



2 March 2010

Falkland Oil and Gas Limited
('FOGL' or 'the Company')

TR-1 Notification of Major Interest in shares

TR-1: NOTIFICATION OF MAJOR INTEREST IN SHARESⁱ

1. Identity of the issuer or the underlying issuer of existing shares to which voting rights are attached: ⁱⁱ	<p style="text-align: center;">FALKLAND OIL & GAS LIMITED</p>
2 Reason for the notification (please tick the appropriate box or boxes):	
An acquisition or disposal of voting rights:	<p style="text-align: center;">X</p>
An acquisition or disposal of qualifying financial instruments which may result in the acquisition of shares already issued to which voting rights are attached:	
An acquisition or disposal of instruments with similar economic effect to qualifying financial instruments:	
An event changing the breakdown of voting rights:	
Other (please specify):	
3. Full name of person(s) subject to the notification obligation: ⁱⁱⁱ	<p style="text-align: center;">RAB CAPITAL PLC ACTING AS DISCRETIONARY MANAGER OF RAB SPECIAL SITUATIONS (MASTER) FUND LIMITED, RAB ENERGY FUND LIMITED</p>
4. Full name of shareholder(s) (if different from 3.): ^{iv}	<p style="text-align: center;">CREDIT SUISSE CLIENT NOMINEES (UK) LIMITED</p>
5. Date of the transaction and date on which the threshold is crossed or reached: ^v	<p style="text-align: right;">22/02/2010</p>
6. Date on which issuer notified:	<p style="text-align: right;">01/03/2010</p>
7. Threshold(s) that is/are crossed or reached: ^{vi, vii}	<p style="text-align: right;">36%, 35%</p>

8. Notified details:							
A: Voting rights attached to shares ^{viii, ix}							
Class/type of shares if possible using the ISIN CODE	Situation previous to the triggering transaction		Resulting situation after the triggering transaction				
	Number of Shares	Number of Voting Rights	Number of shares	Number of voting rights		% of voting rights ^x	
			Direct	Direct ^{xi}	Indirect ^{xii}	Direct	Indirect
ORDINARY SHARES FK00B030JM18	36,094,278	36,094,278	n/a	n/a	31,744,278	n/a	21.71%

B: Qualifying Financial Instruments						
Resulting situation after the triggering transaction						
Type of financial instrument	Expiration date ^{xiii}	Exercise / Conversion Period ^{xiv}	Number of voting rights that may be acquired if the instrument is exercised/ converted.	% of voting rights		
C: Financial Instruments with similar economic effect to Qualifying Financial Instruments ^{xv, xvi}						
Resulting situation after the triggering transaction						
Type of financial instrument	Exercise price	Expiration date ^{xvii}	Exercise/ Conversion period ^{xviii}	Number of voting rights instrument refers to	% of voting rights ^{xix, xx}	
					Nominal	Delta
Warrants	£0.949	22/12/2012	n/a	6,000,000	4.10%	
CFD'S	n/a	22/12/2011	n/a	375,000	0.3%	
Convertible Loan + interest	£0.80	22/12/2011	n/a	11,748,098	8.03%	

Total (A+B+C)	
Number of voting rights	Percentage of voting rights

49,867376	34.10%
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9. Chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held, if applicable: ^{xxi}

RAB Capital plc acts as investment manager for RAB CAPITAL PLC ACTING AS DISCRETIONARY MANAGER OF RAB SPECIAL SITUATIONS (MASTER) FUND LIMITED, RAB ENERGY FUND LIMITED, RAB CEF AND RAB CROSS FUND LIMITED. RAB Capital plc does not act as custodian for its clients and therefore the shares are held in the nominee name of the custodian of its clients, which is CREDIT SUISSE CLIENT NOMINEES (UK) LIMITED..

Proxy Voting:

10. Name of the proxy holder:	n/a
11. Number of voting rights proxy holder will cease to hold:	n/a
12. Date on which proxy holder will cease to hold voting rights:	n/a
13. Additional information:	n/a
14. Contact name:	RAB Capital PLC – Legal Team
15. Contact telephone number:	020 7389 7000