

1 October 2019

ASX Announcement & Media Release

FAR obtains additional 10% interest in Gambian blocks

FAR Limited (ASX: FAR) has acquired an additional 10% interest in the highly prospective offshore Blocks A2 and A5 offshore The Republic of The Gambia, giving FAR a 50% working interest and the Company retains Operatorship. The interest is held in the FAR subsidiary, FAR Gambia Ltd.

The Government of The Gambia (“GOTG”) has issued new Licences to the Joint Venture in respect of the A2 and A5 Blocks, incorporating updates to the Licence terms. Under the new Licences, FAR Gambia Ltd and PC Gambia Ltd (a subsidiary of Petroliaam Nasional Berhad, “PETRONAS”) each has a 50% participating and paying interest.

The key terms of the new Licences are:

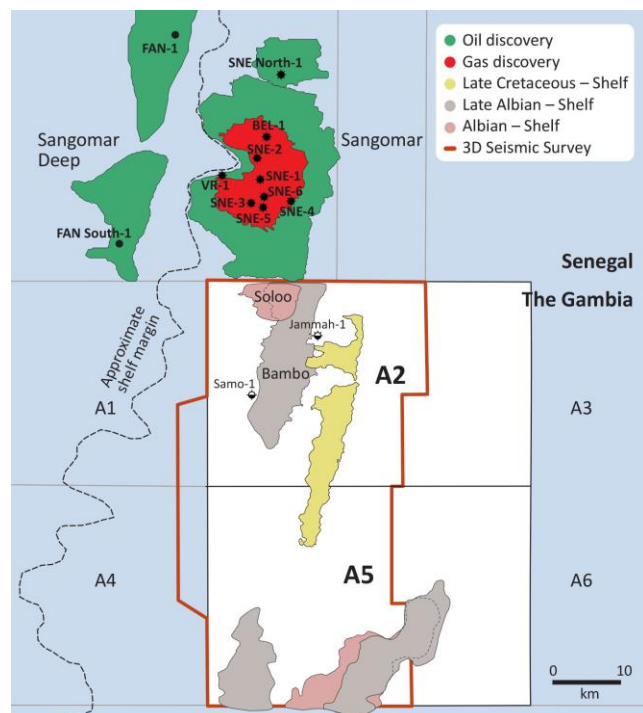
- Three-year Initial Exploration Period, commencing immediately, plus two optional extension periods of two years each
- A commitment to drill one well in the first two years in either Block and to acquire, process and interpret 450km² of 3D seismic in the first three years
- Signature bonuses of US\$4.5m for the two Licences (US\$2.25m net to FAR)
- Effective from 1 October 2019

FAR has conducted extensive geotechnical studies on the SAMO-1 well data, which has led to the identification of additional target intervals to those mapped prior to drilling. Work is on-going to map and quantify the resulting prospects, and updates on the prospects and their resource potential will be made when this work has been completed.

A 3D seismic survey is planned for late 2019 to further delineate some of the identified prospects.

A well is planned to be drilled in 2020.

The Blocks A2 and A5 Licence areas, covering 2,682km², are adjacent to and on trend with FAR’s world class SNE oil field discovery which is moving toward development and first oil in 2022.



FAR Management said, *“FAR is very pleased to conclude the discussion with the Government of The Gambia which has resulted in the signing of new Licences for the A2 and A5 blocks. In addition to FAR acquiring the additional 10% equity in these blocks, the new Licences reset the exploration periods and provide more time and options to fully explore this acreage. FAR is very encouraged by the high prospectivity in these Gambian blocks and will immediately commence plans for seismic acquisition and drilling in 2020.”*

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