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Company Announcements
Australian Stock Exchange Limited
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

30 August 2017

Half-year ended 30 June 2017

Please find attached the following documents relating to Freedom Oil and Gas Ltd's results for the half-year ended 30 June 2017:

1. ASX Appendix 4D
2. Interim report

Commentary from the Chief Executive Officer

As we finish the second quarter of 2017, our Company has moved strongly into the execution of our new Eagle Ford development. We have drilled our first two wells at lateral lengths of around 7,000 feet each. Our drilling was carried out almost exactly as planned. So overall we are very proud of this accomplishment on our first attempts.

We have also built the production facilities for the first two wells. The construction of the pipelines to sell the oil and gas are now in progress. Lastly we have commenced the hydraulic fracturing of the horizontal section in each well. These fracturing operations will complete in mid-September and the wells will be put on production.

So overall we have done exactly as we had planned, and we expect good results from our two wells. When the wells are online we will have tangible assets of value and additional proved reserves.

These activities will take our available cash down to where we will need to obtain more financing to continue our drilling. We continue to assess the options for taking out additional bridging debt, taking on a partner or raising additional equity. We hope to have an answer on this next phase of financing soon and we are trying to do that in the best interests of our shareholders. We need to get about six wells drilled to enable our long term reserves based lending facility with Wells Fargo, so that is the focus of our next phase of funding.

So, we are on our new journey and we are glad to be off to a good start. Thank you for your support.

Sincerely,

A handwritten signature in black ink that reads "J. Michael Yeager".

J. Michael Yeager
Executive Chairman and Chief Executive Officer
Freedom Oil and Gas Ltd

RESULTS FOR ANNOUNCEMENT TO THE MARKET – APPENDIX 4D

Entity	Freedom Oil and Gas Ltd
ABN	48 128 429 158
Half-year ended	30 June 2017
Previous corresponding half-year period	30 June 2016

Results for announcement to the market

				Current Period
Revenue from ordinary activities	up	0%	to	USD 0
Profit / (loss) from ordinary activities after tax attributable to members	up	91%	to	USD (3,675,000)
Net profit / (loss) for the period attributable to members	up	91%	to	USD (3,675,000)

Dividend

No dividends were paid or proposed to members during the half-year ended 30 June 2017.

Brief explanation of results

The Company is currently developing its Eagle Ford Shale project, having sold all legacy producing wells in the Blue Ridge field in 2016. Revenues for the half year ended 30 June 2017 are nil. Revenues for the half year ended 30 June 2016 were \$2.4 million. These 2016 revenues are presented net of expenses in Loss from discontinued operations. Loss from continuing operations for 1H 2017 is \$3.8 million (1H 2016: \$5.6 million). Gain from discontinued operations for 1H 2017 is \$150,000 (1H 2016: Loss of \$35 million).

Net tangible asset backing

	30 June 2017	31 December 2016
Net tangible asset backing per ordinary share	USD 0.03	USD 0.03

Control gained or lost during the period

There were no transactions entered into by the company during the half-year ended 30 June 2017 that resulted in control being gained or lost over any entities.

Dividend reinvestment plans

There are no dividend reinvestment plans in operation.

Associates and joint venture entities

The company does not have any associates or joint venture entities.

Report based on reviewed accounts

This report has been based on the attached accounts which have been reviewed by PricewaterhouseCoopers.

Freedom Oil and Gas Ltd

ABN 48 128 429 158

Interim report for the half-year ended 30 June 2017

Freedom Oil and Gas Ltd ABN 48 128 429 158

Interim report – 30 June 2017

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the period ended 31 December 2016 and any public announcements made by Freedom Oil and Gas Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

DIRECTORS' REPORT

The directors of Freedom Oil and Gas Ltd present their report on the consolidated entity (referred to hereafter as "Freedom," or "the Company") consisting of Freedom Oil and Gas Ltd and the entities it controlled at the end of, or during, the half-year ended 30 June 2017.

DIRECTORS

The following persons were directors of Freedom Oil and Gas Ltd during the whole of the half-year and up to the date of this report:

R B Clarke
L A Clarke
J C Camuglia
NH Smith
J M Yeager

PRESENTATION CURRENCY

Items included in the directors' report and financial statements of the Company are presented in US dollars unless otherwise stated.

REVIEW OF OPERATIONS

The directors provide the following comments on the operations of the Company for the half-year ended 30 June 2017.

During the half-year the Company recorded a loss for the year of \$3.7 million (1H 2016: Loss of \$40.6 million). Oil sales for the half-year were nil (1H 2016: \$2.4 million). The Company sold its producing properties in 2016 and is focused on development of its new Eagle Ford shale acreage in 2017.

With all of the legacy Blue Ridge assets having been sold in the second half of 2016, the Company has been totally focused on its new Eagle Ford Shale acreage position in South Texas, USA. Approximately 9,320 acres has been leased, and the initial first two wells have been drilled. These wells are now being hydraulically fractured and will be put into production. Drilling plans beyond these first two wells will be announced in the second half of 2017.

Included in the consolidated interim financial statements for the half-year ended 30 June 2017 is an independent auditor's review report which includes an Emphasis of Matter paragraph in regards to the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. For further information, refer to Note 1 to the financial statements, together with the auditor's review report.

In respect of ongoing operations the Directors continue to assess the options for taking out additional bridging debt, taking on a partner or raising additional equity. The Directors hope to have an outcome on this next phase of financing soon, prior to commencing financing through the Company's long term reserves based lending facility with Wells Fargo after approximately six wells being placed on production.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of directors.



J. Michael Yeager
Executive Chairman and Chief Executive Officer
Freedom Oil and Gas Ltd

Houston, Texas
30 August 2017



Auditor's Independence Declaration

As lead auditor for the review of Freedom Oil and Gas Ltd for the half-year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Freedom Oil and Gas Ltd and the entities it controlled during the period.

A handwritten signature in black ink that reads 'C. Mara' with a stylized flourish at the end.

Caroline Mara
Partner
PricewaterhouseCoopers

Newcastle
30 August 2017

Freedom Oil and Gas Ltd
Consolidated income statement
For the half-year ended 30 June 2017

	Notes	Half-year 30 Jun 2017 \$'000	Half-year 30 Jun 2016 \$'000
Revenue from continuing operations	3	-	-
Operating expenses		-	-
Gross profit		-	-
Other income		2	7
General and administrative expense		(3,366)	(4,371)
Depreciation and amortisation expense		(284)	(339)
Transaction expense		4	(803)
Other expenses		(161)	(41)
Finance costs		(20)	(20)
Loss before income tax		(3,825)	(5,567)
Income tax expense		-	-
Loss from continuing operations		(3,825)	(5,567)
Gain (Loss) from discontinued operation (attributable to equity holders of the Company)	2	150	(34,989)
Loss for the year		(3,675)	(40,556)
Loss is attributable to:			
Owners of Freedom Oil and Gas Ltd		(3,675)	(40,556)
Non-controlling interests		-	-
		(3,675)	(40,556)
		Cents	Cents
Loss per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic loss per share		(0.5)	(1.0)
Diluted loss per share		(0.5)	(1.0)
Loss per share attributable to the ordinary equity holders of the Company:			
Basic loss per share		(0.5)	(7.4)
Diluted loss per share		(0.5)	(7.4)

The above income statement should be read in conjunction with the accompanying notes.

Freedom Oil and Gas Ltd
Consolidated statement of comprehensive income
For the half-year ended 30 June 2017

	Half-year 30 Jun 2017 \$'000	Half-year 30 Jun 2016 \$'000
Loss for the half-year	(3,675)	(40,556)
Other comprehensive income for the half-year	-	-
Total comprehensive loss for the half-year	(3,675)	(40,556)
Total comprehensive loss for the half-year is attributable to:		
Owners of Freedom Oil and Gas Ltd	(3,675)	(40,556)
Non-controlling interests	-	-
	(3,675)	(40,556)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Freedom Oil and Gas Ltd
Consolidated balance sheet
For the half-year ended 30 June 2017

	Notes	30 Jun 2017 \$'000	31 Dec 2016 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		11,733	18,454
Trade and other receivables		464	389
Total current assets		12,197	18,843
Non-current assets			
Other non-current assets		-	152
Property, plant and equipment	4	300	392
Oil and gas assets	5	15,024	8,992
Intangible assets		168	360
Total non-current assets		15,492	9,896
Total assets		27,689	28,739
LIABILITIES			
Current liabilities			
Trade and other payables		4,320	1,511
Borrowings		5	21
Total current liabilities		4,325	1,532
Non-current liabilities			
Other non-current liabilities		-	168
Total non-current liabilities		-	168
Total liabilities		4,325	1,700
Net assets		23,364	27,039
EQUITY			
Contributed equity	6	143,035	143,035
Retained losses		(119,671)	(115,996)
Capital and reserves attributable to owners of Freedom Oil and Gas Ltd		23,364	27,039
Non-controlling interests		-	-
Total equity		23,364	27,039

The above balance sheet should be read in conjunction with the accompanying notes.

Freedom Oil and Gas Ltd
Consolidated statement of changes in equity
For the half-year ended 30 June 2017

	Attributable to the owners of Freedom Oil and Gas Ltd			Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Contributed equity \$'000	Reserves \$'000	Retained losses \$'000			
Balance, 31 Dec 2015	132,190	-	(69,821)	62,369	-	62,369
Total comprehensive loss for the half-year ended 30 Jun 2016	-	-	(40,556)	(40,556)	-	(40,556)
Balance, 30 Jun 2016	132,190	-	(110,377)	21,813	-	21,813
Balance, 31 Dec 2016	143,035	-	(115,996)	27,039	-	27,039
Total comprehensive loss for the half-year ended 30 Jun 2017			(3,675)	(3,675)		(3,675)
Balance, 30 Jun 2017	143,035	-	(119,671)	23,364	-	23,364

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Freedom Oil and Gas Ltd
Consolidated statement of cash flows
For the half-year ended 30 June 2017

Notes	Half-year 30 Jun 2017 \$'000	Half-year 30 Jun 2016 \$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	-	2,433
Payments to suppliers and employees (inclusive of goods and services tax)	<u>(2,379)</u>	<u>(7,133)</u>
	(2,379)	(4,700)
Interest paid	-	(20)
Income taxes paid	-	-
Net cash (outflow) inflow from operating activities	<u>(2,379)</u>	<u>(4,720)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	-	(10)
Payments for oil and gas assets	<u>(4,422)</u>	<u>(4,732)</u>
Proceeds from sale of property, plant and equipment	77	87
Proceeds from sale of assets held for sale	-	112
Interest received	<u>2</u>	<u>2</u>
Net cash (outflow) from investing activities	<u>(4,343)</u>	<u>(4,541)</u>
Cash flows from financing activities		
Proceeds from borrowing	-	228
Repayment of borrowings	-	(174)
Net cash inflow from financing activities	<u>-</u>	<u>54</u>
Net (decrease) in cash and cash equivalents	(6,722)	(9,207)
Cash and cash equivalents at the beginning of the financial year	18,454	13,436
Effects of exchange rate on cash and cash equivalents	<u>1</u>	<u>3</u>
Cash and cash equivalents at end of period	<u>11,733</u>	<u>4,232</u>
Net cash inflow from discontinued operations		2

The above statement of cash flows should be read in conjunction with the accompanying notes.

1 Basis of preparation of half-year report

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2017 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed consolidated financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2016 and any public announcements made by Freedom Oil and Gas Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The Company has changed the presentation of expenses from classification based on the nature of the expense to classification based on the function of the expense. This decision was taken to synchronize the Company with other companies in the oil and gas exploration and production industry in the United States. Certain costs previously reported by nature have been classified together as "general and administrative expense" in our revised presentation of the first half of 2016 and our new presentation in 2017. For 2016, previous presentation by nature primarily affected General and administrative expense of \$4.4 million. This expense would have been presented as follows using the "by nature" classifications: Consumables and external services used, \$616,000; Employee benefits expense, \$2,683,000; Professional fees, \$570,000; Insurance expense, \$141,000, and Other expenses, \$361,000.

Going Concern

For the half-year ended 30 June 2017, the Company recorded a loss for the year of \$3.7 million (1H 2016: \$40.6 million loss for the year, including \$33.1 million in impairment expense). As at 30 June 2017, the Company had net current assets of \$7.8 million (31 December 2016: \$17.2 million).

The Company's ability to continue as a going concern, including repaying the A\$5 million interim finance facility when it falls due, is dependent upon the timing and amount of oil and gas sales from its first two horizontal Eagle Ford Shale wells being at least equal to the Company's current forecast. As the Company's first two Eagle Ford Shale wells are not yet in production (first sales expected in September 2017) and due to the volatility in oil and gas pricing, material uncertainty exists that may cast significant doubt as to whether the Company can continue as a going concern without issuing additional debt or equity instruments, or without taking on a partner on its Eagle Ford acreage.

The Directors continue to assess the options for taking out additional bridging debt, taking on a partner or raising additional equity. The Directors hope to have an outcome on this next phase of financing soon, prior to commencing financing through the Company's long term reserves based lending facility with Wells Fargo after approximately six wells have been placed on production.

In the event that oil and gas sales are not received when and to the level forecast, or should the Company not be able to raise additional funds through the issue of debt or equity instruments or by taking on a partner on its Eagle Ford shale acreage, it may not be able to continue its operations as a going concern and therefore may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the consolidated interim financial statements.

References to '1H' refer to the first half of the year, the period between 1 January and 30 June.

2 Discontinued operations

(a) Description

In the second half of 2016, management divested all legacy assets from the Blue Ridge field. This included all oil and gas properties other than the leases in the new Eagle Ford Shale play. The oil and gas properties, almost all of them in the Blue Ridge Field, were sold effective 1 November 2016. Proceeds from this transaction, together with the separate disposal of certain wells in the field also in the second half of 2016, totalled approximately \$9.1 million.

The Company's future drilling operations in the Eagle Ford utilizes horizontal drilling and fracing techniques, services provided by experienced third parties. The Company's older style drilling and related equipment could no longer be internally utilized. Management therefore sold two drilling rigs effective 15 August 2016. All other field equipment, including workover rigs, was included in the Blue Ridge sale.

Together these oil and gas properties and related field service equipment represent one operation, now discontinued. As of 30 June 2016, the assets were not presented in the Company's financial statements as held for sale, as the decision to divest had not been finalized. However, based on the likelihood of divestiture in a soft market for such assets, the Company recognized significant non-cash impairment expense in the first half of 2016, reducing the carrying value of these assets as at 30 June 2016. All revenues and expenses of these discontinued operations, including such non-cash impairment charges, are presented in Loss from discontinued operations in the Consolidated income statement. The Consolidated income statement for 2016 in these financial statements has been presented reflecting that same classification with regard to losses generated by these operations.

(b) Financial performance and cash flow information

The financial performance and cash flow information for discontinued operations are presented for the six month periods ended 30 June 2016 and 30 June 2017.

	Half Year ended 30 Jun 2017 \$'000	Half Year ended 30 Jun 2016 \$'000
Revenue	-	2,459
Expenses	150	(37,448)
Gain (Loss) before tax	150	(34,989)
Income tax expense	-	-
Gain (Loss) after income tax of discontinued operation	150	(34,989)
Net cash inflow from operating activities	150	541
Net cash inflow / (outflow) from investing activities	73	(21)
Net increase in cash generated by the discontinued operations	223	520

Discontinued operations in 1H 2017 include \$223,000 recovered for receivables that had been previously written off or written down. The receivables were related to joint interest billings for the Blue Ridge field and to the sale of a drilling rig.

3 Segment information

(a) Description of segments

Management has identified the Company's operating segments based on the reports reviewed by the board to make strategic decisions. Operations consist of one segment, oil and gas exploration and production.

(b) Segment information provided to the board

The segment information provided to the board for the reportable segments for the half-year ended 30 June 2017 is as follows:

	Half-year 30 Jun 2017 \$'000	Half-year 30 Jun 2016 \$'000
Oil and gas exploration and production		
Total segment revenue	-	-
Revenue from external customers	<u>-</u>	<u>-</u>
Loss for the half-year	<u>(3,675)</u>	<u>(40,556)</u>
	30 Jun 2017 \$'000	31 Dec 2016 \$'000
Total segment assets	<u>27,689</u>	<u>28,739</u>
Total assets includes:		
Additions to non-current assets (other than financial assets and deferred tax) (note i)	6,032	8,450
Total segment liabilities	<u>4,325</u>	<u>1,700</u>

- (i) Additions of \$8,450,000 include the activity during the twelve month period ended 31 December 2016; additions of \$6,032,000 include activity during the six month period ended 30 June 2017.

4 Property, plant and equipment

The Company reported a net decrease in the balance of property, plant and equipment of \$92,000 in the half-year ended 30 June 2017. This decrease was due to depreciation expense of \$92,000.

5 Oil and gas assets

Oil and gas assets in production are amortised on a production output basis via a depletion charge. Production-based depletion of \$1,724,000 was charged in the half-year ended 30 June 2016 and is included in Loss from Discontinued Operations. The field this production related to was sold in 2H 2016.

Oil and gas assets increased \$6,032,000 in 1H 2017 for costs of development of the Company's Eagle Ford acreage.

6 Contributed Equity

Share capital

	30 Jun 2017 shares	31 Dec 2016 shares
Ordinary shares		
Fully paid	<u>795,000,115</u>	<u>795,000,115</u>
	<u>795,000,115</u>	<u>795,000,115</u>

7 Fair value measurement of financial instruments

(a) Fair value hierarchy

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 7 *Financial Instruments: Disclosures* requires disclosure of fair values classified according to defined "levels," which are based on the reliability of the evidence used to determine fair value, with Level 1 being the most reliable and Level 3 the least reliable. Level 1 evidence consists of observable inputs, such as quoted prices in an active market. Level 2 inputs typically correlate the fair value of the asset or liability to a similar, but not identical item which is actively traded. Level 3 inputs include at least some unobservable inputs, such as valuation models developed using the best information available in the circumstances. Disclosures under AASB 7 also require discussion of actual valuation techniques used in fair value measurements used by the Company.

At no time during the half-years ended 30 June 2017 and 30 June 2016 did the Company hold any financial instruments requiring measurement, disclosure, or recognition of fair values different from historical carrying values.

(b) Fair values of other financial instruments (unrecognised)

The Company has a number of financial instruments which are not measured at fair value in the balance sheet, such as cash in checking and money market accounts, and accounts receivable and payable. The fair values of these instruments are not materially different to their carrying amounts, since either the interest receivable/payable is close to current market rates or the instruments are short-term in nature. There were no significant differences noted between the carrying amount and fair value of these instruments at 30 June 2017 or 31 December 2016.

8 Events occurring after the reporting period

On 3 July 2017 Houston time Freedom obtained A\$5 million in interim financing to provide additional financial flexibility while working to obtain further field development funding prior to its long term US\$500 million Wells Fargo Bank reserves based lending facility. The interim facility is for a term up to 28 February 2018 Australian time and carries an annualised interest rate calculated at the prevailing US 12 month Libor rate plus 12 percent. In connection with the facility, Freedom granted 25 million A\$0.20 options to the lender which will expire on 30 June 2019. The A\$5 million facility is secured by the assets of the Company and will rank behind the US\$500 million facility with Wells Fargo Bank when it commences after approximately six wells being placed on production.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected the Company's operations, results, or financial position or may do so in future years.

In the directors' opinion:

- a. the financial statements and notes set out on pages 4 to 12 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the half-year ended on that date; and
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



J. Michael Yeager
Executive Chairman and Chief Executive Officer
Freedom Oil and Gas Ltd

Houston, Texas
30 August 2017



Independent auditor's review report to the shareholders of Freedom Oil and Gas Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Freedom Oil and Gas Limited (the Company), which comprises the balance sheet as at 30 June 2017, the statement of comprehensive income, statement of changes in equity, statement of cash flows and income statement for the half-year ended on that date, selected explanatory notes and the directors' declaration for Freedom Oil and Gas (the consolidated entity). The consolidated entity comprises the Company and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Freedom Oil and Gas Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Freedom Oil and Gas Limited is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Regarding Continuation as a Going Concern

We draw attention to Note 1 in the half-year financial report, which indicates that the consolidated entity incurred net losses after tax of \$3,675,000 and net cash outflow from operating activities of \$2,379,000, and is dependent upon the realisation of forecast oil and gas sales or obtaining additional funding to meet the Company's forecast expenditure within twelve months of the date of this report. These conditions, along with matters set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Matters relating to the electronic presentation of the reviewed half-year financial report

This review report relates to the half-year financial report of the Company for the half-year ended 30 June 2017 included on Freedom Oil and Gas Limited's web site. The Company's directors are responsible for the integrity of the Freedom Oil and Gas Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

PricewaterhouseCoopers

PricewaterhouseCoopers

C. Mara

Caroline Mara
Partner

Newcastle
30 August 2017