

24 February 2015

**Mosman Oil and Gas Limited**

**Update  
Flow Testing at Crossroads-1**

The Directors of Mosman Oil and Gas Limited (“Mosman” or the “Company”) (AIM: MSMN), the New Zealand and Australia focused oil exploration and development company is pleased to update shareholders in respect to operational activity at Crossroads-1.

The Company advises that the Drill Force Rig #1 has been mobilised and is now rigged up at the Cross Roads-1 location. The planned activities include perforation of the Cobden Limestone, and re-installation of the downhole pump and nodding-donkey, followed by flow testing. It is expected that the flow testing will continue for up to 60 days. The Company’s Technical Director, Andy Carroll, is now on site and is overseeing rig activities as well as conducting a series of meetings with relevant stakeholders.

As stated in its Operational Update on 14 January, Mosman received an unsolicited approach to farm into one of its NZ permits. Discussions remain ongoing and the Company will update shareholders accordingly when it is appropriate to do so.

**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.

**John W Barr, Executive Chairman of Mosman, commented:** “We are pleased to be back at Petroleum Creek and proceeding with the as yet untested Cobden Limestone. We look forward to the results from the flow testing at Crossroads-1.”

**Enquiries:**

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Updates on the Company’s activities are regularly posted on its website  
[www.mosmanoilandgas.com](http://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.

Currently, Mosman has a total of ten permits or accepted permit applications in New Zealand and Australia.

**Petroleum Creek Project, New Zealand**

Mosman owns 100% of permit PEP 38526, the Petroleum Creek Project, which is a 143 sq. km low cost onshore exploration project located near Greymouth on the South Island in the southern extension of the proven Taranaki oil system.

**Taramakau, Murchison and East Coast Permits (New Zealand)**

These permits were granted to Mosman on 9 December 2014 as part of the 2014 Block Offer, a sixteen-fold increase in the exploration area in NZ from 143 sq km to 2,317 sq km.

**Officer Basin Project, Australia (Application)**

Mosman has a 25% investment in the Officer Basin Project, a 22,527 sq. km large land holding with significant exploration potential, which lies in one of the more explored parts of the Basin with road access. The project area is in the Western Australian part of the Officer Basin and offers both conventional and unconventional potential with hydrocarbon shows reported and all elements of a petroleum system are present.

**Amadeus Basin Projects, Australia**

Mosman owns 100% of two granted permits and one application in the Amadeus Basin 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.

**Otway Basin Project, Australia**

Mosman owns 30% of VIC/P62 in the Otway Basin. The permit was recently renewed and is in relatively shallow water. The 70% permit holder funded a 3D seismic survey in 2013. The results of the 3D seismic survey are now being integrated in to a geological model to allow identification and ranking of drilling targets. Within the Otway Basin there is commercial production both onshore and offshore.