

**FALCON ENERGY GROUP LIMITED**  
(Company Registration No.: 200403817G)  
(Incorporated in the Republic of Singapore)

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**NOTIFICATION OF INCLUSION ON THE WATCH-LIST DUE TO MINIMUM TRADING PRICE (“MTP”) ENTRY CRITERION WITH EFFECT FROM 6 JUNE 2019**

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*Unless the context otherwise requires, all capitalised terms used herein shall bear the same meanings ascribed to them in the announcements dated 18 January 2019.*

**1. INTRODUCTION**

The board of directors (“**Board**”) of Falcon Energy Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) has notified the Company on 4 June 2019 that the Company will be placed on the watch-list with effect from 6 June 2019 pursuant to Listing Rule 1311(2) of the Listing Manual of the SGX-ST (“**Listing Manual**”) due to the Company recording a volume-weighted average price of less than S\$0.20 and an average daily market capitalisation of less than S\$40 million over the last 6 months (“**MTP Entry Criteria**”).

The Company will have to take active steps to meet the requirements of Listing Rule 1314(2) of the Listing Manual within 36 months from 6 June 2019, failing which the SGX-ST would delist the Company or suspend trading in the Company’s shares with a view to delisting the Company.

Listing Rule 1314(2) of the Listing Manual states that an issuer on the watch-list due to the MTP Entry Criteria may be removed from the watch-list if it records a volume-weighted average price of at least S\$0.20 and an average daily market capitalisation of S\$40 million or more over the last 6 months (“**MTP Exit Criteria**”). If the issuer fails to comply with Listing Rule 1314(2) within 36 months of the date on which it was placed on the watch-list, the SGX-ST would delist the Company, or suspend trading in the Company’s shares with a view to delisting the Company.

Pursuant to Listing Rule 1313(2), the Company will have to provide quarterly update on its efforts and the progress made in meeting the exit criteria of the watch-list, including where applicable its financial situation, its future direction, or other material development that may have a significant impact on its financial position. The Company shall also announce immediately any material development that occurs between the quarterly updates.

Practice Note 13.2 of the Listing Manual states that the review for removal from the watch-list based on the MTP Exit Criteria takes place on a half-yearly basis on the review dates (i.e. first market day of June and December of each year). An issuer is not required to apply for removal. The SGX-ST will notify the issuer of its removal from the watch-list, and issuers are required to announce the removal via SGXNET upon receipt of the notification. Issuers placed on the watch-list due to the MTP Entry Criteria may apply, on the first market day of March and September each year, to the SGX-ST for a review of their eligibility to exit the watch-list under the MTP Exit Criteria.

The Board wishes to notify the Company’s shareholders and the Group’s business partners that the Group’s business shall continue as usual, and the trading in the Company’s shares will also continue to be under voluntary suspension pursuant to Rule 1302 of the Listing Manual as the Company presses on to engage the broader stakeholder groups on the Restructuring.

The Board is currently considering options available to the Company to comply with the MTP Exit Criteria within 36 months from 6 June 2019, and will provide the market quarterly updates on its efforts and the progress made in meeting the exit criteria of the watch-list, including where applicable its financial situation, its future direction, or other material development that may have a significant impact on its financial position. If any material development occurs between the quarterly updates, it will be announced immediately.

2. **CAUTION IN TRADING**

Shareholders and potential investors are advised to exercise caution in trading their Shares and Noteholders are advised to exercise caution in trading their Notes. Shareholders and Noteholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and Noteholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

**BY ORDER OF THE BOARD**

Tan Pong Tyea  
Chairman and Chief Executive Officer  
6 June 2019