



MOSMAN OIL AND GAS
LIMITED

23 May 2014

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

Issue of Equity

The Directors of Mosman Oil and Gas Limited ("Mosman" or the "Company") (AIM: MSMN) the New Zealand and Australia focussed oil exploration and development company are pleased to announce that the Company has raised £350,000 by way of the placing of 3,500,000 new ordinary shares in the capital of the Company ("New Ordinary Shares") at 10p per share (AUD 0.18 per share) (the "Placing").

The funds raised will be used to increase the June drilling programme at Petroleum Creek Project in New Zealand, with the addition of a third well and the deepening of the proposed Crossroads-1 well from the initial 250m to basement, estimated to be c.400 metres.

The Placing is conditional on, inter alia, the 3,500,000 New Ordinary Shares in the capital of the Company (the "Placing Shares") being admitted to trading on AIM.

An application will be 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 and dealings are expected to commence at 8:00 a.m. (BST) on 30 May 2014.

Following the issue of the Placing Shares the Company's total issued share capital will comprise 64,833,701 Ordinary Shares. In accordance with the Financial Services Authority Disclosure and Transparency Rules, the Company has 64,833,701 Ordinary Shares in issue, each share carrying the right to one vote. The Company does not hold any Ordinary Shares in Treasury.

The above figure of 64,833,701 Ordinary Shares 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 Service Authority's Disclosure and Transparency Rules.

John W Barr, Executive Chairman of Mosman commented: "We are pleased to raise additional funds to increase the Company's drilling programme at Petroleum Creek and look forward to a more detailed programme of activity in the coming months."

Enquiries:

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

About Mosman

Mosman (AIM: MSMN) is a New Zealand and Australia focussed oil exploration and development company, with the Petroleum Creek Project, an onshore oil and gas projects in New Zealand and in the Officer Basin Project in Western Australia.

Petroleum Creek Project, New Zealand

Mosman's immediate focus is on the Petroleum Creek Project, NZ, a 143.6 sq. km low cost onshore exploration project located near Greymouth on the South Island in the southern extension of the proven Taranaki oil system. The project has a Mean Unrisked Recoverable OIIP of 26.6 MmStb.

Officer Basin Project, Australia

In Australia, Mosman has a 25% investment in the Officer Basin Project, a 22,527 sq km large land holding with significant exploration potential, which lies in one of the more explored parts of the Basin with road access. The project area is in the Western Australian part of the Officer Basin and offers both conventional and unconventional potential with hydrocarbon shows reported and all elements of a petroleum system are present.