



29 September 2017

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

Issue of Equity to Fund Expansion

Mosman Oil and Gas Limited (AIM: MSMN) the oil exploration, development and production company, announces the Company has raised £600,000 by way of a placing and subscription of 50,000,000 new ordinary shares of no par value in the capital of the Company ("New Ordinary Shares") at 1.2p per share by SP Angel Corporate Finance LLP (the "Placing").

Use of Proceeds

Mosman's strategic objective continues to be that of identifying opportunities which will provide operating cash flow and have further development upside; in conjunction with adding value to the Company's existing exploration permits.

The Placing will allow Mosman to progress its growth strategy following the recent acquisition of three producing projects in the United States which demonstrate that the Company is moving forward effectively in achieving its objectives of building a significant production operation.

The proceeds of the Placing will accelerate the ongoing development of the existing US onshore oil production assets to increase production and cash flow, the potential acquisition of additional onshore production assets, for general corporate working capital purposes and for the ongoing costs associated with the review and due diligence on other acquisition opportunities that are currently being evaluated.

John W. Barr, Executive Chairman, said: *"The Placing will provide funding to progress the growth in the operational side of our US onshore production acquisitions. Our growth strategy remains focused on identifying further opportunities like Strawn, Welch and Arkoma that can provide operating cash flow and have additional development upside, in conjunction with adding value to our existing exploration permits."*

Details of the Placing

The Placing is conditional on, inter alia, the New Ordinary Shares in the capital of the Company (the "Placing Shares") being admitted to trading on AIM.

An application has been made to the London Stock Exchange for the Placing Shares, which will rank pari passu with the Company's existing issued Ordinary Shares, to be admitted to trading on AIM and dealings are expected to commence at 8:00 a.m. (BST) on 5 October 2017.

Total Voting Rights

Following the issue of the Placing Shares the Company's total issued share capital will comprise 299,448,151 Ordinary Shares. In accordance with the Financial Conduct Authority Disclosure and Transparency Rules, the Company has 299,448,151 Ordinary Shares in issue, each share carrying the right to one vote. The Company does not hold any Ordinary Shares in Treasury.

The above figure of 299,448,151 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their



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interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

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.

Enquiries:

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Updates on the Company's activities are regularly posted on its website

www.mosmanoilandgas.com