

RNS Number : 3717Z
Mosman Oil and Gas Limited
26 May 2016

26 May 2016

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

Operations Update

Mosman Oil and Gas Limited (AIM: MSMN) the New Zealand and Australia focussed oil exploration and development company, announces an update in respect to current activities.

New Projects

In addition to its current projects Mosman is seeking other suitable opportunities in order to enhance shareholder value. With current prevailing market conditions in the oil and gas sector, the Board has expanded its horizon, reviewing investment opportunities in the broader resources arena, which play to the strengths of the board, who have significant experience in the resource sector across a number of countries. As announced on 24 May 2016, the Board has invested in TSV-V listed, GEM International Resources Inc., in particular with regard to its interest in the Dala diamond exploration project in Angola.

Several other potential opportunities have been reviewed and declined. In addition, other opportunities of interest within the Oil and Gas sector remain and are under discussion and review. Non-Disclosure documents have been executed, although at this stage no commercial arrangements have been concluded and due diligence is ongoing.

Mosman remains in a sound financial position, has implemented cost reductions and the Board continues to monitor its business plan.

Current Projects

Exploration work continues on all permits within existing

restrictions implemented following the budget review earlier this year.

On the Murchison Permit in New Zealand, the flying of the LIDAR survey is ready and will take place in the coming weeks, once weather conditions have improved in order to maximise the results from the survey. Once the LIDAR survey is completed, the detailed information will then be available in order to plan the first well.

At Petroleum Creek and the Taramakau permit areas, technical work is progressing and Mosman continues discussions with NZPAM regarding the work program.

Mosman continues planning to plug and abandon the three wells drilled on the Petroleum Creek permit in 2014. Timing of this is not urgent however the Company plans to take advantage of current lower rig and service company costs and to reduce ongoing land occupation costs.

The facility at Greymouth which was purchased in 2014, remains in use, and selected surplus equipment has been sold.

In Australia, on the Amadeus Basin permits, an airborne survey contract has been awarded for EP 156 at an estimated cost of AUD\$60,000. This is in accordance with permit requirements.

Discussions continue with Central Land Council regarding application area EPA 155, with a on-site meeting proposed in September 2016. In EP 145, access has been approved for an on-site geological study later this year.

Investments

The investment in MEO Australia Limited has been recently disposed of generating proceeds of approximately AUD\$189,000.

Mosman invested CAD\$400,000 (AUD 425,000) cash in the TSX.V listed GEM International Resource Inc. (GEM). The investment forms part of a CAD\$1,225,000 placing recently announced by GEM, which equates to just under 20% of GEM.

Shareholders Meeting

As announced, Mosman has withdrawn from its interest in the Officer Basin application. Mosman will shortly call a shareholder meeting to consider the cancellation of 9 million shares that were issued for the acquisition. A notice of meeting will be published

shortly.

Enquiries

Mosman Oil & Gas Limited

John W Barr, Executive Chairman
Andy Carroll, Technical Director
jwbarr@mosmanoilandgas.com
acarroll@mosmanoilandgas.com

NOMAD and Broker

SP Angel Corporate Finance LLP
Stuart Gledhill / Richard Hail
+44 (0) 20 3470 0470

Gable Communications Limited

Justine James / John Bick
+44 (0) 20 7193 7463
mosman@gablecommunications.com

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 Permit, New Zealand

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

Taramakau Permit, New Zealand

The permit (990 sq. km onshore) surrounds the Petroleum Creek Permit 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.

The company news service from the London Stock Exchange

END

MSCSEFSMMFMSELI

Anonymous (not verified)

Operations Update

<http://www.DigitalLook.com>

24461623

A

Thu, 05/26/2016 - 07:42

Company Announcement - General

MSMN