

Investor presentation

Credit Suisse: 4th Annual Australian Energy Conference

14/15 June 2017



Our Company

- **Fifth largest E&P** on the ASX: Market cap A\$421M¹
- **Strategic focus** Mauritania-Senegal-Guinea-Bissau (MSGB) Basin, NW Africa
- 8 exploration permits in MSGB Basin
- Basin opening discoveries in **Senegal** in 2014
- Progressing towards **first oil from SNE** Field 2021
- **Strong balance sheet**: cash Q1 A\$35M, no debt
- Successfully **raised A\$80M** April²
- Funded to SNE field development FID
- Strong commitment to **supporting social and educational programs**
- Strategic **partnership with CNOOC UK**
- Awarded African “Breakthrough Company of the Year 2016” and “African Explorer of the Year 2017”

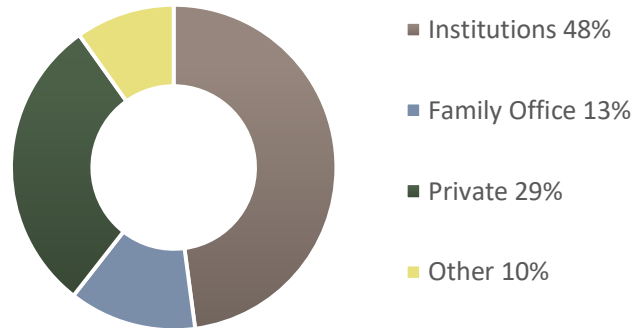
1: Market capitalization at 13 June 2017

2: FAR ASX Release dated 12 April 2017

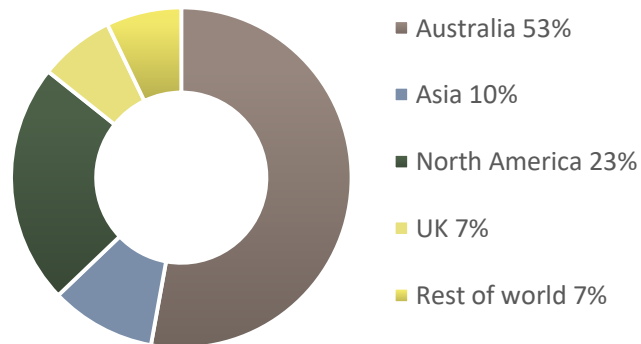
FAR Shareholder summary

- Top 200 shareholders own 70% of FAR
- FAR's shareholders are predominantly located in Australia
- 3 substantial shareholders:
 - Meridian Asset Management
 - Robertson Family
 - Fidelity Group

Top 200 shareholders by type



Top 200 shareholders by location



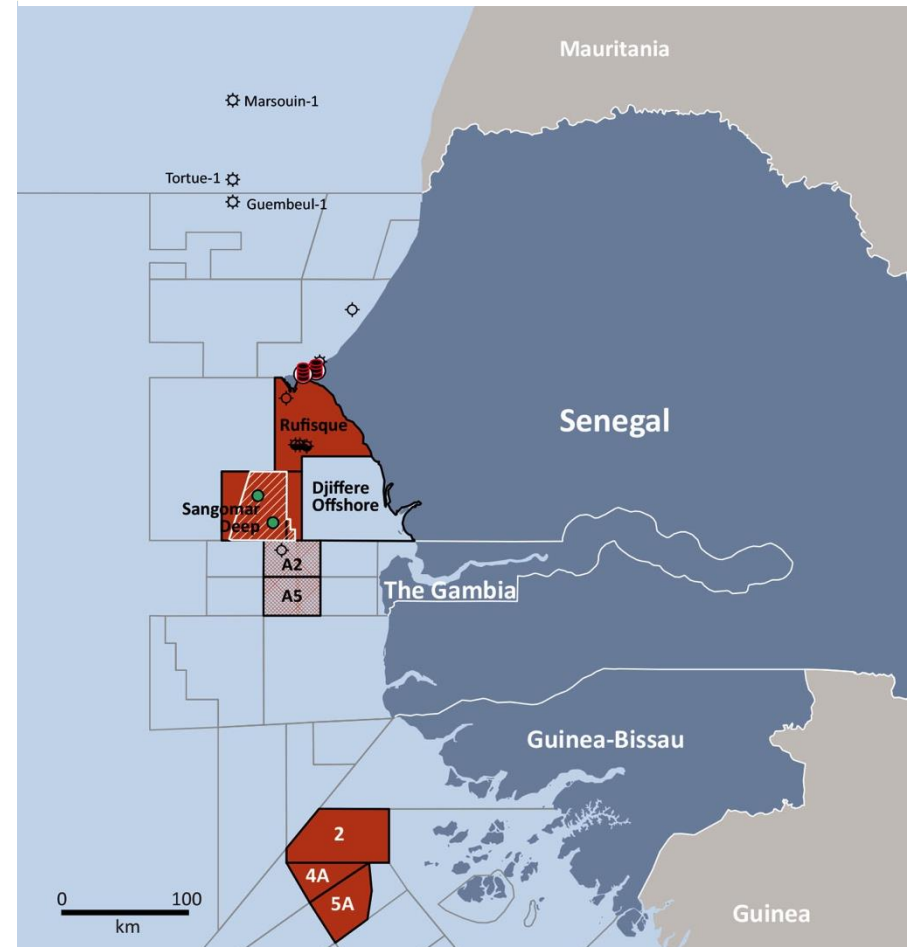
*Analysis of top 200 shareholders from FAR register as at 31 May 2017

FAR in Senegal



- FAR in Senegal since 2006
- Basin opening FAN-1 and SNE-1 oil discoveries, 2014
- SNE ranked as worlds largest oil discovery in 2014
- JV invested ~ **US\$800M in three years**
- 9 deep water exploration/appraisal wells with a **100% success rate**
- SNE field grown to **641mmbbls 2C** resource
- SNE Field appraisal completed May 2017
- Currently in pre-FEED, phased development planned
- First oil planned for 2021
- Cairn Energy (Operator) 40%, FAR 15%, ConocoPhillips 35%*, Petrosen 10%
- FAR has pre-emptive rights over COP sale to WPL
- FAR has option over 75% interest in Djiffere block
- Strong commitment to sustainable social development and capacity building in country

FAR LICENCES OFFSHORE SENEGAL, THE GAMBIA & GUINEA-BISSAU



* COP transaction to sell 35% to WPL announced July 2016

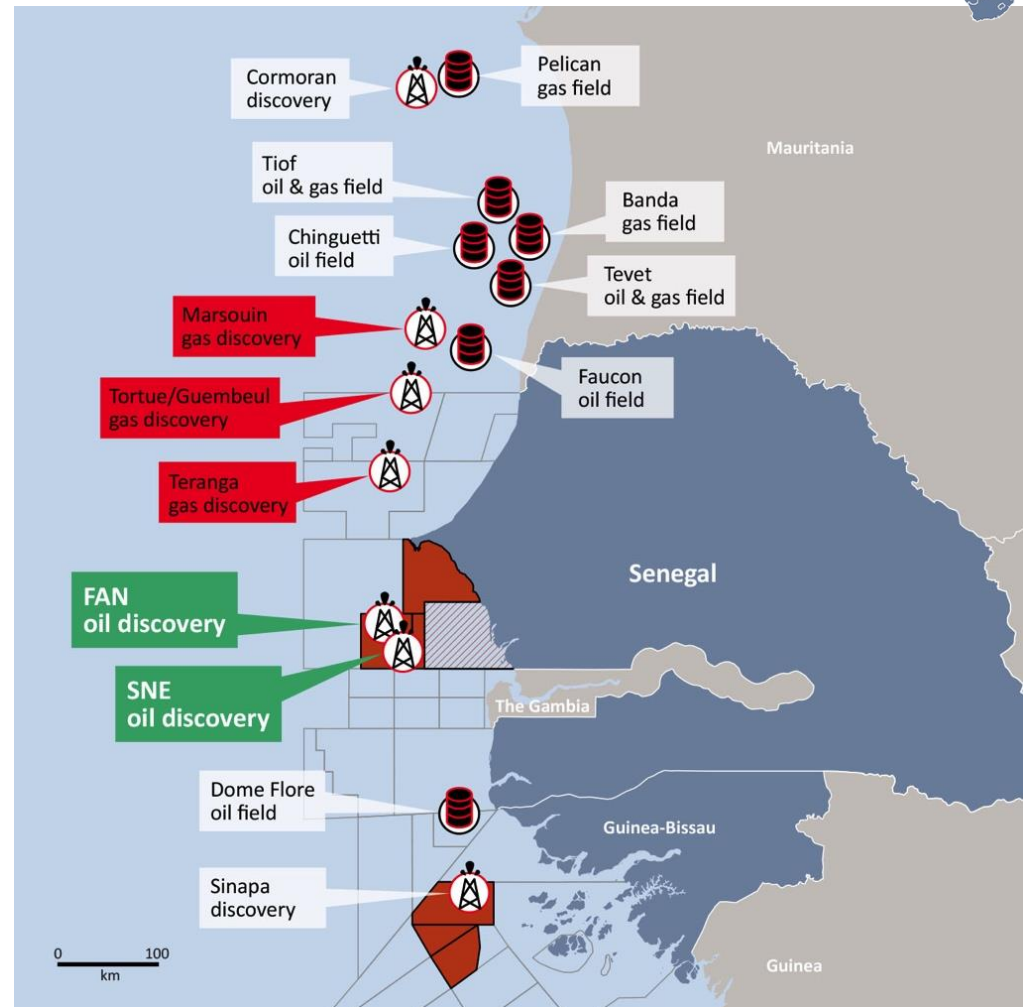
FAN-1 and SNE-1 opened up Senegal



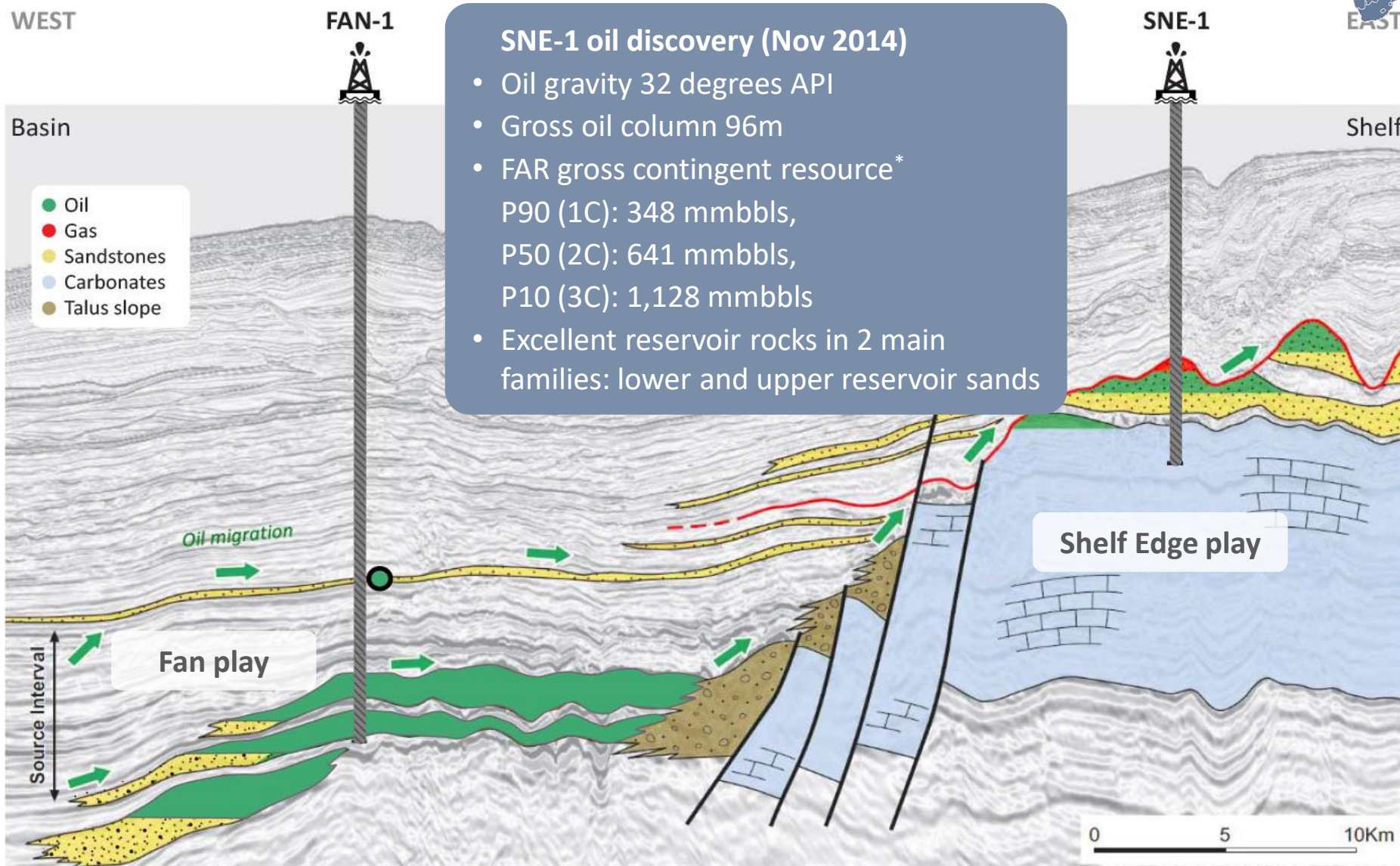
Industry hotspot - increased investment and activity

- FAR discoveries 2014
- **7 successful SNE appraisal wells** drilled over 2015/16/17
- **100% drilling success to date**
- **Major gas discoveries** made in 2015, 2016, 2017
- **BP farm-in** to Kosmos acreage introduces a large IOC to the basin
- **CNOOC farm-in** to Impact acreage in AGC March 2017
- **Total** awarded ROP block May 2017

Stellar Energy Advisers stated “The SNE discovery saved African exploration”



SNE Field geological setting and discovery well



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

SNE Field evaluation program



- Commenced appraisal drilling in Nov 2015
- Seven successful appraisal wells now drilled
- Pre-development appraisal completed
- Objectives of the appraisal program:
 - **Size** of oil pool – 641mmbbls 2C recoverable oil*. Exceeded minimum economic field size (MEFS) of 200mmbbls
 - Measure **deliverability** – world class flow rates encountered
 - Measure field **connectivity** of upper reservoirs – completed with latest appraisal well



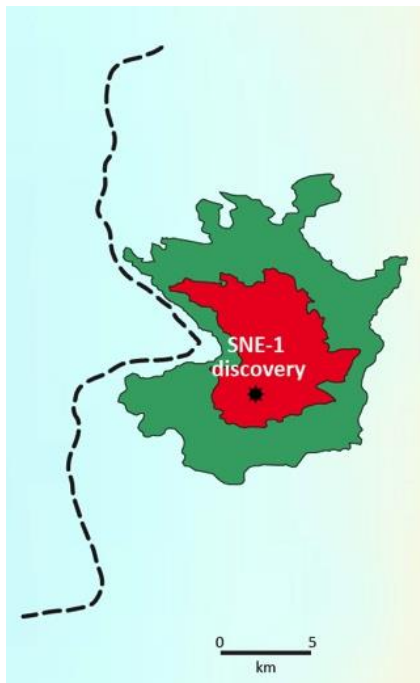
SNE-2 flow test

Size of the SNE oil field



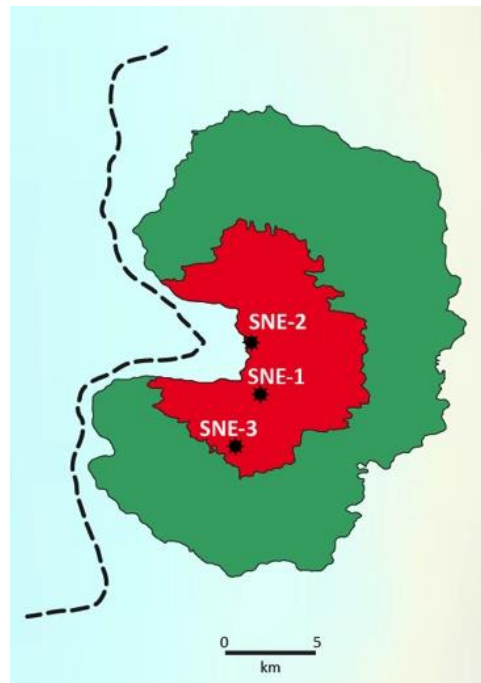
Pre-Drill
(Oct 2014)

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



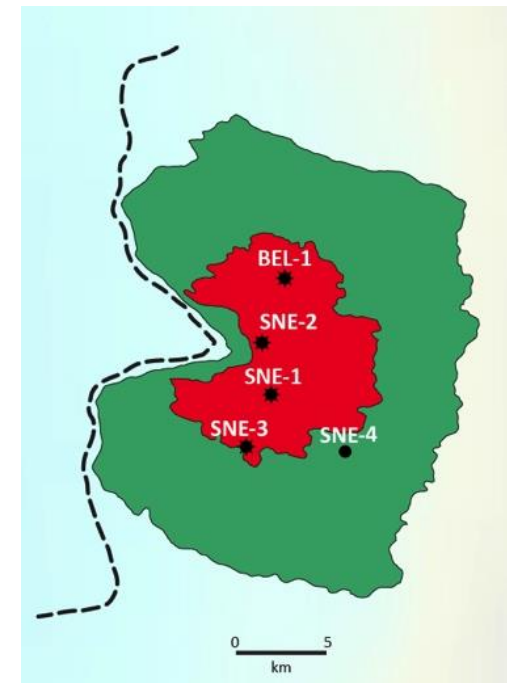
Post discovery
(Nov 2014)

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)

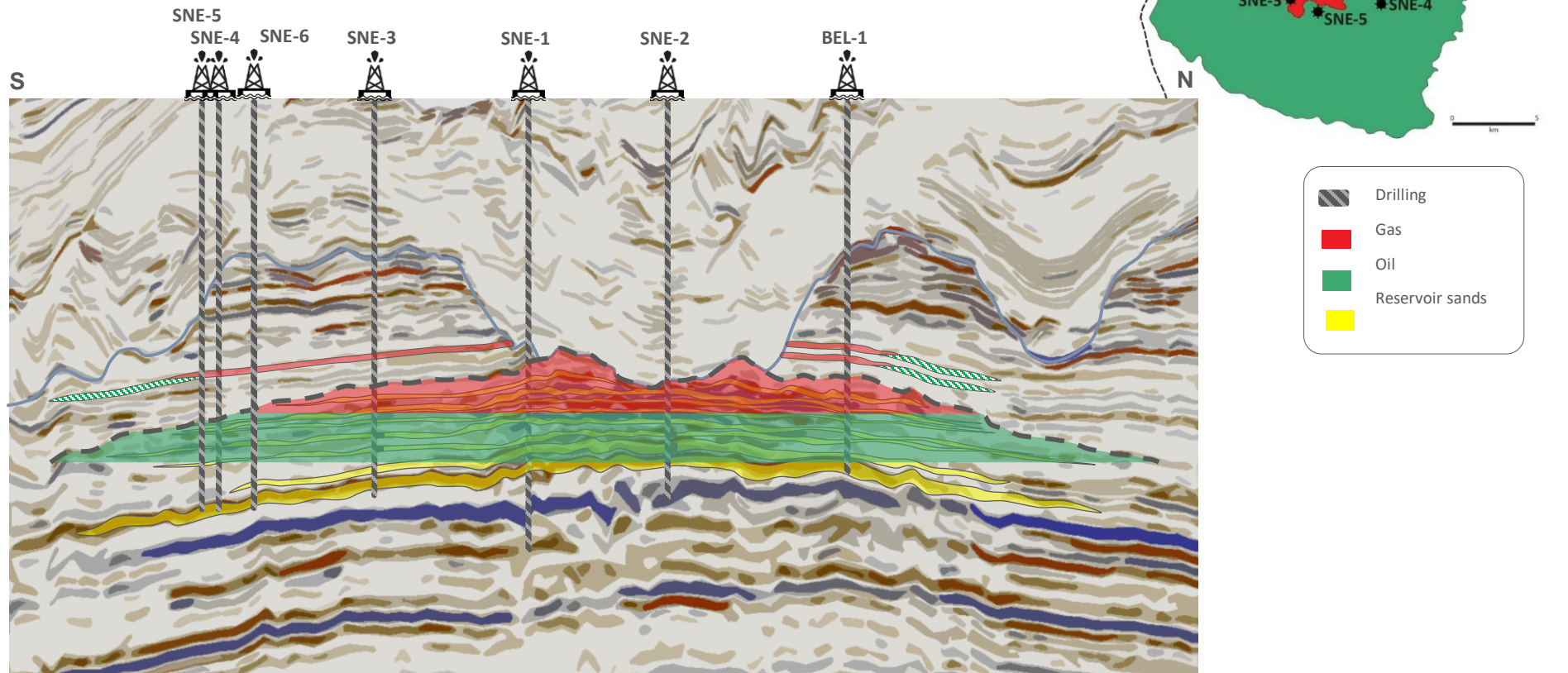
1C: 348 mmbbls
2C: 641 mmbbls
3C: 1128 mmbbls

*Reference FAR ASX release dated 23 August 2016, 13 April 2016: 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

Deliverability and connectivity of reservoirs

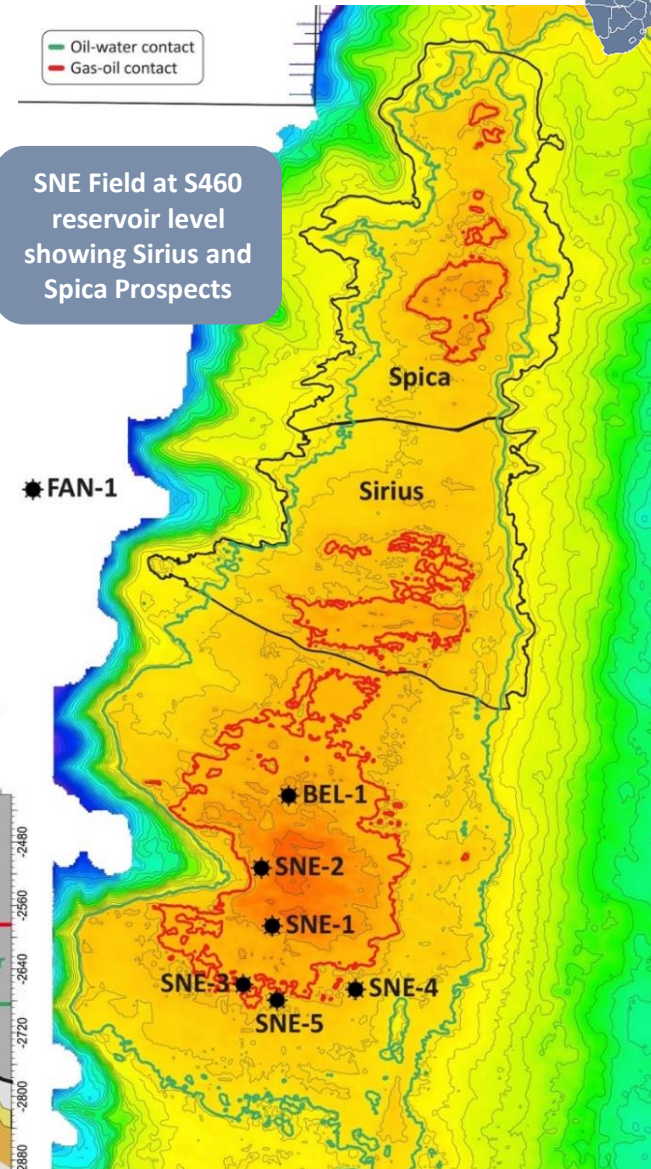
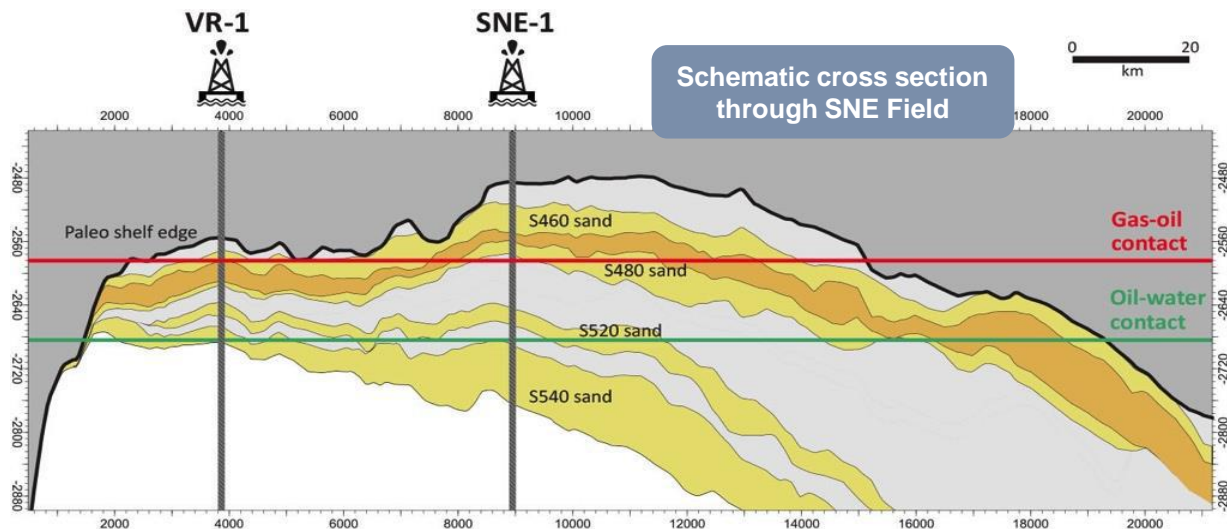
- DST's conducted on SNE-2, SNE-3, SNE-5, SNE-6
- Pressure gauges installed in SNE-3 and SNE-5
- Lower reservoirs flowed at world class rates (SNE-2)
- Deliverability and connectivity testing of upper reservoirs completed in May 2017



SNE Appraisal results and impact on exploration



- All appraisal wells proved 97m gross oil column
- MEFS passed: 2C resource 641 mmbbls
- **Size, deliverability** and **connectivity** now understood and pre-development appraisal drilling completed
- SNE-5 well tested 2 upper sands units (S480 and S460 reservoirs)
- S460 was previously untested upper sand unit and showed good reservoir properties and deliverability in SNE-5
- Map at this level shows confidence in Sirius and Spica prospects has increased due to successful test in S460
- Lower reservoir units to the west have better reservoir properties



Efficient drilling, lower costs

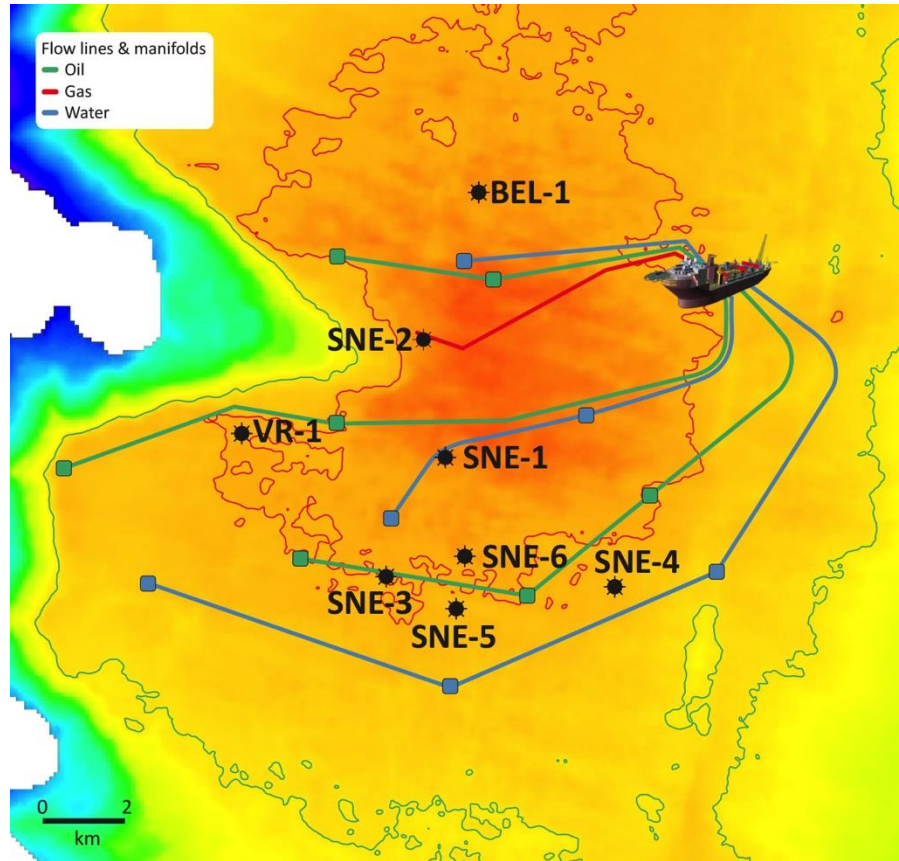
- Currently using the Stena DrillMAX – a 6th generation, dual mast, dual BOP drill ship
- 2017 drilling program significantly ahead of planned AFE
- Drilling completed successfully and safely
- Daily rig rates reduced by 70% since first drilling campaign in 2014
- **Great time to be drilling appraisal/development wells!**
- **Horizontal development well costs US\$40-60M**



Looking forward to development of SNE



- SNE is expected to be a staged development using a standalone FPSO, with expansion capability for satellite tie-backs
- Development based on 70-80 development wells, with 20-25 wells required in Phase 1
- First oil anticipated in 2021, with plateau gross production of 140kbopd
- Development expenditure: US\$13-US\$15/bbl
- Well placed to benefit from cost deflation and design optimisation
- Operating expenditure: US\$12-14/bbl (including FPSO lease costs)
- NPV/bbl : US\$12.50/bbl* (at FID, US\$70/bbl oil price, 2C 473mmbbls)
- Estimated breakeven oil price US\$35/bbl



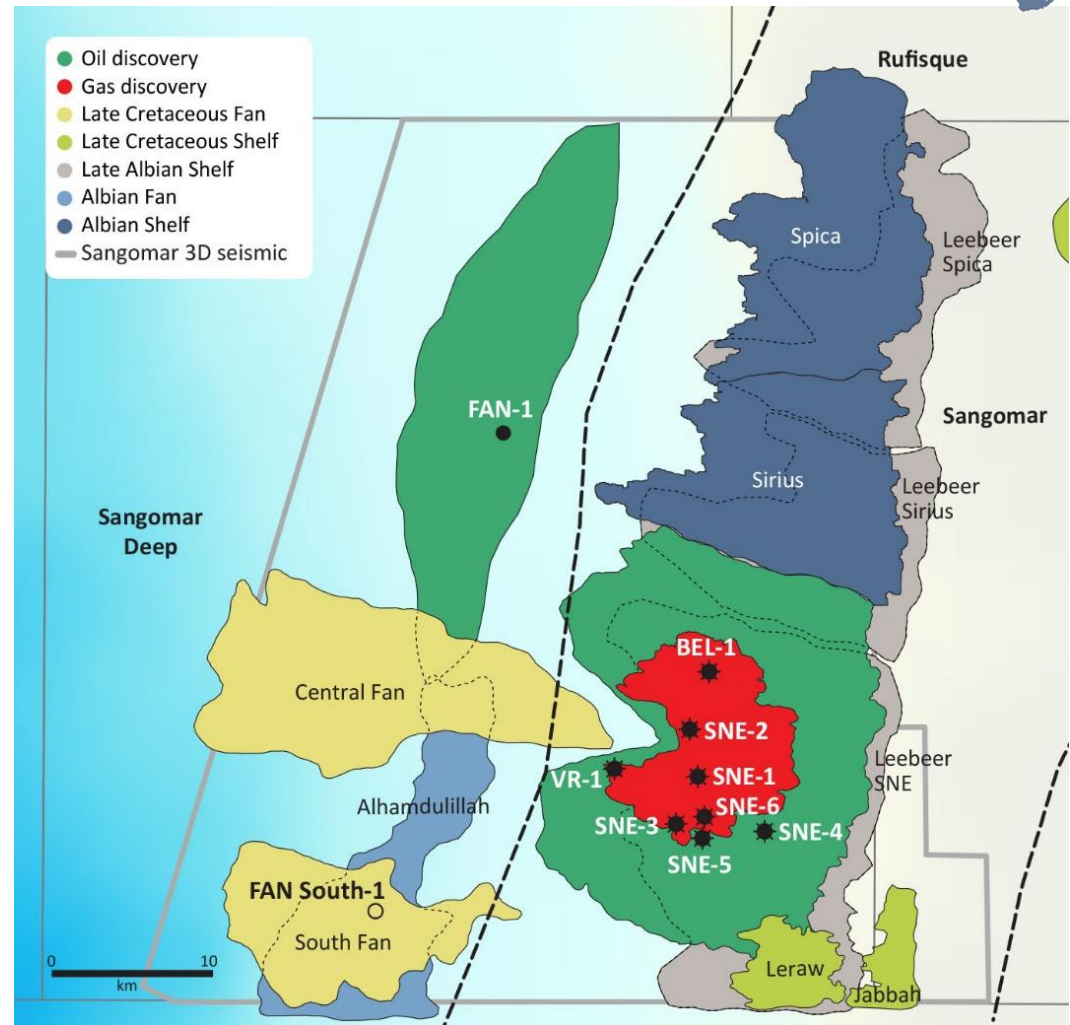
FAR Phase 1 development concept

Refer to FAR ASX releases dated 24 September 2015 and 4 January 2016

First pure exploration well planned since 2014



- 500m of oil intersected in FAN-1 well
 - Prolific oil source rock
 - No OWC encountered
 - Seismic amplitudes suggest better quality reservoir to SW
- New 2015 3D seismic shot along shelf edge trend from SNE
- Extensive portfolio of exploration prospects with >1bn bbls potential*
- FAN South-1 on the South Fan prospect currently being drilled - prospect contains **134 mmbbls oil***
- South Fan within tie back range to SNE development
- SNE field footprint expanding to encompass Sirius and Spica prospects



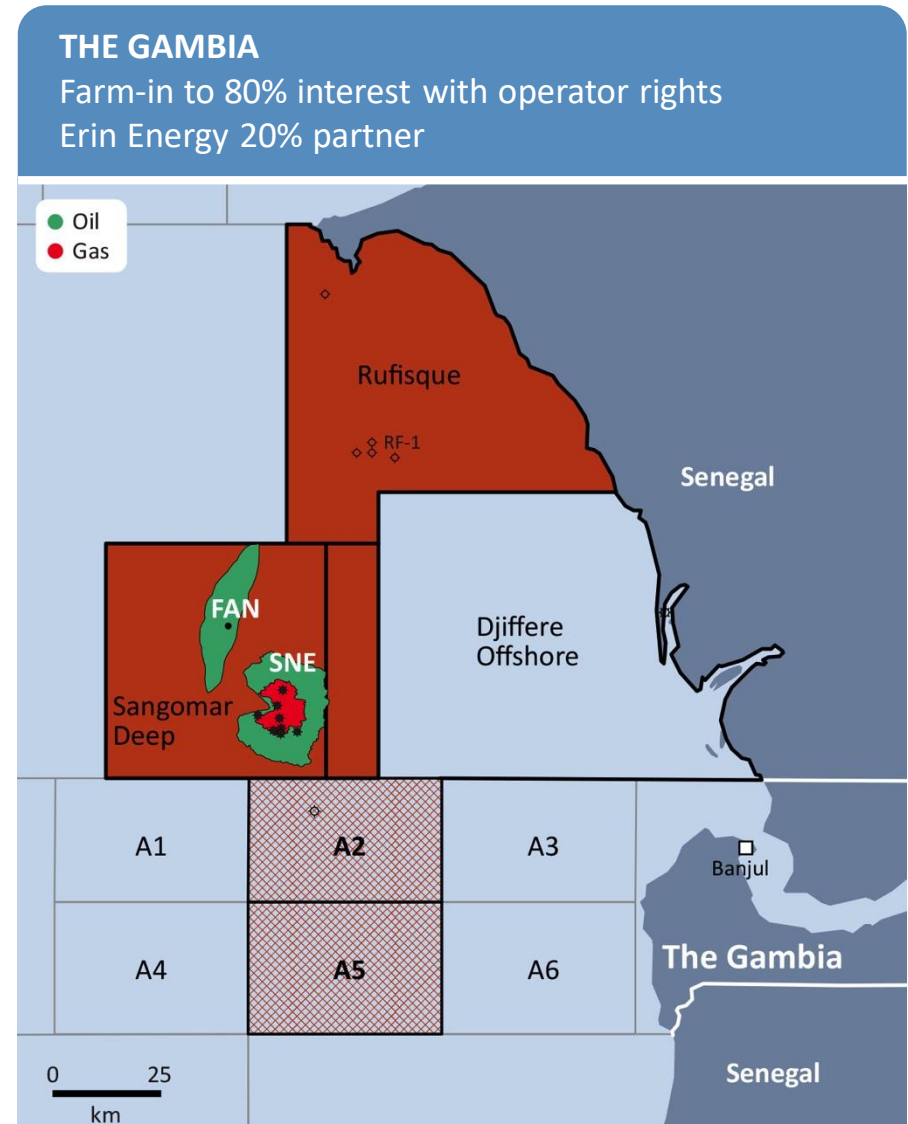
The Gambia licence acquisitions



- In line with FAR's strategy to focus on NW African shelf following Senegal success
- FAR payment of US\$5.18M to Erin, due on Government approval
- Well at end 2018
- Large equity position gives FAR options to farm down
- Support letter from Ministry of Petroleum
- 1+ billion barrels of oil prospectivity mapped to date

About The Gambia

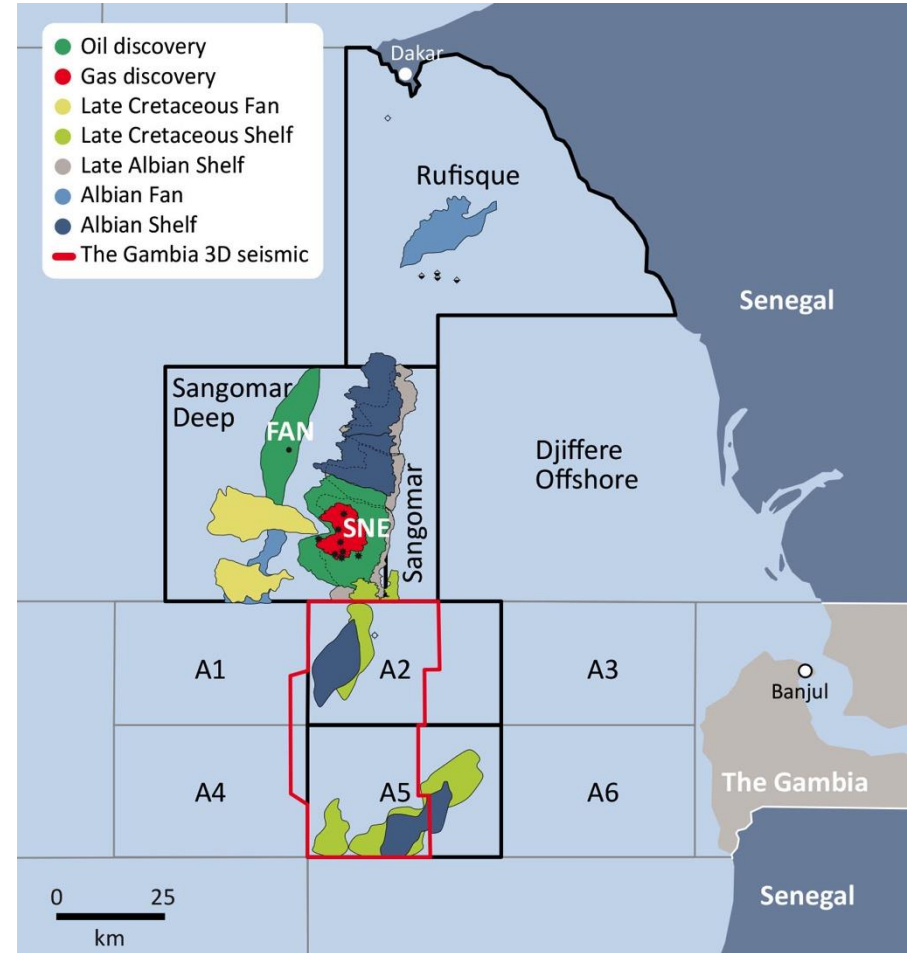
- Capital: Banjul
- Population: 1.8M
- Languages: English (official), Mandinka, Wolof



Blocks A2 and A5 prospectivity



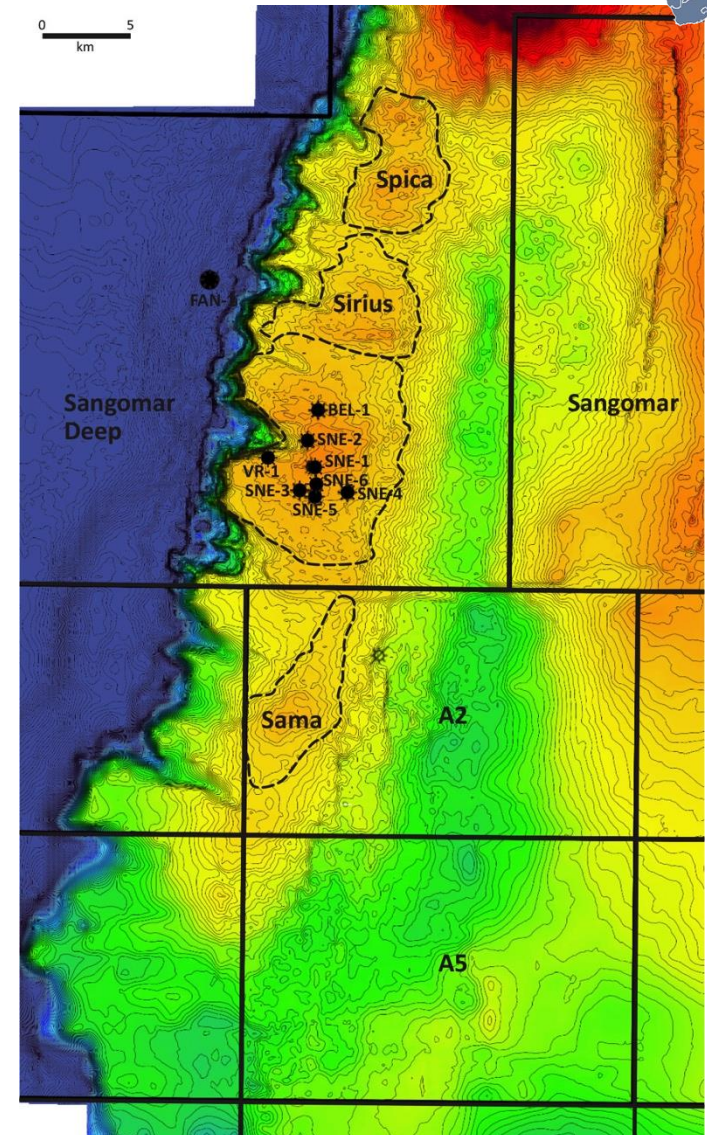
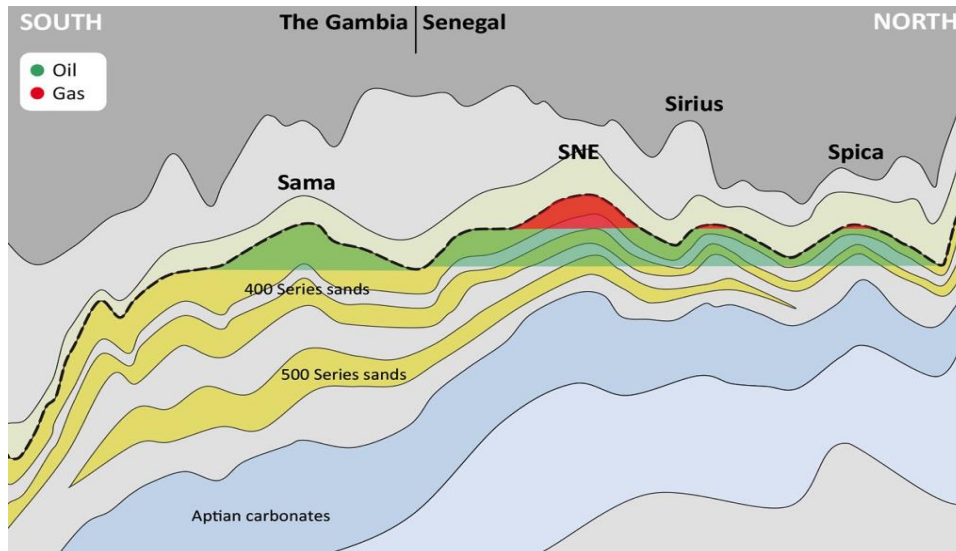
- Sama prospect defined on 3D seismic approximately 500mmbbls recoverable*
- 1,504km² 3D seismic data acquired in 2015
- Seismic reprocessing planned before drilling in 2018



Extension of the SNE shelf edge trend



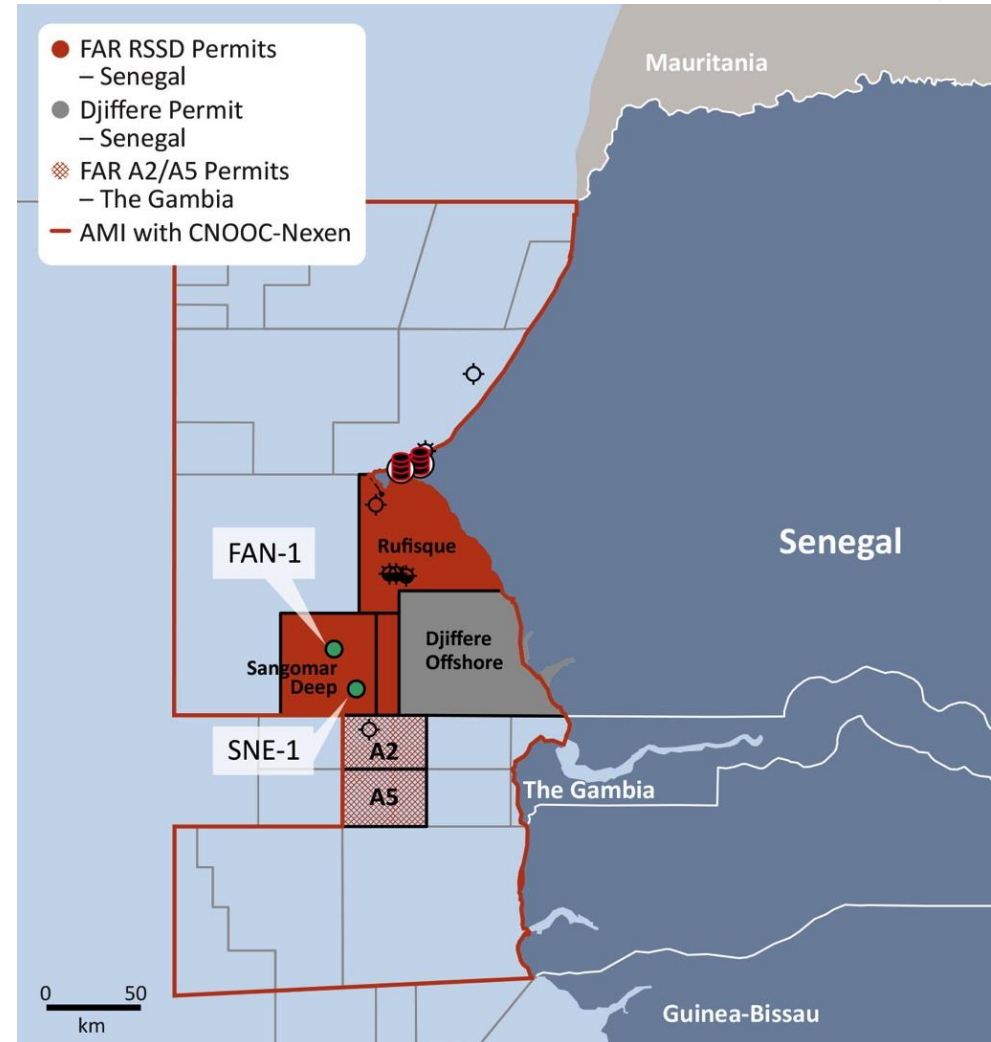
- On trend and adjacent to SNE field – same play type
- 1,504km² 3D seismic data acquired in 2015
- Sama prospect defined on 3D seismic:
 - Access to same, prolific source kitchen as SNE
 - Same upper/400 series reservoirs as SNE
 - Thickening of 400 series sands to the south
- Highly prospective, with a high chance of success
- Prospect reservoirs penetrated by 8 wells in RSSD drilling program



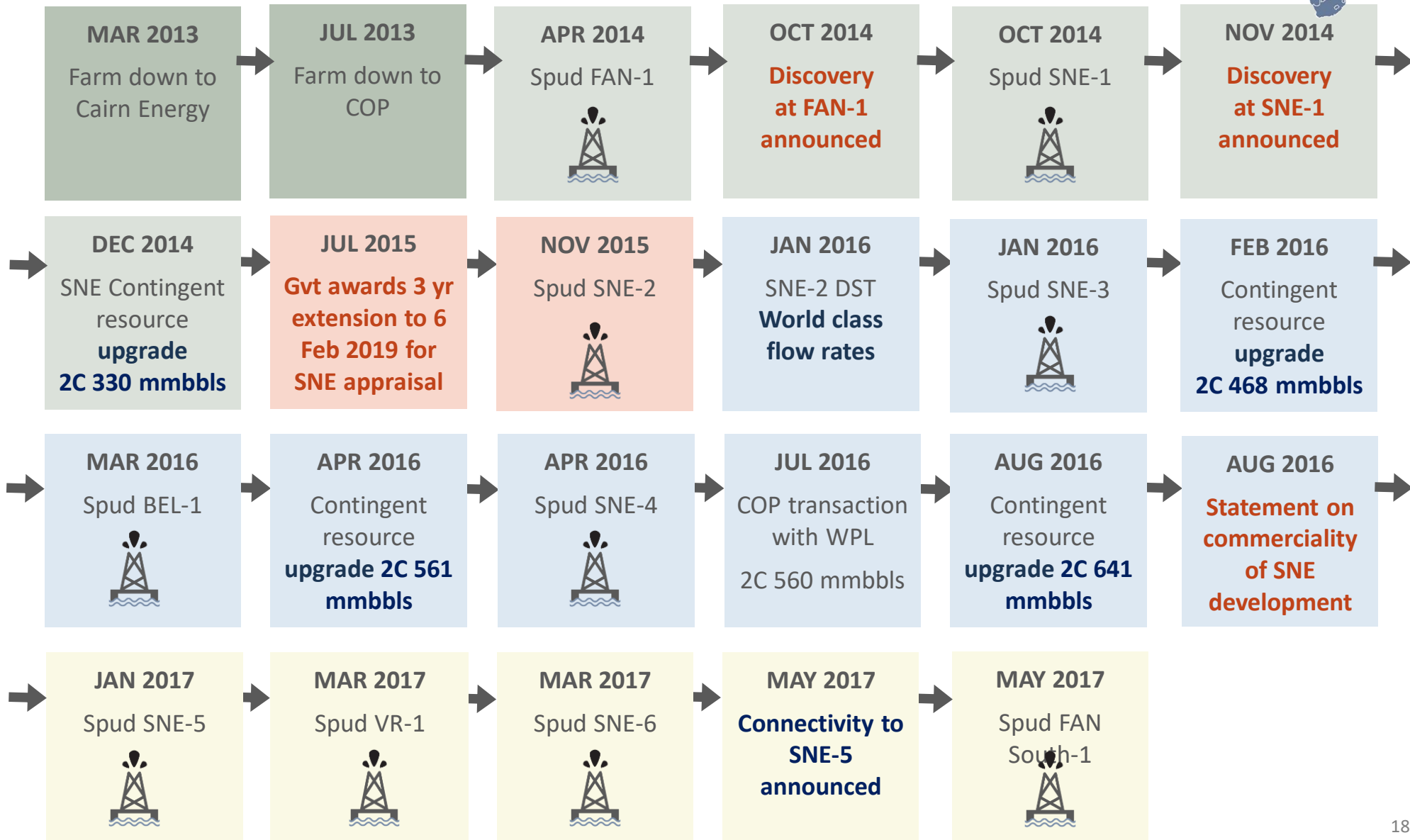
AMI with CNOOC



- Area of Mutual interest agreement with CNOOC
- Covering the designated area offshore Senegal and The Gambia
- CNOOC one of the largest independent oil and gas producers in the world
- Complementary skills enhance FAR and CNOOC ability to secure additional acreage



FAR's milestones in the Senegal project



Community & social programs

Investing in education & training, enterprise & community development programs through our Senegal joint venture



Renovated a primary school in the regional city of Thiess



Sponsored regional soccer competitions through provision of 200 balls and uniforms



Moving forward in 2017

- **2013:** Year of farmout
- **2014:** Year of discovery
- **2015-2017:** Appraisal of the SNE Field
- **2017-2018:** Development planning and studies
- **2018-2021:** Engineering, financing & construction
- **2021:** First oil from Phase 1 SNE development
- **100% success rate** to date offshore Senegal
- **Undrilled exploration prospects** with >1bn bbls potential
- Back to pure exploration with **FAN South-1** well
- Seeking drill partner for **The Gambia**
- Continuing exploration in **Guinea Bissau**



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- 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.
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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.

Additional slides



Board and management



Experienced Board and management with strong relationships in Africa

Board with significant experience

	<p>Nicholas Limb Non-Executive Chairman Appointed 2012</p>	<p>Geophysicist and investment banker 15 years as MD/Chairman of an ASX listed, international mining company, Australia. 10 years in Financial services with May and Mellor and HSBC. 38 years industry experience in the resources industry.</p>
	<p>Catherine Norman Managing Director Appointed Nov 2011</p>	<p>Geophysicist 28 years experience in the resources industry. 6 years as MD of Flow Energy Limited. 10 years as Managing Director of international oil services company in the UK developing projects in Europe, Africa and the Middle East region.</p>
	<p>Ben Clube Executive Director Appointed 2013</p>	<p>Geologist and Chartered Accountant 27 years of experience in the resource sector. Senior Finance Executive BHP Petroleum. Finance Director and Company Secretary of Oilex Ltd prior to joining FAR.</p>
	<p>Reg Nelson Non-Executive Director Appointed 2015</p>	<p>Exploration Geophysicist 45 years of experience in the petroleum and minerals industries. 13 years as Managing Director of Beach Energy plus 10 years as CEO and Executive Director. Recipient of APPEA's Reg Sprigg Gold Medal in 2009 for outstanding services to the Australian oil and gas industry.</p>
	<p>Albert Brindal Non-Executive Director Appointed 2007, retiring 2017</p>	<p>Fellow Certified Practising Accountant Director of the Company since 2007. Broad commercial experience and Chairman of Remuneration Committee.</p>

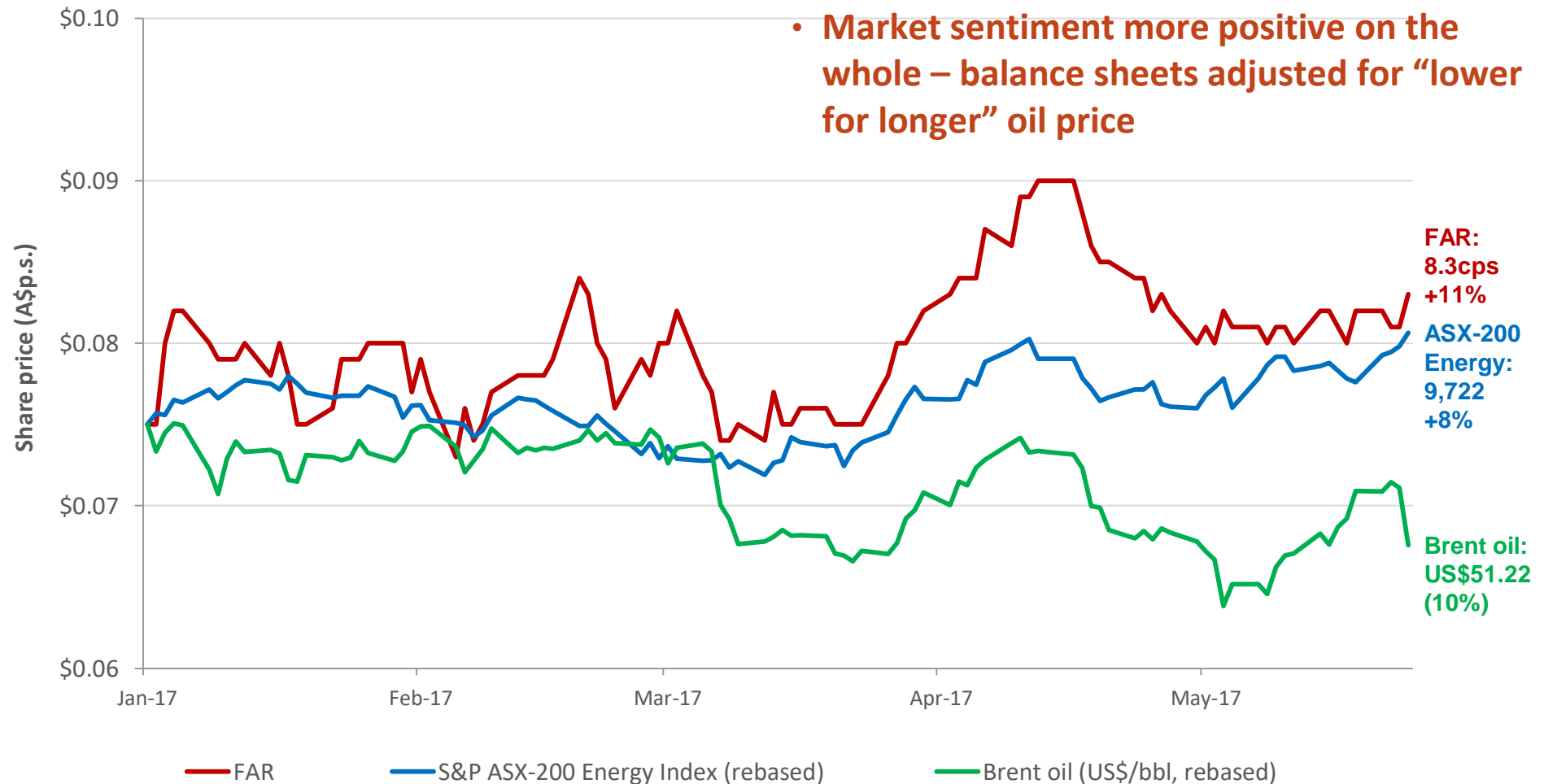
Senior management

	<p>Catherine Norman Managing Director</p> <p>BSC (geophysics), AICD</p>	<p>Over 20 years experience in the mineral and oil & gas exploration industry, having held executive positions both in Australia and in the UK. Cath has carried out operating assignments in Europe, Africa, the Middle East and Australia. Cath is a geophysicist who has been Managing Director of FAR since Nov 2011 and previously served as the Managing Director of Flow Energy for 6 years.</p>
	<p>Ben Clube Chief Operating Officer, Executive Director</p> <p>BSC (geology), AICD, AIPN</p>	<p>Over 20 years experience as a finance executive in the upstream petroleum industry. He has spent the majority of his career at BHP Billiton Petroleum and held roles across the full life cycle of exploration, development and operations. Ben has extensive experience capturing and implementing international projects. Ben is an associate of the Institute of Chartered Accountants of England and Wales.</p>
	<p>Pete Thiessen Chief Financial Officer</p> <p>BA (accounting), MICA</p>	<p>Over 15 years experience as a Chartered Accountant. Pete has previously contracted independently to the mining and exploration industry and more recently was the CFO and Company Secretary of Flow Energy Limited. Prior to that he was a Client Director with Deloitte global accounting and professional service firm. Pete is a member of the Institute of Chartered Accountants.</p>
	<p>Peter Nicholls Exploration Manager</p> <p>BSC (geophysics)</p>	<p>Over 30 years experience in oil and gas exploration and development projects with BHP Billiton Petroleum, Nexus Energy, Antares, Oil Search and BP Australia. A professional geophysicist with experience in managing exploration teams operating offshore permits and wells. Proven track record of identifying prospective areas, working up prospects, and finding commercial fields.</p>
	<p>Jon Keall Chief Geoscientist</p> <p>MSC (geology)</p>	<p>Over 20 years experience in oil and gas exploration internationally and within Australia. A professional geologist that has worked for BHP Petroleum on many of the petroliferous basins of Australia-Asia and involved in several significant oil and gas discoveries. Experience over the full exploration cycle from identification and capture of new acreage, prospect generation, drilling and discovery of hydrocarbons.</p>

FAR relative performance

- Better performance than ASX200 so far 2017
- Risk being removed from SNE development
- FAR funded to FID
- Market sentiment more positive on the whole – balance sheets adjusted for “lower for longer” oil price

Relative performance – since 1-Jan-17



Source: IRESS.
Note: Market data as at 25-May-17.
S&P ASX-200 Energy Index and Brent price indexed to FAR's share price of 7.5cps, as at 2-Jan-17.

DST Results

SNE-2 tested lower and upper reservoir units

- Gross 12m lower sands: 8,000 bopd through 3/4" choke (stabilised constrained flow)
- Gross 15m upper sands: 1,000 bopd on a 3/8" choke (unstabilised)

SNE-3 tested upper reservoir units

- Gross 15m: 5,400 bopd max flow / 4,000 bopd through a 7/8" choke (stabilised)
- Gross 20.5m (2 zones): 4,500 bopd co-mingled through a 7/8" choke (stabilised)

SNE-5 tested upper reservoir units

- Gross 18m (S480): Max rate 4,500 bopd, stabilized rate 2,500 bopd on 40/64" choke, 3,000 bopd on 56/64" choke
- Additional 8m perforated (S460): Max rate 4,200 bopd, ave stabilised rate 3,900 bopd on 64/64" choke

SNE-6 tested upper reservoir units

- Gross 11m: Max rate of ~4,700 bopd on a 60/64" choke. Ave stabilised flow (48 hrs) ~3,700 bopd on a 52/64" choke
- Additional 12m zone flowed at a max rate of ~5,300 bopd on a 64/64" choke, stabilised (12 hrs) ~4,600 bopd on a 52/64" choke
- Pressure data from SNE-6 has confirmed that the Upper Reservoirs are connected with SNE-5, ~1.6km away



SNE-2 flow test

