

17 November 2022

ASX Announcement & Media Release

On-Market Share Buy-Back

FAR Limited (ASX: FAR) is pleased to announce its intention to undertake an on-market share buy-back for up to 10% of the Company's issued capital, as part of the Company's capital management strategy.

The buy-back can be conducted over the twelve-month period from 1 December 2022 unless completed sooner or terminated earlier. The buy-back will be conducted in the ordinary course of trading in accordance with the terms specified in the accompanying Appendix 3C. The Company is permitted to conduct the buy-back without shareholder approval.

The extent to which the Company buys back shares, the timing of any buy-back, and the price at which any shares bought back may occur, are each subject to a range of factors including market conditions. The Company does not expect to be in the market at all times during the potential buy-back period, and any buy-back will occur at the Company's discretion. There can be no certainty that the Company will buy back all of the 10% of issued capital under the buy-back.

As at 31 October 2022 the Company had a cash balance of US\$34.4 million (unaudited). A buy-back of 10% of the Company's issued capital would come at a cost of A\$8.15 million at the current prevailing share price (approximately US\$5.5 million at the current AUD/USD exchange rate).

The Company will continue to assess future capital returns to shareholders against the evaluation of opportunities the Company sees across the broader energy sector.

Commenting on the Company's share buy-back, FAR Chairman Patrick O'Connor said:

"The decision to implement an on-market share buy-back aligns with the Board's focus on fiscal discipline and shareholder returns. We believe an on-market buy-back is an effective method of returning surplus capital to shareholders while the Company continues to evaluate opportunities in the energy sector. A recent increase in the USD/AUD exchange rate implies an increased value per Company share in AUD terms, given our US dollar denominated assets. A share buy-back at the current market price would appear to be to the benefit of FAR shareholders."

This announcement has been approved for release by the FAR Board of Directors.

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