

12 February 2019

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

**Update on Gem International Resources Inc. (GEM)**

Further to the Company's last update on GEM, included in the Company's annual report to 30 June 2018, and announced on 28 November 2018, Mosman announces an update on progress at GEM, in which Mosman's Executive Chairman, John W Barr, is one of the three directors.

The GEM Board had reviewed several potential transactions. In September 2018 Mosman advised that GEM was well advanced in finalising a Letter of Intent (the "LOI") with an unrelated third party that, if completed, will see GEM relisted, and revitalised.

There are a number of complicating factors associated with the proposed acquisition by GEM, resulting in an extended timeline whilst these are resolved. The timing remains uncertain, however the Board are working towards a conclusion in order that the LOI may be signed this quarter.

Mosman has been informed that there remain several key conditions that are required to be satisfied, and whilst these remain outstanding there is no clear timeline or guarantee of a conclusion. Mosman's objective remains to recover the value of its investment and loan.

**John W Barr, Chairman, said:** "GEM continues to work through and gradually resolve issues, that once completed should see a revitalisation, and enable Mosman to recover value associated with its original investment in and the subsequent loan to GEM.

"The Board of Mosman monitors this very closely and further announcements will be made when public information is available."

**Market Abuse Regulation (MAR) Disclosure**

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

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