



## **FALCON OIL & GAS LTD. ANNOUNCES COMPLETION OF PRIVATE PLACEMENT**

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**DENVER, CO April 11, 2011** - Falcon Oil & Gas Ltd. (TSXV: FO) ("Falcon" or the "Company") today announced the completion of its private placement, the details of which were previously announced on November 24, 2010. The Company issued an aggregate of 87,049,999 units at an issuance price of CDN\$0.15 per unit (each unit consisting of one common share in the capital of Falcon and three quarters of one common share purchase warrant) for aggregate gross proceeds of CDN\$13,057,500. Each whole common share purchase warrant entitles the holder to acquire one common share of Falcon at an additional purchase price of CDN\$0.18 per share for a period of 36 months from the date of issuance. Subject to applicable securities legislation, an aggregate of 44,533,333 common shares and 33,400,000 common share purchase warrants are subject to a hold period until June 11, 2011 and an aggregate of 42,516,666 common shares and 31,887,500 common share purchase warrants are subject to a hold period until August 9, 2011. The private placement remains subject to final approval from the TSX Venture Exchange.

Existing major shareholders of Falcon participated in the private placement. They were joined by members of management and the Board of Directors of Falcon, which together accounted for approximately 46.5% of the total proceeds raised.

Delays were experienced in fulfilling certain TSXV filing requirements, mainly as a result of the diverse corporate jurisdictions of a number of the investors. The proposed new investors described in the press release dated November 24, 2010 were unable to fulfill their requirements under the terms of the private placement, including obtaining the requisite foreign exchange approval of the People's Republic of China. Robert Macaulay, CEO of Falcon commented that "the efforts on the part of the China-based investors who intended to invest are appreciated and our relationships with them remain cordial and open to future business opportunities".

"I am gratified that our existing major shareholders continue to demonstrate their support of the company's tremendous potential, and with the substantial participation on the part of our management and directors. This funding secures our plans to fully test the Shenandoah well in Australia while continuing to evaluate our properties in Hungary and South Africa."

Mueller & Co., LLC acted as financial advisor to Falcon in connection with the private placement transaction and received a finder's fee in the amount of \$149,100.

### **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 with a goal of maximizing shareholder value through strategic relationships. Additional information concerning Falcon Oil & Gas Ltd. is available at [www.falconoilandgas.com](http://www.falconoilandgas.com). Investor inquiries may be directed to [investor@falconoilandgas.com](mailto:investor@falconoilandgas.com)

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