SAMSON OIL & GAS LTD (NYSE AMEX: SSN)

08.06.2010

TURNING THE BIT IN THE RIGHT DIRECTION

Market Data

U.S. Shares Outstanding (MM)	83.2
Share Price (07/28/2010)	$1.22
Market Cap ($MM)	$101.5
3-Mo. Avg Daily Trd Vol. (000)	1,025
Enterprise Value ($MM)	$109.6
52-Week High (07/26/2010)	$1.35
52-Week Low (09/02/2009)	$0.13
Short Interest Ratio	0.5

Operational Data

2009 Proved Reserves (Bcfe)	11
TTM Production (MMcfe/d)	2
Reserve Life (Years)	13.5
PUD %	33%
Natural Gas %	86%
After Tax PV-10 ($MM)	$18.6
TTM EBITDA ($MM)	-$6.6
TTM OPEX/G&A per Mcfe	$6.01
Peer Average	$3.26
3-Year F&D Cost per Mcfe	$1.93
Peer Average	$4.19
3-Year Prod Replacement	148%
Peer Average	353%
Debt/Market Cap	12%
Peer Average	53%

Valuation Data

EV/Proved Reserves ($/Mcfe)	$10.01
Peer Average	$3.92
EV/TTM Flowing Mcfe/d	$49,400
Peer Average	$106,122
NAV per share (ADS)	$3.49 - $10.58

Source: Bloomberg and EnerCom, Inc.

Note: Peer Average values are sourced from EnerCom, Inc.'s database of 95 E&P companies, as of July 23, 2010.

Samson Oil & Gas Limited – Company Overview

Samson Oil & Gas Limited is an independent exploration and production company with principal operations in the Western United States. The company is dual listed on the NYSE AMEX and the Australian Stock Exchange (ASX) and trades under the ticker "SSN". Although the company's corporate offices are located in Perth, Australia, senior management and technical staff operate out of Lakewood, Colorado (a Denver suburb).

Samson's core areas of operation are in the Niobrara oil play of the Denver-Julesburg Basin (Wyoming portion) and the Bakken oil shale play in North Dakota.

As of June 30, 2009, Samson had proved reserves of 11.5 billion cubic feet of natural gas equivalent (Bcfe) with approximately 96% natural gas. For the three months ended June 30, 2010, Samson produced an average of 591 barrels of oil equivalent per day (BOEPD), a 62.5% sequential increase from the prior quarter. Importantly, daily oil production grew by 357% from the prior quarter to 255 barrels of oil per day (BOPD) up from 56 BOPD, driven by the company's Bakken drilling program.

In 2005, the company's board of directors appointed Mr. Terry Barr to the position of Managing Director. Since then, Mr. Barr has assembled a management and technical team focused on exploring for and developing a portfolio of high-quality oil and natural gas assets (see Management Team section later in this report for biographies of key team members).

One of the company's most promising projects developed by the team is Samson's Hawk Springs oil project, focused on the Niobrara oil play in the Goshen County Uplift (Goshen County, Wyoming).

Note that all monetary values in this report are denominated in US dollars, unless specified otherwise.

Business Strategy

Samson's business strategy is focused on growing production and reserves by aggressively developing its oil projects in the Niobrara and Bakken oil plays. To fund that growth, Samson plans to use the proceeds from the sale of a portion of its Hawk Springs leasehold and farm-down its interest with leading industry partners in the Hawk Springs operated acreage the company retained.

Liquidity Position and Financial Resources

Samson strengthened its balance sheet recently with two near-term injections of cash.

On June 24, 2010, Samson announced a transformational sale of 24,166 acres of its 40,240 acre position in the company's Hawk Springs project area, focused on the Niobrara oil play. The acreage sale will inject between $61 million and $79 million (or approximately $3,269 an acre) of pre-tax cash into the company. The buyer, a large independent E&P company, has agreed to deposit $10 million with Samson in August with the balance to be paid upon final closing of the deal, which is expected to be in September.

We estimate that Samson's pro forma debt-to-market capitalization is a conservative 11.2%.

The range in the sale price is due to the expiration of some leases later in 2010. Several State leases have been extended by 12 months. In addition, three other State leases and one fee lease has been extended by drilling activity. Samson will retain an average 4.8% overriding royalty interest in the acreage being sold.

In addition, Samson raised $6.2 million by selling the equivalent of 10.7 million American Depository Shares (ADSs) shares to existing shareholders. The company received requests totaling 14.3 million shares, however, the board of directors opted to accept only 75% of the tendered amounts.

Each ADS is equivalent to 20 fully-paid Ordinary Shares. As of July 26, 2010, Samson had 1,663,165,900 Ordinary Shares issued on the ASX, equivalent to 83,158,295 ADSs that are traded on the NYSE AMEX. The company also reports having outstanding options on 339,744,897 Ordinary Shares, equivalent to 16,987,245 ADSs. Of the outstanding options, 332,844,897 Ordinary Shares (16,642,245 ADSs) are in the money with a strike price of $0.015 AUD which would increase diluted ADSs outstanding to 99,800,540. The remaining 16,900,000 million outstanding options that are out of the money have strike prices ranging from $0.20 to $0.45 AUD and are likely to remain out of the money in the near term. In this report, we calculate basic and diluted per-share amounts using 83,158,295 and 99,300,540 ADSs, respectively.

The company's only debt consists of a credit facility with Macquarie Bank Limited, secured by all of Samson's assets. Outstanding borrowings as of June 30, 2010 were $11.4 million and the company is obligated to reduce the facility by $200.0 thousand per month. The debt matures in 2011.

Assuming that Samson pays down its revolving debt facility with the proceeds from the Niobrara acreage sale and that the sale closes as expected, we are estimating the company's pro forma cash balance as of June 30, 2010 to be approximately $73.5 million, determined as follows:

All values in thousands	
Cash, as of 6/30/2010	$ 5,886
Sale proceeds	79,000
Macquarie debt	(11,400)
Cash, pro forma for sale closing	$ 73,486

Exchange rate: A$/US$ = .8523 at 6/30/2010

Using Samson's ADS closing price of $1.22 as of July 28, 2010, we estimate the company's pro forma debt-to-market capitalization was 11.2%, as compared to 53% for the 95 companies in EnerCom's E&P company database.

Based on Samson's most recent quarterly report on June 30, 2010, we are estimating the company's cash burn rate for overhead, operating expenses and debt reduction (with interest) to be approximately $2.1 million per quarter. During the quarter ended June 30, 2010, Samson reported oil and gas revenue of approximately $2.3 million (using an average exchange rate of US$ 0.88), up 77% from approximately $1.3 million the prior quarter. The improvement in revenue and cash flow was driven by rapid increases in oil production from the Bakken. We are estimating Samson's current production level and outlook for increasing Bakken production in the near-term will support the company's current cost structure and protect its liquidity position.

Samson's improved profitability and financial resources provide the company with capital to execute its Niobrara and Bakken drilling programs.

Operations

Production

Samson's 2010 production is summarized in the table below. The company's Bakken drilling program is the current driver of the company's oil production and cash flow. During 2011, we anticipate the Niobrara (Hawk Springs) drilling program to become the primary growth driver going forward.

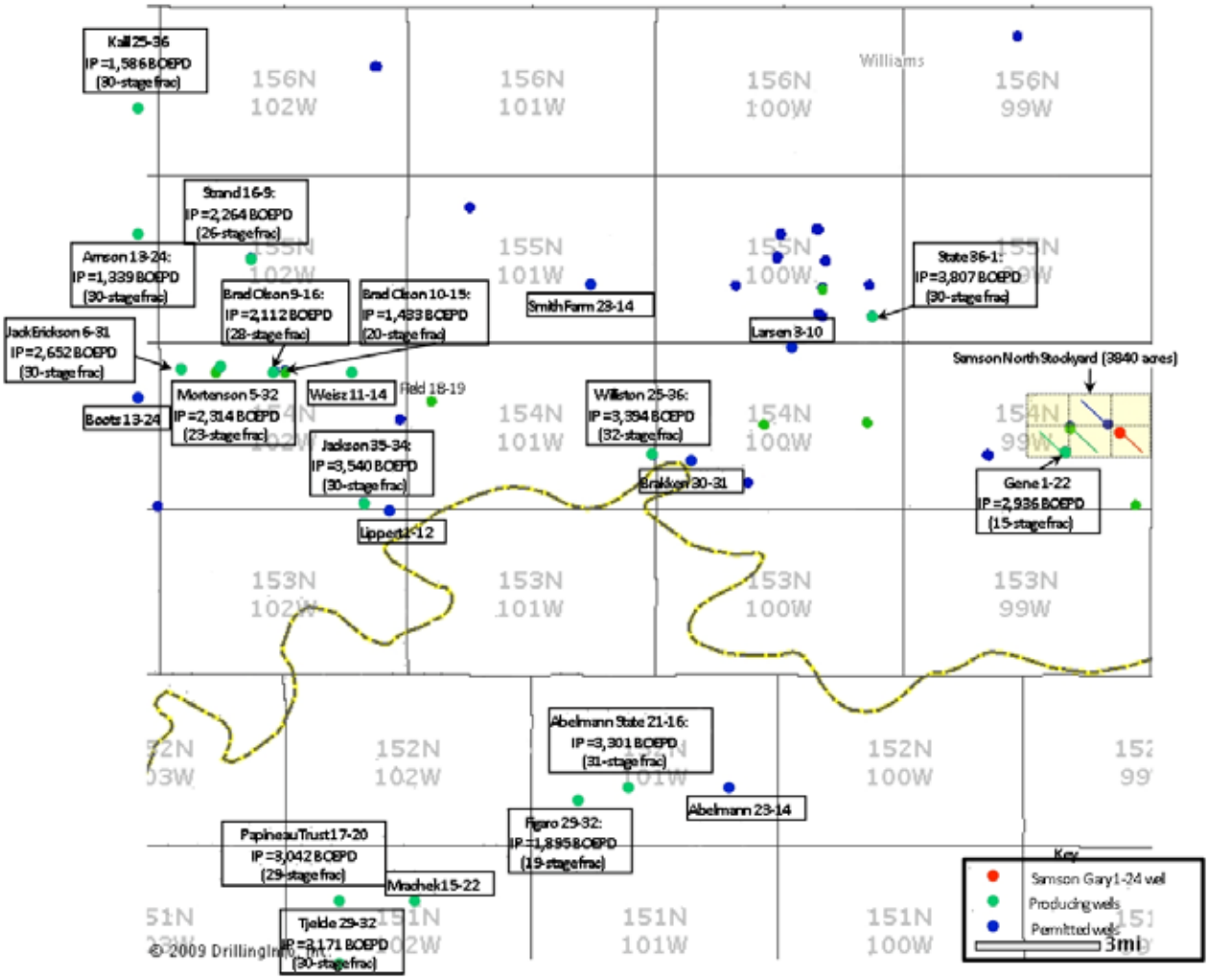
	Gas (Mcf)	Mcf/d	Oil (Bbls)	BOPD	BOE	BOEPD
Q1 - 2010	166,143	1,846	5,030	56	32,721	364
Q2 - 2010	183,147	2,013	23,240	255	53,765	591
% Change	10.2%	9.0%	362.0%	357.0%	64.3%	62.5%

Bakken Oil Shale – Williston Basin (Williams County, North Dakota)

Samson's Bakken leasehold consists of approximately 3,840 gross acres in the North Stockyard oil field, providing the company with six gross well locations. The company has an average working interest of 32% in five of the well locations and 10% in the sixth.

Figure 1 below illustrates the location of Samson's leasehold and well results of other Bakken wells drilled by other operators.

Figure 1: North Stockyard Oil Field and IP Rates of Nearby Wells



Source: Samson Oil & Gas Limited Corporate Presentation

The company's Gene #1-22H well (30.6% W.I.) had initial flow rates of 2,936 BOEPD and was completed with a 15-stage frac. After three months of naturally producing a cumulative 40.0 thousand barrels of oil (MBO) and 50.0 million cubic feet of gas (MMcf), the well has been put on a rod pump. The well is currently producing 475 BOPD and 590 Mcf/d.

EnerCom's model of the Bakken estimates the breakeven (i.e., 10% internal rate of return) realized price to be $28.00 per Bbl.

Samson's Bakken development plan calls for drilling and completing three additional wells by year-end:

- The Gary #1-24H well (37% W.I.), the company's third Bakken well in the North Stockyard Field, is tentatively scheduled to start a 20-stage frac program the week of August 30, 2010.
- The Rodney #1-14H well (27% W.I.) was spud on July 27, 2010.
- The Earl #1-13H well (32% W.I.) is scheduled to spud approximately two months after the Rodney #1-14H.

Although these three wells will fully develop the company's existing Bakken leasehold position, Samson plans to test the acreage for additional resource potential in the deeper Three Forks formation in 2011.

Our model estimates operators are achieving an IRR of approximately 50% in the Bakken with wells reaching payout in 1.5 years.

At a gross drilling and completion cost of $6.2 million per well, Samson will be required to invest $6.0 million net. We believe that these Bakken wells are relatively low risk with good economics and short payout periods. As a result, Samson's investment in the Bakken wells should help provide cash to fund the company's Niobrara development in Wyoming as well as test its Williston acreage for Three Forks potential.

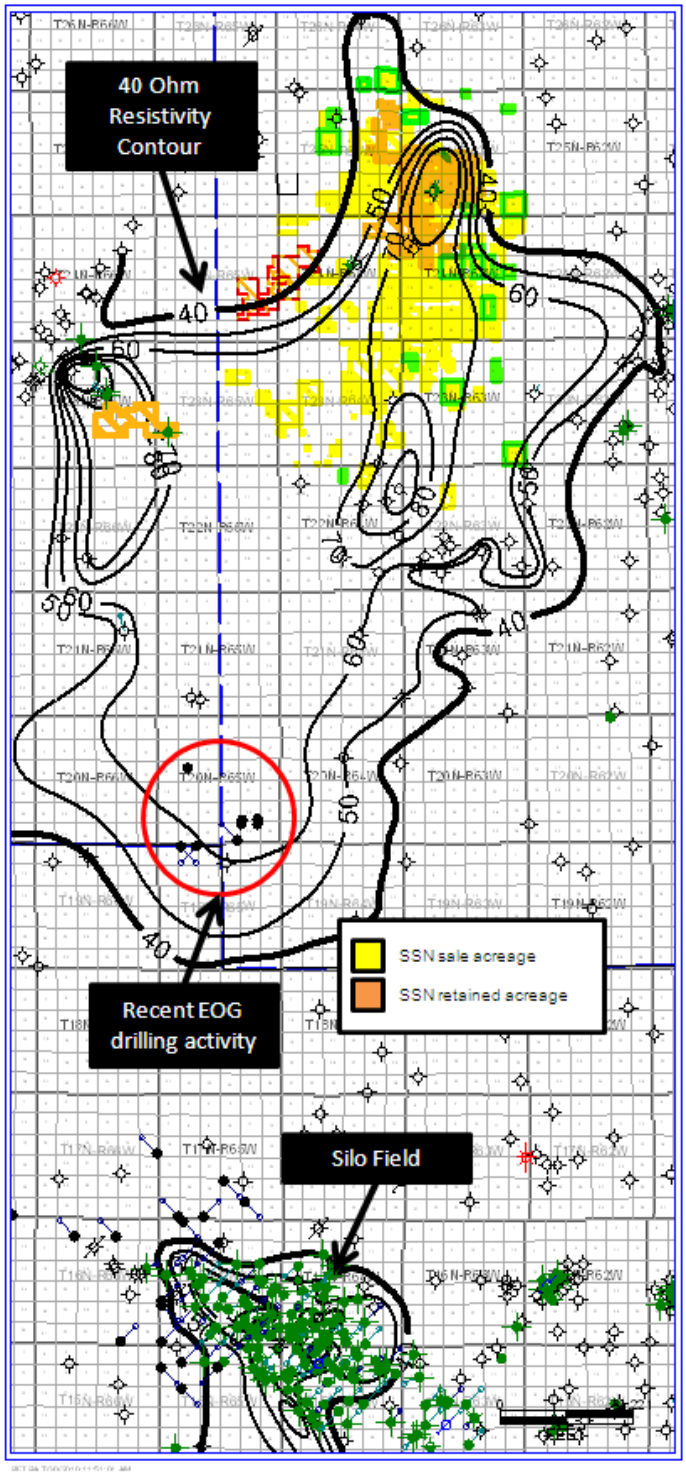
Bakken Economics

EnerCom's model of Bakken well economics uses an estimated ultimate recovery assumption of 600 thousand barrels of oil equivalent (MBOE), as compared to the company's estimate of 725 MBOE. Based on EnerCom's Bakken economics model, we estimate the breakeven (i.e., 10% internal rate of return) realized price to be $28.00 per Bbl. Using five-year NYMEX strip pricing of $5.74 per MMBtu and $81.73 per Bbl (as of 6/30/10), our model estimates operators are achieving an IRR of approximately 50% in the Bakken with wells reaching payout in 1.5 years.

Although relatively small, Samson's Bakken position gives the company near-term growth prospects for oil production and cash flow for reinvesting in the Hawk Springs project.

Niobrara Oil Play – Denver-Julesburg Basin (Goshen County, Wyoming)

Figure 2: Niobrara Zone Maximum Resistivity



Source: Samson Oil & Gas Limited

Since identifying the Goshen Hole Uplift, a syncline structure located in Goshen County, Wyoming, as prospective for the Niobrara, Samson assembled a leasehold position of 40,240 acres in what the company calls its Hawk Springs project. To accelerate development of the play, Samson sold 24,166 acres in the southern portion of Hawk Springs and is evaluating options to farm-down its remaining acreage in the northern portion to an industry partner.

Samson has defined the core of the Goshen Hole Uplift based on the presence of a resistivity anomaly. Areas with resistivity in excess of 40 ohms are considered as highly prospective for oil. The map in Figure 2 illustrates Samson's current acreage position (before the closing of the assets sale) in relation to resistivity levels in the field. Nearly all of Samson's current acreage footprint is located within the currently known limits of the 40+ ohm resistivity anomaly.

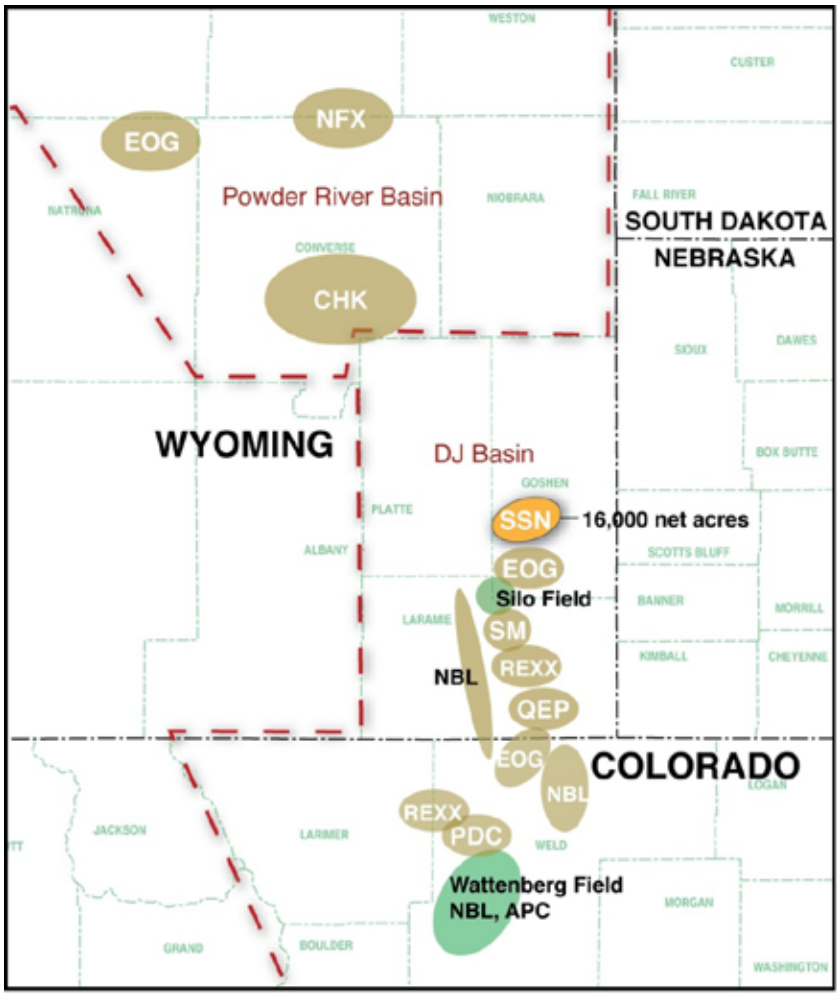
Pro forma for the closing of the sale of acreage in the southern portion of Hawk Springs, Samson's operated position in the play is approximately 16,300 net acres. In the operated acreage, Samson is a 50% operating partner with Mountain Energy (private company) in 7,882 of the 16,300 net acreage positions. In the remaining 8,497 acres, SSN has a 100% working interest.

As an early mover into the play, Samson's average royalty burdens are favorable. The company's average royalty on its operated acreage is 12.5%, while more recent entrants are currently paying a royalty of up to 16.7% on state and fee leases.

Samson's Goshen County Niobrara acreage sale is valued at approximately $3,269 per acre, the highest on record for the area to date.

Figure 3 below illustrates the approximate positions of leading operators in the Niobrara (DJ Basin). Several large companies have staked-out positions in this emerging play. The red dotted line indicates the approximate boundary between counties in the Powder River and DJ basins.

Figure 3: Niobrara Positions of Leading E&P Operators



Note: Ovals size not representative of acreage position
Source: Industry and Company reports, EnerCom, Inc.

Niobrara Characteristics

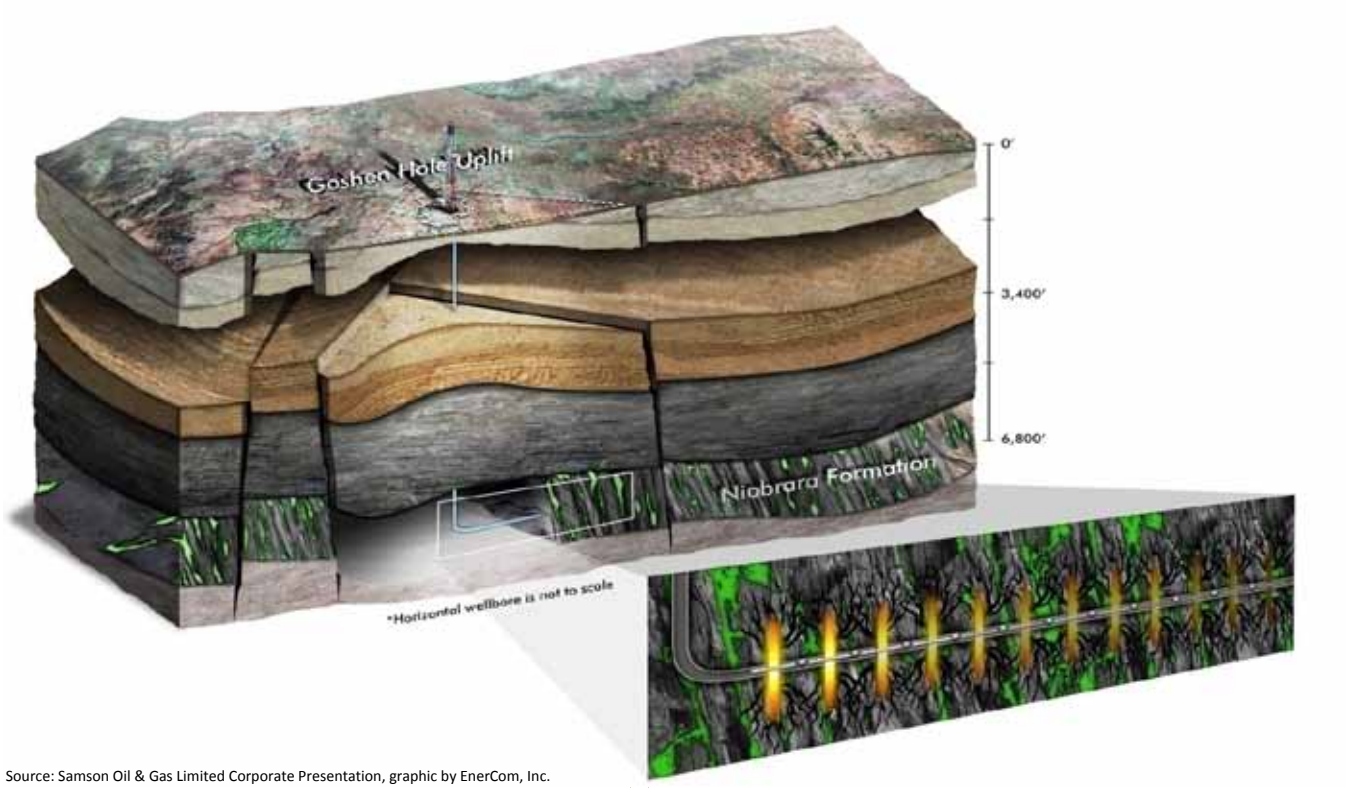
As an emerging play, some explanation of the Niobrara is necessary to better evaluate the impact of the Hawk Springs project on Samson's valuation.

The Niobrara is a large, continuous geologic formation that covers much of Colorado and extends into parts of Wyoming, Nebraska, Kansas and Utah. Technology and techniques (i.e, horizontal drilling and multi-stage fracture stimulation) used to develop unconventional resources in other parts of the country (e.g., the Bakken oil shale) are being applied to commercially develop the Niobrara.

The Niobrara is a tight, over-pressured shale/chalk/limestone upper Cretaceous reservoir. Production composition varies across the basin, being nearly a pure oil play on the north end (Converse County) to approximately 70% gas in the more southern portion near the Wattenberg Field. The gas produced from the Niobrara is liquids rich with an average BTU content of 1,300 per Mcf and the oil is light. The Niobrara formation can be found between 4,000 and 11,000 feet (4,000 to 8,000 feet in the Wattenberg field, 7,000 to 9,000 feet in the Silo field and 10,000 to 11,000 feet in Niobrara and Converse Counties of Wyoming).

Figure 4 below illustrates the conceptual geology of the Goshen Hole Uplift, the predominant geologic structure where Samson's leasehold is located.

Figure 4: Goshen Hole Uplift Conceptual Geology and Multi-Stage Completion



Source: Samson Oil & Gas Limited Corporate Presentation, graphic by EnerCom, Inc.

There is natural fracturing around the established Silo field in Laramie County, south of the Goshen Hole Uplift. So far, nearly all the wells in the Silo field have been drilled vertically and completed without hydraulic fracture stimulation techniques.

In the Goshen Hold Uplift, it is anticipated that although the natural fracturing may add complexity to drilling and completion of wells, the fractures could define sweet spots in the play. Several operators we studied have expressed the possibility of completing the horizontal wells without hydraulic fracturing, which would significantly decrease the drilling and completion cost.

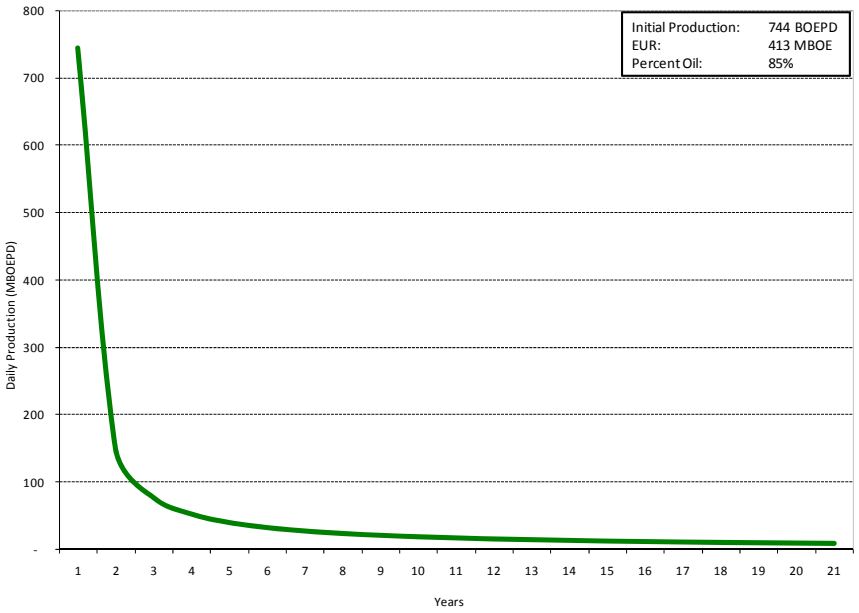
Many industry players are estimating that Niobrara well economics have the potential to rival those of other prolific, oily plays like the Bakken and the Eagle Ford shale.

Horizontal Niobrara Economics

Many industry players are estimating that Niobrara well economics have the potential to rival those of other oily plays like the Bakken and the Eagle Ford shale. Analysts and other public companies are anticipating that drilling and completion costs for Niobrara wells should be approximately $3.5 million, assuming a 3,000 to 5,000 foot lateral with a 12-15 stage frac. Samson's preliminary cost estimates confirm our $3.5 million drilling and completion cost assumption for wells drilled as part of a wide-scale development plan. Costs for early-stage test and evaluation wells are expected to be closer to $5.0 million.

Using the Silo Field as the analog decline curve for the Hawk Springs project area, Samson estimates that the average well will have a EUR of 413 MBOE (see Figure 5).

Figure 5: Forecasted Niobrara (Goshen Hole Uplift) Type Curve



Based on EnerCom's economic model of the Niobrara and using Samson's "Most Likely Case" for EUR (i.e., 413 MBOE), the breakeven oil price (i.e., price to achieve a 10% IRR) is $28.81 per Bbl. Using the 5-year NYMEX strip pricing as of 6/30/10 of $5.74 per MMBtu (and a $1.17 per MMBtu historical differential to NYMEX for Rockies gas) and $81.73 per bbl, EnerCom's model estimates a 96% IRR, once drilling a completion costs reach Samson's expectation of $3.5 million.

We stress-tested the expected horizontal Niobrara well economics, flexing well size as measured by EUR. Even at a low case estimate of 200 MBOE, we estimate that horizontal Niobrara wells can generate an IRR of 30% at current strip prices.

We stress-tested the expected horizontal Niobrara well economics, flexing well size as measured by EUR. Even at a low case estimate of 200 MBOE, we estimate that horizontal Niobrara wells can generate an IRR of 30% at current strip prices.

Figure 6: Horizontal Niobrara Economics Stress-Test (Well Size)

Well Size Sensitivity

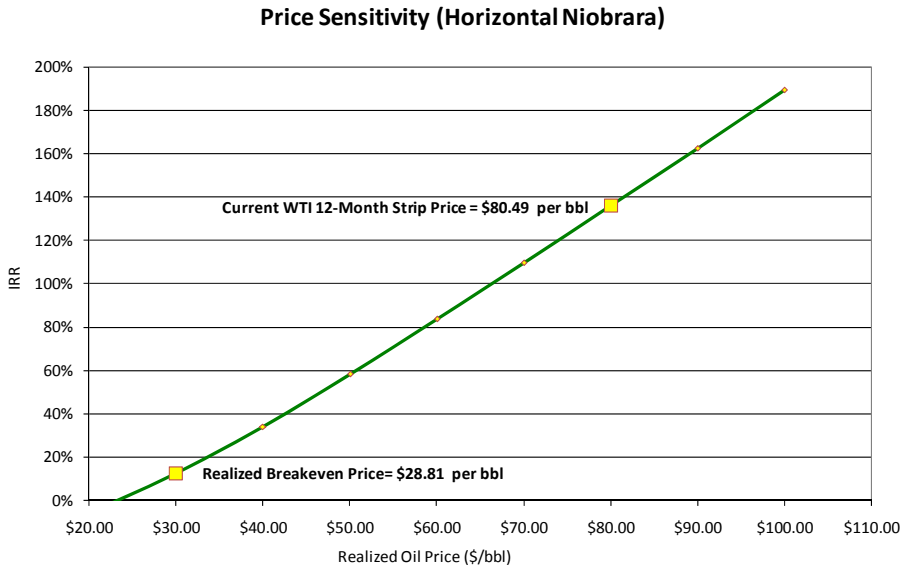
	Low Case	Most Likely Case	Optimist Case
Reserves per Well (MBOE) - Gross	200	413	600
IRR - no acreage cost	30%	96%	157%
IRR - 320-acre spacing	18%	66%	112%
IRR - 160-acre spacing	23%	79%	131%
PV-10 (000's)	$1,705	$7,812	$13,162
Assumptions:			
Acreage cost - $/Acre	$3,269	$3,269	$3,269
Total acreage cost - 320-acre spacing	$1,046,080	$1,046,080	$1,046,080
Cost per Well (000's) - Gross	$3,500	$3,500	$3,500
Oil Price ($/Bbl)	$81.73	$81.73	$81.73
Gas Price ($/MMBtu)	$5.74	$5.74	$5.74
LOE - $/BOE	$12.00	$12.00	$12.00
Production Tax	12.5%	12.5%	12.5%
Initial Production (BOEPD) - Gross	360	744	1,080

Looking at drilling and completion costs, our model suggests that at the Most Likely Case EUR, horizontal Niobrara wells can deliver a 10% IRR even if drilling and completion costs reach $11.8 million (without acreage costs). At a drilling and completion cost of $5.0 million, which is Samson's estimate for drilling the first two test wells, our model generates a 57% IRR using the Most Likely Case EUR of 413 MBOE.

Turning our attention to commodity prices, horizontal Niobrara well economics prove robust, generating a 10% IRR (EnerCom's definition of breakeven) at a price of $28.81 per barrel of oil equivalent (see Figure 7). Samson estimates that the Goshen County wells will have a production stream that is 85% liquids.

For later entrants into the play, returns are reduced when acreage costs are included in the economics. We forecast that new operators paying acreage costs at or near the recent Samson transaction ($3,269 per acre) and assuming 320-acre spacing, returns range from a low of 18% to a high of 112%, using the assumptions noted in Figure 6. If we use 160-acre spacing, the range increases to 23% to 131%, using the same assumptions

Figure 7: Horizontal Niobrara Economics Commodity Price Sensitivity



Samson believes the Niobrara will be initially developed on 320-acre spacing and has identified 76 well locations on its operated area that are prospective for the Niobrara. This implies a 21.3 MMBOE resource potential, net to Samson. There is additional upside from potential downspacing.

Horizontal Niobrara Development Plan

The company has previously stated its intent to farm-down a portion of its operated acreage to an industry partner. A joint venture with a larger partner would provide the company access to leading technology and move up the learning curve quickly at little or no cash cost.

In its operated acreage, Samson expects to drill two wells in the first quarter of 2011 with an industry partner. If the company secures a deal with a joint venture partner that includes a carry, then Samson's capital commitment will be minimal. The company is also planning the acquisition of a 3-D seismic survey in 2010 to better understand the fracture systems and the geology across their acreage position.

Though there may be opportunity to down space in the future (Whiting Petroleum Corporation has gone on record saying that they anticipate development using 160-acre spacing), Samson believes that the play will initially be developed on 320-acre spacing and has identified 76 well locations on its operated area that are prospective for the Niobrara. This implies a 21.3 MMBOE resource potential, net to Samson.

Impact of Niobrara on Valuation

We evaluated the impact of Samson's 16,379 remaining operated acres (post sale) in Goshen County prospective for the Niobrara, net to the company on a PV-10 basis, subject to three scenarios. The three scenarios we evaluated were the Most Likely, Low and Optimist cases previously defined.

Our valuation estimates are based on Samson's current expectations of 7,882 acres being assigned to a joint venture (50% WI) with the remaining dedicated to a company-operated drilling program (100% WI).

Figure 8 summarizes our analysis, which estimates the unrisked value of Samson's Niobrara acreage between $1.38 and $8.48 per basic share.

Figure 8: Impact of Niobrara on NAV

Most Likely Case

Play	Net Reserves Per Well (MBOE)	Net Acreage	Gross Drill Sites	Net Unrisked Reserves (MBOE)	Net PV-10 Per Well ($MM)	Total PV-10 Value ($MM)	US Shares O/S (MM)	Unrisked Value Per Share
Niobrara drill plan (ME JV)	206.6	7,882	49.0	10,124	$4.2	$204.2	83.2	$2.46
Niobrara drill plan (100% WI)	413.2	8,497	27.0	11,157	$8.3	$225.1	83.2	$2.71
Total			76.0	21,281		$429.3		$5.16

Low Case

Play	Net Reserves Per Well (MBOE)	Net Acreage	Gross Drill Sites	Net Unrisked Reserves (MBOE)	Net PV-10 Per Well ($MM)	Total PV-10 Value ($MM)	US Shares O/S (MM)	Unrisked Value Per Share
Niobrara drill plan (ME JV)	100.0	7,882	49.0	4,900	$1.1	$54.6	83.2	$0.66
Niobrara drill plan (100% WI)	200.0	8,497	27.0	5,400	$2.2	$60.2	83.2	$0.72
Total			76.0	10,300		$114.8		$1.38

Optimist Case

Play	Net Reserves Per Well (MBOE)	Net Acreage	Gross Drill Sites	Net Unrisked Reserves (MBOE)	Net PV-10 Per Well ($MM)	Total PV-10 Value ($MM)	US Shares O/S (MM)	Unrisked Value Per Share
Niobrara drill plan (ME JV)	300.0	7,882	49.0	14,700	$6.8	$335.3	83.2	$4.03
Niobrara drill plan (100% WI)	600.0	8,497	27.0	16,200	$13.7	$369.5	83.2	$4.44
Total			76.0	30,900		$704.8		$8.48

Niobrara Activity of Note in Wyoming

EOG Resources (NYSE:EOG) has recently accumulated 400,000 net acres in the play and has completed three successful wells in the Niobrara to date. EOG is encouraged that the first well, the Jake 2-01H drilled in Northern Colorado, produced 50 MBOPD in the first 90 days. However, due to the complexity of the fracture system, assessment of long-term production performance and further improvements in completion optimization will be required before EOG moves into full-scale development mode and estimates its reserve potential.

Noble Energy, Inc. (NYSE:NBL) has built a substantial acreage position in the central DJ Basin of over 750,000 net acres and estimates total net unrisked potential of over 1 BBOE (360 MMBoe risked) in the horizontal Niobrara play. Noble Energy's early horizontal Niobrara drilling results within Wattenberg have been very positive and include the Gemini well, which represents the industry's best well to date in the field. Results from the Company's first four horizontal Niobrara wells in Wattenberg indicate strong projected returns with early estimates of ultimate recoveries being approximately seven times those of a typical vertical Wattenberg well.

Rex Energy (Nasdaq:REXX) announced on 6/30/2010 that it has signed a purchase and sale agreement with a private party to acquire 18,700 net acres in Laramie County, WY for $18.7 million, or $1,000 per acre. After this transaction Rex will control approximately 39,100 net acres (6,700 in Weld County, 32,400 in Laramie County) which the company believes are prospective for the Niobrara. The company plans to begin a horizontal drilling program in July, with two wells currently planned for the remainder of the year. Rex's initial estimate of well costs is approximately $4 million per well.

Based on our conversations and observations, Rex Energy had yet to spud is first planned Niobrara well as of July 30. In a news release issued by Rex on June 3, 2010, Rex CEO Benjamin Hulburt said, “We are continuing to increase our acreage position in the basin and plan to spud our first test well in late June or early July.”

SM Energy (NYSE:SM) has compiled 25,000 net acres that are prospective for the Niobrara. SM drilled and completed the Atlas 1-19H well just south of Silo Field. The well produced 13 MBOE while drilling (due to underbalanced drilling technique). This confirmed the company’s belief that there is significant OOIP. The 7-day initial production average for the well was 1,075 BOEPD, and as of July 27, 2010, the well was making roughly 500 BOPD. SM Energy is currently working to secure a drilling rig to drill a second test well in this program later this year.

Valuation

Net Asset Value (Long-Term)

Using a Net Asset Valuation (NAV) methodology, we are estimating Samson's unrisked long-term NAV per basic share (ADS) to range between $3.49 and $10.58, contingent on the value of the company's operated drilling program and the pace of development of the sold Niobrara acreage in which the company retained a 4.8% overriding royalty interest. Our NAV calculation is detailed in Figure 9 below.

We estimate Samson's unrisked Net Asset Value at $3.49 to $10.58 per basic share.

Figure 9: Net Asset Value Estimate

Net Asset Value (all values in 000's, except for shares)	Most Likely	Low Case	Optimist Case	Value Per-Share (Basic)
Net PV-10 Value:				
Proved Reserves (6/30/2009)	$29.0	$29.0	$29.0	$0.35
Niobrara ORRI	$56.3	$56.3	$56.3	$0.68
Niobrara drilling program	$429.3	$114.8	$704.8	$1.38 - $8.47
Bakken drilling program	$17.3	$17.3	$17.3	$0.21
Oil and gas asset value	$531.9	$217.4	$807.4	$2.62 - $9.71
Less debt	-$11.4	-$11.4	-$11.4	-$0.14
Working capital (deficit):				
Cash (pro forma)	$84.9	$84.9	$84.9	$1.02
Other current assets (12/31/09)	$1.2	$1.2	$1.2	$0.01
Other current liabilities (12/31/09)	-$1.9	-$1.9	-$1.9	-$0.02
Other assets	$0.0	$0.0	$0.0	$0.00
Net Asset Value	$604.6	$290.1	$880.1	$3.49 - $10.58
Shares outstanding (Basic ADSs) - MM	83.2	83.2	83.2	
NAV per Share (Basic ADS)	$7.27	$3.49	$10.58	
Shares outstanding (Diluted ADSs) - MM	99.8	99.8	99.8	
NAV per Share (Diluted ADS)*	$6.10	$2.95	$8.86	

*Diluted shares include the 332.8 million ordinary options (16.6 million ADSs) that are priced at $0.015 AUD and currently in the money. The diluted per share value includes $0.04 USD per share in cash that would be generated from shareholders exercising their options.

We have not attributed any value to Samson's exploration portfolio, however, future drilling successes represent incremental value catalysts.

Catalysts and Value Drivers

Near-term catalysts for creating value include:

- Closing of Hawk Springs acreage sale (expected in September 2010), which will inject an additional $51 million to $69 million in cash (net of the $10 million down payment), improving the company's liquidity position and enabling it to jump-start its operated Niobrara drilling program.
- Ongoing success of the Bakken drilling program, including on-schedule drilling and connections to sales.
- Farm-down of Niobrara operated acreage with industry partner. Bringing in a large partner with deep technical resources will help Samson accelerate development of the operated Hawk Springs acreage in manner that will maximize value.
- Announcement of a capital expenditure budget for 2011 will provide investors a greater sense of where the company intends to focus its development efforts and the expected development pace.
- Commencement of Niobrara drilling program on operated acreage, sometime in 2011.
- Divestiture of non-core assets, to focus portfolio and reinvest cash into high-potential growth opportunities in the Niobrara and/or Bakken.
- Potential for downspacing in the Niobrara play.
- Reduction in debt (pay down of Macquarie Limited facility).
- Positive exploration program results.

Calendar – Upcoming Events

- August 24, 2010, 4:00 PM MDT – Company Presentation at EnerCom's The Oil & Gas Conference® 15, Denver, CO. Presentation will be webcast live and archived (see link: www.theoilandgasconference.com/webcast.shtml).

Company Website: www.samsonoilandgas.com

Management Team

Terence M. Barr, Managing Director. Mr. Barr was appointed Managing Director on January 25, 2005. He is a petroleum geologist with over 35 years of experience, including 11 years with Santos. He is a specialist in tight gas exploration, drilling and completion methods. Prior to joining Samson, Mr. Barr was Managing Director of Ausam Resources from 1999 to 2003 and was the owner of Barco Exploration from 2003 to 2005.

David Ninke, Vice President-Exploration. Mr. Ninke is a geologist with expertise in geophysics, 3-D seismic data interpretation and the lead oil and gas finder at Samson.

Robyn Lamont, Chief Financial Officer. Ms. Lamont was appointed CFO on May 1, 2006 after serving as the company's Controller since 2001. She is a Chartered Accountant (equivalent of a US CPA) and has experience with Arthur Andersen. She is competent in both Australian and US GAAP accounting standards.

Mr. Neil Thacker MacLachlan, Chairman. Mr. MacLachlan was appointed a director of the Company in June 1998. He has over 27 years of investment banking experience in Europe, South East Asia and Australia. Mr. MacLachlan was a former director of Wardley Holdings Ltd and Wardley Australia Ltd from 1979 to 1986 and James Capel & Co. Limited from 1986 to 1990. All three companies were investment banking subsidiaries of the Hong Kong and Shanghai Banking Corporation (HSBC Holdings Ltd). Mr. MacLachlan was deputy managing director of Svenska Handelsbanken's UK investment banking division from 1990 until 1993 and from 1993 until 1997, was employed by Barrick Gold Corporation as Executive Vice President, Asia. Mr. MacLachlan was also a non executive director of Golden Prospect Plc from 1997 to 2004. Currently Mr. MacLachlan is an Executive Director of Ambrian Partners Limited, a UK-based investment bank specializing in the natural resources sector and which is a member of the London Stock Exchange.

Dr. Victor Rudenno, Non Executive Director. Dr. Rudenno was appointed as a director of the Company in April 2007. In 1984, Dr. Rudenno transitioned to the investment industry as a mining analyst working for firms such as James Capel, DBSM and Prudential Bache. In 1995, he moved to the corporate side of investment banking and worked for a number of leading firms including Macintosh Corporate, Deutsche Bank, Hartley Poynton and CIBC. In 2002, Dr. Rudenno co-founded Equity Capital Markets Ltd, an investment bank specializing in corporate advice and capital raising which merged with Interfinancial in 2005 where he is currently an Executive Director and Head of Resources. He is a Senior Fellow of the Financial Services Institute of Australasia (Finsia) and a Member of the Australasian Institute of Mining and Metallurgy. Dr. Rudenno holds a Bachelor of Mining Engineering degree, a Master of Commerce degree and a Doctor of Philosophy for his thesis on Mining Economics. During his academic career, Dr. Rudenno lectured both at the University of New South Wales and the University of Sydney, predominantly on mining economics, geostatistics, operations research and minerals processing.

Mr. Keith Skipper, Non-Executive Director. Mr. Skipper has been a non-executive director of Samson Oil and Gas Limited since September 2008. He is a seasoned global oil and gas executive, exploration geologist and independent oil and gas producer. Following completion of his graduate work at McMaster University where he specialized in sedimentology, his early career was developed at AMOCO (both in North American and International subsidiaries). He initially came to Australia in 1982 with Bridge Oil Limited and was a major contributor to Bridge's growth, expanded portfolio and development through to the early 1990's. Keith returned to Calgary in 1992 as a Vice President for PanCanadian International to help in the building of an international portfolio for PanCanadian (now part of EnCana). Mr. Skipper subscribes to the “peak oil” theory.

Mr. Denis Ivan Rakich F.C.P.A, Company Secretary. Mr. Rakich was appointed Company Secretary in June 1998. He is an accountant and has extensive corporate experience within the petroleum services, petroleum and mineral production and exploration industries. Mr. Rakich is responsible for the legal, financial and corporate management of Samson Oil & Gas Limited. He is a member of the Australian Society of Accountants and is currently Company Secretary for another public Company in the resources sector.

Disclaimer

Any views expressed herein reflect the views of EnerCom. The information provided herein is believed to be reliable; however, EnerCom, Inc. makes no representation or warranty as to its completeness or accuracy. EnerCom's conclusions are based upon information gathered from sources deemed to be reliable. The company or companies covered in this report did not review the report prior to publication. This report is not intended as an offer or solicitation for the purchase or sale of any security or financial instrument of any company mentioned in this report.

This report was prepared for general circulation and does not provide investment recommendations. All readers of the report must make their own investment decisions based upon their specific investment objectives and financial situation utilizing their own financial advisors as they deem necessary. Investors should consider a company's entire financial and operational structure in making any investment decisions. Past performance of any company discussed in this report should not be taken as an indication or guarantee of future results.

EnerCom is a multi-disciplined management consulting services firm that regularly intends to seek business, or currently may be undertaking business, with companies covered in this report or on Oil & Gas 360™, and thereby seeks to receive compensation from these companies for its services. At the date of the report, EnerCom is engaged by Samson Oil & Gas to provide consulting services, including the preparation of this report.

EnerCom, or its principals or employees, may have an economic interest in any of the companies covered in this report or on Oil & Gas 360™. As a result, readers of EnerCom's reports or Oil & Gas 360™ should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. As of the report date, neither EnerCom nor any of its employees has a financial interest in any equity or debt of Samson Oil & Gas Limited.