

26 January 2022

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

Production Update

43% increase in six month net production

Mosman Oil and Gas Limited (AIM: MSMN) the oil exploration, development and production company, announces its production summary for the six months ended 31 December 2021.

Net Production attributable to Mosman for the six months was 17,344 boe, an increase of 5,201 boe, or 43% increase compared to the six months to June 2021 of 12,143 boe. This is despite the operational issues experienced in December that reduced the production in the 3 months to 31 December. This progress reflects the uplift in production from growth of existing projects, the acquisition of Nadsoilco and an increased interest in Falcon. It does not reflect recent increases in production at Falcon which occurred after 31 December 2021, and does not include the Winters-2 well which was drilled in November and was recently recompleted and flowed gas. It also only includes minor production from Stanley-5.

Production Summary

	3 Months to 31 December 2021		6 Months to 31 December 2021	
	boe		boe	
	Gross Project Production	Net Production to Mosman	Gross Project Production	Net Production to Mosman
	Gross boe	Net boe	Gross boe	Net boe
Falcon	5,944	4,458	14,800	11,099
Stanley	5,130	1,741	11,705	4,141
Livingston	172	35	501	100
Winters	173	50	349	101
Greater Stanley	-	-	-	-
Arkoma	3,362	839	7,617	1,903
Welch (sold)				
Total boe	14,781	7,123	34,972	17,344

Production numbers are based on the current best available data and are subject to adjustment upon receipt of final sales invoices from the purchasers of products.

Falcon

There was natural decline in production from the producing zone in October and November that meant it was time to add an additional production zone. The well was shut in to perform the workover.

The well was successfully perforated in December. Production in December was constrained as production facilities were upgraded.

Mosman reported on 17 January 2021 that production was 113 gross boepd with a 7/64 choke. Since adjusting the choke to 8/64 seven days ago, the well has averaged 133 gross boepd, a

64% increase compared to the average gross production for the six months ended 31 December 2021.

Stanley

On the Stanley project, production has been constrained mainly because Stanley-4 is waiting on gas infrastructure to be completed before it can be returned to production. This infrastructure is a combination of existing pipelines controlled by Nadsoilco, new pipelines and connections requiring multiple land access agreements and regulatory approvals. The infrastructure will have significant short term and long term benefits to the Stanley area.

Stanley-5 was drilled and been producing at an average daily rate circa 50 bopd since coming on production in December 2021.

Stanley-3 continues to produce steady oil rates, but the gravel pack on Stanley-1 was not successful and the well will be worked over again. Stanley-2 production has declined and this well is a candidate for recompletion.

Livingston

The Livingston property was one part of the acquisition of Nadsoilco. One well (Davis & Holmes 11) that has been shut-in for over one year was successfully worked over and put on production in December. Nadsoilco owns 20% of the well.

Production has been circa 10 to 20 bopd (gross) with some water, whilst production facilities are being modified to optimize the production rate.

Greater Stanley

The workover of a Duff lease well was carried out. The recompletion was unsuccessful, and the production strategy on this lease is now under review.

Winters

Winters-2 has been recompleted in the Wilcox sand 6,695-6,700 feet and flowed gas. Flow tests are expected to be conducted later this week and will be reported in due course. Gas infrastructure is being installed to enable gas sales from the Winters and Stanley leases.

Arkoma

Production had been steady until there was minor damage from a lightning strike in December 2021 which is now repaired. Two wells are shut-in awaiting workovers. This asset is being held for sale as other projects are preferred for further investment.

Cinnabar

3D seismic data was successfully reprocessed and interpreted, indicating several potential drilling locations. Mosman will seek to farmout at least one well at the annual NAPE Summit 2022 in Houston in February.

John W Barr, Chairman, said: "Mosman is pleased to report an uplift in production from the previous half year which reflects a daily production rate of 95 boepd for the six months to 31 December 2021.

"Importantly, since 31 December we are seeing growth in production which has been achieved with the recompletion at Falcon, the drilling and start of production at Stanley-5 and the workover of -D&H-11. We anticipate further increases from workovers at Stanley, Stanley-4 returning to production and Winters-2 starting production once gas infrastructure is completed."

Quarterly Updates

Going forward Mosman will move to quarterly production updates.

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 inside is now considered to be in the public domain.

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
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
Net Production	Net to Mosman's Working interest attributable production means net to Mosman's working interest before royalties

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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 existing exploration permits.

The Company has seven projects in the US: Stanley, Greater Stanley, Livingston, Winters, Challenger and Champion in East Texas and Arkoma in Oklahoma in addition to exploration projects in the Amadeus Basin in Central Australia.