

26 May 2017

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

Arkoma Stacked Pay Acquisition Completed

Mosman Oil and Gas Limited (AIM:MSMN) the oil exploration, development and production company, announces it has today closed on the acquisition of the initial 10% interest in the **Arkoma Stacked Pay Acquisition** ("the Project") located in Okfuskee County, Oklahoma for a consideration of USD\$500,000.

As announced on 23 May 2017, Mosman holds two options to acquire a further 20% of the Project in October 2017 and 25% in March 2018, which have now been fully executed. In addition, Mosman's Strategic Alliance Partner Blackstone Oil & Gas, Inc. ("Blackstone") has also fully executed an option to acquire 45% of the Project.

Inland estimates the gross reserves and resources of the area to be 8.48 Mmboe, based on 3D seismic and Mosman has commissioned an independent reserves and resource report to verify the vendor estimates, the results of which will be announced once complete.

John W Barr, Chairman, said: "This acquisition delivers production and resources with upside potential at an economically acceptable cost, meeting our investment criteria and enabling us to take a further step in delivering on our strategy to build production and cash flow.

"Completing the Arkoma Stacked Pay Acquisition in Oklahoma means work on the independent resource report can now commence. We look forward to further developments onsite as an additional two wells are shortly being brought onto production. In parallel Mosman is also continuing to review other opportunities."

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