



FALCON OIL & GAS LTD.
("Falcon")

Filing of Interim Financial Statements

19 May 2022 - Falcon Oil & Gas Ltd. (TSXV: FO, AIM: FOG) announces that it has filed its Interim Financial Statements for the three months ended 31 March 2022 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 2022, 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.

Q1 2022 Financial Highlights

- Strong financial position, debt free with cash of US\$8.3 million at 31 March 2022 (31 December 2021: US\$8.9 million).
- Continued focus on strict cost management and efficient operation of the portfolio.

CONTACT DETAILS:

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

| | Three months ended | Three months ended |
|---|---------------------------|---------------------------|
| | 31 March 2022 | 31 March 2021 |
| | \$'000 | \$'000 |
| Revenue | | |
| Oil and natural gas revenue | - | 2 |
| | - | 2 |
| Expenses | | |
| Exploration and evaluation expenses | (40) | (40) |
| General and administrative expenses | (608) | (1,031) |
| Foreign exchange loss | (45) | (155) |
| | (693) | (1,226) |
| Results from operating activities | (693) | (1,224) |
| Finance income | 3 | 1 |
| Finance expense | (60) | (67) |
| Net finance expense | (57) | (66) |
| Loss and comprehensive loss for the period | (750) | (1,290) |
| Loss and comprehensive loss attributable to: | | |
| Equity holders of the company | (750) | (1,289) |
| Non-controlling interests | - | (1) |
| Loss and comprehensive loss for the period | (750) | (1,290) |
| Loss per share attributable to equity holders of the company: | | |
| Basic and diluted | (\$0.001) | (\$0.001) |

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

| | At 31 March 2022 \$'000 | At 31 December 2021 \$'000 |
|--|-------------------------------|----------------------------------|
| Assets | | |
| Non-current assets | | |
| Exploration and evaluation assets | 40,237 | 40,197 |
| Property, plant and equipment | 11 | 13 |
| Trade and other receivables | 23 | 22 |
| Restricted cash | 2,200 | 2,239 |
| | 42,471 | 42,471 |
| Current assets | | |
| Cash and cash equivalents | 8,301 | 8,894 |
| Trade and other receivables | 162 | 74 |
| | 8,463 | 8,968 |
| Total assets | 50,934 | 51,439 |
| Equity and liabilities | | |
| Equity attributable to owners of the parent | | |
| Share capital | 392,170 | 392,170 |
| Contributed surplus | 46,390 | 46,254 |
| Deficit | (400,616) | (399,866) |
| | 37,944 | 38,558 |
| Non-controlling interests | 698 | 698 |
| Total equity | 38,642 | 39,256 |
| Liabilities | | |
| Non-current liabilities | | |
| Decommissioning provision | 11,834 | 11,775 |
| | 11,834 | 11,775 |
| Current liabilities | | |
| Accounts payable and accrued expenses | 458 | 408 |
| | 458 | 408 |
| Total liabilities | 12,292 | 12,183 |
| Total equity and liabilities | 50,934 | 51,439 |

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

| | Three months ended 31 March | |
|---|-----------------------------|---------------|
| | 2022 | 2021 |
| | \$'000 | \$'000 |
| Cash flows from operating activities | | |
| Net loss for the period | (750) | (1,290) |
| Adjustments for: | | |
| Share based compensation | 136 | 565 |
| Depreciation | 2 | 1 |
| Net finance expense | 57 | 66 |
| Effect of exchange rates on operating activities | 45 | 155 |
| Transfer of Canadian working interests | - | (28) |
| Change in non-cash working capital: | | |
| Increase in trade and other receivables | (89) | (43) |
| Increase in accounts payable and accrued expenses | 30 | 24 |
| Net cash used in operating activities | (569) | (550) |
| Cash flows from investing activities | | |
| Interest received | 3 | 1 |
| Exploration and evaluation assets | (29) | - |
| Net cash (used in) / generated by investing activities | (26) | 1 |
| Change in cash and cash equivalents | (595) | (549) |
| Effect of exchange rates on cash and cash equivalents | 2 | (5) |
| Cash and cash equivalents at beginning of period | 8,894 | 11,036 |
| Cash and cash equivalents at end of period | 8,301 | 10,482 |

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.