

Second Addendum to Notice of General Meeting and Explanatory Statement

For the General Meeting of shareholders to be held at, **10.00am (Melbourne time) on Thursday, 15 April 2021** or at any adjournment or further postponement thereof.

Due to COVID-19 social distancing requirements, shareholders wishing to participate at the meeting are encouraged to do so virtually via the webinar. Shareholders attending virtually will be taken for all purposes to be in attendance as if they were physically there. COVID-19 rules regarding social distancing are subject to constant change, and limitations are likely to apply to the number of people who may attend physically.

The meeting will be held virtually via webinar and also at a physical location. This is due to the expiration of the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 which had permitted fully virtual meetings. Accordingly in addition to the virtual webinar, the Directors have determined to conduct the meeting physically at the offices of Baker McKenzie, Level 19, 181 William Street, Melbourne.

Shareholders attending virtually will be treated for all purposes as if they were physically in attendance at the meeting. Consistent with ASIC's no-action position contained in its Media Release 21-061 dated 29 March 2021, the technology used to hold the meeting virtually will provide shareholders with a reasonable opportunity to ask questions or make comments (ensuring that shareholders whom are participating remotely are able to actively do so), voting at the meeting is occurring by way of a poll rather than a show of hands, each person entitled to vote is to be given the opportunity to vote in real time, and this Second Addendum includes information about how shareholders can participate in the meeting,

This is an important document. Please read it carefully.

This Second Addendum to Notice of General Meeting and Explanatory Statement ("Second Addendum") is additional to the Notice of General Meeting and accompanying Explanatory Statement dated 18 November 2020 ("Notice") for the General Meeting of FAR Limited shareholders that was originally scheduled to be held on Monday, 21 December 2020 which was then postponed to Thursday, 18 February 2021 by virtue of the Addendum to Notice of Meeting and Explanatory Statement dated 8 February 2021 ("First Addendum").

This Second Addendum supplements the Notice and the First Addendum, and should be read together with the Notice and the First Addendum.

A new Proxy Form is provided with this Second Addendum for shareholders wishing to change a Proxy Form which has already been submitted or to submit a Proxy Form for the first time. A previously submitted Proxy Form will continue to be valid unless it is changed.

TIME AND PLACE OF MEETING, PROXY FORM AND LOGISTICAL MATTERS

Date of General Meeting

As previously announced, the General Meeting of the shareholders of the Company originally scheduled to be held at 10.00 am (Melbourne time) on Monday, 21 December 2020 and postponed to 18 February 2021, has been further postponed and will now be held at **10.00am (Melbourne time) on Thursday, 15 April 2021** or at any adjournment or further postponement thereof (“Meeting”).

Details to access the Meeting virtually are unchanged from that set out in each of the Notice and First Addendum. The Meeting will be broadcast by Encore Events Technology. Shareholders can view and participate in the Meeting by registering to attend at www.far.com.au/gm.

Lukoil Proposal

The postponement the subject of this Second Addendum was to enable shareholders to obtain and consider further information in relation to the proposal from PJSC Lukoil (“Lukoil”) to acquire 100% of the shares of the Company (“Lukoil Proposal”) which was first announced to ASX on 17 February 2021.

As at the date of this Second Addendum, the Lukoil Proposal remains non-binding, conditional and has not been formalised. FAR cautions that there is no certainty that the Lukoil Proposal will necessarily eventuate and the FAR directors continue to recommend voting FOR the disposal of FAR’s interest in the RSSD project. If Lukoil subsequently formalises its offer in an acceptable form then the FAR directors may change this recommendation.

Remus Proposal

The First Addendum noted that Remus Horizons PCC Limited (“Remus”) had made a proposal to acquire 100% of the shares of the Company (“Remus Proposal”).

As at the date of this Second Addendum, the Remus Proposal remains non-binding, conditional and has not been formalised. FAR cautions that there is no certainty that the Remus Proposal will necessarily eventuate and the FAR directors continue to recommend voting FOR the disposal of FAR’s interest in the RSSD project. If Remus subsequently formalises its offer in an acceptable form then the FAR directors may change this recommendation.

Meeting Business

The business the subject of the Meeting is as follows:

RESOLUTION 1 – DISPOSAL OF INTEREST IN THE RSSD PROJECT

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the disposal of the Company's interest in the RSSD Project on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

For reasons of brevity, this Second Addendum does not generally repeat information contained in the Notice and the First Addendum which should be read in conjunction with this Second Addendum.

Capitalised terms used in this Second Addendum which are not defined in it have the same meaning given in the Notice and the First Addendum.

Voting by Proxy

A new Proxy Form accompanies this Second Addendum and is being provided to all shareholders. Shareholders are advised that:

- If you have already voted and do not wish to change your proxy vote, you do not need to take any action. The Proxy Form you previously submitted remains valid and will be accepted by the Company.
- If you have already submitted a Proxy Form and you wish to change your proxy vote, please complete and return the new Proxy Form accompanying this Second Addendum online or by post.
- If you have not returned a Proxy Form, please complete and return the new Proxy Form accompanying this Second Addendum online or by post.
- In order to lodge your proxy immediately please utilize the online proxy voting facility provided by Computershare using the details on your Proxy Form.

If you choose to submit a new Proxy Form, you must complete your proxy online or send the completed and signed Proxy Form by post to Computershare, GPO Box 242, Melbourne, Victoria 3001 or by facsimile to Computershare on facsimile number outside Australia +61 (3) 9473 2555 or within Australia 1800 783 447 so that it is received not later than **10.00am (Melbourne time) on Tuesday, 13 April 2021**. Proxy Forms received later than this time will be invalid.

Shareholders are advised to read the instructions on how to vote which are included in the Notice and on the Proxy Form. Contact details for Computershare can be found on the Proxy Form or at www.far.com.au/GM

Voting Entitlement

Paragraph 2 of the Notice under the sub-heading “Notes” is replaced as follows:

For the purposes of the Corporations Act, securities will be taken to be held by persons who are registered holders as at 7.00pm (Melbourne time) on 13 April 2021.

Voting Exclusions

The same voting exclusions contained in the Notice apply to this meeting.

Voting online and participating during the meeting

Voting at the meeting can be accessed directly through <https://web.lumiagm.com/> (meeting ID 317-957-256) using your HIN/SRN and the post code of your registered address. Overseas shareholders should use their country code in place of an Australian post code. Online voting registration will open 30 minutes prior to the meeting. For further information see the [Lumi Lite – Online Voting Guide Here](#).

Shareholders who are unable to participate online or attend in person should lodge their proxy in accordance with the Notice of Meeting and this Addendum.

The meeting will be webcast by Encore Event Technologies. Shareholders can register to attend at www.far.com.au/gm. Questions or comments can be raised during the meeting using the live text facility on the Encore platform.

Enquiries

Shareholders are invited to contact the Company Secretary, Elisha Larkin, on +61 3 9618 2550 if they have any queries in respect of the matters set out herein.

This Addendum is dated 31 March 2021.

A handwritten signature in black ink, appearing to read 'Elisha Larkin', followed by a period.

Elisha Larkin, Company Secretary

SUPPLEMENTARY INFORMATION FOR EXPLANATORY STATEMENT

The Company provides shareholders with the following supplementary information, which supplements the information contained in the Explanatory Statements forming part of each of the Notice and the First Addendum. Please refer to those Explanatory Statements if you wish to remind yourself of the background in this regard, copies of which can be accessed [here](#).

A. Non-Binding Indicative Proposal from LUKOIL announced on 17 February 2021

On 17 February 2021, the Company announced to ASX that it had received a conditional non-binding indicative proposal from PJSC Lukoil, one of the world's largest publicly traded energy companies to acquire 100% of the shares of the Company at 2.2c cash per share (the "Lukoil Proposal"). The announcement noted that Lukoil is headquartered in Russia, and that the Lukoil Proposal valued the Company at A\$220 million.

The Company cautioned that the Lukoil Proposal was not a legally binding offer, and that there was no certainty that the Proposal will necessarily eventuate. Accordingly, the Company noted that care needed to be used in assessing the Lukoil Proposal.

The Company noted that Lukoil had stated that the price proposed represents a higher value for FAR shareholders than both the sale by the Company of the RSSD project ("Woodside Sale") to Woodside Energy (Senegal) BV ("Woodside") which pre-empted the earlier proposed sale to ONGC Videsh Vankorneft Pte Ltd and the incomplete Remus Proposal.

The Company noted that Lukoil stated that the Lukoil Proposal was conditional (amongst other things) on:

- The shareholder meeting to consider approving the sale of the RSSD project scheduled for Thursday, 18 February 2021 being rescheduled.
- Obtaining minimum acceptances of 50.1% of shares and a FAR board recommendation.

The Company noted that Lukoil stated that it does not believe that it requires FIRB approval for the transaction and that it does not anticipate requiring any other regulatory approvals as a condition of the transaction. The Company noted that Lukoil stated that it has a deep understanding of the RSSD Project as it has previously completed due diligence and entered into an agreement to acquire an interest in the RSSD Project from Cairn Energy Plc which was subsequently pre-empted by Woodside.

In these circumstances, the Company advised that it had determined to postpone the shareholder meeting currently scheduled for 18 February 2021. The Company noted that this will enable further time for the Company to clarify the Lukoil Proposal. The Company noted that it will advise the rescheduled date as soon as this has been determined, noting that the Lukoil Proposal has only just been received. The Company noted that it would in due course distribute updated meeting information prior to the meeting being held, and that shareholders who had already voted will have the opportunity to change their vote if they wish.

The Company noted that Lukoil has stated that it is open to providing reasonable financing support to allow FAR to come out of default in relation to its RSSD Project cash call defaults once its proposal is unconditional subject to customary conditions being agreed. As previously announced, the Company noted that it is in default with respect to its January 2021 cash call of US\$19.9 million. The Company is also in default with respect to its February 2021 cash call of US\$24 million. As previously announced by the Company, it has until mid July 2021 to remedy defaults or risk losing its interest in the RSSD Project.

The Company noted that Lukoil has advised that it has funds which are readily available for deployment if its offer proceeds. Lukoil has stated that it recognises that its offer would need to be unconditional well in advance of the Woodside long-stop date for its sale (which as previously announced is early June 2021 or such later date as agreed).

The Company noted that it had appointed Baker McKenzie to advise in relation to the Lukoil Proposal.

B. Proposals Update and New Shareholder Meeting Date announced on 12 March 2021

On 12 March 2021, the Company announced to ASX an update in relation to the Remus Proposal and the Lukoil Proposal, noting that they each remained incomplete at that point in time.

The Company announced that the shareholders meeting to consider the Woodside sale would be reconvened to 10am on 15 April 2021. The Company noted that it would provide further information to shareholders prior to the meeting being held and that shareholders who had already voted would have the opportunity to change their vote if they wish.

The Company stated that it had no intention of further postponing the shareholders meeting, noting that it intended to proceed with the Woodside Sale if shareholders provide their approval.

C. Cash Position and Impact if the Woodside Sale is Not Approved

As at 29 March 2021, the Company's unrestricted cash position was approximately US\$7.7 million.

As announced to ASX on 30 March 2021 the Company is currently in default with respect to its January 2021, February 2021 and March 2021 RSSD Project cash calls totaling approximately US\$55 million excluding interest. The April cash call (US\$13.5 million) is due 19 April 2021 and the May and June cash calls are currently forecast to total US\$21.1 million. FAR anticipates remaining in default until completion of the Woodside Sale (assuming it occurs) at which time Woodside will assume responsibility for attending to payment. FAR has until mid-July 2021 to remedy the default or risk losing its interest in the RSSD Project.

If shareholders do not approve the Woodside Sale and the Remus Proposal proceeds, the Company may be able to enter into a Bridge Loan with Remus on the basis as described above to meet its cash calls.

If shareholders do not approve the Woodside Sale and the Lukoil Proposal proceeds, Lukoil has stated that it is open to providing reasonable financing support to allow FAR to come out of default in relation to its RSSD Project cash call defaults once its proposal is unconditional subject to customary conditions being agreed.

If shareholders do not approve the Woodside Sale and neither the Remus Proposal nor the Lukoil Proposal proceeds, in the absence of any other material development that may arise in the future, the Company is not likely to be able to meet its cash calls.

For further information regarding FAR's financial position as at 31 December 2020, refer to FAR's unaudited accounts released on 30 March 2021. These unaudited accounts will be subject to an audit in due course, however such audit will not be completed by the time of the meeting. The unaudited accounts note that at the date of the unaudited financial report it is uncertain whether the conditions precedent in relation to the RSSD sale, which are partly outside the control of FAR Ltd, will be satisfied, and therefore whether the RSSD sale will complete in the required timeframe and whether a formal offer to FAR shareholders to acquire the shares in FAR Ltd will occur or complete. These circumstances would indicate that a material uncertainty exists

that may cast doubt as to whether the Group will be able to continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

D. Status of the Conditions and Timing associated with the Woodside Sale

The Woodside Sale is subject to various conditions precedent (which the parties need to use reasonable endeavours to satisfy), details of which are included in the First Addendum.

FAR has previously stated that completion of the Woodside Sale is subject to the written approval of the Minister of Petroleum and Energies for the Republic of Senegal to the transfer of the Transferring Interest to the Purchaser being obtained. The Government of Senegal's 60 day deemed approval period has passed and the Company expects to receive written confirmation of same in due course, however approval is not expected to be obtained prior to the shareholders meeting. The Company does not know any reason why such approval would not be forthcoming in due course.

At the date of this Second Addendum, two key conditions precedent remain outstanding, being Company shareholder approval, and the termination or otherwise satisfactory resolution of a third-party agreement unless waived by Woodside. Termination of the third-party agreement has not yet occurred.

The Woodside Sale agreement allows for up until early June 2021 for satisfaction of the conditions or such later date as is agreed.

E. Directors Recommendation and Chairman's Voting Intentions

The Directors note that both the Remus Proposal and the Lukoil Proposal are inherently uncertain as at the date of this Addendum. The Directors note that the shareholders meeting has been postponed twice to allow the Remus Proposal and the Lukoil Proposal to become binding offers. As at the date of this Second Addendum this has not eventuated.

The Directors unanimously recommend that shareholders vote in favour of the resolution.

The Chairman of the meeting intends to vote undirected proxies in favour of the resolution. In exceptional circumstances, the Chairman of the meeting may change his/her voting intention, in which case an ASX announcement will be made.

If a binding Remus Proposal or Lukoil Proposal eventuates or an alternative offer emerges, the Directors will update shareholders accordingly and may reconsider their recommendation and the Chairman's voting intentions as outlined above.