



SAMSON OIL & GAS OPERATIONAL ADVISORY

Denver 1700 hours July 16th, 2012, Perth 0700 hours July 17th, 2012

Samson Oil & Gas Limited (ASX: SSN; NYSE AMEX: SSN) provides operational advice.

HAWK SPRINGS PROJECT, GOSHEN COUNTY, WYOMING

Spirit of America US34 #2-29, (SSN 100% WI)

After preparing the well for the fracture stimulation treatment, Stage 1 pumping operations (at a depth of around 10,000 feet) commenced on late Thursday, July 12th. The job went as planned with the placement of 47,560 pounds of proppant. The well was then flowed back for approximately 14 hours with the recovery of 27% of the fluid pumped.

The potential problems with moving the bridge plug during the preparations to pump Stage 2 disclosed in the July 12th Advisory were in fact encountered, with the bridge plug and packer becoming stuck by frac sand, which has required a recovery operation. This recovery operation is expected to conclude today. Accordingly, stimulation operations have been temporarily suspended until the well can be prepared to effectively stimulate Stage 2. We expect stimulation operations to continue next week.

If an adequate rate is obtained from this frac, then there would be many opportunities to pursue, both within the SOA prospect itself (such as drilling the Clipper location immediately adjacent, and subsequently the twenty-four, 40-acre spaced wells within this prospect) and in the 24 seismically defined prospects within the project area. These prospects have substantially identical seismic properties to the SOA #2 prospect, which has now been proved to be generated by porosity development within the Permian section. Some of these prospects are located at substantially shallower depths, and could provide a consequential improvement in reservoir quality.



Samson's Ordinary Shares are traded on the Australian Securities Exchange under the symbol "SSN". Samson's American Depository Shares (ADSs) are traded on the New York Stock Exchange AMEX under the symbol "SSN". Each ADS represents 20 fully paid Ordinary Shares of Samson. Samson has a total of 1,996 million ordinary shares issued and outstanding (including 231 million options exercisable at AUD 1.5 cents), which would be the equivalent of 88.25 million ADSs. Accordingly, based on the NYSE AMEX closing price of US\$1.14 per ADS on July 16th, 2012 the Company has a current market capitalization of approximately US\$108 million. Correspondingly, based on the ASX closing price of A\$0.053 on July 16th, 2012, the Company has a current market capitalization of A\$102 million. The options have been valued at their closing price of A\$0.034 on July 16th, 2012 and translated to US\$ at the current exchange of 1.0234 for purposes of inclusion in the US\$ market capitalization calculation.

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

A handwritten signature in black ink that reads "Terry Barr".

For further information please contact, Terry Barr, CEO on
303 296 3994 (US office) or 970 389 5047 (US cell)

TERRY BARR
Managing Director

Statements made in this release that are not historical facts may be forward looking statements, including but not limited to statements using words like "may", "believe", "expect", "anticipate", "should" or "will."

Actual results may differ materially from those projected in any forward-looking statement. There are a number of important factors that could cause actual results to differ materially from those anticipated or estimated by any forward looking information, including uncertainties inherent in estimating the methods, timing and results of exploration activities.

A description of the risks and uncertainties that are generally attendant to Samson and its industry, as well as other factors that could affect Samson's financial results, are included in the Company's report to the U.S. Securities and Exchange Commission on Form 10-K, which is available at www.sec.gov/edgar/searchedgar/webusers.htm.