

25 March 2014

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

Petroleum Creek Operations Update

Mosman Oil and Gas Limited (AIM: MSMN) the New Zealand and Australia focussed oil exploration and development company, is pleased to provide an operations update on its onshore Petroleum Creek Project in the South Island of New Zealand.

Acquisition of Drilling Equipment and Consumables

Mosman has now acquired the long lead items required for the planned June drilling and well testing at the Petroleum Creek Project, New Zealand, including wellheads, casing, tubing and pumps (the "drilling equipment and consumables"). The acquisition of these critical long lead items in New Zealand ensures that Mosman remains on schedule to drill in June 2014 and was factored into the working capital report prepared for Admission.



Figure 1- Casing and other equipment acquired by Mosman

Drilling Operations Update

Mosman has also finalised the well locations at Petroleum Creek. The first two wells have been named Crestal – 1 and Crossroads – 1.

At Crestal-1 the Company will test the crest of the large subsurface structure west of the Kotuku Fault. The well is close to Widespread-1A which was previously abandoned at 90m without testing the encountered oil shows, and near to numerous wells with oil shows. The well will be drilled with a target of drilling to basement forecast to be circa 400m. Several potential reservoir zones are anticipated, including the Cobden limestone.

The Crossroads-1 well is located to the North West of Crestal-1 where we will test a structural feature identified on seismic. The planned depth of this well is 500-700m, depending on the geology. Several potential reservoir zones will be penetrated, including the Cobden limestone. If this well is successful it will upgrade many of the prospects identified on seismic by SRK as outlined in the CPR in the recent AIM Admission Document.

Drilling these two planned wells to minimum depth of 250m will also satisfy the permit obligations for 2014.

John W Barr, Executive Chairman of Mosman commented: "We are very pleased to finalise well locations and that our preparations to drill are on schedule. We enjoy a good relationship with the Council and other stakeholders in the area. The imminent drilling programme is a significant milestone for Mosman and we are looking forward to our first discovery in the region."



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Drilling Sites and West Coast Regional Council

Mosman works closely with the West Coast Regional Council and considers it to be of critical importance to ensure its projects enhance the wellbeing of the people of the West Coast region. Mosman's in-country manager, Graeme Alexander recently visited the well sites and met with representatives from the West Coast Regional Council, which works with the people of the West Coast to sustainably manage the environment for the social, cultural and economic wellbeing of present and future generations.

As part of this process other stakeholders, including landholders, were visited and consulted regarding operations and land access arrangements.

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

About Mosman

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