



SAMSON OIL & GAS OPERATIONAL ADVISORY

Denver 1700 hours July 12th, 2012, Perth 0700 hours July 13th, 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)

As previously advised, the Spirit of America #2 well intersected 61 feet of pay as interpreted by the electric logging program, and its subsequent analysis in the Permo-Pennsylvanian section.

The frac equipment is onsite, and pumping operations are expected to commence this evening.

The initial frac will stimulate the lower perforations at around 10,000 feet, comprising 31 feet of interpreted log pay. The second stage at around 9,300 feet will stimulate a single 7 feet of interpreted log pay and the third stage at around 9,200 feet will stimulate three sandstones with 23 feet of interpreted log pay.

All three stages are expected to be completed in the next 48 hours; however, this schedule is dependent on being able to latch on and relocate both the bridge plug and packer to each of the subsequent stages. Given that the well will be flowed back between each stage, frac sand could be deposited on the bridge plug, making this operation difficult. It is therefore possible that the tubing will be required to be tripped out of the hole, thus extending the time required to complete the three stages.

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 believes that the SOA #2 results thus far have been encouraging although future investment in this particular project requires a favorable result from the frac.



Defender US33 #2-29H, (SSN 37.5% working interest)

Formal approval has now been received from the joint venture partners to work-over the well which is completed in the Niobrara. This operation has two operational objectives. First, to ensure that the complete horizontal lateral is clean of sand and debris, and second, to change out the jet pump which was on rental, for the joint venture owned rod pump. The well remains shut in pending this workover which will commence following the completion of activities on Spirit of America #2.

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\$1.11 per ADS on July 12th, 2012 the Company has a current market capitalization of approximately US\$107 million. Correspondingly, based on the ASX closing price of A\$0.054 on July 12th, 2012, the Company has a current market capitalization of A\$105 million. The options have been valued at their closing price of A\$0.038 on July 12th, 2012 and translated to US\$ at the current exchange of 1.017 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.

www.samsonoilandgas.com.au

Samson Oil & Gas USA

1331, 17th Street, Suite 710, Denver Colorado 80202 Tel + 1 303 295 0344 Fax + 1 303 295 1961

Samson Oil & Gas Limited

Level 36, Exchange Plaza, 2 The Esplanade, Perth Western Australia 6000 PO Box 7654, Cloisters Square, Perth Western Australia 6850 Tel + 61 8 9220 9830 Fax + 61 8 9220 9820
ABN 25 009 069 005 ASX Code SSN