

13 November 2018

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

Stanley-1 Well Test Results

Mosman Oil and Gas Limited (AIM: MSMN) the oil exploration, development and production company, announces an update in respect to a recently completed well test at the Stanley-1 well.

A well test was recently performed on Stanley-1 to ascertain the potential deliverability of the well. The test was carried out by the operator, Nadsoilco LLC, and independent third parties. This was a controlled test designed to flow the well with gas flared (instead of producing to the restricted gas infrastructure) and to acquire data that may indicate the extent of the oil and gas accumulation. The test rate was limited due to the size of the test separator and was not an absolute open hole test. Over several hours the well was flowed through increasingly larger choke sizes and the flow rate was allowed to stabilise at each stage.

The choke was incrementally increased from 11/64" to 40/64" over a series of steps and the final stable flow was 1,271,000 cfd and 50 bbls per day of liquid hydrocarbons. This is equivalent to 274 boepd (calculated using SPE conversion rate of 0.0001767 barrels per standard cubic foot of gas). By way of comparison, recent flow rates with existing infrastructure were averaging 450,000 cfd and 10 bbls per day of liquid hydrocarbons. This is equivalent to 90 boepd. Figures stated as gross to the project with Mosman holding a 16.5% Working Interest.

The operator has advised that planning and negotiating with relevant parties to eliminate pipeline limitations and increase gas processing contract volumes is underway. The timing of increased production depends on reaching agreement with third parties and completing site work, and an update will be provided in due course.

The Stanley-2 well drill is scheduled to commence drilling in November with results due in early December. The well is expected to be an oil producer with minor amounts of associated gas that can be handled by existing infrastructure.

Additional development wells will then be drilled to develop the multiple oil zones identified in Stanley-1.

John W Barr, Chairman, said:

"This Stanley-1 test shows the ability of the well to produce at much higher rates once the gas infrastructure limitations are resolved. We are also pleased to move rapidly to drill Stanley-2 and potentially get it on production, to be followed by additional wells.

Stanley-1 continues to generate revenue from gas and oil sales, and the test clearly shows the potential for higher rates once the current gas constraints are removed."

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

APPENDIX 1

Glossary of Oil and Gas Terms

bb1	Barrel
bpd	Barrels Per Day (Liquids)
bopd	Barrels of Oil Per Day
M	Thousand
MM	Million
boe	Barrel of Oil Equivalent
boepd	Barrel of Oil Equivalent per day (calculated using SPE conversion rate of 0.0001767)
scf	Standard Cubic Feet
Mscf	Thousand Standard Cubic Feet

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