

27 October 2022

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

Cinnabar Development, Well Planning and Placing

Mosman Oil and Gas Limited (AIM: MSMN) the oil exploration, development, and production company, announces Cinnabar Development, future well planning, ongoing work in central Australia and a £800,000 conditional placing.

Mosman's strategic plan remains to identify opportunities which will provide operating cash flow and have development upside, in conjunction with selective exploration. The practical step in achieving this plan includes the recent successful drilling at Cinnabar, recent workovers at Stanley, planning the next stages of redevelopment at Cinnabar, and the advancement of the EP 145 helium and hydrogen project.

Cinnabar

Whilst preparing for and drilling the recent successful well at Cinnabar, a review of the two existing production wells on the lease was undertaken. This study determined there was potential to increase production. As announced, the detailed desktop work required before field work can start has now commenced.

Mosman has successfully drilled a development well at the Cinnabar project (Cinnabar-1), and flow rates will be announced before the end of November.

In addition, and given the success in drilling and logging the Cinnebar-1 well, Mosman is also proceeding with planning the drilling of additional development wells at Cinnabar and that work has started.

EP 145

Recent technical work on the Company's 100% owned permit has identified favourable scenarios for all three essential play elements related to viable helium and hydrogen plays in EP 145. Technical work will continue, in parallel with continuing to progress various landowner and government approvals required for on-site operations.

Based on the Geognostics report, and data from other wells in the Amadeus basin, Mosman has estimated gross Prospective Resource volumes for hydrocarbons, helium, and hydrogen associated with the Walker Creek Anticline as a lead within the boundaries of the EP 145 permit using a deterministic approach and applying the SPE PRMS standard.

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

Source: Mosman Oil and Gas Ltd, October 2022

The ongoing exploration work programme on EP 145 is to acquire seismic prior to drilling an exploration well. Mosman has applied for the required regulatory and Central Land Council ("CLC") approvals. The CLC has conducted a site survey as a pre-requisite to land access approval for seismic acquisition.



EP (A) 155

The Mount Winter helium and hydrogen Project (exploration permit application EP (A)155), is located in the Amadeus Basin in Northern Australia, which the Company owns 100% subject to a farmout agreement whereby Georgina Energy Plc ("Georgina") may earn up to 90% by meeting farm in conditions, including drilling a well. Mosman, in conjunction with Georgina Energy, is in the process of negotiating a native title agreement to allow for the grant of EP 155. Georgina has submitted a Schedule One to the London Stock Exchange with the intention to admit to trading on AIM.

Placing Details

The Company has raised £800,000 (before expenses) by way of a placing of 1,142,857,142 new ordinary shares of no-par value in the capital of the Company ("Placing Shares") through Monecor (London) Ltd trading as OvalX ("Oval"), at a placing price of 0.07p per share (the "Placing Price") (the "Placing"). Investors are also receiving one warrant for every two Placing Shares exercisable at a price of 0.15p with a term of 24 months, with 571,428571 warrants being issued in aggregate (the "Placing Warrants").

Funding and Use of Proceeds

In May 2022, Mosman raised £1.1 million (before costs) to enable the drilling and of its first well at Cinnabar. Since that time, the well has been drilled and it is in the process of completion. Certain costs have exceeded the May 2022 budget which include significant increases in the cost of the drilling rig rates, steel casing and tubing costs as well as fuel. Much of the increase is related to current geopolitical issues, inflation and, in addition, the marked change in the GBP / USD exchange rate.

Mosman decided to undertake this Placing to provide additional funding for the following:

1. Ongoing work on EP 145 including continued technical studies and securing approvals and payment of fees to be made to representatives of traditional owners
2. The cost of bringing the Cinnabar-1 well into production, including a new flow line from the wellhead to the existing production infrastructure;
3. Refurbishment and upgrade of the existing production infrastructure;
4. Progress the examination of the feasibility of workovers at Arco-Fee G-1 well ("G1") and Arco-Fee G-2 well ("G2") to increase production;
5. Commence planning activities in respect to the next Cinnabar development wells; and
6. Working capital.

John W Barr, Chairman, said: "Mosman continues to move Cinnabar and its other projects forward proactively and on several levels. The board is extremely pleased with the outcome of the drilling and logging of the recent Cinnabar-1 well, and now the potential to workover existing wells to restore production in the shorter term."

Admission to AIM and Total Voting Rights

The Placing is conditional on, inter alia, the Placing Shares being admitted to trading on AIM. Application has been made to the London Stock Exchange for the Placing Shares, which will rank pari passu with the Company's existing issued ordinary shares, to be admitted to trading on AIM and dealings are expected to commence at 8:00 a.m. on or about 2 November 2022.

Following the issue of the Placing Shares, the Company's share and total voting rights will comprise 6,362,895,194 Ordinary Shares of no par value and the Company does not hold any shares in treasury.

Consequently, the above figure may be used by shareholders in the Company as the denominator



for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Related Party Transaction

The participation of Oval in the Placing and its role as sole broker to the Placing is a related party transaction for the purposes of AIM Rule 13 of the AIM Rules for Companies. The Directors independent of the Placing (being John W Barr, Andy Carroll and John Young) consider, having consulted with SP Angel Corporate Finance LLP, the Company's Nominated Adviser, that the Placing involvement of Oval is fair and reasonable in so far as Mosman's shareholders are concerned.

Qualified Person's Statement

The information contained in this announcement has been reviewed and approved by Andy Carroll, Technical Director for Mosman, who has over 35 years of relevant experience in the oil industry. Mr. Carroll is a member of the Society of Petroleum Engineers.

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.

Enquiries:

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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 several projects in the US. In addition to exploration projects in the Amadeus Basin in Central Australia.



MOSMAN OIL AND GAS
LIMITED

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
Mcfd	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

SPE defines Prospective Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations. SPE also notes "Prospective Resources have both an associated chance of geologic discovery and a chance of development. Prospective Resources are further categorized in accordance with the range of uncertainty associated with recoverable estimates, assuming discovery and development, and may be sub-classified based on project maturity" and "The Range of Uncertainty.....reflects a reasonable range of estimated potentially recoverable volumes for an individual accumulation. Any estimation of resource quantities for an accumulation is subject to both technical and commercial uncertainties, and should, in general, be quoted as a range".

<https://www.spe.org/en/industry/petroleum-resources-classification-system-definitions/>