



SAMSON OIL & GAS REFINANCING

Denver September 30th, 2018, Perth October 1st 2018

As previously advised, Samson Oil and Gas USA, Inc, a wholly-owned subsidiary of Samson Oil and Gas Limited (ASX:SSN and OTCQB:SSNYY), has entered into a Purchase and Sale Agreement (PSA) with Eagle Energy Partners, I, LLC (Eagle or Buyer) for the sale of Samson's Foreman Butte Project located in the Williston Basin in North Dakota and Montana for cash consideration of US\$40 million (subject to normal post completion adjustments).

The transaction includes Samson retaining a non-operated 15% working interest in the Home Run Field which contains the bulk of the identified upside of the project.

At the request of the Buyer the PSA has been amended and now provides for a Closing date of October 15th. As condition of Samson extending the Closing date the Buyer has released the escrowed deposit.

The Buyer did not determine any title and environmental defects.

A shareholder meeting to seek approval for the transaction received a positive outcome and accordingly the transaction has been able to proceed.

The transaction will allow Samson to retire all of its debt, and meet all of its other liabilities and should leave it with a cash balance of approximately US\$7 million. The transaction has been designed, through the retention of a 15% working interest in the Home Run Field, to allow Samson shareholders to participate in development of the Proved Undeveloped reserves within the Ratcliffe Formation associated with the Home Run Field along with the Probable reserve within the Nesson Formation in the same field. Samson has identified 26 well locations with the Ratcliffe Formation which are planned to be drilled out of the existing well bores. The Nesson Formation opportunity includes 10 vertical wells in a well-defined structure which was proven to be productive from the Nesson Formation when penetrated in the Banks well, but for mechanical reasons has remained undrained.

Samson has been advised by Eagle that it intends to develop these opportunities and intends to drill the initial wells in the balance of 2018 and another 9 wells in 2019. Samson for its part expects to have sufficient funding to participate in this drilling program and will be able, if it determines to, to propose and drill these wells for its own account under the provisions of a Joint Operating Agreement to be entered into with Eagle at completion.

The Samson Board met recently to consider what strategic direction it would take after this transaction completes and the conclusion reached in general terms was to maintain Samson as a US based oil and gas entity and it would examine other US basin plays which will be assessed for potential entry, in addition to the non-operated Home Run Field equity.

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 the risks that the anticipated sales transaction will not close or that the purchase price will be materially reduced on account of potential liabilities uncovered during due diligence as well as 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.

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