

DUBLIN, IRELAND--(Marketwired - April 28, 2016) - Falcon Oil & Gas Ltd. (TSX VENTURE:FO)(AIM:FOG)(ESM:FAC) is pleased to provide the following technical and operational update for its operations in the Beetaloo Basin, Australia.

2015 Drilling Programme - Technical Results

The results from the in-depth shale evaluation program and petrophysical analysis of the three wells drilled in 2015 confirm the following:

- The Middle Velkerri and Kyalla shales offer stacked play fairways with continuity over a large proportion of the Beetaloo Basin and in various maturity windows (dry gas to liquid).
- Three pervasive, organic rich shale intervals were identified and characterised within the Middle Velkerri formation with excellent reservoir and completion quality. The identified "B" and "C" shales have thickness in excess of 40 meters each.
- Amungee NW-1H, the first horizontal well in the programme landed in the Middle Velkerri "B" shale encountering excellent gas shows and represents a highly prospective candidate for multi-stage hydraulic fracture stimulation.
- Core analysis confirmed that the Middle Velkerri shale is organic rich, with average Total Organic Content ("TOC") of 3%-4% and is gas saturated.
- Diagnostic Fracture Injection Test ("DFIT") data revealed that the Middle Velkerri shale is 20% -25% overpressured, which is encouraging from both a volumetrics and reservoir productivity perspective.
- Favourable geomechanics indicates good frackability within the Middle Velkerri shale.
- Estimated gas in-place density ranges within the Middle Velkerri shales are comparable to successful North American shale plays.

2016 Drilling and Testing Programme - Objectives

The objectives of the 2016 Beetaloo drilling and testing programme comprise:

- Testing gas productivity of the Middle Velkerri shale from the horizontal Amungee NW-1H well by means of a multi-stage hydraulic fracture stimulation programme.
- Proving the areal extent of the Middle Velkerri shale gas play towards the southern part of the Beetaloo Basin, through the drilling and testing of the vertical Beetaloo W-1 well, which is to be located approximately 85km south of the Kalala S-1 and Amungee NW-1H wells; and some 35km south of the Shenandoah S-1 well.
- Testing of the shallower, condensate rich gas mature sections of the Middle Velkerri shale on the northern basin flank through drilling the second vertical well in 2016, located approximately 35km north of the Kalala S-1 and Amungee NW-1H wells within exploration permit ("EP") 98.
- Characterization of the Kyalla shale as a secondary target could provide upside and enhanced liquids potential.

2016 Drilling and Testing Programme - Operational Schedule

Preparations for the joint venture's 2016 drilling, testing and hydraulic stimulation programme are progressing and on schedule:

- Rig 185, commissioned from Saxon Energy Services Australia Pty. Ltd, has remained "warm stacked" at the Amungee NW-1H wellsite since November 2015 in order to commence operations as soon as weather conditions permit. Recommissioning of Rig 185 is expected to commence in mid-May 2016.
- Re-entering the horizontal Amungee NW-1H well is scheduled for mid-June 2016, followed by a multi-stage fracture stimulation programme to test the Middle Velkerri "B" shale reservoir.
- Civil works at the Beetaloo W-1 vertical well are expected to commence mid-May 2016 with spudding expected Quarter 3, 2016.
- The regulatory approval process for the drilling of the second vertical well within EP-98 is ongoing with spudding scheduled to commence immediately post drilling Beetaloo W-1 well.

Philip O'Quigley, CEO of Falcon commented

"I am delighted to update the market on the results of the in-depth shale evaluation program and petrophysical analysis carried out of all the technical data gathered on the three wells drilled during 2015. The results confirm early indications, as previously communicated, that this is a highly prospective basin.

Falcon's shareholders can look forward to another exciting year of exploration activity which has the potential to transform the value of your company. Falcon remains fully carried throughout 2016 by our partners Origin and Sasol."

Background - Australia

On 2 May 2014, Falcon announced it had entered into a Farm-Out Agreement and Joint Operating Agreement with Origin and Sasol (collectively referred to herein as the "Farminees") with each farming into 35% of the Falcon's exploration permits in the Beetaloo Basin, Australia through its 98% subsidiary, Falcon Oil & Gas Australia Ltd. ("Falcon Australia"). The Farminees will carry

Falcon in a nine well exploration and appraisal programme from 2015 to 2018.

- Farminees will pay for the full cost of completing the first five wells estimated at A\$64 million, and will fund any cost overruns, with work expected to be completed between 2015 and 2016.
- Farminees to pay the full cost of the following two horizontally fracture stimulated wells, 90 day production tests and micro seismic data collection with a capped expenditure of A\$53 million, any cost overrun funded by each party in proportion to their working interest. This work programme is expected to be undertaken in 2017.
- Farminees to pay the full cost of the final two horizontally fracture stimulated wells and 90 day production tests capped at A\$48 million, any cost overrun funded by each party in proportion to their working interest. This work programme is expected to be undertaken in 2018.
- Farminees may reduce or surrender their interests back to Falcon Australia only after:
 - The drilling of the first five wells; or
 - The drilling and testing of the next two horizontally fracture stimulated wells.

Stacking a Rig

Stacking a Rig means leaving a rig idle but operational. A ready or warm stacked rig typically retains most of its crew and can deploy quickly if an operator requires its services. In a ready stacked state, normal maintenance operations similar to those performed when the rig is active are continued by the crew so that the rig remains work ready. Thus, a rig is kept in a ready stacked state when its owner anticipates that the rig will be able to return to work shortly - either due to having a commitment in hand or the owner's perception that work will be secured relatively quickly.

This announcement has been reviewed by Dr. Gábor Bada, Falcon Oil & Gas Ltd's Head of Technical Operations. Dr. Bada obtained his geology degree at the Eötvös L. University in Budapest, Hungary and his PhD at the Vrije Aniversiteit Amsterdam, the Netherlands. He is a member of AAPG and EAGE.

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 Origin Energy

Origin Energy (ASX:ORG) is the leading Australian integrated energy company with market leading positions in energy retailing (approximately 4.3 million customers), power generation (approximately 6,000 MW of capacity owned and contracted) and natural gas production (1,093 PJ of 2P reserves and annual production of 82 PJ). To match its leadership in the supply of green energy, Origin also aspires to be the number one renewables company in Australia.

Through Australia Pacific LNG, its incorporated joint venture with ConocoPhillips and Sinopec, Origin is developing Australia's biggest CSG to LNG project based on the country's largest 2P CSG reserves base.

www.originenergy.com.au

About Sasol

Sasol is an international integrated chemicals and energy company that leverages the talent and expertise of about 31,000 people working in 37 countries. Sasol develops and commercialise technologies, and build and operate world-scale facilities to produce a range of high-value product streams, including liquid fuels, chemicals and low-carbon electricity.

Sasol, through its subsidiary, Sasol Exploration and Production International ("E&PI") develops and manages the group's upstream interests in oil and gas exploration and production in Mozambique, South Africa, Australia, Canada and Gabon. It produces natural gas and condensate from Mozambique's Pande and Temane fields, shale gas from their share in the Farrell Creek and Cypress A assets in Canada, and oil in Gabon through their share in the offshore Etame Marin Permit. E&PI sells Mozambican gas under long-term contracts to Sasol Gas and external customers, condensate on short term contracts, while selling Canadian gas into the market at spot prices. Oil is sold to customers under annual contracts. For more information go to www.sasol.com.

Glossary of terms

A\$ Australian dollar

CSG Coal seam gas
LNG Liquefied natural gas
LPG Liquefied petroleum gas
MW Megawatt
PJ(E) Petajoule (equivalent)
Km Kilometers

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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. Such information may include, but is not limited to comments made with respect to the type, number, schedule, testing and objectives of the wells to be drilled in the Beetaloo basin Australia, expected contributions of the partners, the prospectivity of the Middle Velkerri & Kyalla shale plays and the prospect of the exploration programme being brought to commerciality. 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.

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