DUBLIN, IRELAND--(Marketwired - May 26, 2016) - Falcon Oil & Gas Ltd. ("Falcon" or the "Company" or the "Group") (TSX VENTURE:FO)(AIM:FOG)(ESM:FAC) announces that it has filed its Interim Financial Statements for the three month period ended 31 March 2016 and the accompanying Management's Discussion and Analysis ("MD&A"); relocated its head office within Dublin, Ireland and mailed its 2016 Annual General & Special shareholder meeting documents.

Interim Financial statements - 31 March 2016

The following should be read in conjunction with the complete unaudited unreviewed Interim Financial Statements and the accompanying MD&A for the three months period ended 31 March 2016 filed with the Toronto Venture Stock Exchange. These filings 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.

2016 Operational Highlights

- Preparation for 2016 Beetaloo Basin Australia, drilling programme at an advance stage.
- Processing of Falcon's exploration license application in South Africa's Karoo Basin continues to progress and the South African Department of Mineral Resources is expected to issue licences in 2016.

2016 Financial Highlights

- Strong financial position, debt free with cash of US$11.9 million at 31 March 2016 (31 December 2015: US$12.7 million).
- Continued focus on strict cost management and efficient operation of the portfolio.
- General & administrative expenses decreased 12% year on year to US$0.5 million (2015: US$0.6 million).

Relocation of Dublin head office

The head office of Falcon has relocated within Dublin to:

Falcon Oil & Gas Ltd.
68 Merrion Square South
Dublin 2
Ireland

Phone + 353 1 676 8702

All further communications should be directed to the new location.

Mailing of Annual General & Special Meeting documents

As previously announced, Falcon's Annual General and Special Shareholder Meeting will be held at the Calgary Petroleum Club, 319 5th Avenue S.W., Calgary, AB T2P 0L5, Canada on 21 June 2016 at 11:00 a.m. (Calgary time).

A complete notice and related documents have been sent to the shareholders of record as at 10 May 2016 and are also available on SEDAR at www.sedar.com and Falcon's website at www.falconoilandgas.com.

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

	Three months ended 31 March 2016 $'000	Three months ended 31 March 2015 $'000
Revenue		
Oil and natural gas revenue	-	3
	-	3
Expenses		

Exploration and evaluation expenses		(90	)	(376	)
Production and operating expenses		(3	)	(6	)
Depreciation		(7	)	(8	)
General and administrative expenses		(541	)	(616	)
Share based compensation		(820	)	(162	)
Foreign exchange gain		56		921	
		(1,405	)	(247	)
Results from operating activities		(1,405	)	(244	)
Fair value gain - outstanding warrant		136		128	
Finance income		18		4	
Finance expense		(31	)	(125	)
Net finance expense		(13	)	(121	)
Loss and comprehensive loss for the period		(1,282	)	(237	)
Loss and comprehensive loss attributable to:					
Equity holders of the company		(1,280	)	(235	)
Non-controlling interests		(2	)	(2	)
Loss and comprehensive loss for the period		(1,282	)	(237	)
Loss per share attributable to equity holders of the company:					
Basic and diluted	$	(0.001	)	$ (0.000	)

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

	At 31 March 2016 $'000	At 31 December 2015 $'000
Assets		
Non-current assets		
Exploration and evaluation assets	39,618	39,618
Property, plant and equipment	57	64
Trade and other receivables	25	22
Restricted cash	2,327	2,239
	42,027	41,943
Current assets		
Cash and cash on deposit	11,914	12,683
Trade and other receivables	291	268
	12,205	12,951
Total assets	54,232	54,894
Equity and liabilities		
Equity attributable to owners of the parent		
Share capital	382,853	382,853
Contributed surplus	43,736	42,916

Retained deficit	(383,822)	(382,542)
	42,767	43,227
Non-controlling interests	704	706
Total equity	43,471	43,933
Liabilities		
Non-current liabilities		
Decommissioning provision	9,598	9,565
	9,598	9,565
Current liabilities		
Accounts payable and accrued expenses	864	961
Derivative financial liabilities	299	435
	1,163	1,396
Total liabilities	10,761	10,961
Total equity and liabilities	54,232	54,894

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

	Three months ended 31 March	
	2016 $'000	2015 $'000
Cash flows from operating activities		
Net loss for the period	(1,282)	(237)
Adjustments for:		
Share based compensation	820	162
Depreciation	7	8
Fair value gain - outstanding warrant	(136)	(128)
Net finance expense	13	121
Effect of exchange rates on operating activities	(53)	(921)
Change in non-cash working capital:		
Trade and other receivables	(26)	(57)
Accounts payable and accrued expenses	(83)	244
Restructuring spend	-	(219)
Interest received	13	4
Net cash used in operating activities	(727)	(1,023)
Cash flows from investing activities		
Increase in cash deposits - other receivables	(5,701)	-
Increase in restricted cash	-	(1,991)
Exploration and evaluation assets	(55)	-
Net cash used in investing activities	(5,756)	(1,991)
Change in cash and cash equivalents	(6,483)	(3,014)
Effect of exchange rates on cash & cash equivalents	13	(274)
Cash and cash equivalents at beginning of period	10,683	8,753
Cash and cash equivalents at end of period	4,213	5,465

Cash and cash on deposit

Cash and cash equivalents includes cash on hand, deposits held on call with banks, other short term highly liquid investments with

initial maturities of three months or less at inception and bank overdrafts where a legal right of offset exists. Cash on deposit represents cash on deposit with a maturity in excess of three months.

	31 March 2016 $'000	31 December 2015 $'000
Cash and cash equivalents	4,213	10,683
Cash on deposit	7,701	2,000
	11,914	12,683

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.

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 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.

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 respect to the awarding of an exploration license in South Africa, 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 shale play 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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