



MOSMAN OIL AND GAS
LIMITED

27 February 2020

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

**Acquisition of assets in USA
Stanley 4 update**

Mosman Oil and Gas Limited (AIM: MSMN) the oil exploration, development and production company, is pleased to announce that it has agreed the acquisition of interests in two leases in Texas, USA as the first step to expanding on the success of the Stanley project.

Greater Stanley

Mosman and its Strategic Alliance partner, Baja Oil and Gas LLC ("Baja"), have for some time worked to identify additional locations where the successful 3D Seismic led approach adopted at Stanley could be repeated and further commercial success obtained. This business development project is to be called "Greater Stanley".

This first acquisition of additional acreage is 20% of an existing oil producing lease "Greater Stanley 1" covering circa 36 acres and situated near the existing Stanley Project, where Mosman has participated in 3 wells. Acquisition of this lease will enable application of the technical work that has been successful at the Stanley wells. The Greater Stanley 1 lease is currently producing circa 6 bopd from two wells completed in the Sparta zone. The key benefit of the acquisition is the potential to apply the technical work successful at the Stanley wells to increase production from this lease. This may include re-entry and re-completion of one or both of the existing wells, or the drilling of new wells. The terms have been agreed and the transaction is subject to completion and registration.

The second acquisition is an adjacent lease circa 35 acre lease with no wells, "Greater Stanley 2". This area is being leased directly from landowners. Baja has been managing the acquisition process and Mosman expects to acquire at least a 25% working interest in that lease as part of that process.

The next step for the Greater Stanley Area is detailed technical work to determine the way forward, that may include drilling a well later in 2020.

The total cost to Mosman of the two acquisitions is circa USD30,000. Mosman's Strategic Partner Baja is also acquiring an interest in both acquisitions and will become the Operator of both leases.

Neither acquisition currently has any associated reserves or resources attributable to them.

Both acquisitions remain subject to agreeing final documentation and associated conditions precedent and are being funded out of the Company's existing cash resources.

Stanley-4 update

Mosman has been advised that site preparation work is continuing. The decision has been made to upgrade the access road to site and as a result Stanley-4 is now expected to be drilled in March 2020.

John W Barr, Chairman, said: "Mosman is pleased to provide tangible evidence of the benefit of its investment in business development work with Baja to increase Mosman's interests in Texas. The Greater Stanley area will enable additional activity aimed at increasing production."



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Competent 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

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

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Updates on the Company's activities are regularly posted on its website:
www.mosmanoilandgas.com