



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

**Filing of Interim Financial Statements**

28 August 2020 - Falcon Oil & Gas Ltd. (TSXV: FO, AIM: FOG) announces that it has filed its Interim Financial Statements for the three and six months ended 30 June 2020 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 six months ended 30 June 2020, 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).

*2020 financial highlights and other financial updates*

- Strong financial position, debt free with cash of US\$11.8 million at 30 June 2020 (31 December 2019: US\$13.1 million).
- Continued focus on cost management and the efficient operation of the portfolio.
- On 7 July 2020 Falcon Australia agreed to a further extension of the call option up to and including 30 April 2022 ("**Additional Extension**"), to acquire its 22.5% portion of the 2% ORRI from the TOG Group. Following confirmation of registration of the Additional Extension from the Northern Territory government Falcon Australia will pay US\$150,000 to the TOG Group for granting the Additional Extension, with the cost of exercising the call option increasing from US\$5.625 million to US\$6 million.

**CONTACT DETAILS:**

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**Falcon Oil & Gas Ltd.**

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

	Three months ended 30 June 2020 \$'000	Three months ended 30 June 2019 \$'000	Six months ended 30 June 2020 \$'000	Six months ended 30 June 2019 \$'000
<b>Revenue</b>				
Oil and natural gas revenue	1	1	2	3
	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>
<b>Expenses</b>				
Exploration and evaluation expenses	(35)	(108)	(73)	(149)
Production and operating expenses	(3)	(3)	(5)	(6)
General and administrative expenses	(597)	(443)	(1,000)	(902)
Share based compensation	-	-	-	(12)
Foreign exchange gain / (loss)	17	24	(11)	(27)
	<b>(618)</b>	<b>(530)</b>	<b>(1,089)</b>	<b>(1,096)</b>
<b>Results from operating activities</b>	<b>(617)</b>	(529)	<b>(1,087)</b>	(1,093)
Fair value gain – outstanding warrant	-	570	110	103
Finance income	874	144	15	187
Finance expense	(58)	(56)	(279)	(113)
Net finance income / (expense)	<b>816</b>	88	<b>(264)</b>	74
<b>Income / (loss) and comprehensive income / (loss) for the period</b>	<b>199</b>	129	<b>(1,241)</b>	(916)
Income / (loss) and comprehensive income / (loss) attributable to:				
Equity holders of the company	183	127	(1,238)	(917)
Non-controlling interests	16	2	(3)	1
<b>Income / (loss) and comprehensive income / (loss) for the period</b>	<b>199</b>	129	<b>(1,241)</b>	(916)
Income / (loss) per share attributable to equity holders of the company:				
Basic and diluted	0.001 cent	0.001 cent	(0.001 cent)	(0.001 cent)

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

	At 30 June 2020 \$'000	At 31 December 2019 \$'000
<b>Assets</b>		
<b>Non-current assets</b>		
Exploration and evaluation assets	40,294	40,246
Property, plant and equipment	1	1
Trade and other receivables	21	30
Restricted cash	2,225	2,241
	<b>42,541</b>	<b>42,518</b>
<b>Current assets</b>		
Cash and cash on equivalents	11,815	13,066
Trade and other receivables	104	141
	<b>11,919</b>	<b>13,207</b>
<b>Total assets</b>	<b>54,460</b>	<b>55,725</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	392,170	392,170
Contributed surplus	45,075	45,075
Retained deficit	(394,581)	(393,343)
	<b>42,664</b>	<b>43,902</b>
<b>Non-controlling interests</b>	<b>697</b>	<b>700</b>
<b>Total equity</b>	<b>43,361</b>	<b>44,602</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Decommissioning provision	10,444	10,331
	<b>10,444</b>	<b>10,331</b>
<b>Current liabilities</b>		
Accounts payable and accrued expenses	655	682
Derivative financial liabilities	-	110
	<b>655</b>	<b>792</b>
<b>Total liabilities</b>	<b>11,099</b>	<b>11,123</b>
<b>Total equity and liabilities</b>	<b>54,460</b>	<b>55,725</b>

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

	Six months ended 30 June	
	2020	2019
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Net loss for the period	(1,241)	(916)
Adjustments for:		
Share based compensation	-	12
Fair value gain - outstanding warrant	(110)	(103)
Net finance expense / (income)	264	(74)
Effect of exchange rates on operating activities	11	27
Change in non-cash working capital:		
Decrease / (increase) in trade and other receivables	46	(28)
Increase in accounts payable and accrued expenses	37	139
<b>Net cash used in operating activities</b>	<b>(993)</b>	<b>(943)</b>
<b>Cash flows from investing activities</b>		
Interest Received	15	70
Exploration and evaluation assets	(48)	(14)
<b>Net cash (used in) / generated from investing activities</b>	<b>(33)</b>	<b>56</b>
<b>Cash flows from financing activities</b>		
Net proceeds from private placement	-	8,433
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>8,433</b>
Change in cash and cash equivalents	(1,026)	7,546
Effect of exchange rates on cash & cash equivalents	(225)	(48)
Cash and cash equivalents at beginning of period	13,066	6,967
<b>Cash and cash equivalents at end of period</b>	<b>11,815</b>	<b>14,465</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 exploration and development of 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.

Falcon Oil & Gas Australia Limited is a c. 98% subsidiary of Falcon Oil & Gas Ltd.

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

**Glossary of terms**

ORRI	Overriding royalty interest
TOG Group	Malcolm John Gerrard, Territory Oil & Gas LLC & Tom Dugan Family Partnership LLC

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