

23 October 2018

ASX Announcement & Media Release

Samo-1 well commences drilling offshore The Gambia

FAR Limited (ASX: FAR) advises that drilling has commenced on the Samo-1 exploration well in block A2, offshore The Gambia. The Stena Drillmax arrived on site on Sunday, 21 October and after standard pre-drill operations, the well was successfully spudded.

The Samo-1 well will be drilled in 1,000 metres of water depth to a planned depth of approximately 3,100 metres.

The Samo Prospect has two key reservoir intervals and is assessed to contain a combined Prospective Resource of 825mmbbls of oil* (recoverable, gross, best estimate, unrisks - refer ASX announcement of 21 Nov 2017).

Drilling will be followed by wireline logging. Good quality reservoirs have been interpreted from 3D seismic data at both levels at the proposed Samo-1 well location and the well is being drilled near the crest of the structure (as shown in Figure 1).

FAR has a 40% interest in the A2 and A5 blocks and is Operator.

FAR's managing director Cath Norman said, *"This is a very exciting time for FAR as we embark on our first exploration drilling program since the 11 successful wells drilled in neighboring Senegal. The Samo-1 well is the first well to be drilled offshore The Gambia for 40 years and because of this, it is attracting wide international attention. I am grateful for the hard work of the operational team in preparing for the Samo-1 well and the strong co-operation of our co-venture partner PETRONAS and the Government of the Gambia. We join our stakeholders in looking forward to safe and efficient operations. As is standard in offshore exploration drilling, FAR will be running a tight hole operation - we look forward to making updates as we reach important milestones."*

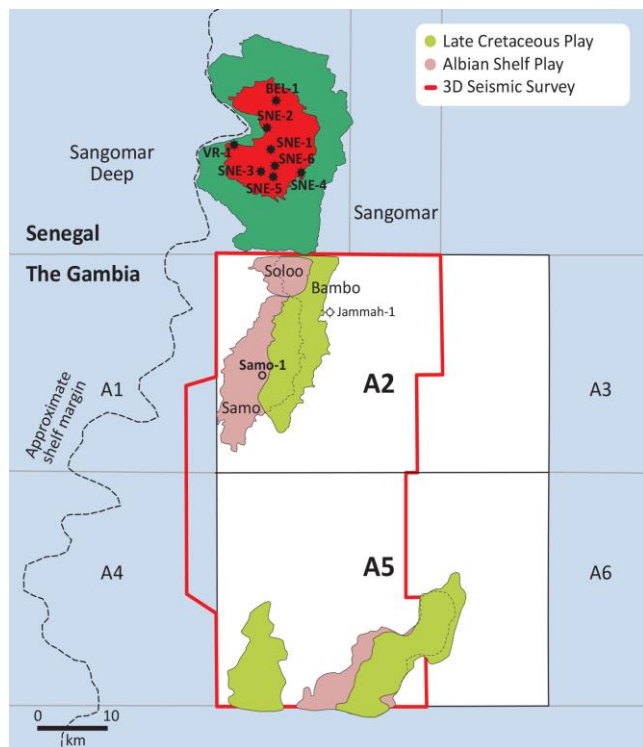


Figure 1: Location of the Samo Prospect and Samo-1 well location with respect to the SNE oil field.

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 or Licence.

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.

For more information please contact:

FAR Limited
Cath Norman Managing Director
Angelique Callegari Investor Relations

T: +61 3 9618 2550
F: +61 3 9620 5200
E: info@far.com.au

Level 17, 530 Collins Street
Melbourne VIC 3000 Australia
far.com.au

