

Unlocking offshore Senegal

Africa Oil Week
26 October 2015



Who is FAR?

- **Australian listed oil company:** 8th largest E&P on ASX
- **Africa focused:** Senegal, Guinea Bissau, Kenya and Australia
- **Offshore Senegal:** FAR's core project
- **FAN-1 and SNE-1 wells:** Basin opening oil discoveries
- **World's largest oil discovery in 2014** (IHS CERA)
- **Good economics:** SNE is low break even (IRR 10% @ US\$45/bbl)
- **Quality Senegal partners:** ConocoPhillips, Cairn Energy, Petrosen
- **Appraisal drilling commences this month**



Senegal



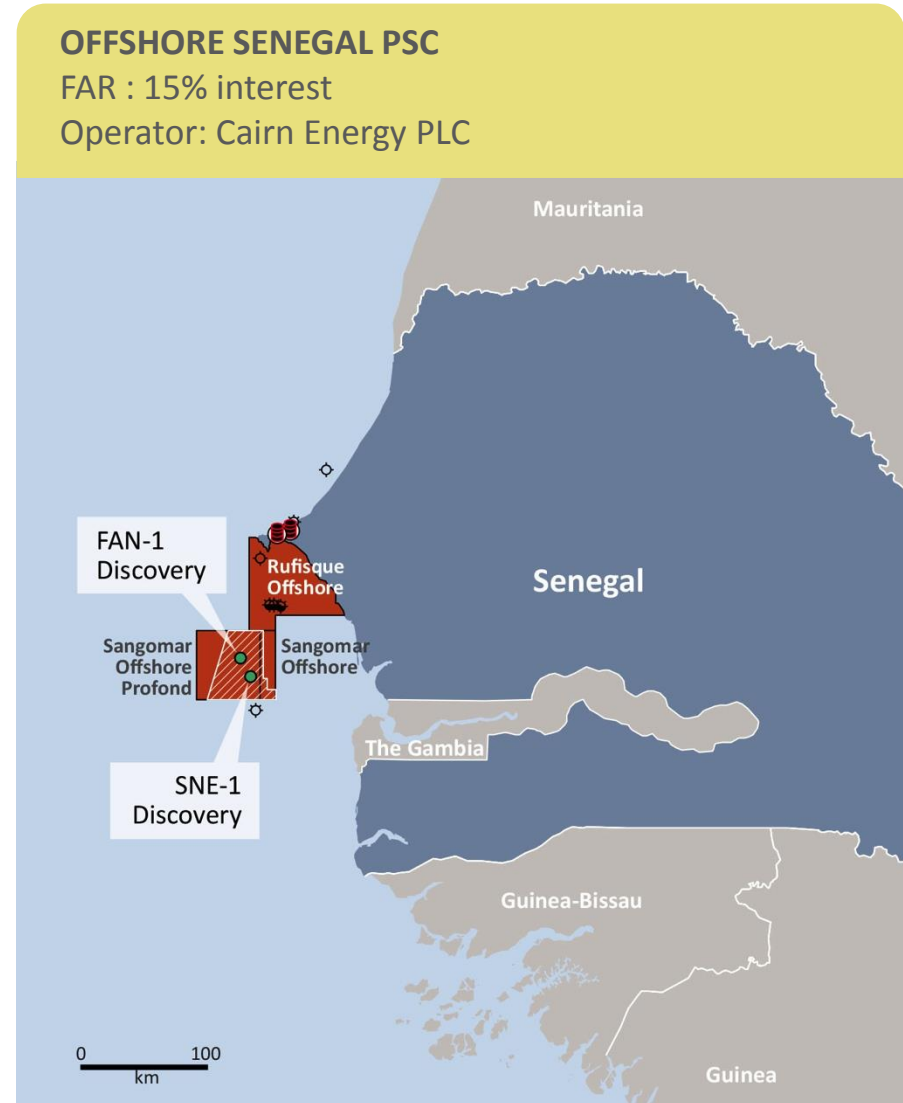
- **FAR has strong relationships :**
 - Been in Senegal since 2006
 - One of longest standing companies in country
- **Senegal is peaceful :** has been a democracy for 198 years
- **Senegal achieved 4.7% GDP growth** in 2014
- **Senegal S&P sovereign credit rating:** 'B+/B' (stable outlook)
- **President is a Petroleum Geologist**



Senegal



- **FAN-1 and SNE-1:** First offshore oil exploration wells for 40 years, first deepwater wells offshore
- **US\$196M farmouts in 2013**
- **Quality partners:** FAR 15%, Cairn Energy (Operator 40%), ConocoPhillips (35%) and Petrosen (10%)
- More discoveries likely to be made



The road to discovery



2006: FAR farmed in

2008: Operator exits Senegal,
leaving FAR with 90% and
operatorship

2010: Shell option

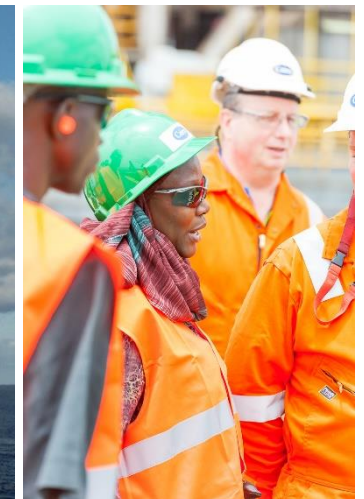
2011: Kora well drilled in AGC
Profond

2012: Drilling phase of PSC

2013: Cairn and ConocoPhillips
partners

2014: Drilling and discovery

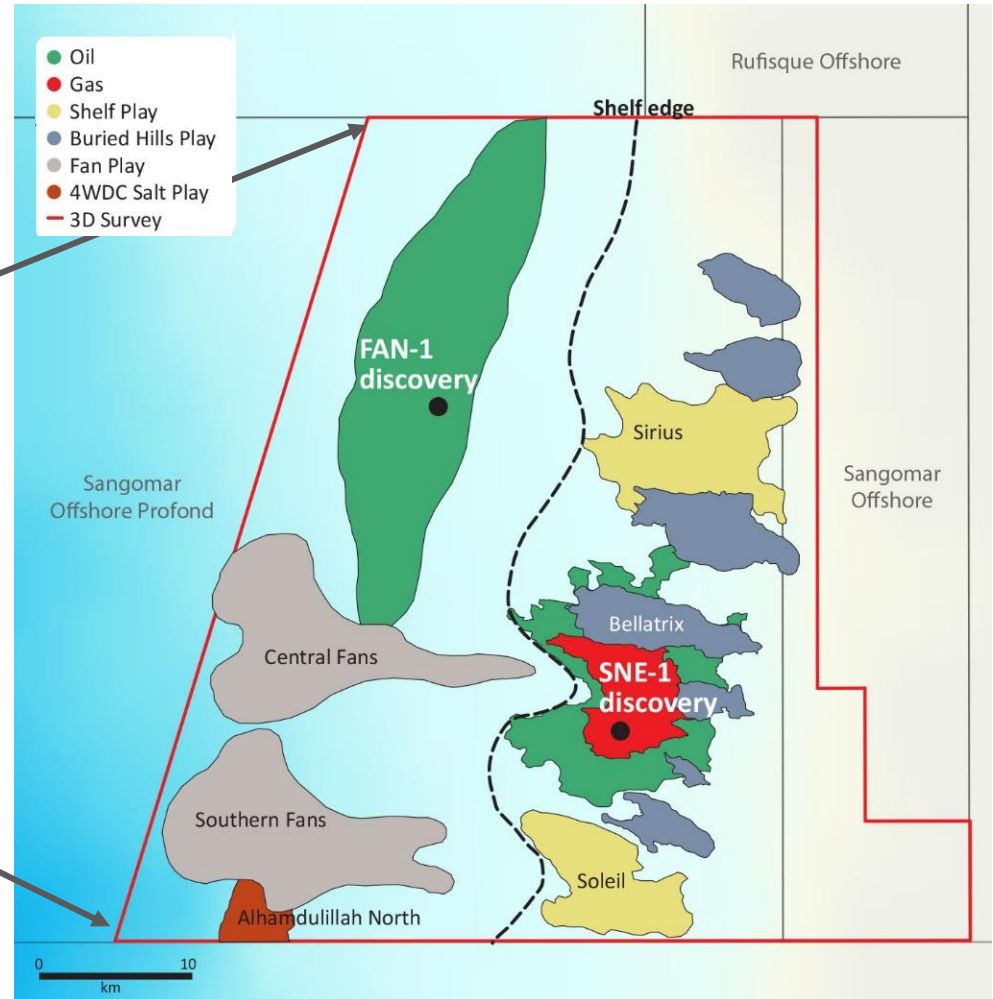
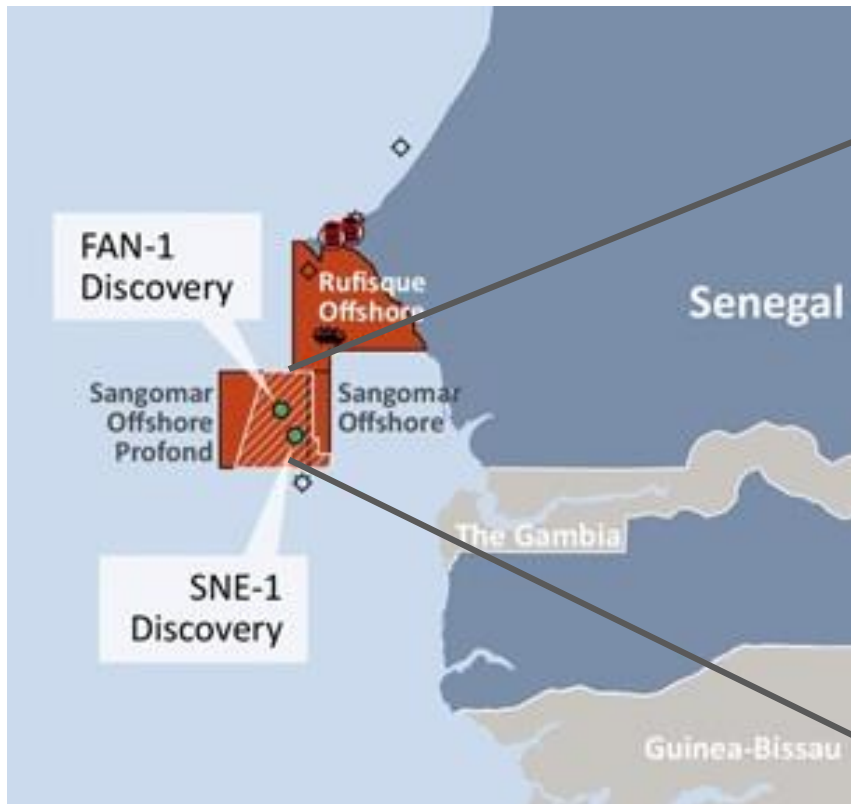
2015: Commencement of
evaluation program



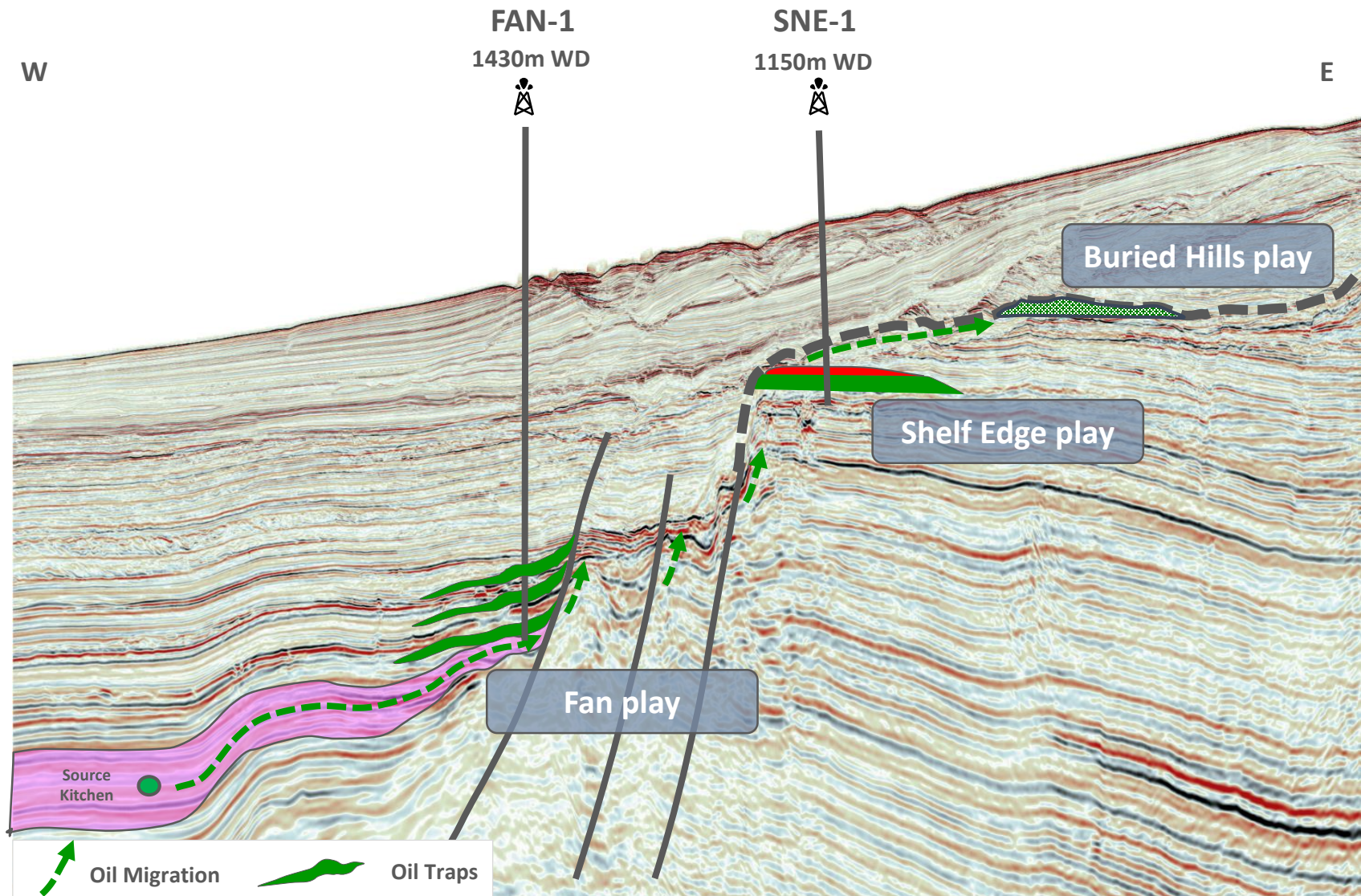
Senegal prospects and leads



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



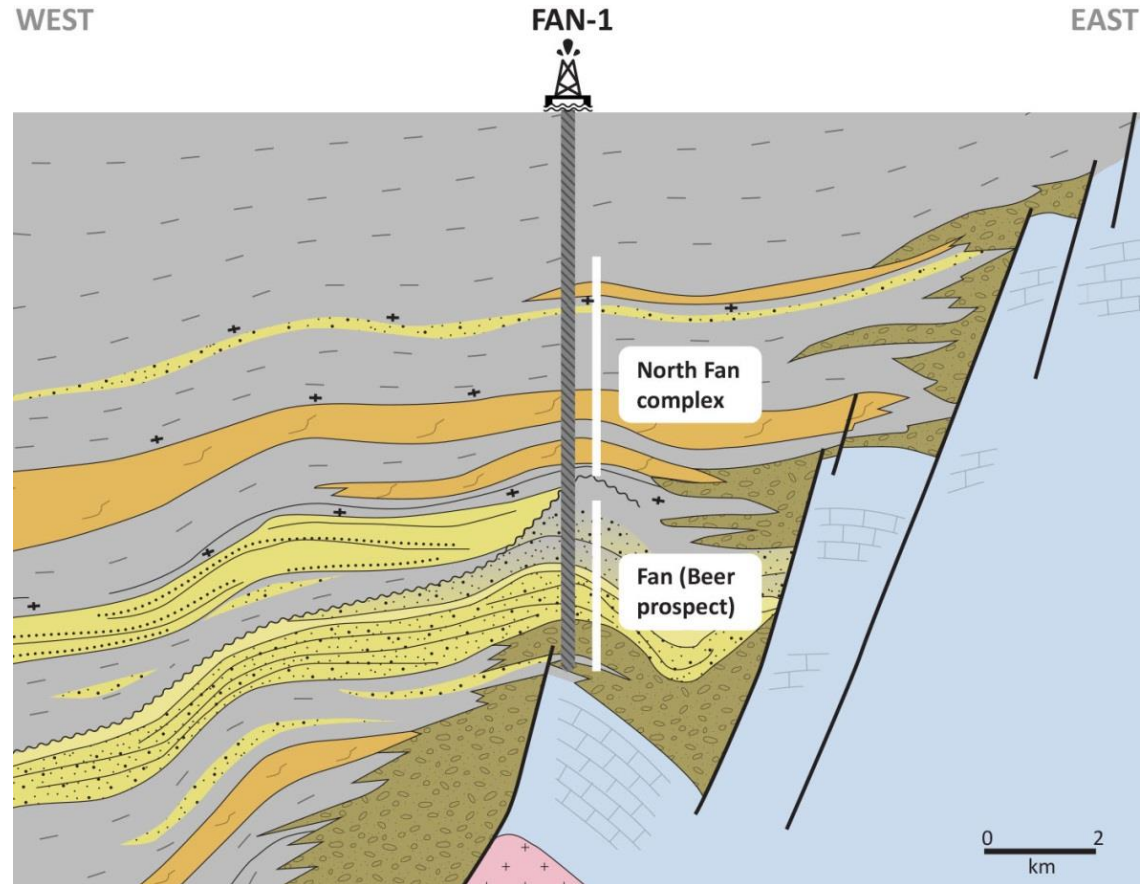
FAN-1 and SNE-1 model seismic section



FAN-1 oil discovery



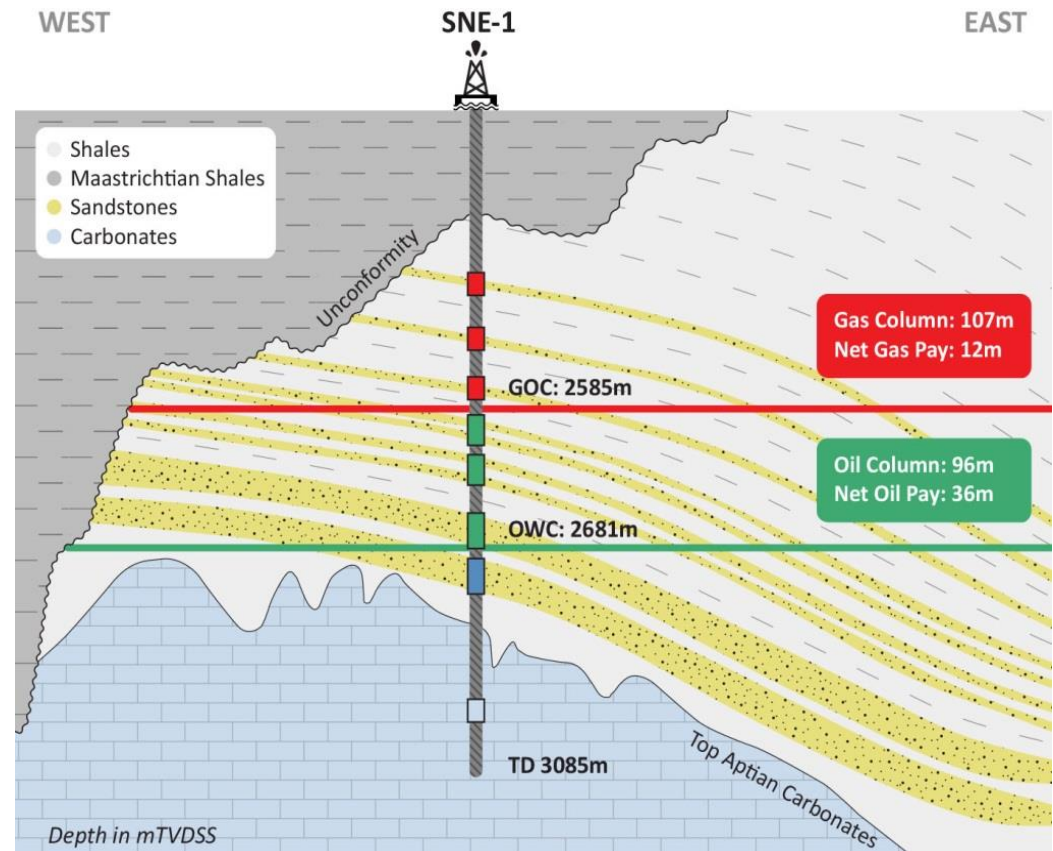
- Gross oil bearing interval >500m
- Oil gravity 28-41 degrees API
- No oil-water contact encountered
- Proved prolific source and migration pathway
- Operator gross oil STOIIIP
 - P90: 250 mmbbls
 - P50: 950 mmbbls
 - P10: 2,500 mmbbls



SNE-1 oil discovery



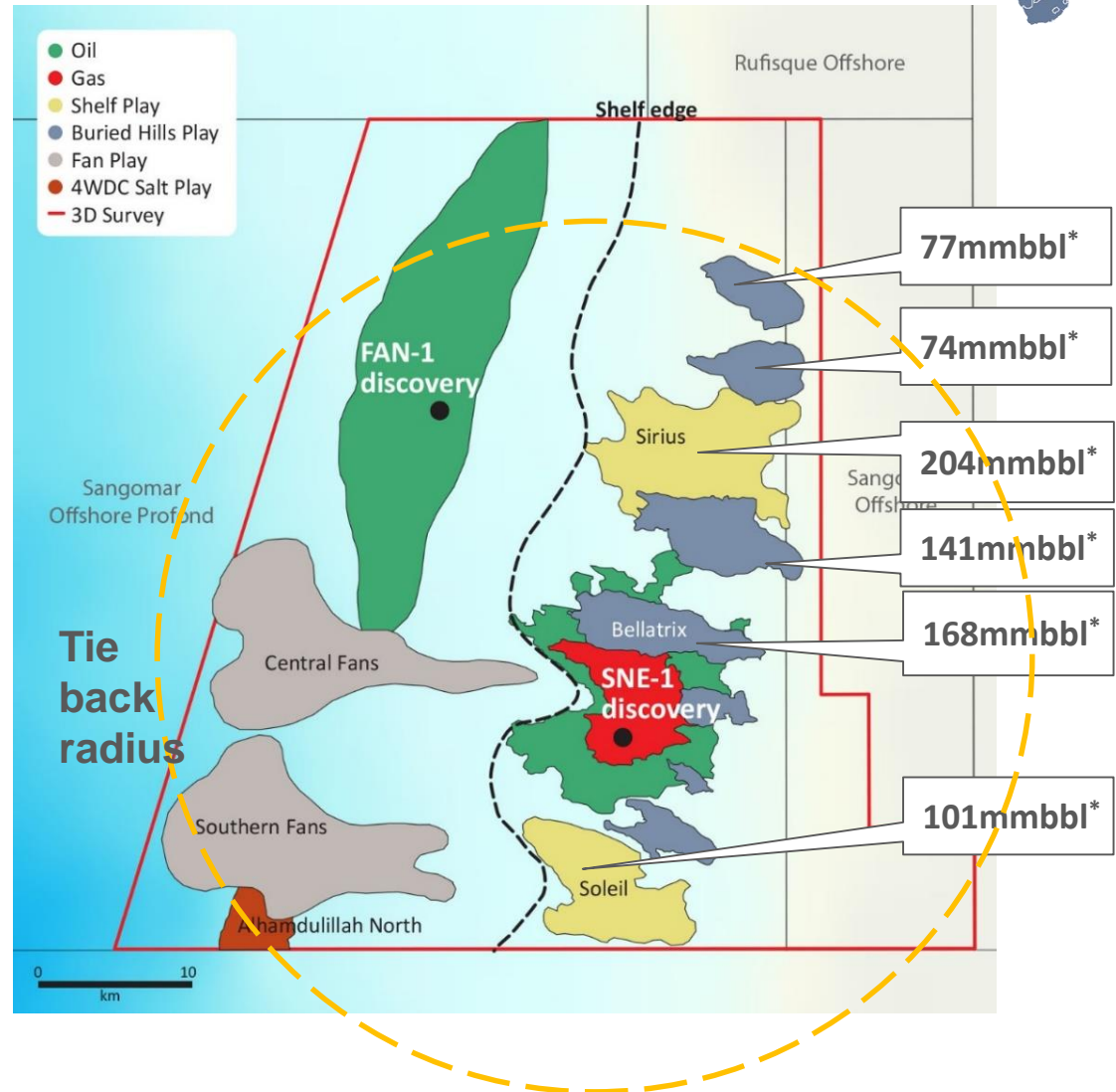
- **Excellent reservoir** average 25% porosity in well defined Cretaceous structural trap
- **Oil gravity 32 degrees API**
- **Gross oil column of 96m** (36m net)
- **Contingent resource***
 - P90 (1C): 150 mmbbls
 - P50 (2C): 330 mmbbls
 - P10 (3C): 670 mmbbls
- **Potential to get larger**



Upside potential



- FAR has mapped over 1.5 billion bbls of undrilled prospective resources*
- Most within tie back range to a potential future hub development at SNE
- Shelf edge prospects that are look-alikes to SNE
- Drilling Bellatrix Prospect as part of 3 well evaluation program

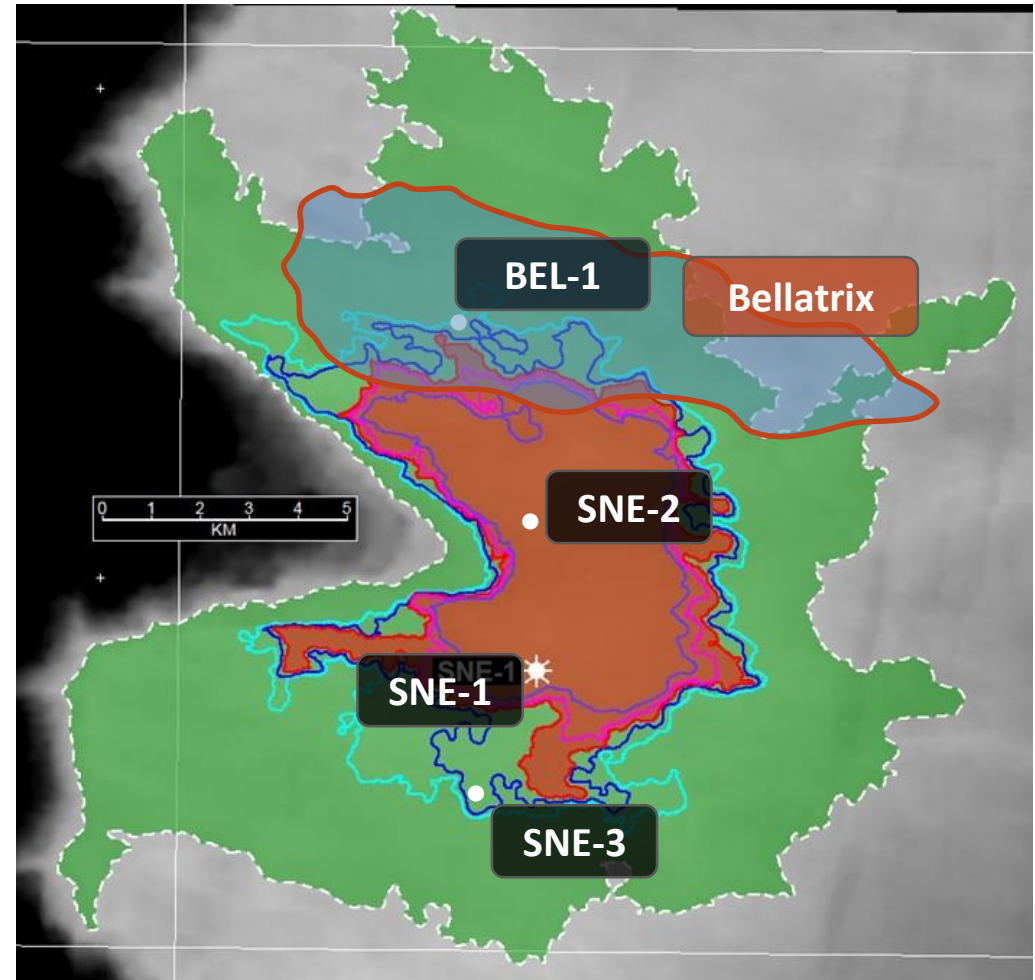


*Reference FAR ASX releases dated 13 Apr 2015 best estimate, gross, unrisks prospective resources, 100% basis, oil only

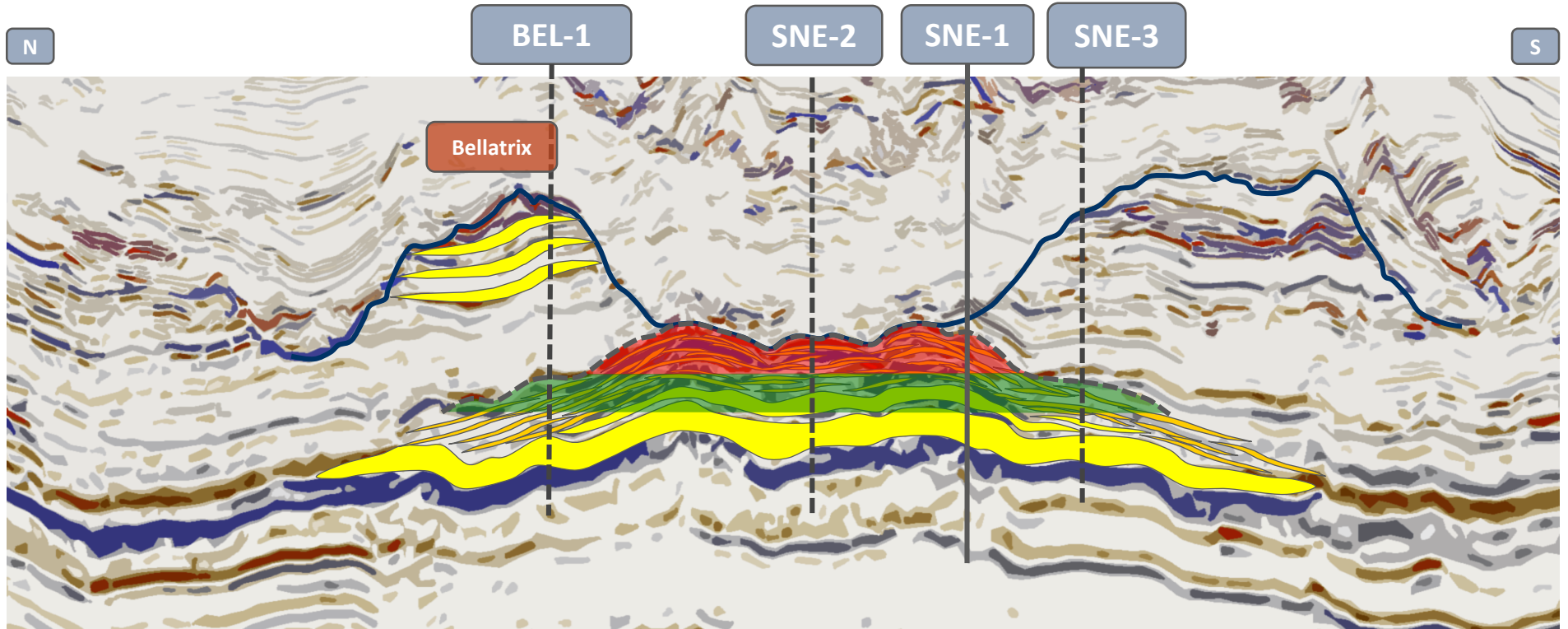
Next steps offshore Senegal



- **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**



Appraisal drilling program: BEL-1



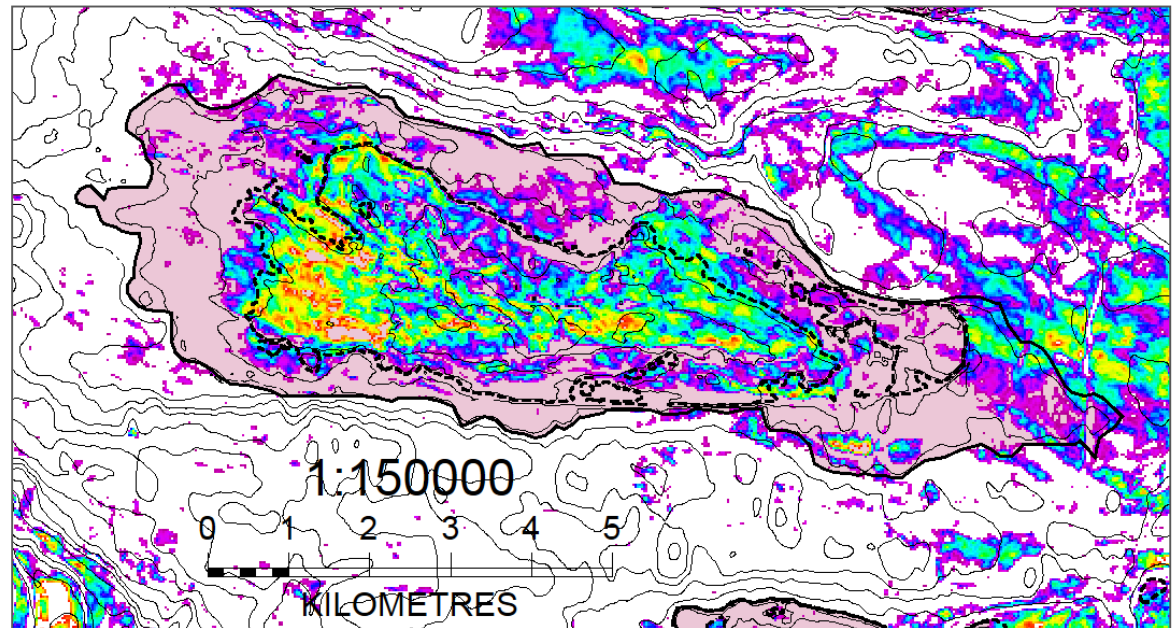
Bellatrix prospect



- 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

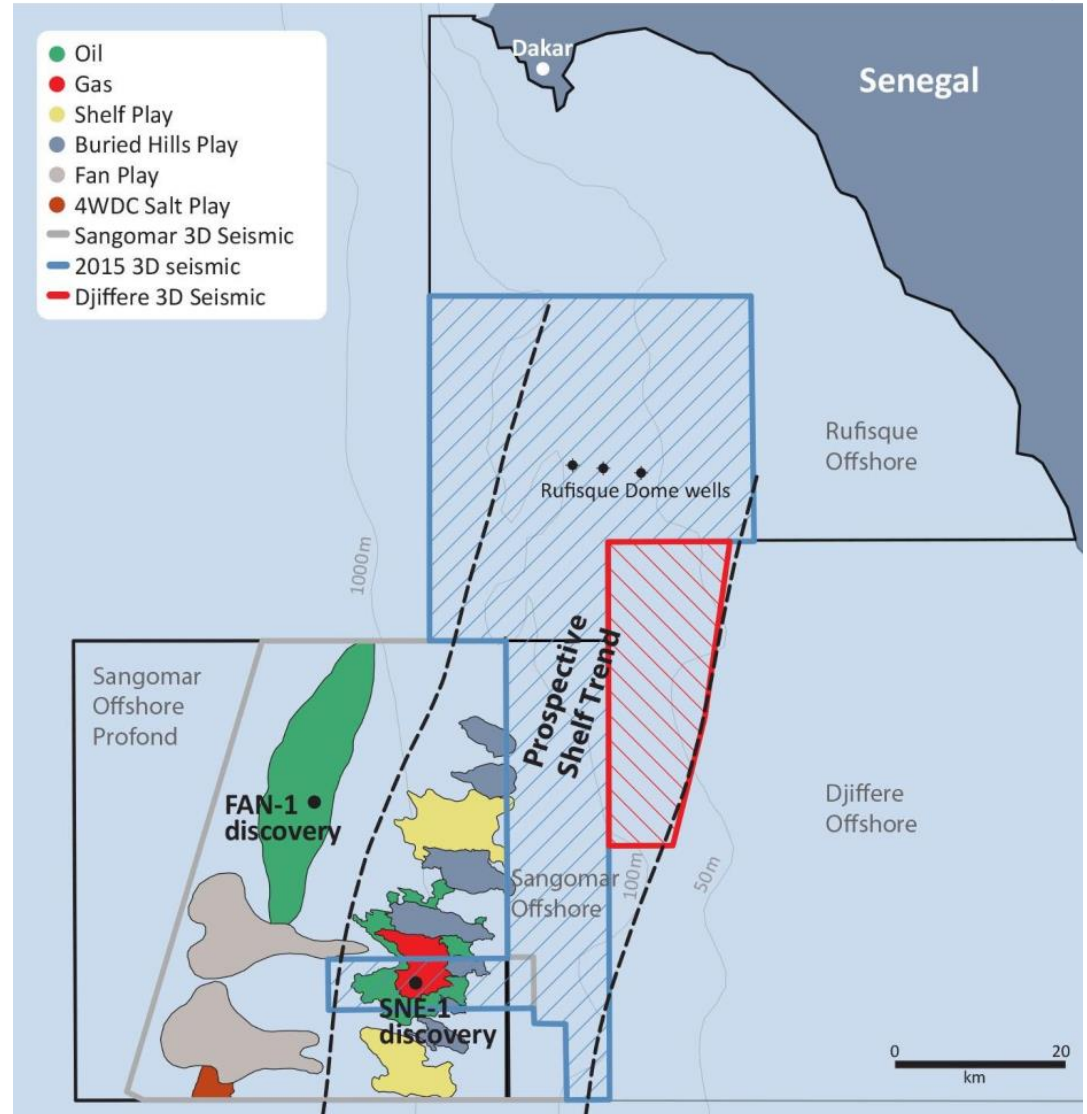


*Reference FAR ASX releases dated 13 Apr 2015 best estimate, gross, unrisked prospective resources, 100% basis, oil only

Adding to the portfolio



- Approx 2,400km² new seismic
- FAR option for 75% Djiffere block and operatorship
- Completed 3D seismic survey in neighbouring Guinea Bissau acreage in early 2015



Unlocking the prize

- Evaluation drilling commencing
- Aim to reach minimum economic field size (~200mmbbls)
- Undrilled exploration prospects offshore Senegal with >1.5bn bbls potential
- Seismic program to add prospects to the inventory
- 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



Disclaimer

- This presentation has been prepared by FAR Limited ('FAR'). It should not be considered as an offer or invitation to subscribe for or purchase any shares in FAR or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for shares in FAR will be entered into on the basis of this presentation.
- This presentation contains forward-looking statements that are not based on historical fact, including those identified by the use of forward-looking terminology containing such words as 'believes', 'may', 'will', 'estimates', 'continue', 'anticipates', 'intends', 'expects', 'should', 'schedule', 'program', 'potential' or the negatives thereof and words of similar import.
- FAR cautions that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied by the statements. The forward looking statements are expressly subject to this caution. FAR makes no representation, warranty (express or implied), or assurance as to the completeness or accuracy of these forward-looking statements and, accordingly, expresses no opinion or any other form of assurance regarding them. FAR will not necessarily publish updates or revisions of these forward-looking statements to reflect FAR's circumstances after the date hereof.
- By its very nature exploration and development of oil and gas is high risk and is not suitable for certain investors. FAR shares are a speculative investment. There are a number of risks, both specific to FAR and of a general nature which may affect the future operating and financial performance of FAR and the value of an investment in FAR including and not limited to economic conditions, stock market fluctuations, oil and gas demand and price movements, regional infrastructure constraints, securing drilling rigs, timing of approvals from relevant authorities, regulatory risks, operational risks, reliance on key personnel, foreign currency fluctuations, and regional geopolitical risks.
- This presentation does not purport to be all inclusive or to contain all information which you may require in order to make an informed assessment of the Company's prospects. You should conduct your own investigation, perform your own analysis, and seek your own advice from your professional adviser before making any investment decision.
- 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.