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Mosman Oil and Gas Limited
16 October 2023

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Mosman Oil and Gas Limited
("Mosman" or the "Company")

EP 145 Funding by Farmin Agreement

Mosman Oil and Gas Limited (AIM: MSMN) the hydrocarbon, helium and hydrogen exploration, development and production company, has signed a farmin agreement with Greenvale Gold Pty Ltd ("Greenvale") a wholly owned subsidiary of Greenvale Energy Ltd (ASX:GRV) to fund seismic and drilling on its EP 145 project in the Northern Territory of Australia.

Upon Completion, Mosman will retain a 25% working interest in EP 145 and Greenvale will earn a 75% working interest in EP 145 by:

- Committing to pay AUD160,000 in cash within 5 days of Completion
- Paying for the EP 145 Permit Year 3 Work Program, including seismic, effective from Completion Date
- Funding the Permit Year 4 Work Program, including drilling one well with a well cost cap of AUD5.5 million
- The Year 3 Work Program is to be completed by August 2024 and the cost of the seismic acquisition is estimated to be circa AUD2 million
- The Year 4 Work Program is to be completed by August 2025. The cost of drilling a well depends on many factors including the depth of a well and cost of drilling rigs at the time of drilling

Mosman has identified a drilling target at 1500m and estimates the cost of drilling that well to be in the order of AUD5m. However, the final location and well design is subject to seismic results, joint venture discussions and NT government approval. Costs of the well over AUD5.5 million and any other costs will be shared Greenvale 75% and Mosman 25%.

The Farmin Agreement Completion is subject to NT government approval of the transfer of interest and Greenvale becoming Operator. If these approvals are not met by 30 January 2024, either party may terminate the Farmin Agreement.

EP 145 has potential for hydrocarbons, helium and hydrogen. The Prospective Resource was announced on 24 October 2022 with "Best Estimate" per SPE PRMS of 440 Billion cubic feet ("Bcf") Total Gas, including 26 Bcf of Helium and 26 Bcf of Hydrogen.

EP 145 had a carrying value in Mosman's consolidated accounts of AUD1.29 million as at 31 December 2022. Exploration costs to date have been capitalised and there are

no historic profits or losses attributable to EP 145. The AUD160,000 proceeds due to Mosman will be utilised for general corporate purposes.

As part of the Corporate Review, Mosman evaluated various options with regard to funding the exploration program at EP 145. This farmin is considered the best alternative as it contracts out the funding for Permit Year 3 without the need for Mosman to raise additional capital for such purposes. The agreement also includes up to AUD5.5 million funding for the Year 4 Work Program including well drilling costs. The alternative of funding EP 145 with a "spin out" IPO would have required Mosman funding of the significant IPO costs, would depend on capital markets at the time of IPO, and would have resulted in additional ongoing corporate costs. The IPO was not certain of success and may not have raised the funds in the limited time available to ensure funding the seismic that requires commitment to long lead items in 2023.

Andy Carroll, CEO, commented: "We are pleased to have reached agreement with Greenvale who we see as a strong Joint Venture partner to work with in Australia. This agreement delivers on funding exploration and is validation of the helium, hydrogen and hydrocarbon potential of EP 145."

About Greenvale

Greenvale is listed on the ASX in Australia and has a market capitalisation of over AUD\$30 million. The Chairman is Neil Biddle, who founded Pilbara Minerals that now has a market capitalisation of over \$13 billion. Greenvale has a large bitumen resource in Queensland and geothermal projects.

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service ('RIS'), this information is now considered to be in the public domain.

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Updates on the Company's activities are regularly posted on its website:

www.mosmanoilandgas.com

Notes to editors

Mosman (AIM: MSMN) is an oil exploration, development, and production company with projects in the US and Australia. Mosman's strategic objectives remain consistent: to identify opportunities which will provide operating cash flow and have development upside, in conjunction with progressing exploration of its existing exploration permit and permit application. The Company has several projects in the US. In addition to exploration projects in the Amadeus Basin in Central Australia.

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Company Announcement - General

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