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ASX Announcement & Media Release

Senegal Drilling Update: Successful SNE-3 flow test results

Successful completion of the SNE-3 appraisal well has demonstrated the ability of SNE field upper reservoir units to flow at commercially viable rates and make a material contribution to oil volumes.

Two drill stem tests (DST) have confirmed the deliverability of the upper reservoir units:

- A gross 15m zone flowed at a maximum rate of 5,400 barrels of oil per day (bopd) and a stabilised main flow rate of 4,000 bopd (56/64" choke).
- An additional 5.5m zone was added to the first flow and produced at a combined stabilised flow rate of 4,500 bopd (56/64" choke).

The SNE-3 appraisal well offshore Senegal has been successfully tested and operations have been safely completed following drilling, coring, logging and drill-stem testing (DST).

Flow rates recorded were equipment constrained and exceeded FAR pre-drill expectations.

The tests have confirmed excellent reservoir quality and correlation between SNE-1, SNE-2 and SNE-3.

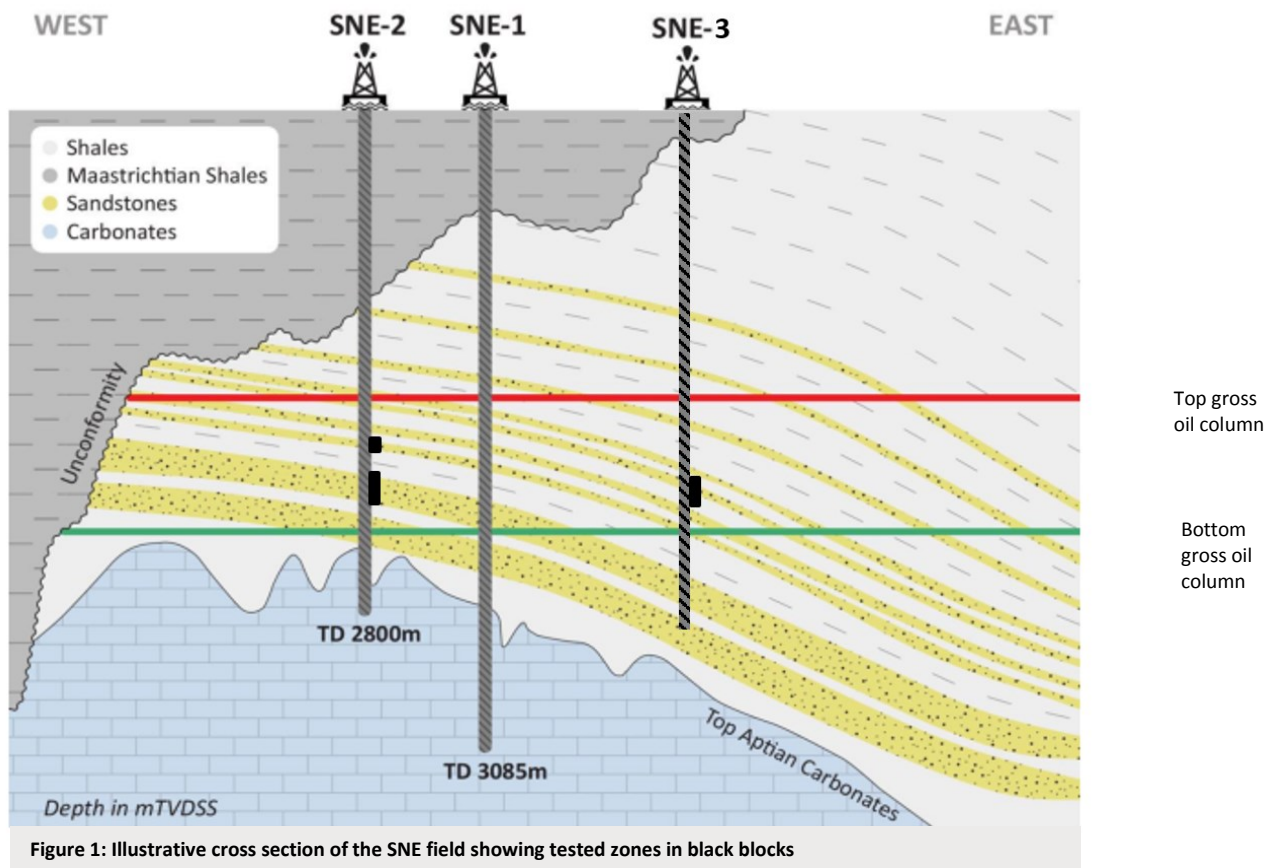
The SNE-3 results are expected to support a further upgrade of SNE field resource estimates.

The well has been completed ahead of schedule and analysis of the extensive dataset collected is continuing with initial results as follows:

- Two drill stem tests (DST) were conducted within the upper reservoirs, confirming the deliverability of these units. The first DST, from a 15m zone, flowed at a maximum rate of 5,400 bopd and delivered a stabilised flow of 4,000 bopd over a 24 hour period. For the second DST, an additional zone of 5.5m was opened up and combined with the 15m zone to deliver a stabilised flow rate of 4,500 bopd over a six hour period. Both flow tests used a 56/64" choke.
- Confirmation of excellent reservoir quality and good correlation of the principal reservoir units between SNE-1, SNE-2 and SNE-3.
- 144m of continuous core was taken across the entire reservoir interval with 100% recovery.
- Gross oil column thickness at SNE-3 confirmed at 101m gross, showing a similar oil-down-to and oil-up-to depth as seen at SNE-2 of 103m gross and at SNE-1 of 96m gross.
- Initial data confirms the same 32 degree API oil quality as seen in SNE-1 and SNE-2.
- Reservoir units were intersected shallower to prognosis (higher than expected on the structure) suggesting the southern flank of the oil field is more extensive than initially prognosed and will extend further to the south than previously mapped.

This positive result from the SNE-3 well has further confirmed the overall scale and extent of the SNE field resource and demonstrated the ability of the upper reservoir units to flow at commercially viable rates and make a material contribution to SNE oil resource volumes. The SNE-3 results are also expected to support a future revision of the SNE resource estimates.

SNE-3 flow tested a limited zone within the extensive upper reservoir units and SNE-2 included a flow test of the thicker, lower reservoir unit (as depicted in Figure 1 below).



SNE-3 is the second SNE oil field appraisal well to be drilled in this three well campaign. It is located in the Senegal Sangomar Deep Offshore Block approximately 3km south of the initial SNE-1 discovery well (refer Figures 2 and 3).

SNE-3 was initially “top hole” drilled to a depth of 1,755 metres by the Ocean Rig Athena prior to the spud of the SNE-2 well (Refer: ASX announcement 2 November 2015). After completion of SNE-2, the Ocean Rig Athena returned to the SNE-3 location and began re-drilling the well on 18 January 2016. SNE-3 began its coring program on 26 January 2016 and reached its planned total depth of 2,807m TVD on 31 January 2016.

A key aim of the SNE appraisal drilling 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 recoverable oil, as well as determining flow rates and connectivity of the reservoirs across the field for the planning of a future development. Flow test results at both SNE-2 and SNE-3 have demonstrated that multiple reservoirs within the SNE field are capable of flowing at commercially viable flow rates and hence, in FAR’s view, this objective of the current three well appraisal drilling program has been met.

Gauges have been set in the SNE-3 well so that the well may be used for interference testing in the future. The well has now been plugged and abandoned as planned before the rig mobilises to the BEL-1 location. BEL-1 will be the third well in the firm three well program and will be drilled to evaluate the untested Buried Hills play by drilling the Bellatrix exploration prospect that lies above the SNE field. The BEL-1 well will also be deepened to appraise the northern flank of the SNE oil field (refer Figure 3).

Senegal PSC partners: Cairn Energy plc (Operator) 40%, ConocoPhillips 35%, **FAR 15%**, Petrosen 10%.

FAR Managing Director Cath Norman said;

“We are delighted with the SNE-3 well results which have exceeded our pre-drill expectations. The excellent reservoir properties in multiple sands in the SNE field are again demonstrated by these flow test results. By successfully flow testing the upper units, FAR now has greater confidence that the SNE field is not only of a size required to justify a commercial development, with potential to grow, but also that the field will deliver oil at commercially viable rates.”

“We commend the drilling management team for delivering another well safely, efficiently and ahead of schedule. The marvellous performance of the Ocean Rig Athena and the operating team have created significant savings in the drilling budget which are very welcome in these trying market conditions.”

“We look forward to now drilling the BEL-1 well and updating our shareholders as the evaluation of the SNE field progresses.”

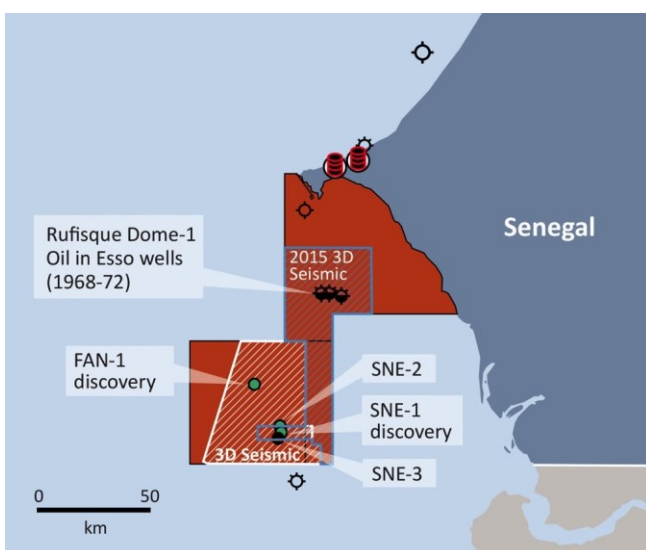


Figure 2: Senegal Location map

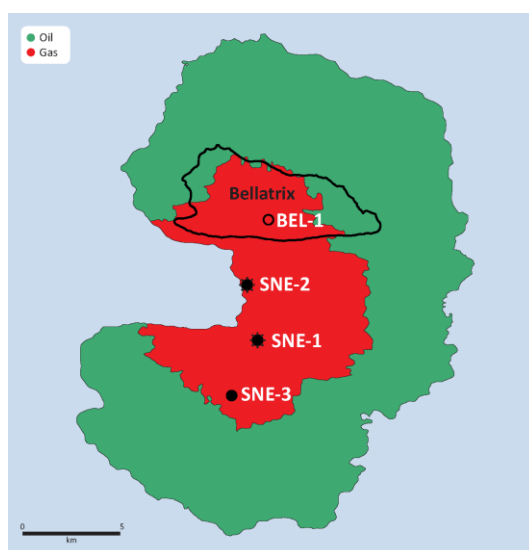


Figure 3: SNE field outline with appraisal well locations

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