

2 October 2024

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

Completion of Sale of Oil Assets
Funding the focus on helium

Mosman Oil and Gas Limited (AIM: MSMN) the helium, hydrogen and hydrocarbon exploration, development, and production company, is pleased to announce that it has completed the sale of its interest in Nadsoilco LLC for a consideration of up to US\$1.75 million.

Further to the RNS dated 10 June 2024 ("Initial Announcement"), Nadsoilco LLC owns the working interest in leases at Stanley, Greater Stanley and all of Mosman's interests located in Polk County, Texas, USA.

These leases are currently operated by Mosman and the sale will free up management resources to focus on helium exploration.

The proceeds of the sale will increase working capital, to be used for funding the recently acquired interest in the Vecta Helium Project in Colorado, where the drilling of five planned helium wells is due to commence this quarter, and other helium exploration and production opportunities are being evaluated.

Helium business development in the USA is progressing apace, further supported by the appointment of Tim Rynott, an experienced helium consultant. Tim is based in Colorado, USA where Mosman's Vecta project is based and he has a wealth of experience and contacts in the helium sector. Tim has been working with Howard McLaughlin, Mosman's head of US operations, and they are currently assessing and negotiating multiple helium acquisition and farm-in opportunities.

Nadsoilco LLC Sale

The buyer of Nadsoilco LLC, RCM Tech Solutions LLC, has experience in operating oilfields and will take over operatorship of Nadsoilco LLC's leases.

The consideration for Nadsoilco LLC is up to US\$1,750,000. The initial payment has been amended from the terms set out in the Initial Announcement to US\$500,000 ("Initial Payment") to be followed by further payments as follows: two cash payments of US\$250,000 each would be paid within 10 days of the end of June 2025, and June 2026 if the gross production rate average for each intervening period is greater than 150 bopd ("Conditional Payment") and three additional US\$250,000 payments upon achieving gross aggregate production milestones of 100,000 bbls, 200,000 bbls and 300,000 bbls of oil from the effective date of completion of 1 July 2024.

The 150 bopd is lower than the 185 bopd gross production achieved from these assets during the most recently announced quarter's production to 30 June 2024, and is less than the assets have produced in the past. The current production rate is between 100 and 150 bopd as several wells are shut-in pending workovers. Each of the two Conditional Payments may be reduced by a portion of expenditure on abandonment costs in that period. Mosman does not anticipate any such reduction to

exceed the cost of the abandonment of one well, which is estimated to be approximately US\$50,000 (gross).

The Initial Payment is due to be received by 5 October 2024.

Andy Carroll, CEO of Mosman commented: "We are pleased to deliver on our goal of commercialising the majority of our existing portfolio of oil and gas assets in the United States by this sale as we seek to take advantage of compelling growth opportunities for Mosman in the helium sector.

"We see great growth potential in helium, as demonstrated with our commitment and progress at EP 145 in Australia and the newly acquired interest in the Vecta Helium Project in USA which offers the proven presence of helium and the low cost of shallow exploration and production wells.

"This sale demonstrates our commitment to deliver on our corporate strategy to achieve growth by focusing on helium opportunities, where we are able to leverage our helium exploration expertise gained over several years in Australia to identify and acquire proven low-cost helium projects.

"Looking ahead, Mosman intends to continue to seek to commercialise its oil and gas assets while pursuing growth 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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