

Falcon Oil & Gas Ltd

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Falcon Oil & Gas and Origin Energy agree to cancel Beetaloo royalty

Falcon Oil & Gas Ltd (LON:FOG) has confirmed that, alongside partner Origin Energy, it has cancelled a 1% royalty that would've been tied to future production from the Beetaloo shale gas project in Australia.

Falcon and Origin, originally, would've been required to pay \$5mIn during a five-year option period to cancel the royalty.

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But, the royalty holder CR Innovations AG (CRIAG) was adjudicated bankrupt in March 2017 and the Beetaloo partners subsequently reached an agreement with the liquidator, agreeing to pay around \$151,000 (CHF 150,000) for the termination.

In August, Falcon and Origin agreed to accelerate activity in the Beetaloo shale project.

With the launch of the Stage 2 campaign, the partners are now advancing plans for two horizontal, fracture stimulated wells. Falcon's share of costs is being covered by Origin, up to A\$65mIn.

Stage 3, to take place in 2019, will comprise one vertical and two horizontal wells. Preparations for the Stage 3 drilling are already underway.

Price: 19.75p

Market Cap: £183.81M

1 Year Share Price Graph



January 2018 July 2018 January 2019

Share Information

Code: FOG

Listing: AIM

52 week High Low
26.40p 13.00p

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.

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