

ABN 41 009 117 293

**FIRST AUSTRALIAN RESOURCES LIMITED***Incorporated in Western Australia*

29 June 2009

Nicholas Ong  
Principal Adviser, Issuers  
Australian Securities Exchange  
Level 8, Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

Dear Nicholas

**RESPONSE TO PRICE QUERY**

In response to your fax dated 29 June 2009, we provide the following information:

1. The Company is not aware of any information concerning it that has not been announced to the market which, if known, could be an explanation for recent trading in securities of the Company.
2. Not applicable.
3. On 28 May 2009, Shell completed the Data Acquisition phase of the CSEM Data Acquisition and Geophysical Evaluation Programme over part of FAR's Licence Area comprising Sangomar Offshore, Rufisque Offshore and Sangomar deep Offshore Blocks in Senegal, West Africa (refer to ASX release of 1 June 2009).

The objective of the programme is designed to enable Shell to determine whether or not to exercise an option ("the Option") to acquire a 70 percent interest in the Licence Area and enter the second renewal period that includes a well commitment. Shell has 90 days from the completion of the Data Acquisition phase to decide whether to exercise the Option.

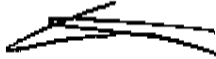
To date, the Company has not received any information from Shell in respect of the CSEM study results. As soon as we have such information we will release this to the market.

Prior to the CSEM study being undertaken, FAR and its co-venturer Petrosen acquired one of the largest 3D surveys off the northwest coast of Africa covering an area exceeding 2,000 square kilometres resulting in a high quality data set that has been processed into a world class seismic volume leading to the identification of several plays and drillable prospects with potential oil in place in excess of 1 billion barrels.

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4. I can confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours sincerely  
For and on behalf of  
FIRST AUSTRALIAN RESOURCES LIMITED



COLIN HARPER  
Company Secretary

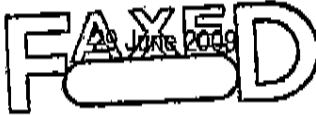


ASX  
AUSTRALIAN SECURITIES EXCHANGE

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Albert Brindal  
Company Secretary  
First Australian Resources Limited  
Unit B1, 431 Roberts Road  
Subiaco WA 6008

By facsimile: 6363 8783

Dear Albert,

**First Australian Resources Limited (the "Company")**

**RE: PRICE QUERY**

We have noted a change in the price of the Company's securities from \$0.07 on 24 June 2009 to a high of \$0.105 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me on **facsimile number 9221 2020**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than half 12.00 pm W.S.T. today**.

The response must be in a form suitable for release to the market. If you have any concern about release of a response, please contact me immediately.

### Listing rule 3.1

Listing rule 3.1 requires an 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. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### Trading halt

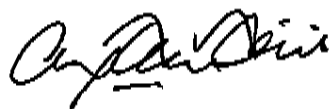
If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and the guidance note titled "Trading halts" we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- 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.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please contact me on 9224 0017

Yours sincerely,



Nicholas Ong  
Principal Adviser, Issuers