

**DESPATCH OF CIRCULAR TO SHAREHOLDERS IN RELATION TO
THE ACQUISITION OF 57.64% EQUITY STAKE IN CH OFFSHORE LTD. PURSUANT TO THE
VOLUNTARY UNCONDITIONAL CASH OFFER FOR CH OFFSHORE LTD.
AND THE MARKET PURCHASES**

1. INTRODUCTION

The board of directors (the "**Board**") of Falcon Energy Group Limited (the "**Company**") refers to the announcement dated 27 February 2015 (the "**27 Feb 2015 Announcement**") by the Company in relation to, *inter alia*, the close of the voluntary unconditional cash offer (the "**Offer**") by CIMB Bank Berhad, Singapore Branch, for and on behalf of Energian Pte. Ltd. (the "**Offeror**"), which is a wholly-owned subsidiary of the Company, to acquire all the issued and paid-up ordinary shares in the capital of CH Offshore Ltd (the "**CHO Shares**"), other than those already owned, controlled or agreed to be acquired by the Offeror.

All capitalised terms not defined herein shall have the same meaning as used in the 27 Feb 2015 Announcement.

2. RATIFICATION REQUIRED

The Offeror had acquired an aggregate of 406,406,281 CHO Shares (representing approximately 57.64% of the total number of issued CHO Shares) pursuant to the Offer and open-market purchases on the SGX-ST during the period of the Offer (collectively, the "**Transaction**"). As stated in the 27 Feb 2015 Announcement, as the relative figure under Rule 1006(c) of the Listing Manual exceeds 20%, the Transaction constitutes a major transaction under Rule 1014 of the Listing Manual and would require the prior approval of the shareholders of the Company (the "**Shareholders**").

The Company had previously applied to the SGX-ST to seek a waiver of the requirement for Shareholders' prior approval of the Offer. Instead, the Company shall seek the approval of Shareholders by way of ratification after the making of the Offer and only in the event that the Offer becomes unconditional and the acquisition of the CHO Shares results in the relative percentages under Rule 1006 of the Listing Manual exceeding 20% (the "**Prior Shareholder Approval Waiver**"). Accordingly, pursuant to the Prior Shareholder Approval Waiver, the Company is required to convene an extraordinary general meeting (the "**EGM**") to seek the approval of the Shareholders for the Transaction by way of ratification.

3. DESPATCH OF CIRCULAR

The Board wishes to announce that a circular (the "**Circular**") dated 17 April 2015 in relation to the Transaction will be despatched to Shareholders today.

The Circular contains, *inter alia*, information relating to the Transaction and a notice for convening the EGM for the purpose of seeking Shareholders' approval for the Transaction by way of ratification.

Shareholders who have not received the Circular within a week from the date of this Announcement should contact the share registrar of the Company at the following address:

Boardroom Corporate & Advisory Services Pte. Ltd.

50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

A copy of the Circular is available on the website of the SGX-ST at www.sgx.com.

Shareholders are requested to note the following important dates and times in respect of the EGM:

Last date and time for lodgement of Proxy Form :	3 May 2015 at 2.30 p.m.
Date and time of EGM :	5 May 2015 at 2.30 p.m.
Place of EGM :	7 Shenton Way Singapore Conference Hall Singapore 068810

By Order of the Board

Peh Lei Eng
Company Secretary

17 April 2015