

Falkland Islands Holdings plc

Falkland Oil and Gas Limited - Completion of Placing

Falkland Islands Holdings Plc ('FIH') the international services Group, which owns essential services businesses focused on transport and logistics is pleased to note the Completion of Placing announcement made today by Falkland Oil and Gas Limited.

The FIH shareholding in FOGL following the placing remains unchanged at 15,000,000 ordinary shares representing a 10.26 % interest.

The text of today's announcement by FOGL is shown below:

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26 November 2009

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

Completion of Placing

Further to the Company's earlier announcement in respect of its intention to raise £50 million before expenses, FOGL is pleased to announce the completion of the placing of 43,478,261 new ordinary shares of 0.002 pence in the capital of the Company ("Ordinary Shares") at a price of 115 pence per share (the "Placing Price") (the "Placing Shares") (the "Placing").

Tim Bushell, Chief Executive of FOGL, said:

"We are delighted to have raised the capital necessary to fully fund our planned exploration programme and look forward to completing the contractual rig arrangements to commence a minimum two well exploration programme in 2010.

"Any success would have a transformational impact on the prospects for FOGL."

RAB Group participation in the Placing

Pursuant to the Placing, 1,500,000 of the Placing Shares have been placed with RAB Special Situations (Master) Fund Limited ("RAB SSMF"). In addition, 1,500,000 of the Placing Shares have been placed with RAB Cross Europe Fund Limited ("RAB CEF") and 435,000 of the Placing Shares have been placed with RAB Energy Fund Limited ("RAB EF"). Following admission of the Placing Shares, RAB SSMF will hold 35,094,278 Ordinary Shares representing 24.0 per cent. of the enlarged issued share capital of the Company, RAB CEF will hold 1,500,000 Ordinary Shares representing 1.0 per cent. of the enlarged issued share capital of the Company and RAB EF will hold 435,000 Ordinary Shares representing 0.3 per cent. of the enlarged issued share capital of the Company.

The above transactions with RAB SSMF, RAB CEF and RAB EF are deemed to be a Related Party Transaction under Rule 13 of the AIM Rules for Companies. The Directors consider, having consulted with Oriel Securities, the Company's Nominated Adviser, that the terms of the transactions with RAB SSMF, RAB CEF and RAB EF are fair and reasonable insofar as the Company's shareholders are concerned.

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