



ABN 41 009 117 293

FIRST AUSTRALIAN RESOURCES LIMITED

Incorporated in Western Australia

4 May 2010

Cameron Bill
Adviser, Issuers (Perth)
Australian Securities Exchange
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Cameron

RESPONSE TO PRICE AND VOLUME QUERY

In response to your fax dated 4 May 2010, we provide the following information:

1. The Company is not aware of any information concerning it that has not been announced to the market which could be an explanation for recent trading in securities of the Company.
2. Not applicable.
3. The Company is continuing to market its 90 percent interest in its three exploration blocks offshore Senegal, West Africa in an effort to secure a farm-in partner. As disclosed to the market in our most recent Quarterly Activities Report, discussions have commenced with potential farm-in partners. The farmout process may take several months while companies undertake technical due diligence. Due to the commercially sensitive nature of the farmout process and confidentiality agreements executed as part of this process, FAR will not make any public release until such time as a binding agreement, if any, has been reached. FAR confirms that at the present time no agreement has been reached with any party.
4. I can confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours sincerely
For and on behalf of
FIRST AUSTRALIAN RESOURCES LIMITED

MICHAEL EVANS
Executive Chairman

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