

16 September 2014

Ben Tippett
Adviser Listing (Perth)
ASX Compliance Pty Ltd
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Ben,

RESPONSE TO PRICE AND VOLUME QUERY

In response to your letter dated 16 September 2014, we provide the following response to each of your questions:

1. No.
2. Not applicable.
3. The Entity notes speculation on investor websites in relation to the FAN-1 well currently being drilled offshore Senegal and believes the increase in share price and volume may relate to this speculation. The FAN-1 well remains in an active operational phase. As reported in our announcement entitled 'Oil samples recovered in FAN-1 exploration well offshore Senegal' released on 27 August 2014 and 'Half Year Report' released on 12 September 2014, we anticipate completion of drilling on the FAN-1 well by the end of this month. The well has been declared a 'tight hole' by the Operator and as such no information related to depth or formation will be provided during the drilling beyond what is required to meet ASX continuous disclosure obligations. FAR is reliant on the Operator (Cairn Energy of the UK) to provide information on the status of the well and any evaluation work. We note that the Operator has made no recent announcement on the well. In these circumstances share market participants should exercise care before contemplating transacting in FAR shares until such time as FAR provides formal advice from the Operator received in this regard.
4. The Entity is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours sincerely,

For and on behalf of FAR Limited



Catherine Norman
Managing Director



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 8 9224 0000
www.asx.com.au

16 September 2014

Peter Thiessen
Company Secretary
FAR Ltd

By email: p.thiessen@far.com.au

Dear Peter

FAR Ltd (the “Entity”): ASX Price Query

We have noted a change in the price of the Entity’s securities from a low of \$0.056 on 9 September 2014 to an intraday high at the time of writing of \$0.084 today, 16 September 2014.

In light of the price change, ASX asks you to respond separately to each of the following questions:

1. Is the Entity aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
 - a) Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?
Please note that the recent trading in the Entity’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Entity may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?
Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that the Entity may have for the recent trading in its securities?
4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 11:00am WST today, 16 September 2014. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity’s securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at ben.tippett@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Ben Tippett
Adviser, Listings Compliance (Perth)