

Falcon Oil & Gas Ltd

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Falcon Oil & Gas confirms strong financial position as Aussie fracking hiatus continues

Financial results from Falcon Oil & Gas Ltd (LON:FOG) reflect that the company is being prudent amid the current hiatus.

The company's main asset, a stake in a significant new Australian shale discovery, is effectively on hold at the moment as there is presently a moratorium on fracking in the Northern Territory.

Falcon today highlighted that it ended its first half, six months to March 31, with a strong financial position - with US\$10.1m of cash and no debt.

It added that the focus on strict cost management continued. The company reduced general and administrative expenses by 12% compared to the previous period, with the tally standing at US\$477,000 for the six months.

Falcon's share of future exploration and development costs are being covered by majority partner Origin Energy, which recently bought out fellow partner Sasol.

The partner's stake in the project doubled to 70% as a result of the deal, while AIM-quoted Falcon retains the other 30%.

Origin recently outlined a very significant potential resource in the shale discoveries made by recent wells - it estimated some 6.6 trillion cubic feet of gas resources and said there could be as much as 496 TCF which would be 82bn barrels of oil - though operations on the ground are on hold, as there's presently a moratorium on fracking in the Northern Territory.

Price: 22.625p

Market Cap: £208.5M

1 Year Share Price Graph



Share Information

Code: FOG

Listing: AIM

52 week High Low
29.925p 3.85p

Sector: Energy

Website: www.falconoilandgas.com

Company Synopsis:

Falcon Oil & Gas Ltd. is a global energy company that is focused on acquiring, exploring and developing large acreage positions of unconventional and conventional oil and gas resources. We focus on areas in politically and economically stable countries that are characterized by a high regional demand for energy with existing infrastructure allowing rapid delivery of oil and gas to market.

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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