



SAMSON OIL & GAS OPERATIONAL ADVISORY

Denver 1700 hours October 15, 2012, Perth 0700 hours, October 16th, 2012

Samson Oil & Gas Limited (ASX: SSN; NYSE MKT: SSN) provides an operational advisory.

South Prairie 3-D Project, Williston Basin, North Dakota (SSN 25% WI)

Acquisition of the South Prairie 3-D seismic survey, located on the eastern flank of the Williston Basin in North Dakota, commenced on October 12th. As of October 14th, 15% of the survey has been acquired. It is currently anticipated that all 77 square miles of the 3-D seismic survey will be completed ahead of schedule by the first week of November.

Samson has a 25% working interest in 23,879 net acres within the South Prairie 3-D survey. Potential reservoirs include the Mississippian Mission Canyon Formation and the Devonian Nisku Formation. Several leads were initially identified through 2-D seismic and well-control mapping. These leads will be verified by the 3-D seismic survey after the data has been processed and interpreted in the 1st quarter of 2013. After the 3-D data has been evaluated, the first well is planned for the 1st quarter of 2013.

The leads identified on the existing 2-D seismic data appear to be similar to the oil field immediately adjacent to the north of the project area. Wells in this analog field have demonstrated recoveries of between 260,000 and 450,000 barrels of oil when drilled at the crest of the structure. Additional Mission Canyon fields along trend have demonstrated recovery of as much as 900,000 barrels of oil per well when located on the crest of the structure. The 3-D seismic is expected to deliver excellent structural control, allowing wells to be similarly located at the crest of potential structures. Drilling costs are approximately \$1.1 million per well, which allow for attractive rates of return.



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 MKT 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 MKT closing price of US\$0.91 per ADS on October 15th, 2012 the Company has a current market capitalization of approximately US\$87 million. Correspondingly, based on the ASX closing price of A\$0.044 on October 15th, 2012, the Company has a current market capitalization of A\$84 million. The options have been valued at their closing price of A\$0.026 on October 15th, 2012 and translated to US\$ at the current exchange of 1.0216 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", "calculate", "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, costs and results of exploration activities. Estimates of contingent recoverable volumes of oil or gas from planned but undrilled exploration projects are inherently uncertain and dependent on various contingencies that are outside the control of Samson.

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.