



SAMSON OIL & GAS ADVISORY

Denver 1700 hours May 30th, 2017, Perth 0700 hours May 31st 2017

Completed Sale of State GC assets

Further to the announcement made on May 12th, 2017, Samson advises that it has closed on the sale of its State GC assets in New Mexico to a private US based energy company. The sale price of \$1.2 million has been received by Samson and applied to pay down Samson's current facility with Mutual of Omaha Bank. Subject to Samson's compliance with the terms of the facility, the paid down funds remain available for redraw. Notwithstanding the sale of the State GC assets, Samson's borrowing base remains at \$20 million, in addition to its outstanding \$4 million term loan.

Samson expects to record a profit on this sale of approximately \$0.6 million (unaudited)

Production status

Samson continues to actively develop its production capacity in the Foreman Butte project. Its operated wells in this project produced a record high daily production number of 1,294 BOPD on May 23rd. This gross operated rate is equivalent to 1,000 BOPD net to Samson including its non-Operated production in the same asset. This compares to our March Quarter average oil rate of 720 BOPD (net to Samson).

This most recent increase in production from the Foreman Butte can be attributed to several factors, including pump optimization. For example, a change out to a jet pump on the R Field increased the oil rate from 105 BOPD to 140 BOPD and the installation of an electrical submersible pump in the Riddle well increased daily production of that well from 5 to 20 BOPD

Oil differential

The recent improvement in the WTI oil price, coupled with a better oil price differential suggests a corresponding improvement in Samson's cash flow and profitability. Samson's improved differential (the spread between market prices and prices actually received by the producer at the well head) is attributable to the commencement of the Dakota Access Pipeline System, which has increased the pipeline take away capacity in the Williston Basin and lowered Samson's oil price differential from \$6.50 per barrel to \$3.85 per barrel.

SAMSON OIL & GAS LIMITED

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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 the prospectus and prospectus supplement for its recent Rights Offering as well as the Company’s report to the U.S. Securities and Exchange Commission on Form 10-K, which are available at www.sec.gov/edgar/searchedgar/webusers.htm.

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 3,283 million ordinary shares issued and outstanding, which would be the equivalent of 16.41 million ADSs. Accordingly, based on the NYSE MKT closing price of US\$0.53 per ADS on May 30th, 2017, the Company has a current market capitalization of approximately US\$7.5 million. Correspondingly, based on the ASX closing price of A\$0.004 for ordinary shares on May 30th, 2017, the Company has a current market capitalization of approximately A\$11.3 million.

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