



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 and on Falcon's website at 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.

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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
Revenue				
Oil and natural gas revenue	1	1	2	3
	1	1	2	3
Expenses				
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)
	(618)	(530)	(1,089)	(1,096)
Results from operating activities	(617)	(529)	(1,087)	(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)	816	88	(264)	74
Income / (loss) and comprehensive income / (loss) for the period	199	129	(1,241)	(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
Income / (loss) and comprehensive income / (loss) for the period	199	129	(1,241)	(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
Assets		
Non-current assets		
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
	42,541	42,518
Current assets		
Cash and cash on equivalents	11,815	13,066
Trade and other receivables	104	141
	11,919	13,207
Total assets	54,460	55,725
Equity and liabilities		
Equity attributable to owners of the parent		
Share capital	392,170	392,170
Contributed surplus	45,075	45,075
Retained deficit	(394,581)	(393,343)
	42,664	43,902
Non-controlling interests	697	700
Total equity	43,361	44,602
Liabilities		
Non-current liabilities		
Decommissioning provision	10,444	10,331
	10,444	10,331
Current liabilities		
Accounts payable and accrued expenses	655	682
Derivative financial liabilities	-	110
	655	792
Total liabilities	11,099	11,123
Total equity and liabilities	54,460	55,725

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

	Six months ended 30 June	
	2020	2019
	\$'000	\$'000
Cash flows from operating activities		
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
Net cash used in operating activities	(993)	(943)
Cash flows from investing activities		
Interest Received	15	70
Exploration and evaluation assets	(48)	(14)
Net cash (used in) / generated from investing activities	(33)	56
Cash flows from financing activities		
Net proceeds from private placement	-	8,433
Net cash generated from financing activities	-	8,433
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
Cash and cash equivalents at end of period	11,815	14,465

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

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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Certain information in this press release may constitute forward-looking information. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. Falcon assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to Falcon. Additional information identifying risks and uncertainties is contained in Falcon's filings with the Canadian securities regulators, which filings are available at www.sedar.com.