



FALCON OIL & GAS LTD. ANNOUNCES THE GRANTING OF STOCK OPTIONS, THE APPOINTMENT OF A NEW CORPORATE SECRETARY AND THE RESIGNATION OF A DIRECTOR

DENVER CO, September 14, 2010 - Falcon Oil & Gas Ltd. (the "Company" or "Falcon") announced today that, under the stock option plan approved at Falcon's annual and special shareholders meeting held on December 22, 2009, it has granted incentive stock options to purchase an aggregate of 4,725,000 common shares of Falcon to a number of recipients, including directors, officers, employees and consultants. The stock option grants are all subject to regulatory approval.

Terms of the options include an exercise price of \$0.17 per common share, a vesting schedule allowing for 1/3 of the options to vest immediately with an additional 1/3 vesting each subsequent year until the options are fully vested on August 30, 2012, respectively, and an expiry date of the options of August 30, 2015.

A maximum of 10% of the issued and outstanding shares of Falcon are reserved for the issuance of the Falcon's stock option plan.

The Company is pleased to announce the appointment, subject to regulatory approval, of Daniel Bloch as the Company's corporate secretary upon the resignation of Mr. David Brody from this position. Additionally, the Company has agreed to issue, subject to regulatory approval, 1,000,000 common shares to a previous officer of the Company in consideration of past services provided and cessation of a consulting contract.

The Company also announced that it has received, and has accepted the resignation, of one of its directors Mr. Carl Stadelhofer. Marc A. Bruner, Falcon's Chief Executive Officer and a director, expressed his gratitude to Mr. Stadelhofer stating that "I would like to thank Carl on behalf of Falcon, and the other members of Falcon's board, for his years of service as a director of Falcon".

About Falcon Oil & Gas Ltd.

Falcon Oil & Gas Ltd. is an international oil and gas exploration and production company, headquartered in Denver, Colorado, incorporated in British Columbia, Canada, and trading on the TSX Venture Exchange under the symbol "FO." The company specializes in the business of unconventional and conventional oil and gas exploration and production and holds interests in prospective properties in Australia, Hungary, and South Africa. The company is focused on discovering, acquiring, and maturing a globally diversified portfolio of drilling opportunities with a goal of maximizing shareholder value through strategic relationships. Additional information concerning Falcon Oil & Gas Ltd. is available at www.falconoilandgas.com. Investor inquiries may be directed to investor@falconoilandgas.com.

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