

# Bidder's Statement

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO HOW TO ACT, YOU SHOULD CONSULT YOUR FINANCIAL OR LEGAL ADVISER AS SOON AS POSSIBLE.

# ACCEPT

## the Cash Offer

by

**Samuel Terry Asset Management Pty Ltd (ACN 108 611 785)**  
as trustee for **Samuel Terry Absolute Return Active Fund**  
**(ABN 67 302 926 069)**

to acquire all of your shares in

**FAR Limited (ACN 009 117 293)**

for

**A\$0.45 cash per share**

Please call the Offer Information Line on 1300 737 760 (toll-free within Australia) or +61 2 9290 9600 (from outside Australia) if you require assistance.

Legal Adviser

**Allens > Linklaters**

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## Important information

This Bidder's Statement is given by Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Active Fund (ABN 67 302 926 069), to FAR Limited under Part 6.5 of the Corporations Act and relates to the Offer.

You should read this Bidder's Statement in its entirety.

This Bidder's Statement is dated 31 January 2022 and includes an Offer dated 1 January 2022 in section 7.

A copy of this Bidder's Statement was lodged with ASIC on 31 January 2022. Neither ASIC nor any of its officers takes any responsibility for the contents of this Bidder's Statement.

## Investment advice

This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You may wish to seek independent legal, financial, taxation or other professional advice before deciding whether or not to accept the Offer.

You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Bidder's Statement, you should obtain independent professional advice.

## Forward-looking statements

This Bidder's Statement may contain forward-looking statements, which include statements other than statements of historical fact. Such statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of Bidder. Actual results, value, performance or achievements may differ materially from results, values, performance or achievements expressed or implied in any forward-looking statement.

None of Bidder, any of its directors, officers or advisers, or any other person named in this Bidder's Statement with their consent or involved in preparation of this Bidder's Statement, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Bidder's Statement will actually occur. You are cautioned not to place undue reliance on any forward-looking statements.

The forward-looking statements in this Bidder's Statement only reflect views held as at the date of this Bidder's Statement.

## Information regarding FAR

Any information in this Bidder's Statement concerning FAR, the FAR Group or FAR's assets and securities has been prepared from publicly available information. This information has not been independently verified and, accordingly, Bidder does not make any representation, and/or warranty, express or implied, as to the accuracy or completeness of such information to the extent permitted by the Corporations Act.

The information on FAR should not be considered comprehensive. Further information relating to FAR may be included in FAR's Target's Statement which will be sent to you by FAR.

## Foreign jurisdictions

The distribution of this Bidder's Statement and the making of the Offer may be restricted by the laws of jurisdictions outside of Australia, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. The Offer is not being made, directly or indirectly, in or into and will not be capable of acceptance from within any jurisdiction, if to do so would not be in compliance with the laws of that jurisdiction.

## Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding. The actual calculation of these figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from those set out in this Bidder's Statement. Any discrepancies between totals in tables or financial statements or in calculations graphs or charts are due to rounding.

## Estimates and assumptions

Unless otherwise indicated, all references to estimates, assumptions and derivations of the same in this Bidder's Statement are references to estimates, assumptions and derivations of the same by Bidder. Management estimates reflect, and are based on, views as at the

date of this Bidder's Statement, and actual facts or outcomes may materially differ from those estimates or assumptions.

## Currencies and time

In this Bidder's Statement, references to "Australian dollars", "AUD", "\$", "A\$" or "cents" are to the lawful currency of Australia.

All references to time in this Bidder's Statement are to Sydney time.

## Privacy

Bidder and its Related Entities have collected your information from the register of members of FAR for the purposes of making the Offer and, if accepted, administering acceptances over your shareholding in FAR. The Corporations Act requires the name and address of shareholders to be held in a public register. Bidder and its share registry may disclose your personal information to their related bodies corporate (and, in the case of Bidder, its Related Entities) and external service providers and may be required to disclose such information to regulators, such as ASIC. If you would like details of information about you held by Bidder, please contact Bidder at the address set out in the Corporate Directory.

## Important Dates

Announcement Date

31 January 2022

Bidder's Statement lodged with ASIC

31 January 2022

Date of the Offer

15 February 2022

Offer scheduled to close (unless extended)

7.00pm (Sydney time) on 15 February 2022

Note: The closing date for the Offer may change as permitted by the Corporations Act.

## Websites

References in this Bidder's Statement to Bidder's website (<https://www.samuelterry.com.au/>) and to FAR's website (<https://far.com.au/>) are for your reference only. Information contained in or otherwise accessible from those websites are not part of this Bidder's Statement.

## How to accept

To accept the Offer, follow the instructions set out in the section titled 'How to accept the Offer' of this Bidder's Statement.

## Defined terms

A number of defined terms are used in this Bidder's Statement. These terms are explained in section 8 along with certain rules of interpretation which apply to this Bidder's Statement.

## Enquiries and Offer Information Line

If you have any questions in relation to the Offer, please call the Offer Information Line on 1300 737 760 (toll-free within Australia) or +61 2 9290 9600 (from outside Australia).

## Letter to FAR Shareholders



31 January 2022

Dear FAR Shareholder

### Cash Offer of A\$0.45 cash per Share

On behalf of Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Active Fund (**Bidder**), I am pleased to present you with this cash offer to acquire all your Shares in FAR (the **Offer**) for A\$0.45 per Share (the **Offer Price**), which delivers you certain value for your Shares.

The Offer is subject to conditions, including requirements that:

- during, or at the end of, the Offer Period, the number of Shares in which Bidder has Relevant Interests in is at least 50.1% of all Shares (on a fully diluted basis);
- up to the end of the Offer Period, there are no material acquisitions, disposals or new commitments in relation to the FAR Group;
- up to the end of the Offer Period, there is not in effect any order issued by a court or Public Authority and no action or investigation commenced or threatened by a Public Authority, which, in each case, impacts upon the Offer;
- there is no material adverse change in relation to FAR, the S&P/ASX 200 index or the Brent Crude Futures Price ;
- there are no Prescribed Occurrences; and
- FAR declares no distributions.

The full terms and conditions of the Offer are set out in section 7 of this Bidder's Statement.

Bidder believes that the Offer delivers a premium relative to recent trading prices in FAR Shares, and will provide certain value in the form of cash consideration and an additional source of liquidity for Shareholders, without the need to incur brokerage costs that would otherwise be payable for any on-market sale.

The Offer Price of A\$0.45 per Share represents:

- a 23.3% premium to the last close price on 28 January 2022 of A\$0.365 per Share; and
- a 18.8% premium to the 1 month volume weighted average price of A\$0.379 per Share.

### Next steps

I encourage you to read this Bidder's Statement in full for further details about the Offer, its terms and Bidder. FAR will also send you a Target's Statement containing FAR's formal response to the Offer.

The Offer Period is scheduled to end at 7:00pm on 11 February 2022, unless it is extended or withdrawn in accordance with the Corporations Act

If you have any questions about the Offer, please call the Offer Information Line on 1300 737 760 (toll-free within Australia) or +61 2 9290 9600 (from outside Australia), or contact your legal, financial or other professional adviser.

Yours sincerely,

**Fred Woollard**

Director

Samuel Terry Asset Management Pty Ltd

as trustee for Samuel Terry Absolute Return Active Fund

## How to Accept the Offer

Acceptances must be received before the end of the Offer Period (subject to the terms of the Offer).

### **For Issuer Sponsored Holdings of Shares (Securityholder Reference Number beginning with 'I')**

To accept the Offer, complete the enclosed Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to the address on the Acceptance Form.

### **For CHESS Holdings of Shares (Holder Identification Number beginning with 'X')**

To accept the Offer, either contact your Controlling Participant (usually your broker) and instruct them to accept the Offer on your behalf, or complete the enclosed Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to the address on the Acceptance Form.

If you have any questions about the Offer, please call the Offer Information Line on 1300 737 760 (toll-free within Australia) or +61 2 9290 9600 (from outside Australia), or contact your legal, financial or other professional advisers.

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## Summary of the Offer and Other Important Information

The following is a summary only of the Offer and certain other important information and is qualified by the detailed information contained in the rest of this Bidder's Statement. You should read this Bidder's Statement in full before deciding how to deal with your Shares.

The terms of the Offer are contained in section 7.

<b>What is the Offer?</b>	Bidder is offering to acquire all or any of your Shares in FAR, on the terms and Conditions set out in section 7.
<b>Who is making the Offer?</b>	The Offer is being made by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Active Fund, referred to in this Bidder's Statement as 'Bidder'.
<b>What is the Offer Price?</b>	Bidder is offering to acquire all or any of your Shares for A\$0.45 cash per Share, on the terms and Conditions set out in section 7.
<b>When does the Offer close?</b>	The Offer is scheduled to close at 7.00pm (Sydney time) on [ ] 2022. You should note that the Offer Period can be extended as permitted by the Corporations Act.
<b>What are the conditions of the Offer?</b>	<p>The Offer is subject to the Conditions which are set out in full in section 7.6. In summary, those Conditions include requirements that:</p> <ul style="list-style-type: none"><li>• during, or at the end of, the Offer Period, the number of Shares in which Bidder has Relevant Interests in is at least 50.1% of all Shares (on a fully diluted basis);</li><li>• up to the end of the Offer Period, there are no material acquisitions, disposals or new commitments in relation to the FAR Group;</li><li>• up to the end of the Offer Period, there is not in effect any order issued by a court or Public Authority and no action or investigation commenced or threatened by a Public Authority, which, in each case, impacts upon the Offer;</li><li>• there is no material adverse change in relation to FAR, the S&amp;P/ASX 200 index or the Brent Crude Futures Price ;</li><li>• there are no Prescribed Occurrences; and</li><li>• FAR declares no distributions.</li></ul> <p>If the Conditions are not satisfied or waived by the end of the Offer Period, then the Offer will lapse and your acceptance will be void. You will continue to hold your Shares and be free to deal with them as if the Offer had not been made.</p>
<b>What interest does Bidder have in FAR?</b>	As at the date of this Bidder's Statement, Bidder has a Relevant Interest in 4.9% of FAR's Shares.
<b>How do I accept the Offer?</b>	See section 7.3 of this Bidder's Statement, as well as the instructions on the enclosed Acceptance Form.

<b>If I accept the Offer, when will I be paid?</b>	<p>If you accept the Offer in accordance with the instructions contained in the Offer and the Acceptance Form and the Offer becomes unconditional, you will be sent payment by the later of:</p> <ul style="list-style-type: none"> <li>• 15 Business Days after the date that the Offer becomes unconditional; or</li> <li>• 10 Business Days after the date that you accept the Offer, but in any case not later than 21 calendar days after the end of the Offer Period.</li> </ul>
<b>What are the tax implications of acceptance?</b>	<p>You should consult your financial, tax or other professional adviser on the tax implications of acceptance. However, section 5 contains a general summary of the major likely Australian tax consequences for Shareholders who accept the Offer.</p>
<b>Do I pay brokerage or stamp duty if I accept?</b>	<p>You will not pay stamp duty on the disposal of your Shares if you accept the Offer.</p> <p>If your Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Bidder, you will not incur any brokerage in connection with your acceptance of the Offer.</p> <p>If your Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.</p>
<b>What happens if I do not accept?</b>	<p>If you do not accept the Offer, you will retain your FAR Shares and will not receive the Offer price. However, if Bidder becomes entitled to compulsorily acquire your Shares, it intends to do so. If your Shares are compulsorily acquired by Bidder, it will be on the same terms (including the same consideration for each Share acquired) as the Offer. However, you will receive the money later than the Shareholders who choose to accept the Offer.</p> <p>If Bidder does not become entitled to compulsorily acquire your Shares, you will remain a FAR Shareholder.</p> <p>In certain circumstances, Bidder will seek to remove FAR from the official list of the ASX.</p> <p>For more information on Bidder's intentions, please see section 3.</p>
<b>Can I accept for part of my Shares?</b>	<p>You may accept this Offer for all or some of your Shares. If you accept this Offer for some of your Shares, you may still accept the Offer for all or part of the balance of your Shares at any time during the Offer Period, as if an offer in the form of this Offer had been made to you in respect of the balance of your Shares.</p>
<b>Can I withdraw my acceptance?</b>	<p>Once you accept the Offer, you will be unable to revoke your acceptance. The contract resulting from your acceptance will be binding on you and you will be unable to withdraw your acceptance, or otherwise dispose of your Shares to which the acceptance relates,</p>

	unless a withdrawal right arises under the Corporations Act or the ASX Settlement Rules.
<b>What if I require further information?</b>	If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Offer Information Line on 1300 737 760 (toll-free within Australia) or +61 2 9290 9600 (from outside Australia).

## Why You Should Accept the Offer

Bidder is offering to acquire up to 100% of FAR Shares for A\$0.45 cash per Share. Reasons for accepting the Offer are set out below.

### 1. The Offer Price represents a 23.3% premium

The Offer Price represents a premium of 23.3% relative to the closing price of FAR Shares on ASX on the Last Practicable Date (being 28 January 2022) of A\$0.365 per Share.

### 2. The Offer provides cash certainty

The consideration offered to Shareholders is 100% cash. The Offer provides an opportunity for Shareholders to realise their investment for certain value.

If you accept the Offer in accordance with the instructions contained in the Offer and the Offer becomes unconditional, you will be sent payment by the later of:

- 15 Business Days after the date that the Offer becomes unconditional; or
- 10 Business Days after the date that you accept the Offer,

but in any case not later than 21 calendar days after the end of the Offer Period.

### 3. If you do not accept, you may be exposed to a variety of risks

If you do not accept the Offer, there are potential risks associated with continuing to hold Shares, including as follows.

#### ***Risks of being a minority shareholder***

If you do not accept the Offer and Bidder acquires more than 50% of the Shares (on a fully diluted basis) but does not achieve the threshold for compulsory acquisition:

- you will be a minority shareholder in a company controlled by Bidder;
- the Shareholder spread after the Offer is completed may be less than required under the ASX Listing Rules; and
- the ASX may choose to suspend or de-list FAR in which case, the liquidity in FAR Shares may be severely impacted.

#### ***Liquidity Risk***

Depending on the level of acceptances Bidder receives under the Offer, the market for Shares may become even less liquid than at present. This could make it more difficult for you to sell your Shares at an attractive price in the future.

#### ***If Bidder becomes entitled to compulsorily acquire your securities***

If Bidder becomes entitled to compulsorily acquire your Shares, it intends to exercise those rights. If your Shares are compulsorily acquired, you will still receive the consideration offered under the Offer, but at a later time than you would have received it if you had accepted the Offer.

### 4. The Offer is the only takeover offer presently available for your FAR Shares

As at the date of this Bidder's Statement, Bidder is not aware of any other party intending to make a takeover offer for Shares. The Offer is the only takeover offer presently available for all Shares as at the date of this Bidder's Statement. The Offer represents a liquidity opportunity for Shareholders to sell all their Shares for the Offer Price.

If no other offers are made for the Shares, the price of Shares may fall below the Offer Price after the Offer closes.

**5. No stamp duty or brokerage fees in accepting the Offer**

You will not be obliged to pay stamp duty if you accept the Offer.

If your Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Bidder, you will not incur any brokerage in connection with your acceptance of the Offer.

If your Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.

**6. FAR's share price may fall if the Offer does not proceed**

Prior to the Announcement Date, the volume weighted average price of FAR Shares over the last month was A\$0.379 per share.<sup>1</sup> If the Offer does not proceed, FAR's share price may trade at a substantial discount to the Offer Price.

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<sup>1</sup> VWAPs are calculated based on cumulative volume traded on the ASX. The one month VWAP is calculated from 29 December 2021 to 28 January 2022. Source: Bloomberg



## 2 Profile of FAR Group

### 2.1 Disclaimer

The information in this section 2 concerning the FAR Group has been prepared based on a review of publicly available information (which has not been independently verified). Neither Bidder nor any of its directors make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on the FAR Group in this Bidder's Statement should not be considered comprehensive.

Further information relating to FAR, the FAR Group or FAR's assets and securities may be included in FAR's Target's Statement in relation to the Offer, which will be sent to you directly by FAR.

### 2.2 Overview of FAR Group and its principal activities, assets and operations

FAR is an Australian public company listed on ASX. It was first incorporated in Western Australia in 1984 as 'First Australian Resources NL', the company became a listed public entity in 1985 and changed its name to 'FAR Limited' in 2010.

FAR is an Africa focussed oil and gas exploration and development company with assets in West Africa and Australia.

FAR's principal activities are:

- (a) conducting exploration for and development of oil and gas deposits;
- (b) conducting activities to identify and evaluate new exploration projects; and
- (c) monetisation of oil exploration and production interests.

FAR reported a loss of \$7.1 million for the half year ended 30 June 2021.

Further information about FAR is available on its website, [www.far.com.au](http://www.far.com.au).

### 2.3 FAR directors and management

The following persons are directors of FAR as at the date of this Bidder's Statement:

- (a) Patrick O'Connor;
- (b) Catherine Margaret Norman; and
- (c) Robert Kaye SC.

### 2.4 Substantial shareholders

As at the date of this Bidder's Statement, the following persons have disclosed themselves as 'substantial shareholders' of FAR.

Shareholder	% FAR Shares held**	Number of FAR Shares held**
Meridian Capital International Fund	19.17%	19,131,463
Farjoy Pty Ltd and associated entities	5.17%	5,155,220

\*The actual number of FAR Shares held or Voting Power may differ from that shown above as there is no obligation to publicly disclose changes if the change in Voting Power is less than 1%.

\* Adjusted to reflect 100:1 share consolidation, as announced by FAR on 2 July 2021.

## **2.5 Other material information about FAR Group**

FAR will have the opportunity to disclose in its Target's Statement any information about the FAR Group it considers FAR Shareholders would reasonably require to make an informed assessment as to whether to accept the Offer.

## **2.6 Publicly available information about FAR Group**

FAR is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, FAR is subject to the listing rules of ASX which require continuous disclosure of any information FAR has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

ASX maintains files containing publicly disclosed information about all listed companies. FAR's file may be viewed online at <https://www.asx.com.au/>. FAR's Annual Report for the year ended 31 December 2020 was given to the ASX on 30 April 2021. On 13 September 2021, FAR issued its half year results for the six months ending 30 June 2021. Copies of announcements made by FAR to ASX are available on the ASX website <https://www.asx.com.au/>.

The ASX announcements made by FAR between 30 April 2021 (being the date of release of FAR's Annual Report for the year ended 31 December 2020) and the date of this Bidder's Statement are listed in Annexure A.

In addition, FAR is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by FAR may be obtained from, or inspected at, an ASIC office or through the ASIC Connect website at <https://asicconnect.asic.gov.au/>. Further information about FAR (including copies of its financial statements) is available at <https://far.com.au/>.

## **2.7 FAR securities on issue**

According to documents lodged by FAR with ASX, as at the close of trading on the Last Practicable Date, FAR had 99,790,492 Shares on issue.

## **2.8 Recent and historical trading of Shares**

The last recorded sale price of Shares on the ASX on the Last Practicable Date was \$0.365.

In the 12 months preceding the Last Practicable Date, approximately 52,839,332 Shares representing approximately 53.0% of the Shares currently on issue were traded on the ASX at a VWAP of \$0.786, with a price range of \$0.340 – \$1.530.

During 2021, FAR returned A\$0.800 of capital per security, with trading in the re-organised securities on an "ex return of capital" basis commencing 20 September 2021. Between 20 September 2021 and the Last Practicable Date, approximately 38,543,365 Shares representing approximately 38.6% of the Shares currently on issue were traded on the ASX at a VWAP of A\$0.586, with a price range of \$0.340 – \$0.895.

### **3 Bidder's Intentions**

#### **3.1 Introduction**

This section 3 sets out the rationale for the Offer and Bidder's intentions in relation to:

- (a) the continuation of the business of FAR;
- (b) any major changes to the business of FAR and any redeployment of the fixed assets of FAR; and
- (c) the future employment of the present employees of FAR.

These intentions are based on the information concerning FAR, its business and the general business environment which is known to Bidder at the time of preparation of this Bidder's Statement.

Given that Bidder has not had the benefit of a due diligence investigation into FAR, Bidder does not currently have full knowledge of all material information, facts and circumstances that are necessary to assess the operational, commercial, tax and financial implications of its current intentions. Where applicable, final decisions regarding these matters will only be made by Bidder in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this section 3 are statements of current intention only, which may change as new information becomes available to Bidder or as circumstances change.

#### **3.2 Post Offer review**

After the Offer Period, Bidder intends to undertake a general review of FAR's operations covering current strategy, financials and operating matters.

Consequently, the statements set out in this section 3 are statements of Bidder's current intentions only and may vary as circumstances and further information arise. The statements and intentions set out in this section should be read in that context.

#### **3.3 Intentions upon Bidder acquiring 90% or more of the FAR Shares**

This section 3.3 describes the intentions of Bidder if at the end of the Offer Period, Bidder acquires a Relevant Interest in at least 90% of the FAR Shares on issue.

In those circumstances, the current intentions of Bidder are as follows.

##### **(a) Corporate matters**

- (i) Bidder will proceed with compulsory acquisition of the outstanding Shares in accordance with the provisions of Chapter 6A.1 of the Corporations Act;
- (ii) If a compulsory acquisition process is completed, Bidder would procure the removal of FAR from the official list of ASX;
- (iii) Bidder will review, and possibly replace, all or some of the current FAR directors, noting that Bidder has not yet determined the precise size or composition of the FAR Board in such circumstances; and
- (iv) Bidder will review the holding structure of FAR Group and FAR's assets with a view to determining the optimal structure for the FAR Group under the 100% ownership of Bidder.

(b) **General strategic and operational review**

Bidder intends to conduct a general review of FAR's operations on both a strategic and operational level to evaluate FAR's performance, prospects and profitability in relation to the business. This review will apply quantitative and qualitative factors to measure performance and areas for improvement.

(c) **Management and employees**

Bidder recognises FAR management and employees to be an integral part of the FAR business and its success. Bidder looks forward to working constructively with all employees in an open and transparent manner. As noted in section 3.2, following the conclusion of the Offer, Bidder will undertake a general review of FAR's operations. Part of that review will include an assessment of whether existing management and employee staffing arrangements are appropriate taking into account the future needs of FAR and any outcomes of the general strategic and operational review, which may result in changes to the existing workforce.

### **3.4 Intentions upon Bidder acquiring less than 90% of the FAR Shares**

This section 3.4 sets out Bidder's intentions if Bidder were to acquire a Relevant Interest in more than 50% but less than 90% of FAR Shares on issue.

In those circumstances, the current intentions of Bidder are as follows.

(a) **Corporate matters**

- (i) Bidder will review FAR's listing on ASX and consider whether the benefits of a listing on the ASX justify the additional corporate and compliance costs of maintaining this listing. If FAR maintains its listing on the ASX, FAR Shareholders should be aware that the liquidity of FAR Shares on the ASX may be materially diminished.
- (ii) Subject to the Corporations Act and FAR's constitution and all other relevant matters, Bidder intends to seek board representation so that Bidder's nominees are commensurate with Bidder's shareholding in FAR. The identity of the proposed nominees to the FAR Board will be the subject of discussion with the FAR Board at the relevant time.

(b) **General strategic and operational review and review of management and employees**

If Bidder controls FAR following the close of the Offer, Bidder currently intends to endeavour to procure that the FAR Board acts consistently with the intentions of Bidder set out in sections 3.3(b) and 3.3(c) above.

(c) **Further acquisition of FAR Shares**

The Bidder may, at some later time, acquire further FAR Shares in a manner consistent with the Corporations Act.

### **3.5 Intentions if Bidder does not acquire more than 50% the FAR Shares**

If the Offer closes and Bidder has not acquired a Relevant Interest in more than 50% of FAR Shares:

- (a) Bidder does not expect to be in a position to give effect to the intentions set out in sections 3.3(b) and 3.3(c), but aims to work with the FAR Board to implement those intentions to the extent possible and to the extent they remain appropriate;

- (b) Bidder will seek to obtain representation on the FAR Board which is at least consistent with its proportionate shareholding; and
- (c) Bidder would have regard to the circumstances at the time and consider the appropriate courses of action that are in the best interests of Bidder.

### **3.6 Limitations on intentions**

The intentions and statements of future conduct set out in this section 3 must be read as being subject to:

- (a) the law (including the Corporations Act) and the ASX Listing Rules, including in particular the requirements of the Corporations Act and the ASX Listing Rules in relation to conflicts of interest and 'related party' transactions, given that if Bidder obtains control of FAR but does not acquire all of the FAR Shares, it will be treated as a related party of FAR for these purposes;
- (b) the legal obligation of the directors of FAR at the time, including any nominees of Bidder, to act in good faith and in the best interests of FAR for proper purposes and to have regard to the interests of all FAR Shareholders; and
- (c) the outcome of the reviews referred to in this section 3.

## **4 Sources of Consideration**

### **4.1 Total cash consideration**

The consideration for the acquisition of the Shares to which the Offer relates will be satisfied by the payment of cash (in Australian dollars).

As at the close of trading on the Last Practicable Date, according to documents provided by FAR to the ASX, FAR had 99,790,492 Shares on issue.

In the event that acceptances are received for all Shares on issue as at the date of this Bidder's Statement (other than those Shares which Bidder already owns, being 4,889,734 Shares), the aggregate amount of cash consideration that Bidder would be required to pay would be \$42,705,341.10 (the **Offer Amount**) plus all associated transaction costs.

### **4.2 Bidder's funding arrangements**

As at the date of this Bidder's Statement, the Fund has cash deposits at bank of approximately \$37.8 million and gold bullion backed liquid securities that may be readily sold on-market as required with a value of approximately \$39.5 million, which will be available to Bidder to satisfy its obligation to pay the Offer Amount and associated transaction costs.

The Offer is not subject to any financing conditions.

### **4.3 Provision of consideration**

On the basis of the arrangements described in this section 4, Bidder believes that it has reasonable grounds for holding the view, and does hold the view, that it will be able to provide the consideration offered under the Offer, as well as meet the associated transaction costs.

## 5 Australian Tax Considerations

### 5.1 Introduction

The following is a general description of the Australian income tax, GST and stamp duty consequences for Shareholders on disposal of their Shares (through acceptance of the Offer) in return for cash consideration. The Australian taxation consequences for Shareholders will depend on their individual circumstances. Shareholders should make their own enquiries and seek independent professional advice on their circumstances.

This summary is based upon the provisions of the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**) and the *Taxation Administration Act 1953* (Cth) (**TAA**), and other applicable tax laws and practice in effect as at the date of this Bidder's Statement. It is not intended to be an authoritative or complete statement or analysis of the tax laws applicable to the particular circumstances of every Shareholder. Shareholders should seek independent professional advice regarding the taxation consequences of disposing of Shares in the light of their own particular circumstances.

This summary is not applicable to all Shareholders. It is relevant to Shareholders who are individuals, companies (other than life insurance companies), trusts and complying superannuation funds that hold their Shares on capital account for Australian tax purposes. This summary does not apply to Shareholders who:

- (a) hold their Shares on revenue account (such as share trading entities or entities who acquired their Shares for the purposes of resale at a profit) or as trading stock;
- (b) hold their Shares under an employee share scheme offered by FAR where those Shares remain subject to deferred taxation under Division 83A of the ITAA 1997;
- (c) may be subject to special tax rules, such as partnerships, tax exempt organisations, entities subject to the investment manager regime under subdivision 842-I of the ITAA 1997 in relation to their Shares, insurance companies, dealers in securities or shareholders who change their tax residency while holding their Shares;
- (d) have a functional currency for Australian tax purposes other than an Australian functional currency; or
- (e) are subject to the taxation of financial arrangements rules in Division 230 of the ITAA 1997 in relation to gains and losses on their Shares.

Shareholders who are not resident in Australia for tax purposes should also take into account the tax consequences under the laws of their country of residence, as well as under Australian law, of the disposal of Shares under the Offer.

### 5.2 Australian resident Shareholders

Acceptance of the Offer will, if the Offer becomes unconditional, involve the disposal by Shareholders of their Shares, by way of transfer to Bidder. The disposal will trigger capital gains tax (**CGT**) event A1.

If the Shares are not disposed under the Offer and are instead compulsorily acquired in accordance with Chapter 6A.1 of the Corporations Act, the disposal under the compulsory acquisition will also trigger a CGT event A1. The date of the CGT event should be the date when the Bidder becomes the owner of those Shares.

In either case, Australian resident Shareholders may make a capital gain or capital loss on the disposal of their Shares under the Offer. Broadly, a Shareholder will make a 'capital gain' if the capital proceeds from the disposal of their Shares exceed the cost base of their Shares, while a

Shareholder will make a 'capital loss' if the capital proceeds from the disposal of their Shares are less than the reduced cost base of their Shares.

Shareholders should be able to disregard a capital gain or capital loss from the disposal of their Shares where their Shares were acquired, or taken to be acquired, before 20 September 1985.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. If so, that net capital gain is included in assessable income and is subject to income tax. However, a 'CGT Discount' may be available to reduce the taxable gain for certain Shareholders (see further below).

Capital losses may not be deducted against other income for income tax purposes, but may be offset against capital gains realised in the same income year or be carried forward to be offset against future capital gains. Specific capital loss recoupment rules apply to companies to restrict their ability to utilise capital losses in future years in some circumstances. Shareholders should obtain their own tax advice in relation to the operation of these rules.

(a) **Capital proceeds**

The capital proceeds from CGT event A1 includes the money received, or entitled to be received, in respect of the event happening. Accordingly, the capital proceeds arising from the disposal of the Shares by the Shareholders should include the Offer Price (being A\$0.45 per Share) that each Shareholder will receive by accepting the Offer (assuming it becomes unconditional).

(b) **Cost base and reduced cost base**

The cost base of Shares is generally their cost of acquisition or deemed cost of acquisition. Certain other amounts associated with acquisition and disposal, such as brokerage fees or stamp duty, may be added to the cost base. Any capital loss will be calculated on the basis of the difference between the capital proceeds and the reduced cost base of the Share.

However, if a Share was acquired (or deemed to be acquired) *at or before* 11.45 am on 21 September 1999, the cost base may be indexed for inflation, by reference to changes in the Consumer Price Index from the calendar quarter in which the Share was acquired (or deemed to be acquired) until the calendar quarter ended 30 September 1999.

Shareholders who are individuals, complying superannuation entities or trustees of a trust must make an election if they wish to rely on indexation. Companies will be entitled to include the indexation without making an election. Indexation adjustments are taken into account only for the purposes of calculating a capital gain, and not a capital loss.

Whether it is better for any given Shareholder to make the indexation election or not will depend upon the particular Shareholder's individual circumstances, including the cost base of the Shares and whether the Shareholder has any available losses. Shareholders should consult their own tax advisers in this regard.

On the other hand, if a Share was acquired (or deemed to be acquired) *after* 11.45 am on 21 September 1999, the capital gain or loss is generally calculated on the difference between the capital proceeds and the cost base for the Share, with no indexation.

(c) **CGT Discount**

A Shareholder who is an individual, complying superannuation entity or trustee of a trust, and who does not or cannot elect to adjust their cost base for indexation (as described above), may choose to claim a 'CGT Discount' if they acquired (or are deemed to have

acquired) their Shares 12 months or more before the time of the CGT event. This means that:

- (i) in the case of an individual (and, generally speaking, a trustee of a trust), only one-half of their net capital gain on those Shares (after deducting available capital losses) will be taxable; and
- (ii) in the case of a complying superannuation entity, only two-thirds of their net capital gain on those Shares (after deducting available capital losses) will be taxable.

However, the methodology for trustees is complex, and such Shareholders should obtain specific advice in this regard, including in relation to the tax consequences of distributions attributable to discounted capital gains.

Shareholders should note that any available capital losses will be deducted from the gross capital gain **before** the CGT Discount is applied.

The 'CGT Discount' is not available to companies, nor does it apply to Shares owned (or deemed to be owned) for less than the relevant 12 month period.

### 5.3 Non-Australian resident Shareholders

A Shareholder who is not a resident of Australia for taxation purposes (a **Foreign Resident Shareholder**), or who is the trustee of a foreign trust for CGT purposes, and who has not used their Shares at any time in carrying on a business through a permanent establishment in Australia, should generally not make a taxable capital gain on the disposal of Shares under the Offer unless the Shares are 'indirect Australian real property interests'. In broad terms, the Shares will be indirect Australian real property interests if:

- (a) the Shareholder, together with its associates, held an interest of 10% or more in FAR at the time of disposal or for a 12 month period within the 24 months preceding the disposal (a 'non-portfolio interest test'); and
- (b) more than 50% of the market value of FAR's assets is attributable to direct or indirect interests in 'taxable Australian real property' (as defined in the tax law) (the 'principal asset test').

A Foreign Resident Shareholder who has previously been an Australian tax resident and chose to disregard a capital gain or loss in respect of their Shares from CGT event I1 on ceasing to be an Australian tax resident may be subject to Australian CGT consequences on disposal of their Shares.

Foreign Resident Shareholders should seek their own independent tax advice as to the tax implications of the Offer, including tax implications in their country of residence.

### 5.4 Foreign resident capital gains withholding

Broadly, under the 'foreign resident capital gains withholding' regime, a purchaser of shares may have an obligation to withhold and pay to the ATO an amount equal to 12.5% of the purchase price for each share under section 14-200 of Schedule 1 of the TAA.

Bidder may be required to withhold under the foreign resident capital gains withholding regime if the Shares qualify as 'indirect Australian real property interests' (see section 5.3 above) and Bidder:

- knows or reasonably believes that the Shareholder is a Foreign Resident Shareholder; or
- does not reasonably believe that the Shareholder is an Australian resident, and either:
  - the relevant Shareholder has an address outside Australia; or

- Bidder is authorised to provide a payable to a place outside Australia (whether to the Shareholder or to anyone else).

A Shareholder may complete a 'foreign resident capital gains withholding declaration – vendor declaration' form (**Declaration Form**) to declare that it is an Australian tax resident or that their Shares are not an 'indirect Australian real property interest' (see section 5.3 above). The Declaration Form may be obtained on the Australian Taxation Office website.

If the Shareholder does not provide an appropriately completed Declaration Form by the relevant time or if Bidder reasonably believes that the information in the Declaration Form is false, Bidder may withhold the CGT withholding tax from the Offer Price payable to the Shareholder. In this case, the Shareholder will be taken to receive the full Offer Price for the purposes of the Offer.

Any CGT withholding tax withheld may be able to be an offset against the actual tax payable on the gain from the disposal of the Shares and should be refundable by the Australian Taxation Office to the extent that the CGT withholding tax exceeds the actual tax payable.

## **5.5 Stamp duty and GST**

Bidder will pay the stamp duty (if any) payable in Australia on the transfers of Shares under the Offer. No GST should be payable on such transfers, except that GST will be payable on any fees or charges that a Controlling Participant (in respect of Shares in a CHESS Holding) or a broker, bank, custodian or other nominee (in respect of Shares held for a separate beneficial owner) may charge in connection with acceptance of the Offer.

## 6 Other Material Information

### 6.1 Relevant Interests and Voting Power

As at the date of this Bidder's Statement, Bidder holds a Relevant Interest of approximately 4.9% in FAR Shares through the holding of Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund.

In addition, Fred Woollard, a Director of Samuel Terry Asset Management Pty Ltd, has a holding of 500 FAR Shares.

Therefore, Bidder's Voting Power in FAR as at the date of this Bidder's Statement is up to 4.9%.

Neither Bidder nor any of its Associates has provided, or agreed to provide, consideration for a FAR Share under a purchase or agreement to purchase during the 4 months before the date of this Bidder's Statement, except as provided below.

Date	No. of Shares	Description of dealing
24-Dec-21	71,854	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.380 per Share
29-Dec-21	455,556	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.389 per Share
30-Dec-21	454,329	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.388 per Share
31-Dec-21	3,149	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.385 per Share
4-Jan-22	933,229	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.385 per Share
5-Jan-22	258,256	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.395 per Share
6-Jan-22	2,406,989	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.396 per Share
7-Jan-22	280,972	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.390 per Share
10-Jan-22	25,400	Acquisition of FAR Shares by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Fund at a price of \$0.390 per Share

### 6.2 No collateral benefits

Except as set out in this Bidder's Statement, during the period commencing four months before the date of this Bidder's Statement, and during the period from the date of this Bidder's Statement to the date before the date of the Offer, neither Bidder nor any of its Associates gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an Associate of the other person, to:

- (a) accept the Offer; or

(b) dispose of Shares,  
and which is not offered to all holders of Shares under the Offer.

### **6.3 No escalation agreements**

Neither Bidder nor any of its Associates have entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

### **6.4 ASIC modifications and exemptions**

ASIC has published various legislative instruments (including class orders) providing for modifications and exemptions that apply generally to all persons, including Bidder, in relation to the operation of Chapter 6 of the Corporations Act.

Amongst others, Bidder has relied on:

- (a) the modification to section 636(3) of the Corporations Act as set out in paragraph 5(d) of ASIC Class Order 13/521 to include references to certain statements by FAR in this Bidder's Statement without obtaining the consent of FAR. The relevant statements were respectively taken from announcements released to the ASX by FAR and from the FAR Group's website: [www.far.com.au](http://www.far.com.au). As required by Class Order 13/521, Bidder will make available a copy of these documents (or relevant extracts of these documents), free of charge, to Shareholders who request them during the Offer Period. To obtain a copy of these documents (or the relevant extracts), Shareholders may contact the Offer Information Line on 1300 737 760 (toll-free within Australia) or +61 2 9290 9600 (from outside Australia); and
- (b) ASIC Corporations (Consents to Statements) Instrument 2016/72, which permits Bidder's Statements to include, or be accompanied by, statements that fairly represent what purports to be a statement by an official person, from a public official document or a published book, journal or comparable publication. In addition, in accordance with that instrument, this Bidder's Statement contains trading data sourced from Bloomberg without their consent.

### **6.5 Potential for waiver of Conditions**

The Offer is subject to the Conditions set out in section 7.6. Under the terms of the Offer and the Corporations Act, any or all of those Conditions may be waived by Bidder.

If an event occurs which results (or would result) in the non-fulfilment of a Condition, Bidder might not make a decision as to whether it will either rely on that occurrence, or instead waive the Condition in respect of that occurrence, until the date for giving notice as to the status of the Conditions of the Offer under section 630(3) of the Corporations Act. If Bidder decides that it will waive a Condition it will announce that decision to ASX in accordance with section 650F of the Corporations Act.

### **6.6 Status of Conditions**

The Offer is subject to the Conditions set out in section 7.6. Bidder will provide updates on any material developments relating to the status of these Conditions through announcements to the ASX.

As at the date of this Bidder's Statement, Bidder is not aware of any events or circumstances which would result in the non-fulfilment of any of the Conditions.

If any of the Conditions is not fulfilled, and Bidder decides to rely on that non-fulfillment, then any contract resulting from acceptance of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period, and the relevant Shares will be returned to the holder.

#### **6.7 Social security and superannuation implications of the Offer**

Acceptance of the Offer may have implications under your superannuation or pension arrangements or on your social security entitlements. If in any doubt, Shareholders should seek specialist advice before accepting the Offer.

#### **6.8 Withholding of consideration**

Bidder is not currently aware of any amounts that are or would be treated as withholding amounts under section 7.8(f). However, it is possible that Bidder may become aware of an obligation in this regard after the date of this Bidder's Statement.

For example, under section 255 of the *Income Tax Assessment Act 1936* (Cth), the Australian Taxation Office may notify Bidder that all or part of the consideration otherwise payable under the Offer to Shareholders who are non-residents of Australia is to be retained by Bidder, or paid to the Australian Taxation Office, instead of being paid to the relevant Shareholders. Similarly, under section 260-5 of Schedule 1 to the *Taxation Administration Act 1953* (Cth), the Australian Taxation Office may require Bidder to pay to the Australian Taxation Office all or part of the consideration otherwise payable under the Offer to Shareholders who owe tax-related debts to the Australian Government. Furthermore, under Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth), the Australian Tax Office may require Bidder to pay to the Australian Tax Office an amount in respect of the disposal of your Shares on account of foreign resident CGT withholding tax.

#### **6.9 Date for determining holders of Shares**

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) for each Offer is the Register Date.

#### **6.10 Consents**

This Bidder's Statement contains statements made by, or statements based on statements made by, Bidder. Bidder has consented to being named in this Bidder's Statement and has consented to the inclusion of:

- (a) each statement it has made; and
- (b) each statement which is said in this Bidder's Statement to be based on a statement it has made,

in the form and context in which the statements have been included, and has not withdrawn that consent.

The following firms and companies have given, and have not at the date of this Bidder's Statement withdrawn, their written consent to being named in this Bidder's Statement.

<b>Name of person</b>	<b>Named as</b>
Allens	Australian Legal Adviser in respect of the Offer
Boardroom Pty Limited	Registry Provider in respect of the Offer

None of these firms and companies have caused or authorised the issue of this Bidder's Statement or have in any way been involved in the making of the Offer. The Offer is made by Bidder.

Each of the above firms and companies:

- (a) does not make, or purport to make, any statement in this Bidder's Statement, or any statement on which a statement in this Bidder's Statement is based, other than a reference to its name; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this document, other than a reference to its name and section 5 in relation to general Australian tax considerations which is the sole responsibility of Allens as tax adviser.

In addition, this Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 13/521, the persons making those statements are not required to consent to, and have not consented to, the inclusion of those statements, or of statements based on those statements, in this Bidder's Statement.

#### **6.11 Other material information**

Except as disclosed in this Bidder's Statement, there is no other information that:

- is material to the making of the decision by a Shareholder whether or not to accept the Offer; and
- is known to Bidder,

which has not previously been disclosed to Shareholders.

## 7 Offer Terms

### 7.1 Offer

- (a) Bidder offers to acquire all or any of your Shares on the terms and subject to the Conditions set out in this section 7.
- (b) You may accept this Offer for all or some of your Shares. If you accept this Offer for some of your Shares, you may still accept the Offer for all or part of the balance of your Shares at any time during the Offer Period, as if an offer in the form of this Offer had been made to you in respect of the balance of your Shares.
- (c) The consideration offered for each of your Shares is A\$0.45 in cash.
- (d) If Bidder acquires your Shares under this Offer, it will also be entitled to all Rights in respect of your Shares.
- (e) This Offer is dated [ ] 2022.
- (f) The Offer relates to all Shares that exist on the Register Date.

### 7.2 Offer Period

- (a) This Offer will remain open for acceptance during the period that commences on the date of this Offer and ends at 7.00pm on [ ] 2022, unless this Offer is withdrawn or that period is extended in accordance with the Corporations Act.
- (b) Bidder may, in accordance with the Corporations Act, extend the period during which this Offer remains open for acceptance.

### 7.3 How to accept this Offer

#### (a) Issuer Sponsored Holdings

If your Shares are held in an Issuer Sponsored Holding (in which case your Securityholder Reference Number will commence with 'I'), to accept this Offer in respect of all or some of those Shares you must:

- (i) **complete** and **sign** the enclosed Acceptance Form in accordance with the instructions on it; and
- (ii) **return** the Acceptance Form (using the enclosed reply paid envelope if you wish), together with all other documents required by the instructions on it, so that they are **received** before the end of the Offer Period at one of the addresses indicated on the Acceptance Form.

#### (b) CHESS Holdings

If your Shares are held in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), to accept this Offer in respect of all or some of those Shares you must either:

- (i) **instruct** your Controlling Participant, in accordance with the sponsorship agreement between you and the Controlling Participant, to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Rules, so as to be effective before the end of the Offer Period (if you do this and your Controlling Participant follows those instructions, you do not need to complete and return the Acceptance Form); or
- (ii) **complete, sign** and **return** the enclosed Acceptance Form (using the enclosed reply paid envelope if you wish) in accordance with the instructions on the Acceptance Form, together with all other documents required by those

instructions, so that they are **received** before the end of the Offer Period at one of the addresses indicated on the Acceptance Form. This will authorise Bidder to initiate, or alternatively to instruct your Controlling Participant to initiate, acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Rules before the end of the Offer Period. You must ensure that the Acceptance Form (and the other required documents) are received in sufficient time for Bidder to give instructions to your Controlling Participant, and for your Controlling Participant to carry out those instructions, before the end of the Offer Period.

However, if you are the Controlling Participant in respect of your Shares, to accept this Offer you must yourself initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Rules before the end of the Offer Period.

(c) **Unregistered purchaser**

- (i) If at the time of your acceptance of this Offer you are not the registered holder of your Shares but section 7.9(b)(ii)(B) applies to your Shares, to accept the Offer you must:
  - (A) complete and sign the enclosed Acceptance Form in accordance with the instructions on it;
  - (B) return the enclosed Acceptance Form, together with a copy of the purchase contract note relating to your Shares and all other documents required by the instructions on it, so that they are received before the end of the Offer Period at one of the addresses given on the Acceptance Form.
- (ii) Acceptance will be deemed to have been effected when, subject to this section 7, the duly completed Acceptance Form and all required documents has been received at one of the addresses given on the Acceptance Form.
- (iii) However, if the Offer becomes unconditional, then notwithstanding anything else in this Bidder's Statement, Bidder's obligation to provide Offer consideration in respect of your Shares as described in this section 7.3(c) will be subject to you becoming the registered holder of your Shares.

(d) **Level of acceptance**

As noted above, you have the option of accepting this Offer for all or some of your Shares, as chosen by you. Those of your Shares that are subject to your acceptance will constitute the **Accepted Shares**, and will comprise:

- (i) if you specify all of your Shares as being subject to acceptance – all of your Shares at the date your acceptance is processed (even if the number of Shares specified on the Acceptance Form differs from the number of your Shares);
- (ii) if you specify a number of Shares that is less than the number of your Shares at the date your acceptance is processed – that number of Shares;
- (iii) if you specify a number of Shares that is greater than the number of your Shares at the date your acceptance is processed – all of your Shares at the date your acceptance is processed; or
- (iv) if you do not specify the number of your Shares being subject to acceptance, or if you provide conflicting instructions on your Acceptance Form regarding the number of your Shares being subject to acceptance – all of your Shares at the

date your acceptance is processed (even if the number of Shares specified on the Acceptance Form differs from the number of your Shares).

For this purpose, specification of the number of your Shares being subject to acceptance must be in the Acceptance Form or in a valid originating message transmitted in accordance with Rule 14.14 of the ASX Settlement Rules.

#### **7.4 Status and effect of the Acceptance Form**

**(a) Status of Acceptance Form**

The Acceptance Form that accompanies this Bidder's Statement forms part of this Offer, and the instructions on the Acceptance Form must be followed in using it to accept this Offer.

**(b) Effect of Acceptance Form**

By signing and returning the Acceptance Form in accordance with section 7.3, you irrevocably authorise Bidder and its nominees:

- (i) to rectify any errors in, or omissions from, the Acceptance Form that are necessary to make it an effective acceptance of this Offer or to enable registration of the transfer of all of your Accepted Shares to Bidder; and
- (ii) (in respect of any of your Accepted Shares in a CHESS Holding) to:
  - (A) initiate, or alternatively instruct your Controlling Participant to initiate, acceptance of this Offer in respect of all such Accepted Shares in accordance with Rule 14.14 of the ASX Settlement Rules; and
  - (B) give any other instructions concerning those Accepted Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant, as determined by Bidder (or its nominee) acting in its own interests as a beneficial owner and intended registered holder of your Accepted Shares,and acknowledge that:
  - (C) with respect to sub-paragraph (A) above, Bidder (or its agents or nominees) will merely forward your Acceptance Form to your Controlling Participant (being the only person who can accept this Offer on your behalf) and that it is your responsibility to allow sufficient time for your Controlling Participant to initiate acceptance of this Offer;
  - (D) Bidder (or its agents or nominees) is not responsible for any delays incurred by the process described in sub-paragraph (B) above or any losses whatsoever you incur by the fact that your acceptance is not processed before the end of the Offer Period; and
  - (E) you must promptly give any further instructions or take any further actions necessary concerning your Accepted Shares to your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Rules prior to the end of the Offer Period.

**(c) Validation of Acceptance Form**

Notwithstanding sections 7.3(a) and 7.3(b)(ii), Bidder may (except in relation to Shares in a CHESS Holding) treat the receipt by it of a signed Acceptance Form either:

- (i) before the end of the Offer Period; or

- (ii) after the end of the Offer Period but where the Acceptance Form is sent by post and the envelope in which it is posted is post-marked before the end of the Offer Period,

as valid even though it does not receive the other documents required by the instructions on the Acceptance Form or there is not compliance with any one or more of the other requirements for acceptance.

If Bidder does treat such an Acceptance Form as valid, subject to section 7.8, Bidder will not be obliged to give the consideration to you until Bidder receives all those documents and all of the requirements for acceptance referred to in section 7.3 and in the Acceptance Form have been met (other than the requirement of your Acceptance Form to be received before the end of the Offer Period).

(d) **Risk in Acceptance Form**

The transmission by you of the Acceptance Form and any other documents in accordance with section 7.3 is at your own risk. No acknowledgement of receipt of any such documents will be given to you by or on behalf of Bidder.

(e) **Revocation of acceptance**

Once you have accepted this Offer, you will be unable to revoke or withdraw your acceptance of this Offer or otherwise dispose of your Accepted Shares, except as follows:

- (i) if a Condition, as set out in section 7.6, is not fulfilled or waived, then this Offer will automatically terminate and your Accepted Shares will be returned to you; or
- (ii) if the Offer Period is extended for more than one month and, at the time, this Offer is subject to one or more Conditions, as set out in section 7.6, then you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.

(f) **Power of attorney or deceased estate**

When accepting this Offer, you should forward for inspection:

- (i) if the Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and
- (ii) if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Shareholder, the relevant grant of probate or letters of administration.

## **7.5 Agreement resulting from acceptance**

By signing and returning the Acceptance Form or initiating or causing acceptance of this Offer under the ASX Settlement Rules in accordance with section 7.3:

- (a) you accept this Offer (and any variation of it) in respect of all of your Accepted Shares at the date your acceptance is processed and agree to the terms and Conditions of this Offer;
- (b) subject to all of the Conditions being fulfilled or waived, you transfer, and consent to the transfer in accordance with the ASX Settlement Rules of, all of your Accepted Shares to Bidder in accordance with this Offer and subject to the conditions of the constitution of FAR on which they were held immediately before your acceptance of this Offer (and Bidder agrees to take those Accepted Shares subject to those conditions);
- (c) you represent and warrant to Bidder that, at the time of your acceptance and at the time the transfer of your Accepted Shares to Bidder is registered:

- (i) all of your Accepted Shares are and will be fully paid;
  - (ii) you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your Accepted Shares (including any Rights) to Bidder;
  - (iii) Bidder will acquire good title to them and full beneficial ownership of them free from all Encumbrances; and
  - (iv) that you have paid to FAR all amounts which at the time of acceptance have fallen due for payment to FAR in respect of your Accepted Shares;
- (d) subject to all of the Conditions being fulfilled or waived, you irrevocably appoint Bidder and each of its directors and nominees severally as your attorney to exercise all powers and rights that you have as the registered holder of your Accepted Shares, including:
- (i) attending any meeting of FAR, and voting in respect of your Accepted Shares, proposing or seconding any motion, and demanding a poll for any vote at, any such meeting;
  - (ii) requisitioning the convening of any general meeting of FAR and convening a general meeting pursuant to any such requisition; and
  - (iii) signing any form, notice, instrument or other document (including any proxy appointment) relating to your Accepted Shares.

Such appointment will terminate on the earlier of the withdrawal of your acceptance of this Offer (either in accordance with its terms or under section 650E of the Corporations Act) and the end of the Offer Period or, if all Conditions of the Offer have been fulfilled or waived, the registration of Bidder as the holder of your Accepted Shares;

- (e) you agree that, in exercising the powers and rights conferred by the power of attorney in section 7.5(d), each attorney may act in the interests of Bidder as the intended registered holder and beneficial owner of your Accepted Shares;
- (f) except as contemplated by section 7.5(d) and while the appointment in that section continues, you agree not to attend or vote in person or by proxy, attorney or corporate representative at any meeting of FAR, or to exercise or purport to exercise (in person or by proxy, attorney, or corporate representative or otherwise) any of the powers conferred by the power of attorney in section 7.5(d);
- (g) you irrevocably authorise and direct FAR to pay to Bidder, or to account to Bidder for, all Rights in respect of your Accepted Shares (except to the extent that Bidder elects to waive its entitlement to those Rights), subject, however, to any such Rights received by Bidder being accounted for by Bidder to you if any contract resulting from your acceptance of this Offer is rescinded or rendered void;
- (h) subject to all of the Conditions being fulfilled or waived, you irrevocably authorise Bidder and its nominees to do all things necessary to transfer your Accepted Shares to Bidder (including to cause a message to be transmitted in accordance with ASX Settlement Rule 14.17.1 so as to transfer your Accepted Shares, if held in a CHESS Holding, to the Takeover Transferee Holding), even if Bidder has not at that time paid or provided the consideration due to you under this Offer; and
- (i) you agree to indemnify Bidder and each of its agents in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or your Securityholder Reference Number or in consequence of the transfer of your Accepted Shares to Bidder being registered by

FAR without production of your Holder Identification Number or your Securityholder Reference Number.

The representations, warranties, authorities and indemnity referred to in this section 7.5 will (unless otherwise stated) remain in force after you receive the Offer consideration for your Accepted Shares and after Bidder becomes the registered holder of them.

## **7.6 Conditions**

Subject to section 7.7, this Offer and any contract resulting from your acceptance of this Offer are subject to the fulfilment of the following Conditions.

### **(a) Minimum acceptance**

During, or at the end of, the Offer Period, the number of Shares in which Bidder has Relevant Interests in is at least 50.1% of all Shares (on a fully diluted basis).

### **(b) No material acquisitions, disposals or new commitments**

Except for any proposed transaction publicly announced by FAR before the Announcement Date, during the period from the Announcement Date and the end of the Offer Period (each inclusive) neither FAR nor any other entity within the FAR Group:

- (i) acquires or disposes of, or enters into or announces any agreement for the acquisition or disposal of, any asset or business, or enters into any corporate transaction, which would or would be likely to involve a material change in:
  - (A) the manner in which FAR or the FAR Group as a whole, conducts its business; or
  - (B) the nature (including balance sheet classification), extent or value of the assets or liabilities of FAR or the FAR Group as a whole;
- (ii) without limiting the generality of section 7.6(b)(i), does, agrees to do, announces an intention to do, or discloses the existence of (without having disclosed to ASX prior to the Announcement Date) any of the following:
  - (A) make any change to its constitutional documents;
  - (B) commence business activities not already carried out as at the Announcement Date;
  - (C) acquire, lease, dispose of any business, assets, entity or undertaking, the value of which exceeds US\$5,000,000 (individually or in aggregate);
  - (D) enter into any contract or commitment (including in respect of financial indebtedness) requiring payments by the FAR Group in excess of US\$5,000,000 (individually or in aggregate) other than any payment required by law; or
  - (E) incur capital expenditure of more than US\$5,000,000 (individually or in aggregate).

### **(c) No restraints**

Prior to the end of the Offer Period:

- (i) there is not in effect any temporary or final order, decision or decree issued by any court of competent jurisdiction or Public Authority;
- (ii) no action or investigation is announced, commenced or threatened by any Public Authority; and

- (iii) no application is made to any Public Authority (other than by Bidder or any of its Associates),

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel under, or relating to a breach of, Chapter 6, 6A, 6B or 6C of the Corporations Act or relating to unacceptable circumstances within the meaning of section 657A of the Corporations Act), the effect of which restrains, prohibits, threatens to restrain or prohibit, or otherwise materially adversely impacts upon, the making of the Offer or the acquisition of any Shares under the Offer.

(d) **No material adverse change**

- (i) Between and including the Announcement Date and the end of the Offer Period, no change, event, circumstance, occurrence or matter occurs, is announced, is disclosed or otherwise becomes known to Bidder or the FAR Board (whether it becomes public or not) which (whether individually or when aggregated with all such changes, events, circumstances, occurrences or matters) has had or is reasonably likely to have the effect of a diminution in the value of the consolidated net assets of the FAR Group, taken as a whole, of at least US\$5,000,000, as against the consolidated net asset position of the FAR Group as at 30 June 2021, except for any change, event, circumstance, occurrence or matter publicly announced by FAR to the ASX prior to the Announcement Date.
- (ii) Between and including the Announcement Date and the end of the Offer Period, the S&P/ASX 200 index is not below 5,500 at any time on any ASX trading day.
- (iii) On any day between and including the Announcement Date and the end of the Offer Period, the Brent Crude Futures Price for the quoted day is not below US\$65 per barrel.

(e) **No Prescribed Occurrences**

During the period from the Announcement Date to the end of the Offer Period (each inclusive), none of the following occurrences (each a **Prescribed Occurrence**, being the prescribed occurrences listed in section 652C of the Corporations Act) happens:

- (i) FAR converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (ii) FAR or a subsidiary of FAR resolves to reduce its share capital in any way;
- (iii) FAR or a subsidiary of FAR enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (iv) FAR or a subsidiary of FAR issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option (including in connection with any performance awards under any FAR Group performance plan);
- (v) FAR or a subsidiary of FAR issues, or agrees to issue, convertible notes;
- (vi) FAR or a subsidiary of FAR disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (vii) FAR or a subsidiary of FAR charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (viii) FAR or a subsidiary of FAR resolves to be wound up;
- (ix) a liquidator or provisional liquidator of FAR or of a subsidiary of FAR is appointed;

- (x) a court makes an order for the winding up of FAR or of a subsidiary of FAR;
- (xi) an administrator of FAR or of a subsidiary of FAR is appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) FAR or a subsidiary of FAR executes a deed of company arrangement; or
- (xiii) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of FAR or a subsidiary of FAR.

(f) **No distributions**

Between the Announcement Date and the end of the Offer Period (each inclusive) FAR does not make, determine as payable or declare any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie).

## 7.7 Nature and operation of Conditions

(a) **Nature of Conditions**

Each Condition is a condition subsequent to the formation of a binding contract upon your acceptance of this Offer. None of those Conditions prevents a contract to sell your Accepted Shares resulting from your acceptance of this Offer, but:

- (i) non-fulfilment of any of those Conditions at the end of the Offer Period will have the consequences set out in section 7.7(e); and
- (ii) breach of any of those Conditions entitles Bidder to rescind that contract by written notice to you.

(b) **Separate Conditions for benefit of Bidder**

- (i) Each paragraph and each sub-paragraph of each other paragraph of section 7.6 constitutes, and is to be construed as, a separate, several and distinct Condition. No Condition will be taken to limit the meaning or effect of any other Condition.
- (ii) Subject to the Corporations Act and to section 7.7(a), Bidder alone is entitled to the benefit of the Conditions and to rely on breach or non-fulfilment of, or to waive, any of those Conditions.

(c) **Waiver of Conditions**

Subject to the Corporations Act, any or all of the Conditions may be waived by Bidder.

(d) **Notice on status of Defeating Conditions**

The date for giving the notice as to the status of the Conditions required by section 630(1) of the Corporations Act is **1** 2022 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

(e) **Contract void if Conditions not fulfilled**

Your acceptance of this Offer, and any contract resulting from your acceptance of this Offer, will be automatically void if:

- (i) at the end of the Offer Period, any of the Conditions is not fulfilled; and
- (ii) Bidder has not declared this Offer and any contract resulting from your acceptance of it free from that Condition in accordance with section 7.7(c).

## **7.8 Payment of consideration**

### **(a) When you will generally be paid**

Subject to this section 7.8 and the Corporations Act, if you accept this Offer and the Conditions are fulfilled or waived, Bidder will pay you the consideration for your Accepted Shares under this Offer by the later of:

- (i) 15 Business Days after the date that the Offer becomes unconditional; or
- (ii) 10 Business Days after the date that you accept the Offer,

but in any case not later than 21 calendar days after the end of the Offer Period.

### **(b) Payment where additional documents required**

Where additional documents are required, either by the Acceptance Form or otherwise, to be given to Bidder with your acceptance to enable Bidder to become the holder of your Accepted Shares (such as a power of attorney) then, subject to sections 7.8(c) to 7.8(f) and the Corporations Act:

- (i) if those documents are given to Bidder with your acceptance, Bidder will pay you the consideration for your Accepted Shares in accordance with section 7.8(a);
- (ii) if those documents are given to Bidder after your acceptance and before the end of the Offer Period, while this Offer is subject to a Condition, Bidder will pay you the consideration for your Accepted Shares by the earlier of:
  - (A) 15 Business Days after any contract resulting from your acceptance of this Offer becomes, or is declared, unconditional; and
  - (B) 21 calendar days after the end of the Offer Period, assuming the Offer has becomes, or is declared, unconditional;
- (iii) if those documents are given to Bidder after your acceptance and before the end of the Offer Period, while this Offer is not subject to a Condition, Bidder will pay you the consideration for your Accepted Shares by the day that is the later of:
  - (A) 15 Business Days after the date that the Offer becomes unconditional; or
  - (B) 10 Business Days after the date that you accept the Offer,and in any event not later than 21 calendar days after the end of the Offer Period; and
- (iv) if those documents are given to Bidder after the end of the Offer Period and the Offer is not subject to any Conditions, Bidder will pay you the consideration for your Accepted Shares within 10 Business Days after those documents are given.

### **(c) Delivery of consideration**

Payment of any cash amount to which you are entitled will be made by cheque drawn in Australian currency in your favour. The cheque will be sent to you, at your risk, by ordinary mail (or, in the case of Shareholders with addresses outside Australia, by airmail) to your address shown on the Acceptance Form or as recorded in the register of Shareholders of FAR on the Register Date. Payment will be deemed to have been made at the time the cheque is delivered to Australia Post for delivery or placed in an Australia Post postal box.

### **(d) Rights**

If Bidder becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give to Bidder all documents necessary to vest title to those Rights in

Bidder, or otherwise to give Bidder the benefit or value of those Rights. If you do not do so, or if you have received or are entitled to receive (or any previous holder of your Accepted Shares has received or is entitled to receive) the benefit of those Rights, Bidder will be entitled to deduct the amount (or an amount equal to the value, as reasonably assessed by Bidder) of those Rights from any consideration otherwise payable to you under this Offer. If Bidder does not, or cannot, make such a deduction, you must pay that amount to Bidder, except to the extent that Bidder elects to waive its entitlement to those Rights.

(e) **Non-Australian residents**

If, at the time of acceptance of this Offer, any authority or clearance of a Public Authority is required for you to receive any consideration under this Offer or you are resident in or a resident of a place to which, or you are a person to whom any law of Australia or regulation under the Charter of the United Nations that would make it unlawful for Bidder to provide consideration for your Accepted Shares applies then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive the consideration specified in this Offer unless and until all requisite authorities or clearances have been obtained by Bidder.

(f) **Withholding of consideration by Bidder**

If any amount (the **withholding amount**) is required, under any Australian law or by any Public Authority, to be:

- (i) withheld from any consideration otherwise payable to you under this Offer and paid to a Public Authority; or
- (ii) retained by Bidder out of any consideration otherwise payable to you under this Offer,

the payment or retention by Bidder of the withholding amount (as applicable) will constitute full discharge of Bidder's obligation to pay the consideration to you to the extent of the withholding amount.

## **7.9 Offerees**

(a) **Registered holders**

Bidder is making an offer in the form of this Offer to each person registered as the holder of Shares in the register of members of FAR as at the Register Date.

(b) **Transferees**

- (i) If at any time during the Offer Period another person is able to give good title to some or all of your Shares, and that person has not already accepted an offer in the form of this Offer for those Shares, then that person may accept as if an offer in the form of this Offer had been made to them in respect of those Shares.
- (ii) For the purpose of section 7.9(b)(i) and the definition of "your Shares", "good title" in respect of any particular Share includes where a person:
  - (A) is registered as the holder of the Share; or
  - (B) is entitled to be registered as the holder of the Share as a result of having purchased the Share on-market.

(c) **Trustees and nominees**

If at any time during the Offer Period and before you accept this Offer your Shares consist of two or more separate parcels within the meaning of section 653B of the Corporations

Act (for example, because you hold your Shares as trustee or nominee for, or otherwise on account of, several distinct beneficial owners), then you may accept as if a separate offer in the form of this Offer had been made in relation to each of those parcels (including any parcel you hold in your own right). Acceptance for any parcel of Shares (including any parcel consisting of two or more parcels) is ineffective unless:

- (i) you give Bidder notice stating that the Shares consist of a separate parcel, such notice being:
  - (A) in the case of Shares not in a CHESS Holding, in writing; or
  - (B) in the case of Shares in a CHESS Holding, in an electronic form approved by the ASX Settlement Rules for the purposes of Part 6.8 of the Corporations Act; and
- (ii) your acceptance specifies the number of Shares in the parcel.

**(d) Shares subject to FAR transfer restrictions**

If at any time during the Offer Period some of your Shares are subject to transfer restrictions imposed by FAR (for example, because you hold some of your Shares under an employee incentive plan), then you may accept as if a separate offer in the form of this Offer had been made in relation to the balance of your Shares. Acceptance for the balance of your Shares is ineffective unless you give Bidder notice stating the number of your Shares that are subject to a transfer restriction and explaining the nature of the restriction, and your acceptance specifies the balance of your Shares.

**7.10 Additional copies of Offer documents**

If, for the purpose of accepting the Offer, you require additional copies of this Bidder's Statement and the Acceptance Form, please call the Offer Information Line on 1300 737 760 (toll-free within Australia) or +61 2 9290 9600 (from outside Australia) to request those additional copies.

**7.11 Variation and withdrawal of Offer**

**(a) Variation**

Bidder may vary this Offer in accordance with the Corporations Act.

**(b) Withdrawal**

This Offer may be withdrawn with the written consent of ASIC, which consent may be subject to conditions. If so, Bidder will give notice of the withdrawal to ASX and to FAR and will comply with any other conditions imposed by ASIC.

**7.12 Costs and stamp duty**

Bidder will pay all costs and expenses of the preparation and circulation of this Offer and any Australian stamp duty payable on the transfer of any Shares to Bidder under this Offer.

**7.13 Governing law and jurisdiction**

This Offer and any contract resulting from your acceptance of this Offer are governed by the laws of New South Wales. In relation to them and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

## 8 Definitions and Interpretation

### 8.1 Definitions

In this Bidder's Statement and in the Acceptance Form, unless the context requires otherwise:

**Acceptance Form** means the acceptance form enclosed with this Bidder's Statement or, as the context requires, any replacement or substitute acceptance form provided by or on behalf of Bidder.

**Accepted Shares** has the meaning given in section 7.3(d).

**Announcement Date** means 31 January 2022.

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the meaning set out in section 12(2)(b) and (c) of the Corporations Act, where for the purposes of section 12, the 'designated body' is Bidder.

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it.

**ASX Listing Rules** means the Listing Rules of ASX.

**ASX Settlement** means ASX Settlement Pty Limited (ABN 49 008 504 532).

**ASX Settlement Rules** means the operating rules of the settlement facility provided by ASX Settlement, such rules being known as the 'ASX Settlement Operating Rules' as at the date of this Bidder's Statement.

**Bidder** means Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Active Fund (ABN 67 302 926 069).

**Bidder's Statement** means this document, being the statement of Bidder under Part 6.5 of the Corporations Act relating to the Offer.

**Brent Crude Futures Price** means the un-weighted arithmetic intraday average of all settlement prices of the ICE Brent Crude Futures monthly contract for the front month as published by the Intercontinental Exchange.

**Business Day** means any day that is each of the following:

- (a) a 'Trading Day' within the meaning given in the ASX Listing Rules; and
- (b) a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, New South Wales.

**CGT** means Australian capital gains tax.

**CHESS** means the Clearing House Electronic Subregister System, which provides for the electronic transfer, settlement and registration of securities in Australia.

**CHESS Holding** means a holding of Shares on the CHESS Subregister of FAR.

**CHESS Subregister** has the meaning given in the ASX Settlement Rules.

**Conditions** means each and all of the conditions to the Offer which are set out in section 7.6.

**Controlling Participant** has the meaning given in the ASX Settlement Rules. Usually your Controlling Participant is a person, such as a broker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Rules).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Encumbrance** means an interest or power:

- (a) reserved in or over any interest in any asset including any retention of title; or

(b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of security for the payment of debt or any other monetary obligation or the performance of any other obligation and includes any agreement to grant or create any of the above.

**FAR** means FAR Limited (ACN 009 117 293).

**FAR Group** means FAR and its Subsidiaries as at the date of this Bidder's Statement.

**Fund** means Samuel Terry Absolute Return Active Fund and Samuel Terry Absolute Return Fund, whose units are stapled together to form the Samuel Terry Absolute Return Group.

**GST** means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and the related imposition acts of the Commonwealth of Australia.

**Holder Identification Number** means the number used to identify a Shareholder on the CHESS Subregister of FAR.

**Issuer Sponsored Holding** means a holding of Shares on the Issuer Sponsored Subregister of FAR.

**Issuer Sponsored Subregister** has the meaning given in the ASX Settlement Rules.

**Last Practicable Date** means 28 January 2022.

**Offer** means, as the context requires, the offer for Shares contained in section 7, or the off-market takeover bid constituted by that offer and each other offer by Bidder for Shares in the form of that offer, including in each case as varied in accordance with the Corporations Act.

**Offer Amount** has the meaning given in section 4.1.

**Offer Period** means the period during which the Offer will remain open for acceptance in accordance with section 7.2.

**Offer Price** has the meaning given in the Letter to FAR Shareholders.

**Prescribed Occurrences** has the meaning given in section 7.6(e).

**Public Authority** means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister, ASIC, ASX, the Takeovers Panel and any regulatory organisation established under statute or any stock exchange.

**Register Date** means 8.00am (Sydney time) on 1 February 2022, being the date set by Bidder under section 633(2) of the Corporations Act.

**Related Entity** means, in relation to a person, any entity that is related to that person within the meaning of section 50 of the Corporations Act or that is in an economic entity (as defined in any approved Australian accounting standard) that is controlled by that person.

**Relevant Interest** has the meaning given to that term in sections 608 and 609 of the Corporations Act.

**Rights** means all accretions, rights and benefits of whatever kind attaching to or arising from the Shares directly or indirectly at or after the date of this Bidder's Statement (including all dividends and all rights to receive them and rights to receive or subscribe for shares, notes, bonds, options or other securities or entitlements declared, paid or issued by FAR or any Subsidiary of FAR).

**Securityholder Reference Number** means the number allocated by FAR to identify a Shareholder on the Issuer Sponsored Subregister of FAR.

**Shareholder** means a person registered in the register of members of FAR as a holder of

Shares.

**Shares** means fully paid ordinary shares in FAR.

**STAM** means Samuel Terry Asset Management Pty Ltd (ABN 71 108 611 785).

**Subsidiary** has the meaning given to that term in the Corporations Act.

**Takeover Transferee Holding** has the meaning given in the ASX Settlement Rules, being the CHESS Holding to which Shares are to be transferred pursuant to acceptances of the Offer.

**Voting Power** has the meaning given in section 610 of the Corporations Act.

**VWAP** means volume weighted average trading price on ASX.

**your Shares** means, subject to section 7.9, the Shares in respect of which you are registered or entitled to be registered as a holder in the register of members of FAR at the Register Date, and in respect of which no other person becomes registered or entitled to be registered as a holder before you accept the Offer.

## 8.2 Interpretation

- (a) In this Bidder's Statement and in the Acceptance Form, headings are for convenience only and do not affect interpretation.
- (b) Mentioning anything after includes, including, for example, or similar expressions, does not limit what else might be included.
- (c) The following rules apply unless the context requires otherwise.
  - (i) The singular includes the plural, and the converse also applies.
  - (ii) A gender includes all genders.
  - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
  - (iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
  - (v) A reference to a section or Annexure is a reference to a section of, or Annexure to, this Bidder's Statement.
  - (vi) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns.
  - (vii) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, any legislative provision substituted for it and a regulation or statutory instrument issued under it.
  - (viii) A reference to any instrument or document includes any variation or replacement of it.
  - (ix) A term not specifically defined in this Bidder's Statement has the meaning given to it in the Corporations Act (being, if any special meaning is given for the purposes of Chapter 6 or 6A of the Corporations Act or a provision of those chapters, that special meaning).
  - (x) A reference to time is to Sydney time.
  - (xi) A reference to *dollars* or \$ is to Australian currency.
  - (xii) A reference to you is to a person to whom the Offer under section 7 is (or is deemed to be) made.

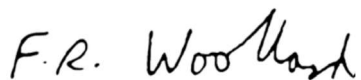


## 9 Approval of Bidder's Statement

This Bidder's Statement has been approved by a resolution of the directors of Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Active Fund.

Dated 31 January 2022.

**Executed** in accordance with section 127 of the *Corporations Act 2001* by **Samuel Terry Asset Management Pty Ltd** as trustee for **Samuel Terry Absolute Return Active Fund**:



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FREDERICK RAYMOND WOOLLARD  
Director



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NIGEL GRAHAM BURGESS  
Director

## **Corporate Directory**

### **Bidder**

Samuel Terry Asset Management Pty Ltd as  
trustee for Samuel Terry Absolute Return  
Active Fund  
120B Underwood St  
Paddington NSW 2021

### **Offer Information Line**

If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Offer Information Line on 1300 737 760 (toll-free within Australia) or +61 2 9290 9600 (from outside Australia).

### **Registry for the Offer**

You can contact the share registrar of Bidder (Boardroom Pty Limited) at the addresses set out below:

#### **(For Deliveries)**

Boardroom Pty Limited  
FAR Takeover Offer  
Level 12  
225 George Street  
Sydney NSW 2000  
Australia

#### **(For Post)**

Boardroom Pty Limited  
FAR Takeover Offer  
GPO Box 3993  
Sydney NSW 2001  
Australia

## Annexure A – ASX announcements by FAR

Below is a list of the ASX announcements made by FAR between 30 April 2021 (being the date of release of FAR's 2020 Annual Report) and the date of this Bidder's Statement.

Date Lodged	Description
30/04/2021	Quarterly Activities and Cashflow
30/04/2021	Corporate Governance Statement and Appendix 4G
30/04/2021	Annual Report to shareholders
04/05/2021	Chief Financial Officer Departure and Appointment
07/05/2021	Executive Director Tim Woodall to return to NED role
12/05/2021	ASX Suspension Update
21/05/2021	Notice of Annual General Meeting/Proxy Form
31/05/2021	Update on FAR RSSD project sale
16/06/2021	Gambia Drilling on Target for Q4
21/06/2021	Director Resignation
21/06/2021	Consolidation/Split - FAR
22/06/2021	Annual General Meeting Presentation
22/06/2021	Results of Meeting
24/06/2021	Final Director's Interest Notice
01/07/2021	FAR Board Changes
02/07/2021	Completion of Share Consolidation
05/07/2021	Final Director's Interest Notice
05/07/2021	Initial Director's Interest Notice
07/07/2021	WPL: Woodside Completes Sangomar Acq From FAR
07/07/2021	FAR completes sale of Senegal RSSD project to Woodside
08/07/2021	FAR Board Update
14/07/2021	Suspension Update
22/07/2021	Anticipated Reinstatement to Official Quotation 23 July 2021
22/07/2021	Investor Presentation
22/07/2021	Quarterly Activities and Cashflow Report
22/07/2021	Pre-reinstatement disclosure
22/07/2021	Reinstatement to Official Quotation
30/07/2021	Change of Director's Interest Notice
05/08/2021	Change of Director's Interest Notice
06/08/2021	Capital Return - Notice of General Meeting
06/09/2021	Investor Presentation
08/09/2021	FAR General Meeting to be fully virtual

<b>Date Lodged</b>	<b>Description</b>
13/09/2021	Half Yearly Report and Accounts
15/09/2021	Results of Meeting
15/09/2021	Return of Capital - FAR
21/09/2021	Investor Presentation
23/09/2021	Change in substantial holding
13/10/2021	Capital Return – ATO Class Ruling Published
15/10/2021	Change in substantial holding
18/10/2021	Quarterly Activities/Appendix 5B Cash Flow Report
02/11/2021	Change in substantial holding
15/11/2021	Bambo-1 well drilling commences offshore The Gambia
06/12/2021	Bambo-1 well update
09/12/2021	Change in substantial holding
13/12/2021	Change in substantial holding
23/12/2021	Bambo Well Results
29/12/2021	Ceasing to be a substantial holder
19/01/2022	Quarterly Activities/Appendix 5B Cash Flow Report