



MOSMAN OIL AND GAS
LIMITED

9 June 2014

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

Cross Roads-1 Drilling Update

Mosman Oil & Gas (AIM: MSMN), the New Zealand and Australia focused oil exploration and development company, is pleased to advise drilling progress at its Petroleum Creek Project as follows.

At midnight (NZ time) on Sunday 8 June, Cross Roads-1 has reached a depth of 172m. Due to oil shows (fluorescence) at 146m, drilling was stopped and coring commenced. Oil shows (fluorescence and cut) and visible oil on core from 151m continue to the current depth of 172m.

The rock samples and core are interpreted to be from the Eight Mile conglomerate formation, as expected at this depth. Coring is providing valuable rock and fluid information, and will continue. Due to the oil shows, additional wireline logs will now be run in this 8.5 inch hole section and the Company will update shareholders accordingly once full data analysis has been completed.

Anticipated operations for this week commencing 9 June include setting the 7 inch casing, coring the remainder of the Eight Mile formation, drilling and coring the Miocene sandstone and Cobden Limestone targets and drilling to basement.

Following drilling operations on Cross Roads-1, the Drill Force rig is scheduled to be moved to the nearby Crestal-1 site to drill that well. The Crestal-1 site is "ready to drill", and the Crestal-2 site preparations are progressing well. The Mosman Board is conducting a site visit, HSE audit, and meeting stakeholders in the area including the West Coast Regional Council, landowners and service providers. The community feedback on our operations is positive.

John W Barr, Executive Chairman of Mosman commented: "Whilst it is still early days, we are pleased with the encouraging results so far. Oil shows indicate a technical success, but it is too early to make any comment on the commercial significance. The operations are going well and the geology is as expected. We look forward to additional results including ongoing cores and wireline logs and will provide further advice as and when appropriate."

Competent Person's Statement

The information contained in this announcement has been reviewed and approved by Andy Carroll, Technical Director for Mosman Oil and Gas, who has over 35 years of relevant experience in the oil industry. Mr Carroll is a member of the Society of Petroleum Engineers (SPE).

Enquiries

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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 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

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.