



SAMSON OIL & GAS ANNOUNCES SALE OF NORTH STOCKYARD AND AMENDMENT OF DEBT FACILITY AGREEMENT

Denver 1800 hours June 30th, 2016, Perth 0800 hours July 1st, 2016

North Stockyard Sale

Samson has executed a Purchase and Sale Agreement with Angelus Private Equity Group (“Angelus”) to sell its interest in the North Stockyard field in North Dakota for \$15 million cash. The closing is scheduled for August 31st, 2016 and Angelus has tendered a \$1 million deposit.

Debt Facility

Samson’s debt facility required a \$10 million reduction on June 30th but, in light of the pending sale, that deadline has been extended by the lender to August 31, 2016 to accommodate the closing. The amount owed under the facility will be reduced by \$11.5 million from the proceeds of the sale.

The term of the debt facility has been extended to October 2017 with all other elements of the debt facility remaining unchanged, including an interest rate of 6% plus LIBOR (currently at approximately 0.64%). This interest rate is subject to adjustment in the future based on Samson’s debt to EBITDA ratio, which is reviewed on a quarterly basis.

Samson’s borrowing base, following the sale and pay down, will be \$19 million (the outstanding amount). Samson’s internally generated proved developed producing reserves value (NPV₁₀) are estimated at \$30.9 million, as disclosed on June 28th, 2016. Another borrowing base redetermination will be performed based on Samson’s June 30th, 2016 reserves after that reserves analysis has been completed by Samson’s independent reserve engineers.

Background

The sale of North Stockyard will achieve a number of goals including:

- 1) A reduction of our debt level.
- 2) Providing cash liquidity that can be invested in the Foreman Butte project which, as illustrated by our recent reserve report has considerable growth potential, with more than \$50 million of proved developed non-producing and proved undeveloped reserves.
- 3) Maintaining compliance with our debt covenants.
- 4) Maintaining the excellent working relationship that we have with our lender.



Samson's Ordinary Shares are traded on the Australian Securities Exchange under the symbol "SSN". Samson's American Depository Shares (ADSs) are traded on the New York Stock Exchange MKT under the symbol "SSN". Each ADS represents 200 fully paid Ordinary Shares of Samson. Samson has a total of 3,215 million ordinary shares issued and outstanding (including 230 million options exercisable at AUD 3.8 cents), which would be the equivalent of 16.075 million ADSs. Accordingly, based on the NYSE MKT closing price of US\$0.71 per ADS on June 30th, 2016, the Company has a current market capitalization of approximately US\$11.4 million (the options have been valued at an exchange rate of 0.7426). Correspondingly, based on the ASX closing price of A\$0.004 for ordinary shares and a closing price of A\$0.001 for the 2017 options, on June 30th, 2016, the Company has a current market capitalization of approximately A\$12.8 million.

SAMSON OIL & GAS LIMITED

TERRY BARR
Managing Director

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Statements made in this press release that are not historical facts may be forward looking statements, including but not limited to statements using words like "may", "believe", "expect", "anticipate", "should" or "will." Actual results may differ materially from those projected in any forward-looking statement. There are a number of important factors that could cause actual results to differ materially from those anticipated or estimated by any forward looking information, including uncertainties inherent in estimating the methods, timing and results of exploration activities. A description of the risks and uncertainties that are generally attendant to Samson and its industry, as well as other factors that could affect Samson's financial results, are included in Samson's reports to the U.S. Securities and Exchange Commission, which are available at www.sec.gov/edgar/searchedgar/webusers.htm.

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