

3 June 2024

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

Helium Acquisition

Strategic first move in to helium in USA

Mosman Oil and Gas Limited (AIM: MSMN) the hydrocarbon, helium and hydrogen exploration, development, and production company, has acquired a 10% working interest ("WI") in a helium project in Las Animas County, Colorado, USA (the "Vecta Helium Project") from Vecta Oil and Gas Ltd, a private company that has explored, drilled and produces helium in Colorado (the "Acquisition"). Vecta will own the remaining 90% WI and operate the project.

Helium production in Las Animas County includes the historic Model Dome field which recorded 7-11% helium content. Other companies active in the area include Desert Eagle Operating producing helium at Red Rocks, and Blue Star Helium (ASX:BNL|OTCQB: BSNLF) developing helium discoveries at Galactica/Pegasus.

Vecta drilled the Sammons exploration well last year in an Area of Mutual Interest ("AMI") arrangement with Blue Star Helium and discovered helium and carbon dioxide.

The Vecta Helium Project includes c 48,000 leased acres in Colorado, with five identified helium prospects. The exploration strategy is to drill an exploration well on each of the 5 prospects in 2024. Following a successful exploration programme, the next step would be to drill helium production wells.

The consideration for the 10% WI is US\$500,000, to be paid in instalments of US\$50,000 per month for 10 months. This is expected to be funded from a combination of existing cash and proceeds from the realisation of oil and gas assets (which may include the sale of existing projects).

There is no obligation on Mosman to fund the exploration wells, however if Mosman does not, it would lose its interest in that prospect area (Area of Mutual Interest or "AMI"). At the time of drilling, it is also a requirement that Mosman has paid both its share of drilling costs and the US\$500,000 acquisition cost. Mosman intends to fund its 10% share of the 5 exploration wells, estimated to cost c US\$259,000 per well (gross). Mosman's share of drilling costs is c US\$130,000 for a total investment of c US\$ 630,000, to be funded from working capital and by selling existing oil and gas assets.

There are no profits and losses associated with the working interest being acquired.

Andy Carroll, CEO of Mosman commented: "We see great potential in helium, as demonstrated with our commitment and progress at EP 145 in Australia. We reviewed a number of opportunities and selected the Vecta Helium Project due to the proven presence of helium and the low cost of shallow exploration and production wells.

"This further demonstrates our commitment to deliver on the corporate plan to focus on helium opportunities, where we are able to leverage our helium exploration expertise gained over several years in Australia to identify quality helium projects.

"Looking ahead, Mosman will continue to commercialise its oil and gas assets and seek opportunities for helium and hydrogen projects."

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service ('RIS'), this information is now considered to be in the public domain.

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

Notes to editors

Mosman (AIM: MSMN) is an oil exploration, development, and production company with projects in the US and Australia. Mosman's strategic objectives remain consistent: to identify opportunities which will provide operating cash flow and have development upside, in conjunction with progressing exploration of existing exploration permits. The Company has several projects in the US, in addition to exploration projects in the Amadeus Basin in Central Australia.

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Mergers, Acquisitions and Disposals

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