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Headlines

Mosman Oil & Gas (MSMN LN – 6p) – Murchison Prospectivity Validated – This is a significant step forward for the Company and the Murchison permit should now become the Company's focus; the ~13tcf of Prospective Resources now need to be tested and assessed.

Solo Oil (SOLO LN – 0.47p) – West Africa Entry – While there is some way to go before the value created by this acquisition can be realised, it does provide the Company with a significant fairway with which to grow.

Red Emperor (RMP LN/RMP AU – 2.40p/A\$0.04) – Range Strikes Again – The Company must now focus on its remaining assets especially its recent Palawan Basin entry, as we believe the remainder of its portfolio, especially the Puntland assets, are significantly longer term.

New World Oil and Gas (NEW LN – 0.07p) – Finishing What You Start – The Company is in a difficult position currently and it is difficult to see how £1.5mm will make the difference. However, the team has demonstrated its commitment to trying to find a solution and it has experience of managing successful programmes in time and resource constrained environments.

News Items

Mosman Oil & Gas (MSMN LN – 6p) – Murchison Prospectivity Validated

The publication of the SRK Prospective Resources Report over the Company's Murchison permit provides an indication as to the prospectivity of the deeper tight and shale series. With a P50 Prospective Resource estimate of ~13tcf, the potential is significant.

As has been the experience in the US, there is often a significant period of testing and assessment of the intervals before a development plan can be formulated and executed, and the hydrocarbons monetised. In many respects, with tight oil and gas finding it is the easy part and developing it commercially is a bigger issue, as has been the experience in Poland.

This is a significant step forward for the Company and the Murchison permit should now become the Company's focus; the ~13tcf of Prospective Resources now need to be tested and assessed.

Solo Oil (SOLO LN – 0.47p) – West Africa Entry

Solo's entry into West Africa resolves one of the outstanding questions as to where the Company intends to go next. We have said previously that we believed that the limitations on the availability of management time (given the range of companies that Ritson and Co look after) was one of the key constraints limiting the Company's future.

The tie-up with Burj not only provides the Company with ready access to assets in West Africa, but also comes with the technical team, which means that the technical burden won't solely fall on the Company's management.

While there is some way to go before the value created by this acquisition can be realised, it does provide the Company with a significant fairway with which to grow.

Red Emperor (RMP LN/RMP AU – 2.40p/A\$0.04) – Range Strikes Again

Today's news that the Company's Georgian acreage has been withdrawn by the authorities is the latest in a long line of failures precipitated By Range Resources' inability to progress its once promising portfolio.

The loss of Georgia will not have a significant impact on Red Emperor's overall valuation as it was principal tangible asset was a relatively small appraisal stage gas accumulation, which on risked basis had limited value.

The Company must now focus on its remaining assets especially its recent Palawan Basin entry, as we believe the remainder of its portfolio, especially the Puntland assets, are significantly longer term.

New World Oil and Gas (NEW LN – 0.07p) – Finishing What You Start

today's announcement that the Company will be undertaking a £1.5mm fundraising should not come as any surprise, and we believe that there will be further fundraising ahead. It is currently difficult to see how the Company will be able to manage its portfolio with the limited funds that it has available as any potential farminees will take advantage of the Company's current position.

That said, the shift in focus to near term cash generating projects is absolutely the right thing to do, and if it has to give up more than it would want to of its longer term projects, such as Belize and Denmark, it is far better to have a small slice of pie than a bigger slice of nothing at all.

You can't fault the management team's commitment to trying to generate value for shareholders, which they emphasise by not drawing salaries. There aren't many teams that would forego 100% of their salaries in the pursuit of value.

The Company is in a difficult position currently and it is difficult to see how £1.5mm will make the difference. However, the team has demonstrated its commitment to trying to find a solution and it has experience of managing successful programmes in time and resource constrained environments.

We may provide a further update on one, or all, of the stories above later today. However, if there is anything that you would like to discuss, please feel free to contact us.

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