

2 November 2015

## ASX Announcement & Media Release

### Drilling commences offshore Senegal

Drilling has started on the appraisal program to evaluate the world class SNE oil discovery offshore Senegal. The three wells SNE-2, SNE-3 and BEL-1 will be drilled back to back in a program that is estimated to be completed in mid-2016. Both SNE-2 and SNE-3 appraisal wells will be logged, cored and flow tested.

The aim of the appraisal program is to progress towards proving a minimum economic field size for the SNE discovery, which FAR estimates to be approximately 200 million barrels of oil. In addition the BEL-1 well will also evaluate the Bellatrix prospect which lies on the untested Buried Hills exploration play (refer Figures 1, 2).

For reasons of operational efficiency, the top hole of SNE-3 will be drilled first by the Ocean Rig Athena. The rig will then be mobilised to the SNE-2 well location where SNE-2 will then be drilled to total depth (TD).

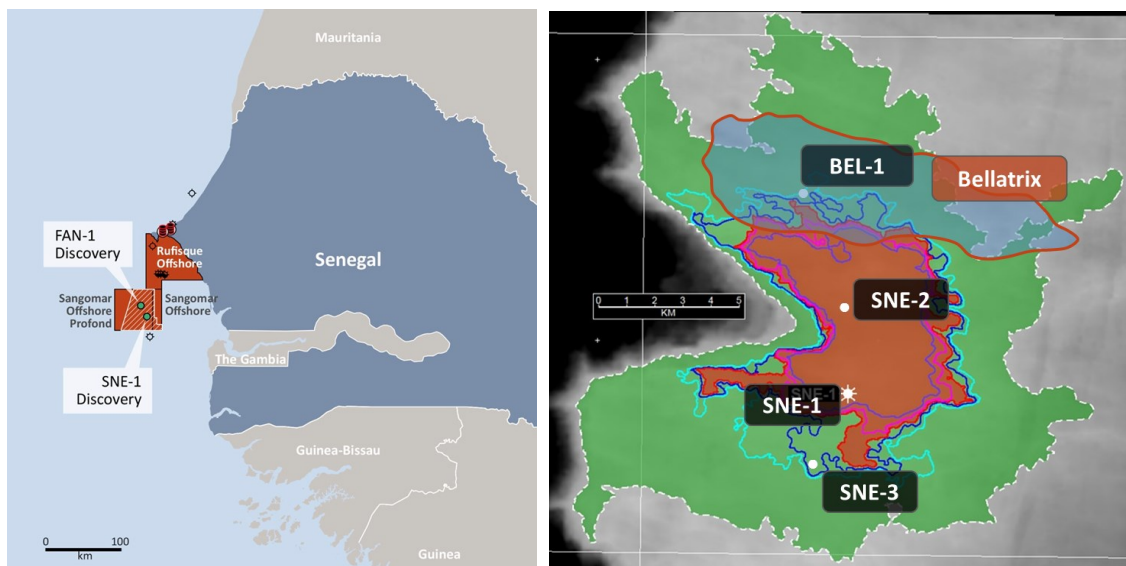
Operations on the top hole of the SNE-3 well and drilling to total depth (TD) on the SNE-2 well are expected to last approximately 6 weeks after which the coring, logging and flow testing program will commence on SNE-2. On completion of the operations on SNE-2, SNE-3 will be re-entered and drilling and evaluation will be carried out before commencement of the BEL-1 well.

*"This drilling program has the potential to create considerable new shareholder value. We have high hopes for these three wells which have the potential to prove the SNE field size exceeds the minimum economic threshold which we estimate at 200 million barrels."*

*"We will also test the very high potential Buried Hills play by drilling the Bellatrix prospect and as such this well will be very exciting."*

*"FAR will release drilling information regularly during the program but will only provide material information when we have sufficient confidence to minimise misunderstanding and ensure that the market will be properly informed."*

**Cath Norman** Managing Director



**Figure 1 and 2: Location of SNE-2, SNE-3 and BEL-1 evaluation wells**

## Disclaimers

**\*Prospective Resource Estimates Cautionary Statement** - With respect to the prospective resource estimates contained within this report, it should be noted that the estimated quantities of Petroleum that may potentially be recovered by the future application of a development project may relate to undiscovered accumulations. These estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

**Prospective Resources** - All prospective resource estimates presented in this report are prepared as at 27/2/2013, 11/3/2014, 5/2/2014 and 13/04/2015 (Reference: FAR ASX releases of 27/02/2013, 11/3/2014, 5/2/2014 and 13/04/2015). The estimates have been prepared by the Company in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System, 2007 approved by the Society of Petroleum Engineer and have been prepared using probabilistic methods. Unless otherwise stated the estimates provided in this report are Best Estimates and represent that there is a 50% probability that the actual resource volume will be in excess of the amounts reported. The estimates are unrisks and have not been adjusted for both an associated chance of discovery and a chance of development. The 100% basis and net to FAR prospective resource estimates include Government share of production applicable under the Production Sharing Contract.

**Competent Person Statement Information** - In this report relating to hydrocarbon resource estimates has been compiled by Peter Nicholls, the FAR Limited exploration manager. Mr Nicholls has over 30 years of experience in petroleum geophysics and geology and is a member of the American Association of Petroleum Geology, the Society of Petroleum Engineers and the Petroleum Exploration Society of Australia. Mr Nicholls consents to the inclusion of the information in this report relating to hydrocarbon Prospective Resources in the form and context in which it appears. The Prospective Resource estimates contained in this report are in accordance with the standard definitions set out by the Society of Petroleum Engineers, Petroleum Resource Management System.

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

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