



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

**Filing of Interim Financial Statements**

23 November 2018 - 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 2018 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 2018, 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).

*2018 Operational Highlights*

- Strong financial position, debt free with cash of US\$7.5 million at 30 September 2018 (31 December 2017: US\$9 million).
- Continued focus on strict cost management and efficient operation of the portfolio.

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**Falcon Oil & Gas Ltd.**

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

	<b>Three months ended 30 September 2018 \$'000</b>	Three months ended 30 September 2017 \$'000	<b>Nine months ended 30 September 2018 \$'000</b>	Nine months ended 30 September 2017 \$'000
<b>Revenue</b>				
Oil and natural gas revenue	-	2	3	7
	-	2	3	7
<b>Expenses</b>				
Exploration and evaluation expenses	(35)	(53)	(114)	(178)
Production and operating expenses	(3)	(4)	(12)	(10)
Depreciation	-	(1)	(1)	(3)
General and administrative expenses	(436)	(528)	(1,437)	(1,489)
Share based compensation	(23)	(137)	(104)	(550)
Foreign exchange (loss) / gain	(4)	71	(76)	217
Other Income	-	1	-	1
	(501)	(651)	(1,744)	(2,012)
<b>Results from operating activities</b>	<b>(501)</b>	(649)	<b>(1,741)</b>	(2,005)
Fair value gain / (loss) – outstanding warrant	414	(116)	641	(1,970)
Finance income	48	43	68	128
Finance expense	(55)	(48)	(211)	(144)
Net finance expense	(7)	(5)	(143)	(16)
<b>Loss and comprehensive loss for the period</b>	<b>(94)</b>	(770)	<b>(1,243)</b>	(3,991)
Loss and comprehensive loss attributable to:				
Equity holders of the company	(94)	(770)	(1,242)	(3,990)
Non-controlling interests	-	-	(1)	(1)
<b>Loss and comprehensive loss for the period</b>	<b>(94)</b>	(770)	<b>(1,243)</b>	(3,991)
Loss per share attributable to equity holders of the company:				
Basic and diluted	(0.000 cent)	(0.001 cent)	(0.001 cent)	(0.004 cent)

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

	At 30 September 2018 \$'000	At 31 December 2017 \$'000
<b>Assets</b>		
<b>Non-current assets</b>		
Exploration and evaluation assets	39,706	39,630
Property, plant and equipment	2	3
Trade and other receivables	22	33
Restricted cash	2,326	2,412
	<b>42,056</b>	<b>42,078</b>
<b>Current assets</b>		
Cash and cash on deposit	7,484	8,995
Trade and other receivables	164	186
	<b>7,648</b>	<b>9,181</b>
<b>Total assets</b>	<b>49,704</b>	<b>51,259</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	383,737	383,570
Contributed surplus	45,041	44,937
Retained deficit	(391,465)	(390,223)
	<b>37,313</b>	<b>38,284</b>
<b>Non-controlling interests</b>	<b>700</b>	<b>701</b>
<b>Total equity</b>	<b>38,013</b>	<b>38,985</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Decommissioning provision	10,051	9,886
	<b>10,051</b>	<b>9,886</b>
<b>Current liabilities</b>		
Accounts payable and accrued expenses	718	825
Derivative financial liabilities	922	1,563
	<b>1,640</b>	<b>2,388</b>
<b>Total liabilities</b>	<b>11,691</b>	<b>12,274</b>
<b>Total equity and liabilities</b>	<b>49,704</b>	<b>51,259</b>

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

	Nine months ended 30 September	
	2018	2017
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Net loss for the period	(1,243)	(3,991)
Adjustments for:		
Share based compensation	104	550
Depreciation	1	3
Fair value (gain) / loss - outstanding warrant	(641)	1,970
Net finance expense	143	16
Effect of exchange rates on operating activities	77	(217)
Change in non-cash working capital:		
Trade and other receivables	33	(16)
Accounts payable and accrued expenses	(118)	195
<b>Net cash used in operating activities</b>	<b>(1,644)</b>	<b>(1,490)</b>
<b>Cash flows from investing activities</b>		
Decrease in cash deposits – other receivables	6,028	4,270
Interest Received	68	50
Exploration and evaluation assets	(76)	(12)
<b>Net cash generated from investing activities</b>	<b>6,020</b>	<b>4,308</b>
<b>Cash flows from financing activities</b>		
Proceeds from the exercise of share options	167	680
<b>Net cash generated from financing activities</b>	<b>167</b>	<b>680</b>
Change in cash and cash equivalents	4,543	3,498
Effect of exchange rates on cash & cash equivalents	(26)	78
Cash and cash equivalents at beginning of period	2,967	5,857
<b>Cash and cash equivalents at end of period</b>	<b>7,484</b>	<b>9,433</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
	2018	2017
	\$'000	\$'000
Cash and cash equivalents	7,484	2,967
Cash on deposit	-	6,028
	<b>7,484</b>	<b>8,995</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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