

FALCON ENERGY GROUP LIMITED
Company Registration No. 200403817G

ACQUISITION OF SHARES IN PETRO ASSET PTE. LTD.

The Board of Directors of FALCON ENERGY GROUP LIMITED (the "**Company**" together with its subsidiaries, collectively referred to as the "**Group**") wishes to announce that the Company had completed the acquisition of 100% of the equity interests (amounting to 1,000 ordinary shares at a purchase price of S\$1.00 per share) in the capital of PETRO ASSET PTE. LTD. ("**PETRO ASSET**"), a company incorporated in Singapore, at a total consideration of S\$1,000 (the "**Acquisition**"). The consideration was arrived at on a willing-buyer and willing-seller basis, having regard to the issued and paid-up capital of PETRO ASSET of S\$1,000, and was paid in cash.

The principal activities of PETRO ASSET are those of management and owner of oilfield assets. Following the Acquisition, PETRO ASSET has become a wholly-owned subsidiary of the Company.

As the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited amount to 5% or less, the Acquisition does not constitute discloseable transaction under the provisions of Chapter 10 of the Listing Manual.

The Acquisition was funded by internal resources and is not expected to have any material effect on the net tangible assets per share and earnings per share of the Group for the financial year ending 31 March 2015.

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

28 August 2014