

# The world's largest oil discovery since 2014

14<sup>th</sup> African Independents Forum  
London  
25 May 2016



# FAR Snapshot

---

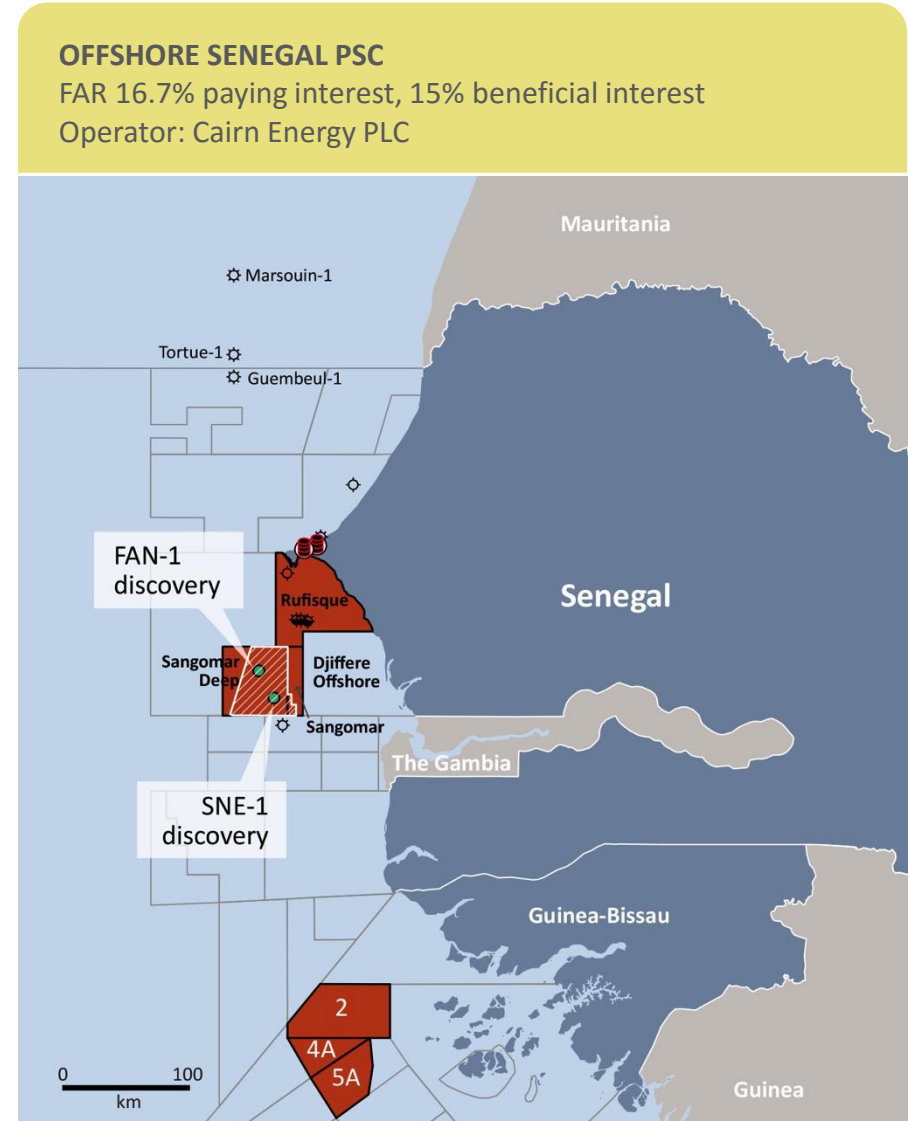
- Two major basin opening oil discoveries in Senegal in 2014
- SNE field largest global oil find since its discovery in 2014
- SNE field appraisal drilling commenced Nov 2015
- 6/6 successful wells drilled offshore Senegal to date
- Quality partners in Senegal discoveries: ConocoPhillips, Cairn Energy, Petrosen
- Sixth largest pure E&P on ASX (Market cap A\$360M)
- Funded through work program going forward
- Experienced team and board



# Senegal



- FAR celebrating 10 years in Senegal in 2016
- Strong in-country relationships
- Peaceful democracy
- Solid growth: 4.7% GDP in 2014
- S&P sovereign credit rating 'B+/B'
- First offshore exploration wells for 40 years and first in deep water
- FAR farm-out in 2013 for US\$196M carry
- Joint venture partners: FAR 15%, Cairn Energy (Operator 40%), ConocoPhillips (35%) and Petrosen (10%)



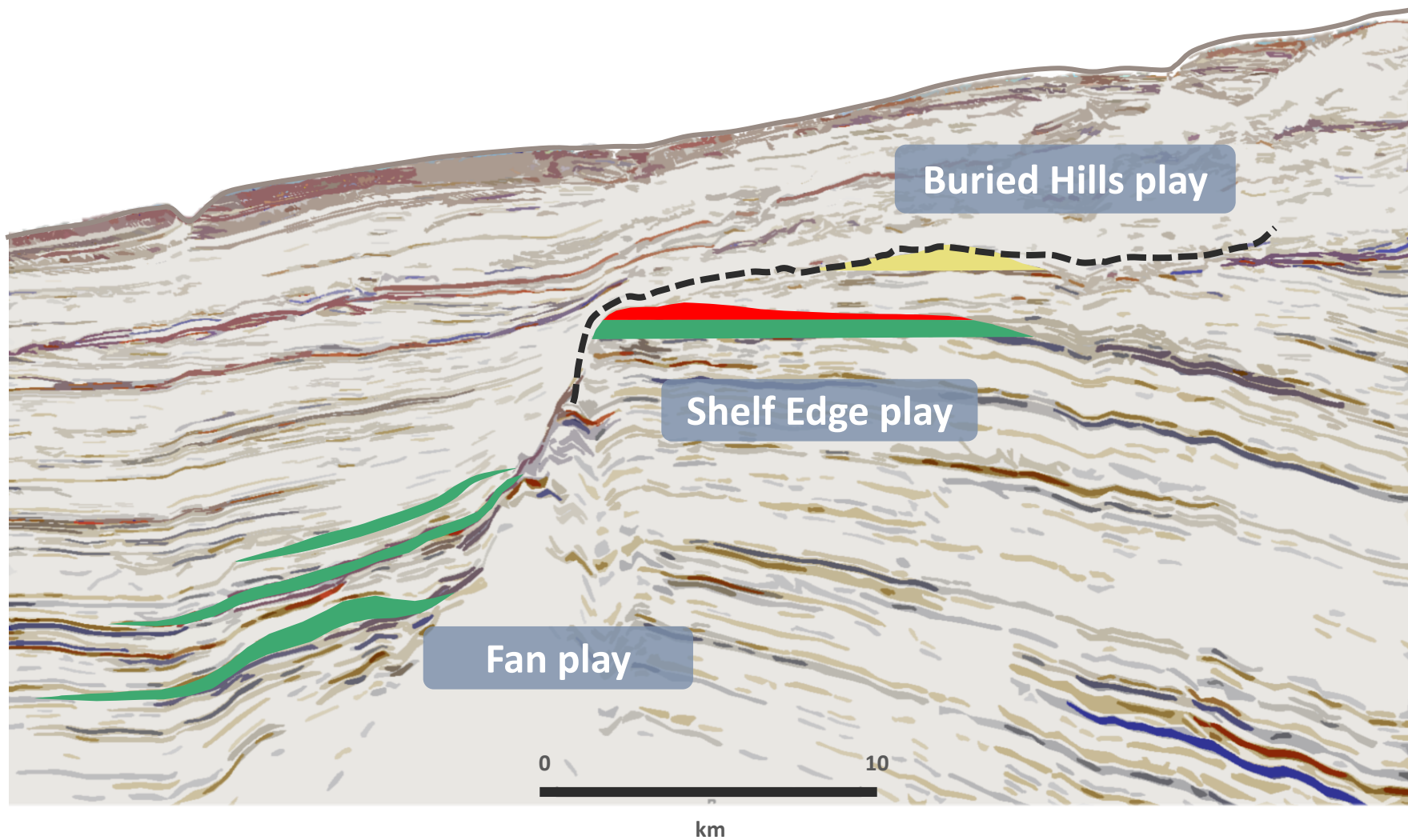


# Senegal geological setting

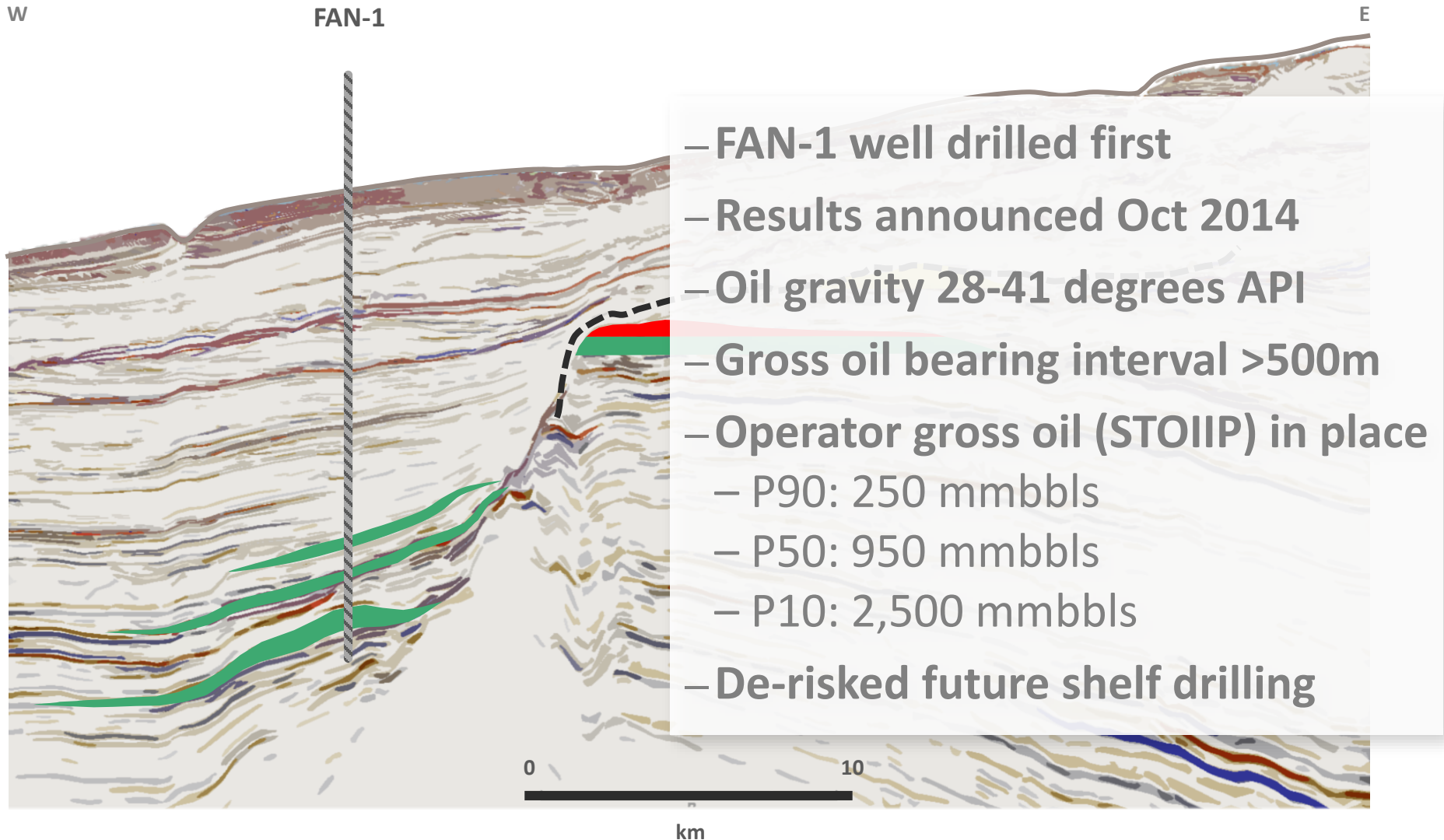


W

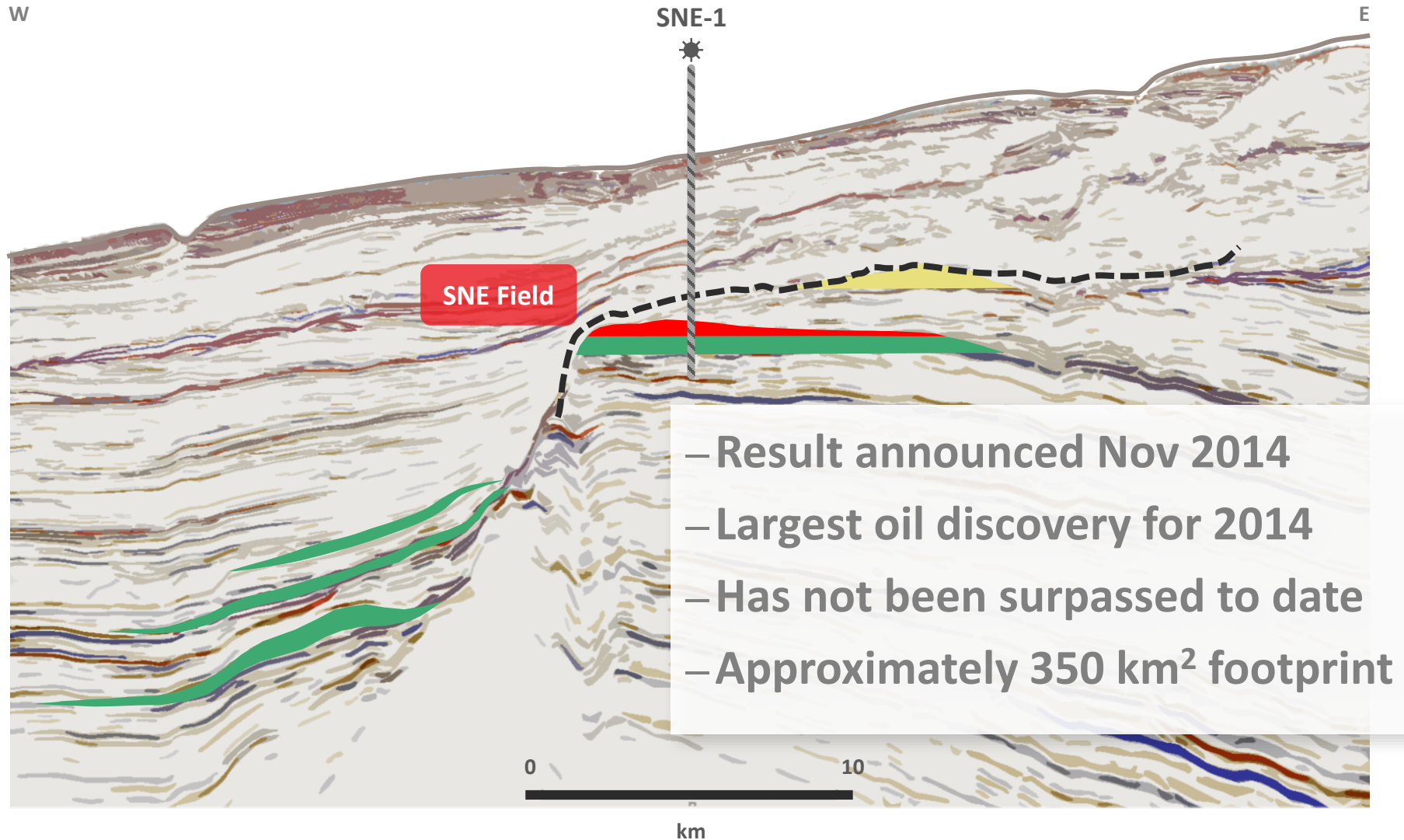
E



# FAN-1 Discovery



# SNE-1 Discovery

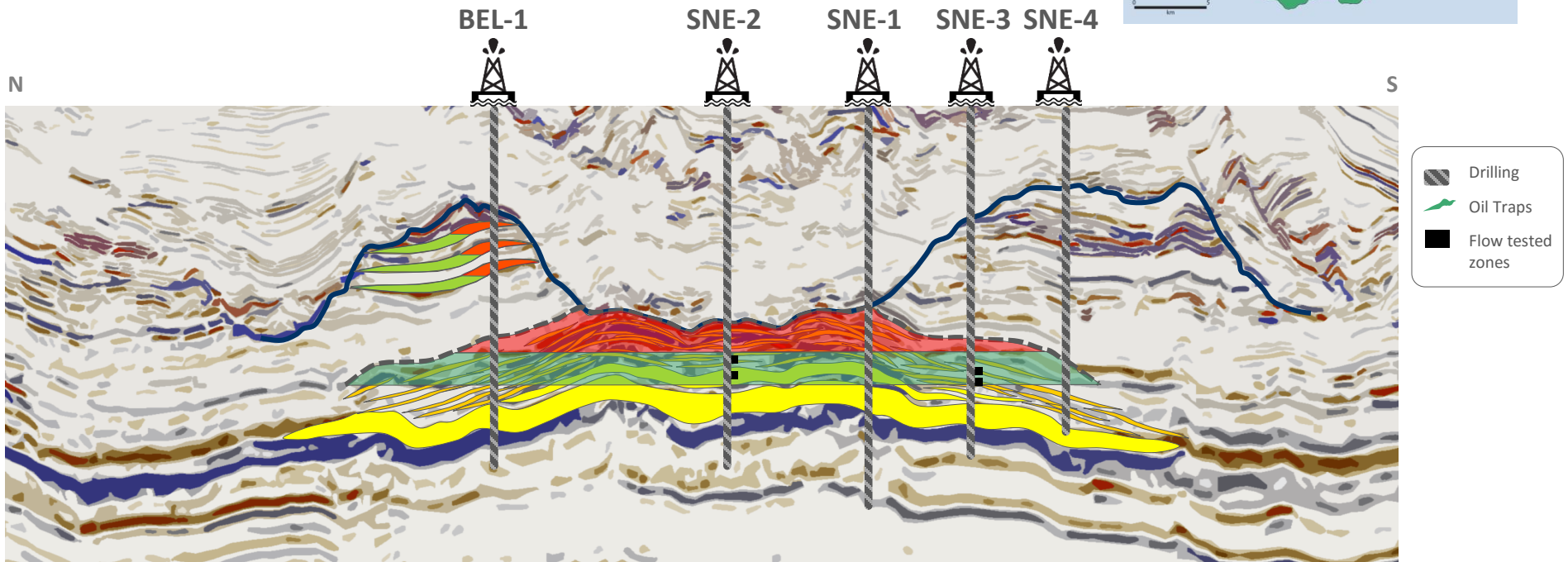
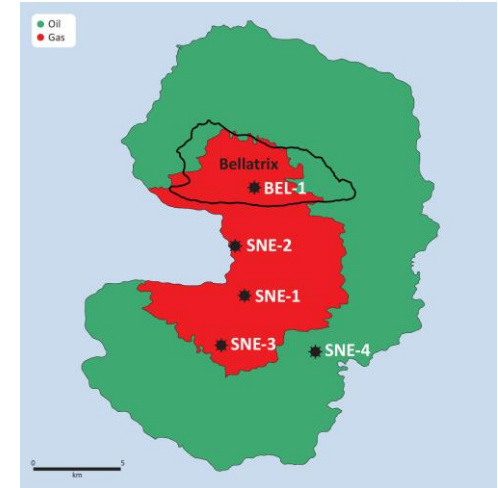


# SNE appraisal well locations



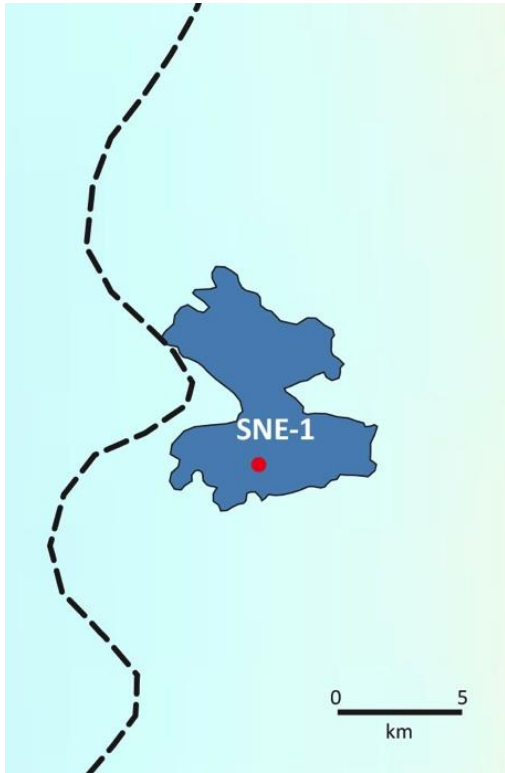
## Objective of wells:

- Size of oil pool
- Test reservoir properties and **deliverability** from logging, coring and testing
- Measure field **connectivity**



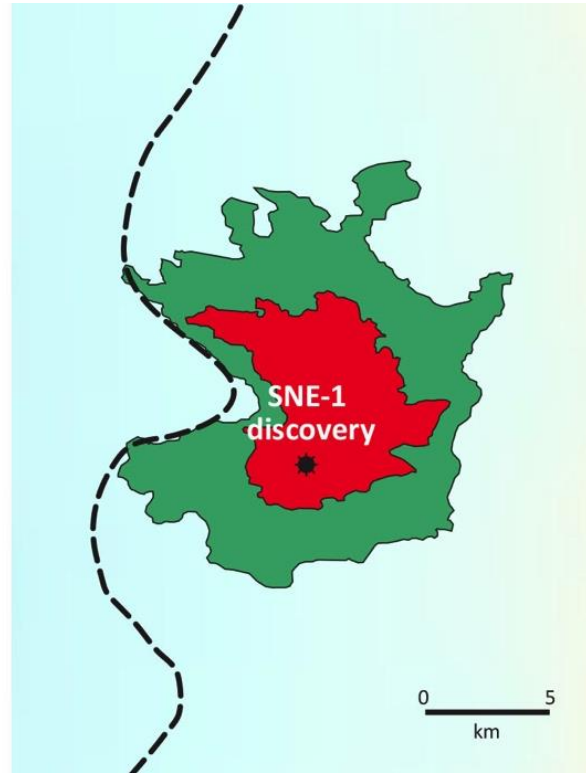


# Size of oil pool



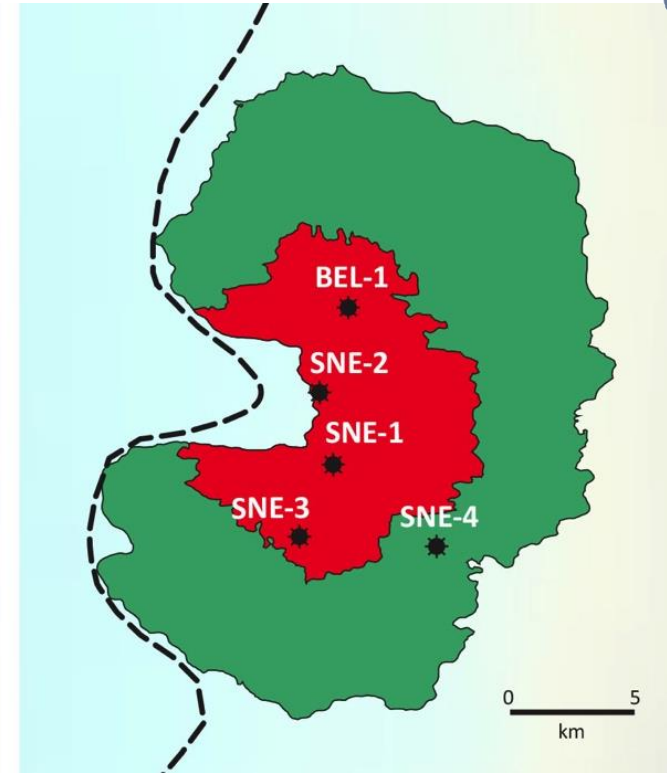
## Pre-drill (Oct 2014)

P90 : 50mmbbls  
P50 : 154 mmbbls  
P10 : 350 mmbbls



## Post discovery (Nov 2014)

1C: 150 mmbbls  
2C: 330 mmbbls  
3C: 670 mmbbls



## Latest RISC audited (April 2016)

1C: 277 mmbbls (+85%)  
2C: 561 mmbbls (+70%)  
3C: 1071 mmbbls (+60%)



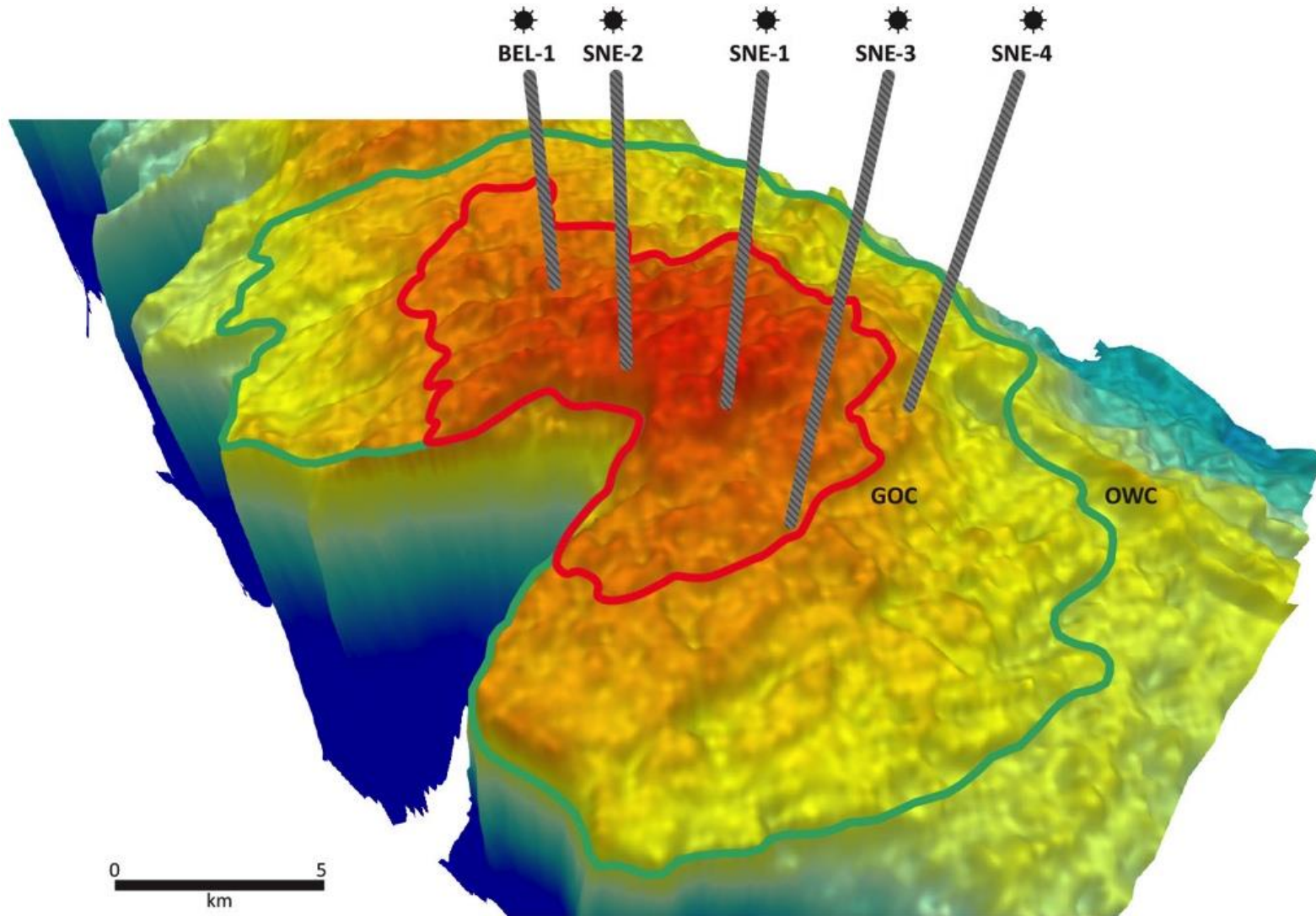
# Deliverability of oil from SNE



**Main reservoirs  
flowed at  
commercially  
viable rates in the  
SNE-2 and SNE-3  
wells**

**Flow test SNE-2**

# Understanding connectivity



# Appraisal progress to date



Objective of wells are to establish:

- Size of oil pool ✓
- Reservoir properties and **deliverability** from logging, coring and testing ✓
- Reservoir **connectivity**

Drilling program progressed safely, efficiently and under budget

JV looking to continue drilling in late 2016

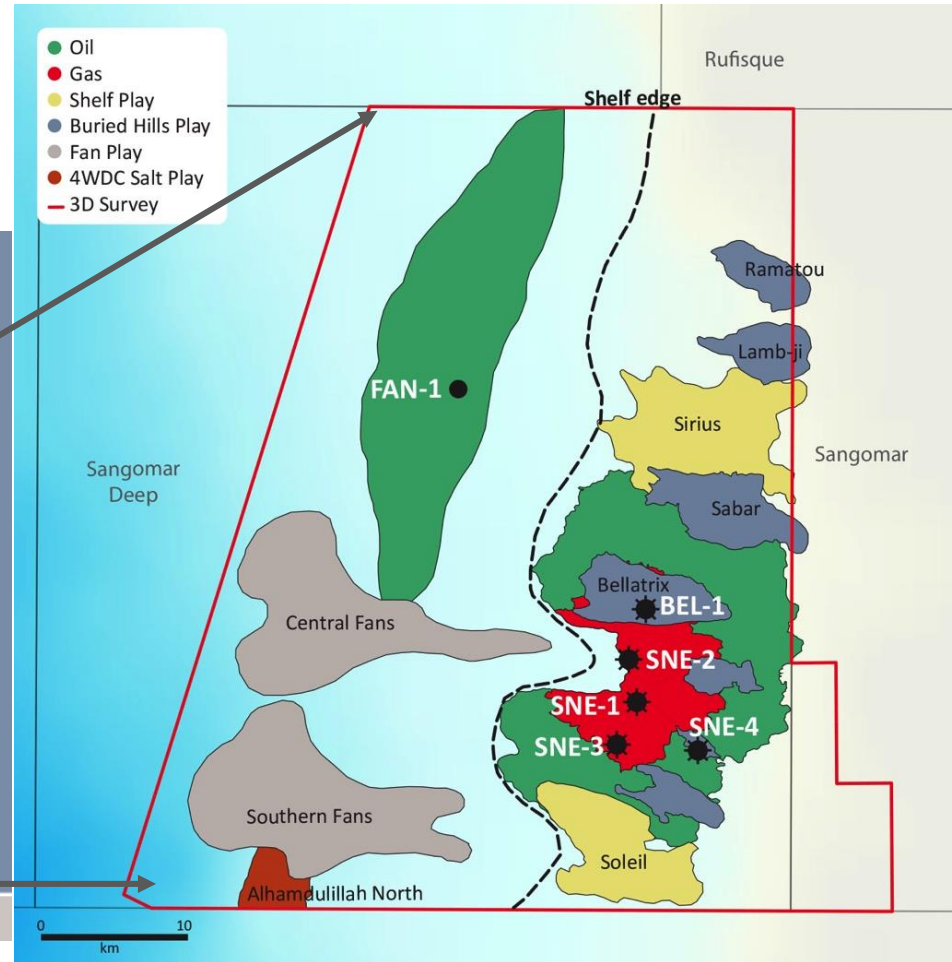
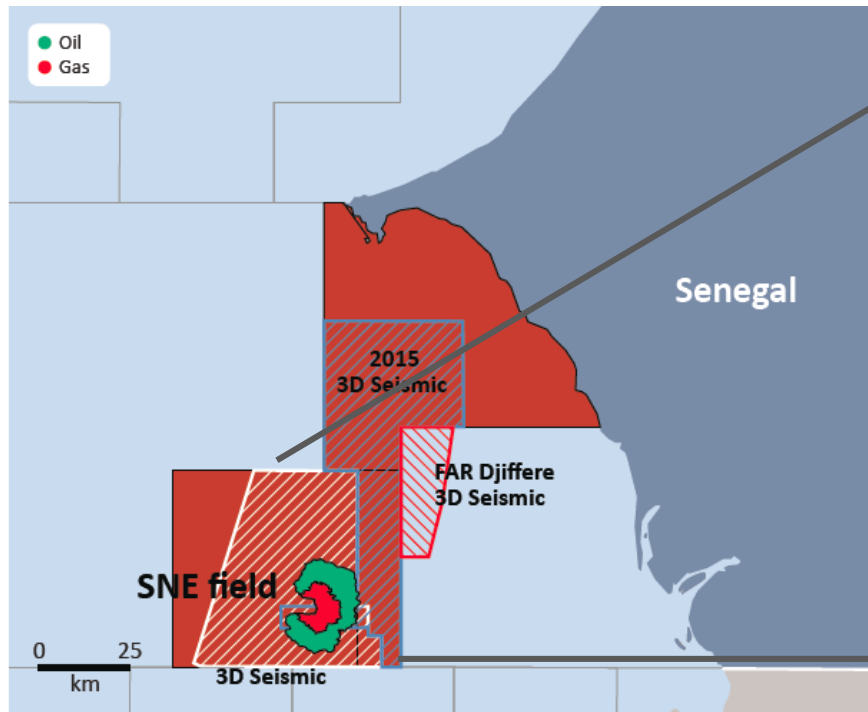




# Senegal prospects and leads



- JV PSC area 7,500 km<sup>2</sup>
- 3D coverage 4,500km<sup>2</sup>
- Djiferre block area 4,000km<sup>2</sup>

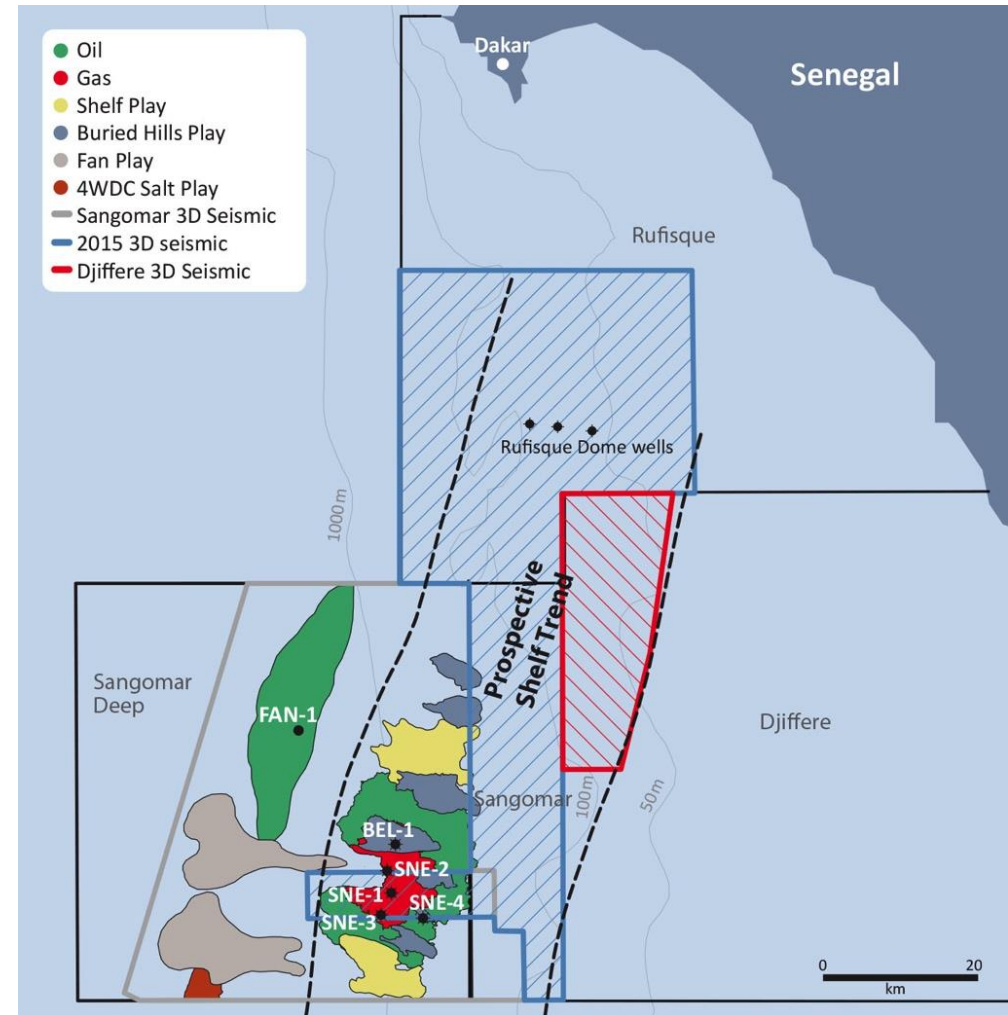




# Capturing more shelf edge exposure

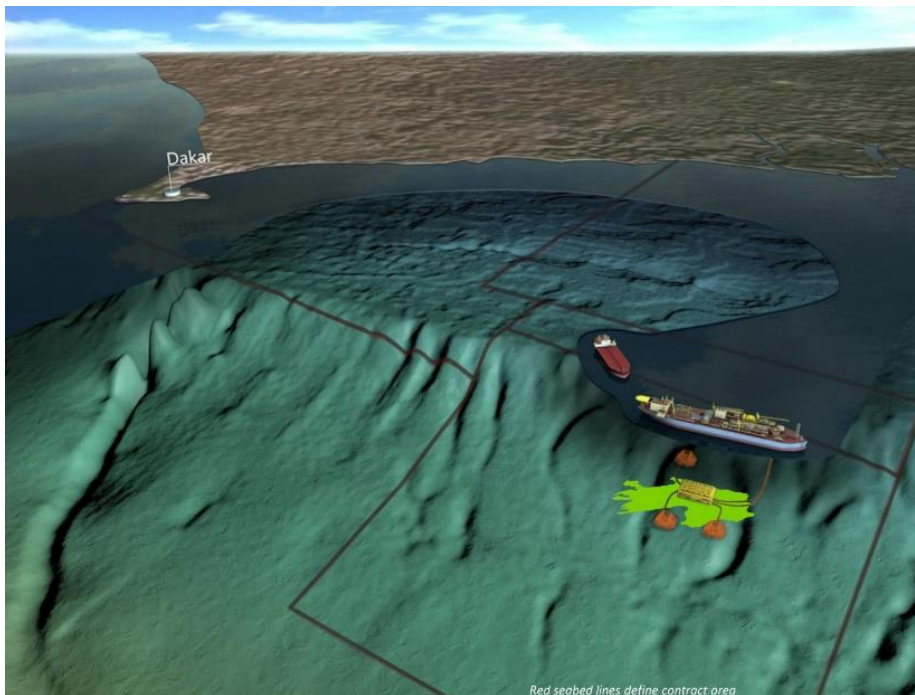


- **New Senegal joint venture**  
**2015 3D seismic shot along shelf trend**
- **New FAR Djiffere 3D seismic**  
provides FAR option to earn a 75% W.I.
- **Final products due Q3**



\*Reference FAR ASX release dated 24 September 2015 and 4 January 2016

# Senegal preliminary economics

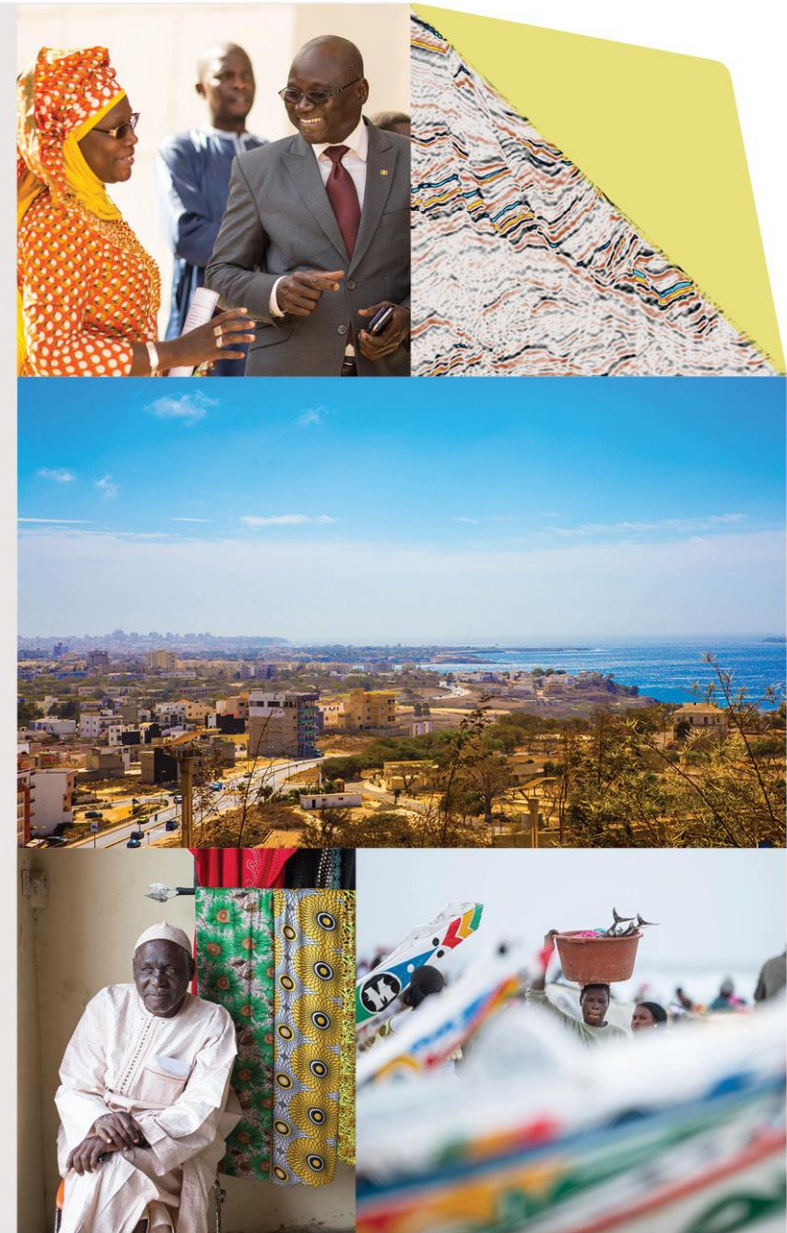


- **Excellent PSC terms** and an improving cost environment
- **Threshold economic field size** approximately 200mmbbls\*
- **NPV/bbl** of US\$10 at US\$50/bbl oil price and reduced CAPEX\*
- **FID breakeven** oil price <US\$40/bbl\*
- **First oil** from 2021

# What's next in Senegal?

---

- **Upgrade to FAR's contingent resources** mid year (BEL-1, SNE-4 and core data)
- **New JV and Djiffere** seismic data products
- FAR statement on **SNE commerciality**
- Decision to **progress Djiffere** option
- **Preparing for Senegal PSC declaration of commerciality** (DOC), commencing pre-engineering work for SNE field early 2017





# Social responsibility

FAR and its partners are supporting activities that deliver positive, lasting social and economic benefits to Senegal:

- English language training for students and departments involved in the energy sector
- Provision of finance to the Hunger Project to support a microfinance program
- FAR has sponsored regional soccer competitions through provision of 200 balls
- FAR has provided mosquito nets to rural communities





# 2016 revealing the prize

---

**2013:** Year of farmout

**2014:** Year of discovery

**2015/2016:** Evaluating the SNE Field

**100% success rate** to date offshore Senegal

**Undrilled exploration prospects** with  
>1bn bbls potential

**Expanding footprint** through Djiffere

**Possible look-a-likes of SNE** in Guinea Bissau

**FAR committed** to finding more elephants  
lurking under Senegalese waters!

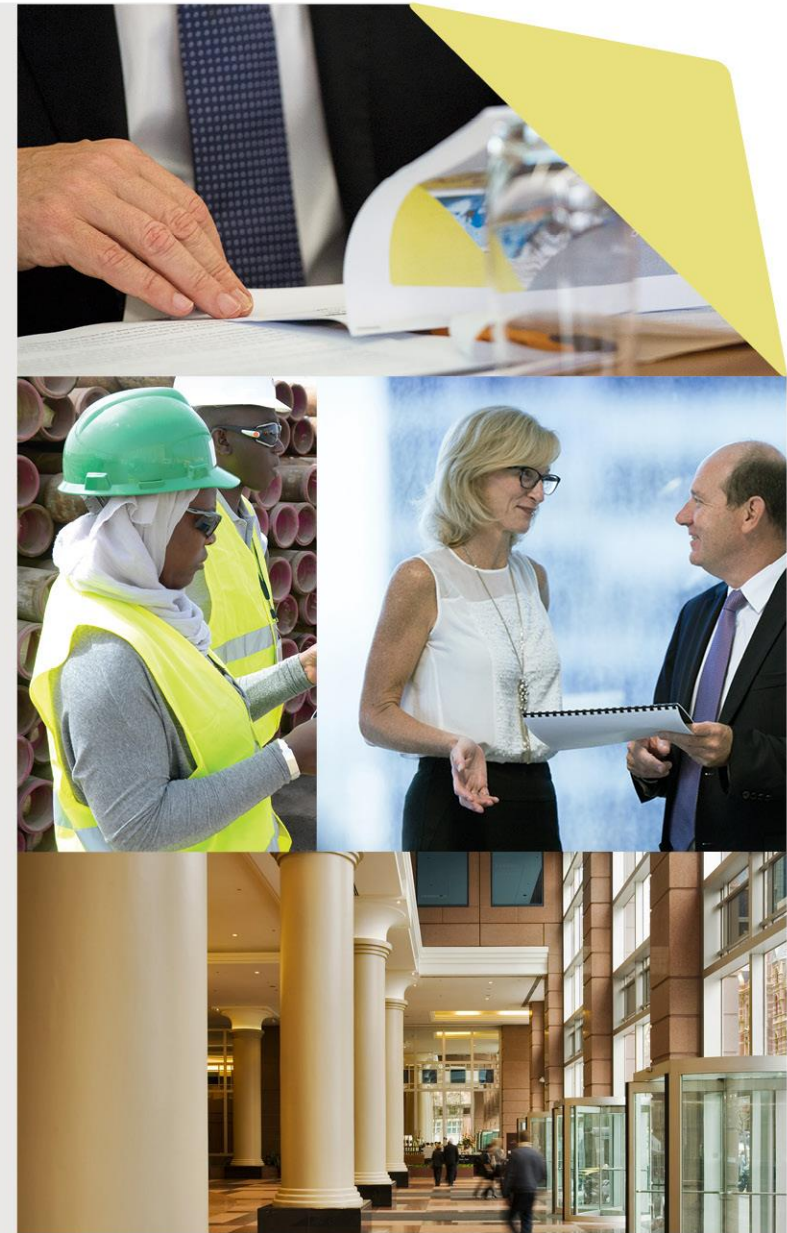


# Contact us

---

Level 17, 530 Collins Street  
Melbourne VIC 3000 Australia  
T: +61 3 9618 2550  
[info@far.com.au](mailto:info@far.com.au)  
[far.com.au](http://far.com.au)

Connect with FAR Limited:



# 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.