

5 June 2015

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

MEO Takeover Offer

The Directors of Mosman Oil and Gas Limited (AIM: MSMN) the New Zealand and Australia focussed oil exploration and development company have today determined not to further amend the MEO Australia Limited ("MEO") takeover offer having declared the bid unconditional, and have issued the first tranche of shares to MEO shareholders.

The 3,057,155 new Ordinary Shares ("Takeover Shares") are being issued to MEO shareholders who accepted the Company's Takeover Offer on or before 2 June 2015. A second tranche of Takeover shares will be issued subsequent to the offer closing on 12 June 2015.

The issue of the Takeover Shares is conditional on the new Ordinary Shares being admitted to trading on AIM. An application will today be made to the London Stock Exchange for the Takeover 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 11 June 2015.

Following the issue of the Takeover Shares the Company's total issued share capital will comprise 104,861,463 Ordinary Shares. In accordance with the Financial Conduct Authority Disclosure and Transparency Rules, the Company has 104,861,463 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 104,861,463 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 Conduct Authority's Disclosure and Transparency Rules.

Notice to MEO

Mosman has determined not to further amend the MEO takeover offer, and has now declared the bid unconditional. As a consequence the first tranche of Takeover shares have been allotted as referred to above.

As required under s630(3) of the Corporations Act, Mosman has provided MEO and the ASX with Notice of Status of Defeating Conditions as follows:

Mosman Oil and Gas Limited (**Mosman**) gives this notice in relation to its offer to acquire 100% of the fully paid ordinary shares in MEO (**Offer**) contained in the replacement bidder's statement dated 10 February 2015 as supplemented by the first supplementary bidder's statement dated 13 May 2015 and the second supplementary bidder's statement dated 18 May 2015 and varied by notices of variation dated 16 March 2015 and 1 May 2015 (**Bidder's Statement**).

Mosman hereby gives notice pursuant to section 630(3) of the Corporations Act that:

- (a) on 1 May 2015, Mosman declared the Offer free from all Conditions other than the Condition detailed in Section 10.11(b) of the Bidder's Statement (relating to Mosman Shareholder approval) and accordingly the Offer is now free from those Conditions;

- (b) on 5 May 2015, Mosman declared the Offer free from the Condition detailed in Section 10.11(b) of the Bidder's Statement (relating to Mosman Shareholder approval) and accordingly the Offer is now free from that Condition; and
- (c) Mosman's voting power in MEO at the time of giving this notice is 2.047%.

Director's Shareholding

Andy Carroll, a Director of Mosman and a shareholder of MEO, has accepted the offer in respect of his MEO shares and as a result has been issued 26,500 Takeover Shares. Mr. Carroll's resultant shareholding in Mosman has therefore increased to 11,076,500 Ordinary Shares representing approximately 10.6% of the total voting rights in the Company.

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 an Australia and New Zealand focused oil exploration and development company with a strategy to build a sustainable mid-tier oil and gas business by acquisition and organic growth. Currently, Mosman has interests in a total of ten permits or accepted permit applications in New Zealand and Australia.

Petroleum Creek Project, New Zealand

Mosman owns 100% of permit PEP 38526, the Petroleum Creek Project, which is a 143 sq. km low cost onshore exploration project located near Greymouth on the South Island in the southern extension of the proven Taranaki oil system.

Murchison Permit (New Zealand)

Granted in December 2014 Murchison has become a focus after completion of an independent prospective resource report. Exploration is planned for the second half of 2015.

Taramakau, and East Coast Permits (New Zealand)

These permits were granted in December 2014. Exploration is currently in the advanced planning stage.



Officer Basin Project, Australia (Application)

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.

Amadeus Basin Projects, Australia

Mosman owns 100% of two granted permits and one application in the Amadeus Basin 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.

Otway Basin Project, Australia

Mosman owns 30% of VIC/P62 in the Otway Basin. The permit was recently renewed and is in relatively shallow water. The 70% permit holder funded a 3D seismic survey in 2013. The results of the 3D seismic survey are now being integrated into a geological model to allow identification and ranking of drilling targets. Within the Otway Basin there is commercial production both onshore and offshore.