



Freedom Oil & Gas Announces Year-End 2016 Proved Reserves

Sydney, February 13, 2017: Freedom Oil and Gas Ltd (ASX: FDM, OTCQX: FDMQF) today reported its year-end 2016 proved reserves associated with its new acreage position in the Eagle Ford shale.

Year End 2016 Reserves

Freedom's year end 2016 proved (1P) reserves were 6.4 million barrels of oil equivalent. This total is comprised of 3.3 million barrels of oil and condensate, 1.6 million barrels of natural gas liquids and 9.6 billion cubic feet of natural gas. By energy content, Freedom's proved reserves are weighted 75 percent to crude oil, condensate and natural gas liquids and 25 percent to natural gas. All of these proved reserves are classified as proved undeveloped as drilling has not yet commenced.

The present value of Freedom's reported proved reserves is US\$18.96 million, discounted at 10 percent (PV-10). The proved reserves and value are based on offset well performance immediately adjacent to Freedom's acreage. These adjacent producing wells are close enough to Freedom's acreage for 38 gross / 23 net proved undeveloped well locations to be assigned as direct offsets, and these well locations are spread throughout Freedom's approximate 8,000 acre position.

This compares to year-end 2015 proved reserves of 1.0 million barrels of oil equivalent from 10 gross / 4 net drilling locations associated with Freedom's approximately 1,200 acres held by the Company at that time.

Freedom's stated reserves are independently estimated by Netherland, Sewell & Associates, Inc., a highly respected reservoir engineering firm. Pricing used for this analysis is an auditable average of the top 15 banks and their price forecasts as of 31 December 2016. Actual prices used for oil and gas are noted in the table below. These prices were adjusted for quality, energy content, location differentials and transportation fees to arrive at the actual price received.

	2017	2018	2019	2020	2021+
Crude Oil (WTI, US\$ / bbl)	55.02	58.54	60.62	61.64	61.64
Natural Gas (NYMEX, US\$ / mmbtu)	3.19	3.15	3.19	3.23	3.23

J. Michael Yeager, Freedom Chairman and Chief Executive Officer commented, "As we have informed our shareholders, the Eagle Ford acreage we have acquired has significant drilling immediately offsetting it with over 300 wells drilled nearby. With the Eagle Ford shale approximately 400 feet thick across our acreage, these offset wells have been drilled at three separate stacked intervals. We have 300-450 drilling locations in our current position, with the ability to grow our proved reserves substantially as we develop our acreage.



This reserves analysis by Netherland Sewell, is yet another validation of the quality of our acreage in the Eagle Ford Shale. The combination of this analysis along with the high per-acre valuation of recent large transactions adjacent to our position, supports our growing confidence that we have established an excellent asset base on which to build our company.

We are looking forward to initiating our drilling program and beginning to prove-up additional reserve value with the mobilization of our newly-contracted high-spec drilling rig, scheduled to arrive in April. We are also continuing to expand our target acreage position and expect to soon announce that we have secured additional nearby leases. Our acquiring mostly contiguous acreage position via a leasing program has allowed us to capture this highly valuable asset at a low cost. Thus far, we have paid approximately \$8 million for our 8,000-acre position," concluded Yeager.

Footnotes:

Reserves Reporting

Pursuant to ASX Listing Rules ("LR") the reserves information in this document:

- 1) is effective as at 31 December, 2016 (LR 5.25.1)
- 2) has been estimated and is classified in accordance with SPE-PRMS (Society of Petroleum Engineers – Petroleum Resources Management System) (LR 5.25.2)
- 3) is reported according to the Company's economic interest in each of the reserves and net of royalties (LR 5.25.5)
- 4) has been estimated and prepared using the deterministic method (LR 5.25.6)
- 5) has been estimated using a 6:1 BOE conversion ratio for gas to oil (LR 5.25.7)
- 6) relates only to reserves that are commercially recoverable (LR 5.26.2)
- 7) represent aggregated estimates of petroleum reserves (LR 5.26.7)

Additional Reserves Information

All reserves reported are net of a 22.5 percent to 25 percent royalty. Well spacing and lateral lengths are generally described in previous ASX announcements, including the investor presentation released on 21 September 2016.

Competent Person Statement

The evaluation of reserves referred to in this presentation are based on, and fairly represent, information and supporting documentation prepared by Richard B Talley, Jr., a qualified petroleum reserves and resources evaluator. Mr Talley is a Senior Vice President at Netherland, Sewell & Associates, Inc. ("NSAI"), a worldwide leader of petroleum property analysis for industry and financial organizations and government agencies. NSAI was founded in 1961 and performs consulting petroleum engineering services under Texas Board of Professional Engineers Registration No. F-2699. Mr Talley is a registered professional engineer licensed in the State of Texas, Registration No. 102425 and is a qualified petroleum reserves and resources evaluator. The reserves estimates are consistent with the definitions of proved reserves defined in the ASX Listing Rules. Compensation for the required investigations and preparation of third party reserve reports are not contingent upon the results obtained and reported, and the third party reserve engineers have not performed other work for us that would affect their objectivity. NSAI has consented to the use of the reserves figures in this report in the form and context in which they appear.



FORWARD LOOKING STATEMENTS

This release may contain forward looking statements. Forward looking statement may be based on assumptions which may or may not prove to be correct. None of Freedom, its respective officers, employees, agents, advisers or any other person named in this release makes any representation as to the accuracy or likelihood of fulfillment of the forward looking statements or any of the assumptions upon which they are based and disclaim any obligation or undertaking to revise any forward looking statement, whether as a result of new information, future event or otherwise.

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About Freedom Oil and Gas Ltd, ACN 128 429 158 (ASX: FDM, OTCQX: FDMQF)

Freedom Oil and Gas Ltd is a development stage company striving to build a growing, investment grade oil and gas company. The Company continues to acquire undeveloped acreage in the liquids rich area of the Eagle Ford Shale in South Texas, in the United States.