



QUARTERLY REPORT *for the period ended 30 June 2007*

HIGHLIGHTS

- A technical breakthrough in the development of the Baxter Shale play within the Green River Basin.
- Initial drilling of Stage Coach East has commenced with the balance of the well scheduled to be drilled in August.
- Two development wells scheduled for Jonah field in September 2007.
- Two development wells to be drilled in Look Out Wash Field commencing November 2007.
- State GC #2 scheduled for October 2007.

DRILLING PROGRAMME 2007

North Stockyard Project

A fracture stimulation of the Harstad 15-1H to be undertaken in August 2007 is expected to increase the current oil rate from 100 BOPD to 400 BOPD, which will be followed by two further development wells which are expected to be drilled in late 2007.

Rock Springs West Project, Baxter Shale

A recent announcement by Questar has shown that the recent success being achieved in the Baxter Shale has been due to identification of fracture systems through the application of 3D seismic analysis. This development has caused Samson to rethink its strategy and to evaluate the 3D seismic for fracture systems within the Baxter Shale.

Stage Coach East

Preliminary drilling for the Stage Coach East well commenced in mid July with the setting of surface casing to a depth of 1,200 feet. This activity was accomplished with a "spudder rig" the conventional rig will be available in early August 2007 to drill the balance of the well to a total depth of 8,500 feet. The well is targeting a 58 Bcf prospect adjacent to a well which intersected gas pay defined by sophisticated log analysis. Samson has added to its acreage holding with the addition of a 60% option over an additional 3 square miles.

State GC Oil and Gas Field Extension

A follow up well that will target the Lower Leonard Formation which produces from the State GC well has been located using amplitude analysis of the 3D seismic grid that is available over this area. This well is scheduled to be drilled in October.

Jonah Field

Two additional developments wells are being planned by the operator and will be drilled commencing September 2007.

Look Out Wash Field

Two development wells are planned by the operator to be drilled commencing November 2007.

PROJECTS

North Stockyard Project – North Dakota, USA

Samson 34.5% Working Interest

Samson has a 34.5% working interest in 3,303 acres adjacent to the North Stockyard Oil Field located in the Williston Basin in North Dakota.

The Harstad#1-15H well continues to produce at rates of between 70 and 70 BOPD with an oil cut of 60%.

Engineering studies have been completed on a design of a fracture stimulation that is expected to increase the oil rate to around 400 BOPD.

Green River Basin Wyoming, USA

The Green River Basin in Wyoming hosts a number of world class gas fields and has grown in importance as a major gas producing region within continental USA. Samson holds a significant tenure position in the Basin both in terms of conventional tight gas reservoirs and an emerging shale gas play located within the Baxter Shale. Samson holds a total of 40,000 net acres within this region.

Rock Springs West Project – Wyoming, USA

Samson 78% Working Interest

A recent development in the understanding of the Baxter Shale has become evident through the Second Quarterly web cast made by Questar. Questar has advised that it's most recent success in the development of the Baxter Shale resource (evidenced with a flow rate of 9 mmcfpd from a vertical well and 5 mmcfpd from a horizontal well) has been due to the identification of fracture systems. The technique used was not announced however it can be assumed that this was achieved through the application of geophysical analysis of 3D seismic data. This is an important development because of the existence of the Greens Canyon 3D seismic grid.

Previous analysis of this data concentrated on the detection of fracture systems in the deeper section. Samson has commissioned a geophysical analysis of the Baxter Shale section to identify fracture systems within this section. The data quality is such that it is expected that fracture systems will be able to be identified, and therefore this analysis will enable a decision to be taken as to how best to drill a well and at what location. It is expected that this analysis will suggest that a horizontal well be drilled into an appropriate geographic location within the Baxter Shale at an elevation to be determined by the fracture analysis.

The analysis has been initiated and is expected to be completed by mid August.

The alternate to this is to drill a vertical well as previously planned. This well would be the Sue Federal 32-2 well and would target all three reservoirs in this field; the Frontier, Muddy and Baxter Shale.

The Frontier and Muddy Formations represent conventional gas targets, which for various mechanical reasons have never had a successful completion. Despite the various mechanical problems the previous wells have provided a significant level of encouragement.

Stage Coach East – Wyoming, USA

Samson 100% Working Interest

Preliminary drilling for the Stage Coach East well commenced in mid July with the setting of surface casing to a depth of 1,200 feet. This activity was accomplished with a "spudder rig" the conventional rig will be available in early August 2007 to drill the balance of the well to a total depth of 8,500 feet. The well is targeting a 58 Bcf prospect adjacent to a well which intersected gas pay defined by sophisticated log analysis.

Samson has added to its acreage holding with the addition of a 60% option over an additional 3 square miles, which takes Samson acreage holding to a gross 3,120 acres (net 2,350 acres)

The prospect is located to the southeast of the Stage Coach Draw Gas Field in the Green River Basin in Wyoming. The Stage Coach Draw Field has produced 23 BCF of gas and 316,000 barrels of condensate from

the Almond Formation. The prospect is adjacent to the Stratos Federal #1 well. This well was partially funded by the US Department of Energy and there is considerable data available from the well. The Stratos Federal #1 was drilled to test deeper formations but intersected 20 feet of gas shows, good permeability and excellent porosity was measured by wire line logs in the Almond Formation. Recent mapping of this project area has determined both the trapping mechanism of the field and the prospect area and has determined that the prospect has the ability to deliver a recoverable contingent reserve of 58 Bcf.

State GC Oil and Gas Field - New Mexico, USA

Samson 27% Working Interest

The State GC #2 well is planned for October. The well will be located on a amplitude anomaly developed within the Lower Leonard section which is productive in the State GC #1 well. This amplitude anomaly has been calibrated by two additional dry holes that were drilled by adjacent leasees, who were attempting to offset the State GC #1 well.

The State GC oil and gas field located in Lea County, New Mexico, was discovered in 1980 and covers approximately 600 acres. The field currently has one well that has produced 460,000 barrels (bbls) of oil and 0.7 BCF of gas.

Jonah Field – Wyoming, USA

Samson 21% Working Interest

Approval has been granted to develop this part of the Jonah Field to 10 acres, hence five Proved Undeveloped locations (PUD's) have been identified in the central part of the field.

The operator has advised Samson that it intends to drill two of these locations commencing September 2007.

The Jonah Field is located in the northern part of the Green River Basin and is one of the largest discoveries in recent decades in continental USA having produced in excess of 1.0 trillion cubic feet of gas since commencing production in 1992. Development of this field has resulted from the application of advanced fracture stimulation techniques. The field has undergone several iterations of development with some sections of the field currently being developed on a 10 acre well spacing. The current well spacing is around 20 acres.

The field produces from a series of stacked reservoirs within the Mesaverde and Lance Formations. The field is trapped between two faults forming a wedge shaped field.

Look Out Wash Field – Wyoming, USA

Samson 18.2% Working Interest

The Look Out Wash Field is located in the Washakie Basin which is part of the Greater Green River Basin and currently produces from 20 wells.

This field produces principally from The Almond Bar, which is a stratigraphically bound trap. Recent geologic mapping has suggested that this unit will be developed as a thick porous reservoir to the west of the existing well development.

The Operator has advised that two further development wells will be drilled commencing in November 2007.

Amber Field SE – Oklahoma, USA

Samson 37.5% & 32.5% Working Interests

The SE Amber Gas Field in Grady County, Oklahoma was discovered in 1970 and covers an area of approximately 6,000 acres. The field has been in continuous production and development since its discovery and has produced in excess of 73BCF of gas. Samson has an interest in 1,280 acres with 9 wells producing 3,700mcf daily (884mcf net to Samson). These are long-lived reserves with the original 1970 well showing a 55 year production life. Two development wells drilled in 2005 had initial production of 1.3 and 1.6mmcf per day respectively with each well expected to produce approximately 2 BCF.

Hawk Springs Project – Wyoming, USA

Samson 50% Working Interest

A geologic project has been undertaken to identify the remaining potential in the Codell and Niobrara Formations. The analysis of the Codell Formation suggests that there is little potential at this level. The Niobrara Formation potential, including the identification of the regional structural position, is being undertaken.

South Goose Lake Prospect - Williston Basin, Montana, USA

Samson 25% Working Interest (18.375% NRI)

The Lagerquist #1-19 well has been drilled reaching a total depth of 10,975 feet in the Red River Formation, and was subsequently plugged and abandoned.

The primary target the Duperow Formation was evaluated with a drill stem test and the result of that test determined that the zone was tight. The amplitude anomaly that was present within the Duperow was partially vindicated with an increase in the thickness of the unit; however the expected porosity development was not present.

The Red River Formation was evaluated with a drill stem test which was run over the interval 10,757 to 10,850 feet. The test did not flow hydrocarbons and recovered 85 barrels of salt water.

A review of the results of this well and the implications for the balance of the acreage is underway and should be available mid August and will determine the forward strategy.

PRODUCTION

The March quarterly report contained an error in the volume of gas produced. Due to the delays in receiving advice from the various Operators, the Quarterly production and cash flow numbers had to be estimated for two of the three months within the quarter.

Actual March Quarterly Production and Cash Flow was;

	GAS A\$ **	GAS Mcf	OIL A\$ **	OIL Bbls	TOTAL A\$ **
Actual March 2007 Quarter	1,956,853	256,670	395,235	6,916	2,352,088

**Exchange Rate AUD:USD 0.77

	GAS A\$ ^	GAS Mcf	OIL A\$ ^	OIL Bbls	TOTAL A\$
Reported March 2007 Quarter	2,063,068	427,755	579,140	10,253	2,642,208
Reported June 2007 Quarter	1,433,202	268,126	486,141	7,438	1,919,343

* In some cases revenue has yet to be received and is therefore an estimate.
 100% Samson volumes and sales reported. Taxes and handling and lease operating expenses are not included in this calculation.
 Exchange Rate AUD:USD 0.83

OTHER ACTIVITIES

Interests in Listed Companies

Samson holds shares in a number of listed companies. These investments will continue to be realised during the coming quarters.

FINANCIAL

Convertible Note Facility

The Convertible note facility that is in place is denominated in US\$ and the amount outstanding is US\$20 million. The A\$ equivalent is calculated with reference to the spot AUD:USD foreign currency conversion rate applicable at the end of the quarter. The table below shows the applicable foreign currency exchange rates and the A\$ equivalent as reported in the current and previous quarterly.

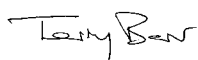
Date	USD Balance	Spot Rate (AUD:USD)	AUD Equivalent
March 31 2007	20,000,000	80.80	24,725,475
June 30 2007	20,000,000	84.88	23,562,676

Cash and Current Investments

The Company's cash and current investments at 30 June 2007 were as follows:

	A\$
Cash at bank and on deposit	: 3,620,862
Current investments	: 552,859
<i>Shares in listed companies valued at market</i>	
Total	<u>4,173,721</u>

For and on behalf of the Board of
SAMSON OIL & GAS LIMITED



TERRY BARR
 Managing Director

31 July 2007

Information contained in this report relating to hydrocarbon reserves was compiled by the Managing Director of Samson Oil & Gas Ltd., T M Barr a Geologist who holds an Associateship in Applied Geology and is a fellow of the Australian Institute of Mining and Metallurgy who has 30 years relevant experience in the oil & gas industry.

**For further information please contact
 Denis Rakich, Company Secretary, on 08 9220 9830**

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Samson Oil & Gas Limited

ABN

25 009 069 005

Quarter ended ("current quarter")

30 June 2007

Consolidated statement of cash flows

	Current quarter A\$'000	Year to date (twelve months) A\$'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	2,829	8,764
1.2 Payments for		
(a) exploration and evaluation	(93)	(563)
(b) development	142	(8,210)
(c) production	(1,199)	(2,943)
(d) administration	(1,796)	(2,795)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	97	208
1.5 Interest and other costs of finance paid	(578)	(2,418)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	(477)	(552)
Hedging	429	508
	(646)	(8,001)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(1,070)
(b) equity investments	-	(856)
(c) other fixed assets	(19)	(186)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	175	175
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
	156	(1,937)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(490)	(9,938)
1.13 Total operating and investing cash flows (brought forward)	(490)	(9,938)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other (costs associated with issue of shares)	-	(1,482)
	-	(1,482)
Net financing cash flows		

ABN 25 009 069 005

Level 36, Exchange Plaza, 2 The Esplanade, Perth WA 6000, PO Box 7654 Cloisters Square, Perth WA 6850
 Ph: +618 9220 9830 Fax: +618 9220 9820 Web: www.samsonoilandgas.com.au ASX Code: SSN

	Net increase (decrease) in cash held	(490)	(11,420)
1.20	Cash at beginning of quarter/year to date	4,151	15,628
1.21	Exchange rate adjustments to item 1.20	(41)	(588)
1.22	Cash at end of quarter	3,620	3,620

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter A\$'000
1.23	Aggregate amount of payments to the parties included in item 1.2	85
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Monies paid to Directors for services.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available A\$'000	Amount used A\$'000
3.1	Loan facilities	23,562
3.2	Credit standby arrangements	-

Loan from Macquarie Bank Limited denominated in USD

Estimated cash outflows for next quarter

	A\$'000
4.1	Exploration and evaluation
4.2	Development
Total	2,605

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter A\$'000	Previous quarter A\$'000
5.1	Cash on hand and at bank	1,658
5.2	Deposits at call	1,962

5.3	Bank overdraft		
5.4	Other (provide details)		
Total: cash at end of quarter (item 1.22)		3,620	4,151

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities			
	<i>(description)</i>			
7.2	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs, redemptions			
7.3	*Ordinary securities	192,073,833	192,073,833	
7.4	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs			

7.5	*Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
		10,216,688	-	25c	31.12.2009
		8,500,000	-	45c	31.05.2011
		9,000,000	-		
		11,000,000	-		
		3,121,650	-	42c	31.05.2009
		3,000,000	-	45c	31.10.2009
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 July 2007
Company Secretary

Print name: Denis Rakich

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.