



Press Release

**SGX Catalist-Listed Falcon Energy Group
Resumes Trading; Sets Sights On Becoming
Leading Marine and Oil & Gas Player**

- Discloses proforma results for FY2007 showing net profit of US\$21.7 million on revenue of US\$50.5 million for the enlarged Group
- Resumption of trading follows recent completion of compliance placement of 15.5 million vendor shares

Singapore, 24 June 2008 – Homegrown Falcon Energy Group Limited (“FEG” or the “Company”), which provides a wide range of services to the marine and oil & gas industry, resumed trading on the Singapore Exchange (“SGX”) today following a major acquisition and a compliance placement exercise.

After acquiring a 100% stake in Hong Kong-incorporated Oilfield Services Company Limited (“OSCL”) in April 2008, the enlarged FEG is now engaged in three core businesses – Marine; Oilfield Services; and Oilfield Projects – whose activities include providing offshore support vessels, ship management services, oilfield services and projects related to the marine and oil & gas industry.

In a filing to the SGX, FEG also disclosed its proforma revenue and profit after tax for year ended 31 December 2007 and balance sheet items as at 31 December 2007 ("FY2007") for the enlarged Group are as follows:

Proforma Basis (US\$'000)	FY2007 (Enlarged Group)	FY 2006 (OSCL Only)	FY 2005 (OSCL Only)
Revenue	50,489	23,423	17,684
Profit after tax	21,726	14,199	8,057

Proforma Basis (Enlarged Group)	31 December 2007 (US\$'000)
Current Assets	35,429
Non-current Assets	77,665
Total Assets	113,094
Current Liabilities	(20,852)
Non-current Liabilities	(10,207)
Total Liabilities	(31,059)
Net Tangible Assets	82,035

(Note: the basis for the preparation of the unaudited Proforma financial information is detailed in Appendix E of the Circular dated 19 March 2008, from page E-8)

FEG Chairman and Chief Executive Officer, Mr. Tan Pong Tyea, said: "The resumption of trading marks a major milestone in the corporate development of FEG. As a company with a steady track record and a business focused on three distinct business divisions, we are well-positioned to tap the significant growth opportunities in the offshore marine and oil and gas industry.

"The enlarged FEG will be able to better serve customers as we expand our existing fleet by acquiring vessels which are younger and which have deep-water capabilities. This is in addition to our ongoing programme of upgrading and refurbishing our fleet to meet prevailing market needs. In so doing, we will improve efficiency and productivity and also enhance shareholder value," he said.

FEG's customer base includes reputable oil majors such as Royal Dutch Shell, ExxonMobil and BP plc and oil contractors such as Halliburton, McDermott and PetroChina.

With the current high oil prices, FEG expects the marine and oil & gas industry to remain buoyant, which will underpin demand for its services.

Apart from continuing to upgrade and refurbish its fleet to meet prevailing demand conditions, and acquiring younger and more sophisticated vessels, FEG will also seek to grow new revenue streams by providing a broader spectrum of oilfield services to companies in peripheral oil production activities.

In addition, FEG will expand its geographical presence beyond current markets in South East Asia, India and Australia to new markets in Africa and the Middle East, which have grown rapidly in recent years.

FEG's business transformation was propelled by the April 2008 acquisition of OSL at a consideration of S\$233,093,272.29, which was satisfied by the issue of 629,981,817 new ordinary shares in the Company, bringing the total issued capital in FEG currently to 710,418,754 shares.

A compliance placement to meet SGX requirements was recently concluded, during which the vendors, Mr. Tan Pong Tyea and Glenealy Gold Investments Ltd, placed out approximately 15.5 million shares at S\$0.675 each. Following the placement, the public holds approximately 15.7% of ordinary shares in FEG.

End of Release

Stirling Coleman Capital Limited was the financial adviser ("Financial Adviser") to the Company in relation to the acquisition of OSCL completed on 30 April 2008. The Financial Adviser assumes no responsibility for the contents of this announcement.

About Falcon Energy Group Limited ("FEG")

Singapore Exchange Catalist-listed Falcon Energy Group Limited ("FEG" or the "Company") provides a wide range of quality vendor services to the marine and offshore oil & gas industries, which include offshore support vessels on term charters, ship management services, oilfield services and other marine and oil & gas projects, under three business divisions – Marine, Oilfield Services and Oilfield Projects.

FEG's customer base includes MNCs and other reputable players in the global offshore and marine sectors, from the initial exploration stage to production and post-production activities. Through its wholly owned Oilfield Services Company Limited ("OSCL"), FEG owns a fleet of offshore support vessels under its marine division which it is enlarging to cater to deepwater operations. The Group is expanding its oilfield services and oilfield projects while concurrently extending its geographical operations coverage beyond South East Asia, India and Australia, to other regions such as Africa and the Middle East.

Investor Relations & Media Contact Info:

WeR1 Consultants Pte Ltd

29 Scotts Road, Singapore 228224

Tel: +65 67374844 Fax: +65 67374944

Eric Wong, ericwong@wer1.net, HP: +65 9875 6283

Chan Fook Leong, chanfl@wer1.net, HP: +65 9666 8375