

The world's largest oil discovery for 2014

Good Oil Conference
Fremantle
3-4 September 2015



FAR snapshot (ASX:FAR)

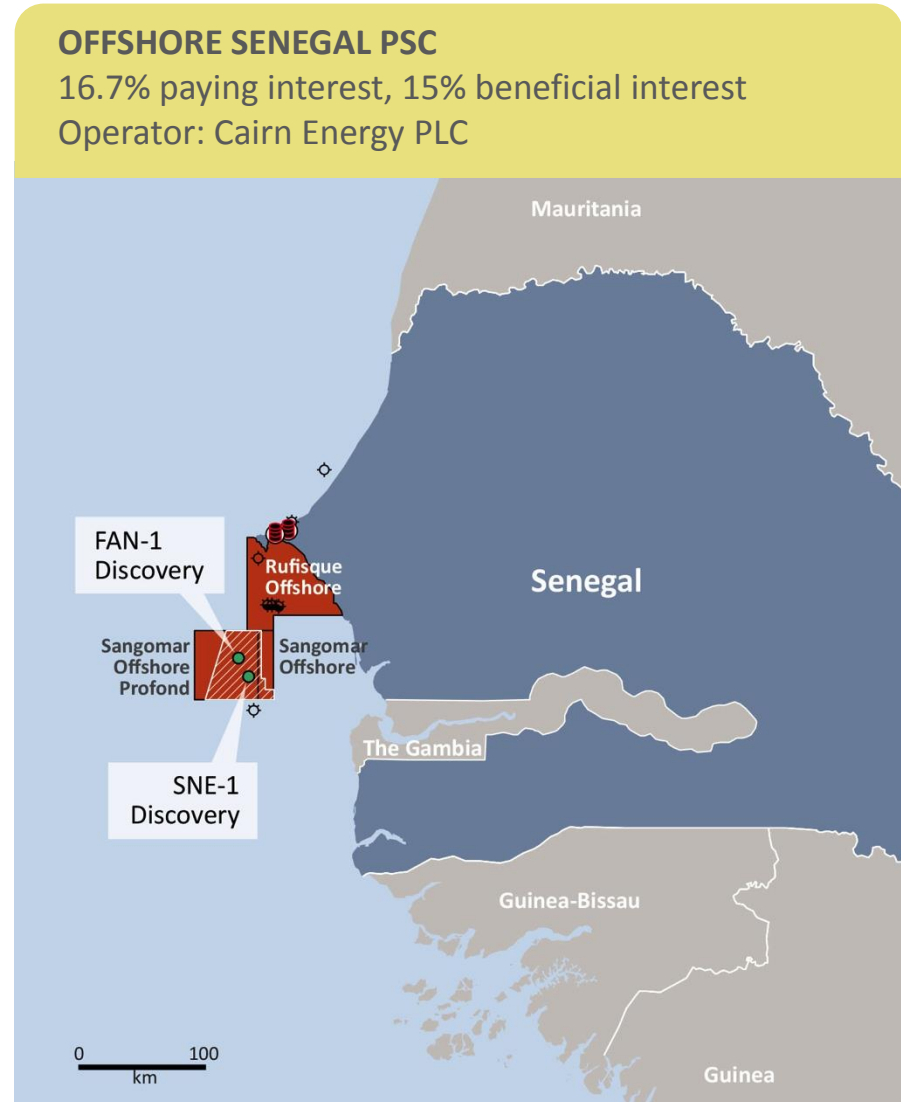
- **Africa focused:** Senegal, Guinea Bissau, Kenya and Australia
- **FAN-1 and SNE-1:** New basin opening oil discoveries in Senegal
- **World's largest oil discovery:** SNE rated No. 1 in 2014 (IHS CERA)
- **Good economics:** SNE is low break even (IRR 10% @ US\$45/bbl)
- **Quality Senegal partners:** ConocoPhillips, Cairn Energy, Petrosen
- **Mid cap E&P:** FAR entered the ASX 300 Index in March 2015
- **12th largest oil company on ASX:** as at 31 Aug
- **Strong balance sheet:** Cash balance A\$43.5m (June qtr)
- **New drilling 4Q 2015:** Strong value addition
- **Strong team and Board:** Reg Nelson recently joined board



Senegal



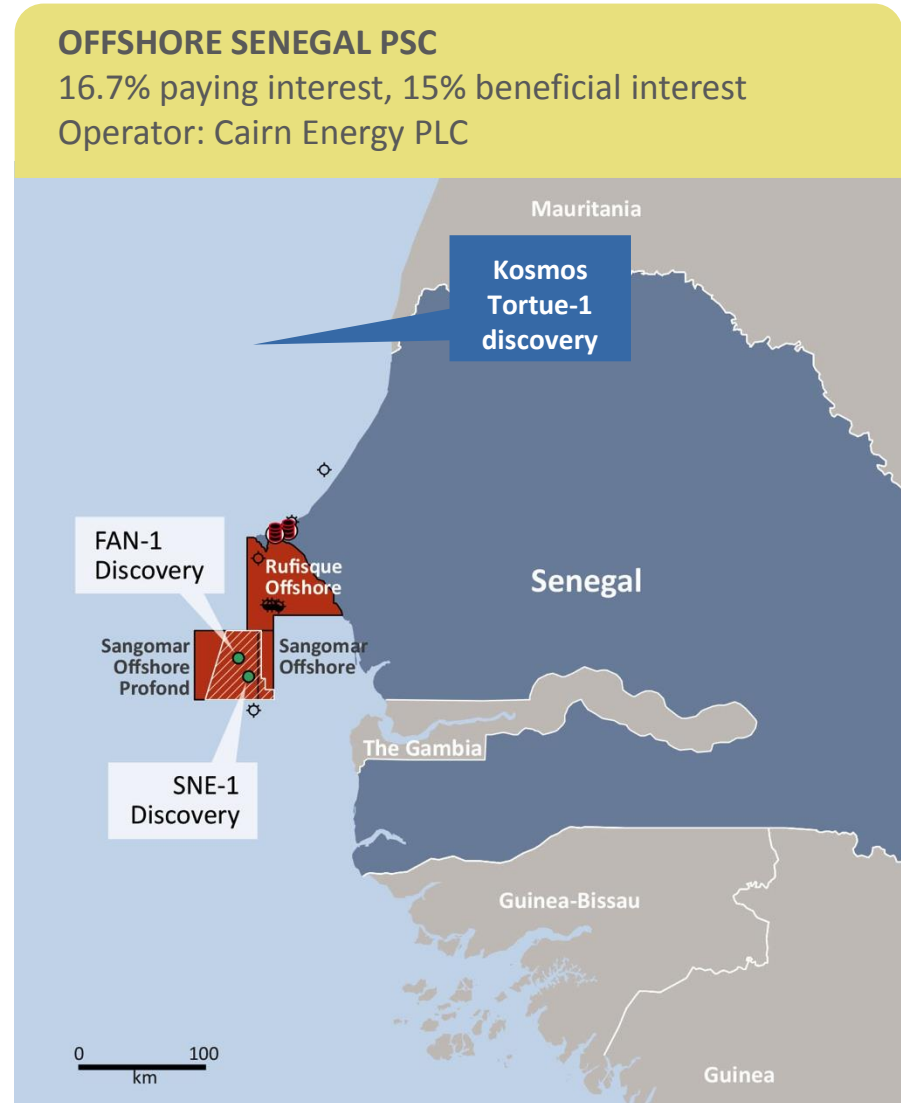
- **FAR has strong relationships** : been in Senegal since 2006
- **Senegal is peaceful** : has been a democracy for 198 years
- **Senegal achieved 4.7% GDP growth** in 2014
- **Senegal S&P sovereign credit rating**: 'B+/B' (stable outlook)
- **FAN-1 and SNE-1**: First offshore oil exploration wells for 40 years
- **US\$196M farmouts in 2013**
- **Quality partners**: FAR 15%, Cairn Energy (Operator 40%), ConocoPhillips (35%) and Petrosen (10%)



Senegal



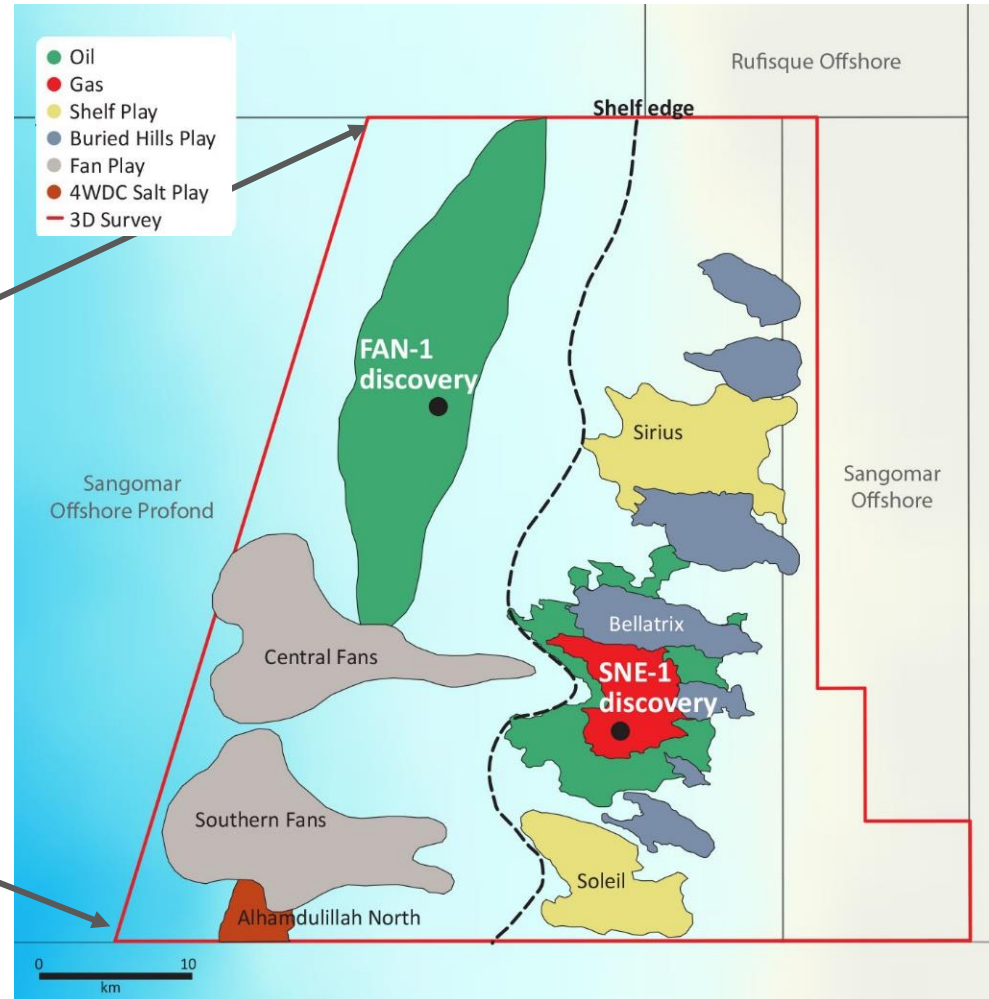
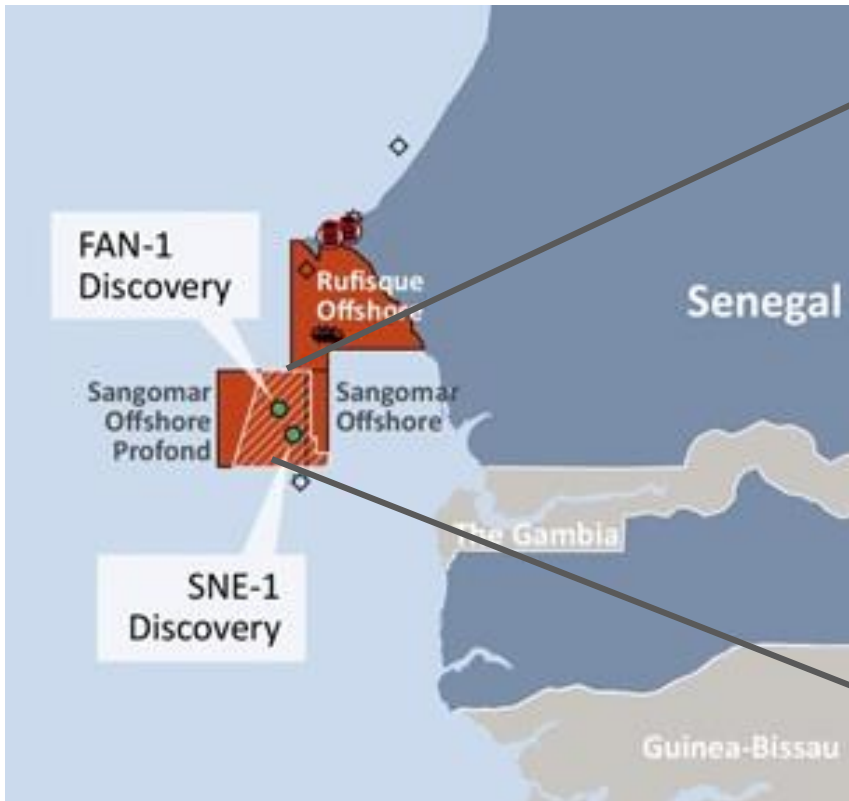
- **Tortue-1:** New gas discovery straddles Mauritania-Senegal border with an estimated gross resource of 5-12 Tcf
- Area well and truly under the spotlight as more basin opening exploration takes place
- More discoveries to be made...



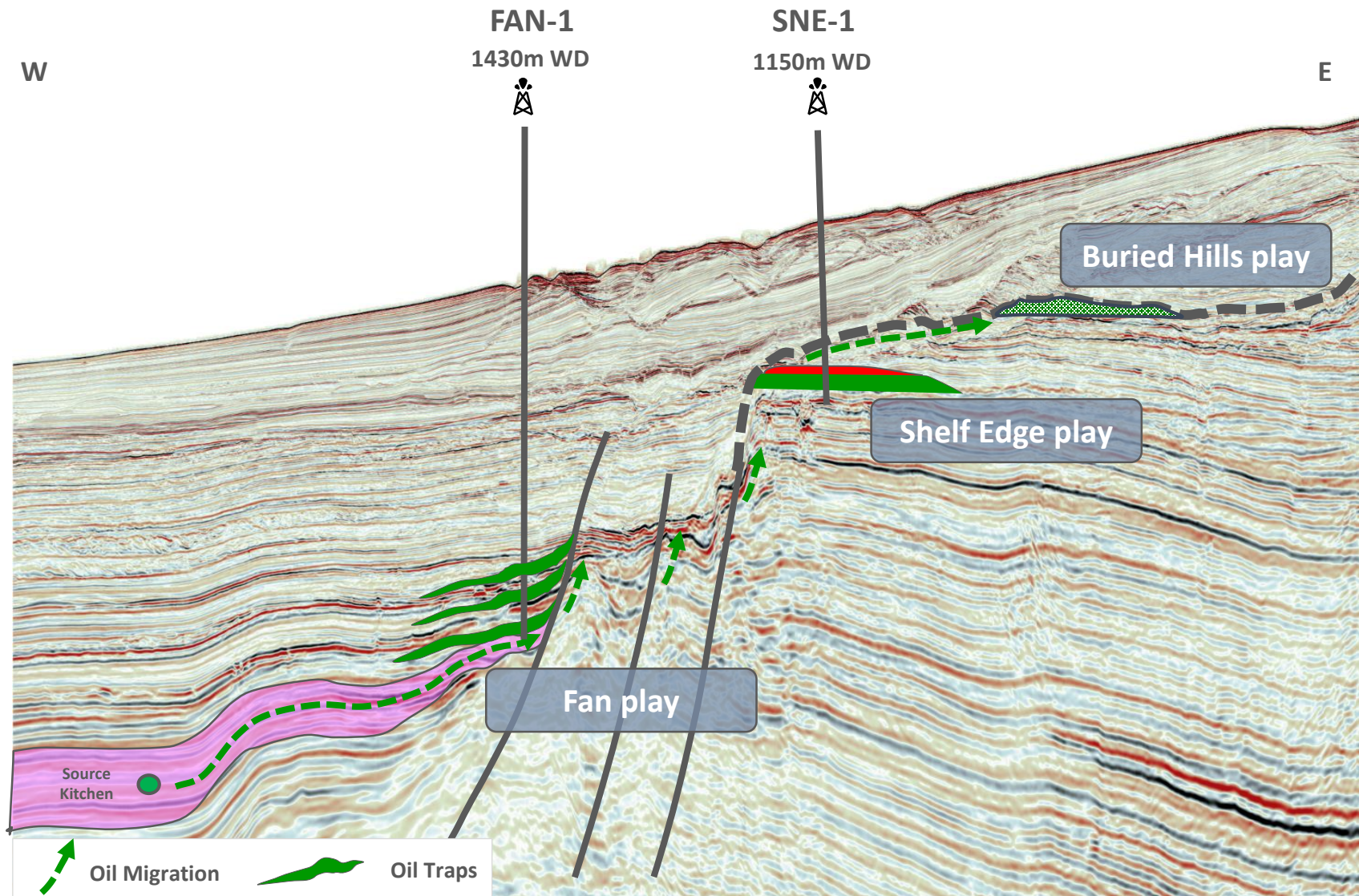
Senegal prospects and leads



- PSC area 7,490 km²
- 3D seismic coverage ~2500km²



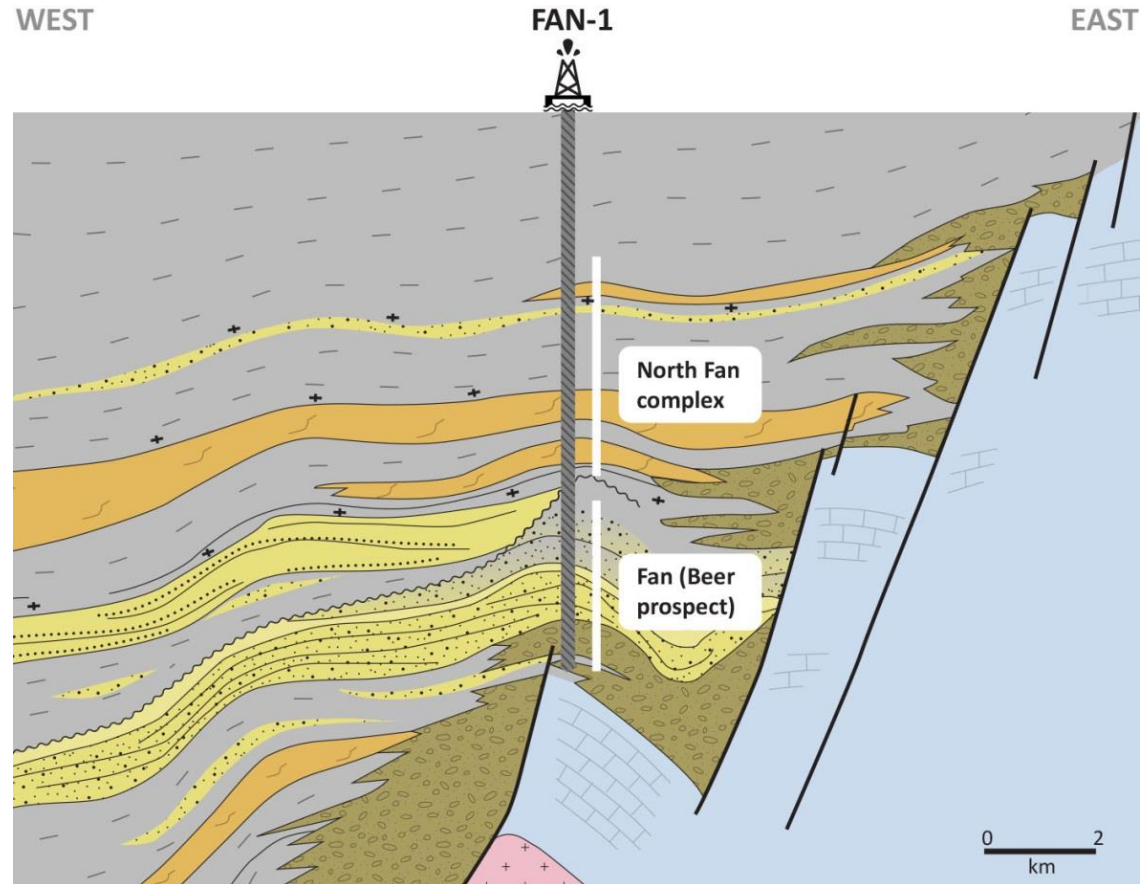
FAN-1 and SNE-1 model seismic section



FAN-1 oil discovery



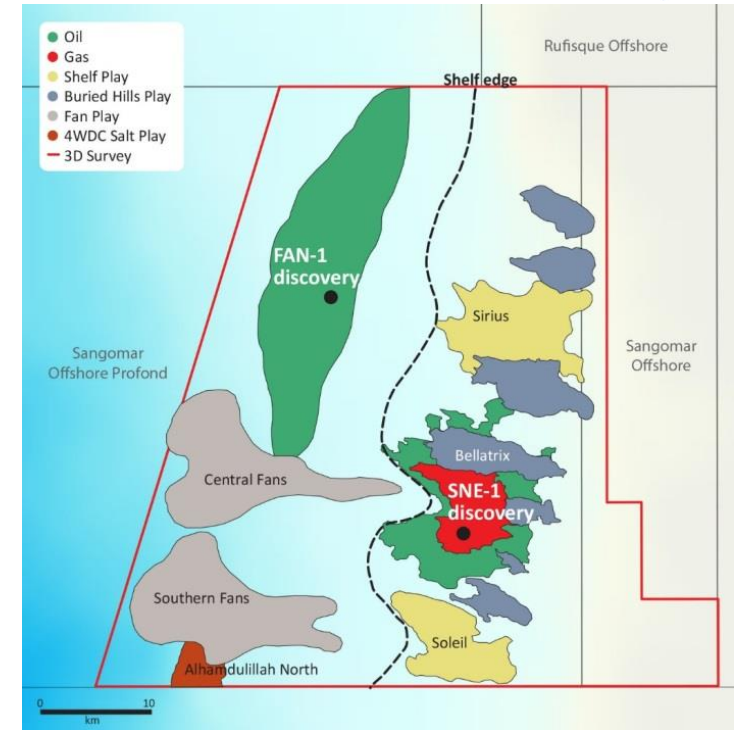
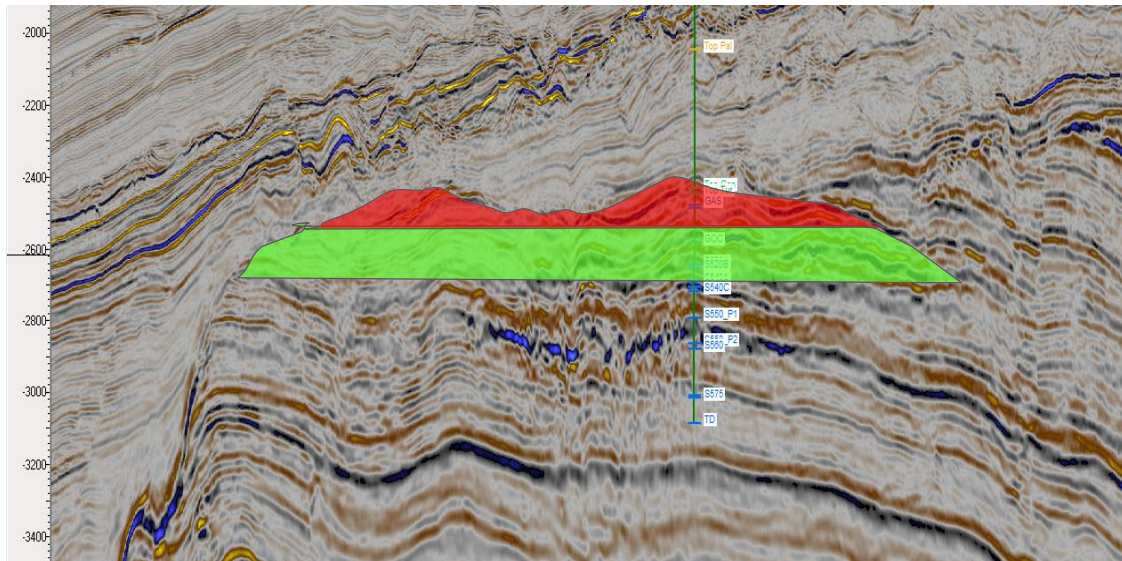
- Gross oil bearing interval >500m
- Oil gravity 28-41 degrees API
- No oil-water contact encountered
- Proved prolific source and migration pathway
- Operator gross oil STOIIIP
 - P90: 250 mmbbls
 - P50: 950 mmbbls
 - P10: 2,500 mmbbls



SNE-1 oil discovery



- **World's largest oil discovery for 2014** (IHS CERA)
- **Gross oil column of 96m (36m net)**
- **2C resource of 330mmbbls* (50mmbbls net to FAR*)**



SNE-1 gross contingent resources*

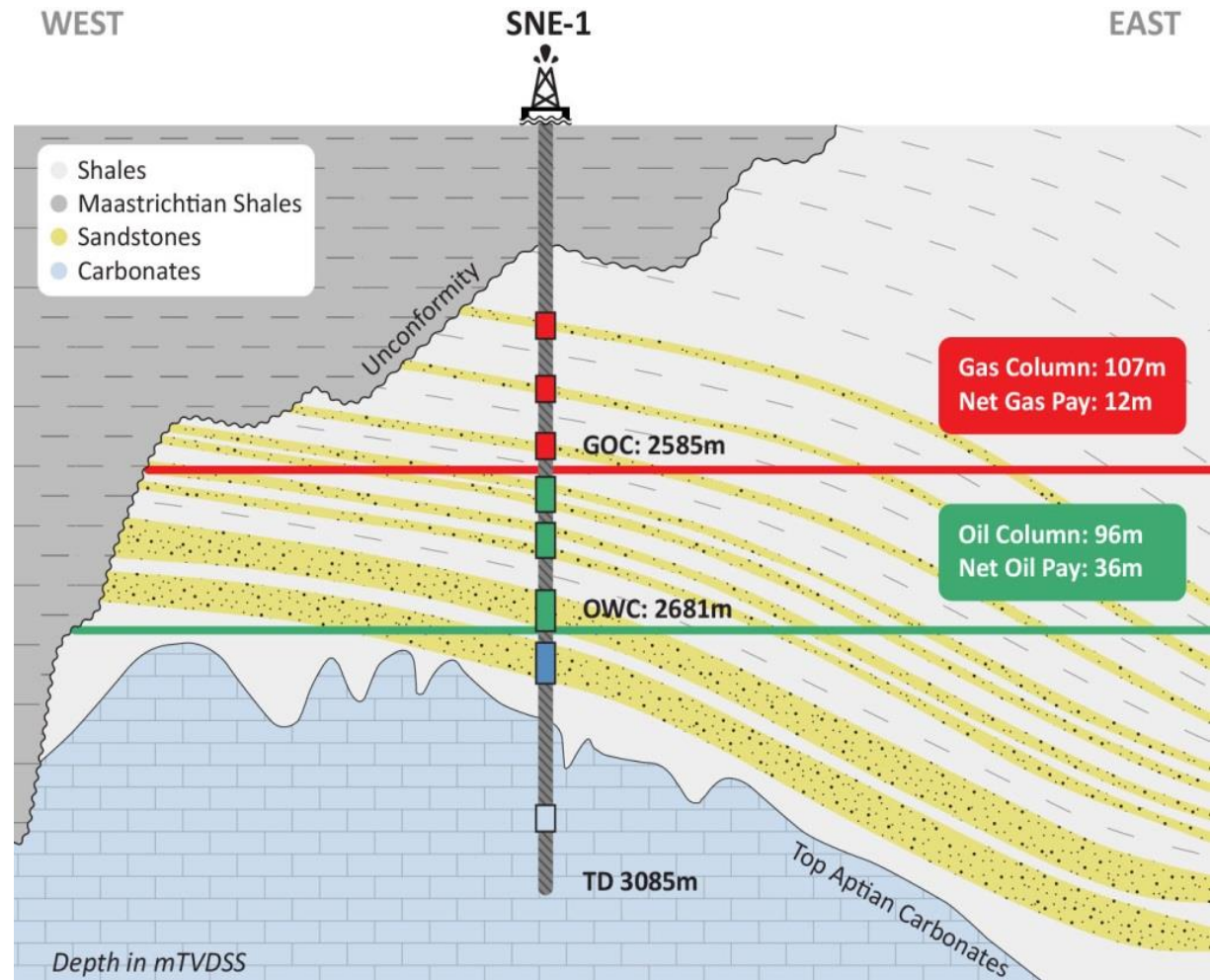
Low estimate (1C)	150 mmbbls
Best estimate (2C)	330 mmbbls
High estimate (3C)	670 mmbbls

*Reference ASX releases dated 27 Feb 2013, 5 Feb 2014, 11 Mar 2014, 13 Apr 2015 best estimate, gross, unrisks contingent resources, 100% basis, oil only

SNE Field



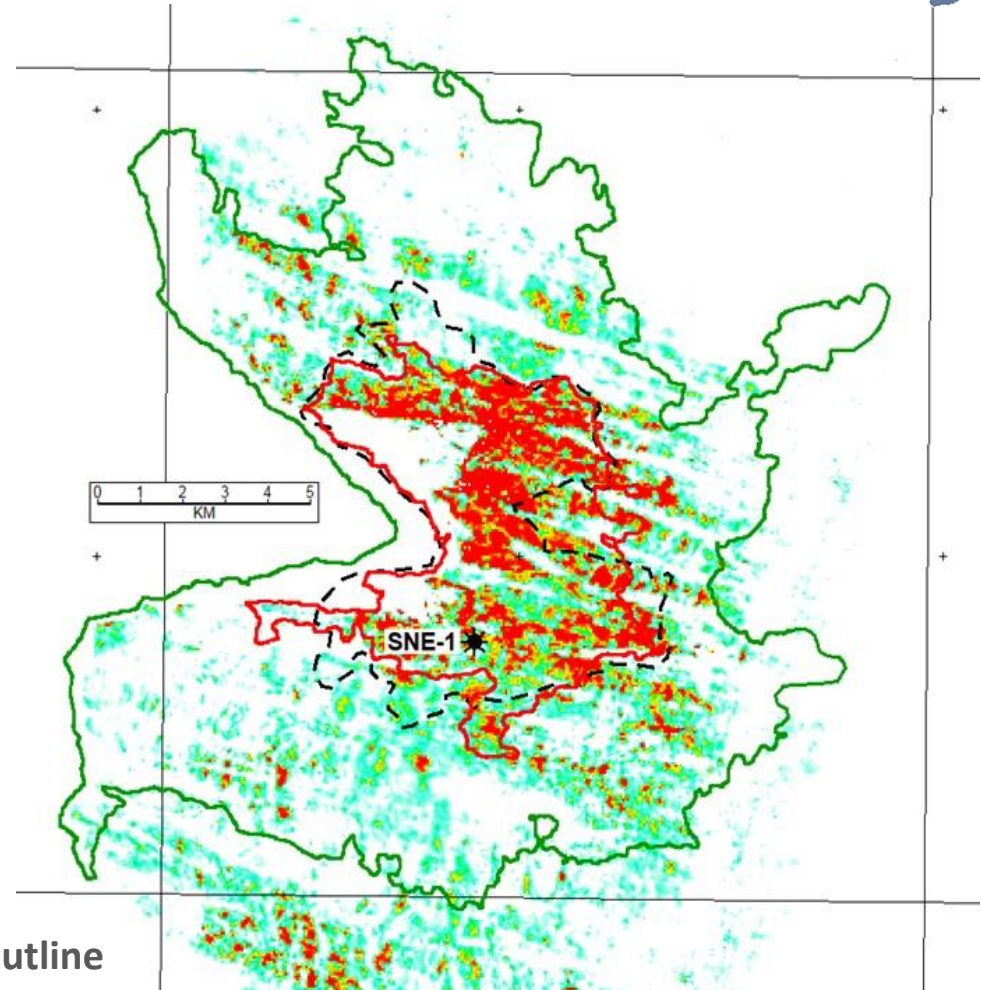
- Excellent reservoir: average 25% porosity
- Text book gas-oil and oil-water contacts
- 96m oil column (36m net)
- 107m gas column
- Strong potential to get larger!
- Lookalike prospects to the north and south



SNE Field top reservoir: Seismic amplitudes



- Strong conformance of seismic amplitude with structure
- Pre-drill estimate 154 mmbbls*
- Post drill estimate more than twice the size at 330 mmbbls*
- **Lookalike prospects with similar amplitude anomalies**



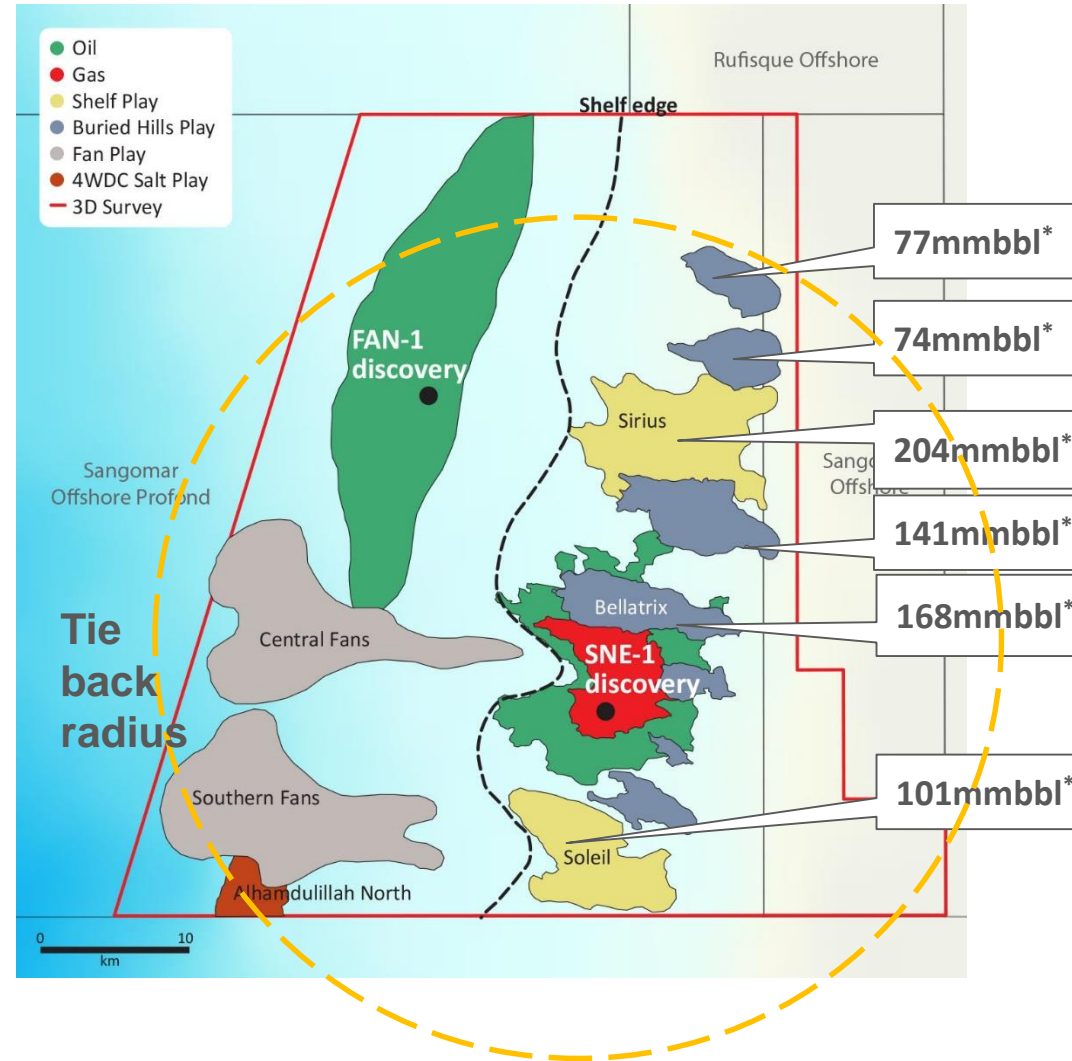
- Pre drill field outline
- Gas-Oil contact
- Oil-Water contact

*Reference FAR ASX releases dated 27 Feb 2013, 5 Feb 2014, 11 Mar 2014, 13 Apr 2015 best estimate, gross, unrisks contingent resources, 100% basis, oil only

What next for FAR in Senegal?



- Next steps are to
 - appraise the SNE discovery
 - build resource base through drilling
- 3 well program committed:
 - 2 SNE appraisal wells
 - Bellatrix exploration well
- Drilling commences mid October
- Drilling costs coming down!!
- Aim for Declaration of Commerciality



*Reference FAR ASX releases dated 13 Apr 2015 best estimate, gross, unrisksed prospective resources, 100% basis, oil only

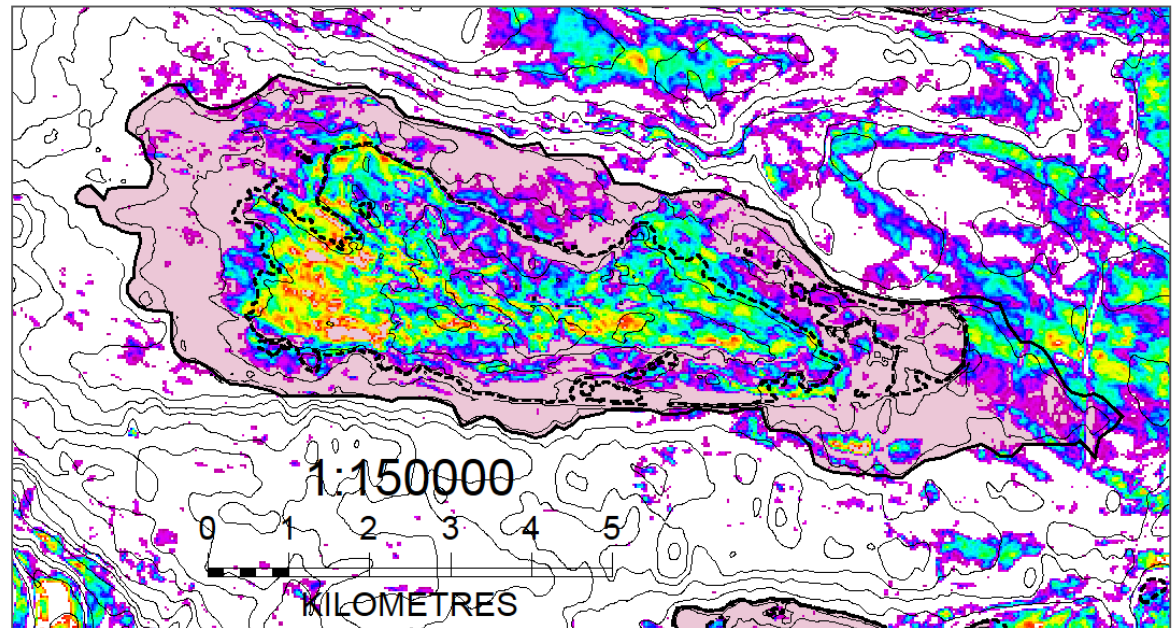
Bellatrix prospect



- Buried Hill play, yet undrilled
- Strong amplitude response, conforms to structure
- Prospect overlies northern extent of SNE field
- **FAR CoS: 49%, Operator: 80%**
- Lookalike prospects in event of success

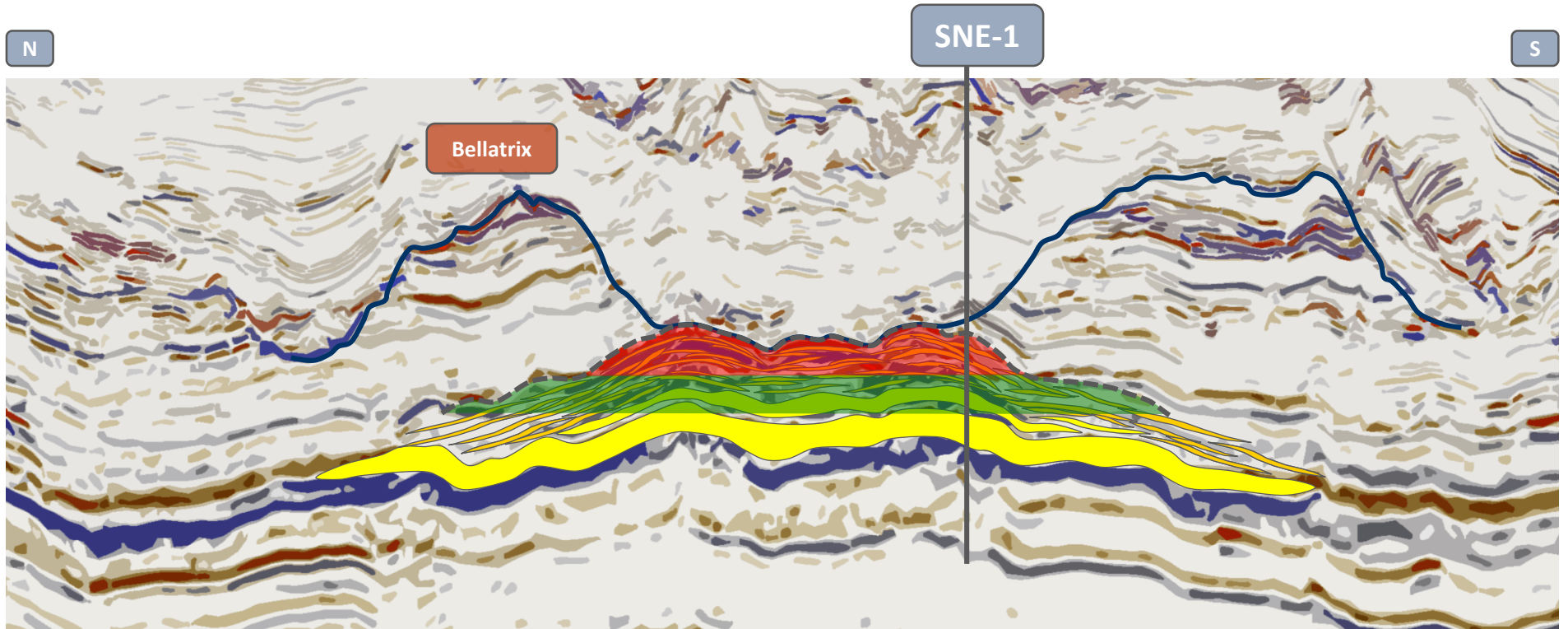
Bellatrix unrisked prospective resources*

Low estimate	69 mmbbls
Best estimate	168 mmbbls
High estimate	356 mmbbls

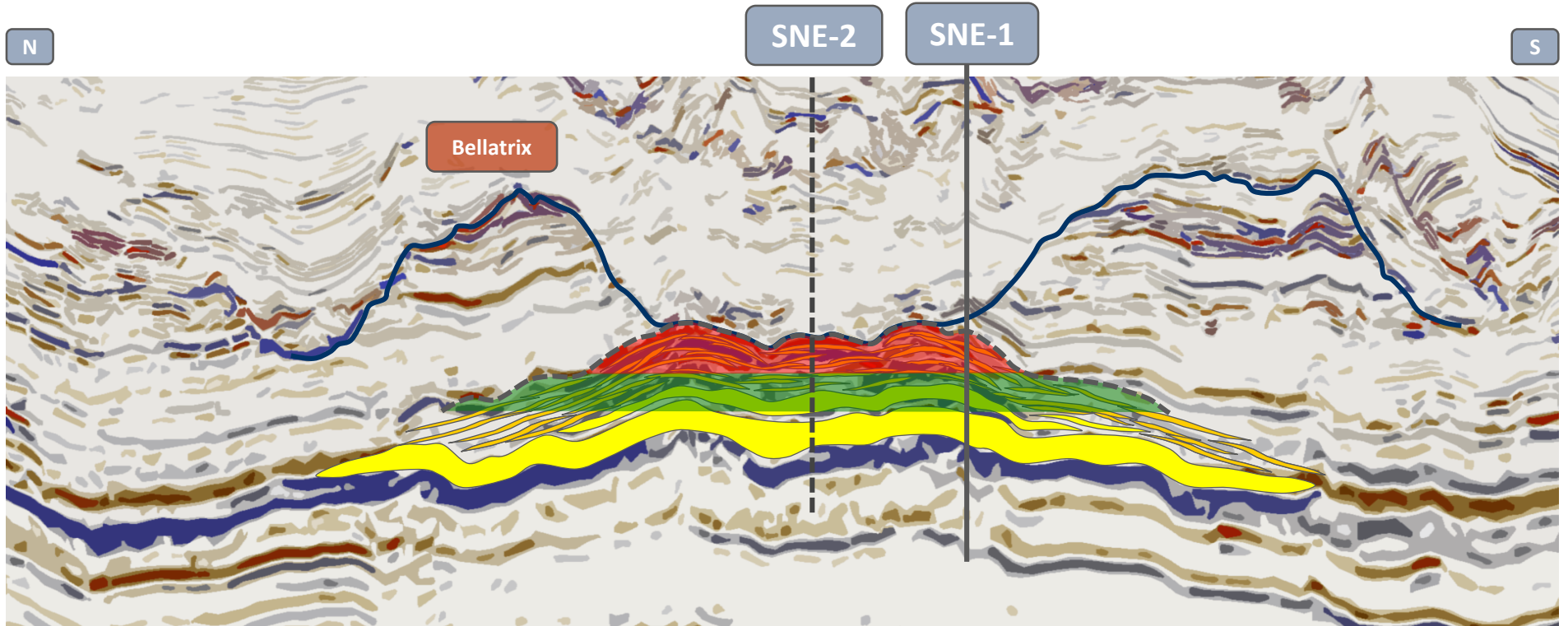


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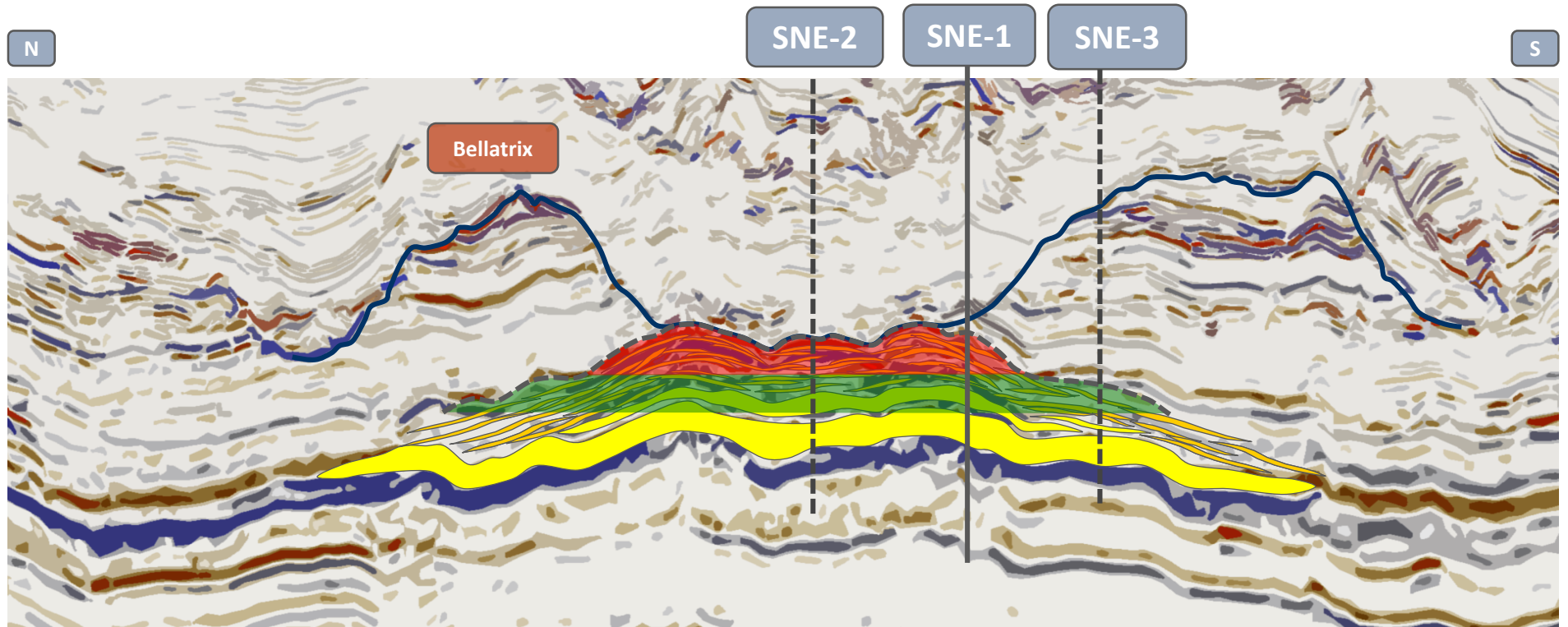
Appraisal drilling program



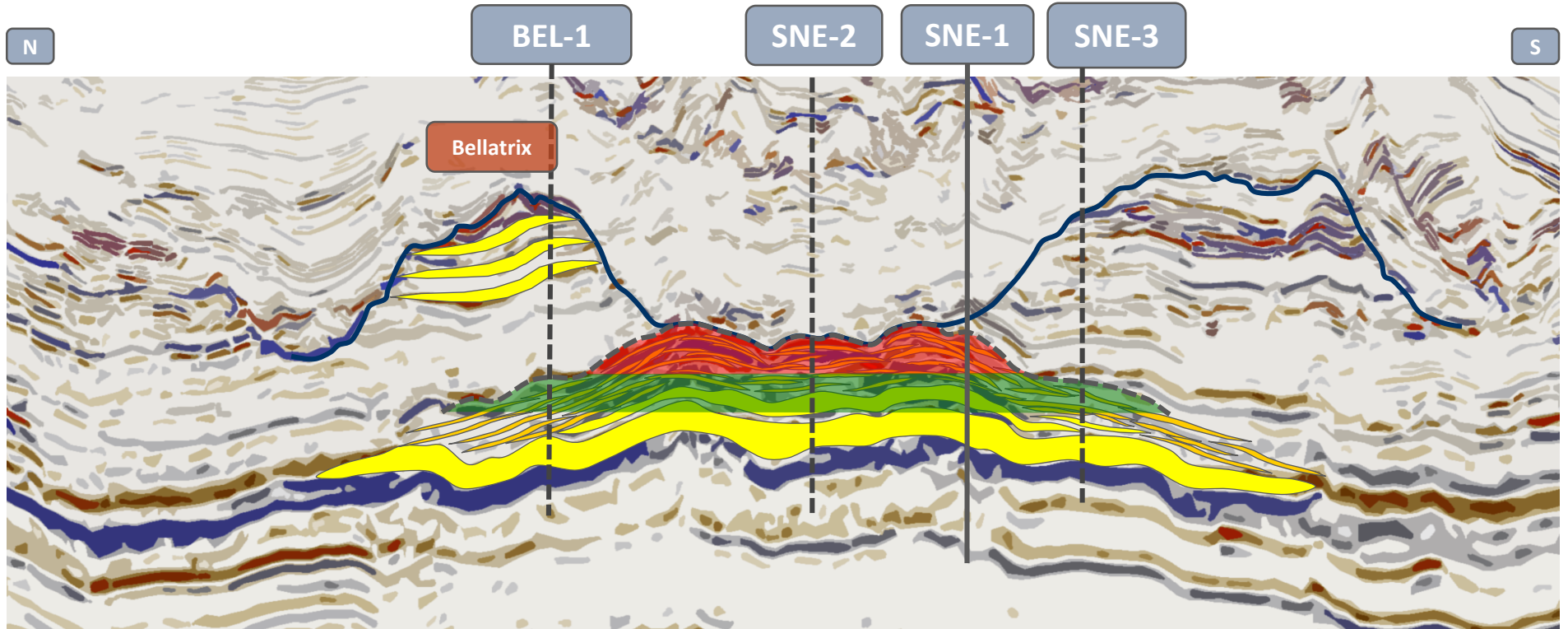
Appraisal drilling program: SNE-2



Appraisal drilling program: SNE-3



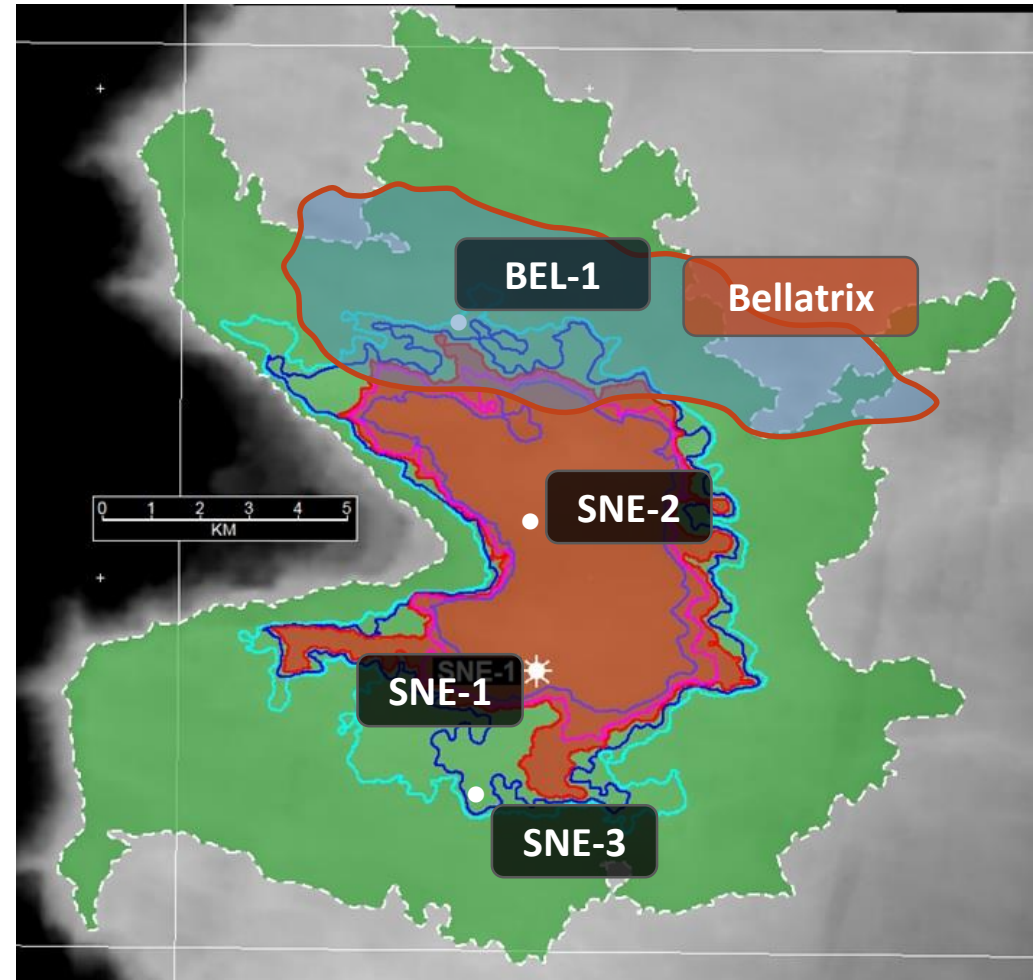
Appraisal drilling program: BEL-1



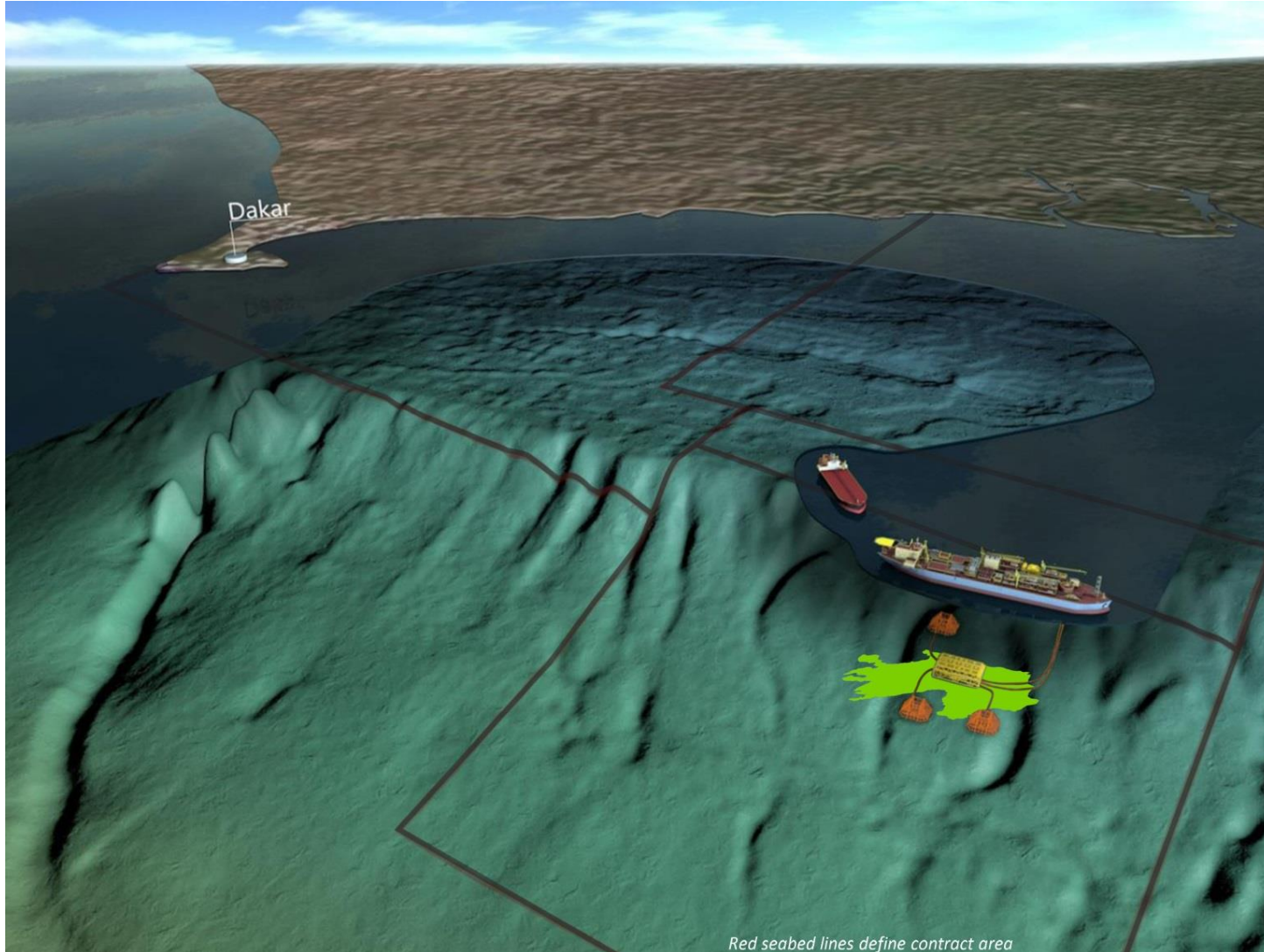
SNE indicative appraisal well locations



- Prove minimum economic field size (MEFS: 200mmbbls)
- Test upside in SNE (3C resource 670mmbbls*)
- Test Bellatrix Prospect (P50 168mmbbls*)
- Low risk appraisal, risk is in proving the upside potential!

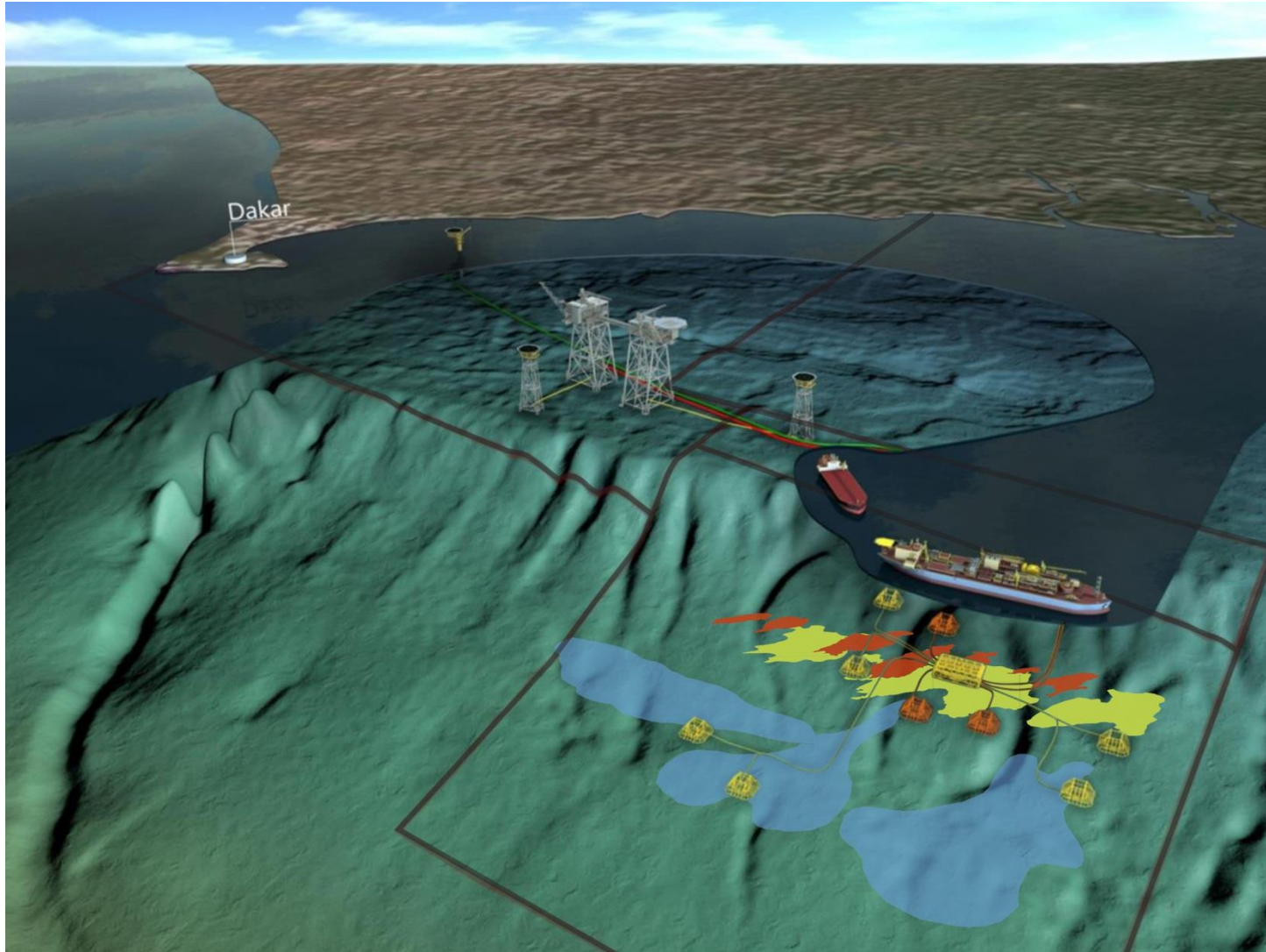


FPSO Development scenario: SNE Field



Red seabed lines define contract area

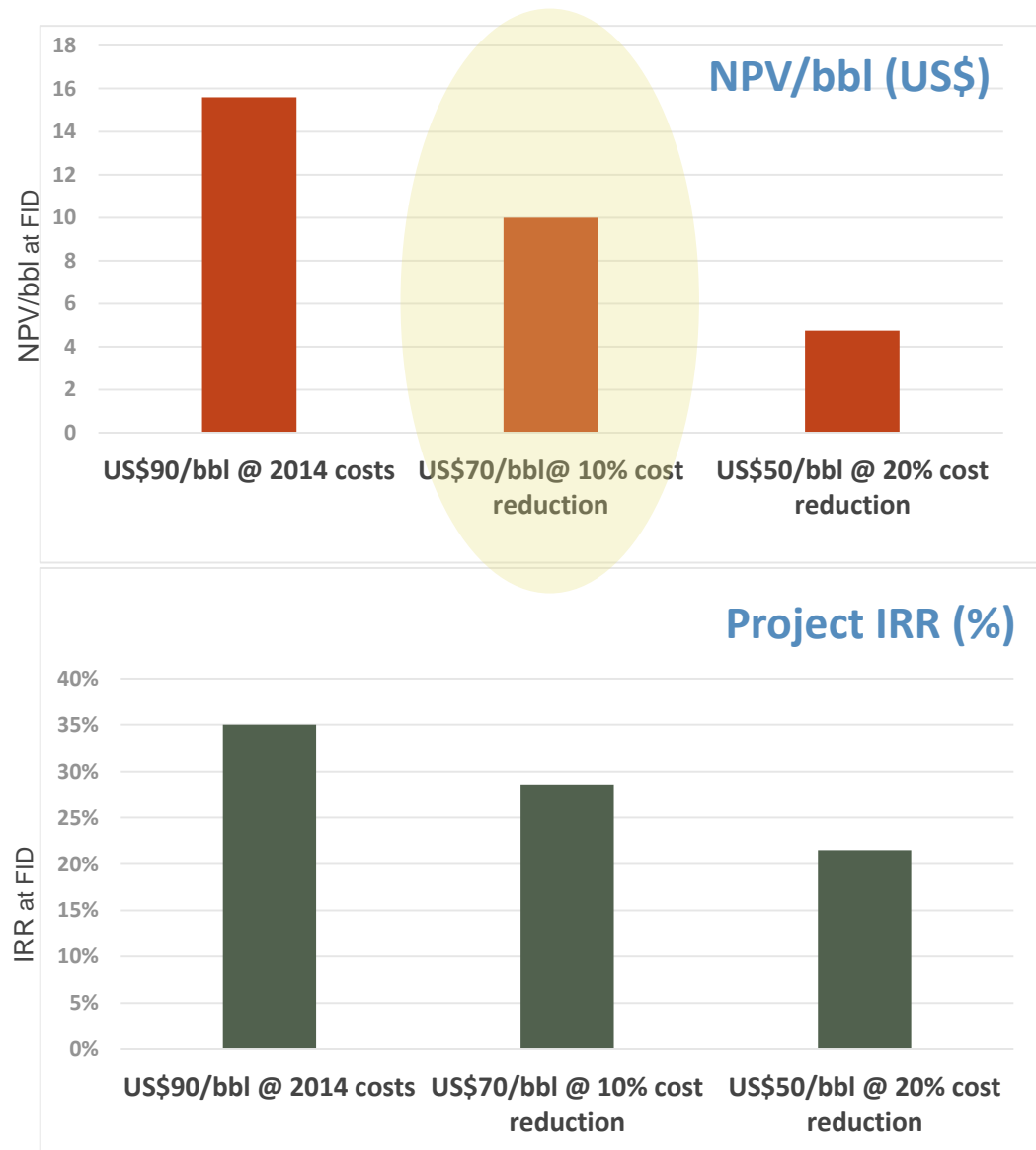
FPSO Development scenario with tie-backs



Senegal economic models



- **Very good PSC terms**
- **Base planning case: 2C**
resource 330mmbbls
(~50mmbbls net to FAR)
- **CAPEX \$17-26/bbl**
- **OPEX \$5-15/bbl**
- **US\$10 NPV/bbl at**
US\$70/bbl
- **SNE likely to be**
standalone at
>=200mmbbls
- **Brent futures: ~US\$70/bbl**
- **Earliest first oil 2021**



Source: Cairn Energy estimates (refer Cairn Energy Capital Markets Day presentation 11/05/2015)

2015 revealing the prize

- 2013: Year of farmout
- 2014: Year of discovery
- 100% success rate offshore Senegal
- Appraisal of SNE starts 4Q 2015
- Undrilled exploration prospects offshore Senegal with >1.5bn bbls potential
- Possible lookalikes of shelf play in FAR's Guinea Bissau acreage
- FAR committed to finding more elephants lurking under Senegalese waters



Contact us

Level 17, 530 Collins Street
Melbourne VIC 3000 Australia
T: +61 3 9618 2550

www.far.com.au



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- Cautionary Statement for Prospective Resource Estimates – With respect to the Prospective Resource estimates contained within this report, it should be noted that the estimated quantities of Petroleum that may potentially be recovered by the future application of a development project may relate to undiscovered accumulations. These estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.
- Information in this report relating to hydrocarbon resource estimates has been compiled by Peter Nicholls, the FAR exploration manager. Mr Nicholls has over 30 years of experience in petroleum geophysics and geology and is a member of the American Association of Petroleum Geology, the Society of Exploration Geophysicists and the Petroleum Exploration Society of Australia. Mr Nicholls consents to the inclusion of the information in this report relating to hydrocarbon Prospective Resources in the form and context in which it appears. The Prospective Resource estimates contained in this report are in accordance with the standard definitions set out by the Society of Petroleum Engineers, Petroleum Resource Management System.