



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

**Filing of Interim Financial Statements**

27 August 2021 - 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 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 and six months ended 30 June 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).

*2021 financial highlights and other financial updates*

- Strong financial position, debt free with cash of US\$10 million at 30 June 2021 (31 December 2020: US\$11 million).
- Continued focus on cost management and the efficient operation of the portfolio.

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Falcon Oil & Gas Ltd.

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

	Three months ended 30 June 2021 \$'000	Three months ended 30 June 2020 \$'000	Six months ended 30 June 2021 \$'000	Six months ended 30 June 2020 \$'000
<b>Revenue</b>				
Oil and natural gas revenue	-	1	2	2
	-	1	2	2
<b>Expenses</b>				
Exploration and evaluation expenses	(42)	(35)	(82)	(73)
Production and operating expenses	-	(3)	-	(5)
General and administrative expenses	(449)	(597)	(915)	(1,000)
Share based compensation	(182)	-	(747)	-
Foreign exchange gain / (loss)	37	17	(118)	(11)
	(636)	(618)	(1,862)	(1,089)
<b>Results from operating activities</b>	<b>(636)</b>	<b>(617)</b>	<b>(1,860)</b>	<b>(1,087)</b>
Fair value gain – outstanding warrant	-	-	-	110
Finance income	2	874	3	15
Finance expense	(59)	(58)	(126)	(279)
Net finance (expense) / income	(57)	816	(123)	(264)
<b>(Loss) / income and comprehensive (loss) / income for the period</b>	<b>(693)</b>	<b>199</b>	<b>(1,983)</b>	<b>(1,241)</b>
(Loss) / income and comprehensive (loss) / income attributable to:				
Equity holders of the company	(693)	183	(1,982)	(1,238)
Non-controlling interests	-	16	(1)	(3)
<b>(Loss) / income and comprehensive (loss) / income for the period</b>	<b>(693)</b>	<b>199</b>	<b>(1,983)</b>	<b>(1,241)</b>
(Loss) / income per share attributable to equity holders of the company:				
Basic and diluted	<b>(0.001 cent)</b>	0.000 cent	<b>(0.002 cent)</b>	(0.001 cent)

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

	At 30 June 2021 \$'000	At 31 December 2020 \$'000
<b>Assets</b>		
<b>Non-current assets</b>		
Exploration and evaluation assets	40,188	40,444
Property, plant and equipment	3	4
Trade and other receivables	23	23
Restricted cash	2,360	2,429
	<b>42,574</b>	<b>42,900</b>
<b>Current assets</b>		
Cash and cash equivalents	9,974	11,036
Trade and other receivables	112	117
	<b>10,086</b>	<b>11,153</b>
<b>Total assets</b>	<b>52,660</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	45,822	45,075
Retained deficit	(397,155)	(395,173)
	<b>40,837</b>	<b>42,072</b>
<b>Non-controlling interests</b>	<b>700</b>	<b>701</b>
<b>Total equity</b>	<b>41,537</b>	<b>42,773</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Decommissioning provision	10,653	10,563
	<b>10,653</b>	<b>10,563</b>
<b>Current liabilities</b>		
Accounts payable and accrued expenses	470	717
	<b>470</b>	<b>717</b>
<b>Total liabilities</b>	<b>11,123</b>	<b>11,280</b>
<b>Total equity and liabilities</b>	<b>52,660</b>	<b>54,053</b>

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

	Six months ended 30 June	
	<b>2021</b>	2020
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Net loss for the period	<b>(1,983)</b>	(1,241)
Adjustments for:		
Share based compensation	<b>747</b>	-
Depreciation	<b>1</b>	-
Fair value gain - outstanding warrant	-	(110)
Net finance expense	<b>123</b>	264
Effect of exchange rates on operating activities	<b>118</b>	11
Transfer of Canadian working interests	<b>(28)</b>	-
Change in non-cash working capital:		
Decrease in trade and other receivables	<b>5</b>	46
(Decrease) / increase in accounts payable and accrued expenses	<b>(43)</b>	37
<b>Net cash used in operating activities</b>	<b>(1,060)</b>	(993)
<b>Cash flows from investing activities</b>		
Interest received	<b>3</b>	15
Exploration and evaluation assets	<b>(2)</b>	(48)
<b>Net cash generated from / (used in) investing activities</b>	<b>1</b>	(33)
Change in cash and cash equivalents	<b>(1,059)</b>	(1,026)
Effect of exchange rates on cash & cash equivalents	<b>(3)</b>	(225)
Cash and cash equivalents at beginning of period	<b>11,036</b>	13,066
<b>Cash and cash equivalents at end of period</b>	<b>9,974</b>	11,815

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

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