



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

**Filing of Interim Financial Statements**

27 May 2021 - Falcon Oil & Gas Ltd. (TSXV: FO, AIM: FOG) announces that it has filed its Interim Financial Statements for the three months ended 31 March 2021 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 months ended 31 March 2021, 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).

*Q1 2021 Financial Highlights*

- Strong financial position, debt free with cash of US\$10.5 million at 31 March 2021 (31 December 2020: US\$11 million).
- Continued focus on strict cost management and efficient operation of the portfolio.

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

**Falcon Oil & Gas Ltd.**  
**Interim Condensed Consolidated Statement of Operations and Comprehensive Loss**  
**(Unaudited)**

	<b>Three months ended</b>	<b>Three months ended</b>
	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>		
Oil and natural gas revenue	2	1
	<b>2</b>	<b>1</b>
<b>Expenses</b>		
Exploration and evaluation expenses	(40)	(38)
Production and operating expenses	-	(2)
General and administrative expenses	(466)	(403)
Share based compensation	(565)	-
Foreign exchange loss	(155)	(28)
	<b>(1,226)</b>	<b>(471)</b>
<b>Results from operating activities</b>	<b>(1,224)</b>	<b>(470)</b>
Fair value gain – warrant	-	110
Finance income	1	14
Finance expense	(67)	(1,094)
Net finance expense	<b>(66)</b>	<b>(1,080)</b>
<b>Loss and comprehensive loss for the period</b>	<b>(1,290)</b>	<b>(1,440)</b>
Loss and comprehensive loss attributable to:		
Equity holders of the company	(1,289)	(1,421)
Non-controlling interests	(1)	(19)
<b>Loss and comprehensive loss for the period</b>	<b>(1,290)</b>	<b>(1,440)</b>
Loss per share attributable to equity holders of the company:		
Basic and diluted	<b>(\$0.001 cent)</b>	(\$0.001 cent)

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

	At 31 March 2021 \$'000	At 31 December 2020 \$'000
<b>Assets</b>		
<b>Non-current assets</b>		
Exploration and evaluation assets	40,186	40,444
Property, plant and equipment	3	4
Trade and other receivables	23	23
Restricted cash	2,325	2,429
	<b>42,537</b>	<b>42,900</b>
<b>Current assets</b>		
Cash and cash equivalents	10,482	11,036
Trade and other receivables	160	117
	<b>10,642</b>	<b>11,153</b>
<b>Total assets</b>	<b>53,179</b>	<b>54,053</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	392,170	392,170
Contributed surplus	45,640	45,075
Deficit	(396,462)	(395,173)
	<b>41,348</b>	<b>42,072</b>
<b>Non-controlling interests</b>	<b>700</b>	<b>701</b>
<b>Total equity</b>	<b>42,048</b>	<b>42,773</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Decommissioning provision	10,594	10,563
	<b>10,594</b>	<b>10,563</b>
<b>Current liabilities</b>		
Accounts payable and accrued expenses	537	717
	<b>537</b>	<b>717</b>
<b>Total liabilities</b>	<b>11,131</b>	<b>11,280</b>
<b>Total equity and liabilities</b>	<b>53,179</b>	<b>54,053</b>

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

	Three months ended 31 March	
	2021	2020
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Net loss for the year	(1,290)	(1,440)
Adjustments for:		
Share based compensation	565	-
Depreciation	1	-
Fair value gain - warrant	-	(110)
Net finance expense	66	1,080
Effect of exchange rates on operating activities	155	28
Transfer of Canadian working interests	(28)	-
Change in non-cash working capital:		
(Increase) / decrease in trade and other receivables	(43)	13
Increase / (decrease) in accounts payable and accrued expenses	24	(42)
<b>Net cash used in operating activities</b>	<b>(550)</b>	<b>(471)</b>
<b>Cash flows from investing activities</b>		
Interest received	1	14
Exploration and evaluation assets	-	(36)
<b>Net cash generated by / (used in) investing activities</b>	<b>1</b>	<b>(22)</b>
Change in cash and cash equivalents	(549)	(493)
Effect of exchange rates on cash and cash equivalents	(5)	(1,033)
Cash and cash equivalents at beginning of year	11,036	13,066
<b>Cash and cash equivalents at end of period</b>	<b>10,482</b>	<b>11,540</b>

**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](http://www.falconoilandgas.com)

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