



MOSMAN OIL AND GAS
LIMITED

16 May 2014

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

Petroleum Creek Operations Update

Drilling

Mosman Oil & Gas (AIM: MSMN), the New Zealand and Australia focussed oil exploration and development company is pleased to announce that its wholly owned New Zealand subsidiary, Petroleum Creek Limited, has issued the mobilisation notice and made the initial payment to Drillforce (NZ), the drilling contractor. Drillforce (NZ) has advised that the drill rig and equipment mobilisation will commence this weekend and all equipment is expected on site before the end of May. Drilling is anticipated to commence in the first week of June.

New applications

Each year, NZPAM makes additional areas available for exploration consideration. The 2014 Block Offer areas are subject to an open bid process, with tenders due by 30 September 2014. Mosman has now contracted an experienced consultant based in NZ to prepare bids for selected areas and will be lodging its bid by the required date. An announcement on the successful tenders is anticipated in December 2014. Mosman understands that the assessment of the bids is based on a number of criteria including technical and financial capabilities.

John W Barr, Executive Chairman of Mosman commented: "We remain completely focused and on track to drill the first wells on time and on budget at the Petroleum Creek Project in New Zealand. The activity reflects Mosman's commitment to the Greymouth area with several local contractors and service providers being utilized as part of the programme."

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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.



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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.