

20 July 2018

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

Stanley Drilling Project Update

Mosman Oil and Gas Limited (AIM: MSMN) the oil exploration, development and production company, is pleased to provide the following update in respect to the Stanley Drilling Project.

The Stanley-1 well, details of which were announced on 18 July 2018, commenced drilling on Thursday 19 July, and is proceeding on schedule. The well is targeting multiple potential reservoir zones that have been mapped on 3D seismic.

The well is planned to 7,000 feet and drilling is expected to be completed within the next two weeks.

Stanley is the first well to be drilled under the recently announced Strategic Alliance with Baja Oil and Gas LLC.

John W Barr, Chairman, said: "Mosman keenly awaits the drilling results which is designed to add to the Company's production profile."

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
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