

Stake of Swiss AVELAR Energy Group in Falcon Oil & Gas reaches 16%

The Swiss energy and gas company AVELAR Energy Group announced today that its stake in Falcon Oil & Gas Ltd. has reached 16.11%. Igor Akhmerov, CEO of AVELAR, commented: "We have fundamental belief that the management team of Falcon, together with Exxon and MOL, will bring the company to successful exploration results. Our investment in Falcon is strategic and long-term."

AVELAR entered into an agreement today to acquire 44,904,977 common shares of Falcon Oil & Gas, representing 7.94% of the outstanding shares, in a private transaction. Including these shares, AVELAR owns and exercises control over 91,072,277 common shares of Falcon Oil & Gas, representing 16.11% of the outstanding shares. AVELAR may from time to time acquire additional securities of Falcon Oil & Gas or dispose of Falcon Oil & Gas securities, in the open market, by private agreement or otherwise.

AVELAR is a pan-European company aiming at becoming both Europe's main provider of alternative and innovative energy sources and a major gas and energy trader to satisfy the increasing needs of European power and gas sectors. Falcon Oil & Gas Ltd. is traded on the Canada-based TSX Venture Exchange under the symbol FO.

About AVELAR Energy Group:

- AVELAR Energy Group with headquarters in Zurich (Switzerland), a branch in Milan (Italy) and representative offices in Cairo (Egypt) and Moscow (Russia) was incorporated in December 2006. Its principal shareholder is the Russian-based RENOVA Group, a diversified asset management company with major investments in oil and gas giant TNK-BP among others.

For further questions or to obtain a copy of the report filed by AVELAR:

- AVELAR Energy Group**
Markus Blume
Claridenstrasse 22, CH-8001 Zurich (Switzerland)
Phone: +41 (44) 2000300
Internet: www.avelarenergy.com
Email: m.blume@avelarenergy.com
- Prof. Marino Massimo de Caro**
Via Cappuccini 4, 20122 Milan (Italy)
Phone: +39 02 3216571
Email: m.decaro@avelarenergy.com