



## **SAMSON OIL & GAS ADVISORY**

*Denver 1700 hours June 22nd, 2017, Perth 0700 hours June 23rd 2017*

### **Debt Facility**

Samson and Mutual of Omaha Bank have agreed to extend both the Term Loan and the Reserve Base facility until October 2018. This agreement remains subject to receipt and review of documentation by Samson and Mutual of Omaha Bank. The previous maturity date was October 31, 2017.

The \$4 million term loan was entered into on May 5, 2017 and replaced the Vendor note that was part of the Foreman Butte Transaction. The interest rate on the term loan is 6.75%, being the prime rate plus 2.5%.

The Reserve Based facility is drawn to \$19.45 million, has a borrowing base of \$20 million, and an interest rate of 5.25%, being the prime rate plus 1%.

### **Proved Undeveloped Drilling Program**

The extension of debt maturity is an important commercial development, because it allows Samson to now take the opportunity to develop the considerable undeveloped value associated with the Foreman Butte project. Since taking over operatorship of the project in June 2016, Samson has quadrupled the developed production rate and has finalized an engineering design to drill the infill development wells, particularly in the Home Run Field. Samson's March 2017 reserve estimated \$46.6 million of Proved Undeveloped reserve value, which despite the relatively low oil price remains economically attractive, due to the planned drilling design, which drills the infill wells from the existing production wells bores. This capital efficient design (\$375,000 per lateral) can be achieved as the existing wells are cased to the producing reservoir and the balance of the horizontal well is uncased (an "open-hole" completion). Each of selected existing wells will see two new laterals drilled to access the undeveloped reserve.

Samson's technical studies, which have been used to develop an expected production curve from these new laterals have included a rigorous 3D numerical simulation and a field wide fluid level study to establish a current reservoir pressure. These studies recognize that the historical production has lowered the reservoir pressure, however the studies have indicated that the current reservoir pressure is sufficient to sustain an economical production rate from the infill wells.

Samson has permit approvals for two laterals from the Maris well and has four permit applications associated with the Hodges and Gonzales wells. We are currently sourcing a suitable drilling rig and expect that the first two of these development laterals will be drilled later this summer.

## **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 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](http://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\$0.57 per ADS on June 22<sup>nd</sup>, 2017, the Company has a current market capitalization of approximately US\$9.4 million. Correspondingly, based on the ASX closing price of A\$0.003 for ordinary shares on June 22<sup>nd</sup>, 2017, the Company has a current market capitalization of approximately A\$9.8 million.