



FALCON OIL & GAS LTD. ANNOUNCES ISSUANCE OF SHARES TO FORMER OFFICER AND ANNOUNCES ENGAGEMENT OF FTI CONSULTING

Toronto, ON – January 18, 2013 - Falcon Oil & Gas Ltd. (TSXV: FO.V), (“Falcon” or the “Company”) the international oil and gas exploration and production company focused on unconventional and conventional oil and gas exploration and producing assets in Hungary, Australia and South Africa, announces that it has issued 300,000 common shares in the capital of the Company (“Common Shares”) to Robert Macaulay, the former Chief Executive Officer of the Company. The Common Shares have been issued in consideration of services rendered to the Company pursuant to an employment agreement between the Company and Mr. Macaulay effective as of November 10, 2010, as amended. The Common Shares are subject to a one four month hold period that expires on May 2, 2013, in accordance with applicable securities legislation.

Engagement of FTI Consulting

The Company also announces that it has engaged FTI Consulting LLP (“FTI”) effective May 21, 2012 to provide business communications services (the “Services”). The Services include bringing attention and exposure to the Company to help enhance and increase the Company’s image and public awareness.

FTI is a global business advisory firm that provides multidisciplinary solutions to complex challenges and opportunities, and is headquartered in Florida, U.S.A.

FTI will provide Falcon with the Services until the agreement between the parties is terminated by either party on three months’ written notice (except upon a change of control). Pursuant to the agreement between the parties, FTI will be paid a monthly fee commensurate with the market standard, with additional payments owing in relation to special projects.

Contact details:

Falcon Oil & Gas Ltd	+353 (1) 417 1900 or
Philip O’Quigley, Chief Executive Officer	+353(87) 814 7042

FTI Consulting, London and Toronto	+44 207 837 3113
Billy Clegg/Edward Westropp	

About Falcon Oil & Gas Ltd.

Falcon Oil & Gas Ltd. is an international oil and gas exploration and production company, listed on the TSX Venture Exchange in Toronto under the symbol FO.V. It is headquartered in Dublin, Ireland, and has an office in Budapest, Hungary.

The Company is focused on unconventional and conventional oil and gas exploration and production, and holds producing assets in three major underexplored basins in Australia, Hungary, and South Africa.

For further information about Falcon Oil & Gas Ltd., please visit www.falconoilandgas.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. Certain information in this press release may constitute forward-looking information. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statement. Falcon assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless and until required by securities laws applicable to Falcon. Additional information identifying risks and uncertainties is contained in Falcon's filings with the Canadian securities regulators, which filings are available at www.sedar.com.