

QUARTERLY ACTIVITIES REPORT 1st QTR 2019

Freedom Oil & Gas Ltd (“FDM”, “Freedom”, and “Company”) is pleased to provide its quarterly activities report for the quarter ended March 31, 2019

KEY ACTIVITIES AND HIGHLIGHTS

Developmental drilling program ongoing in the Eagle Ford Shale

- Since initiating a development drilling program in the Eagle Ford shale formation in 2017, Freedom has drilled and completed 15 horizontal wells, with three additional wells currently drilled and awaiting completion;
- Of the 15 producing wells, six wells were recently placed on production with gross IP-30 initial rates for the three Katherine Brown (“KB”) and three Persimmon wells averaging 733 barrels of oil equivalent per day (“BOE/D”) and 612 BOE/D, respectively;
- Throughout the development program, Freedom has been working to determine the optimum lateral length, well spacing, water and sand concentration and hydraulic fracture density to best develop its acreage position in Dimmit Co., Texas;
- Efficiencies realized in drilling and completions have improved costs while shortening drilling time to approximately 10 days per well;
- The last nine completed wells, the three Vega wells, three Persimmon wells and three Katherine Brown wells were all drilled approximately 660 feet apart from one another, and early production data indicates that wider spacing between wells may improve performance;
- FDM is currently drilling three Lower Eagle Ford wells (TAMU 1H, 2H and 4H) on wider spacing of approximately 840 feet between wellbores;
- Average daily net production in 1Q 2019 was 2,240 BOE/D of which 57% was crude oil, 22% was natural gas liquids (“NGL’s”) and 20% was natural gas (1,900 BOE/D, 68% crude oil, 32% unprocessed gas on a two-stream basis);

Solid Price Realizations

- Average realized oil prices of ~US\$3-\$5 per barrel above WTI pricing,
 - 157,205 barrels of crude oil hedged for calendar 2019 at US\$62.67 per barrel with positive basis swaps of 130,254 barrels at \$4.48 per barrel;
 - 111,243 barrels of crude oil hedged for calendar 2020 at US\$61.45 per barrel with positive basis swaps of 110,689 barrels at US\$3.19 per barrel;
 - 43,493 barrels of crude oil hedged for first 7 months of calendar 2021 at US\$59.67 per barrel with positive basis swaps of 31,460 barrels at US\$2.87 per barrel;
- Moderate reservoir depths allow efficient drilling and completion (D&C) costs of approximately US\$4.8 million per well, about 8%-10% lower than initial projections;
- Low operating and transportation expenses are enhancing returns and benefiting cash flow;

Freedom Oil and Gas Ltd
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Freedom Oil & Gas is a USA-focused oil and gas company. The Company owns over 9,000 net acres in the liquids-rich region of the Eagle Ford Shale (EFS) in Dimmit County, Texas.

FDM’s acreage is in one of the most active drilling areas in the thickest interval of the EFS. It is surrounded by over 300 offset producing wells which show excellent reservoir characteristics in multiple intervals for oil in place, in addition to pressure and brittleness that can be hydraulically fractured effectively.

FDM’s contiguous acreage can support long lateral lengths, averaging over 7,500 feet targeting the Lower Eagle Ford. Modern completion techniques, including multi-stage hydraulic fracturing, are being applied to FDM’s wells. The wells are currently producing premium-priced light, sweet crude oil and high liquids-rich natural gas.

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QUARTERLY ACTIVITIES REPORT 1st QTR 2019**Board of Directors Update**

On April 1, 2019, Freedom announced the realignment of its Board of Directors to bring to the Company additional oil and gas exploration and production experience, technical understanding and financial expertise in both the U.S. and Australian markets and position towards a strategy of growing its asset base in the U.S. Two new members, David Casey and Heath Sumrow, were elected to the board, and Joseph Camuglia has retired from the board.

Mr. Casey is an experienced oil and gas executive, who resides in Australia, and has previously overseen the start-up, development and sale of successful exploration and production projects. He also has substantial experience in managing ASX-listed entities and is well known to the Australian institutional investment community. He previously was Managing Director of Eastern Star Gas, Ltd., and most recently was Managing Director of Petrel Energy, Ltd.

Mr. Sumrow, who resides in the U.S. joins Freedom's board as the representative of Ramas Capital, which provided the Company with external financing to commence its drilling program in 2017. Mr. Sumrow was previously an asset manager with WildHorse Resources, LLC and a production engineer with Anadarko Petroleum. Mr. Sumrow brings a wealth of practical operating knowledge to the Board as well as an understanding of financing growing exploration and production companies.

The Company also announced that board member Nigel Smith and the Chairman of the Board, J. Michael Yeager will not stand for re-election at the Company's upcoming Annual General Meeting. Mr. Yeager was instrumental in moving the Company to its present stage and is retiring after 38 years in the oil and gas industry. J. Russell Porter, Freedom's Chief Executive Officer and President, will assume the additional role of Chairman of the Board of Directors following the Company's Annual General Meeting which will be held in late May. The Board will be composed of five members subsequent to the retirement of Messrs. Yeager and Smith.

Operational Update

Current development has been primarily focused on the Lower Eagle Ford Shale (EFS) horizon. The drilling of wells to moderate reservoir depths has allowed for low drilling and completion costs that are currently averaging \$4.8 million per well compared to \$5.3 million when the drilling program was commenced. The Company also benefits from low operating expenses and very low transportation costs while optimizing well spacing and frac design should improve well performance.

Late in the fourth quarter of 2018 and throughout the first quarter of 2019, Freedom's last nine completed wells have been brought on production. The nine wells, (three Vega, three Persimmon and three KB wells) were drilled with an average lateral length of 7,750 feet and were drilled 660 feet apart from one another. The Vega wells started producing hydrocarbons in the middle of January and averaged 259 BOEPD per well while the KB and Persimmon wells started producing hydrocarbons in the middle of March and averaged 537 BOEPD per well and 466 BOEPD per well respectively for the quarter. Early production data indicates that wider spacing between wells may improve performance.

After temporarily pausing its drilling operations for approximately 60 days to allow the Company time to evaluate well performance and corresponding completion designs, Freedom recommenced its drilling activities in mid-March. The Company has completed the drilling of three 7,600-foot horizontal wells (the TAMU 1H, 2H,

QUARTERLY ACTIVITIES REPORT 1st QTR 2019

and 4H wells). These three TAMU wells were drilled on approximately 840-foot spacing between Lower Eagle Ford wellbores and are planned to be completed using “far field” diverters to attempt to minimize interference with, or from, other nearby wells. Once the three new wells are completed, Freedom will have a total of 18 producing wells on its acreage. Freedom’s earlier announced plans to drill a fourth TAMU well (TAMU 3UH) testing the Upper Eagle Ford formation were postponed to conserve capital. The drilling of the three TAMU wells was the final activity under the current six-month drilling rig contract with Orion Drilling. Going forward, Freedom will focus on shorter-term rig commitments which will allow more operational flexibility as we plan activities in a very dynamic environment.

Performance of Producing Wells Compared To Proven Reserves Type Curve

The average well performance from the Wilson wells (Phase 1) and the JC Davis/Hovencamp wells (Phase II) are tracking above the estimated type curve for proved (1P) reserves. The early results for the KB wells are performing near the 1P type curve while the Vega and Persimmon wells are performing below type curve expectations.

The type curve in Figure 1 shown below was derived by independent reservoir engineers, Netherland, Sewell and Associates, Inc. (NSAI), at the 2018 year-end and are based on Freedom’s Phase I and Phase II producing wells. Within the guidelines set forth approved by the Society of Petroleum Engineers (SPE), proved reserves are defined as having a 90% probability that the quantities recovered will meet or exceed these estimates.

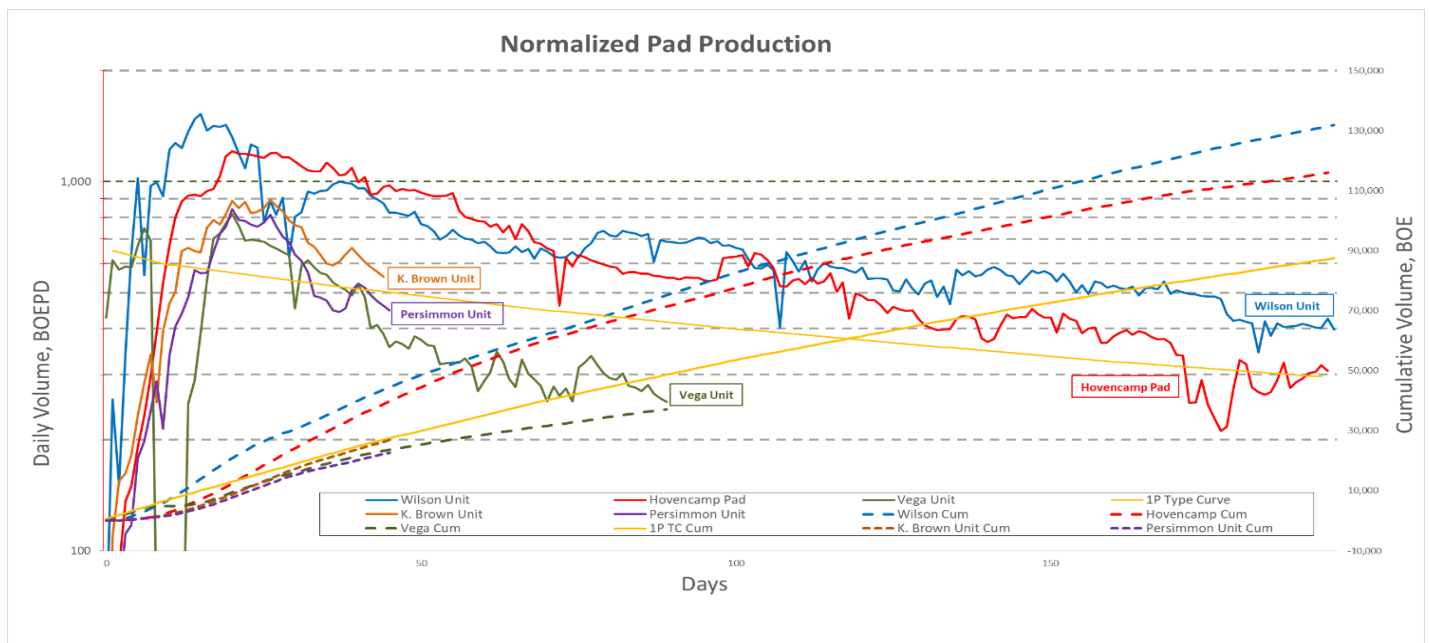


Figure 1: Normalized Production

As more wells are drilled and actual performance is observed, the proven category will become more certain. Freedom’s year-end 2018 reserve report assumes, as endorsed by NSAI, that proved reserves are comprised of crude oil, NGLs and natural gas at 51%, 24% and 25%, respectively on a barrel of oil equivalent (BOE) basis. The crude oil is a 45-degree API gravity, indicating premium quality, and the wellhead gas has a heating value of over 1,300 MMBtu. These characteristics lead to the total liquids content being approximately 75%-80% of current production volumes measured on a three-stream basis.

QUARTERLY ACTIVITIES REPORT 1st QTR 2019**Financial Update – First Quarter 2019**

- Net production sold during the quarter ended 31 March 2019 was 170,998 barrels of oil equivalent. This is broken into 115,678 barrels of oil and 331,921 MCF of natural gas. This results in liquids being 68 percent of production for the quarter.
- Oil and gas development expenditures for the quarter totaled US\$18.1 million comprised of Land (\$0.2m), Drilling (\$4.5m), Completions (\$11.7m), and Facilities (\$1.7m).
- Oil prices averaged US\$58.57 per barrel for the quarter. Unprocessed natural gas prices averaged US \$4.11.
- Cash on hand at 31 March 2019 is US\$4.1 million.

There were no exploration activities in the quarter.

As at 31 March, 2019 the Company's Dimmit County, Texas leasehold position totaled 9,422 gross acres or 8,824 net acres as compared to 10,103 gross acres and 9,337 net acres as of 31 December, 2018. The decrease of 513 net acres is associated with expirations of interests in areas that are not planned to be drilled.

Forward Looking Statements

This quarterly report may contain forward looking statements. Forward looking statements may be based on assumptions which may or may not prove to be correct. None of FDM, its respective officers, employees, agents, advisers or any other person named in this quarterly report 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.