

Falkland Islands Holdings plc ('the Company')

Falkland Islands Holdings PLC Executive Share Option Scheme ('the Scheme')

7 August 2007

Mr. John Foster, Managing Director of the Company, was today granted an option vesting in three years to subscribe for ordinary shares in the Company, subject to the satisfaction of a number of performance conditions, under the following terms:

- a) the maximum number of shares to be acquired under option to be 27,517 ordinary shares of 10 pence each at a price of 330 pence each; and
- b) there is no consideration to be paid for the granting of the option.

J Foster

Falkland Islands Holdings plc