



13 October 2016

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

**Operations Update**

Mosman Oil and Gas Limited (AIM: MSMN) the oil exploration and development company, announces an update in respect to current operations and investments.

**Exploration Projects**

Exploration work continues on existing permits within the restricted expenditure constraints which were implemented following the budget review earlier this year.

In New Zealand, the LIDAR survey was flown over the Murchison Permit and the data set has been received. Interpretation of the data is now underway and that process will take some weeks.

In Australia, on the Amadeus Basin permits:

1. In EP 156, the previously announced airborne survey contract has been recently approved by all authorities and is scheduled to occur in Q4 of the calendar year 2016.
2. In EP 145 the next phase on field work was scheduled for Q4 of calendar year 2016. Final approval was received today and the work will now commence shortly.
3. In EPA 155, discussions were continuing with Central Land Council (CLC) regarding an on-site meeting to discuss land access, however very recently the key CLC staff member has resigned and no progress is now expected until calendar year 2017.

**New Projects**

As reported previously Mosman has been seeking suitable opportunities in order to enhance shareholder value. This search has been targeted at projects within the Oil and Gas Sector and also opportunities in the broader resources arena, which play to the strengths of the Board. The primary focus has been on opportunities that would provide cash flow as well as development upside. With current prevailing market conditions in the oil and gas sector, several opportunities have been evaluated and as is usual some did not meet requirements, and in other cases the commercial aspects could not be agreed.

Undertaking due diligence and negotiating acquisitions is a necessary but time consuming process and we thank our shareholders for their continued patience.

A select number of potential opportunities remain under review and at various stages of due diligence. The board looks forward to providing further details as and when these more advanced opportunities progress to contract stage. It is not possible to be more definitive at this time due to deal uncertainties and confidentiality requirements.

**Investments**

**Gem International Resources Inc. (TSX.V GI) (Gem)**

As announced in May 2016, Mosman acquired eight million shares and eight million two year 15 cent (CAN) options in GEM at a price of 5 (CAN) cents.



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Gem recently advised that it intends to carry out a private placement raising \$3,000,000 by the sale of up to 30,000,000 units at a price of 10 (CAN) cents per share. Each share will have attached one non-transferable share purchase warrant for the purchase of one further share within two years of the date of grant at the price of 20 (CAN) cents per share.

The funds shall be used for the Gem's working capital, the preparation of documents for regulatory approval of the Company's option agreement pertaining to the Dala diamond exploration project in Angola, as previously announced, and business operations of the Company.

GEM's website can be found at: <http://gemdiamondmining.com>

**Hemisphere Energy Corporation (TSX.V HME) (Hemisphere) [there is no update here]**

As announced in July 2016, Mosman acquired two million shares in Hemisphere, at a price of 19 (CAD) cents a share. Hemisphere is an existing oil producer with assets in south east Alberta, Canada.

Hemisphere's website can be found at: [www.hemisphereenergy.ca](http://www.hemisphereenergy.ca)

**Enquiries**

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Updates on the Company's activities are regularly posted on its website  
[www.mosmanoilandgas.com](http://www.mosmanoilandgas.com)



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### **About Mosman**

Mosman (AIM: MSMN) is an Australia and New Zealand focused oil exploration and development company with a strategy to build a sustainable oil and gas business by acquisition and organic growth. Current exploration projects include the following permits which are 100% owned;

#### **Petroleum Creek Permit, New Zealand**

The permit is a 143 sq. km project located near Greymouth on the South Island in the southern extension of the proven Taranaki oil system.

#### **Taramakau Permit, New Zealand**

The permit (990 sq. km onshore) surrounds the Petroleum Creek Permit and shares similar geological characteristics and shares similar prospective play types.

#### **Murchison Permit, New Zealand**

The permit (517 sq. km onshore) located approximately 100 kilometres north of Petroleum Creek has a 13 TCF contingent resource identified.

#### **Amadeus Basin Projects, Australia**

Mosman owns two granted permits and one application in Central Australia which total of 5,458 sq. km. The Amadeus Basin is considered one of the most prospective onshore areas in the Northern Territory of Australia for both conventional and unconventional oil and gas, and hosts the producing Mereenie, Palm Valley and Surprise fields.