



SAMSON OIL & GAS OPERATIONAL ADVICE ON GENE 1-24H

Denver 20th January, Perth 21st January 2010

Samson Oil & Gas Limited (ASX: SSN, NYSE AMEX: SSN) advises that the Nabors Rig 688 is on location and, subject to resolving some final mechanical issues with the drilling rig, expects that the Gene 1-22H will spud later this evening. (January 20th MST)

This well is planned as a 5,500 foot horizontal development well in the middle Bakken Formation. Samson has a 30.6% working interest in the well.

The well will be drilled into the objective and logged to evaluate the shallower secondary objectives. The well will be horizontal at this point and will then be cased in preparation to drill the middle Bakken objective. Following the drilling of the horizontal section of the well, a liner will be placed with external casing packers, so that the horizontal section can be isolated into 15 stages, which will then be fracture stimulated sequentially. This operation is in line with current industry practice, which has returned significant results and firmly established the economic viability of the middle Bakken in this geographic area generally.

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".

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
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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. For example, there is no assurance that the well described in this release will be spudded when planned or that it will be successfully fracture stimulated as described.

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 most recent report to the Securities and Exchange Commission on Form 20-F, a copy of which is available at www.sec.gov/edgar/searchedgar/webusers.htm.

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