

21 November 2017

ASX Announcement & Media Release

Potential for 1.1 billion barrels of oil offshore The Gambia

- FAR has undertaken a detailed geotechnical evaluation for its 2 offshore blocks in The Gambia and completed an assessment of hydrocarbon resources
- An independent resources review conducted by RISC for FAR's A2 & A5 The Gambia Blocks supports FAR's assessment
- Combined Prospective Resources for the two blocks assessed at 1.1 billion barrels* (unrisked, Best Estimate, recoverable, 100% basis) with 926 million barrels* net to FAR.
- The Samo prospect is on trend with the world class SNE oil Field, offshore Senegal
- Operations are underway to prepare for drilling in late 2018

Prospective Resource upgrade

FAR has completed detailed geotechnical studies and assessed significant hydrocarbon resource potential in its two blocks offshore The Gambia. The Blocks A2 and A5 permit area, covering 2,682km², are adjacent to and on trend with FAR's world class SNE oil field discovery and have significant exploration potential. A2 and A5 sit within the rapidly emerging and prolific Mauritania-Senegal-Guinea-Bissau ("MSGB") Basin and lie approximately 30km offshore in water depths ranging from 50 to 1,500 metres (Figure 1).

From 1,504km² of modern 3D seismic data acquired in A2 and A5, FAR has identified large prospects similar to the "shelf edge" plays FAR has successfully drilled in Senegal. FAR has mapped two drillable prospects, Samo and Bambo and additional leads in the blocks (Figure 2).

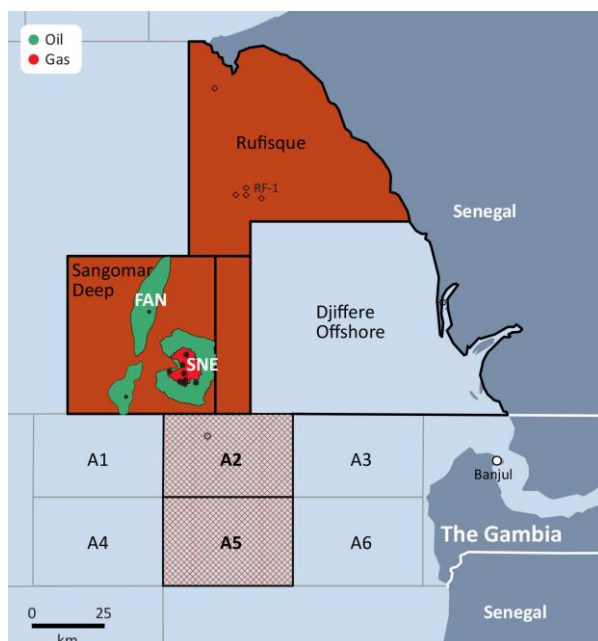


Figure 1. Location of The Gambia licences

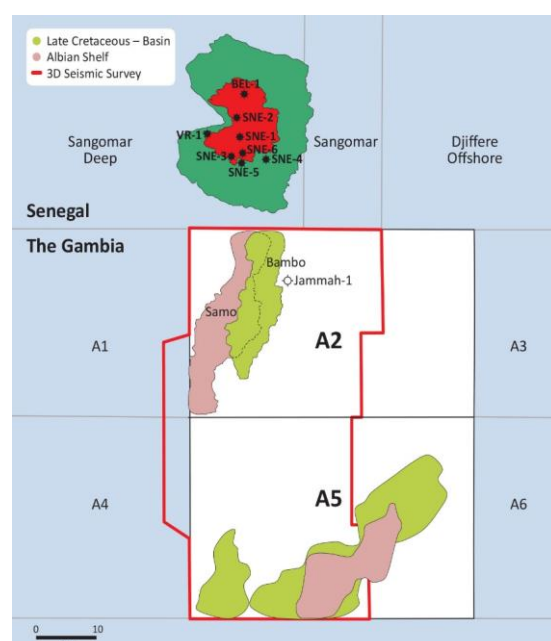


Figure 2. A2 & A5 prospects and leads

An independent oil and gas advisory firm, RISC Operations Pty Ltd (RISC), has conducted an audit of FAR's internal estimate of Prospective Resources for the Samo and Bambo prospects located in The Gambia permits A2 and A5. The Bambo prospect has been identified following recent mapping of the 3D seismic and targets a separate reservoir objective on the same structural trend as the Samo prospect. The two prospects have a combined best estimate Prospective Resource of 1.1 billion barrels* on a gross unrisks basis (926 million barrels* net to FAR) as set out in Table 1 below. RISC's report of the assessment of the probabilistic resources confirms it was carried out in accordance with industry standard SPE-PRMS practices.

| Gambia prospects | Low Estimate (mmbbls)* | Best Estimate (mmbbls)* | High Estimate (mmbbls)* |
|---------------------|---------------------------|----------------------------|----------------------------|
| | P90 | P50 | P10 |
| Samo | 335 | 825 | 1713 |
| Bambo | 117 | 333 | 902 |
| Total all prospects | 452 | 1158 | 2615 |
| Total net to FAR | 362 | 926 | 2092 |

Table 1. Summary of prospective resources included in RISC's November 2017 report

The Samo prospect has two target intervals, is on trend and shares many similarities with the giant SNE oil field. As such it is very highly rated with an estimated chance of success (CoS) in one or both targets, endorsed by RISC, of 55%. It is rare to have an exploration prospect with such a high CoS but this reflects the adjacent discovery at SNE and the confidence FAR Limited has developed in exploring in the play fairway which is yet to experience a dry well. The Bambo play type is less understood but the Bambo prospect is still highly regarded with a CoS of 18%. More work will be carried out to improve our understanding of the play and to further derisk the prospect.

FAR has also mapped a number of large leads in Block A5. This is in an area of poorer data quality and extends outside the 3D seismic coverage. These leads will be the subject of further mapping when the reprocessing of the seismic survey is available.

FAR Managing Director, Cath Norman, said:

"Since making the discoveries at SNE and FAN offshore Senegal, and subsequently at FAN South and SNE North, it has been FAR's core strategy to build on our geological knowledge, contacts and nimbleness in the market to add high quality drilling opportunities in the MSGB Basin for our shareholders.

As the RISC audit testifies, the opportunity we have captured in Blocks A2 and A5 offshore The Gambia represent a huge prize if successful. Given the eight successful wells drilled on the shelf to date in Senegal and into the key reservoirs in the Samo prospect, the geological chance of success for drilling this prospect is high for a frontier exploration well. The Samo well will be the only exploration well to be drilled offshore The Gambia since the Jammah-1 well drilled in 1979.

Success in this well at the scale that RISC has supported would be truly transformational for the people of The Gambia and FAR is proud to again be in the privileged position of delivering the country's first, modern exploration well as we were in 2014 in Senegal. FAR wishes to acknowledge the cooperation and support of the Gambia Ministry of Petroleum and Energy and the Gambia National Petroleum Company (GNPC) as we continue with our drilling preparations. We trust this will be the beginning of a long and fruitful partnership."

Gambian Operations

Following Government approval of the assignment of FAR's 80% interest in Blocks A2 and A5, FAR as Operator of the Block A2 and A5 joint venture has progressed the licence work program including well planning activities.

FAR's Gambia office was opened in September 2017 and its in country team of 5 personnel is focused on managing Government and in country stakeholder interfaces and relationships. Well planning and preparation activities are progressing with; long lead items ordered, well design planning underway and preparation of an environmental impact assessment and contingency plan commenced. Rig and shore base options are being investigated. FAR's long term regional presence provides the opportunity to draw on regional expertise and synergies in project delivery.

Geotechnical studies are progressing including reprocessing of the Block A2 and A5 3D seismic data by Petroleum Geo-Services (PGS) with the aim of improving the data quality for optimising the location and design of the anticipated Samo exploration well.

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Disclaimers

***Prospective Resource Estimates Cautionary Statement** - 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. The Prospective Resource estimates provided in this report are Low Estimate, Best Estimate and High Estimate and represent that there is a 90%, 50% and 10% probability respectively that the actual resource volume will be in excess of the amounts reported.

Prospective and Contingent Resources - All contingent and Prospective Resource estimates presented in this report are prepared as at 27/2/2013, 11/3/2014, 5/2/2014, 13/04/2015, 13/4/2016, 23/08/2016, 7/2/2017 and 21/11/2017 (Reference: FAR ASX releases of the same dates). The estimates have been prepared by the Company in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System, 2007 approved by the Society of Petroleum Engineer and have been prepared using probabilistic methods. The contingent resource estimates provided in this report are those quantities of petroleum to be potentially recoverable from known accumulations, but the project is not considered mature enough for commercial development due to one or more contingencies. The Prospective Resource estimates provided in this report are Best Estimates and represent that there is a 50% probability that the actual resource volume will be in excess of the amounts reported. The estimates are unrisks and have not been adjusted for both an associated chance of discovery and a chance of development. The 100% basis and net to FAR contingent and Prospective Resource estimates include Government share of production applicable under the Production Sharing Contract.

Competent Person Statement Information - The hydrocarbon resource estimates in this report have been compiled by Peter Nicholls, the FAR Limited 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 Petroleum Engineers and the Petroleum Exploration Society of Australia. Mr Nicholls consents to the inclusion of the information in this report relating to hydrocarbon Contingent and Prospective Resources in the form and context in which it appears. The Contingent and 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.

Forward looking statements - This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning FAR's planned operation program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although FAR Ltd believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward looking statements. The entity confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.