



**FALCON OIL & GAS LTD.**  
**("Falcon")**

**Filing of Interim Financial Statements**

24 November 2017 - Falcon Oil & Gas Ltd. (TSXV: FO, AIM: FOG, ESM: FAC) announces that it has filed its Interim Financial Statements for the three and nine months ended 30 September 2017 and the accompanying Management's Discussion and Analysis ("**MD&A**").

The following should be read in conjunction with the complete unaudited unreviewed Interim Financial Statements and the accompanying MD&A for the three and nine months ended 30 September 2017, which are available on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") at [www.sedar.com](http://www.sedar.com) and on Falcon's website at [www.falconoilandgas.com](http://www.falconoilandgas.com).

*2017 Operational Highlights*

- Strong financial position, debt free with cash of US\$9.4 million at 30 September 2017 (31 December 2016: US\$10.1 million).
- Continued focus on strict cost management and efficient operation of the portfolio.
- General and administrative expenses decreased 6% period on period to US\$1,489,000 (2016: US\$1,584,000).

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**Falcon Oil & Gas Ltd.**

**Interim Condensed Consolidated Statement of Operations and Comprehensive Loss  
(Unaudited)**

	<b>Three months ended 30 September 2017 \$'000</b>	Three months ended 30 September 2016 \$'000	<b>Nine months ended 30 September 2017 \$'000</b>	Nine months ended 30 September 2016 \$'000
<b>Revenue</b>				
Oil and natural gas revenue	2	3	7	4
	<b>2</b>	<b>3</b>	<b>7</b>	<b>4</b>
<b>Expenses</b>				
Exploration and evaluation expenses	(53)	(77)	(178)	(265)
Production and operating expenses	(4)	(4)	(10)	(12)
Depreciation	(1)	(1)	(3)	(12)
General and administrative expenses	(528)	(440)	(1,489)	(1,584)
Share based compensation	(137)	(222)	(550)	(1,252)
Foreign exchange gain	71	10	217	28
Other Income	1	2	1	2
	<b>(651)</b>	<b>(732)</b>	<b>(2,012)</b>	<b>(3,095)</b>
<b>Results from operating activities</b>	<b>(649)</b>	<b>(729)</b>	<b>(2,005)</b>	<b>(3,091)</b>
Fair value (loss) / gain – outstanding warrant	(116)	169	(1,970)	231
Finance income	43	6	128	33
Finance expense	(48)	(31)	(144)	(93)
Net finance expense	(5)	(25)	(16)	(60)
<b>Loss and comprehensive loss for the period</b>	<b>(770)</b>	<b>(585)</b>	<b>(3,991)</b>	<b>(2,920)</b>
Loss and comprehensive loss attributable to:				
Equity holders of the company	(770)	(586)	(3,990)	(2,918)
Non-controlling interests	-	1	(1)	(2)
<b>Loss and comprehensive loss for the period</b>	<b>(770)</b>	<b>(585)</b>	<b>(3,991)</b>	<b>(2,920)</b>
Loss per share attributable to equity holders of the company:				
Basic and diluted	(0.001 cent)	(0.001 cent)	(0.004 cent)	(0.003 cent)

**Falcon Oil & Gas Ltd.**  
**Consolidated Statement of Financial Position**  
**(Unaudited)**

	At 30 September 2017 \$'000	At 31 December 2016 \$'000
<b>Assets</b>		
<b>Non-current assets</b>		
Exploration and evaluation assets	39,630	39,618
Property, plant and equipment	4	7
Trade and other receivables	37	34
Restricted cash	2,374	2,151
	<b>42,045</b>	<b>41,810</b>
<b>Current assets</b>		
Cash and cash on deposit	9,433	10,127
Trade and other receivables	203	190
	<b>9,636</b>	<b>10,317</b>
<b>Total assets</b>	<b>51,681</b>	<b>52,127</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	383,533	382,853
Contributed surplus	44,801	44,251
Retained deficit	(390,219)	(386,229)
	<b>38,115</b>	<b>40,875</b>
<b>Non-controlling interests</b>	<b>702</b>	<b>703</b>
<b>Total equity</b>	<b>38,817</b>	<b>41,578</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Decommissioning provision	9,838	9,690
	<b>9,838</b>	<b>9,690</b>
<b>Current liabilities</b>		
Accounts payable and accrued expenses	829	632
Derivative financial liabilities	2,197	227
	<b>3,026</b>	<b>859</b>
<b>Total liabilities</b>	<b>12,864</b>	<b>10,549</b>
<b>Total equity and liabilities</b>	<b>51,681</b>	<b>52,127</b>

**Falcon Oil & Gas Ltd.**  
**Interim Condensed Consolidated Statement of Cash Flows**  
**(Unaudited)**

	Nine months ended 30 September	
	2017	2016
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Net loss for the period	(3,991)	(2,920)
Adjustments for:		
Share based compensation	550	1,252
Depreciation	3	12
Fair value loss / (gain) - outstanding warrant	1,970	(231)
Net finance expense	16	60
Effect of exchange rates on operating activities	(217)	(28)
Change in non-cash working capital:		
Trade and other receivables	(16)	53
Accounts payable and accrued expenses	195	(206)
Interest received	50	31
<b>Net cash used in operating activities</b>	<b>(1,440)</b>	<b>(1,977)</b>
<b>Cash flows from investing activities</b>		
Decrease / (increase) in cash deposits – other receivables	4,270	(1,701)
Exploration and evaluation assets	(12)	(110)
<b>Net cash generated from / (used in) investing activities</b>	<b>4,258</b>	<b>(1,811)</b>
<b>Cash flows from financing activities</b>		
Proceeds from the exercise of share options	680	-
<b>Net cash generated from financing activities</b>	<b>680</b>	<b>-</b>
Change in cash and cash equivalents	3,498	(3,788)
Effect of exchange rates on cash & cash equivalents	78	6
Cash and cash equivalents at beginning of period	5,857	10,683
<b>Cash and cash equivalents at end of period</b>	<b>9,433</b>	<b>6,901</b>

**Cash and cash on deposit**

Cash and cash equivalents includes cash on hand, deposits held on call with banks, other short term highly liquid investments with initial maturities of three months or less at inception and bank overdrafts where a legal right of offset exists. Cash on deposit represents cash on deposit with a maturity in excess of three months.

	30 September	31 December
	2017	2016
	\$'000	\$'000
Cash and cash equivalents	9,433	5,857
Cash on deposit	-	4,270
	<b>9,433</b>	<b>10,127</b>

All dollar amounts in this document are in United States dollars “\$”, except as otherwise indicated.

**About Falcon Oil & Gas Ltd.**

Falcon Oil & Gas Ltd is an international oil & gas company engaged in the acquisition, exploration and development of conventional and unconventional oil and gas assets, with the current portfolio focused in Australia, South Africa and Hungary. Falcon Oil & Gas Ltd is incorporated in British Columbia, Canada and headquartered in Dublin, Ireland with a technical team based in Budapest, Hungary.

For further information on Falcon Oil & Gas Ltd. please visit [www.falconoilandgas.com](http://www.falconoilandgas.com)

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