



FALCON OIL & GAS LTD.
("Falcon")

Full Year Results

27 April 2021 - Falcon Oil & Gas Ltd. (TSXV: FO, AIM: FOG) is pleased to announce its financial results for the year ended 31 December 2020.

The following should be read in conjunction with the complete audited financial statements and the accompanying Management's Discussion and Analysis ("**MD&A**") for the year ended 31 December 2020.

2020 Financial Highlights

- Strong financial position, debt free with cash of US\$11 million at 31 December 2020 (31 December 2019: US\$13.1 million).
- Continued focus on strict cost management and efficient operation of the portfolio.

Filing of Financial Statements, MD&A, AIF and Reserves Data

Falcon has filed its audited financial statements for the year ended 31 December 2020, the accompanying MD&A for year ended 31 December 2020 dated 26 April 2021, its Annual Information Form ("**AIF**") dated 26 April 2021 and the Statement of Reserves Data and Other Oil and Gas Information (National Instrument 51-101, Forms 51-101F1, 51-101F2 and 51-101F3) with the relevant provincial securities regulators. These filings are available for review on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com. The audited financial statements, MD&A and AIF are also available on Falcon's website www.falconoilandgas.com.

CONTACT DETAILS:

| | |
|---|------------------|
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Falcon Oil & Gas Ltd.
Consolidated Statement of Operations and Comprehensive Loss

| | Year Ended 31 December 2020 \$'000 | Year Ended 31 December 2019 \$'000 |
|---|--|--|
| Revenue | | |
| Oil and natural gas revenue | 5 | 5 |
| | 5 | 5 |
| Expenses | | |
| Exploration and evaluation expenses | (159) | (233) |
| Production and operating expenses | (12) | (13) |
| General and administrative expenses | (1,871) | (1,780) |
| Share based compensation | - | (12) |
| Foreign exchange gain / (loss) | 105 | (70) |
| | (1,937) | (2,108) |
| Results from operating activities | (1,932) | (2,103) |
| Fair value gain – outstanding warrant | 110 | 369 |
| Finance income | 224 | 221 |
| Finance expense | (231) | (226) |
| Net finance expense | (7) | (5) |
| Loss before tax | (1,829) | (1,739) |
| Taxation | - | - |
| Loss and comprehensive loss for the year | (1,829) | (1,739) |
| Loss and comprehensive loss attributable to: | | |
| Equity holders of the company | (1,830) | (1,739) |
| Non-controlling interests | 1 | - |
| Loss and comprehensive loss for the year | (1,829) | (1,739) |
| Loss per share attributable to equity holders of the company: | | |
| Basic and diluted | (0.002 cent) | (0.002 cent) |

Falcon Oil & Gas Ltd.
Consolidated Statement of Financial Position

| | At 31 December 2020 \$'000 | At 31 December 2019 \$'000 |
|--|----------------------------------|----------------------------------|
| Assets | | |
| Non-current assets | | |
| Exploration and evaluation assets | 40,444 | 40,246 |
| Property, plant and equipment | 4 | 1 |
| Trade and other receivables | 23 | 30 |
| Restricted cash | 2,429 | 2,241 |
| | 42,900 | 42,518 |
| Current assets | | |
| Cash and cash equivalents | 11,036 | 13,066 |
| Trade and other receivables | 117 | 141 |
| | 11,153 | 13,207 |
| Total assets | 54,053 | 55,725 |
| Equity and liabilities | | |
| Equity attributable to owners of the parent | | |
| Share capital | 392,170 | 392,170 |
| Contributed surplus | 45,075 | 45,075 |
| Deficit | (395,173) | (393,343) |
| | 42,072 | 43,902 |
| Non-controlling interests | 701 | 700 |
| Total equity | 42,773 | 44,602 |
| Liabilities | | |
| Non-current liabilities | | |
| Decommissioning provision | 10,563 | 10,331 |
| | 10,563 | 10,331 |
| Current liabilities | | |
| Accounts payable and accrued expenses | 717 | 682 |
| Derivative financial liabilities | - | 110 |
| | 717 | 792 |
| Total liabilities | 11,280 | 11,123 |
| Total equity and liabilities | 54,053 | 55,725 |

Falcon Oil & Gas Ltd.
Consolidated Statement of Cash Flows

| | Year Ended 31 December | |
|--|------------------------|----------------|
| | 2020 | 2019 |
| | \$'000 | \$'000 |
| Cash flows from operating activities | | |
| Net loss for the year | (1,829) | (1,739) |
| Adjustments for: | | |
| Share based compensation | - | 12 |
| Depreciation | - | 1 |
| Fair value gain - outstanding warrant | (110) | (369) |
| Net finance loss | 7 | 5 |
| Foreign exchange (gain) / loss | (105) | 70 |
| Change in non-cash working capital: | | |
| Decrease / (increase) in trade and other receivables | 31 | (41) |
| (Decrease) / increase in accounts payable and accrued expenses | (145) | 88 |
| Net cash used in operating activities | (2,151) | (1,973) |
| Cash flows from investing activities | | |
| Interest Received | 16 | 136 |
| Exploration and evaluation assets | (48) | (541) |
| Property plant and equipment | (3) | - |
| Net cash used in investing activities | (35) | (405) |
| Cash flows from financing activities | | |
| Raised Equity | - | 8,433 |
| Net cash generated by financing activities | - | 8,433 |
| Change in cash and cash equivalents | (2,186) | 6,055 |
| Effect of exchange rates on cash & cash equivalents | 156 | 44 |
| Cash and cash equivalents at beginning of year | 13,066 | 6,967 |
| Cash and cash equivalents at end of year | 11,036 | 13,066 |

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.

For further information on Falcon Oil & Gas Ltd. please visit www.falconoilandgas.com

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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.