

Breaking through towards future SNE development



FAR Ltd
September 2016

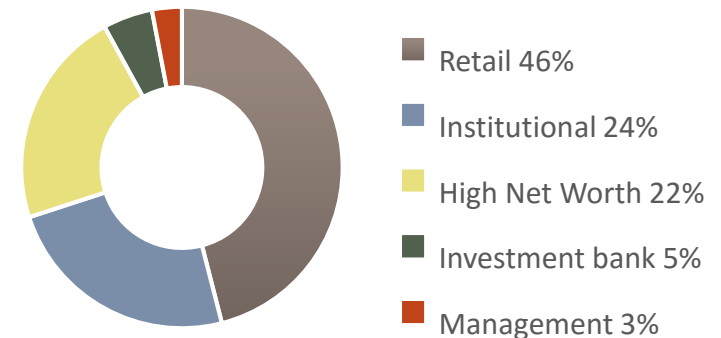
About FAR

- Leading Africa focussed oil company with high potential exploration, pre-appraisal and appraisal assets
- Sixth largest independent exploration & production company listed on the Australian Securities Exchange
- Basin opening FAN-1 and SNE-1 oil discoveries offshore Senegal in 2014
- SNE ranked as the world's No. 1 discovery in 2014 by IHS
- RISC audited SNE field 2C contingent recoverable oil resource 641 mmbbls (gross) with further upside
- A robust balance sheet (no debt), experienced board and management team with strong relationships in Africa
- Awarded 2016 'Breakthrough Company of the Year' by the Oil and Gas Council, Africa

ASX Ticker	FAR
Share price*	A\$0.073
Cash*	A\$66.3m
Issued shares	4.46bn
Market capitalisation	A\$326M
Average broker rating / target	Buy, A\$0.15

*Share price as at 31 August 2016. Cash balance as at 30 June 2016

Share Register



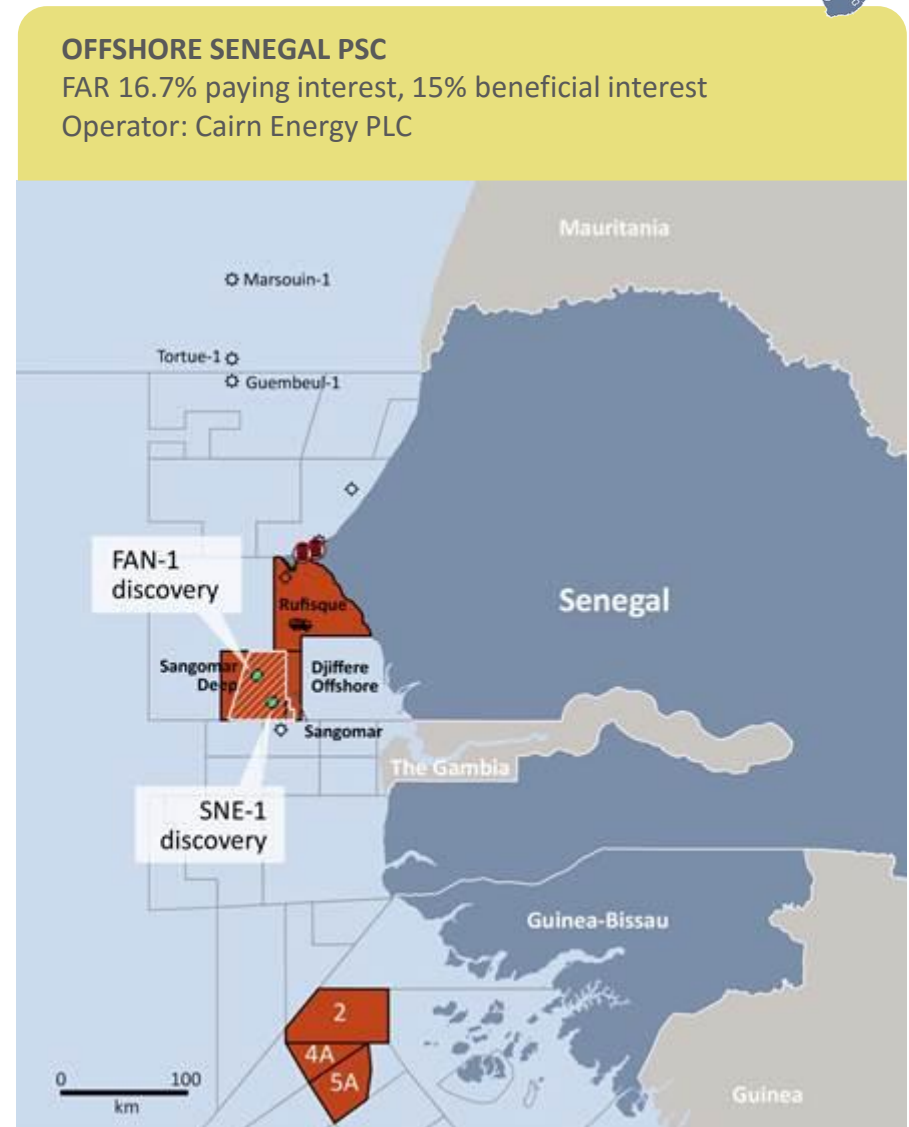
As at July 2016

FAR in Senegal



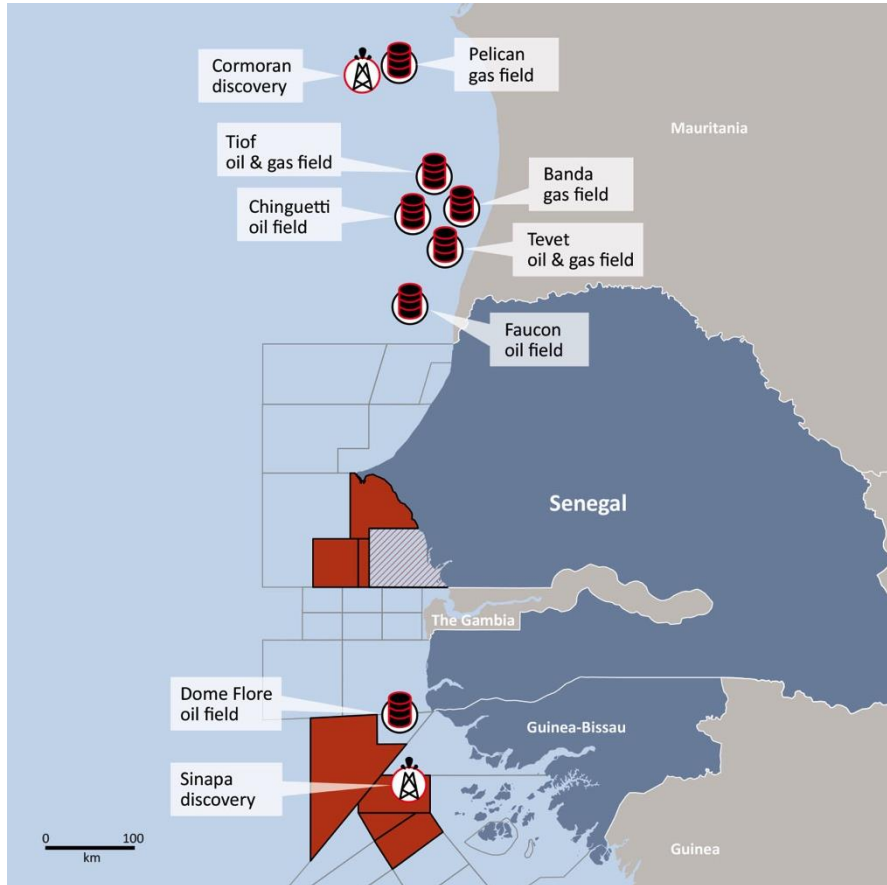
- Senegal is a peaceful democracy with a stable outlook (S&P sovereign credit rating B+/B)
- FAR has been in Senegal since 2006
- Farmed down to Cairn Energy and ConocoPhillips for US\$196m in forward carry
- Drilled FAN-1 and SNE-1 in 2014
- 6 highly successful exploration and appraisal wells now drilled
- Progressing towards development of SNE with first production targeted from 2022
- Cairn Energy (operator) NPV of US\$12.75/bbl and unlevered IRR of 38% at project FID and assuming US\$70/bbl oil price*
- PSC partners: Cairn Energy (Operator) 40%, ConocoPhillips 35%, FAR 15%, Petrosen 10%

*Source: Cairn Energy estimates (Cairn Energy Half Yearly Result 16/08/2016)

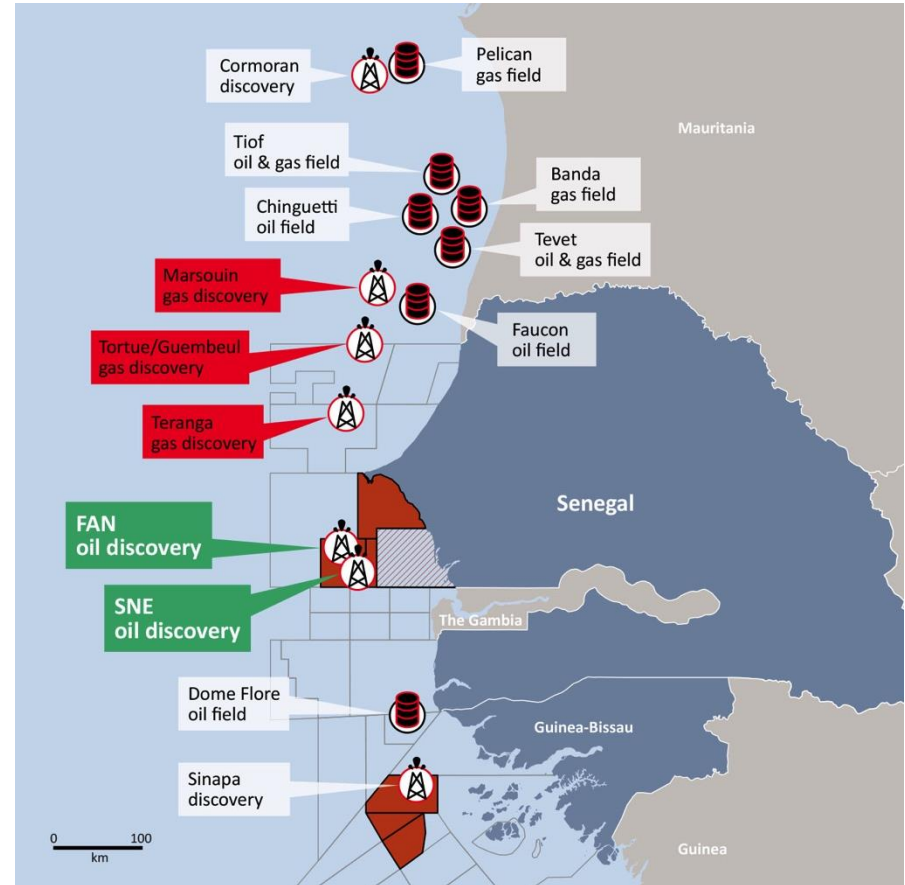


Regional oil and gas discoveries

2013 – No deep water drilling offshore Senegal



2016 – Offshore oil and gas discoveries



The basin opening FAN-1 and SNE-1 oil discoveries have made Senegal one of the world's most attractive locations for exploration. Major gas discoveries have also recently been made north of FAR in Senegal and Mauritanian waters

Senegal schematic section



WEST

FAN-1

SNE-1

EAST

Basin

Shelf

- Oil
- Gas
- Sandstones
- Carbonates
- Talus slope

FAN-1 oil discovery (Oct 2014)

- Oil gravity 28-41 degrees API
- Gross oil bearing interval >500m
- Operator gross oil (STOIP) in place*
P90: 250 mmbbls, P50: 950 mmbbls, P10: 2,500 mmbbls
- Proved prolific source and de-risked future shelf drilling

SNE-1 oil discovery (Nov 2014)

- Oil gravity 32 degrees API
- Gross oil column 96m
- FAR gross contingent recoverable resource*
P90 (1C): 348 mmbbls,
P50 (2C): 641 mmbbls,
P10 (3C): 1128 mmbbls
- Excellent reservoir

Shelf Edge play

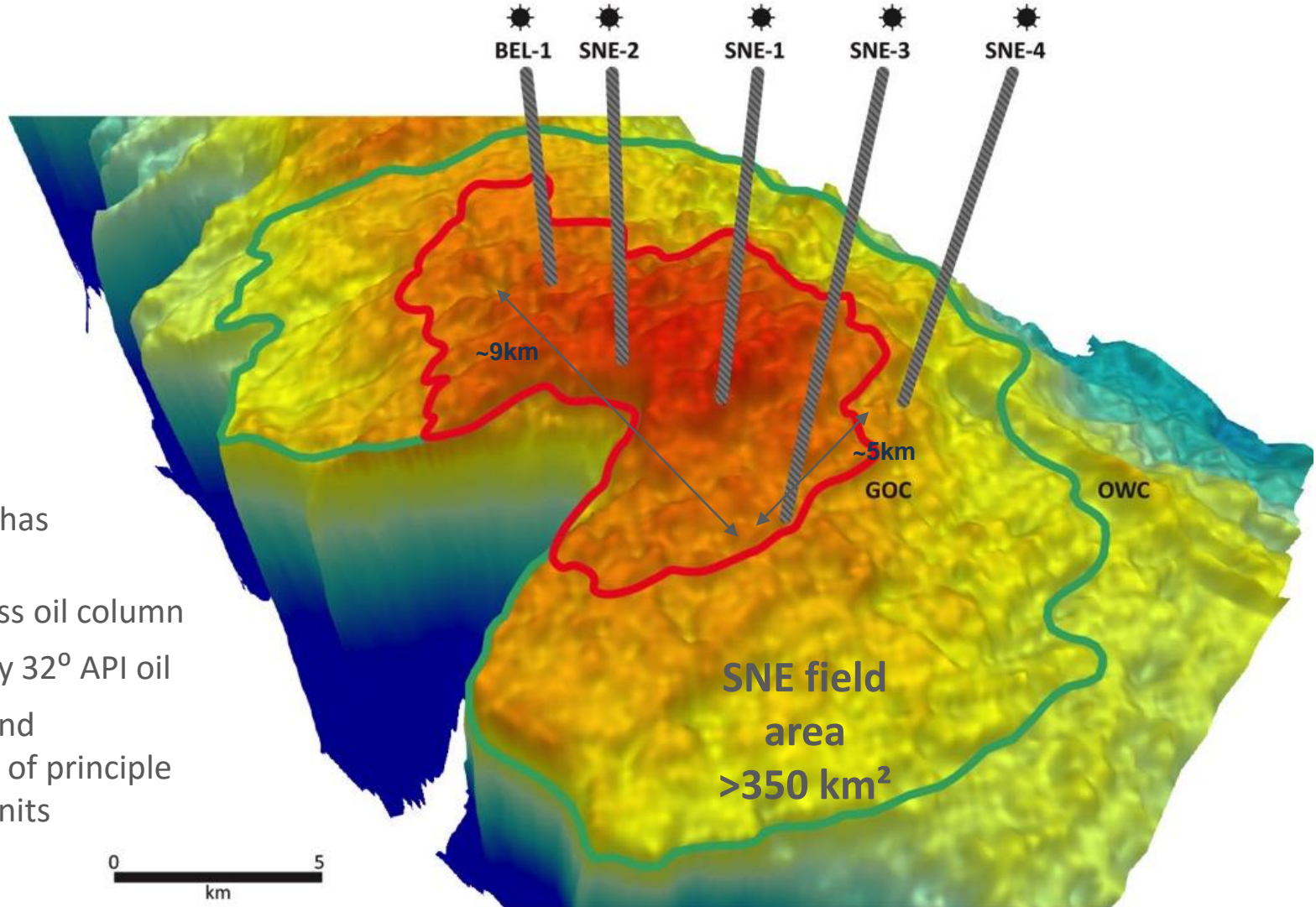
Fan play

Source Interval

0 5 10Km

*Reference FAR ASX releases dated 13 Apr 2015 and 23 August 2016, best estimate, gross resources, 100% basis, oil only

SNE field outline and well locations



Each SNE well has confirmed:

- ~100m gross oil column
- High quality 32^o API oil
- Presence and correlation of principle reservoir units

SNE 2015/16 appraisal program

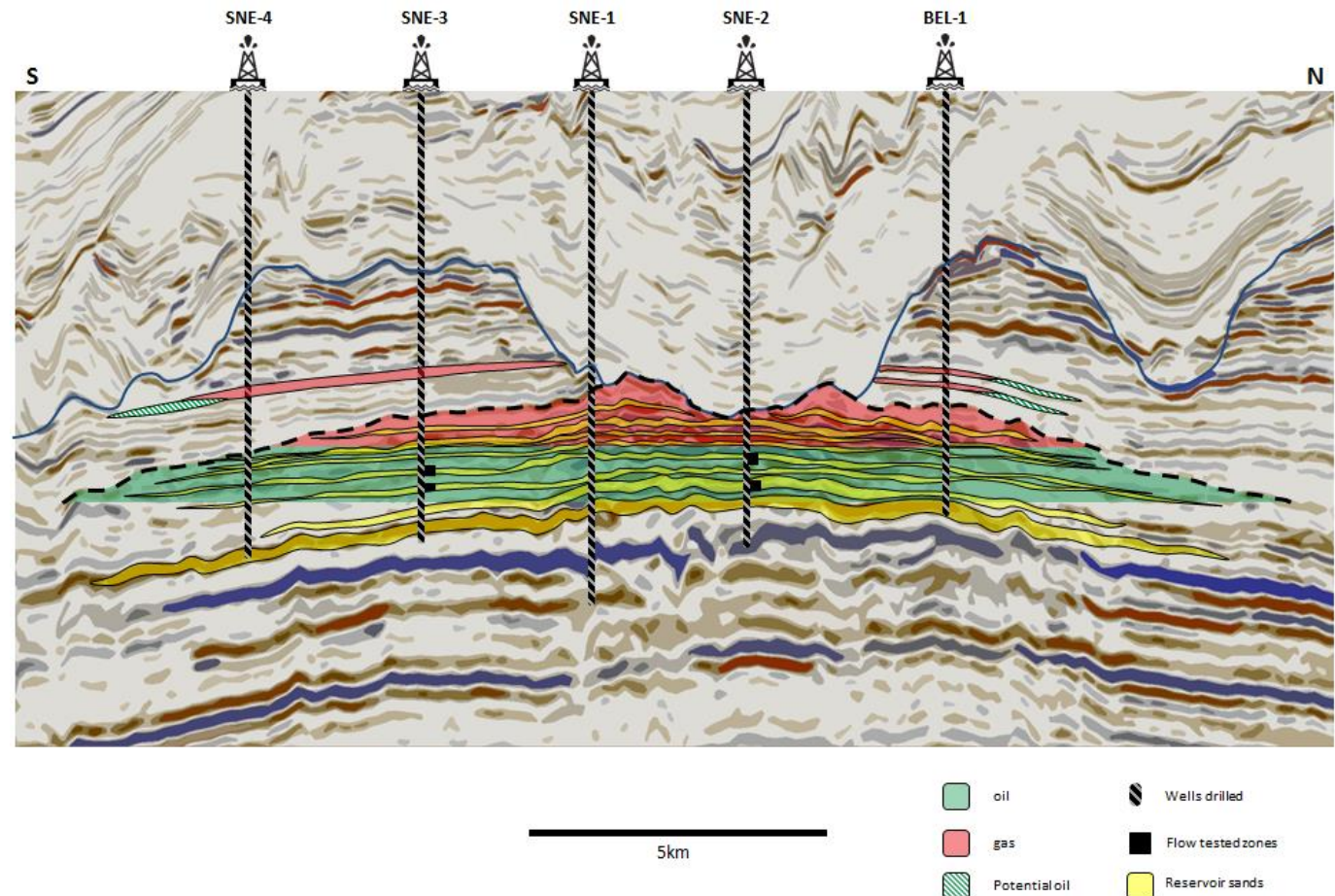


Progress of the appraisal drilling to date

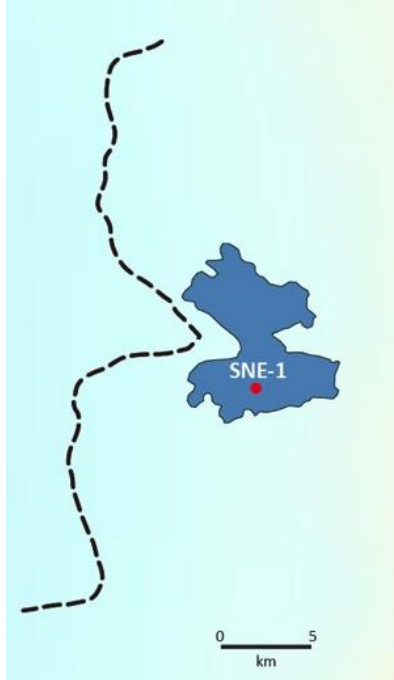
- **Size of oil pool** ✓
- Test reservoir properties and **deliverability** from logging, coring and testing ✓

Future activity

- Measure field **connectivity**, particularly upper units to help fine tune development concept

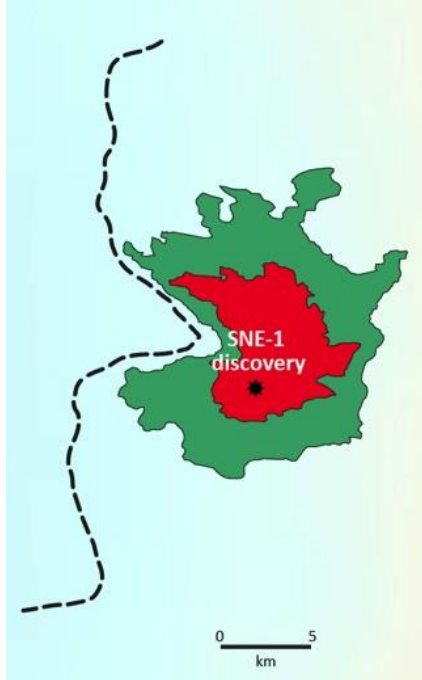


SNE resource growth



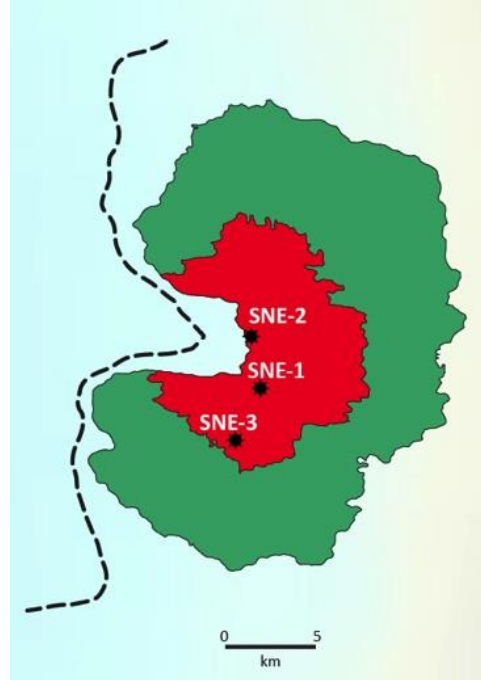
Pre-Drill
(Oct 2014)

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



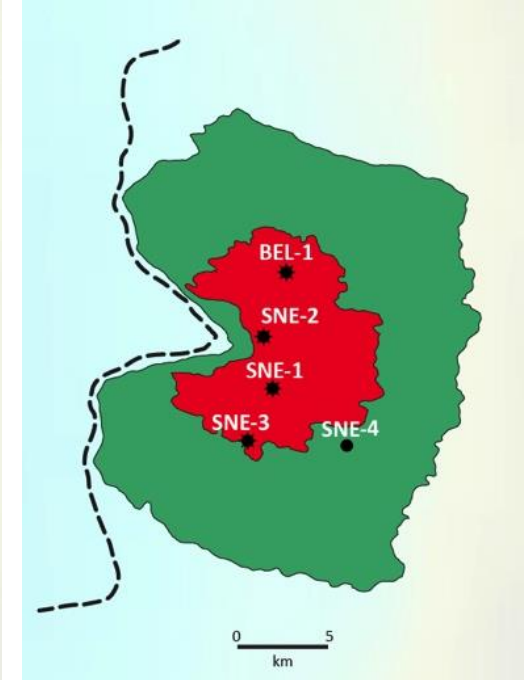
Post discovery
(Nov 2014)

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



RISC audited
(April 2016)

1C: 277 mmbbls
2C: 561 mmbbls
 3C: 1071 mmbbls



Latest RISC audited
(August 2016)

1C: 348 mmbbls
2C: 641 mmbbls
 3C: 1128 mmbbls

*Reference FAR ASX releases dated 23 August 2016, 13 April 2016, 20 Nov 2014: unrisked contingent resources, 100% basis, oil only
 RISC is an independent technical expert that reviewed and modified a probabilistic resource evaluation carried out by FAR in accordance with industry standard SPE-PRMS definitions

SNE-2 and SNE-3 flow test results



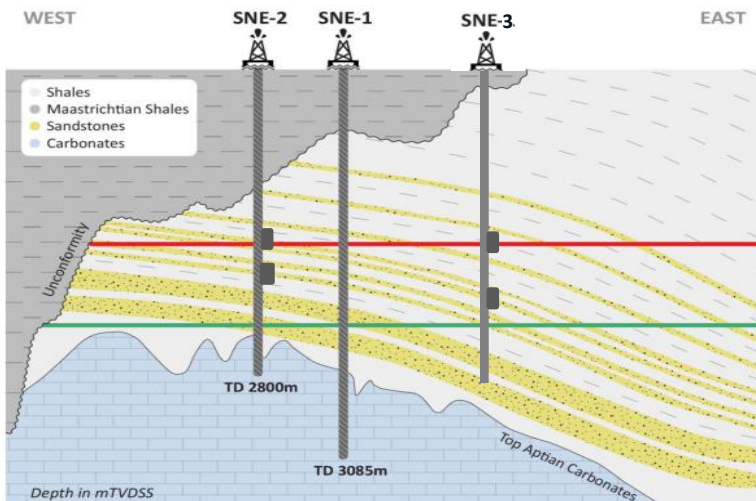
Confirmed reservoir quality and ability to flow at commercial rates

SNE-2 lower and upper reservoir units

- Gross 12m: 8,000 bopd through 3/4" choke (stabilised constrained flow)
- Gross 15m: 1,000 bopd through 3/8" choke (unstabilised)
- Flowed higher than estimates

SNE-3 tested upper reservoir units

- Gross 15m: 5,400 bopd / 4,000 bopd through a 7/8" choke (stabilised)
- Gross 20.5m zone: 4,500 bopd co-mingled through a 7/8" choke (stabilised)
- Flow higher than estimated and confirmed the field is larger to the south



Future Senegal drilling program



New Senegal drilling program to commence late 2016

- New drilling program based on two firm wells plus options*
- FAR is fully funded through the proposed firm well program

Drilling program objectives:

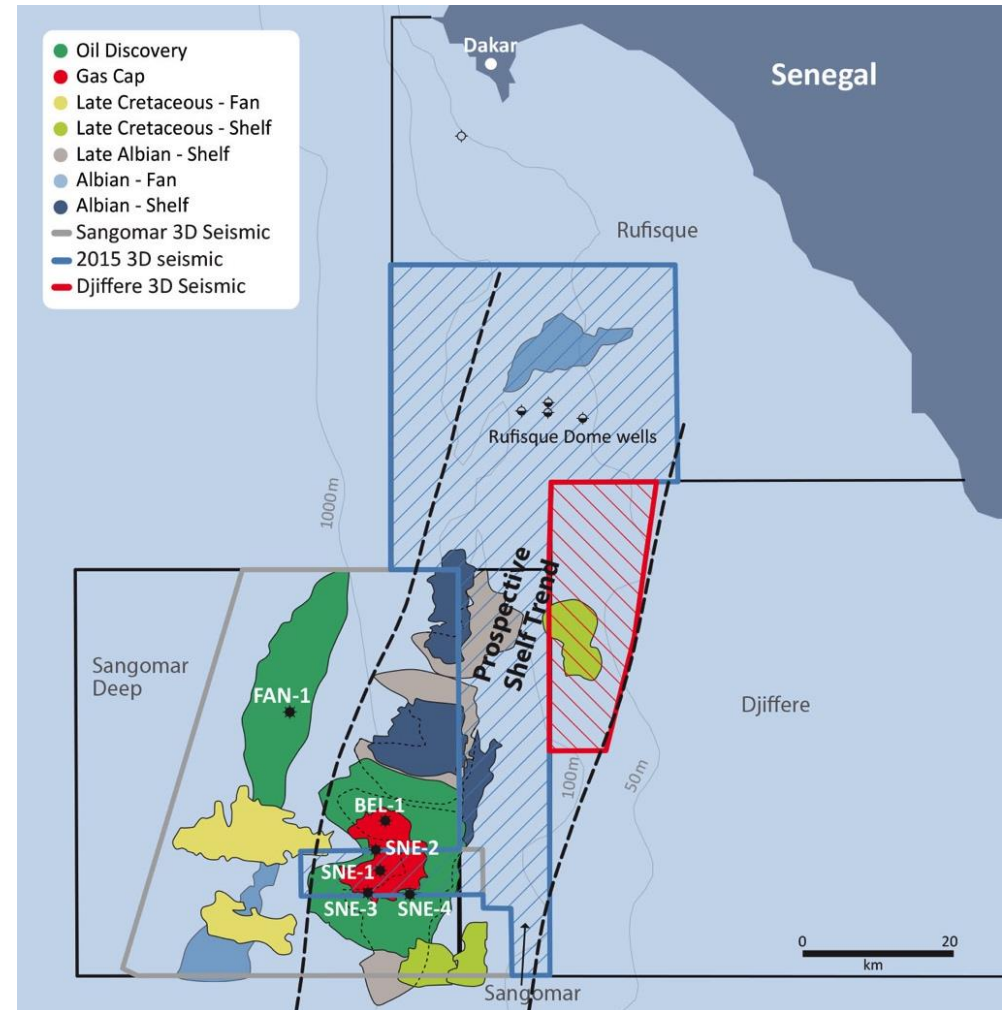
- Improving SNE project definition in terms of scale
- Confirm volumes, connectivity and productivity:
 - Interference program between wells
 - Evaluate reservoirs not tested to date



Capturing more shelf edge exposure



- Undrilled exploration prospects with >1bn bbls (unrisked) potential
- New joint venture 2015 3D seismic shot along trend from SNE
- New FAR Djiffere 3D seismic earned FAR option over 75% W.I.
- Preliminary processed seismic products now at hand and final products arriving Q3



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

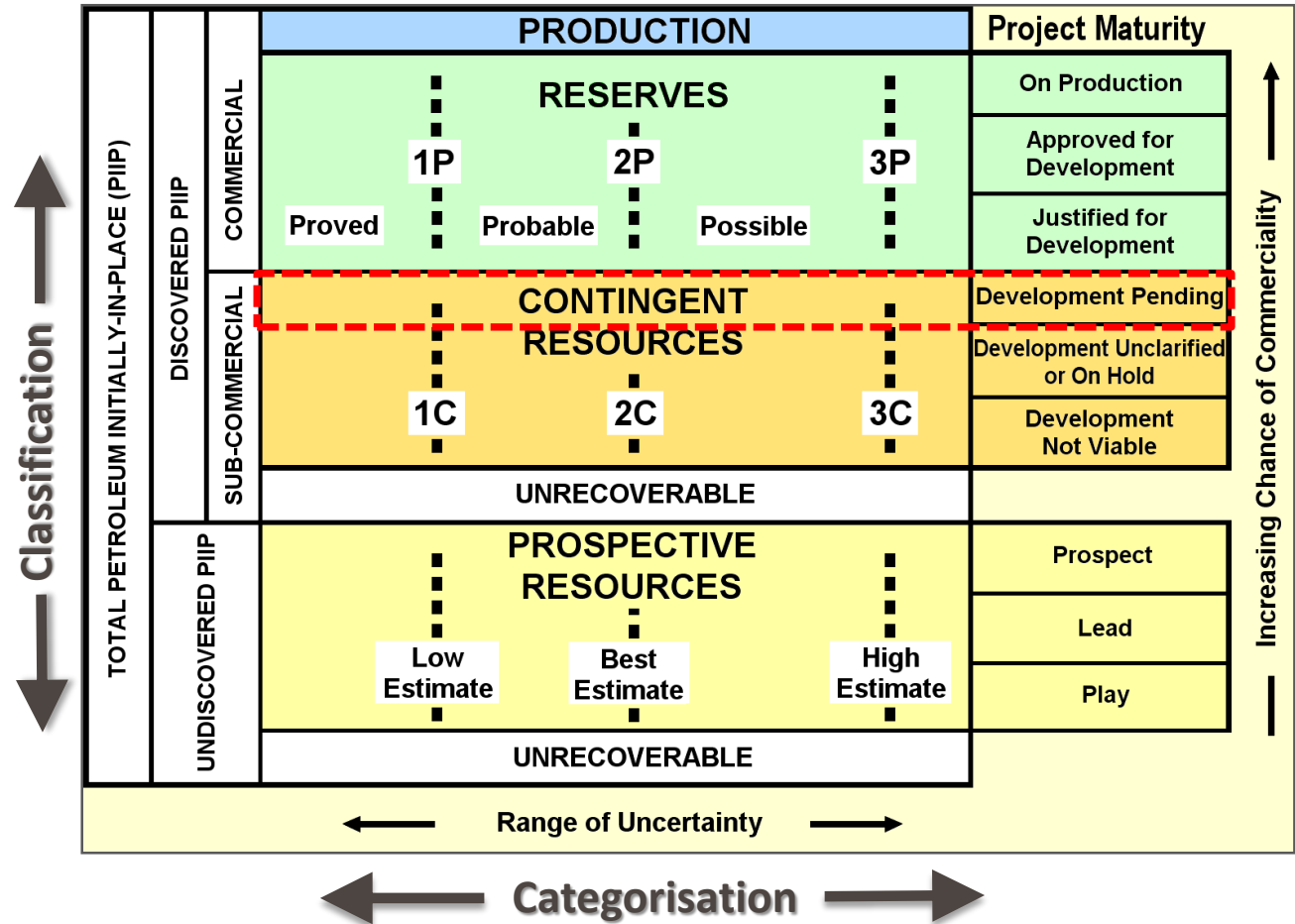
SNE maturity classification (SPE-PRMS)

SNE project classified by FAR as Development Pending

Planning is now underway to determine the optimum SNE development scenario:

Currently in pre-FEED stage (concept select) *

Project to deliver cost reductions (25% lower development well costs from prior operator estimates*)



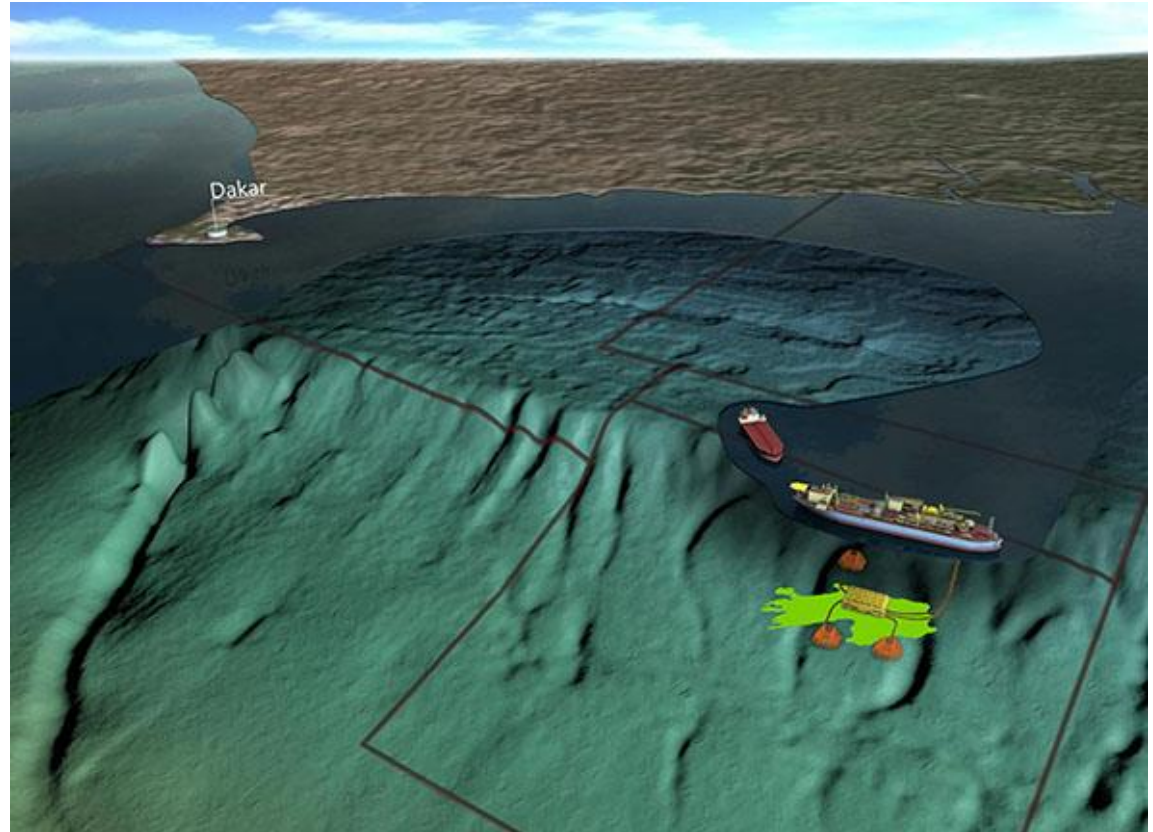
Source: Society of Petroleum Engineers, Petroleum Resource Management System

*Cairn Energy Half Yearly Result 16/08/2016

SNE development and tie back concept



- **SNE development project expected to benefit from:**
 - Project optimisation
 - Cost deflation
 - Standardisation
- **Standalone FPSO:** with expansion capability for satellite tie-backs
- **Plateau production:** rate expected to be 140,000 bopd (based on FAR's 2C contingent resource and other assumptions)
- **Development expenditure:** Based on US\$12- US\$15/bbl* (previous US\$17-US\$26/bbl)
- **Operating expenditure:** Preliminary analysis of <US\$10/bbl* (previous US\$5-US\$15/bbl)

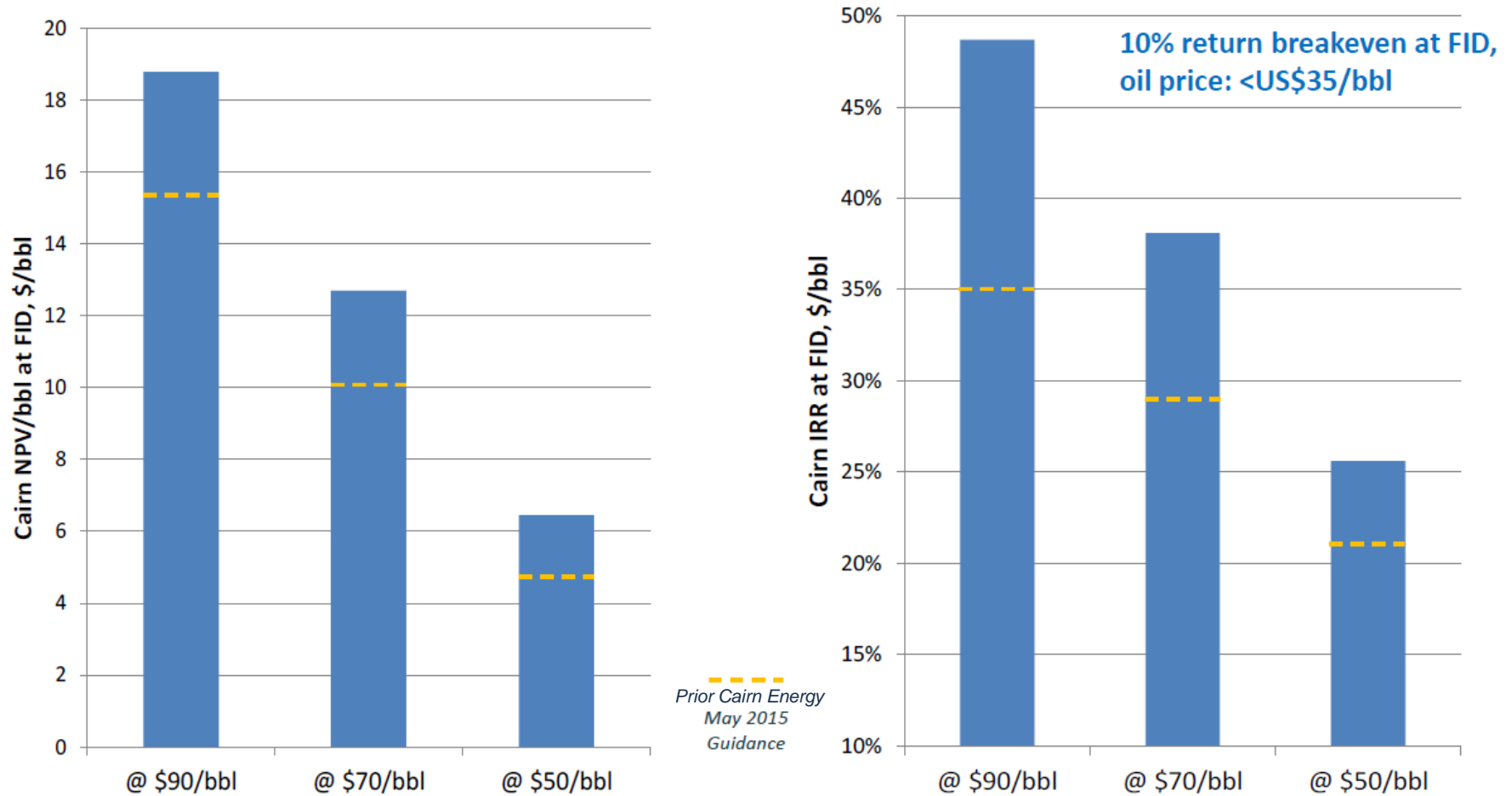


Reference FAR ASX release dated 24 September 2015 and 4 January 2016
*Cairn Energy Half Yearly Result 16/08/2016

Operator economic development scenario



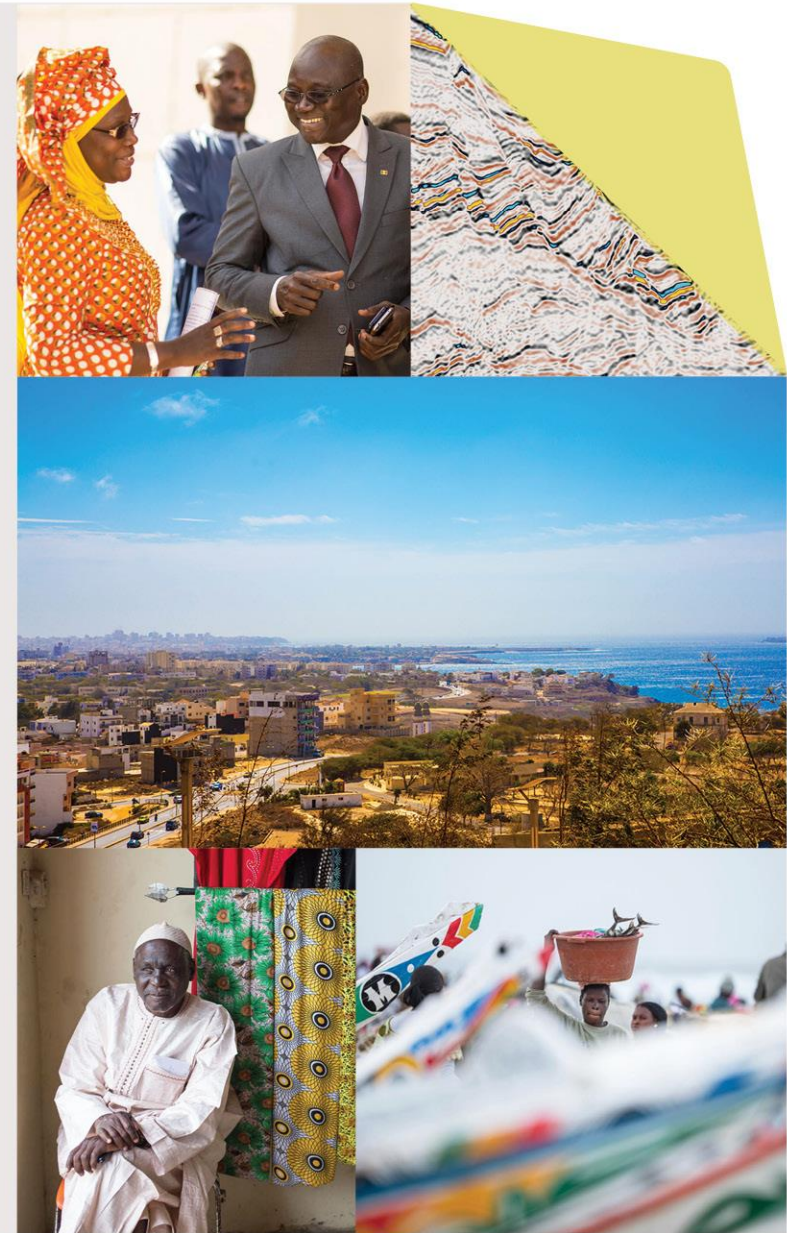
SNE stand alone development (based on Cairn 2C 473 mmbbls)



Source: Cairn Energy estimates (refer Cairn Energy Half Yearly Result 16/08/2016 and Cairn Energy Capital Markets Day presentation 11/05/2015)

FAR value adding activity

- FAR's 2C contingent recoverable SNE resource estimate upgraded by 14% to 641 mmbbls*
- Joint Venture pre-FEED studies initiated for an SNE field anchor development with scope for phasing
- FAR statement on SNE commerciality
- Update on FAR's prospective exploration resources offshore Senegal, including Djiffere
- Drilling and evaluation operations to resume offshore Senegal from late 2016
- Preparing for Senegal PSC declaration of commerciality (DOC) and development and exploitation plan
- First SNE oil production expected from 2022



*Reference FAR ASX release dated 23 August 2016: unrisksed contingent resources, 100% basis, oil only

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- 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.