

19 April 2023

**ASX Release**

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**OCS Lease Sale 259 Results Update**

- Byron has been awarded blocks Grand Isle 63 and 72 and South Marsh Island Block 57 at the Gulf of Mexico OCS Lease Sale 259 held on 29 March 2023
- Grand Isle 63/72 represent a new RTM based project area with a mix of development and exploration prospects targeting shallow oil sands and deeper gas reservoirs
- Byron's previously purchased four pile platform is suitable for the GI63/72 project
- SM57 is considered highly prospective for oil and gas in multiple fault blocks
- The SM57 Silver Trout prospect is drill ready and can be reached from the SM58 G platform

Further to the ASX release dated 30 March 2023, Byron Energy Limited ("Byron" or the "Company"), (ASX: BYE) provides the following update on the Gulf of Mexico Outer Continental Shelf Lease Sale 259 (OCS Lease Sale 259) conducted by the Bureau of Ocean Energy Management (BOEM).

Byron Energy Inc., a wholly owned subsidiary of the Company, having been the high bidder, has now been formally awarded three leases (listed in the table below) at the OCS Lease Sale 259 held in New Orleans, Louisiana on Wednesday, 29 March 2023. Final payment for the leases will be made at the end of April 2023.

Block	Gross Bonus Amount (\$US)	Working Interest (WI)	Net Revenue Interest (NRI)
GI 63	\$147,525	100.00%	81.25%
GI 72	\$147,525	100.00%	81.25%
SM57	\$147,525	100.00%	81.25%

A total of 32 companies participated in the OCS Lease Sale 259, submitting approximately \$US 309.8 million in total bids which generated approximately \$US 263.8 million in high bids for 313 tracts covering 1.6 million acres in federal waters of the Gulf of Mexico\*. BOEM has scheduled the next OCS lease sale, Sale 261, for 27 September 2023.

*\*source: BOEM, Gulf of Mexico Oil and Gas Lease Sale Results Announced, 29 March 2023*

**Grand Isle Blocks 63 and 72**

Grand Isle blocks 63 and 72 (GI63 and GI72) represent a new Reverse Time Migration (RTM) supported salt dome project area for the Company. Both blocks were designated as the GI72 field in 1971 and have had minor oil and gas production primarily in the early 1970's (combined 1mmbo and 12 Bcf). The blocks lie in water depths of about 120 feet with good proximity to active oil and gas sales pipelines. These two blocks are approximately 125 miles east of Byron's current SM58/71 operating areas giving Byron good geographical diversity, in the event of hurricanes, should the Company discover and develop commercial hydrocarbons on these leases (refer to Attachment 1).

On the north side of GI72 salt dome are two amplitude supported fault blocks, each with 7 potential sands, that can be tested from one surface location in the southern portion of GI63. Prospects in each fault block lie updip to previously productive wells drilled before the advent of RTM. Byron's in-house Prospective resources are a total of 2.7 million barrels of oil (mmbo) and 19 billion cubic feet of gas (Bcfg) (net to Byron 2.2 mmbo and 15.4 Bcfg) in these two fault blocks. On the south side of the GI72 dome an additional two fault blocks with amplitude support have been mapped with total Prospective resources of 174 Bcfg and 2.4 mmbo (net to Byron 141.4 Bcfg and 2.0 mmbo) as mapped by Byron.

The combined Prospective resources from the GI63/72 dome are 4.1 mmbo and 156.8 Bcfg, net to Byron. The southern fault blocks are more exploratory in nature, but each fault block can be tested from another single surface location in the southern portion of GI72. The Company has also identified and is evaluating two very large deep gas prospects on the blocks.

Byron utilized RTM data to evaluate previously productive reservoirs and other opportunities on both the north and south portions of the GI72 salt dome and that work indicates remaining exploration and development potential on both blocks. The resulting prospects on both blocks are nearly drill ready and will be ranked within Byron's prospect portfolio and moved into the Company's drilling schedule based on their relative risk reward potential.

Byron's previously purchased four pile platform is suitable for the GI63/72 project (refer to ASX release dated 18 November 2022).

Collarini and Associates will independently evaluate the GI63 and 72 blocks as part of the Byron's 2023 annual reserve report.

Refer to Attachment 2 for additional notes on GI63/72 Prospective resources.

#### **South Marsh Island Block 57**

South Marsh Island 57 (SM57) is adjacent to the Company's SM58 G platform where Byron operates a total of five active wells. SM57 was relinquished by the Company in 2021, but a recent proprietary seismic reprocessing effort, focussed on the seismic inversion products Byron utilizes as part of its evaluation process, has improved the prospectivity of the previously mapped oil and gas prospects on SM57.

The initial focus of SM57 is on the Silver Trout Prospect. Silver Trout has four objectives with combined total Prospective resources of 1.3 mmbo and 17.75 Bcfg (net to Byron 1.0 mmbo and 14.4 Bcfg) by Byron's in house estimates. Importantly, the Silver Trout prospect can be reached by drilling from Byron's SM58 G Platform allowing a successful well to commence production shortly after it is drilled. Byron considers the Silver Trout prospect to be drill ready and it will be ranked against other SM58 G platform opportunities. Byron is also evaluating three other prospect areas on SM57.

Refer to Attachment 2 for additional notes on SM57 Prospective resources.

**Prospective Resources** - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbon

## CEO Comment

**Maynard Smith, Byron's CEO had this to say:-**

*"These three blocks add to our significant prospect inventory ensuring the growth of the Company well into the future. We are very pleased to have been awarded these leases. The Grand Isle blocks represent an exciting opportunity to grow and diversify our Company by adding a new project that is very close to drill ready and is likely to be our next project. Reacquiring SM57 based on our new post-stack seismic processing further strengthens our South Marsh Island 58/71 area leasehold and brings a drill ready location into our portfolio.*

*The lease sale process is an important part of Byron's growth strategy, and the Company will continue to devote time and resources to future lease sales."*

Authorised by:

*The Board of Directors*

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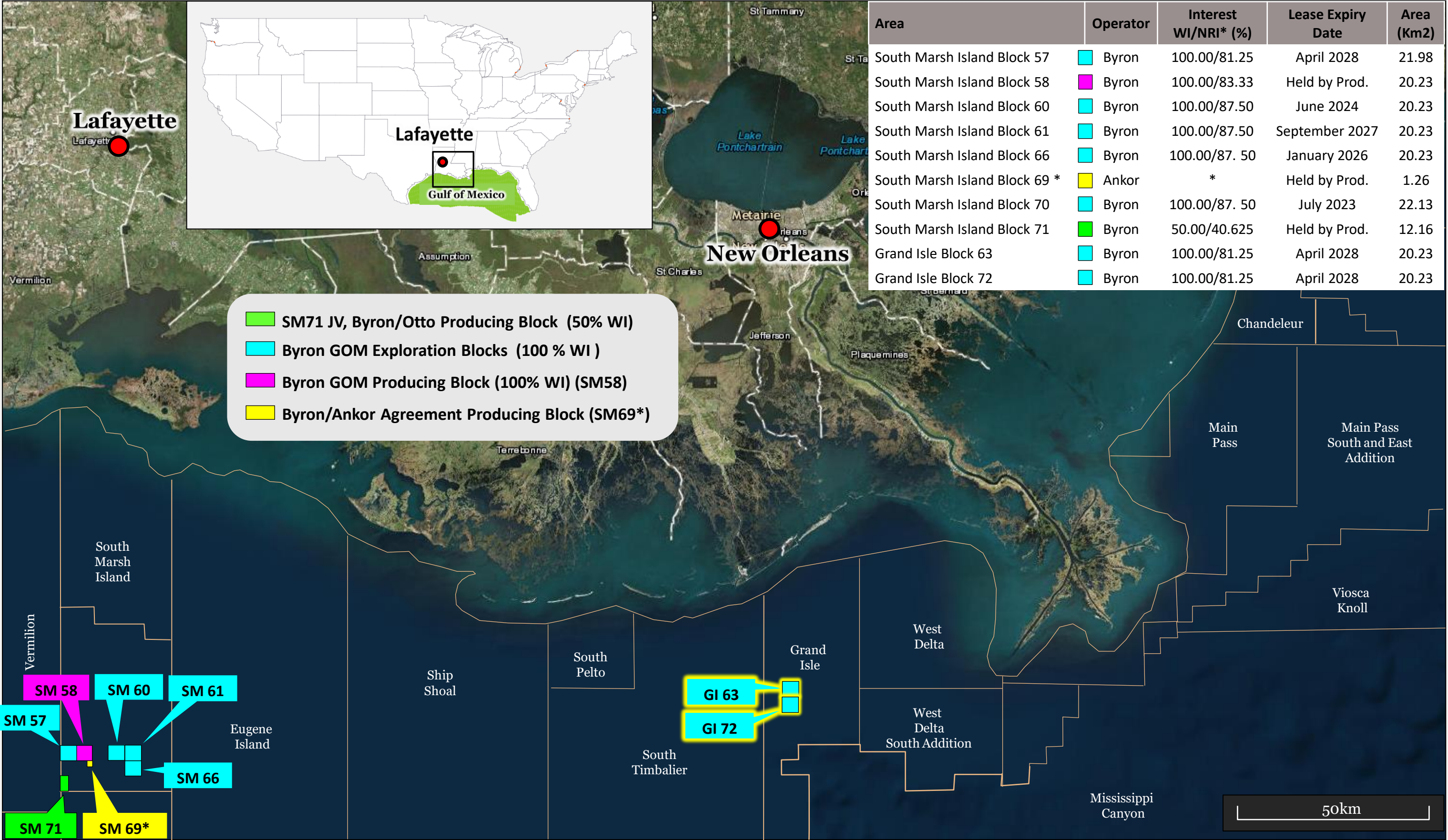
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### **About Byron:**

**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](http://www.byronenergy.com.au).



# Byron Energy Gulf of Mexico Lease Map as at April 2023



\* Refer ASX release 1<sup>st</sup> April 2019 for details

## **ATTACHMENT 2**

### **Competent Persons Statement**

The information in this report that relates to oil and gas prospective resources was compiled by Mr William Sack (BSc. Earth Sci./Physics, MSc. Geology, MBA), an Executive Director of Byron Energy Limited. Mr William Sack is a member of American Association of Petroleum Geologists. The reserves and resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/American Association of Petroleum Geologists (AAPG)/Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The prospective resources information reported in this release are based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Sack. Mr Sack is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

### **Forward Looking Statements**

This document may contain forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording. Forward-looking information in this document includes, but is not limited to, references to: well drilling programs and drilling plans, estimates of potentially recoverable resources, and information on future production and project start-ups. By their very nature, the forward-looking statements contained in this document require Byron and its management to make assumptions that may not materialise or that may not be accurate. Although Byron believes its expectations reflected in these statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

### **Prospective Resources Cautionary Statement**

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

### **Prospective Resources Reporting Notes (SM57 and GI63/72) reported for the first time)**

- (i) The prospective resources information in this document is effective as at 1 April 2023 (Listing Rule (LR) 5.25.1).
- (ii) The prospective resources information in this document has been estimated and is classified in accordance with SPE-PRMS (Society of Petroleum Engineers - Petroleum Resources Management System) (LR 5.25.2).
- (iii) The prospective resources information in this document is reported according to the Company's economic interest in the prospective resources and net of royalties (LR 5.25.5).
- (iv) The prospective resources information in this document has been estimated and prepared using the deterministic method (LR 5.25.6).
- (v) The prospective resources information in this document has been estimated using a 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 (LR 5.25.7).
- (vi) The prospective resources information in this document has been estimated on the basis that products are sold on the spot market with delivery at the sales point on the production facilities (LR 5.26.5.)
- (vii) Prospective resources are reported on a best estimate basis (LR 5.28.1).
- (viii) For prospective resources, the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons (LR 5.28.2).
- (ix) In respect to the prospective resources referred to in this statement, Byron has acquired SM57 and GI72 (each lease approx. 5,000 acres) at the BOEM Lease Sale 259 held on March 29, 2023, all of which are located in the shallow waters of the Gulf of Mexico, offshore Louisiana, USA in close proximity to the Company's SM 71 and SM58 producing fields (LR 5.35.1).
- (x) The prospective resources have been estimated on the following basis (LR 5.35.2):-
  - prospective resources have been identified near the existing developed and undeveloped reserves, at the same or deeper stratigraphical levels but are deemed isolated from mapped reserves;
  - a combination of volumetric assessment and field analogues have been used to estimate the Prospective resources; exploration drilling will be required to assess these resources.
- (xi) The chance of discovery is considered moderate as the prospective resources are near developed and undeveloped reserves and in a proven oil and gas producing province. There is a risk that exploration will not result in sufficient volumes of oil and/or gas for a commercial development (LR 5.35.3).
- (xii) Prospective resources are un-risked and have not been adjusted for an associated chance of discovery and a chance of development (LR 5.35.4).