



FALCON ENERGY GROUP LIMITED

Incorporated in the Republic of Singapore

Registration No.200403817G

**Marine & Oilfield Services Provider, Falcon Energy Group,
Announces Two Contracts Worth US\$84.4 Million from Leading
Geophysical & Marine Seismic Services Group, BGP Inc.**

- **Long- term charter contract of seismic survey vessel will start contributing positively to FEG's earnings from 1Q FY2009**
- **Sale contract for a supply vessel to contribute positively to earnings for the current financial year ending 31 December 2008**
- **Business Outlook – in spite of the current global credit crunch and lower oil prices, demand for the segment of the marine and production oilfield services that FEG provides will continue to remain strong.**

Singapore, 17 November 2008 – Singapore Exchange Catalist-listed Falcon Energy Group Limited ("FEG" or the "Group"), which provides a broad spectrum of services to the marine and oil & gas industry, today announced two contracts secured by its subsidiaries from a new customer, Singapore-based BGP GeoExplorer Pte Ltd, a subsidiary of leading geophysical group, BGP Inc.

BGP, which is a subsidiary of China National Petroleum Corporation (CNPC), provides marine seismic services and has been expanding its fleet since 2006, in conjunction with plans to expand its scope of services.

The total aggregate value of both contracts will amount to US\$84.4 million.

The first contract entailed the long-term charter of a seismic survey vessel to BGP. FEG is customising the vessel to cater to the specific requirements of BGP and is targeting delivery by end 2008. FEG thus expects to commence the recognition of this charter's revenue from the first quarter of FY2009.

The second contract pertained to the sale of a supply vessel to BGP. The delivery has been scheduled for end November 2008 and accordingly, FEG expects to recognise revenue for this sale in the current financial year ending 31 December 2008.

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The Group had on 1 October 2007 changed its financial year end from 30 September to 31 December.

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

About Falcon Energy Group Limited ("FEG")

Singapore Exchange Catalyst-listed Falcon Energy Group Limited ("FEG" or the "Group") is in the business of providing offshore support vessels for charter and ship management services, oilfield services and other marine and oil & gas projects through its three business divisions namely Marine, Oilfield Services and Oilfield Projects.

FEG provides its services to the marine and oil & gas industry focusing on the production stage. Through its wholly-owned subsidiary Oilfield Services Company Limited ("OSCL"), FEG owns a fleet of offshore support vessels under its marine division and has plans to expand the current fleet to cater to deep water operations. FEG also plans to expand beyond its current operations in South East Asia, India and Australia, to other regions such as Africa and Middle East. The Group also plans to expand its business to oilfield services and oilfield projects.

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