



Byron Energy Limited
ACN 113 436 141
(Company)

Notice of annual general meeting

Notice is given that the annual general meeting of the Company will be held at the offices of Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000 on 26 November 2020 at 11am (Sydney time).

If the situation regarding the global COVID-19 crisis materially changes between the date of this Notice of Meeting and the proposed time of the meeting, the Company may put measures in place to accommodate for the change in circumstances. Such measures may include implementing online attendance facilities for shareholders to attend a hybrid physical / virtual meeting which complies with social distancing regulation. Directors will further update shareholders with the proposed next steps if necessary.

Annual financial and other reports

To receive the Company's financial report, directors' report and auditor's report for the financial year ended 30 June 2020.

Resolution 1 — Adoption of remuneration report

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

"That the remuneration report for the year ended 30 June 2020 be adopted."

Note: The remuneration report is set out on pages 44-49 of the Company's 2020 Annual Report, which is available on the Company's website at www.byronenergy.com.au The vote on this resolution is advisory only and does not bind the directors or the Company.

Resolution 2 — Re-election of Paul Young

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

"That Paul Young, who retires by rotation in accordance with clause 16.1 of the Company's constitution and, being eligible, stands for re-election, be re-elected as a director of the Company."

Resolution 3 — Re-election of Charles Sands

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

Notice of annual general meeting

“That Charles Sands, who retires by rotation in accordance with clause 16.1 of the Company’s constitution and, being eligible, stands for re-election, be re-elected as a director of the Company.”

Resolution 4 — Additional capacity to issue ordinary shares

To consider and if thought fit pass the following resolution as a **special resolution**:

“That additional capacity to issue ordinary shares in the Company under rule 7.1A of the ASX Listing Rules for cash or non-cash consideration at any time during the next 12 months (or until a transaction under rule 11.1.2 or 11.2 is approved by the shareholders of the Company), be approved for the purpose of rule 7.1A, and for all other purposes.”

19 October 2020

By order of the board



.....
Nick Filipovic
Company Secretary

FOR PERSONAL USE ONLY

Notice of annual general meeting

Proxy voting and entitlement to vote:

1. A member entitled to attend and vote at this meeting is entitled to appoint one proxy or, if the member is entitled to cast two or more votes at the meeting, two proxies to attend and vote on behalf and instead of the member.
2. Where two proxies are appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.
3. A proxy need not be a member.
4. A proxy form accompanies this notice. To be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting, namely by 11am (Sydney time) on 24 November 2020.

Proxy forms may be lodged using the enclosed reply paid envelope or:

- (a) by hand delivery to Byron Energy Limited, C/- Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000;
 - (b) by post to Byron Energy Limited, C/- Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
 - (c) by facsimile to +61 2 9290 9655; or
 - (d) online at <https://www.votingonline.com.au/byronenergyagm2020>
5. A determination has been made by the board of directors of the Company under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that those persons who are registered as the holders of shares in the Company as at 7pm (Sydney time) on 24 November 2020 will be taken to be the holders of shares for the purposes of determining voting entitlements at the meeting.
 6. In current pandemic climate, you are strongly encouraged to vote your shares by proxy well in advance of the date of the meeting.

Voting exclusion statement:

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the resolutions. The Company will disregard any votes cast in favour of the following resolutions by or on behalf of the following persons:

Resolution	Excluded Party(s)
Resolution 1	None
Resolution 2	None
Resolution 3	None
Resolution 4	A person who is expected to participate in, or who will obtain a material benefit (except a benefit solely by reason of being a holder of ordinary shares in the Company) as a result of, the proposed issue, or an associate of such a person

However, the Company need not disregard a vote in relation to a resolution if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;
- the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides (and the appointment expressly authorises the chair to vote in accordance with a direction on the proxy form to vote as the proxy decides, even if the resolution is connected directly or indirectly with the remuneration of a KMP Member); or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

For the purposes of sections 250BD and 250R of the Corporations Act, the Company will disregard any votes cast on resolution 1 by or on behalf of a member of the key management personnel of the Company, details of whose remuneration are included in the Remuneration Report or a closely related party of such a member (**Excluded Person**).

An Excluded Person may cast a vote as a proxy if the vote is not cast on behalf of an Excluded Person and either:

- the Excluded Person is appointed as a proxy by writing that specifies how the Excluded Person is to vote on resolution 1; or
- the Excluded Person is the chair of the meeting and the appointment of the chair as proxy does not specify the way the chair is to vote on resolution 1 and expressly authorises the chair to exercise the proxy even if resolution 1 is connected directly or indirectly with the remuneration of a member of the key management personnel of the Company.

Explanatory statement

1. General information

This explanatory statement is an important document and should be read carefully. It comprises part of, and should be read in conjunction with, the notice of annual general meeting of Byron Energy Limited (**Company**) to be held on 26 November 2020.

If you do not understand its contents or are not sure what to do, you should consult your stockbroker or other professional adviser.

If you have any questions regarding the matters set out in this explanatory statement (or elsewhere in the notice of annual general meeting), you may contact the Company's share registrar, Boardroom Pty Limited, as follows:

Telephone: 1300 737 760 (within Australia)

+61 2 9290 9600 (outside Australia)

between 8:30 am and 5:00 pm (Sydney time) Monday to Friday (except public holidays).

2. Resolution 1 — Adoption of remuneration report

There will be an opportunity for shareholders at the annual general meeting (**Meeting**) to comment on and ask questions about the remuneration report, which appears on pages 47 to 49 of the Company's 2020 Annual Report.

The vote on the proposed resolution adopting the remuneration report is advisory only and will not bind the Company or its directors. However, the board will take the outcome of the vote into consideration when reviewing the Company's remuneration policy and practices.

The *Corporations Act 2001* (Cth) (**Corporations Act**) contains a 'two strikes' rule in relation to remuneration reports. Briefly, if at two consecutive AGMs of the Company 25% or more votes are cast against the resolution that the Company's remuneration report be adopted, a 'spill resolution' must be put to the vote at the second meeting. The spill resolution is that another meeting of the Company's members be held within 90 days to consider the appointment of new directors in place of those directors (other than the managing director) who were directors at the time the resolution was passed to make the directors' report (including the remuneration report).

At the Company's 2019 AGM, less than 25% of votes were cast against the resolution that the remuneration report be adopted. Accordingly, there is no requirement to allow for a possible spill resolution at this year's AGM.

Directors' recommendation

The directors recommend that shareholders entitled to vote, vote in favour of resolution 1.

3. Resolution 2 — Re-election of Paul Young

Clause 16.1 of the Company's constitution states that at each AGM of the Company one third of the directors or, if their number is not a multiple of 3, then the number nearest to but not less than one third must retire from office. A retiring director is eligible to stand for re-election.

In accordance with these requirements, Paul Young retires by rotation at this year's AGM and, being eligible, stands for re-election.

Paul Young has been a director of the Company since 18 March 2013.

Notice of annual general meeting

Mr Young is a Managing Director of Henslow Corporate and country head for Oaklins, a global mid-market corporate advisory firm. He has been in merchant banking for more than 30 years. He has extensive experience in the provision of corporate advice to a wide range of Australian and international listed and unlisted companies including restructurings, capital raisings, initial public offerings and mergers and acquisitions.

Mr Young is an Honours Graduate in Economics (University of Cambridge) and has an Advanced Diploma in Corporate Finance. He is an Associate of the Institute of Chartered Accountants in England and Wales and a Fellow of the Australian Institute of Company Directors.

Paul Young is currently Chairman of the Audit and Risk Management Committee.

Directors' recommendation

The directors (other than Paul Young) recommend that shareholders vote in favour of resolution 2.

4. Resolution 3 — Re-election of Charles Sands

Clause 16.1 of the Company's constitution states that at each AGM of the Company one third of the directors or, if their number is not a multiple of 3, then the number nearest to but not less than one third must retire from office. A retiring director is eligible to stand for re-election.

In accordance with these requirements, Charles Sands retires by rotation at this year's AGM and, being eligible, stands for re-election.

Charles Sands has been a director of the Company since 18 March 2013.

Mr Sands has over thirty years of broad based business and management experience in the USA and is President of A. Santini Storage Company of New Jersey Inc, enabling him to advise on the general business operating environment and practices in the USA. He holds a Bachelor of Science degree from Monmouth University.

Charles Sands is currently a member of the Audit and Risk Management Committee.

Directors' recommendation

The directors (other than Charles Sands) recommend that shareholders vote in favour of resolution 3.

5. Resolution 4 — Additional capacity to issue ordinary shares

Rule 7.1 of the ASX Listing Rules limits the number of equity securities that a company may issue without shareholder approval during any 12 month period to 15% of:

- (a) the total number of the company's fully paid ordinary shares on issue at the start of the 12 month period; plus
- (b) the number of fully paid ordinary shares issued during the period under an exception in rule 7.2 (other than exceptions 9, 16 or 17); plus
- (c) the number of partly paid ordinary shares that become fully paid during the period; plus
- (d) the number of fully paid ordinary shares issued during the period with shareholder approval; less
- (e) the number of fully paid ordinary shares cancelled during the period.

Notice of annual general meeting

The number of shares represented by (a) to (e) above is variable A in the formula in rule 7.1.

The number of equity securities that the company issues or agrees to issue without shareholder approval under rule 7.1 (and which are not issued under an exception in rule 7.2) during the period uses up the 15% capacity for that period and is subtracted from the above calculation.

In August 2012, the ASX Listing Rules were amended to introduce a new rule 7.1A which allows an 'eligible entity' to issue an additional 10% of its share capital above the 15% limit allowed under rule 7.1, provided shareholders have approved in advance the additional capacity by special resolution passed at a Meeting.

An eligible entity includes a listed company which, as at the date of the special resolution, is not included in the S&P/ASX300 Index and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) no greater than the prescribed amount (currently \$300 million). At the date of the notice of meeting, the Company is an eligible entity and is expected to remain so by the time of the Meeting. However, if it does not, resolution 4 will be withdrawn.

The approval under rule 7.1A lasts for 12 months from the date of the Meeting at which it is obtained or until a transaction involving a significant change to the nature or scale of the company's activities is approved by ordinary shareholders under rule 11.1.2 or 11.2.

The additional limit is calculated under rule 7.1A.2 as 10% of variable A in the formula in rule 7.1.

If at the date of the new issue or agreement to issue, any equity securities have been issued or agreed to be issued under rule 7.1A.2 in the previous 12 months that are not issued with the approval of shareholders under rule 7.1 or 7.4, those equity securities are subtracted from the above calculation.

Under rule 7.1A.3, any equity securities issued under rule 7.1A.2 must be in an existing quoted class of equity securities and the issue price must not be less than 75% of the volume weighted average price for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before the date on which the price at which the securities are to be issued is agreed or if the securities are not issued within 5 trading days of that agreement, the date of issue.

The only equity securities in the Company that are currently quoted on ASX are fully paid ordinary shares.

Accordingly, if resolution 4 is passed as a special resolution, in addition to issues up to the 15% limit under rule 7.1, the Company will be able to issue or agree to issue fully paid ordinary shares up to the additional 10% limit under rule 7.1A, without further shareholder approval, for up to 12 months after the date of this Meeting (i.e. on or before 26 November 2021). A special resolution requires at least 75% of the votes cast by shareholders entitled to vote on the resolution to be in favour of it.

The additional capacity approval under resolution 4 will cease to be valid before the end of this 12 month period, and no shares will be able to be issued or agreed to be issued under it, in the event that a transaction involving a significant change to the nature or scale of the Company's activities is approved by ordinary shareholders under rule 11.1.2 or 11.2.

There is a risk of economic and voting dilution to the existing ordinary shareholders of the Company were additional ordinary shares to be issued under rule 7.1A.2, including the risk that:

- (a) the market price for the Company's ordinary shares may be significantly lower on the issue date than on the date of the approval under rule 7.1A; and

Notice of annual general meeting

- (b) the ordinary shares may be issued at a price that is at a discount to the market price for those ordinary shares on the issue date.

Set out below is a table showing the potential dilution of existing ordinary shareholders if the Company issues fully paid ordinary shares up to the maximum additional capacity under rule 7.1A in the 12 months following the Meeting.

Variable A		Issue price for each share		
		\$0.0875 (50% decrease in current market price)	\$0.175 (current market price)	\$0.350 (100% increase in current market price)
1,040,295,102 shares (current)	Shares issued	104,029,510 shares	104,029,510 shares	104,029,510 shares
	Funds raised	\$9,102,582	\$18,205,164	\$36,410,329
1,560,442,653 shares (50% increase)	Shares issued	156,044,265 shares	156,044,265 shares	156,044,265 shares
	Funds raised	\$13,653,873	\$27,307,746	\$54,615,493
2,080,590,204 shares (100% increase)	Shares issued	208,059,020 shares	208,059,020 shares	208,059,020 shares
	Funds raised	\$18,205,164	\$36,410,329	\$72,820,657

Note: The above table is based on the current issued share capital of the Company of 1,040,295,102 fully paid ordinary shares (at 15 October 2020), variable A currently being 1,040,295,102 and the price for the Company's shares being \$0.175 each (based on the closing sale price of the Company's shares on ASX on 15 October 2020), and assumes there is no change to the total issued share capital of, or shareholdings, in the Company from the date of the notice of meeting until 26 November 2021 (being the date which is 12 months after the date of the Meeting), other than as noted in the above table.

The Company may issue ordinary shares under rule 7.1A for the purpose of:

- (a) providing the Company with funds to assist it develop its business and/or meet its strategic goals;
- (b) providing the Company with funds for general working capital purposes; and
- (c) raising funds for an acquisition or to assist the Company make an acquisition, or as consideration for an acquisition, or partly to raise funds and partly as consideration, for an acquisition.

In the circumstances, the shares may be issued for non-cash consideration e.g. in consideration for an acquisition of assets.

The Company's allocation policy for issues under the approval (if resolution 4 is passed) is as follows where the purpose of the issue is to raise funds:

- (a) Allocations will depend on the prevailing market conditions at the time of any proposed issue.

Notice of annual general meeting

- (b) The identity of the persons to be offered shares will be determined on a case by case basis having regard to a number of factors including the methods of raising funds that are available to the Company at the time, the potential effect of the issue on the control of the Company, the financial position of the Company and advice from stockbrokers and other corporate or financial advisers. However, it is likely that the Company would only offer shares to sophisticated investors, experienced investors and/or professional investors for the purposes of sections 708(8) to 708(11) of the Corporations Act.
- (c) Directors and other related parties of the Company will not be issued shares without shareholder approval unless an exception under rule 10.12 applies.

If the Company makes an acquisition in exchange for shares to be issued under the approval, it is likely that the persons to be issued the shares will be those who are interested in the acquisition e.g. sellers of assets, officers and employees of acquired businesses, and providers of resources.

At the date of the Notice of Meeting, the Company does not have any specific intention to offer or issue any shares under the approval, nor has it any specific intention in relation to the parties that it may approach to participate in an offer of shares under the approval. Further, the Company has not formed an intention to offer shares to any particular class or group of existing shareholders or to offer shares just to new investors who have not previously been shareholders of the Company.

The Company previously obtained approval under Listing Rule 7.1A at the annual general meeting held on Thursday, 29 November 2019. Since that meeting, the Company has issued the following securities, none of which were issued under Listing Rule 7.1A.2:

- (a) On 18 December 2019, the Company issued 42,075,806 fully paid ordinary shares (\$0.27 per share) to existing shareholders and Bell Potter Securities Limited as underwriter of an Entitlement Offer. These shares rank equally with all other fully paid ordinary shares on issue.
- (b) On 7 January 2020, the Company issued 9,500,000 fully paid ordinary shares upon the exercise of the same number of options at \$0.25 per option.
- (c) On 26 May 2020, the Company issued 106,331,150 fully paid ordinary shares (\$0.13 per share) to sophisticated and institutional investors. These shares rank equally with all other fully paid ordinary shares on issue.
- (d) On 19 June 2020, the Company issued 106,307,903 fully paid ordinary shares (\$0.13 per share) to existing shareholders. These shares rank equally with all other fully paid ordinary shares on issue.
- (e) On 21 July 2020, the Company issued 16,745,771 fully paid ordinary shares (\$0.13 per share) to directors of the Company and their nominees. These shares rank equally with all other fully paid ordinary shares on issue.

In the 12 months preceding the date of the Meeting, the Company issued a total of 280,960,630 equity securities, representing 37.4% of the number of equity securities on issue at the commencement of that period.

Directors' recommendation

The directors recommend that shareholders entitled to vote, vote in favour of resolution 4.

All Correspondence to:

-  **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
-  **By Fax:** +61 2 9290 9655
-  **Online:** www.boardroomlimited.com.au
-  **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (Sydney Time) on Tuesday, 24 November 2020.**

TO VOTE ONLINE**BY SMARTPHONE**

- STEP 1: VISIT** <https://www.votingonline.com.au/byronenergyagm2020>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM**STEP 1 APPOINTMENT OF PROXY**

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (Sydney Time) on Tuesday, 24 November 2020.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

-  **Online** <https://www.votingonline.com.au/byronenergyagm2020>
-  **By Fax** + 61 2 9290 9655
-  **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
-  **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/we being a member/s of **Byron Energy Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

Or if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

By failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **offices of Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000 on Thursday, 26 November 2020 at 11:00am (Sydney Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Paul Young	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Charles Sands	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Additional capacity to issue ordinary shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2020