts through 2Q24. However, prices rallied in the second half of March as continued tanker attacks in the Red Sea lengthened supply routes and global on-land oil inventories fell for a seventh consecutive month to reach their lowest level since at least 2016. In April the market appears to be pricing in a firmer demand outlook and some geopolitical downside risks to oil supply.

Byron realised an average gas price after transportation deductions of approximately US\$ 2.12 per mmbtu for the March 2024 quarter (US\$ 2.48 excluding transportation) compared to US\$ 2.63 per mmbtu and US\$ 2.99 per mmbtu respectively for the December 2023 quarter.



## ***Oil and Gas Production/Sales (cont.)***

U.S. natural gas prices closed the March 2024 quarter at US\$ 1.76 approximately 30% below the December 2023 close of US\$ 2.51. A combination of warm winter weather and surging production from gas wells has filled up gas storage well above long-term averages.

## **Project Updates**

### ***Salt Dome Projects***

#### ***South Marsh Island 73 Salt Dome***

The SM73 field encompasses nine OCS lease blocks (81 square miles) which overlie a large piercement salt dome. The salt dome is responsible for providing the trapping mechanism for production in all portions of the SM73 field. The SM73 field is productive from discrete hydrocarbon-bearing sandstone reservoirs which are primarily trapped in three-way structural closures bound either by salt or stratigraphic thinning, on their updip edge. These reservoirs are Pleistocene to Pliocene age sands ranging in depth from 5,000 feet to 8,800 feet Total Vertical Depth. Majority of the field production has come from depths less than 7,500 feet in high quality sandstone reservoirs.

##### ***(a) South Marsh Island 71***

Byron owns the South Marsh Island block 71 (SM71) a lease in the South Marsh Island Block 73 (SM73) field. Byron is the designated operator of SM71 and owns a 50% Working Interest (WI) and a 40.625% Net Revenue Interest (NRI) in the block, with Otto Energy Limited (Otto) group holding an equivalent WI and NRI in the block. As Otto did not participate in the drilling of the SM71 F4 well Byron is entitled to 100% WI/81.25% NRI in SM 71 F4 well, until payout.

Water depth in the area is approximately 137 feet. Oil and gas production from the Byron operated SM71 F platform began on 23 March 2018.

As of 31 March 2024, the SM71 F facility has produced approximately 4.8 million barrels of oil (Mmbo) (gross) since initial production began. The facility has also produced approximately 5.7 billion cubic feet of gas (Bcfg) (gross).

Total March 2024 quarter gross sales volumes for all wells on the SM71 F Platform totalled approximately 74,910 barrels of oil and 60,453 mmbtu of gas (December 2023 quarter, 75,631 barrels and 63,163 mmbtu). Production from SM71 F Platform for the March quarter was marginally lower due to lower production from F3 partly offset by improved production from F1. Compressor and fire and gas panel issues were experienced during the March quarter.

Water cut from the SM71 F3 well averaged approximately 91% water cut for the March quarter compared to approximately 89% for the December 2023 quarter. The up-dip SM71 F1 well continues to produce water free and the rate will continue to be managed to optimize the D5 Sand reservoir's oil production.

The F2 and F4 wells produce intermittently from the J1 Sand.

##### ***(b) South Marsh Island 58***

Byron holds all the operator's rights, title, and interest in and to the South Marsh Island block 58 (SM58) lease to a depth of 13,639 feet subsea with 100% WI and 83.33% NRI. Below 13,639 feet subsea, Byron has a 50% WI

## ***Project Updates (cont)***

(41.67% NRI) under a pre-existing exploration agreement. To date, all identified drilling opportunities on the SM58 lease are above 13,639 feet subsea.

Byron also holds an interest in the SM69 E2 well under the Joint Exploration Agreement (JEA) with the ANKOR group, subsequently acquired by W&T Offshore, Inc. (W&T Offshore). Byron's 100% Working Interest (WI) and 80.33% Net Revenue Interest (NRI) in the SM69 E2 well reduced to 70% WI with an unburdened 58.33% NRI, effective 1 January 2023, after WT Offshore exercised its option to convert its overriding royalty interest into a working interest in the E2 well.

Water depth in the area is approximately 132 feet.

As of 31 March 2024, the SM58 G facility has produced approximately 9.3 Bcfg and 1.1 million barrels of oil and condensate (gross) on a cumulative basis from seven wells (G1, G2, G3, G4, G5, G6 and E2).

### **SM58 G Wells on Production:**

The SM58 G1 well produces from the Upper O Sand and after initially producing 56.5-degree gravity condensate the G1 is now producing 36-degree dark oil.

The SM58 G2ST produces from the O Sand producing oil, gas and with associated formation water.

The SM58 G3 currently produces from the J Sand.

SM58 G4, drilled as an attic well to K4 Sand oil production, commenced production in late October 2023 at over 600 bopd (gross) of 35.50 API oil and 540 mcfcpd (gross). Production averaged 448 bopd (gross) and 508 mcfcpd with water production of 267 bwpd for the period since commencement of production and ending on 31 March 2024.

Byron reported that the G4 had begun making water in its December 2023 quarterly report to the ASX, issued on 25 January 2024. Since the release of the December 2023 quarterly report, water production has continued to increase. In early April, the G platform experienced a 3-hour shut in due to generator issues. At the time of that shut-in the G4 was producing 252 bopd, 0.929 mmcfcpd and 558 bwpd, a 70% water cut. During the 3-hour shut-in, the G4 loaded up with water and has not returned to its previous oil rate. The G4 is currently producing 45 bopd, 0.606 mmcfcpd and 178 bwpd. The rate change is the result of complex mechanical and reservoir issues which have combined to both reduce the oil production, as well as the total fluid uptake of the well.

Byron has run a series of wireline logging tools to determine the source of the water. That data is under evaluation and remedial work to optimize gas lift and retard water incursion is under design. It is anticipated that any remedial work would be done with wire line tools.

The SM58 G5 produced from the L2 Sand until 15 February, at which time recompletion from the L2 sand to the N2 Sand commenced, using coiled tubing placed on the lift boat. After multiple attempts were made to wash out the fill with no progress, it was decided to abandon the N2 Sand completion in the wellbore and move up-hole to the K4 Sand.

As announced on 25 March 2024, the Company had completed wireline operations to initiate oil production from the K4 Sand in the G5 well. After the installation of gas lift equipment, which only took four days, the K4 Sand was opened to production. As reported to the ASX on 23 April 2024, after a clean-up period G5 was producing 307 bopd and 217 mmcfcpd on an 18/64ths inch choke with 351 psi of flowing tubing pressure. However, the pressure drawdown, or differential, between the reservoir and the perforations is very high at 1,300 psi. This confirms the perforations in the completion have been damaged, as reported on 25 March 2024.

## **Project Updates (cont)**

Because high drawdown can cause the well to sand up prematurely and cease production, the G5 is being monitored carefully and managed to mitigate the occurrence of sand production.

SM58 G6 BP1, drilled as an attic well to N2 Sand oil production, commenced production in mid-November 2023. Initial production was gas with 58.0 API condensate with the condensate changing to dark 47.0 API oil soon after production started. Production averaged 267bopd gross and 87 mcfcpd without any water production from commencement of production and ending on 31 March 2024, at the same original choke size of 22/64ths.

For additional information on SM58 G4, G5 and G6 wells see the Company's ASX releases dated 8 March 2024, 25 March 2024 and 23 April 2024.

### **SM69 E2 Well:**

The SM69 E2 well produces from the K4/B65 Sand.

In Byron's December quarterly report released on 25 January 2024, short term production interruptions at the SM69 E2 well were discussed. These interruptions were addressed during the March quarter and the E2 oil and gas production stabilised. This work included the repairs to the crane at the SM69 E Platform which then allowed crews to transfer chemicals and wireline equipment to the platform so paraffin build ups could be addressed in the E2 well. Byron continues to manage the well production rates to achieve optimal oil and gas recovery.

Production of oil, gas and any other liquids from the E2, located on SM69 E platform, flows to the Byron operated SM58 G platform where separation occurs before oil and gas are sent to sales pipelines. Under the JEA, Byron will continue to process the production at SM58 G Facility on behalf of the joint interest under a forthcoming Production Handling Agreement with the non-operating partner paying Byron for the processing and transportation of production.

Total quarterly gross sales volumes for all wells, including E2, on the SM58 G Platform, totalled 116,013 barrels of oil and 356,054 mmbtu of gas for the March 2024 quarter (December 2023 quarter 145,053 barrels of oil and 440,037 mmbtu of gas). Lower production was due to a combination of compressor, lift boat and SM69 E platform crane downtime.

### **(c) South Marsh Island SM58 E1 well, SM69 E Platform**

Byron holds a non-operated 53% WI (44.167% NRI) in the South Marsh Island 69 E platform with two active producing wells, the SM58 E1 and E2 wells. The SM58 E1 was drilled from a surface location in SM69 to a bottom hole location in SM58 in 2011 and was initially completed in the K4 Sand (B65 Sand) which produced a total of 632,000 barrels of oil, 0.19 Bcfg of gas and 836,000 barrels of formation water before the well was recompleted in the K Sand in the March 2021 quarter.

Total March 2024 quarterly net sales volumes for the SM58 E1 well totalled 193 barrels of oil and 143 mmbtu of gas (December 2023 quarter 1,961 barrels of oil and 111 mmbtu of gas). SM 58 E1 well was offline for most of the March 2024 quarter due to repairs on the SM69E platform crane.

W&T Offshore, Inc is the designated operator of this well and portion of the block to facilitate the surface operatorship of the jointly owned SM58 E1 well which surfaces from the SM69 E platform located in the NE corner of the SM69 block.

### **OCS Lease Sale 261 Results**

As reported on 21 December 2023, Byron Energy Inc, a wholly owned subsidiary of the Company, was the high bidder on the South Marsh Island 60 lease (SM60) and the South Marsh Island 70 lease (SM70) at the Gulf of Mexico, Outer Continental Shelf (OCS) Lease Sale 261 held on 20 December 2023.



## Project Updates (cont)

Byron previously held the leases over SM60 and SM70 but relinquished each lease in the June quarter of 2023, in recognition of near-term lease expiry, economic considerations and rig availability making drilling unlikely. However, recent geophysical and geological information has re-confirmed the prospectivity of each block and Byron decided to reacquire the leases.

During the March 2024 quarter, Byron was formally awarded the SM60 and SM70 leases by the Bureau of Ocean Energy Management. For additional information refer to the Company's ASX announcements of 7 February 2024 and 19 February 2024.

## Properties

As of 31 March 2024, Byron's portfolio of properties, all in the shallow waters of the Gulf of Mexico, USA comprised:

Properties	Operator	Interest WI/NRI* (%)	Lease Expiry Date	Area (Km <sup>2</sup> )
South Marsh Island Block 71	Byron	50.00/40.625	Production	12.16
South Marsh Island Block 57	Byron	100.00/81.25	April 2028	21.98
South Marsh Island Block 60	Byron	100.00/81.25	February 2029	20.23
South Marsh Island Block 61	Byron	100.00/87.50	September 2027	20.23
South Marsh Island Block 66	Byron	100.00/87.50	December 2025	20.23
South Marsh Island Block 70	Byron	100.00/81.25	March 2029	22.13
South Marsh Island Block 58 (Excl. E1 well)	Byron	100.00/83.33**	Production	20.23
South Marsh Island Block 58 (E1 well in S ½ of SE ¼ of SE ¼ and associated production infrastructure in NE ¼ of NE ¼ of SM69)	Ankor	53.00/44.167		
South Marsh Island Block 69 (NE ¼ of NE ¼)	Byron	70.00/58.33***	Production	1.3
Grand Isle 63	Byron	100.00/81.25	April 2028	20.23
Grand Isle 72	Byron	100.00/81.25	April 2028	20.23

\* Working Interest ("WI") and Net Revenue Interest ("NRI").

\*\* 100.00% WI to a depth of 13,639 feet TVD and 50% WI below 13,639 feet TVD.

\*\*\* Effective 1 January 2023 Byron's 100% WI and 80.33% NRI in the SM69 E2 well reduced to 70% WI with an unburdened 58.33% NRI, after WT Offshore exercised its option to convert its overriding royalty interest into a 30% working interest in the E2 well which achieved payout in December 2022.

## ***Glossary***

1P = Proved Reserves  
2P = Proved and Probable Reserves  
3P = Proved, Probable and Possible Reserves  
Bbl = barrels  
bcf = billion cubic feet  
Bcfg = billion cubic feet gas  
Bo = barrel of oil  
Bopd = barrels of oil per day  
Bcpd = barrels of condensate per day  
Bw = barrels of water  
Bwpd = barrels of water per day  
btu = British Thermal Units  
mcfg = thousand cubic feet of gas  
mcfgpd = thousand cubic feet of gas per day  
Mmcfgpd = million cubic feet of gas per day  
mcf = thousand cubic feet  
mmcf = million cubic feet  
mmbtu = million British Thermal Units  
Mbo = thousand barrels of oil  
Mmbo = million barrels of oil  
NGL = Natural gas Liquids, such as ethane, propane and butane  
Psi = pounds per square inch  
Tcf = trillion cubic feet

## ***Conversions***

6:1 BOE conversion ratio for gas to oil; 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency.

1 mcfg equals approximately 1.10 btu's currently for SM71 / SM58 production; the heat content of SM71 / SM58 gas may vary over time.

## Appendix 5B

### ***Mining exploration entity or oil and gas exploration entity quarterly cash flow report***

*Name of entity*

Byron Energy Limited

*ABN*

88 113 436 141

*Quarter ended ("current quarter")*

31 March 2024

<b><i>Consolidated statement of cash flows</i></b>		<b>Current quarter US\$'000</b>	<b>Year to date (9 months) US\$'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	9,486	28,114
1.2	Payments for		
	(a) exploration & evaluation	(60)	(141)
	(b) development	(6,514)	(33,788)
	(c) production	(2,560)	(6,605)
	(d) staff costs	(1,047)	(2,893)
	(e) administration and corporate costs	(505)	(1,938)
1.3	Dividends received (see note 3)		
1.4	Interest received	2	22
1.5	Interest and other costs of finance paid	(466)	(891)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
	- Cash Contributions (refunds) from (to) JV partners	85	320
	- Oil price hedge cash settlements	-	(99)
	- Oil revenue prepayments (net)	(1,056)	17,944
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(2,635)</b>	<b>45</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	(353)	(416)
	(c) property, plant and equipment		
	(d) exploration & evaluation	(94)	(366)

<b>Consolidated statement of cash flows</b>		<b>Current quarter US\$'000</b>	<b>Year to date (9 months) US\$'000</b>
	(e) investments		
	(f) other non-current assets		
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(447)</b>	<b>(782)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options / interest free loan repayments		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
	Share buy back of unmarketable parcels (inc fees)	(200)	(200)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(200)</b>	<b>(200)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	6,565	4,224
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,635)	45

<b>Consolidated statement of cash flows</b>		<b>Current quarter US\$'000</b>	<b>Year to date (9 months) US\$'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(447)	(782)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(200)	(200)
4.5	Effect of movement in exchange rates on cash held	(7)	(11)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,276</b>	<b>3,276</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> <i>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</i>	<b>Current quarter US\$'000</b>	<b>Previous quarter US\$'000</b>
5.1	Bank balances	3,276	6,565
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,276</b>	<b>6,565</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter US\$'000</b>
6.1	*Aggregate amount of payments to related parties and their associates included in item 1	538
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</p> <p>*Payments to directors comprise: (i) Non-executive directors' fees of A\$ 62, (ii) Executive directors' salaries and service fees of US\$ 283k and A\$ 210k, and (iii) quarterly interest payments of US\$ 48k and A\$ 44k to certain directors on the loan facilities listed in 7.1a.</p>		



7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$'000</b>	<b>Amount drawn at quarter end \$'000</b>
7.1a	Loan facilities (unsecured and repayable by 31 December 2025, bearing 12% interest p.a.)	US\$ 2,000 & A\$ 2,100	US\$ 2,000 & A\$ 2,100
7.1b	Loan facilities (secured)	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify) Oil revenue prepayment facility (secured)*	US\$ 17,944	US\$ 17,944
7.4	<b>Total financing facilities</b>	US\$ 19,944 & A\$ 2,100	US\$ 19,944 & A\$ 2,100
7.5	<b>Unused financing facilities available at quarter end*</b>		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.  *Oil prepayment revenue fee is US\$1.27 a barrel of oil and US\$1.04 a barrel of oil for first draw of US\$ 10 million and the second draw of US\$ 9 million respectively. Repayments are made in equal instalments from the Company's oil revenue over 18 months commencing in March 2024 with the final repayment made in August 2025.		

8.	<b>Estimated cash available for future operating activities</b>	<b>US\$'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,635)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(447)
8.3	<b>Total relevant outgoings (item 8.1 + item 8.2)</b>	<b>(3,082)</b>
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,276
8.5	Unused finance facilities available at quarter end (item 7.5)	0
8.6	<b>Total available funding (item 8.4 + item 8.5)</b>	<b>3,276</b>
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>1.1</b>
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions: 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?  Answer: Receipts from customers in the next quarter while subject to production levels and oil and gas prices are expected to be substantial. Payments for development expenditure will be substantially less in the next quarter than the previous quarter.	

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

The Company received a prepayment of US\$19.0 million in the second half of calendar 2023 from the hedging counterparty under a forward sale agreement for oil. The Company expects to obtain additional prepayments on its future oil production.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes, the entity is expected to be able to continue its operations and to meet its business objectives for the reasons outlined in 1 and 2 above.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2024

Authorised by: Board of Directors  
(Name of body or officer authorising release – see note 4)

## **Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.