



ABN 41 009 117 293

FIRST AUSTRALIAN RESOURCES LIMITED

Incorporated in Western Australia

15 November 2002

ASX ANNOUNCEMENT AND MEDIA RELEASE

ARGOS SPUD ANNOUNCEMENT

WA-254-P - OFFSHORE CARNARVON BASIN, AUSTRALIA

10.71% (parts 1, 3 and 4), 11.25% (part 2), (OPERATOR - APACHE ENERGY LTD)

First Australian Resources Limited advises that the ENSCO 56 jack-up commenced drilling the Argos-1 well this morning. FAR holds a 10.71 percent interest in the well representing the largest equity in the joint venture after the Operator, Apache Northwest Pty Ltd and Woodside Energy Ltd.

The Argos-1 well has a planned total depth of 2,012 metres and a drilling duration of approximately 8 days. The primary target, the *B.reticulatum* Sandstone, is anticipated within 6 days.

The well will be testing a four-way dip closed anticline, located on the downthrown side of the Rosemary fault system, which places it on a direct migration path out of the Lewis Trough, analogous to the Woodside operated Legendre oilfield which lies on trend some 3-4 km to the north. Based on 3-D seismic interpretation and mapping Argos has the potential to contain up to 11 million barrels recoverable.

The notional development plan for Argos provides that, regardless of a drilling success, the Argos-1 exploration well will be abandoned. This planned abandonment is preferred industry practice; it being more cost effective to drill new production wells than to re-occupy the exploratory well.

Due to the close proximity of the "Ocean Legend" platform facility at the Legendre Field a development term of less than twelve months for first production from Argos is possible and provides a robust economic model. Participants in Argos 1 are:-

Participant	Equity %
Apache Northwest Pty Ltd	47.8879
Woodside Energy Ltd	24.3750
First Australian Resources Ltd	10.7143
Victoria Petroleum NL	6.1743
Pan Pacific Petroleum NL	2.9914
Sun Resources NL	7.8571

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NOTE: In accordance with Chapter 5 of the Listing Rules, the geological information in this report has been reviewed by Bevan Warris, a geologist with 35 years experience and AAPG Certified Petroleum Geologist No 4723. Dr Warris has given his consent to the information in the form and context in which it appears.