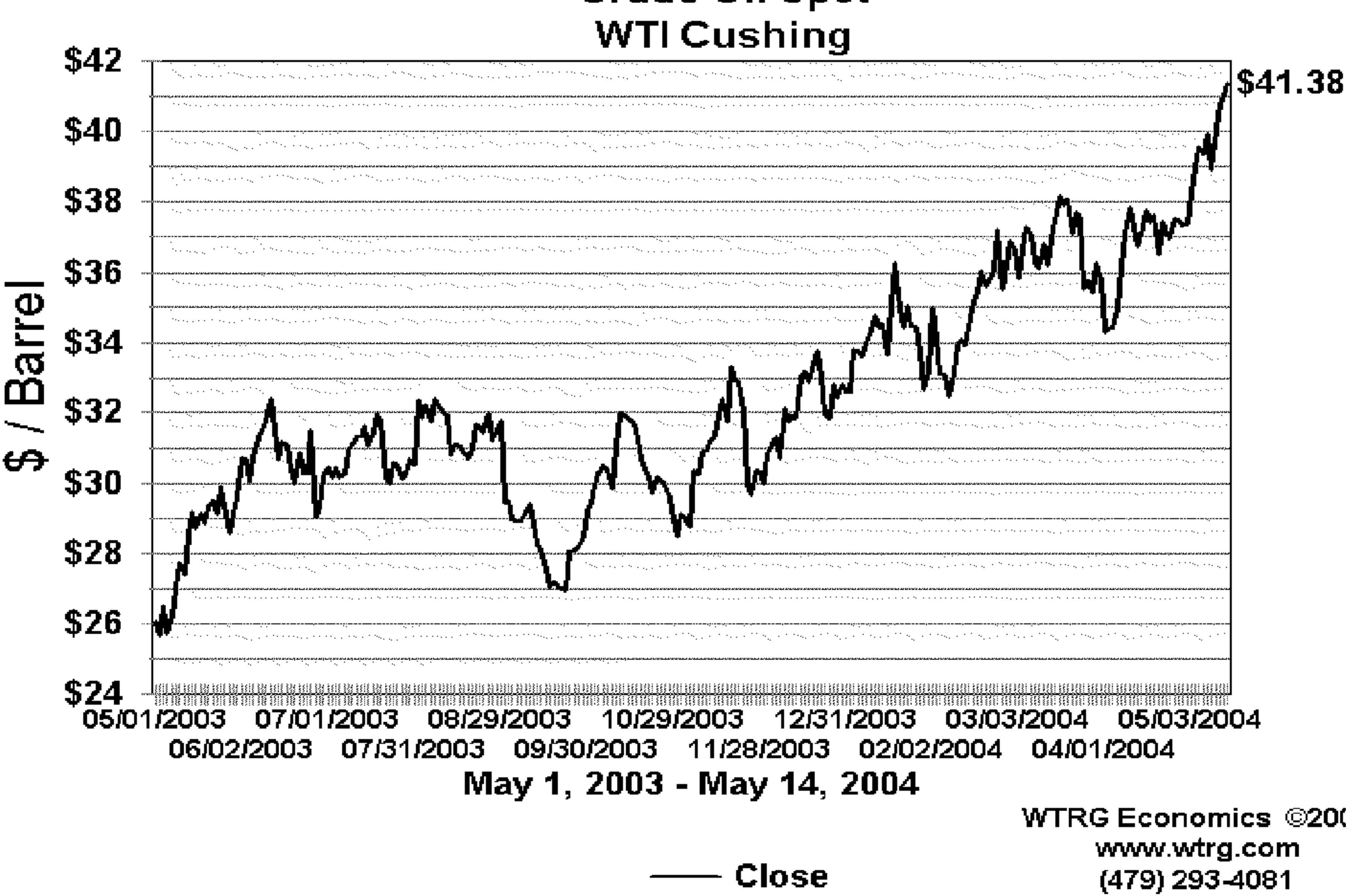
*The following presentation contains certain "forward-looking material" that involves estimates, assumptions and uncertainties. No assurance can be given that FAR's expectations or goals will be realised and actual outcomes may differ materially from those presented.*

# INVESTOR PRESENTATION

AGM 2004

## FIRST AUSTRALIAN RESOURCES LTD



WTI Cushing
$ / Barrel
$42
$40
$38
$36
$34
$32
$30
$28
$26
$24
$41.38
05/01/2003
07/01/2003
08/29/2003
10/29/2003
12/31/2003
03/03/2004
05/03/2004
06/02/2003
07/31/2003
09/30/2003
11/28/2003
02/02/2004
04/01/2004
May 1, 2003 - May 14, 2004
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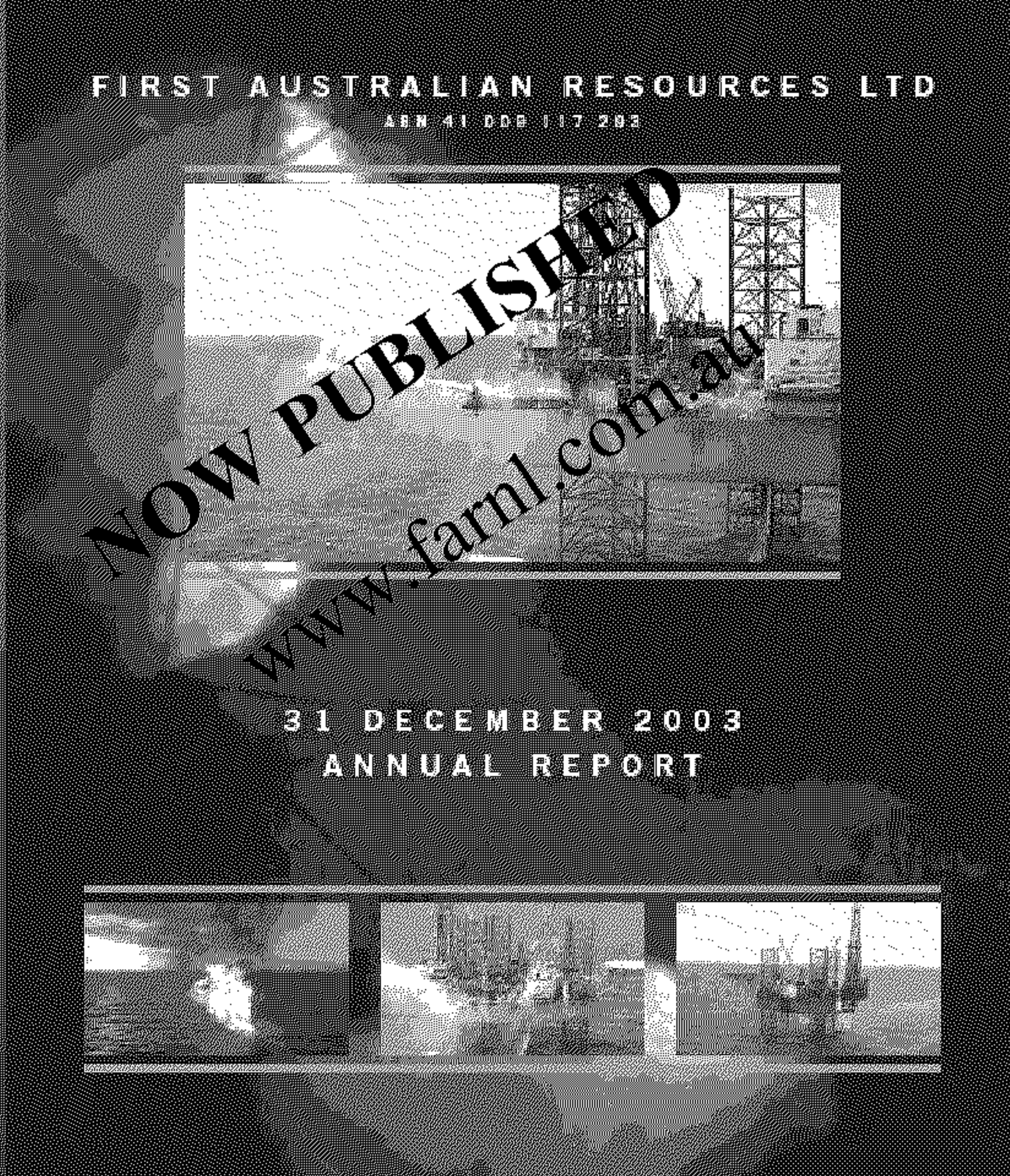

FIRST AUSTRALIAN RESOURCES LTD
NOW PUBLISHED
www.farnl.com.au
31 DECEMBER 2003
ANNUAL REPORT

# Overview of FAR

- ASX (1986), OTC – BNY Level1 ADR (2001), BSE Frankfurt (2004)
- Non Operator Focus
- International Portfolio
- Strong 3D driven 2004 Drill Program
- Market Cap (undiluted 5.4c): $9.2m
- 170.8m Shares and 87.1m Options

# FAR 2004 GOALS

- SIGNIFICANT DRILLING SUCCESS VIA 2004 PROGRAM WITH UP TO 5 WELLS REMAINING IN AUSTRALIA AND USA.
- FOLLOW UP 11m OIL PAY ON 12-8-3 WELL OFSHORE CHINA
- DRIVE INCREASE IN SHAREHOLDER VALUE

# DRILLING PROGRAM 2004

**AUSTRALIA**

- Muggles-1 WA-254-P, offshore Carnarvon
- Little Joe WA-254-P, offshore Carnarvon
- Point Torment-2 EP 104 Onshore Canning

**USA**

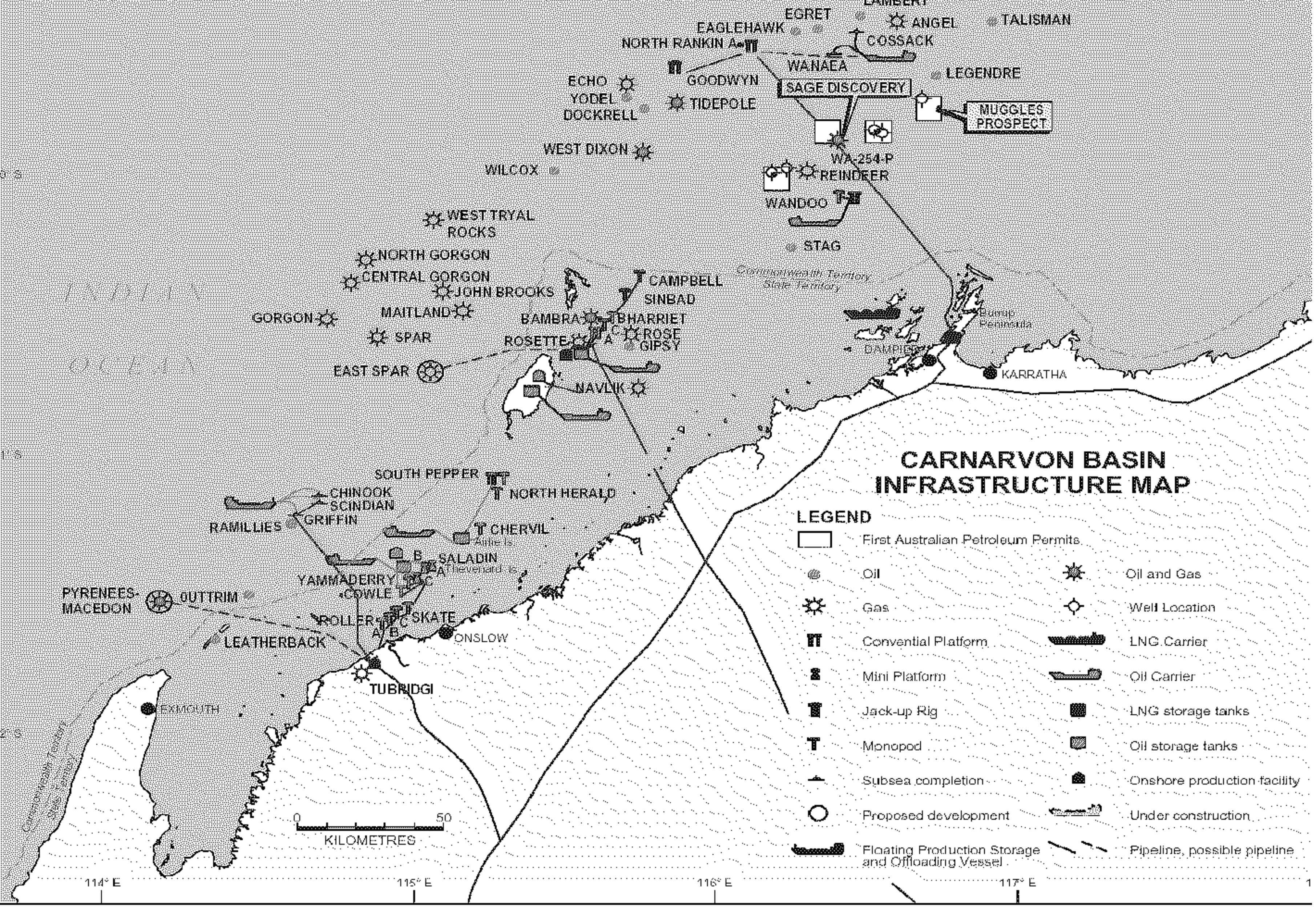
- Lake Long Deep Gas play South Louisiana
- Eagle-2 Oilfield project, California

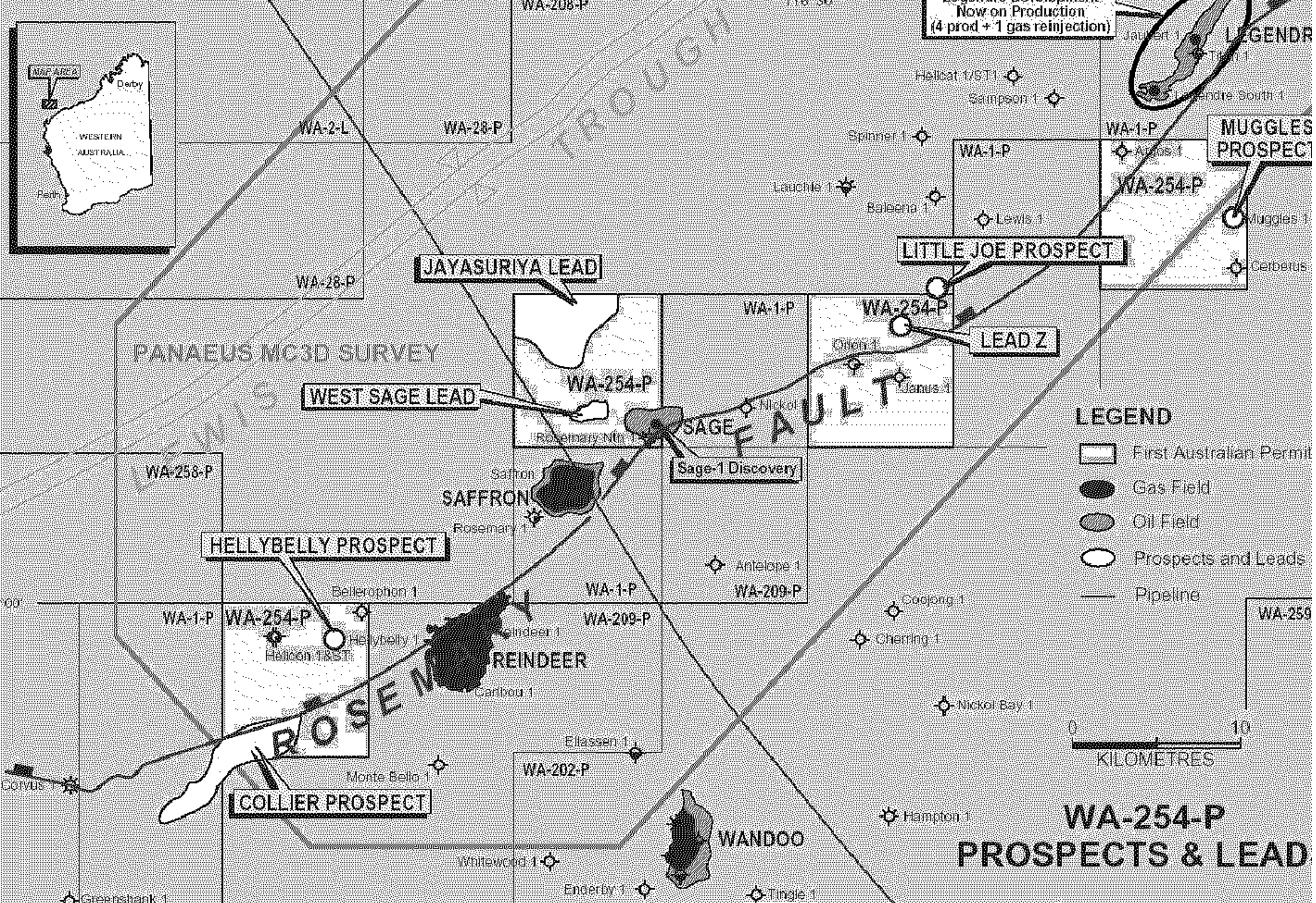
**CHINA**

- Follow up Wei 12-8-3 11m oil column

# WHY FAR 2004 PROGRAM SHOULD SUCCEED ?

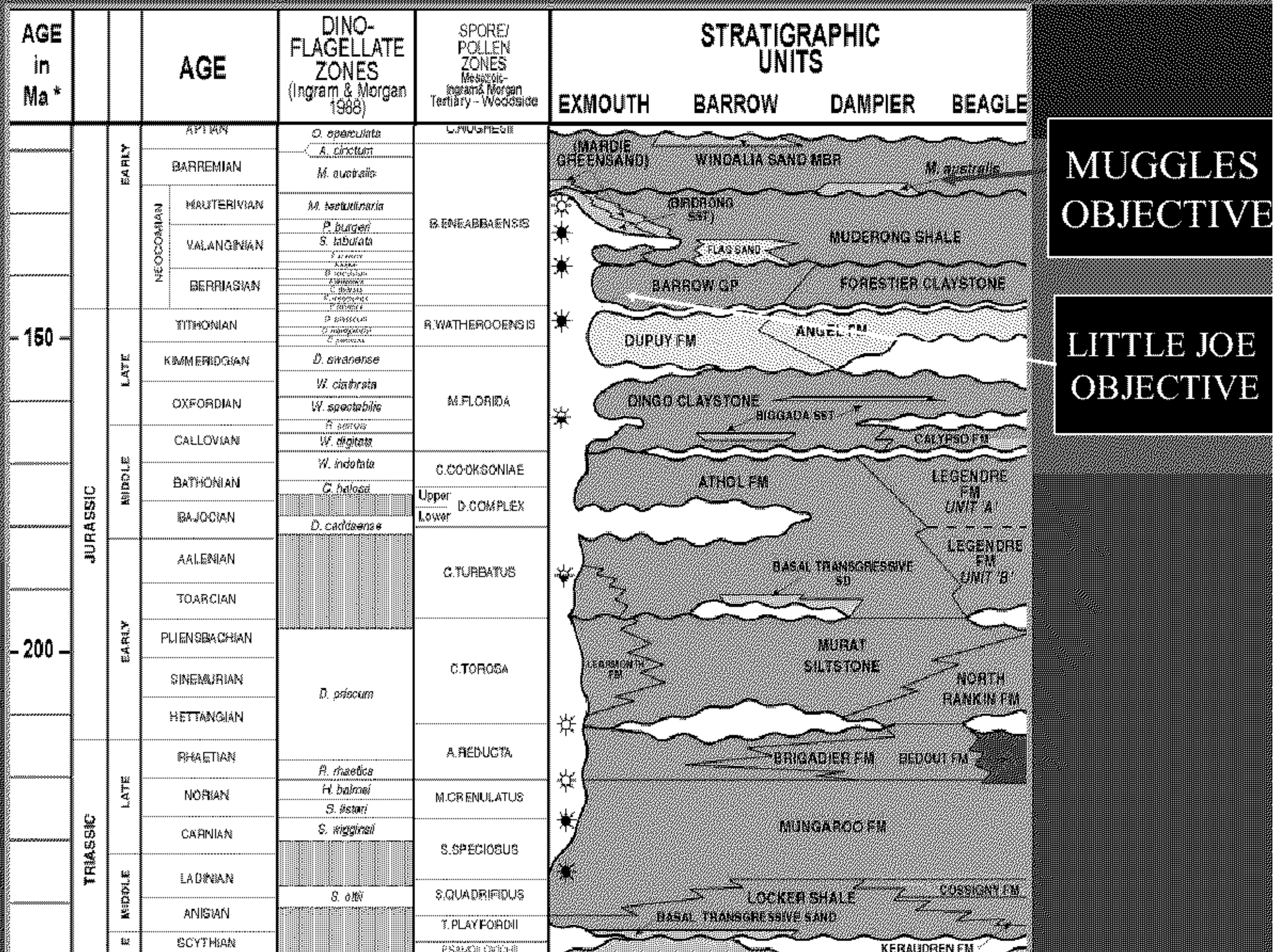
- SINCE THE 90'S GLOBAL EXPLORATION HAS BEEN DRIVEN BY 3D SEISMIC - OVER 80% OF FAR 2004 PROGRAM IS BASED ON 3D.
- EXPLORATION SUCCESS INCREASES WITH PROXIMITY TO EXISTING FIELDS –


CARNARVON BASIN
INFRASTRUCTURE MAP
LEGEND
First Australian Petroleum Permits
Oil
Oil and Gas
Gas
Well Location
Conventional Platform
LNG Carrier
Mini Platform
Oil Carrier
Jack-up Rig
LNG storage tanks
Monopod
Oil storage tanks
Subsea completion
Onshore production facility
Proposed development
Under construction
Floating Production Storage and Offloading Vessel
Pipeline, possible pipeline
EGRET
ANGEL
TALISMAN
EAGLEHAWK
NORTH RANKIN A
COSSACK
WANAEA
GOODWYN
LEGENDRE
ECHO
SAGE DISCOVERY
YODEL
TIDEPOLE
DOCKRELL
MUGGLES PROSPECT
WEST DIXON
WA-254-P
WILCOX
REINDEER
WANDOO
WEST TRYAL ROCKS
STAG
NORTH GORGON
CENTRAL GORGON
CAMPBELL
JOHN BROOKS
SINBAD
MAITLAND
GORGON
BAMBRA
HARRIET
SPAR
ROSE
ROSETTE
GIPSY
DAMPIER
EAST SPAR
KARRATHA
NAVLIK
SOUTH PEPPER
NORTH HERALD
CHINOOK
SCINDIAN
RAMILLIES
GRIFFIN
CHERVIL
SALADIN
YAMMADERRY
COWLE
PYRENEES-MACEDON
OUTTRIM
ROLLER
SKATE
LEATHERBACK
ONSLOW
TUBRIDGI
EXMOUTH
0
50
KILOMETRES
114° E
115° E
116° E
117° E

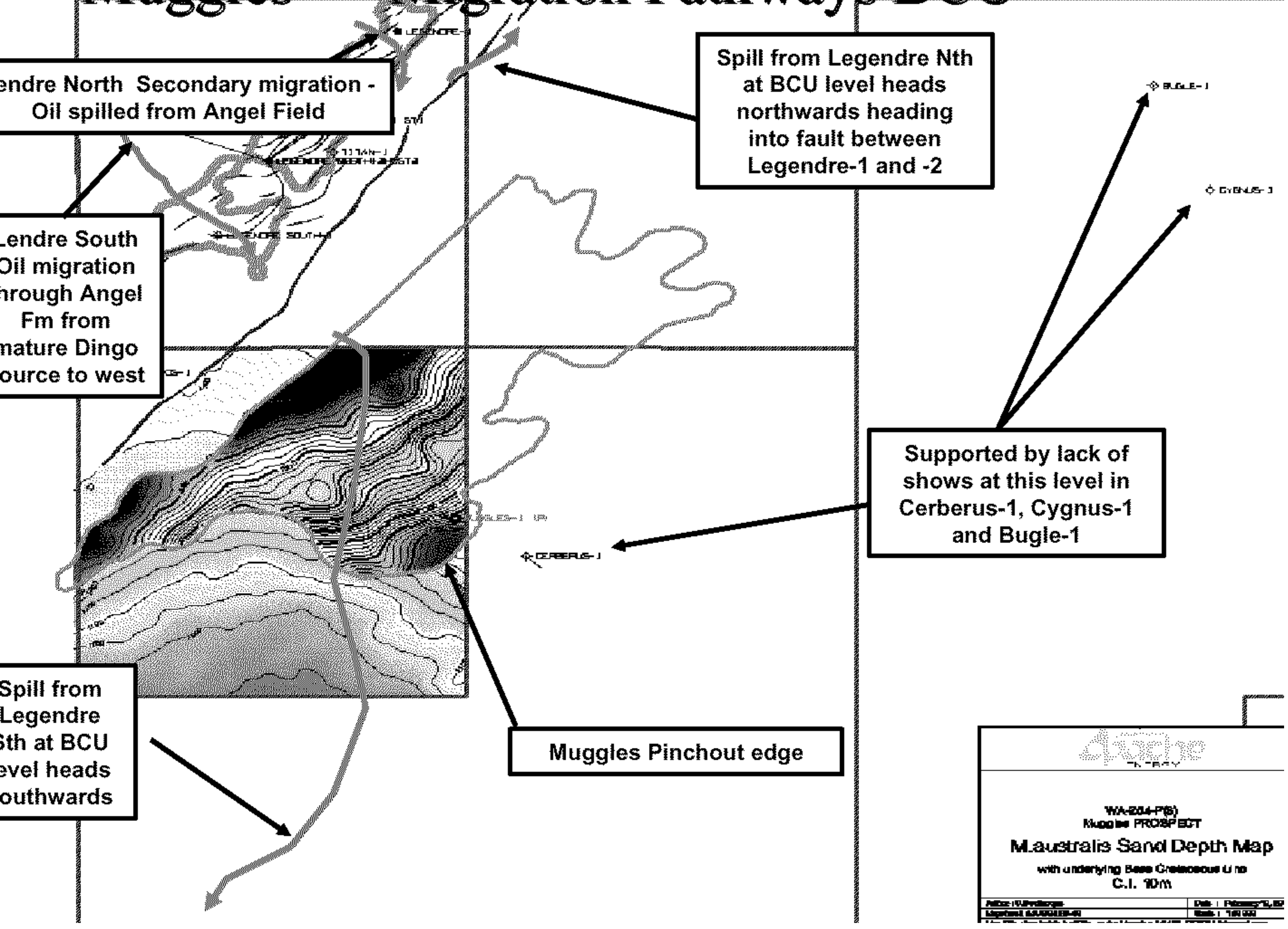



# WA-254-P PROSPECTS & LEAD

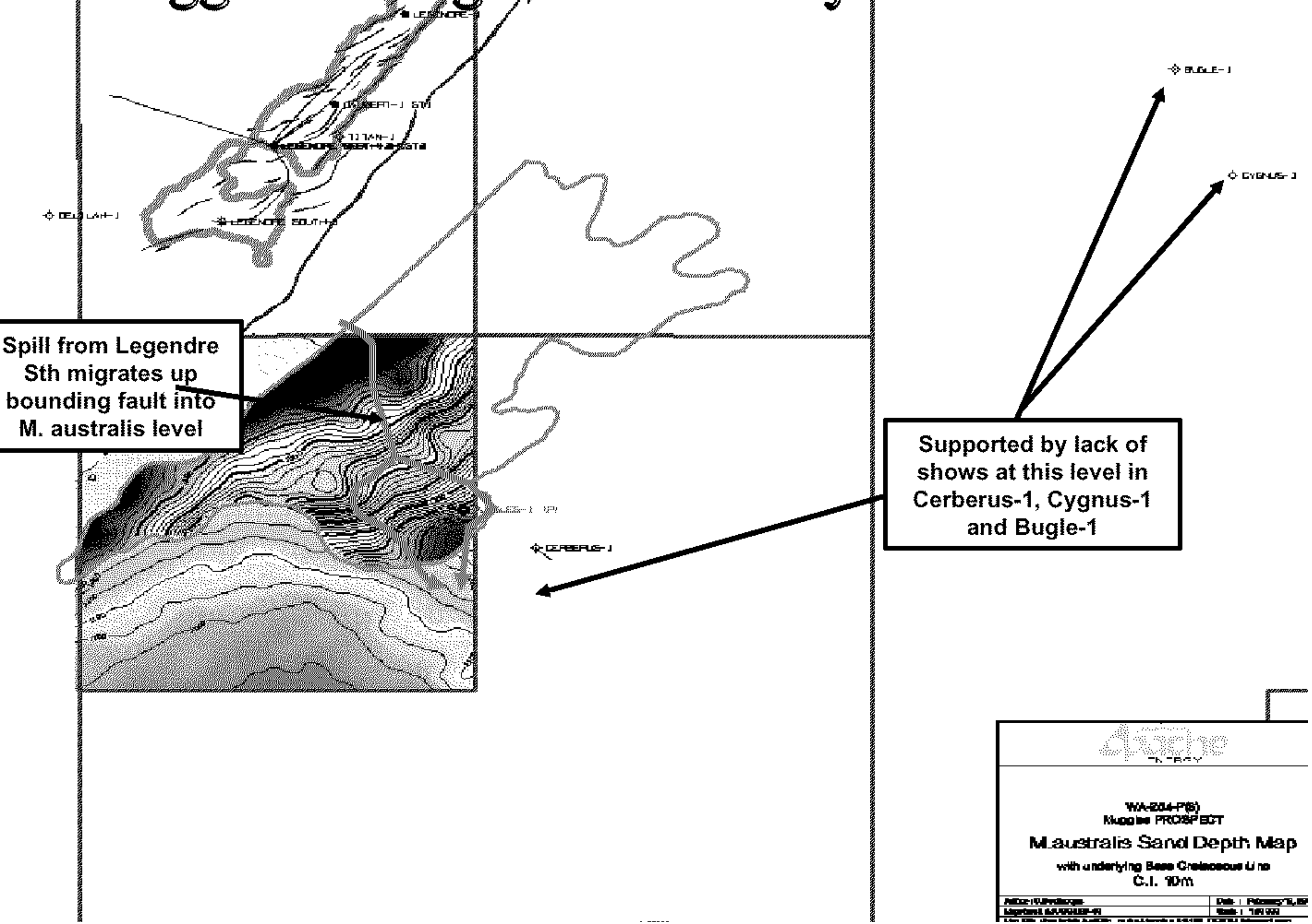
# Carnarvon Basin Chronostratigraphic Section



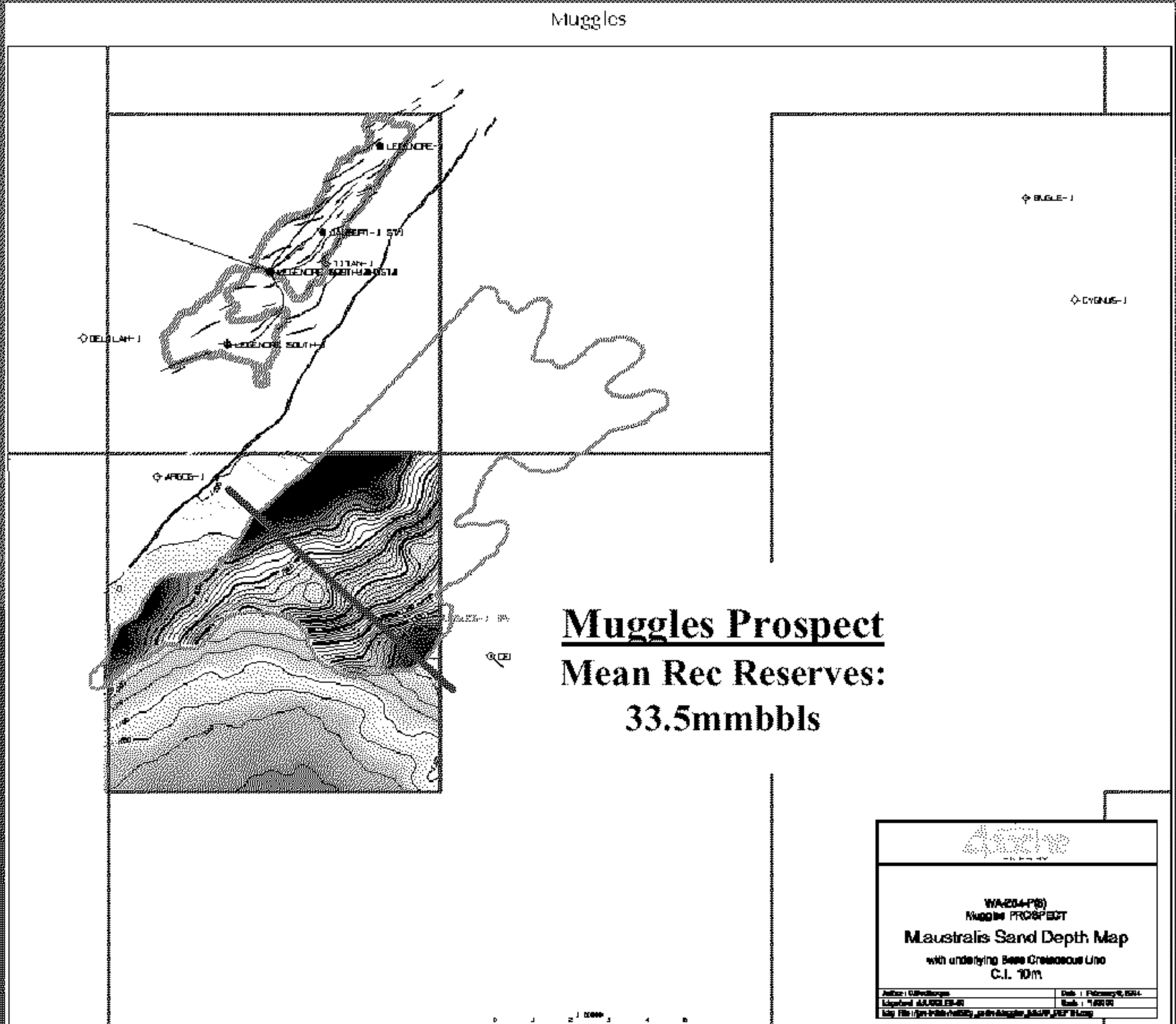
# Muggles - Migration Pathways BCU



# Muggles - Migration Pathways M. australis



# M.*australis* Depth Structure Map



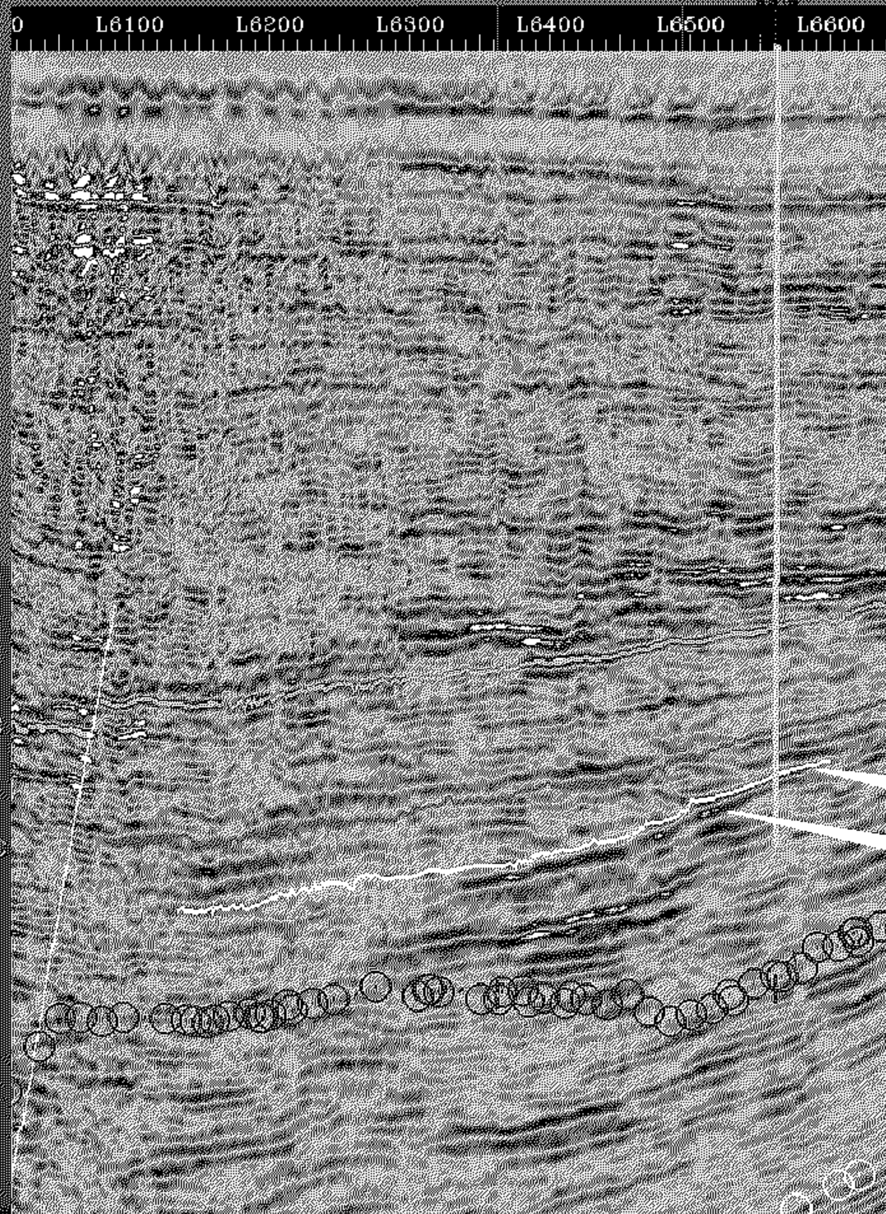
WA-254-P

Muggles-1
Proposed Location

# Crossline 6740

NW

SE




Turonian Unc

Alb/Apt Unc

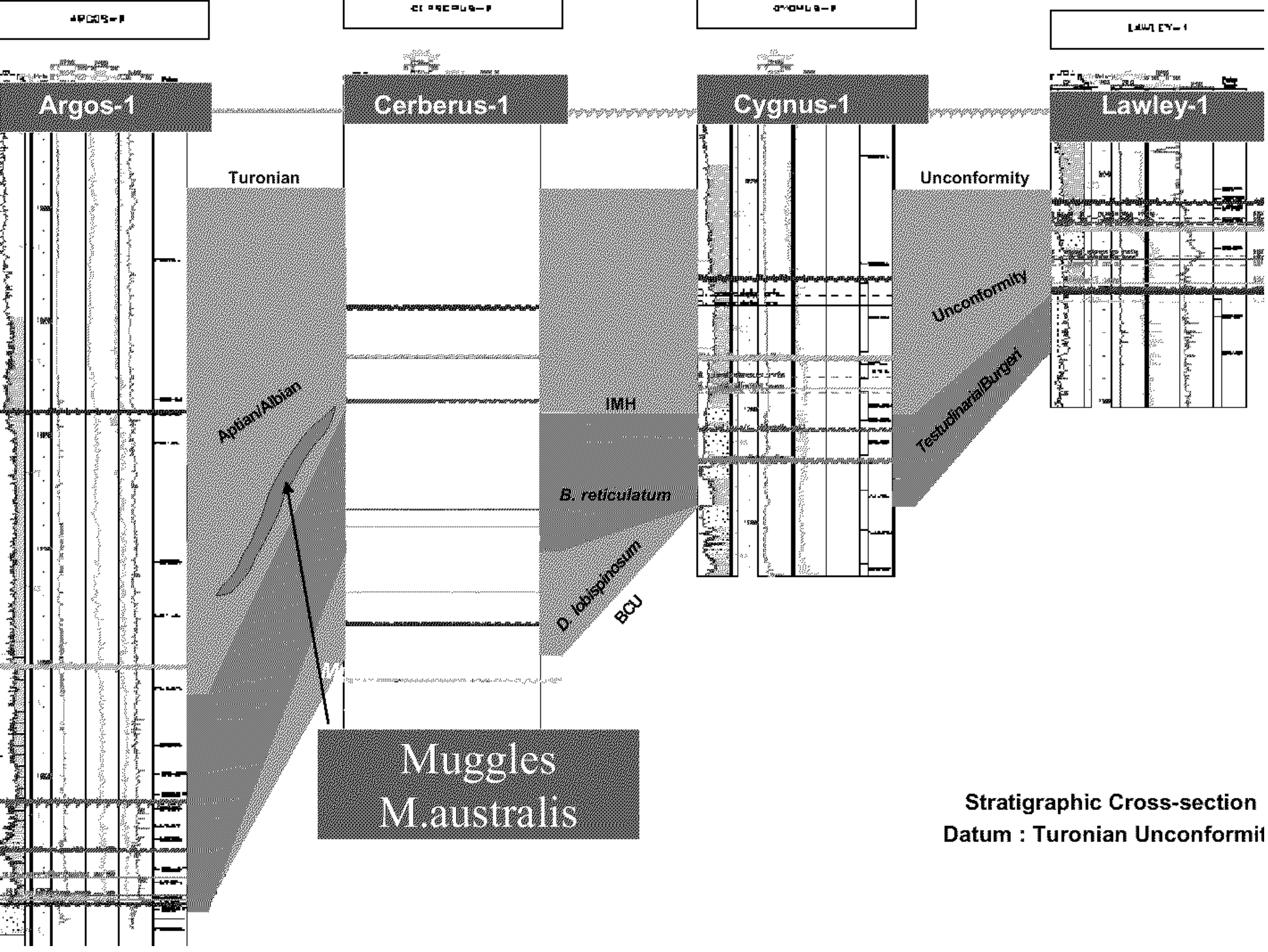
M.Australis Sand

**Top M.*australis* Sand Pincho**

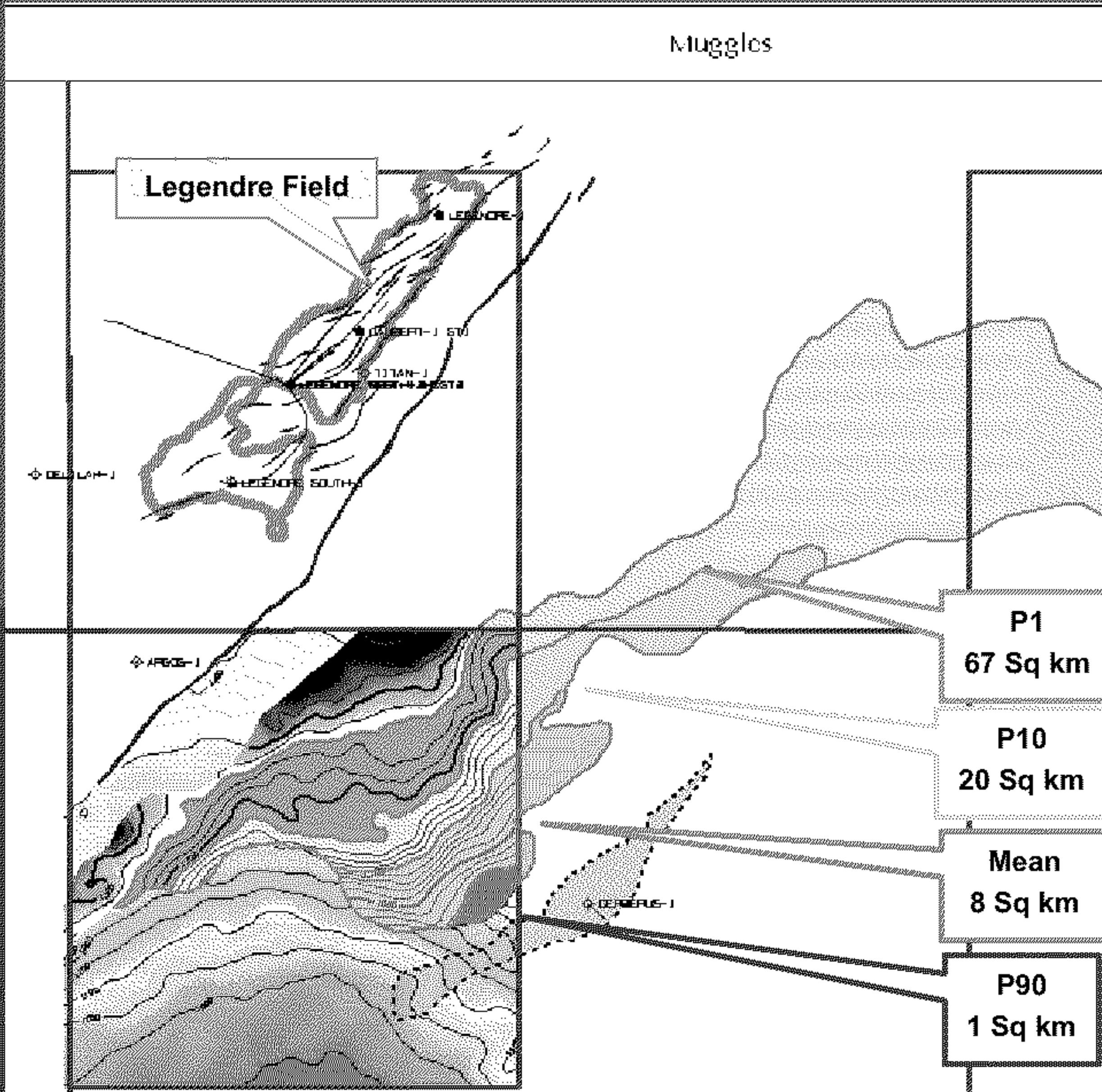
**Base M.*australis* Sand Reflect**

Pleinsbachian
Unc

May 04


Argos-1
Cerberus-1
Cygnus-1
Lawley-1
Turonian
Unconformity
Aptian/Albian
IMH
B. reticulatum
D. lobispinosum
BCU
Unconformity
Testudinaria/Burgeri
Muggles
M.australis
Stratigraphic Cross-section
Datum : Turonian Unconformit

# Muggles Areas used for Volumetrics




**Input**

| | | |
|---|---|---|
| P90 | 4.0 | m |
| P10 | 20.0 | m |
| P99 | 2.1 | m |
| Mode | 6.0 | m |
| P50 (median) | 8.9 | m |
| Mean (average) | 10.6 | m |
| P1 | 38.5 | m |

Estimated Avg Net Pay Check: 10.6 m

P39

**Input**

| | | |
|---|---|---|
| P90 | 1.0 | km |
| P10 | 20.0 | km |
| P99 | 0.3 | km |
| Mode | 1.1 | km |
| P50 (median) | 4.5 | km |
| Mean (average) | 8.0 | km |
| P1 | 67.8 | km |

Estimated Area Check: 8.0 km

# Muggles: Prospect Summary

Muggles-1 Exploration well (new Stag Play type)

Block: WA-254-P — Pg: 18%

Operator: Apache — Pc(oil): 13%

FAR WI : 10.7% — Key Risk: Seal

**M australis Unrisked Reserves (MMSTB)**

| | P90 | P50 | P10 | Mean |
|---|---|---|---|---|
| Truncated | 6.6 | 18.7 | 83.1 | 33.5 |

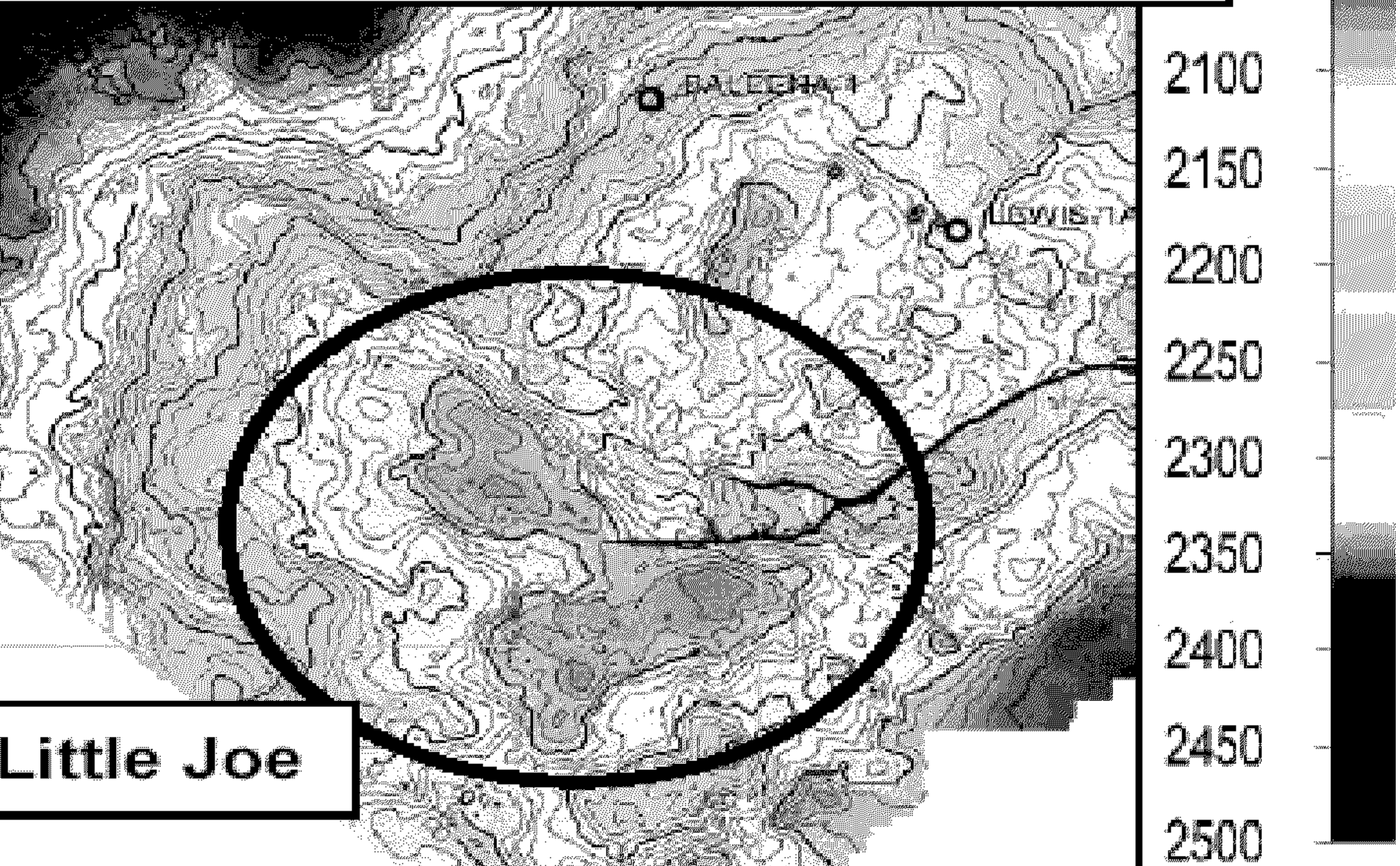
- **Stand Alone MOPU with tanker offloading. Opex A$15m/annum**
- **1st oil Jan 2006 at 20000 BOPD / Water injection pressure maintenanc**
- **4 horizontal producers on gas lift. MEFS 5.1 MMBO**
- **Dry Hole cost (MM$A1.9)**
- **Total Capital (MM$A164) or A$4.9 per barrel**

# Muggles-1 Leverage Table

| Participant | Interest | Shares on Issue (millions) | Last Sale Price $ | Discovery Value / Share $ | Options Exercise Price $ | New Share Price $ | Leverage % |
|---|---|---|---|---|---|---|---|
| **Victoria Pet** | 6.17% | 1349.0 | 0.022 | 0.02 | | 0.04 | 201% |
| **Sun** | 7.86% | 95.2 | 0.10 | 0.40 | | 0.50 | 501% |
| **Sun Opt 6/05** | 7.86% | 11.6 | 0.05 | 0.40 | 0.15 | 0.40 | 801% |
| **FAR** | 10.71% | 170.8 | 0.054 | 0.30 | | 0.36 | 664% |
| **FAR Opt 7/05** | 10.71% | 87.1 | 0.022 | 0.30 | 0.07 | 0.31 | 1412% |
| | | | | | | | |
| **Pan Pacific** | 2.99% | 237.8 | 0.115 | 0.06 | | 0.19 | 147% |

# ENSCO 56 Jack-up

# Base Tithonian shale depth map



# LITTLE JOE PROSPECT (WA-254-P)

The Little Joe prospect is currently being offered as part of a farmout package by Woodside in adjoining permit WA-208-P. Mapping by Apache suggests that up to 35% of the prospect lies within WA-254-P.

The Prospect is a Tithonian sand structural trap at approximately 2200 metres, a play type that has not been tested on the Legendre-Rosemary trend. Oil charge has been proven along this trend.

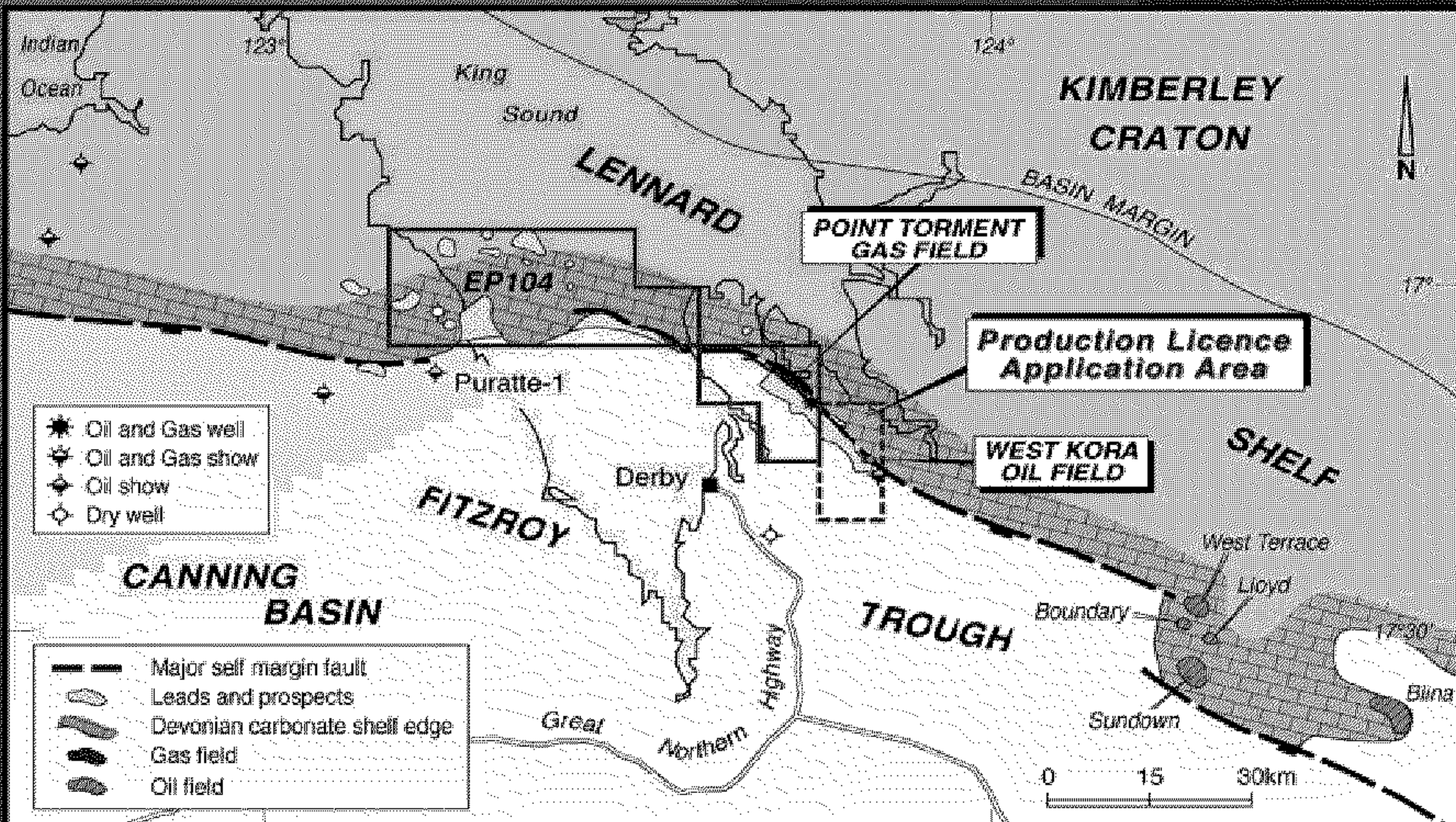
The prospect lies in approximately 60 metres of water with a short tie in distance to Woodside operated infrastructure at Legendre.

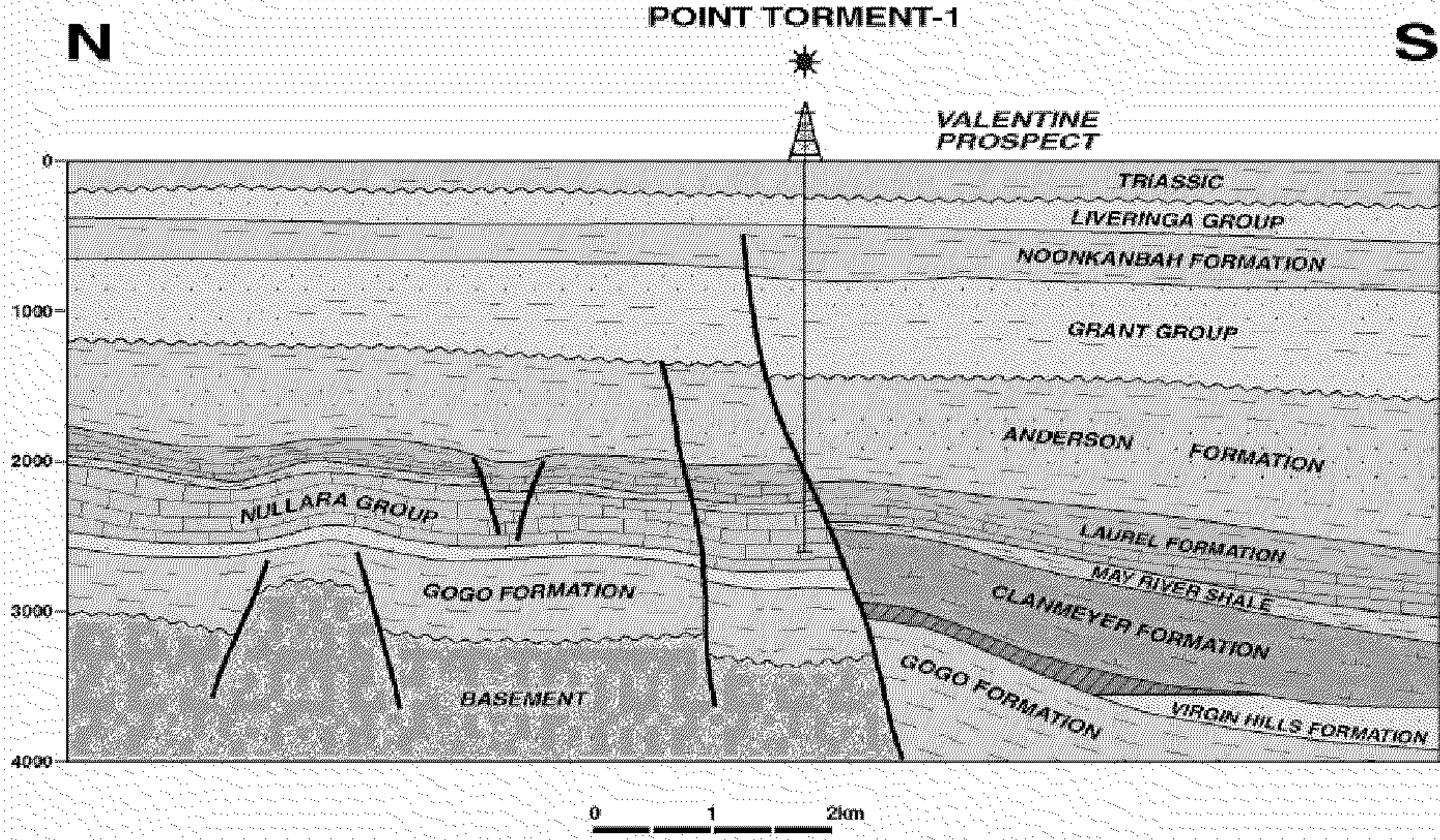
Estimated potential 37-71mmbbl oil in place (RF 30-50%)

# EP-104

# EP 104 Productive Trend

- 12 leads and prospects
- Point Torment-2 (Stokes Bay-1) to be






# GEOLOGICAL CROSS SECTION
# EP 104 (R4)

# EXPLORATION PERMIT EP-104 (R4)

# POINT TORMENT-1

# WELL HISTORY

1. Point Torment-1 drilled November, 1992 to a total depth of 2,130 metres.

2. Well encountered oil shows 1850 - 1855 & 1887 – 1891 metres; and gas shows 2025 – 2115 metres; both in the Early Carboniferous Anderson Formation.

3. DST-1 2085.8 – 2096.5 metres Early Carboniferous Anderson Fm
   GTS 3 minutes Stabilised flow of 4.3 MMcfg/d
   ½" choke FWHP 685 psi

4. Point Torment-1 deepened to 2,600 metres September – October, 1994.

5. Well encountered gas shows 2143 – 2191 metres (65 – 227 units) in the Early Carboniferous Anderson Formation; and gas & oil shows 2394 - 2398 metres (140 – 166 units), and gas shows 2417 – 2427 metres (96 – 289 units), both in the Late Devonian Nullara Limestone.

6. DST-1 2389.5 – 2470.5 metres Late Devonian Nullara Limestone
   GTS Flow of 134 Mcfg/d Trace oil

7. DST's 2 & 3 Misrun

8. Cased hole DST-4 2391 – 2437 metres Nullara Limestone
   GTS Flow of 82 Mcfg/d Trace oil

9. Cased hole DST-5 2267.5 – 2280 metres Anderson Formation
   GTS Flow of 63.4 Mcfg/d

10. Cased hole DST-6 2145.5 – 2163.5 metres Anderson Formation
    GTS RTSTM

11. Point Torment-1 worked over and "A" Sand re-perforated and re-tested.

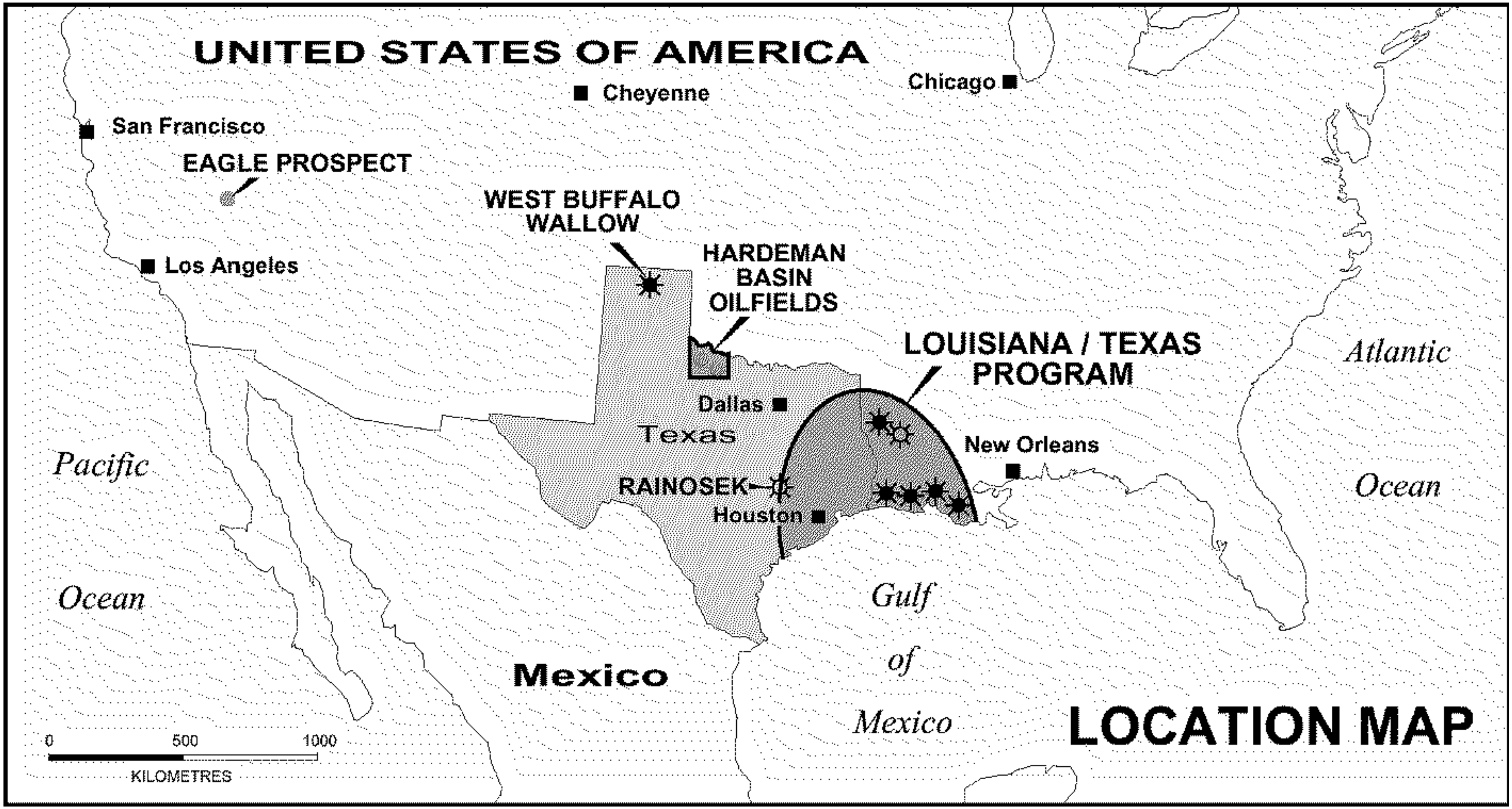
12. The "A" Sand did not flow but oil recovered in pipe.

# POINT TORMENT ECONOMICS

| | |
|---|---|
| Gas Price | $2.70 per Mcf at wellhead<br>escalating @ 80% CPI |
| Development Costs | A$12.5 million |
| Operating Costs | A$1.0 million per year |
| Royalty | 10% (to State Government) |
| Inflation | 3% |
| Discount Rate | 10% |
| Estimated Reserves | 33 BCF recoverable gas in “A” San<br>47 BCF recoverable gas in “C”Sand |
| Production | 3 wells capable of 2-3 MMcfd each<br>Production commences in 2006<br>6 MMcfd with 20 year contract |
| Gross Revenue | A$157 million |
| Royalty to State | A$13 million |
| Net Cash Flow | A$103 million |
| Net Present Value | A$30 million |

# POINT TORMENT-2 WELL

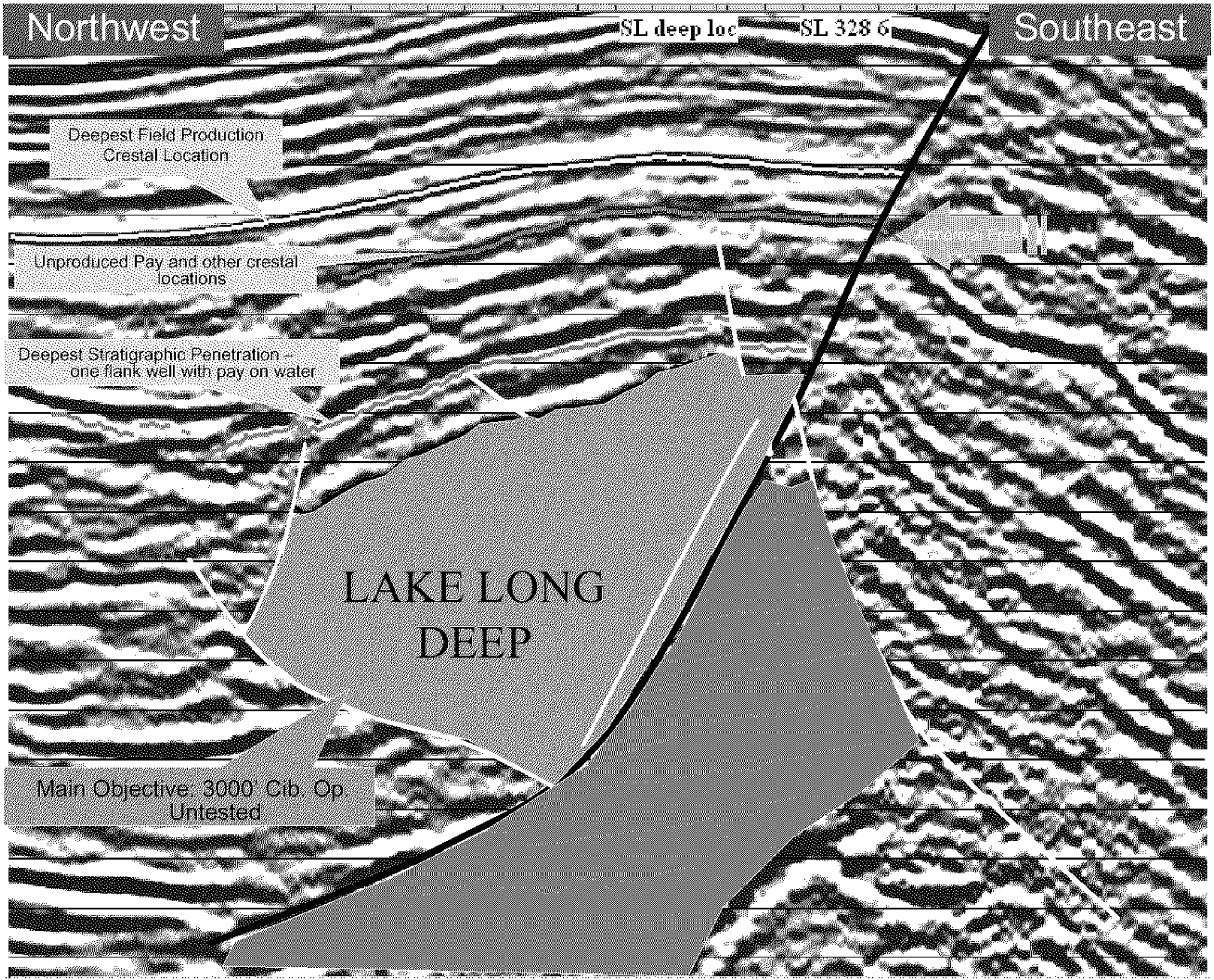
- farm out complete – drill Aug 2004. FAR 8%.
- 20 yr Gas sales agreement with LNG international (advanced plans to build small LNG Plant at Port Hedland).
- Dry hole cost $1.7m. Estimated potential 33 BCF "A" Sand and 47 BCF "C" Sand
- Production possible 2006 at 6 mmcfd from 2 wells.

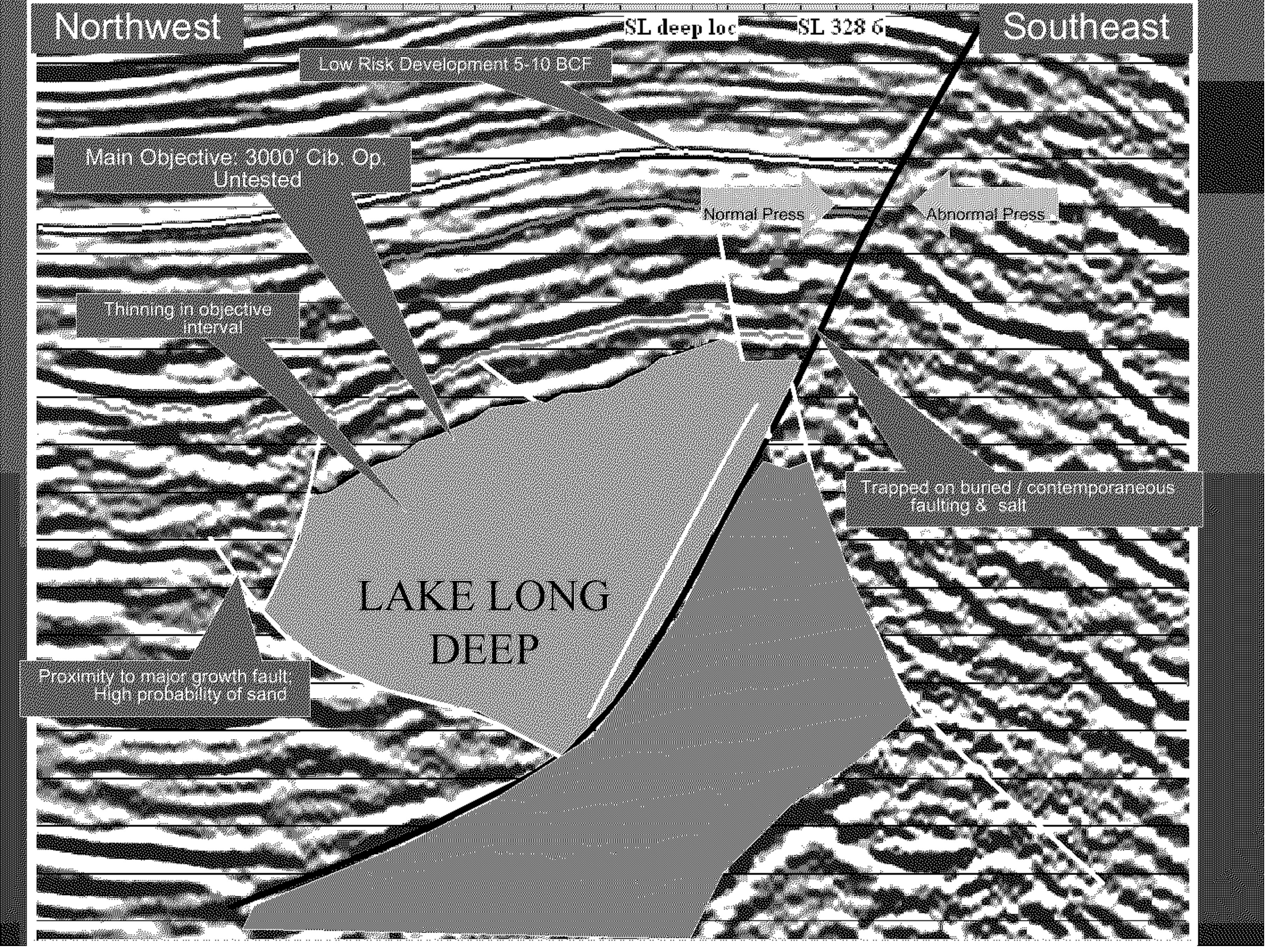

UNITED STATES OF AMERICA
Cheyenne
Chicago
San Francisco
EAGLE PROSPECT
WEST BUFFALO WALLOW
HARDEMAN BASIN OILFIELDS
Los Angeles
LOUISIANA / TEXAS PROGRAM
Atlantic
Dallas
Texas
New Orleans
Pacific
RAINOSEK
Ocean
Houston
Ocean
Gulf
of
Mexico
Mexico
0
500
1000
KILOMETRES
LOCATION MAP

# LAKE LONG (FAR 1.375 - 30%) (deeper play ~ 5%) 5 Producing wells

- Lake Long has produced 300 BCF and 20 mmbo from 26 zones
- FAR has had 100% success rate in all four wells at Lake Long
- FAR recently increased interests
- Entire field has 3D seismic cover.
- Deeper 766 BCFGE play mid 2004

# SL 328 #2ST well Barge Rig


Northwest
Southeast
SL deep loc
SL 328 6
Deepest Field Production
Crestal Location
Unproduced Pay and other crestal
locations
Deepest Stratigraphic Penetration –
one flank well with pay on water
LAKE LONG
DEEP
Main Objective: 3000' Cib. Op.
Untested


Northwest
Southeast
SL deep loc
SL 328 6
Low Risk Development 5-10 BCF
Main Objective: 3000' Cib. Op. Untested
Normal Press
Abnormal Press
Thinning in objective interval
Trapped on buried / contemporaneous faulting & salt
LAKE LONG DEEP
Proximity to major growth fault. High probability of sand

# CIB. OP. / HOLLYWOOD TREND

# LAFOURCHE AND TERREBONNE PARISHES, LOUISIANA

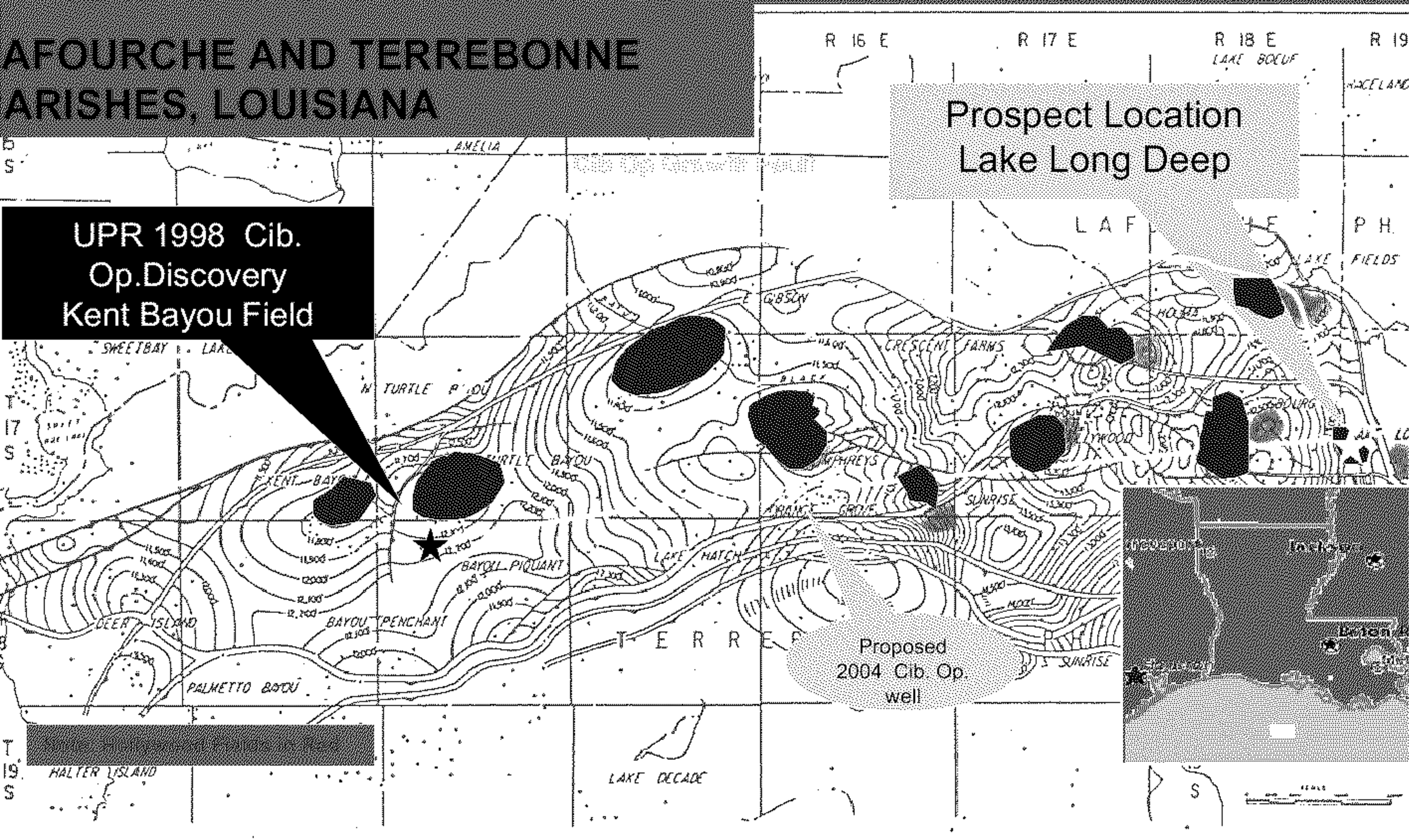
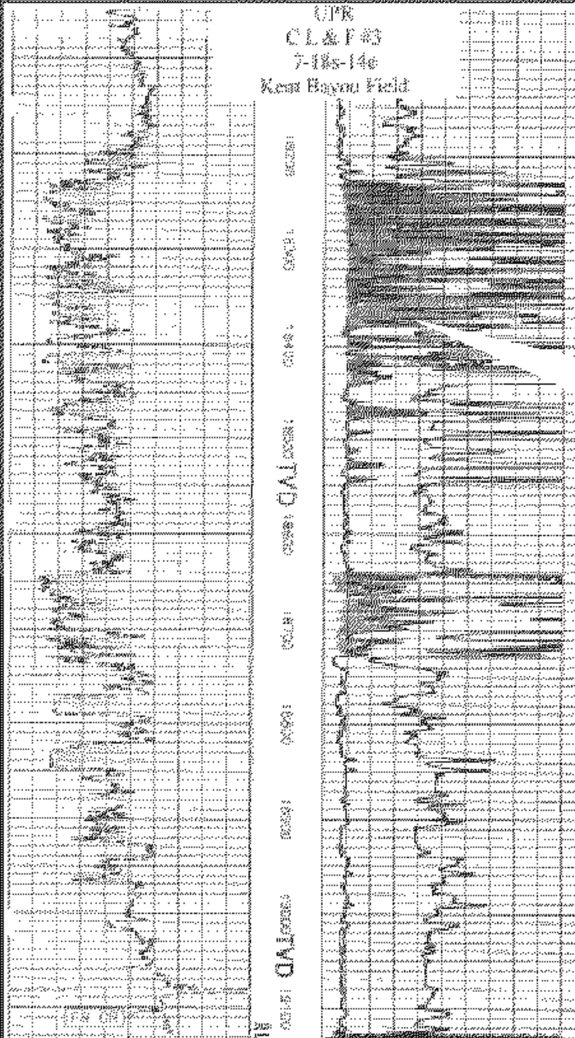
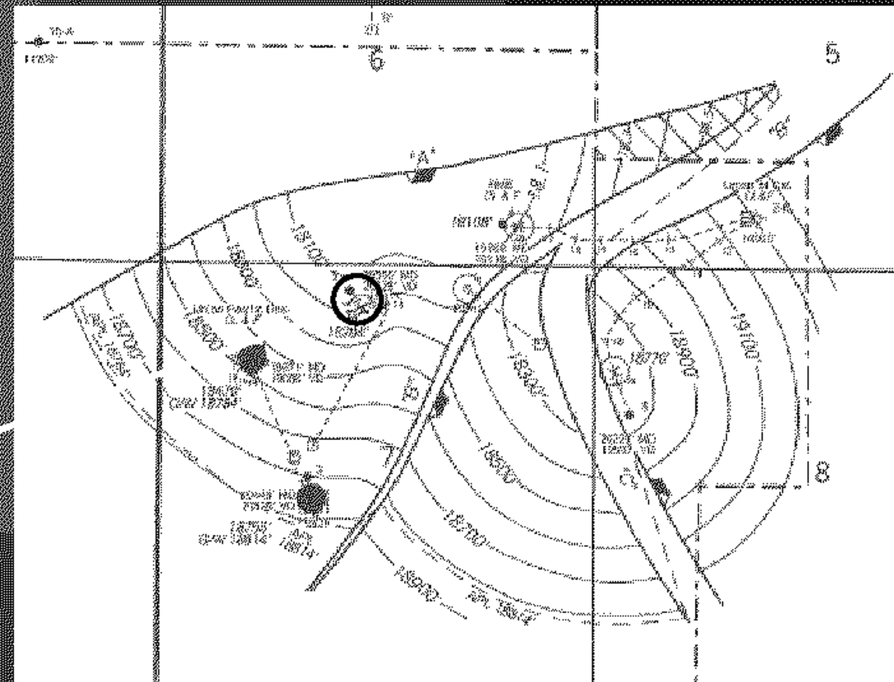



Figure 8—Structure may on the "*Cristellaria* I" resistivity marker.




550' Gross Pay



700' Pay column - approximately 640 acres

5 wells: Cum. 3/2000- 6/2002 54.5 BCFG + 11.6 MMBC

Initial Daily Production 5 wells: 95 MMCFGD + 8,600 BC

Porosities average 25% Perms as high as 5 Darcies

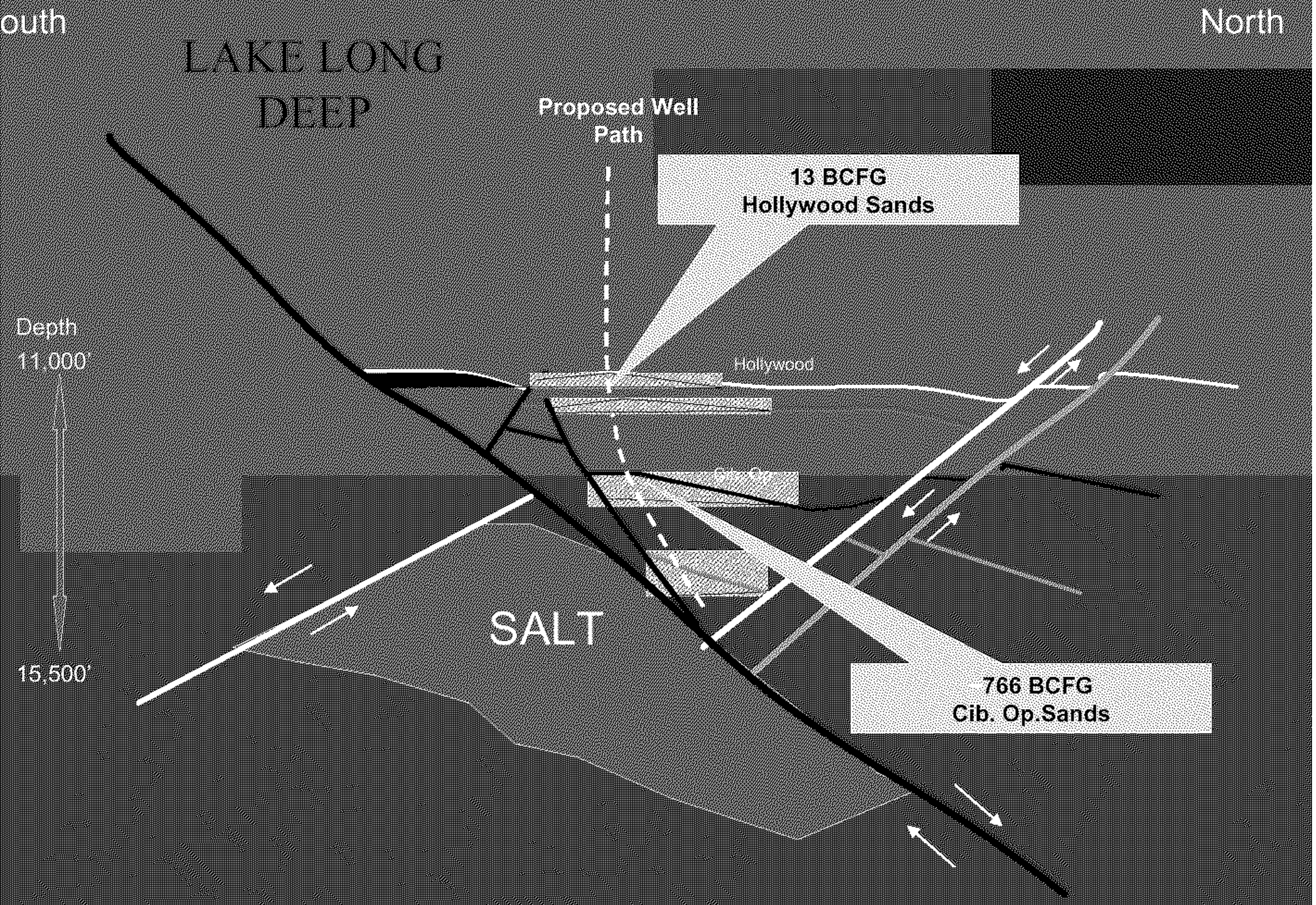
## Analog Field - Kent Bayou - Type Log: Cib. Op. Pay Interval

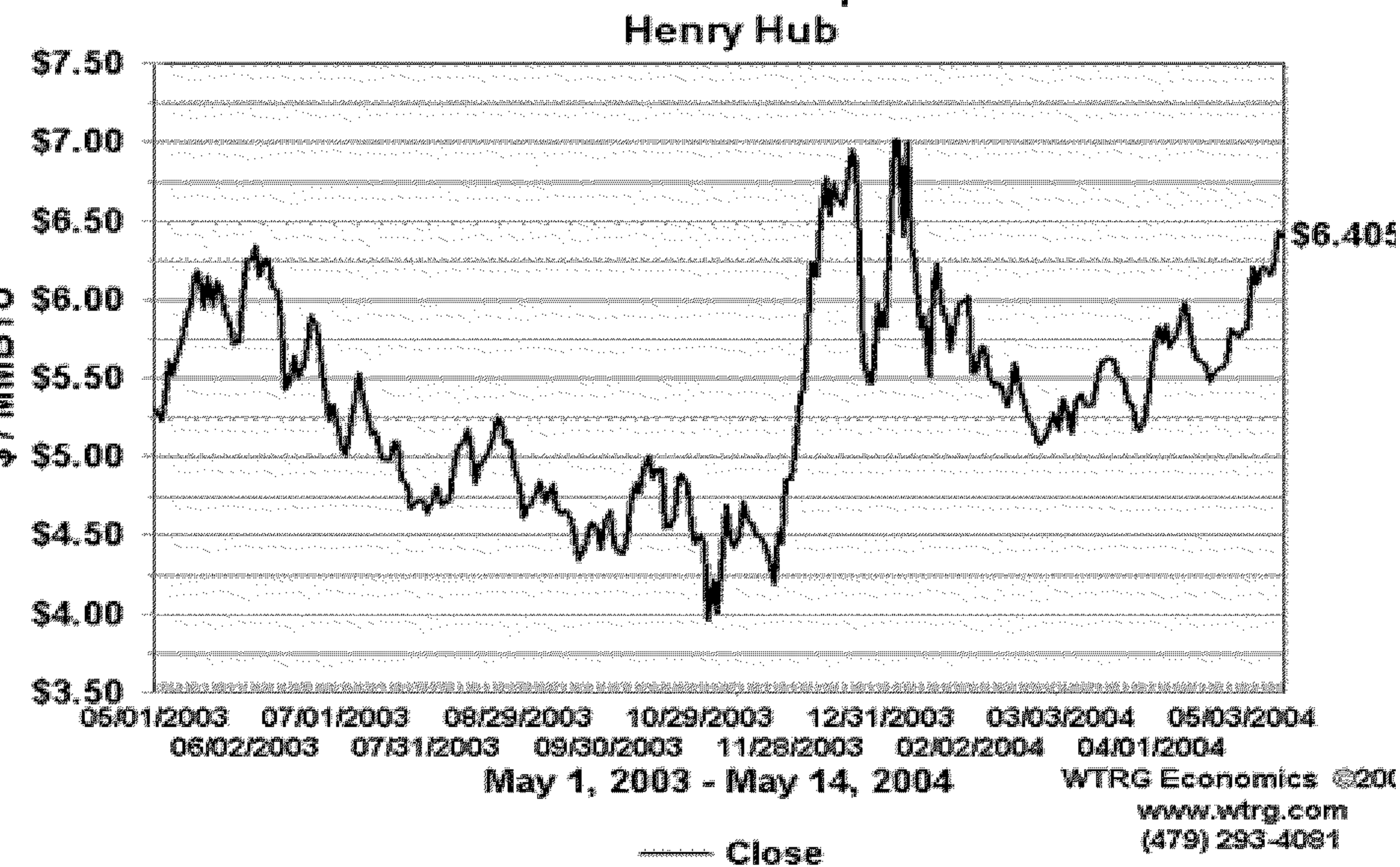
# Miocene- South Louisiana

## Lake Long Field Area

| | |
|---|---|
| ***Bigenerina A*** | Field Pays |
| ***Discorbis 12*** | |
| ***Tex. L*** | |
| ***Cibicides carstensi*** | |
| ***Textularia warreni*** | |
| ***Bigenerina humblei*** | |
| *Cristellaria I (Hollywood)* | *Deepest Field Pay Secondary Objective* |
| *Cibicides opima (Cib.Op.)* | *Primary Objective* |
| ***Amphistegina B*** | |
| ***Robulus L*** | |
| ***Operculinoides*** | |
| ***Marginulina ascensionensis*** | |
| ***Siphonina davisi*** | |

# LAKE LONG DEEP




Henry Hub
$7.50
$7.00
$6.50
$6.00
$5.50
$5.00
$4.50
$4.00
$3.50
$6.405
05/01/2003
07/01/2003
08/29/2003
10/29/2003
12/31/2003
03/03/2004
05/03/2004
06/02/2003
07/31/2003
09/30/2003
11/28/2003
02/02/2004
04/01/2004
May 1, 2003 - May 14, 2004
WTRG Economics
www.wtrg.com
(479) 293-4081
Close

# LAKE LONG DEEP POTENTIAL

- Lake long Deep has mapped potential of 766 BCFGE
- At US$5.50 per mcf the prospect could throw off approx AUD$6 billion in future revenue (@0.69) to the 100 percent interest
- By analogy a 4-5% interest in this project alone would potentially be worth more to FAR than a 100 percent interest in a 60 BCF gas discovery in the Cooper Eromanga basin
- Infrastructure exists and market is immediate.

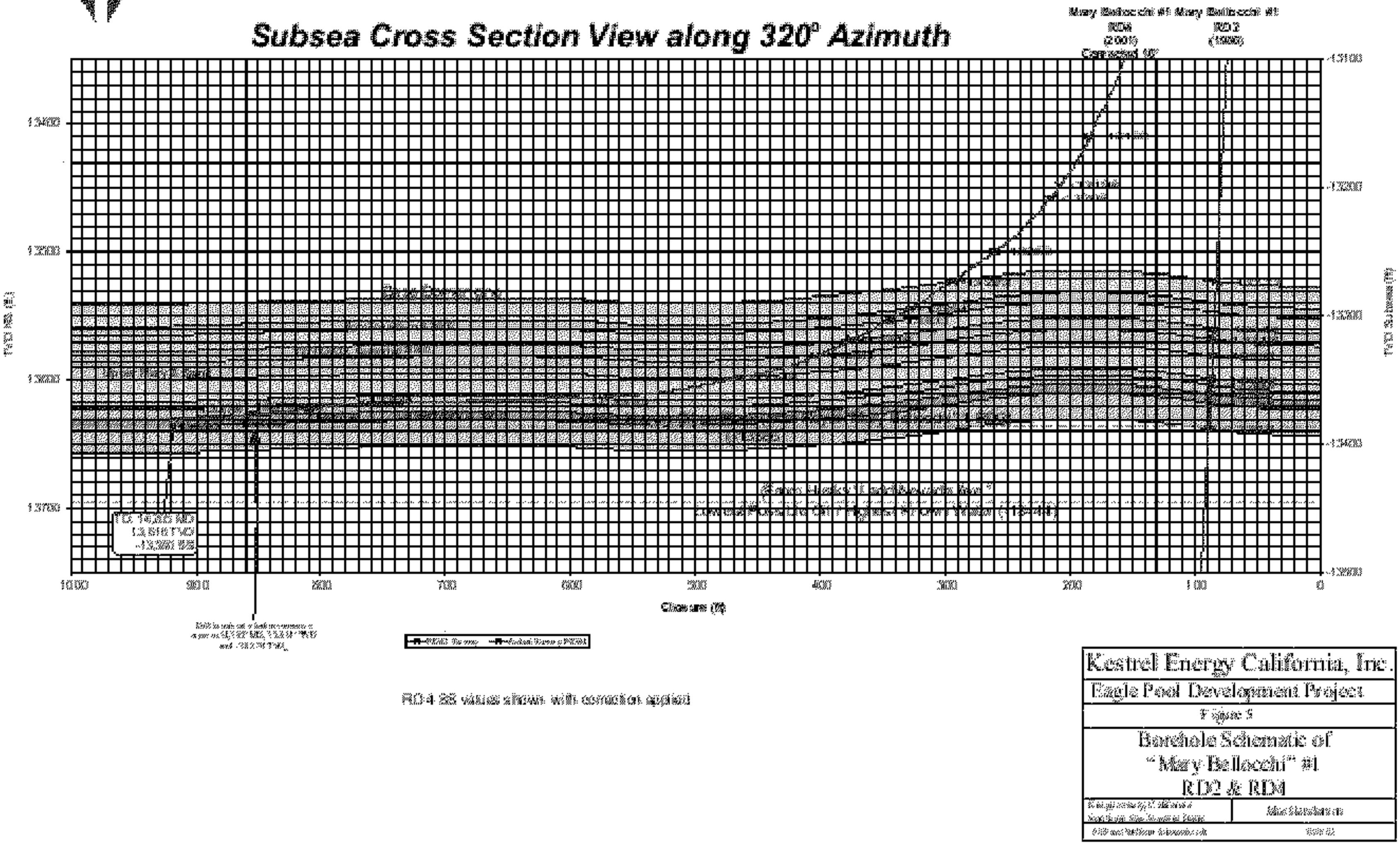
VICTORIA PETROLEUM N.L.

# EAGLE OILFIELD DEVELOPMENT PROJECT
# SAN JOAQUIN BASIN, CALIFORNIA

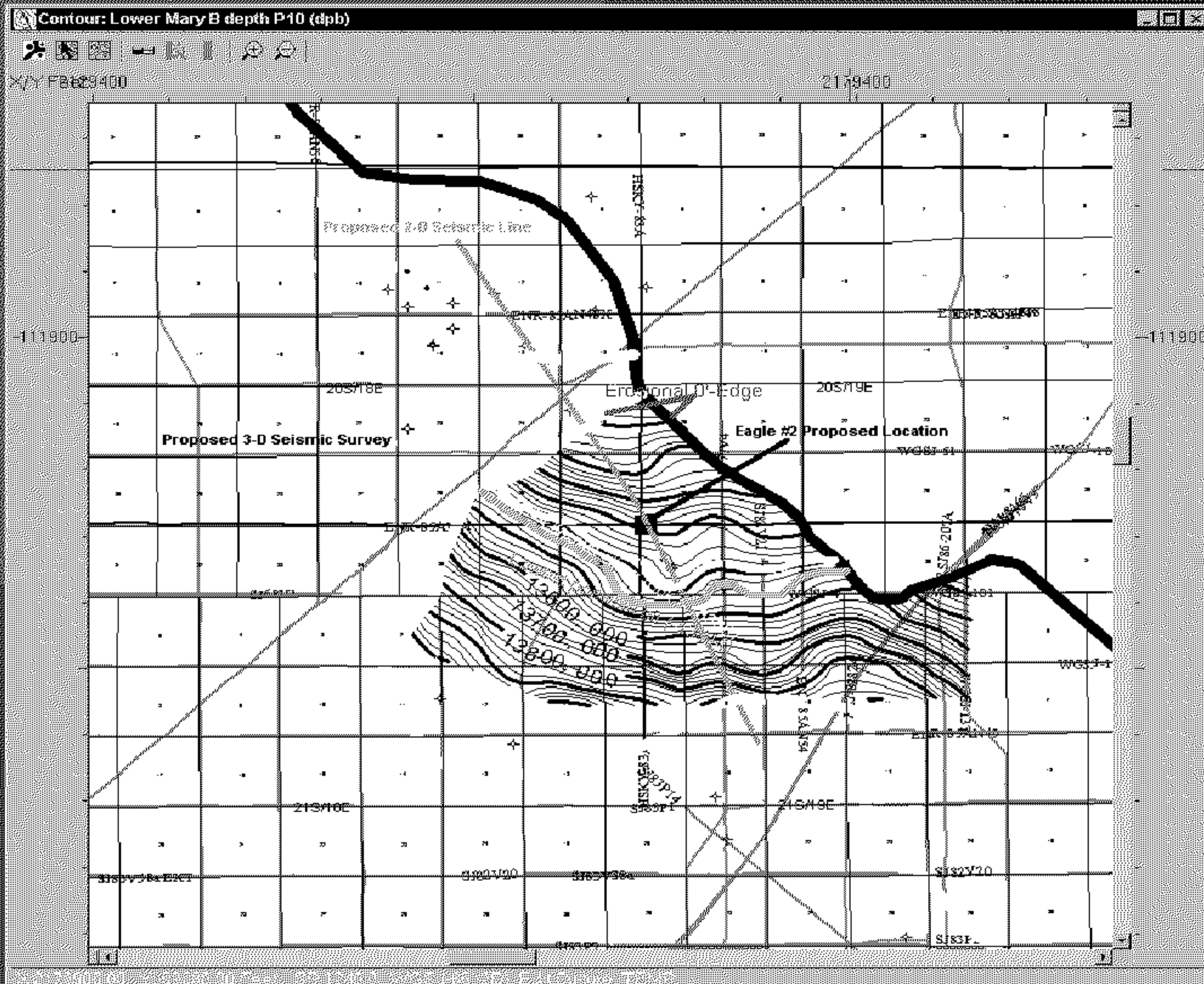
- **Low risk 24 million barrel and 62 BCF stratigraphic oil field development play with 223 BOPD and 1 MMCFD 1986 field discovery well with 31 metre gross oil column**
- **Targeting sandstone reservoir at 4300 metres with horizontal drilling production potential of 400-1000 BOPD and 1.5 – 3.5 MMCFD**
- **Eagle-1 horizontal drilling operations completed August 2001 with 271 metre horizontal leg and 90 metres of interpreted oil pay not tested due to downhole mechanical problems**
- **No exploration risk because Eagle has proven oil and gas production with drilling risk reduced from experience gained drilling Eagle-1 horizontal well**
- **Completion and testing of minimum of 90 metres of interpreted oil pay with Eagle-2 new well redrill twinning Eagle-1 planned for mid 2004, following farmout**
- **Strong oil price with gas prices of US$4-11/MCF (A$7-18/MCF)**

VICTORIA PETROLEUM N.L.

# Eagle-1 horizontal wellbore path in Gatchell Oil Sand



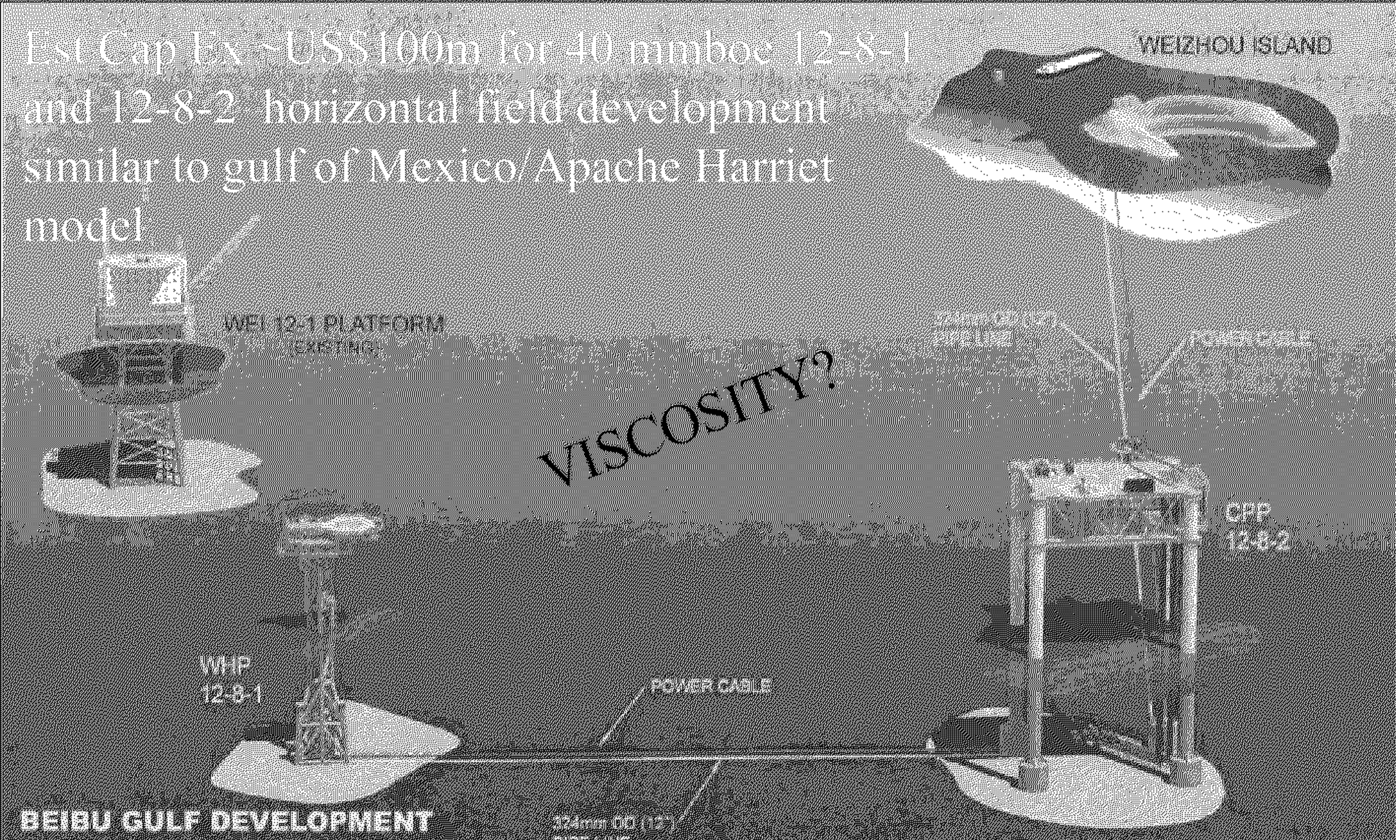
# May 2004 Seismic line acquisition pre Eagle No 2 well



# Beibu Gulf Block 22/12 Development Concept

Est Cap Ex ~US$100m for 40 mmboe 12-8-1 and 12-8-2 horizontal field development similar to gulf of Mexico/Apache Harriet model

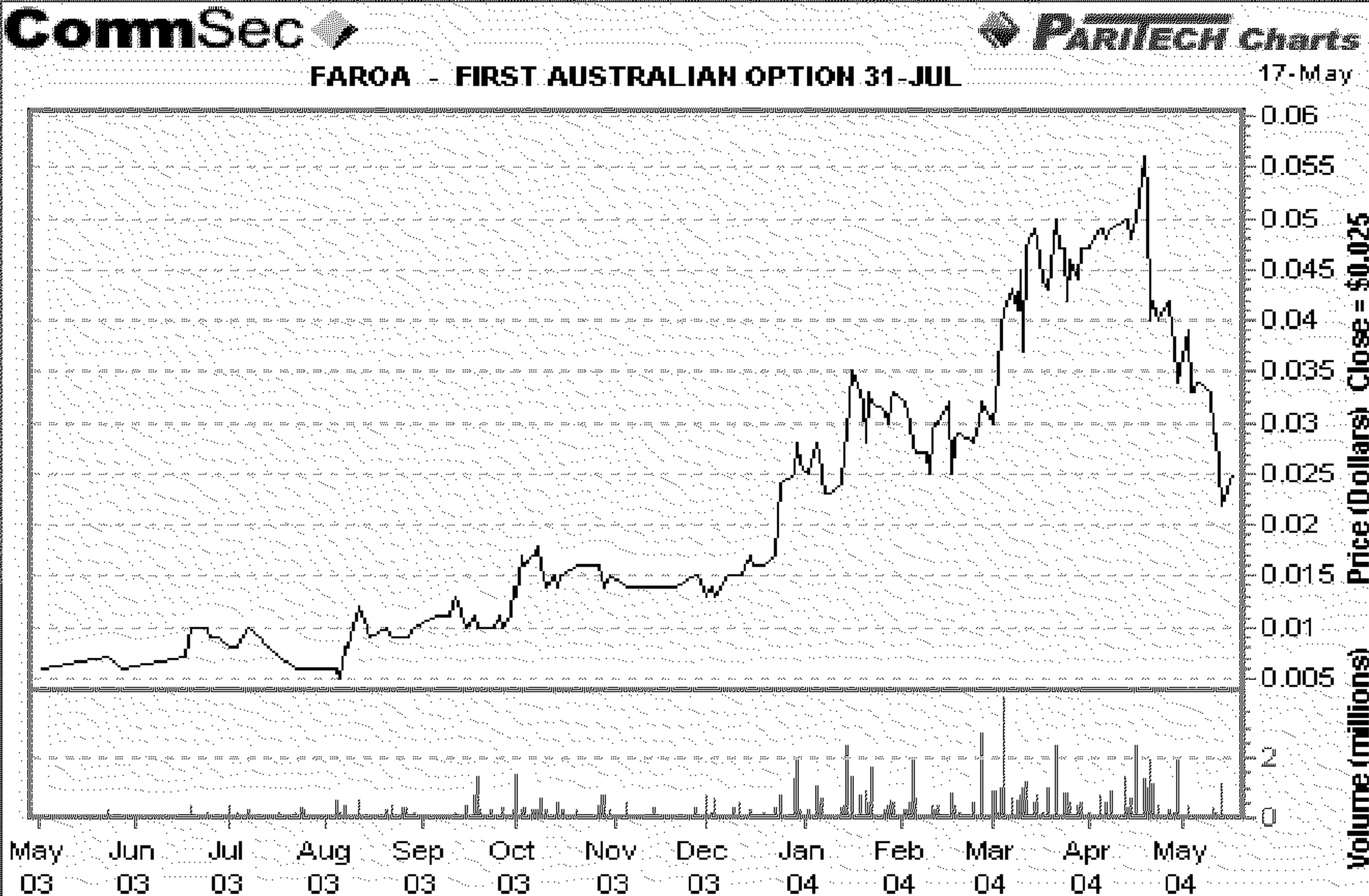
VISCOSITY?



# PRODUCTION FROM THREE COUNTRIES IN TWO YEARS (?)

- **Far already has production in USA, however success at Lake Long could expand this.**
- **China – can we solve the viscosity issue?**
- **Muggles-1/Little Joe rapid development possible based on Apache style model.**


CommSec
PARITECH Charts
FAR - FIRST AUSTRALIAN
17-May
0.12
0.11
0.1
0.09
0.08
0.07
0.06
0.05
0.04
0.03
0.02
5
0
Price (Dollars) Close = $0.052
Volume (millions)
May 03
Jun 03
Jul 03
Aug 03
Sep 03
Oct 03
Nov 03
Dec 03
Jan 04
Feb 04
Mar 04
Apr 04
May 04


CommSec
PARITECH Charts
FAROA - FIRST AUSTRALIAN OPTION 31-JUL
17-May
0.06
0.055
0.05
0.045
0.04
0.035
0.03
0.025
0.02
0.015
0.01
0.005
Price (Dollars) Close = $0.025
2
0
Volume (millions)
May 03
Jun 03
Jul 03
Aug 03
Sep 03
Oct 03
Nov 03
Dec 03
Jan 04
Feb 04
Mar 04
Apr 04
May 04

# END OF PRESENTATION