DUBLIN, IRELAND--(Marketwired - Sept. 14, 2016) - Falcon Oil & Gas Ltd. ("Falcon" or the "Company" or the "Group") (TSX VENTURE:FO)(AIM:FOG)(ESM:FAC) provides the following technical and operational update.

Beetaloo W-1 well

Drilling operations have successfully concluded on the Beetaloo W-1 well. Results encountered are very encouraging, with the well drilled to a total depth ("TD") of 3,173 meters.

Preliminary evaluation of this vertical exploration well confirms:

- The continuation of the regionally pervasive Middle Velkerri formation approximately 85 kilometers south of the Kalala S-1 and Amungee NW-1H wells;
- A gross interval of over 570 meters shale gas sequence with net pay exceeding 150 meters;
- Middle Velkerri shale falls in a highly prospective gas mature depth window;
- Excellent gas shows at two prospective shale sweet spots at the top and base of the Middle Velkerri formation, comparable to those encountered during the 2015 drilling programme;
- The Lower Kyalla formation, considered as a secondary shale target, provided excellent gas shows within a 150 meter thick liquid rich sequence.

Conventional coring in the Lower Kyalla formation along with sidewall cores and extensive wireline logging in the Middle Velkerri formation will enable a full-scale evaluation of prospectivity in the southern part of the Beetaloo basin. As planned, the well was cased to TD and suspended.

Rig 185 has been released and demobilised.

Hydraulic Stimulation of the Horizontal Amungee NW-1H Well

- Hydraulic stimulation of the horizontal Amungee NW-1H well has been completed.
- 11 hydraulic stimulation stages were performed over a 1,000 meter horizontal section.
- The flow back of hydraulic stimulation fluids has commenced, and gas should start flowing back to surface in the next week or two.

Northern Territory Government Moratorium

Falcon notes the statement made by Chief Minister Michael Gunner, of the newly elected Government in relation to the introduction today of a moratorium on hydraulic fracturing in the Northern Territory, Australia. The Chief Minster states that:

"The moratorium on hydraulic fracturing of onshore unconventional reservoirs within the Northern Territory will remain in place until government has thoroughly considered the recommendations of the [independent scientific] inquiry."

The joint venture will work with the new Government to understand their moratorium policy and shall cooperate with them as required during their scientific inquiry.

Philip O'Quigley CEO of Falcon commented on the results:

"The results of Beetaloo W-1 to date and the successful hydraulic stimulation of Amungee NW-1H represent further positive steps for the exploration phase of the program. Encountering significant net pay in the Middle Velkerri formation, 85 kilometres from our 2015 drilling programme along with significant net pay in the Lower Kyalla formation is very encouraging.

Updates to the market shall be provided as the evaluation of Beetaloo W-1 is completed and a steady gas flow rate is established on Amungee NW-1H. We will also provide further information on the moratorium as it becomes available."

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 PJe). 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 30,100 people working in 33 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, stimulating, 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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