



SAMSON OIL & GAS SHARE PURCHASE PLAN ALLOTMENT, PLACEMENT AND APPENDIX 3B

Denver 1800 hours July 8, 2010. Perth 0800 hours, July 9, 2010

Samson Oil & Gas Limited (ASX: SSN, NYSE AMEX: SSN) today confirmed that, in response to its Share Purchase Plan and associated placement, it received applications to purchase 286 million ordinary shares, or 14.3 million ADSs, representing tendered funds of approximately A\$9.8 million or US\$8.2 million.

In light of the amount of funds subscribed and the cash requirements of the Company, Samson's Board of Directors has determined to accept only 75% of the amounts tendered by shareholders, or approximately US\$6.2 million. As a result, each shareholder who submitted an application will receive 75% of the allocation requested.

To ensure that Samson's near term program can be executed and funded without undue delays and without reliance on the recently announced acreage sale, the Directors have agreed to accept US\$6.2m of the US\$8.2m subscribed funds. Whilst the board has no reason to expect that the recently announced asset sale will not be completed as expected on 26th July 2010, it wished to ensure that it had the necessary funds needed to meet its exploration and drilling program and to cover its working capital needs over the near term without having to rely on these anticipated sale proceeds. The majority of the funds to be accepted under the SPP together with Samson's existing financial resources will be used to cover, *inter alia*, the following:

1. Samson's share of the cost of three further horizontal wells in the North Stockyard Oilfield at an estimated cost of US\$6m.
2. The cost of the Diamondback exploratory well in the onshore Texas Gulf Coast Basin, estimated at US\$1.2m
3. Scheduled debt repayment of US\$1.8m
4. A potential new land acquisition for approximately US\$1m, and
5. General working capital.



As an adjunct to the Share Purchase Plan, Samson had agreed with its Broker to place a maximum of A\$6.2 million, of which A\$4.2 million had been placed on May 7th, 2010. The balance of A\$2.0 million was originally underwritten by the Broker, but this underwriting was withdrawn on June 9th as a result of Samson's share price on the ASX falling below the offer price during the currency of the offer. In an effort to replace a portion of the withdrawn A\$2.0 million underwriting, Samson received an offer of A\$400,000 from some existing U.S. shareholders on the previously underwritten terms on June 11th. When the U.S. prospectus for that offer was filed on June 22nd, Samson and the U.S. shareholders finally agreed to the terms of the offer. In light of the events that occurred shortly after that agreement, however, including the announcement of the Goshen County sales agreement, the resulting increase in the share price and the Board decision to cut back the Share Purchase Plan, Samson and the shareholders have agreed to scale back the U.S. placement by 25%, to A\$300,000, in order to be treated the same as the participants in the SPP.

Allotment of both the SPP and the Placement shares is expected to occur on July 9th and refund checks for oversubscriptions will be mailed to shareholders during the week of July 12th. US subscribers are expected to receive their ADS's during the week of July 12th.

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 1,440 million ordinary shares issued and outstanding, which would be the equivalent of 72 million ADSs. Accordingly, based on the NYSE AMEX closing price of US\$0.86 per ADS on July 8th, 2010 the company has a current market capitalization of approximately US\$61.92 million. Correspondingly, based on the ASX closing price of A\$0.05 on July 8th, 2010, the company has a current market capitalization of A\$72.0 million.

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

A handwritten signature in black ink that reads "Terry Barr". The signature is written in a cursive, slightly slanted style.

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 press release or related announcements 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." For example, the currently planned expenditures on exploration and acquisition activities may vary markedly from those described herein, depending on a number of factors, and there can be no assurance that the Goshen County sales agreement will in fact close on July 26, 2010.

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.

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 www.sec.gov/edgar/searchedgar/webusers.htm.

Samson Oil & Gas USA

1726 Cole Blvd, Suite 210, Lakewood, Colorado 80401 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

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000.

Name of entity

SAMSON OIL & GAS LIMITED

ABN

25 009 069 005

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|----------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary fully paid shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 214,414,880 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid shares |

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>The shares issued will rank equally with existing fully paid ordinary shares from the date of allotment.</p>						
<p>5 Issue price or consideration</p>	<p>3.4 cents per share</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1. Issue of 205,189,880 ordinary fully paid shares pursuant to Share Purchase Plan 2. Issue of 9,225,000 ordinary fully paid shares placed to US investors pursuant to a directors resolution dated 8 July 2010 						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>9 July 2010</p>						
<p>8 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1377 893 1400">Number</th> <th data-bbox="893 1377 1283 1400">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1400 893 1444">1,654,874,087</td> <td data-bbox="893 1400 1283 1444">Ordinary Fully Paid</td> </tr> <tr> <td data-bbox="686 1444 893 1581">334,556,689</td> <td data-bbox="893 1444 1283 1581">Options exercisable at 1.5 cents, expiring 31 December 2012</td> </tr> </tbody> </table>	Number	+Class	1,654,874,087	Ordinary Fully Paid	334,556,689	Options exercisable at 1.5 cents, expiring 31 December 2012
Number	+Class						
1,654,874,087	Ordinary Fully Paid						
334,556,689	Options exercisable at 1.5 cents, expiring 31 December 2012						

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	6,500,000	Options exercisable at 45 cents, expiring on 30/05/2011
	5,379,077	Options exercisable at 30 cents each expiring on 10 October 2012
	2,000,000	Options exercisable at 25 cents each expiring on 11 May 2013
	1,000,000	Options exercisable at 20 cents each expiring on 30 November 2013
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change from existing policy in ordinary shares	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	
18 Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	

Appendix 3B
New issue announcement

- | | | |
|----|---|--|
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | |

33 ⁺Despatch date

--

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

(If the additional securities do not form a new class, go to 43)

Tick to indicate you are providing the information or documents

35 If the securities are equity securities the names of the 20 largest holders of the additional securities and the number and percentage of additional securities held by those holders

36 If the securities are equity securities a distribution schedule of the additional securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

(now go to 43)

Entities that have ticked box 34(b)

38 Number of securities for which
⁺quotation is sought

--

39 Class of ⁺securities for which
quotation is sought

--

Appendix 3B
New issue announcement

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

--

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

--

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why these securities should not be granted quotation.
 - An offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any securities to be quoted and that no-one has any right to return any securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the securities to be quoted under section 1019B of the Corporations Act at the time that we request that the securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 9 July 2010
(Company secretary)

Print name: D.I. Rakich

== == == == ==