



## **Falcon Energy's Warrants Issue Oversubscribed**

**SINGAPORE, 1 November 2010 – MAINBOARD-LISTED** Falcon Energy Group Limited ("the Company" or "FEG") today announced that it has successfully closed its previously announced offering of up to 162,826,994 warrants ("Warrants"), receiving valid acceptances and excess applications for a total of 225,280,109 Warrants, representing approximately 138% of the total number of Warrants that were offered pursuant to the Warrants Issue.

The Warrants were offered at an issue price of S\$0.10 for each Warrant. As the Warrants Issue has been fully subscribed, the Company has raised net proceeds of approximately S\$16.1 million, which the company intends to use as working capital.

FEG is one of the region's leading providers of integrated support services for the international Offshore Marine and Oil & Gas sectors, supporting clients along the entire oil production cycle. It has a proven track record and solid reputation in servicing global oil majors and oil contractors, focusing on the production phase of oilfield activities.

### **Subscription level**

The details of valid acceptances and excess applications for the Warrants received are as follows:

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- (a) Valid acceptances were received for a total of 155,714,752 Warrants, representing approximately 95.6% of the total number of Warrants offered under the Warrants Issue; and
- (b) Excess applications were received for a total of 69,574,357 Warrants, representing approximately 42.7% of the total number of Warrants offered under the Warrants Issue.

Commenting on the successful closing of the Warrants Issue, Mr. Tan Pong Tyea, FEG's Chairman and Chief Executive Officer, said: "We are very encouraged with the overwhelming support from our shareholders. In like manner, we hope to see all entitled shareholders increasing their equity participation in the Company through the exercise of their Warrants in the future."

Each Warrant carries the right to subscribe for one New Share at the exercise price of S\$0.40 and must be exercised within three years. And if all the Warrants are fully exercised and converted into shares of the Company, the proceeds from the exercise of the Warrants will come up to approximately S\$65.1 million, which may be applied towards the general capital of the Company.

The Group expects the 162,826,994 Warrants to be issued on or about 4 November 2010 pursuant to the Warrants Issue. The Company further expects that the Warrants will be listed and quoted on the Official List of the SGX-ST with effect from 9.00 a.m. on or about 9 November 2010.

The Group posted strong results for its six months ended 30 June 2010 with profit after tax attributable to shareholders of US\$16.1 million, expanding 36% over the

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US\$11.8 million in the earlier corresponding period. Revenue, at US\$37.0 million, grew by 34% over the US\$27.7 million recorded a year before.

– Ends –

# Falcon Energy Group Limited



## **About Falcon Energy Group Limited ([www.falconenergy.com.sg](http://www.falconenergy.com.sg))**

Falcon Energy Group Limited is a SGX Mainboard-listed leading player in the regional Offshore Marine and Oil & Gas sectors. The Group provides a full spectrum of support services for the Offshore Marine and Oil & Gas cycle, from initial exploration and drilling to production and post-production stage, with a specialist focus on the production phase of oilfield activities.

The Group has three business divisions with operations spanning Southeast Asia, India and Australia. Its Marine Division provides offshore support vessels for services such as offshore hook up and commissioning, offshore conductor piling and pipe trenching, among others. Its Oilfield Services Division provides services such as agencies, warehousing, logistics, procurement and other general support activities. Through its Oilfield Projects Division, the Group is involved in projects and investments related to the Marine and Oil & Gas industry.

The Group has built up a solid track record over the past 30 years. Its commitment to top quality operations, professional practices and safety standards has resulted in a clientele base that includes some of the largest oil majors in the world including Shell, ExxonMobil, Chevron, BP and TOTAL as well as oil contractors comprising McDermott, Halliburton, PetroChina, and COSL.

Falcon currently has a fleet of 15 Offshore Support Vessels (OSVs) including 9 multi-purpose support vessels.

The Group was listed on SGX SESDAQ on 2 December 2004 through a reverse takeover of Sembawang Music Holdings Limited and changed its name to Falcon Energy Group Limited on 13 November 2006. It was upgraded to SGX Mainboard on 8 September 2009.

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Issued on behalf of Falcon Energy Group Limited by: Waterbrooks Consultants Pte Ltd

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