

14 March 2016

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

Amadeus Basin Project Update

Mosman Oil and Gas Limited (AIM: MSMN) the New Zealand and Australia focussed oil exploration and development company, announces an update on its Amadeus Basin project in the Northern Territory of Australia.

Mosman owns and operates two 100% owned granted permits (EP 145 & 156) and one application (EPA 155) which total 5,458 sq. km. SRK Consulting (Australia) has finalised a report ("SRK Report") into the prospective resources contained in permit EP 145 which is on trend with the existing producing Mereenie oil and gas field. The report highlights the potential for both conventional oil and gas resources in proven reservoirs within the West Walker Anticline and unconventional gas resources in the Horn Valley Siltstone.

SRK has calculated unrisks prospective resources within both plays which are documented in table 1 below:

Resource Type	P50
Conventional Recoverable Gas (Bcf)	12.44
Unconventional Recoverable Gas (Bcf)	1456

Table 1: Unrisks Resources (Source: SRK Report)

In EP 145, Mosman conducted geological field reconnaissance during 2015. The approval of a 12 month Suspension and Extension period announced on 18 December 2015 will enable Mosman to review exploration priorities and plan the next phase of activity in the permit.

In EP 156, geological and geophysical surveys were conducted during 2015. A 12 month Suspension and Extension period was granted on this permit in November 2015 to allow Mosman to acquire Central Land Council ("CLC") permission in order to progress with further exploration of the permit. A high resolution aerogravity and magnetic survey is planned for 2016/17 to assist with structural interpretation and prospect mapping.

The application for EPA 155 was acknowledged by the relevant Northern

Territory government agency recently and will now follow the normal negotiation process with the CLC prior to grant of an exploration licence.

It is encouraging to note that the Northern Territory Government is progressing on the development of a gas pipeline and has selected Jemena Northern Gas Pipeline Pty Ltd to construct and operate the North East Gas Interconnector (NEGI) Pipeline to connect NT gas to the eastern gas markets (see <https://onshoregas.nt.gov.au/new-gas-pipeline>; this website includes information on the Amadeus Basin and the relevant map includes the location of three wells in Mosman permits, namely Mount Winter-1, West Walker-1 and Tent Hill-1). This infrastructure development will provide access from NT to Eastern Australian gas markets including three LNG export terminals, and has already spurred petroleum industry activity including the recent development of Dingo Gas Field by Central Petroleum CTP:ASX and large farm-in deals by a US company ref Armour Energy ref AJQ:ASX and EEG:ASX.

John W Barr, Executive Chairman of Mosman commented: *"We are pleased with the prospective resource quantification from the SRK Report that highlights the significant gas potential in our Amadeus permits, which are located adjacent to existing producing oil and gas fields. Mosman believes the Amadeus Basin could one day be a potentially important strategic source of gas production for the East Coast of Australia and this report will greatly assist us in prioritising future exploration activity. Our exploration activities in the Amadeus Basin are being undertaken in a methodical and cost-effective manner and this same approach is applied across all our exploration licences."*

Enquiries

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Updates on the Company's activities are regularly posted on its website
www.mosmanoilandgas.com

About Mosman

Mosman (AIM: MSMN) is an Australia and New Zealand focused oil exploration and development company with a strategy to build a sustainable mid-tier oil and gas business by acquisition and organic growth. Current exploration projects include the following permits which are 100% owned;

Petroleum Creek Project, New Zealand

The project is a 143 sq. km project located near Greymouth on the South Island in the southern extension of the proven Taranaki oil system.

Taramakau Permits, New Zealand

The permit (990 sq. km onshore) surrounds the Petroleum Creek Project and shares similar geological characteristics and shares similar prospective play types.

Murchison Permit, New Zealand

The permit (517 sq. km onshore) located approximately 100 kilometres north of Petroleum Creek has a 13 TCF contingent resource identified.

Amadeus Basin Projects, Australia

Mosman owns two granted permits and one application in Central Australia which total of 5,458 sq. km. The Amadeus Basin is considered one of the most prospective onshore areas in the Northern Territory of Australia for both conventional and unconventional oil and gas, and hosts the producing Mereenie, Palm Valley and Surprise fields.

This information is provided by RNS
The company news service from the London Stock Exchange

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Company Announcement - General

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