DUBLIN, IRELAND--(Marketwired - Dec. 3, 2015) - Falcon Oil & Gas Ltd. (TSX VENTURE:FO)(AIM:FOG)(ESM:FAC) (The "Company" or "Falcon") announces that it has signed a termination agreement with Naftna Industrija Srbije jsc ("NIS") terminating the Oilfield Services Contract entered into between the parties in January 2013.

NIS has agreed to pay US$3.7 million to Falcon in fulfilment of its contractual obligations.

Falcon retains a 100% interest in the Makó Trough Licence in Hungary including the deep play.

Oilfield Services Contract

In January 2013, Falcon and NIS agreed to complete a three-well drilling programme (the "Agreement") targeting the relatively shallow Algyő Play, by July 2014. Under the terms of the Agreement, NIS made a cash payment of US$1.5 million and agreed to carry Falcon for 100% of all costs associated with the drilling and testing programme. The July 2014 deadline for completion of drilling and testing of the three-well programme was subsequently extended by Falcon to 31 December 2014 to enable NIS to fulfil its three-well obligation. As of 31 December 2014, NIS had only drilled and tested two wells.

About Falcon Oil & Gas Ltd.

Falcon Oil & Gas Ltd is an international oil & gas company engaged in the acquisition, exploration and development of conventional and 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.

About Naftna Industrija Srbije JSC (NIS)

NIS is one of the largest, vertically integrated oil and gas companies in Southeast Europe, focusing on exploration and production of hydrocarbons, refining of crude oil and sales of a broad range of petroleum products.

For further information on NIS please visit www.nis.eu.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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. Such information may include, but is not limited to comments made with regards to the collection of the agreed NIS settlement. 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.

Contact

Falcon Oil & Gas Ltd.
+353 1 417 1900

Falcon Oil & Gas Ltd.
Philip O'Quigley
CEO
+353 87 814 7042

Falcon Oil & Gas Ltd.
Michael Gallagher
CFO
+353 1 417 0814

Falcon Oil & Gas Ltd.
John Craven
Non-Executive Chairman
+353 1 417 1900

Davy (NOMAD & Joint Broker)
John Frain / Anthony Farrell
+353 1 679 6363

GMP Securities Europe LLP (Joint Broker)
Rob Collins / Emily Morris
+44 20 7647 2800

CAMARCO
Billy Clegg
+44 20 3757 4983

CAMARCO
Georgia Mann
+44 20 3757 4980