ABN 41 009 117 293

FIRST AUSTRALIAN RESOURCES LIMITED

Incorporated in Western Australia

30 April 2004

ASX ANNOUNCEMENT AND MEDIA RELEASE

ACTIVITY UPDATE

USA GULF COAST

Agreement on Lake Long Deep Well formalised

As foreshadowed in ASX release dated 15 April 2004, FAR has now executed a Participation and Operating Agreement with Kriti Exploration Inc and Palace Exploration Company, both North American based oil and gas companies, pursuant to which FAR will participate in the proposed Lake Long Deep Test well.

A drilling permit has been filed with the State of Louisiana and tenders have been called for the drilling of the Palace Exploration State Lease 328 #1 well, a planned test of deep Miocene sands estimated by Kriti Exploration Inc to have potential reserves in the order of 766 billion cubic feet of gas equivalent. The well is planned for 15 June 2004.

All agreements concerning FAR's level of participation are now complete and the resultant working interests are:

Name of well	FAR Working Interest	Status
State Lease 328 #2	12.625%	Producing
State Lease 328 #6	31.375%	Producing
State Lease 328 #7	16.375%	Producing
State Lease 328 #27	1.375%	Producing
State Lease 328 #30	1.375%	Producing
Palace Exploration State Lease 328 #1	5.00% before casing point 4.09375 after casing point	Proposed Deep well

Sale Agreement reached concerning sale of non core Texas properties

FAR has accepted an unsolicited offer to purchase certain non-core producing assets owned in Hemphill County, Texas which were originally acquired as part of the West Buffalo Wallow exploration program undertaken in 1996. Under the agreement, which is subject to due diligence being undertaken by the purchaser, Peak Energy Resources, Inc., FAR will convey its interest in Sections 29, 30, 47 and 48 located in Hemphill county Texas for a total consideration of US$173,950.

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AUSTRALIA
Muggles 1 Drilling Update WA-254-P, Offshore Carnarvon Basin

The operator of WA-254-P, Apache Northwest Pty Ltd ("Apache") has advised FAR that commencement of drilling of the Muggles Prospect in the permit will occur on or about 20 May, 2004, using the Ensco 56 jack-up.

The Muggles Prospect is an *M Australis* stratigraphic pinchout trap within a Cretaceous channel on the Enderby Terrace. Prospect potential is estimated at 33.5 (mean) million barrels of oil recoverable. Muggles-1 is designed as a throw away well with planned total depth of 1,454 metres in water depth of 68 metres and a drill duration of approximately 6 days. If drilling is successful the discovery could be tied back to the Woodside operated Legendre Oil Field, lying 10 kilometres northwest.

FAR holds a 10.7143 percent interest in the proposed Muggles well.

CHINA
Block 22/12, Beibu Gulf, Offshore China

The Wei 12-8-3 appraisal well is preparing to drill ahead to planned total depth of approximately 1,311 metres following coring operations over the primary Miocene Jiaowei sands. The well is being drilled using the Nanhai IV jack-up rig in approximately 33 metres of water, 800 metres north of the Wei-12-8-2 discovery well.

It is planned to log and evaluate the well over the coming weekend, upon the completion of which, the results of the well will be released. Acquisition of a 3D VSP seismic survey is planned to follow logging. It should be noted the well has been designed as a throw-away well and will be plugged and abandoned regardless of the results.

The Wei 12-8 East field is estimated to have the potential to contain recoverable reserves of between 20 million barrels of oil (ROC estimate) and 27 million barrels of oil (HZN estimate), subject to successful appraisal drilling. The primary objective of the Wei 12-8-3 well is to confirm structural configuration of the reservoir and to accurately determine oil properties, particularly viscosity, in order to optimise well planning for a potential field development.

The 12-8 East (12-8-2) field was discovered by CNOOC in 1994. The well encountered an 8 metre oil column in the Miocene Jiaowei sands at a depth of 930 m. A production test flowed 2,355 barrels of 21 degree API oil per day. Reservoir quality is excellent, with permeability in excess of one Darcy. The structure is a simple four-way dip closure with reservoir draped over a basement high.

Subject to the results of the Wei 12-8-3 well, the Block 22/12 Joint venture has made provision to drill a third well, the Wei 12-3-4. FAR holds a 5 percent working interest in the permit. In the event of a commercial development within Block 22/12, the interests held by the current joint venturers may reduce on a pro-rata basis by up to 51% assuming that the China Offshore Oil Corporation ("CNOOC") exercises its right to participate up to a 51% equity level in the development.

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