



MOSMAN OIL AND GAS
LIMITED

ACN 150 287 111

CONDENSED CONSOLIDATED HALF YEAR
FINANCIAL REPORT
31 DECEMBER 2023

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Company Directory

Directors

Nigel Harvey
Andrew R Carroll
Carl Dumbrell (appointed 29 September 2023)

Company Secretary

Jarrold White

Head and Registered Office

C/-Traverse Accountants Pty Ltd
24-26 Kent Street, Millers Point NSW 2000
GPO Box 280, Sydney NSW 2001

Stock Exchange

AIM Market of the London
Stock Exchange plc (AIM)
Stock Symbol: LON: MSMN

Auditors

Elderton Audit Pty Ltd

Nominated Adviser & Joint Broker

SP Angel Corporate Finance LLP

Registrars

In Australia:
Computershare Investor Services Pty Ltd
Level 17, 221 St Georges Terrace
Perth Western Australia 6000

In the UK:
Computershare Investor Services plc
The Pavilions
Bridgewater Road
Bristol BS99 6ZY

Company Website

www.mosmanoilandgas.com

Bankers

In Australia:
National Australia Bank

Joint Broker

CMC Markets UK PLC

Lawyers

As to English law
Druces LLP

As to Australian law
Thomson Geer

Operations Review

Mosman's strategic objective remains to identify opportunities which will provide operating cash flow and have development upside, in conjunction with exploration of existing exploration permits and acquiring high potential projects.

The conclusion of the Strategic Review was to commercialise the production assets (which may include sale of some assets) and not to proceed with IPO of the Australian assets as there was limited investor interest in IPOs in 2023. As part of this process, the Group incurred some costs in establishing a holding company for the Australian assets in regard to evaluating the potential for an IPO of that company.

The Board renewal process was completed with the appointment of Carl Dumbrell. Carl is a qualified accountant and brings extensive experience in Australian and AIM companies. John W Barr and John Young stepped down and are thanked for their service in the successful IPO and steering the company through exploration and building a production base in the USA. The corporate re-organisation resulted in a reduction in the number of Directors from four to three; the reduction in executive directors from two to one; and a clearer separation of Board and management with two independent Directors and a Chief Executive Officer, and the redundancy of the one employee. Whilst there are now lower fixed overheads, there were some one-off costs associated with this reorganisation.

Turning to development of the producing US projects, more than \$475k was invested in increasing production and progressing exploration during the period. Stanley continues to be the main centre of production and the production equipment has been reconfigured with jet pumps.

The development project, Cinnabar, was which was acquired at modest cost when oil and gas prices were lower in 2021, has had an extensive technical work, including reprocessing and re-interpretation of 3D seismic. Whilst results of the Cinnabar development well drilled in November 2022 confirmed the presence of oil and led to an upgrade of Reserves, the production rates have been disappointing. Technical work has identified opportunities for increasing production, and several workovers have now been undertaken on the three wells on the lease. Work will continue to increase production, and to de-risk a new lease area acquired that appears highly prospective based on 3D seismic.

Gross Reserves (MBOE):

Proved Developed Producing	Proved Developed Behind Pipe	Proved Undeveloped	Total Proved	Total Probable	Total Proved Plus Probable
302	147	1,132	1,581	65	1,646

In Australia's Northern Territory, Mosman holds a 100% interest over the EP-145 permit and continues to work to secure all required approvals for the next step of exploration.

A Farmout Agreement was signed with a subsidiary of Greenvale Energy (ASX:GRV) in October 2023, whereby GRV can earn 75% interest by funding seismic acquisition and drilling a well (to a cap of AUD 5.5 million). This currently remains subject to completion pending ministerial approval.

A Prospective Resource estimate for EP-145 was published by Mosman in October 2022 and is detailed below.

Prospective Resources (Bcf)	Low Estimate	Best Estimate	High Estimate
Total Gas	12	440	2,290
Helium	0.3	26.4	229
Hydrogen	0.24	26.4	275

As shareholders and stakeholders expect, Mosman continues to take its Health and Safety requirements very seriously and to date there have been no health, safety or wellbeing issues reported in our small team.

Results

The unaudited results for the six months to 31 December 2023 reflect a 43% decrease in sales to \$533,794 (\$936,187 in 2022). Gross profit also decreased by 88% to \$34,059 (\$283,003 in 2022). The lower sales and gross profit margins were primarily due to lower production at Cinnabar and Stanley as recompletions and upgrade works were undertaken, as well as lower oil and gas prices in the period.

The overall result for the period was a net loss of \$984,851 (2022: \$665,096). This includes one-off restructuring costs of over \$100k that are intended to reduce ongoing costs.

Projects

Mosman has Working Interests in eight onshore producing projects located in the USA, in addition to one granted exploration permit and one application for an exploration permit in the Amadeus Basin in Central Australia.

Producing Projects in the USA

A summary of the current oil and gas projects as at 27 March 2024:

US PROJECTS			
Asset/ Project	Mosman Interest¹	Location	Status
Cinnabar	75.0%	Texas	Producing
Cinnabar Extended	78.0%	Texas	Undrilled
Stanley (various wells)	34.85% to 38.5%	Texas	Producing
Livingston	20%	Texas	Producing
Winters-1	29%	Texas	Producing
Winters-2	23%	Texas	Producing
Greater Stanley (Duff wells)	40%	Texas	Producing
Arkoma	27%	Oklahoma	Producing

^{1.} Mosman's ownership is working interest before royalties. The interest shown is approximate, as there are small variations on individual wells

Production Summary for the six months ending 31 December 2023

	Gross Project Production²	Net Production to Mosman³
	BOE¹	BOE¹
Cinnabar	1,246	933
Stanley	9,989	3,631
Winters	3,145	734
Livingston	1,045	209
Arkoma	3,718	782
Total Production	19,143	6,289

¹BOE/boe – barrels of oil equivalent

²Gross Project Production – Means the production of BOE at a total project level (100% basis) before royalties (where Mosman is the Operator) and where Mosman is not the operator the total gross production for the project

³Net Production – Net to Mosman's Working Interest; Net Production attributable to Mosman means net to Mosman's Working Interest before royalties

Australia

AUSTRALIAN EXPLORATION PROJECTS						
Asset/Project	Mosman Interest¹	Location	Status	Permit Number	Licence Renewal Date	Comments
Australia, Amadeus Basin	100% ² (subject to farm-in)	NT	Exploration	EP 145	21 August 2024	Seismic to be acquired
Australia, Amadeus Basin	100% (subject to farm-in)	NT	Exploration	EPA 155	Application	Negotiating land access with CLC

^{1.} Mosman's ownership is working interest before royalties and the interest shown is subject to farm-in agreements (detailed below)

Mosman has continued to conduct technical work on its Central Australian exploration projects, focused on the 100% owned EP-145, in the Amadeus Basin, Northern Territory.

The Prospective Resource estimate for EP-145 published by Mosman in October 2022 and is detailed below.

Prospective Resources (Bcf)	Low Estimate	Best Estimate	High Estimate
Total Gas	12	440	2,290
Helium	0.3	26.4	229
Hydrogen	0.24	26.4	275

All seismic and drilling activities are subject to obtaining the necessary planning approvals from the NT Department of Industry and Resources.

On 16 October 2023, the Company announced that it had entered into a farmout agreement with Greenvale Gold Pty Ltd, 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 would retain a 25% working interest in EP 145 and Greenvale would earn a 75% working interest in EP 145 by:

- Committing to pay AUD160,000 in cash within 5 days of Completion, which is subject to government approval of the transfer of interest and Operatorship.
- 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.

At Mosman's other central Australian project in EPA-155, the permit application is subject to Native Title negotiations. The required site visit was delayed by the Covid-19 pandemic. Mosman has a farmout agreement, and the farm-in partner has advised they are discussing with the Central Land Council ("CLC") and have arranged a site visit.

Matters subsequent to the reporting period

Subsequent to the end of the reporting period the Company announced the following material matters occurred:

- On 15 January 2024, the Group announced it had lodged the Environmental Management Plan ("EMP") with the Northern Territory Government. Approval of the EMP and re-issue of the Aboriginal Areas Protection Authority ('AAPA') Certificate are the two remaining approvals required prior to the acquisition of 2D seismic, scheduled for 2024.
- On 23 January 2024, the Group announced that Mosman and Greenvale Gas Ltd ("GRV"), a subsidiary of Greenvale Pty Ltd (ASX:GRV), had agreed to amend the Farmin Agreement so that the right for either party to terminate the agreement is changed from 31 January to 30 March 2024.
- On 2 February, the Group announced it had raised £300,000 (before expenses) by way of a placing of 2,400,000,000 ordinary shares at a price of 0.0125 pence per share.
- On 7 February, the Group held an Extraordinary General Meeting, where shareholder approval was received to issue 84,210,526 shares and 42,105,263 warrants to CEO Andrew Carroll, and 42,105,263 shares and 21,052,632 warrants to Chairman Nigel Harvey. Shares were issued for cash consideration at 0.0125p per share. The warrants are exercisable at 0.025p each with a two year expiry. All shares and warrants were issued on the same terms as the placement announced on 29 November 2023.

There were no other material matters that occurred subsequent to 31 December 2023.

Glossary:

boe	Barrels of oil equivalent based on calorific value as opposed to dollar value
boepd	Barrels of oil per day of oil equivalent based on calorific value as opposed to dollar value
bopd	Barrels of oil per day
Gross Project Production	Means the production of BOE at a total project level (100% basis) before royalties (where Mosman is the Operator) and where Mosman is not the operator the total gross production for the project
Mcf	Thousand cubic feet
Bcf	Billion cubic feet
Mcfpd	Thousand cubic feet per day
MBtu	One thousand British Thermal Units
MBtupd	One thousand British Thermal Units per day
MMBtu	One million British Thermal Units
MMBtupd	One million British Thermal Units per day
Net Production	Net to Mosman's Working Interest; Net Production attributable to Mosman means net to Mosman's Working Interest before royalties
SPE	Society of Petroleum Engineers
SPE PRMS	A standard for the definition, classification, and estimation of hydrocarbon resources developed by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers and named the Petroleum Resource Management System

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Half Year Ended 31 December 2023**

	Notes	Consolidated 6 months to 31 December 2023 \$	Consolidated 6 months to 31 December 2022 \$
Revenue		533,794	936,187
Cost of sales	2	(499,735)	(653,184)
Gross profit		34,059	283,003
Interest income		348	139
Administrative expenses		(205,505)	(280,957)
Corporate expenses	3	(467,567)	(450,964)
Directors fees		(57,880)	(62,667)
Exploration expenses incurred, not capitalised		(7,425)	(9,300)
Employee benefits expense		(48,268)	(40,685)
Finance costs		(5,642)	(5,676)
Amortisation expense		(215,337)	(94,861)
Depreciation expense		(6,220)	(919)
Loss on foreign exchange		(5,414)	(2,209)
Loss from ordinary activities before income tax expense		(984,851)	(665,096)
Income tax expense		-	-
Net loss for the period		(984,851)	(665,096)
Other comprehensive profit			
<i>Items that may be reclassified to profit or loss</i>			
- Foreign currency gain/(loss)		(148,877)	65,405
Total comprehensive income attributable to members of the entity		(1,133,728)	(599,691)
Basic loss per share (cents per share)		<i>(0.01) cents</i>	<i>(0.01) cents</i>
Diluted loss per share (cents per share)		<i>(0.01) cents</i>	<i>(0.01) cents</i>

The accompanying notes form part of these consolidated financial statements
All amounts are in Australian Dollars

**Consolidated Statement of Financial Position
As at 31 December 2023**

	Notes	Consolidated 31 December 2023 \$	Consolidated 30 June 2023 \$
Current Assets			
Cash and cash equivalents		614,305	520,613
Trade and other receivables	4	764,085	863,639
Other assets	5	110,006	78,086
Total Current Assets		1,488,396	1,462,338
Non-Current Assets			
Property, plant & equipment		-	6,220
Oil and gas assets	6	5,824,674	5,780,587
Capitalised oil and gas exploration	7	1,491,725	1,420,531
Total Non-Current Assets		7,316,399	7,207,338
Total Assets		8,804,795	8,669,676
Current Liabilities			
Trade and other payables	8	1,490,357	1,185,450
Provisions		-	15,500
Total Current Liabilities		1,490,357	1,200,950
Non-Current Liabilities			
Provisions		175,043	180,587
Total Non-Current Liabilities		175,043	180,587
Total Liabilities		1,665,400	1,381,537
Net Assets		7,139,395	7,288,139
Shareholders' Equity			
Contributed equity	9	41,656,179	40,675,340
Reserves	10	763,362	908,094
Accumulated losses		(35,280,146)	(34,295,295)
Total Shareholders' Equity		7,139,395	7,288,139

The accompanying notes form part of these consolidated financial statements
All amounts are in Australian Dollars

**Consolidated Statement of Changes in Equity
For the Half Year Ended 31 December 2023**

	Accumulated Losses	Contributed Equity	Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2022	(32,168,097)	38,743,432	706,297	7,281,632
<i>Comprehensive income</i>				
Loss for the period	(665,096)	-	-	(665,096)
Other comprehensive income for the period	-	-	65,405	65,405
Total comprehensive loss for the period	(665,096)	-	65,405	(599,691)
<i>Transactions with owners, in their capacity as owners, and other transfers:</i>				
New shares issued	-	1,406,312	-	1,406,312
Cost of raising equity	-	(84,379)	-	(84,379)
Total transactions with owners and other transfers	-	1,321,933	-	1,321,933
Balance at 31 December 2022	(32,833,193)	40,065,365	771,702	8,003,874
Balance at 1 July 2023	(34,295,295)	40,675,340	908,094	7,288,139
Comprehensive income				
Loss for the period	(984,851)	-	-	(984,851)
Other comprehensive loss for the period	-	-	(148,877)	(148,877)
Total comprehensive loss for the period	(984,851)	-	(148,877)	(1,133,728)
<i>Transactions with owners, in their capacity as owners, and other transfers:</i>				
New shares issued	-	1,047,856	-	1,047,856
Cost of raising equity	-	(67,017)	4,145	(62,872)
Total transactions with owners and other transfers	-	980,839	4,145	984,984
Balance at 31 December 2023	(35,280,146)	41,656,179	763,362	7,139,395

The accompanying notes form part of these consolidated financial statements
All amounts are in Australian Dollars

**Consolidated Statement of Cash Flows
For the Half Year Ended 31 December 2023**

	Consolidated 6 months to 31 December 2023 \$	Consolidated 6 months to 31 December 2022 \$
Cash flows from operating activities		
Receipts from customers	633,460	922,683
Payments to suppliers and employees	(875,426)	(1,477,116)
Interest paid	(5,642)	(5,676)
Net cash outflow from operating activities	(247,608)	(560,109)
Cash flows from investing activities		
Payments for property, plant and equipment	-	(3,629)
Payments for oil and gas assets	(408,786)	(2,108,026)
Payments for acquisition of new subsidiaries	(153,230)	(145,158)
Payments for exploration and evaluation	(71,194)	(52,894)
Net cash outflow from investing activities	(633,210)	(2,309,707)
Cash flows from financing activities		
Proceeds from shares issued	1,047,856	1,406,312
Payments for costs of capital	(62,872)	(84,379)
Net cash inflow from financial activities	984,984	1,321,933
Net decrease in cash and cash equivalents	104,166	(1,547,883)
Effects of exchange rate changes on cash and cash equivalents	(10,474)	3,570
Cash and cash equivalents at the beginning of the period	520,613	2,354,689
Cash and cash equivalents at the end of the period	614,305	810,376

The accompanying notes form part of these consolidated financial statements
All amounts are in Australian Dollars

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
All amounts are Australian Dollars**

1. Summary of Significant Accounting Policies

Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's 2023 annual financial report for the financial year ended 30 June 2023, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards (IFRS).

Going Concern

The condensed consolidated financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the discharge of liabilities in the normal course of business.

The directors have considered the funding and operational status of the business in arriving at their assessment of going concern and believe that the going concern basis of preparation is appropriate, based upon the following:

- The ability to further vary cash flow depending upon the achievement of certain milestones within the business plan and;
- The ability of the Company to obtain funding through various sources, including debt and equity.

However, should the Group be unable to raise further required financing from equity markets or other sources, there is uncertainty which may cast doubt as to whether or not the Group will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Exploration and Evaluation Costs

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward in respect of an area for which the rights to tenure are current and that has not at reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing.

Impairment of Exploration and Evaluation Assets

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets.

Impairment tests are carried out when there are indicators of impairment in order to identify whether the asset carrying values exceed their recoverable amounts. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts. If, after having capitalised the expenditure under the policy, a judgement is made that the recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to profit and loss.

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
All amounts are Australian Dollars**

1. Summary of Significant Accounting Policies (Continued)

The key areas of judgement and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements; and
- Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue from joint operations is recognised based on the Group's share of the sale by the joint operation.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Oil and Gas assets

The cost of oil and gas producing assets and capitalised expenditure on oil and gas assets under development are accounted for separately and are stated at cost less accumulated amortisation and impairment losses. Costs include expenditure that is directly attributable to the acquisition or construction of the item as well as past exploration and evaluation costs.

When an oil and gas asset commences production, costs carried forward are amortised over the expected life of the economically recoverable reserves. Changes in factors such as estimates of economically recoverable reserves that affect amortisation calculations do not give rise to prior financial period adjustments and are dealt with on a prospective basis.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance.

New standards and interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
All amounts are Australian Dollars**

	Consolidated 6 months to 31 December 2023	Consolidated 6 months to 31 December 2022
	\$	\$
2 Cost of sales		
Cost of sales	22,285	49,516
Lease operating expenses	477,450	603,668
	499,735	653,184
	\$	\$
3 Corporate Costs		
Accounting, Company Secretary and Audit fees	88,075	150,109
Consulting fees – board	210,000	159,250
Consulting fees – other	33,098	31,302
NOMAD and broker expenses	90,956	74,728
Legal and compliance fees	45,438	35,575
	467,567	450,964
	\$	\$
4 Trade and Other Receivables		
Joint interest billing receivables ¹	548,399	644,904
Less: allowance for expected credit losses	(119,962)	(123,762)
Deposits	55,706	55,358
GST receivable	29,476	24,353
Accrued revenue	246,080	253,044
Other receivables	4,386	9,742
	764,085	863,639
	\$	\$
<p>1. When appropriate, unpaid joint interest billing receivables are recovered from the interest holders share of production income.</p>		
5 Other Assets		
Prepayments	107,467	75,547
Incorporation costs	2,539	2,539
	110,006	78,086
6 Oil and Gas Assets		
Cost brought forward	5,780,587	4,145,488
Acquisition of oil and gas assets during the period	-	54,113
Capitalised equipment workovers during the period	408,786	2,362,772
Amortisation for the period	(215,337)	(436,028)
Impairment of oil and gas assets	-	(474,586)
Impact of Foreign Exchange on opening balances	(149,362)	128,828
Carrying value at the end of the period	5,824,674	5,780,587

The Board has carried out an impairment assessment of the Oil and Gas Assets and have concluded that no impairment is required.

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
All amounts are Australian Dollars**

	Consolidated Balance as at 31 December 2023	Consolidated Balance as at 30 June 2023
7 Capitalised Oil and Gas Expenditure		
Cost brought forward	1,420,531	1,240,541
Exploration costs incurred during the period	71,194	179,990
Impairment of oil and gas expenditure	-	-
Carrying value at end of the period	1,491,725	1,420,531

On 16 October 2023, the Company announced that it had entered into a farmout agreement with Greenvale Gold Pty Ltd, 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 would retain a 25% working interest in EP 145 and Greenvale would earn a 75% working interest in EP 145 by:

- Committing to pay AUD160,000 in cash within 5 days of Completion, which is subject to government approval of the transfer of interest and Operatorship.
- 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.

On 23 January 2024, it was agreed to amend the Farmin Agreement so that the right for either party to terminate the agreement is changed from 31 January to 30 March 2024.

	\$	\$
8 Trade and Other Payables		
Trade creditors	1,399,840	1,000,619
Amounts owing for acquisition of Nadsoilco LLC	-	150,830
Other creditors and accruals	90,517	34,001
	1,490,357	1,185,450

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
All amounts are Australian Dollars**

9 Contributed Equity

Ordinary Shares:

Value of Ordinary Shares fully paid

Movement in Contributed Equity

		Number of shares	Contributed Equity \$
Balance as at 1 July 2022:		5,220,138,052	38,743,432
02/11/2022	Shares issued (i) \$0.00123	1,142,857,142	1,406,312
04/04/2023	Shares issued (ii) \$0.00101	45,454,545	45,829
26/04/2023	Shares issued (i) \$0.00103	545,454,545	564,145
Capital raising costs		-	(84,378)
Balance as at 1 July 2023:		6,953,904,284	40,675,340
20/07/2023	Shares issued (i) \$ 0.00067	857,142,857	571,739
05/12/2023	Shares issued (i) \$ 0.00024	2,000,000,000	476,117
Capital raising costs		-	(67,017)
Balance at the end of period		9,811,047,141	41,656,179

- (i) Placements via capital raising as announced
- (ii) Shares issued to suppliers

Consolidated Balance as at 31 December 2023	Consolidated Balance as at 30 June 2023
\$	\$

10 Reserves

Foreign currency translation reserve
Options reserve

	741,899	890,776
	21,463	17,318
	763,362	908,094

Foreign Currency Translation Reserve

Foreign Currency Translation Reserve at the beginning of the period
Current movement in the period
Foreign Currency Translation Reserve at the end of the period

	890,776	706,297
	(148,877)	184,479
	741,899	890,776

Options Reserve

Options Reserve at the beginning of the period
Current movement in the period
Options Reserve at the end of the period

	17,318	-
	4,145	17,318
	21,463	17,318

120,000,000 warrants were issued to brokers as part of their fee for facilitating a placement of shares in the period. The warrants are valued using the Binomial Method with the following inputs:

Share price at issue date	0.0118 British Pence
Exercise price	0.0125 British Pence
Risk-Free Interest Rate	3.9%
Volatility	91.8%

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
All amounts are Australian Dollars**

11 Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board to make decisions about resources to be allocated to the segments and assess their performance.

Operating segments are identified by the board based on the Oil and Gas projects in Australia the United States. Discrete financial information about each project is reported to the board on a regular basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the economic characteristics, the nature of the activities and the regulatory environment in which those segments operate.

The Group has two reportable segments based on the geographical areas of the mineral resource and exploration activities in Australia, the United States. Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

(i) Segment performance

	United States \$	Australia \$	Total \$
Period ended 31 December 2023			
Revenue			
Revenue	533,794	-	533,794
Other income	-	348	348
Segment revenue	533,794	348	534,142
Segment Result			
Loss			
Allocated			
- Corporate costs	-	(467,567)	(467,567)
- Administrative costs	(146,289)	(59,216)	(205,505)
- Lease operating expenses	(477,450)	-	(477,450)
- Cost of sales	(22,285)	-	(22,285)
Segment net profit/(loss) before tax	(112,230)	(526,435)	(638,665)
<i>Reconciliation of segment result to net loss before tax</i>			
Amounts not included in segment result but reviewed by the Board			
- Evaluation expenses incurred not capitalised	-	(7,425)	(7,425)
- Amortisation	(215,337)	-	(215,337)
- Impairment	-	-	-
Unallocated items			
- Employee benefits expense			(106,148)
- Finance costs			(5,642)
- Depreciation			(6,220)
- Loss on foreign exchange			(5,414)
Net Loss before tax from continuing operations			(984,851)

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
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11 Segment Information (continued)

(i) Segment performance (continued)

	United States \$	Australia \$	Total \$
Period ended 31 December 2022			
Revenue			
Revenue	936,187	-	936,187
Other income	-	139	139
Segment revenue	936,187	139	936,326
Segment Result			
Loss			
Allocated			
- Corporate costs	(37,509)	(413,455)	(450,964)
- Administrative costs	(156,566)	(124,391)	(280,957)
- Lease operating expenses	(603,668)	-	(603,668)
- Cost of sales	(49,516)	-	(49,516)
Segment net profit/(loss) before tax	88,928	(537,707)	(448,779)
<i>Reconciliation of segment result to net loss before tax</i>			
Amounts not included in segment result but reviewed by the Board			
- Evaluation expenses incurred not capitalised	-	(9,300)	(9,300)
- Amortisation	(94,861)	-	(94,861)
- Impairment	-	-	-
Unallocated items			
- Employee benefits expense			(103,352)
- Finance costs			(5,676)
- Depreciation			(919)
- Loss on foreign exchange			(2,209)
Net Loss before tax from continuing operations			(665,096)

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
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11 Segment Information (continued)

(ii) Segment assets

	United States \$	Australia \$	Total \$
As at 31 December 2023			
Segment assets as at 1 July 2023	7,017,407	1,652,269	8,669,676
Segment asset balances at end of period			
- Exploration and evaluation	-	8,672,643	8,672,643
- Capitalised Oil and Gas	10,595,577	-	10,595,577
- Less: Amortisation	(1,087,371)	-	(1,087,371)
- Less: Impairment	(3,683,532)	(7,180,918)	(10,864,450)
	5,824,674	1,491,725	7,316,399

Reconciliation of segment assets to total assets:

Other assets	1,046,871	441,525	1,488,396
Total assets from continuing operations	6,871,545	1,933,250	8,804,795

	United States \$	Australia \$	Total \$
As at 30 June 2023			
Segment assets as at 1 July 2022	5,618,867	2,983,533	8,602,400
Segment asset balances at end of period			
- Exploration and evaluation	-	8,601,449	8,601,449
- Capitalised oil and gas assets	10,490,641	-	10,490,641
- Less: Amortisation	(909,850)	-	(909,850)
- Less: Impairment	(3,800,204)	(7,180,918)	(10,981,122)
	5,780,587	1,420,531	7,201,118

Reconciliation of segment assets to total assets:

Other assets	1,236,820	231,738	1,468,558
Total assets from continuing operations	7,017,407	1,652,269	8,669,676

**Condensed Notes to the Financial Statements
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11 Segment Information (continued)

(iii) Segment liabilities

	United States \$	Australia \$	Total \$
As at 31 December 2023			
Segment liabilities as at 1 July 2023	1,137,363	183,405	1,320,768
Segment liability increase/(decrease) for the period	270,220	74,412	344,632
	1,407,583	257,817	1,665,400
<i>Reconciliation of segment liabilities to total liabilities:</i>			
Other liabilities	-	-	-
Total liabilities from continuing operations	1,407,583	257,817	1,665,400
As at 30 June 2023			
Segment liabilities as at 1 July 2022	1,137,363	183,405	1,320,768
Segment liability increase/(decrease) for the period	14,805	45,964	60,769
	1,152,168	229,369	1,381,537
<i>Reconciliation of segment liabilities to total liabilities:</i>			
Other liabilities	-	-	-
Total liabilities from continuing operations	1,152,168	229,369	1,381,537

**Condensed Notes to the Financial Statements
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12 Producing assets

The Group currently has 5 producing assets, which the Board monitors as separate items to the geographical and operating segments.

Project performance is monitored by the line items below.

	Stanley \$	Cinnabar \$	Winters \$	Livingston \$	Arkoma \$	Other Projects \$	Total \$
Half-Year Ended 31 December 2023							
<i>Revenue</i>							
Oil and gas project related revenue	357,983	82,684	33,811	18,871	-	40,445	533,794
Producing assets revenue	357,983	82,684	33,811	18,871	-	40,445	533,794
<i>Project-related expenses</i>							
- Cost of sales	(16,495)	(3,810)	(1,253)	(727)	-	-	(22,285)
- Lease operating expenses	(271,639)	(88,992)	(20,114)	(5,814)	-	(90,891)	(477,450)
Project cost of sales	(288,134)	(92,802)	(21,367)	(6,541)	-	(90,891)	(499,735)
<i>Project gross profit</i>							
Gross profit	69,849	(10,118)	12,444	12,330	-	(50,446)	34,059

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
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12 Producing assets (continued)

(i) Project performance

	Stanley \$	Cinnabar \$	Winters \$	Livingston \$	Arkoma \$	Other Projects \$	Total \$
Half-Year Ended 31 December 2022							
<i>Revenue</i>							
Oil and gas project related revenue	679,263	-	158,563	17,823	42,813	37,725	936,187
Producing assets revenue	679,263	-	158,563	17,823	42,813	37,725	936,187
<i>Project-related expenses</i>							
- Cost of sales	(34,616)		(10,997)	(821)	(3,082)	-	(49,516)
- Lease operating expenses	(360,220)		(53,211)	(58,485)	(12,186)	(119,566)	(603,668)
Project cost of sales	(394,836)		(64,208)	(59,306)	(15,268)	(119,566)	(653,184)
<i>Project gross profit</i>							
Gross profit	284,427		94,355	(41,483)	27,545	(81,841)	283,003

**Condensed Notes to the Financial Statements
For the Half-Year Ended 31 December 2023
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13 Expenditure Commitments

(a) Exploration

The Company has certain obligations to perform minimum exploration work on Oil and Gas tenements held. These obligations may vary over time, depending on the Company's exploration programs and priorities. At 31 December 2023, total exploration expenditure commitments for the next 12 months are as follows:

Entity	Tenement	31 December	31 December
		2023	2022
		\$	\$
Trident Energy Pty Ltd	EP145 ¹	-	-
Oilco Pty Ltd	EPA155	-	-
		-	-

1. EP145 is currently under extension until 21 August 2024, therefore there are no committed expenditures as of the date of this report.

(b) Capital Commitments

The Company had no capital commitments at 31 December 2023 (2022 - \$Nil).

14 Warrants

A summary of the movements of all company warrant issues to 31 December 2023 is as follows:

Company Warrants	31 December 2023 Number of Options	30 June 2023 Number of Options
Outstanding at the beginning of the period	1,288,928,571	1,584,250,000
Expired	-	(896,750,000)
Granted	1,548,571,428	601,428,571
Outstanding at the end of the period	2,837,499,999	1,288,928,571
Exercisable at the end of the period	2,837,499,999	1,288,928,571

**Condensed Notes to the Financial Statements
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15 Subsequent Events

Subsequent to the end of the reporting period the Company announced the following material matters occurred:

- On 15 January 2024, the Group announced it had lodged the Environmental Management Plan ("EMP") with the Northern Territory Government. Approval of the EMP and re-issue of the Aboriginal Areas Protection Authority ('AAPA') Certificate are the two remaining approvals required prior to the acquisition of 2D seismic, scheduled for 2024.
- On 23 January 2024, the Group announced that Mosman and Greenvale Gas Ltd ("GRV"), a subsidiary of Greenvale Pty Ltd (ASX:GRV), had agreed to amend the Farmin Agreement so that the right for either party to terminate the agreement is changed from 31 January to 30 March 2024.
- On 2 February, the Group announced it had raised £300,000 (before expenses) by way of a placing of 2,400,000,000 ordinary shares at a price of 0.0125 pence per share.
- On 7 February, the Group held an Extraordinary General Meeting, where shareholder approval was received to issue 84,210,526 shares and 42,105,263 warrants to CEO Andrew Carroll, and 42,105,263 shares and 21,052,632 warrants to Chairman Nigel Harvey. Shares were issued for cash consideration at 0.0125p per share. The warrants are exercisable at 0.025p each with a two year expiry. All shares and warrants were issued on the same terms as the placement announced on 29 November 2023.

There were no other material matters that occurred subsequent to 31 December 2023.

16 Dividends

No dividends have been paid or proposed during the half year ended 31 December 2023.

Directors' Declaration

The Directors of the Consolidated Group declare that:

1. The financial statements and notes, as set out on pages 8-24, are in accordance with the Australian Corporations Act 2001:
 - (a) comply with Accounting Standards, which, as stated in Note 1 - Statement of Accounting Policies to the consolidated financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - (b) give a true and fair view of the consolidated financial position as at 31 December 2023 and of the performance for the period ended on that date of the Group.
2. In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed by authority for and on behalf of the Directors by:



Nigel Harvey
Chairman
27 March 2024

Auditor's Independence Declaration

To those charged with the governance of Mosman Oil and Gas Limited

As auditor for the review of the half-year financial statements of Mosman Oil and Gas Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- ii) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Mosman Oil and Gas Limited and the entities it controlled during the period.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd



Sajjad Cheema

Director

27 March 2024

Perth

Independent Auditor's Review Report

To the members of Mosman Oil and Gas Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Mosman Oil and Gas Limited ('the Company') and its controlled entities (collectively referred to as 'the Group'), which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year then ended, a summary of significant accounting policies and other explanatory information, and the director's declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying 31 December 2023 half-year financial report of Mosman Oil and Gas Limited is not in accordance with the *Corporation Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date: and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporation Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporation Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty related to going concern

We draw attention to Note 1 to the financial statements, which indicates that the Group's ability to continue to as going concern is dependent on the Company raising finance through debt or equity. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report


Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporation Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporation regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd



Sajjad Cheema

Director

27 March 2024

Perth