



Falcon Oil & Gas Ltd. Enters Into Binding Agreement To Acquire An Additional 25% Working Interest In The Beetaloo Basin Project

DENVER, CO, May 27, 2009 -- Falcon Oil & Gas Ltd. (TSXV: FO) ("Falcon" or the "Company") announces that, further to its press release dated April 27, 2009, Falcon has entered into a binding agreement with PetroHunter Energy Corporation ("PetroHunter") under which Falcon will acquire (the "Acquisition") an additional undivided 25% working interest in PetroHunter's four exploration permits covering seven million acres in the Beetaloo Basin of the Northern Territory, Australia (the "Beetaloo Basin Project"). The Acquisition will bring Falcon's total working interest in the Beetaloo Basin Project to 75%.

The closing of the Acquisition is subject to the fulfillment of certain closing conditions, as well as the receipt of all required regulatory approvals. Closing of the Acquisition is now expected to occur on or about June 10, 2009.

Marc A. Bruner, the Chairman, CEO and President of Falcon, continues to be a significant shareholder of PetroHunter. The negotiation and entering into of the other material agreements relating to the transaction continue to be governed by a committee of the independent directors of Falcon.

A copy of the binding agreement, together with other material agreements relating to the transaction, will be available on SEDAR at www.sedar.com.

About Falcon Oil & Gas Ltd.

Falcon Oil & Gas Ltd. is a British Columbia corporation in the business of oil and gas exploration and production. It has operations in Hungary through its wholly owned subsidiary TXM Oil and Gas Exploration, LLC, in Romania through its wholly owned subsidiary JVX Energy Corporation, in Colorado through its wholly owned subsidiary Falcon Oil & Gas USA, Inc., and in Australia through its wholly owned subsidiary Falcon Oil & Gas Australia Pty Ltd. Further information about Falcon is available at www.falconoilandgas.com.

About PetroHunter Energy Corporation

PetroHunter Energy Corporation, through the operations of its wholly-owned subsidiaries, PetroHunter Operating Company and Sweetpea Corporation Pty Ltd., is a global oil and gas exploration and production company with primary assets consisting of various oil and gas leases and related interests, including approximately 20,000 net mineral acres in Colorado and an undivided 50% working interest in

four Exploration Permits in the Northern Territory, Australia, consisting of approximately 7,000,000 net acres. For more information please visit www.petrohunterenergy.com.

In the interests of providing Company shareholders and potential investors with information regarding the Company, including the Company's assessment of its and its subsidiaries' future plans and operations, certain statements included in this press release may constitute forward-looking information or forward looking statements (collectively, "forward-looking statements"). All statements contained herein that are not clearly historical in nature are forward-looking, and the words "anticipate", "believe", "expect", "estimate" and similar expressions are generally intended to identify forward-looking statements. Similarly, forward-looking statements in this press release include, but are not limited to anticipated developments of the Company's drilling project in Hungary and the timing thereof, the Company's drilling project in Romania and the timing thereof, capital investment levels and the allocation thereof, pipeline capacity, government royalty rates, reserve and resources estimates, the level of expenditures for compliance with environmental regulations, site restoration costs including abandonment and reclamation costs, exploration plans, acquisition and disposition plans including farmout plans, net cash flows, geographic expansion and plans for seismic surveys. In addition, please note that statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described can be profitably produced in the future. Such statements represent the Company's internal projections, estimates or beliefs concerning, among other things, an outlook on the estimated amounts and timing of capital expenditures, anticipated future debt levels and incentive fees or revenues or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. These statements are only predictions. Actual events or results may differ materially. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company and the foregoing list of important factors is not exhaustive. These forward-looking statements made as of the date hereof disclaim any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. Company shareholders and potential investors should carefully consider the information contained in the Company's filings with Canadian securities administrators at www.sedar.com before making investment decisions with regard to the Company.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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