

## QUARTERLY REPORT for the period ended 31 December 2019

### FINANCIAL HIGHLIGHTS

- Average net production for the quarter ended 31 December 2019 was 747 barrels of oil equivalent per day, a decrease of 9% from the previous quarter ended 30 September 2019 of 825 barrels of oil equivalent per day (production numbers are based on barrels sold).
- Current 30 day production rate is averaging 795 BOPD (on a gross Operated basis) and approximately 600 BOPD net to Samson.
- During the quarter we had several wells down, which resulted in lower BOPD for the quarter. In addition, we experienced continued weather conditions, which reduced the number of barrels we could offtake and created difficulties getting our service rig on location to bring the wells that were down back online.

Prior 12 month production by quarter:

|                 | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 |
|-----------------|---------|---------|---------|---------|
| <b>OIL, BO</b>  | 46,258  | 59,135  | 75,051  | 67,200  |
| <b>GAS, MCF</b> | 5,213   | 7,882   | 7,693   | 8,898   |
| <b>BOE</b>      | 47,157  | 60,448  | 75,135  | 68,693  |
| <b>BOEPD</b>    | 524     | 544     | 816     | 747     |

Estimated net production and revenue:

|                          | OIL Bbls | OIL US\$  | GAS Mscf | GAS US\$ | TOTAL US\$ |
|--------------------------|----------|-----------|----------|----------|------------|
| <b>Dec 2019 Quarter</b>  | 67,200   | 3,266,153 | 8,898    | 21,773   | 3,287,926  |
| <b>Sept 2019 Quarter</b> | 75,051   | 3,816,903 | 7,693    | 30,256   | 3,847,159  |

Average commodity prices:

|                          | OIL US\$/Bbl | GAS S\$/Mscf |
|--------------------------|--------------|--------------|
| <b>Dec 2019 Quarter</b>  | \$48.60      | \$2.45       |
| <b>Sept 2019 Quarter</b> | \$50.86      | \$3.93       |

In some cases, revenue is yet to be received and is therefore an estimate.

The differential (the difference between WTI and local pricing) for Williston Basin crude are set monthly by our marketer and are generally around \$4 per barrel, the differential for the December 2019 quarter averaged \$5.50.

### IN FILL DEVELOPMENT

The first well in the infill development program was the Gonzales 1-8H well and this well achieved a measured total depth of 11,736 feet and lateral length of 2,062 feet within the Ratcliffe reservoir. The lateral length was less than planned, however represented an opportunity to test the oil productive capacity of the reservoir at this location.

The well continued to be produced until September 6<sup>th</sup> when the pump unit developed a mechanical problem. Using our pre-drill analysis of the expected well performance the reduced lateral should produce at 22 BOPD to be considered conforming with the per drill expectation

We have submitted applications for drilling permits for two additional wells in the infill development program, but have not received approval for those locations.

## LAND

| PROJECT       | BASIN     | STATE                | COUNTY    | NET ACRES |
|---------------|-----------|----------------------|-----------|-----------|
| Hawk Springs  | DJ        | Wyoming              | Goshen    | 40        |
| Roosevelt     | Williston | Montana              | Roosevelt | 2,230     |
| Rainbow       | Williston | North Dakota         | Williams  | 294       |
| Foreman Butte | Williston | North Dakota/Montana | Numerous  | 51,305    |

## PROJECTS

### Rainbow Field: Williams County, North Dakota Mississippian Bakken Formation, Williston Basin Gladys 1-20H

#### Samson 23% Working Interest

Kraken Operating, LLC, the operator of the Gladys 1-20H well, has been producing this well at an average rate of 14 BOPD and 16 MCFPD during the quarter. There are 6 additional Bakken/Three Forks drilling locations on this 1280 acre lease.

### Foreman Butte Project: McKenzie & Williams Counties, North Dakota and Richland, Roosevelt, Sheridan Counties, Montana

#### Mississippian Madison Formation, Williston Basin

#### Samson 87% Operated Average Working Interest

The previously announced sale transaction for this project did not close as expected on 15 October 2018 and that contract was terminated. The infill drill project detailed in the earlier part of this report has commenced.

## LIQUIDITY

Sources of cash for the next quarter are as follows:

|   | US\$('000's) |
|---|--------------|
| Current cash on hand                            | 2,705        |
| Cash receipts from September oil and gas sales* | 3,400        |
| <b>TOTAL</b>                                    | <b>6,105</b> |

\* Estimate based on realized December quarter production and net \$48.60 oil price, allowing for a one month delay between production and cash receipt.

## FINANCIAL

### Foreign Exchange Rates

The closing A\$:US\$ exchange rate on 31 December 2019 was \$1.30. The average A\$:US\$ exchange rate for the quarter was \$1.32.

The Company's cash position at 31 December 2019 was as follows:

|  | US\$('000's) |
|--|--------------|
| <b>Cash and restricted cash at bank on deposit</b> | <b>2,705</b> |

### Hedging

Samson has entered into a series of hedges for 767,084 bbl of crude oil production for the next four years at an average price of \$55.45/bbl and for 240,000 MMcf of natural gas costless collars with a weighted average put at \$2.53 per MMBTU and a weighted average of call of \$2.77 per MMBTU.

At 31 December 2019 the mark to market value for the oil swaps is a negative value of \$23,000 and the gas cost less collars have a positive value of \$600.

For and on behalf of the Board of  
**SAMSON OIL & GAS LIMITED**



**TERRY BARR**  
Managing Director

*Information contained in this report relating to hydrocarbon reserves was compiled by the Managing Director of Samson Oil & Gas Ltd., T M Barr a Geologist who holds an Associateship in Applied Geology and is a fellow of the Australian Institute of Mining and Metallurgy who has 30 years relevant experience in the oil & gas industry.*

3 February 2020

+Rule 5.5

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

#### Name of entity

Samson Oil and Gas Limited

#### ABN

25 009 069 005

#### Quarter ended ("current quarter")

31 December 2019

| Consolidated statement of cash flows                               | Current quarter<br>\$A'000 | Year to date<br>(six months)<br>\$A'000 |
|--|----------------------------|---|
| <b>1. Cash flows from operating activities</b>                     |                            |   |
| 1.1 Receipts from customers  | 3,166                      | 7,656                                   |
| 1.2 Payments for   |                            |   |
| (a) exploration & evaluation                                       | (12)                       | (14)                                    |
| (b) development  | -                          | -                                       |
| (c) production   | (1,103)                    | (3,553)                                 |
| (d) staff costs  | (265)                      | (433)                                   |
| (e) administration and corporate costs                             | (397)                      | (1,043)                                 |
| 1.3 Dividends received (see note 3)                                | -                          | -                                       |
| 1.4 Interest received  | -                          | -                                       |
| 1.5 Interest and other costs of finance paid                       | (1,148)                    | (2,390)                                 |
| 1.6 Income taxes paid  | -                          | -                                       |
| 1.7 Research and development refunds                               | -                          | -                                       |
| 1.8 Other (provide details if material) Hedging<br>and abandonment | 407                        | 85                                      |
| <b>1.9 Net cash from / (used in) operating<br/>activities</b>      | <b>648</b>                 | <b>308</b>                              |

| <b>Consolidated statement of cash flows</b>                                     | <b>Current quarter<br/>SA'000</b> | <b>Year to date<br/>(six months)<br/>SA'000</b> |
|---|-----------------------------------|---|
| <b>2. Cash flows from investing activities</b>                                  |                                   |   |
| 2.1 Payments to acquire:  |                                   |   |
| (a) property, plant and equipment   | (338)                             | (368)   |
| (b) tenements (see item 10)   |                                   | -   |
| (c) investments   |                                   | -   |
| (d) other non-current assets  |                                   | -   |
| 2.2 Proceeds from the disposal of:  |                                   |   |
| (a) property, plant and equipment   | -                                 | -   |
| (b) tenements (see item 10)   | -                                 | -   |
| (c) investments   | -                                 | -   |
| (d) 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 Net cash from / (used in) investing activities</b>                       | <b>(338)</b>                      | <b>(368)</b>                                    |
| <b>3. Cash flows from financing activities</b>                                  |                                   |   |
| 3.1 Proceeds from issues of shares  | -                                 | -   |
| 3.2 Proceeds from issue of convertible notes                                    | -                                 | -   |
| 3.3 Proceeds from exercise of share options                                     | -                                 | -   |
| 3.4 Transaction costs related to issues of shares, convertible notes or options | -                                 | -   |
| 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)   | -                                 | -   |
| <b>3.10 Net cash from / (used in) financing activities</b>                      | <b>-</b>                          | <b>-</b>  |

| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(six months)<br/>\$A'000</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                             | 2,393                              | 2,774  |
| 4.2   | Net cash from / (used in) operating activities (item 1.9 above)              | 648                                | 308  |
| 4.3   | Net cash from / (used in) investing activities (item 2.6 above)              | (338)                              | (368)  |
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above)             | -                                  | -  |
| 4.5   | Effect of movement in exchange rates on cash held                            | 2                                  | (9)  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                            | <b>2,705</b>                       | <b>2,705</b>                                     |

| <b>5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|---|--|------------------------------------|-------------------------------------|
| 5.1   | Bank balances  | 2,705                              | 3,238                               |
| 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>2,705</b>                       | <b>3,238</b>                        |

**6. Payments to directors of the entity and their associates**

| <b>Current quarter<br/>\$A'000</b> |
|------------------------------------|
| 120                                |
| -                                  |

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

|  |
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|  |
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**7. Payments to related entities of the entity and their associates**

| <b>Current quarter<br/>\$A'000</b> |
|------------------------------------|
| -                                  |
| -                                  |

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

|  |
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|  |
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**8. Financing facilities available**  
*Add notes as necessary for an understanding of the position*

|                                 | <b>Total facility<br/>amount at quarter<br/>end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
|---------------------------------|---|--|
| 8.1 Loan facilities             | 33,500  | 33,500   |
| 8.2 Credit standby arrangements |   | -  |
| 8.3 Other (please specify)      | 158   | 158  |

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

|   |
|---|
| <p>The Company entered into a note payable with a federal regulatory agency for payment of royalties due.</p> |
|---|

| <b>9. Estimated cash outflows for next quarter</b> |                                      | <b>\$A'000</b> |
|--|--------------------------------------|----------------|
| 9.1  | Exploration and evaluation           | -              |
| 9.2  | Development                          | -              |
| 9.3  | Production                           | 1,600          |
| 9.4  | Staff costs                          | 200            |
| 9.5  | Administration and corporate costs   | 150            |
| 9.6  | Other (provide details if material)  | -              |
| <b>9.7</b>   | <b>Total estimated cash outflows</b> | <b>1,950</b>   |

| <b>10.</b> | <b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>                           | <b>Tenement reference and location</b> | <b>Nature of interest</b> | <b>Interest at beginning of quarter</b> | <b>Interest at end of quarter</b> |
|------------|---|--|---------------------------|---|-----------------------------------|
| 10.1       | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced |  |                           |   |                                   |
| 10.2       | Interests in mining tenements and petroleum tenements acquired or increased           |  |                           |   |                                   |

*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.

Sign here:



(Director/Company secretary)

Date: 3 February 2020

Print name: Nicholas Ong

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose



additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly 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 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.