



SAMSON OIL & GAS ADVISES ON GARY #1-24H WELL

Denver 1800 hours May 25th, 2010

Gary #1-24H (37% working interest)

Samson Oil & Gas Limited (ASX: SSN, NYSE AMEX: SSN) advises that the Nabors 688 rig spudded the Gary #1-24H well on May 24th. As of 0800 hours on May 25th, the rig was drilling at a depth of 2,250 feet. The plan is for the rig to drill to a depth of approximately 2,365 feet, at which point surface casing will be run and cemented into the hole prior to drilling deeper.

The Gary well is located in Township 154N, Range 99W, Section 24 in Williams County, North Dakota. The well will test the prolific middle member of the Mississippian Bakken Formation in the Williston Basin, using the same design that was successfully implemented on the Gene #1-22H well. This will be Samson's third Bakken well in the North Stockyard Field. The Gary #1-24 well will be drilled as a 5,500 ft horizontal well, with an anticipated total measured depth of 17,000 feet. Based on the previous well drilled by the operator, the Gary #1-24H is expected to take approximately 18 days to drill.

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 1,439 million ordinary shares issued and outstanding, which would be the equivalent of 71.9 million ADSs. Accordingly, based on the NYSE AMEX closing price of US\$0.55 per ADS on May 25th 2010 the company has a current market capitalization of approximately US\$39.55 million. Correspondingly, based on the ASX closing price of A\$0.031 on May 25th, 2010, the company has a current market capitalization of A\$44.61 million.

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

TERRY BARR
Managing Director

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

Statements made in the presentation that is available on Samson's website 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.

www.samsonoilandgas.com.au



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 registration statement and report to the U.S. Securities and Exchange Commission on Form 20-F, as amended, a copy of which is available at sec.gov/edgar/searchedgar/webusers.htm.

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