

19 March 2019

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

Stanley-2 Drilling Update

Mosman Oil and Gas Limited (AIM: MSMN) the oil exploration, development and production company, advises that the rig is now on location at Stanley-2 in Texas and drilling has now commenced. The well is expected to take approximately 14 days to drill and evaluate. The primary targets are Eocene aged sands (which includes the Yegua sands) which were indicated to be potentially oil bearing in Stanley-1. Stanley-2 will be directionally drilled to optimise the potential production of the reservoir objective sands.

Stanley-2 is the next well to be drilled as part of the Strategic Alliance with the privately-owned Baja Oil & Gas, LLC. Stanley-2 is designed to penetrate its primary target updip from Stanley-1 to optimise the potential oil production and recovery from these reservoirs.

Mosman has used existing cash resources to fund its drilling commitment for this well.

John W Barr, Chairman, said: "It is good to have drilling underway after the weather-related delays. The drilling should happen quickly and the Board of Mosman very much look forward to the detailed results and to updating shareholders as soon as possible."

Competent Person's Statement

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

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