
SHAREHOLDINGS IN PV DRILLING OVERSEAS COMPANY PRIVATE LIMITED

The Board of Directors of FALCON ENERGY GROUP LIMITED (the "**Company**", together with its subsidiaries, collectively referred to as the "**Group**") wishes to announce the increase of the Company's shareholdings in the following joint venture company (the "**Capital Increase**"):-

Name of the Joint Venture Company	:	PV DRILLING OVERSEAS COMPANY PRIVATE LIMITED (" PVD SG ")
Shareholdings of the Company Before Capital Increase	:	1,049,050 shares amounting to US\$1,049,050
Shareholdings of the Company After Capital Increase	:	2,098,050 shares amounting to US\$2,098,050
Purpose of the Capital Increase	:	Capital expenditure

The shareholdings in the capital of PVD SG before and after the Capital Increase are as follows:-

	Registered Shareholders	Percentage of Shareholdings	No. of shares Before Capital Increase	No. of shares After Capital Increase
1	The Company	5%	1,049,050	2,098,050
2	Crystal Heights Holdings Limited (" CHHL ")	5%	1,049,050	2,098,050
3	PetroVietnam Drilling & Well Service Corporation	55%	11,539,550	23,078,550
4	Joy Pride Investments Limited	35%	7,343,350	14,686,350
	Total		20,981,000	41,961,000

CHHL is a British Virgin Islands registered company wholly-owned by Mr Cai Wenxing, who is also a director of the Company.

The Capital Increase in the capital of PVD SG was funded by the Company's internal resources and is not expected to have any material impact on the net tangible assets per share and net earnings per share of the Group for the financial year ending 31 March 2015.

Save as disclosed above and save for the shareholding interests in the Company, none of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transactions.

By Order of the Board

Peh Lei Eng
Company Secretary

1 August 2014