



ABN 41 009 117 293

FIRST AUSTRALIAN RESOURCES LIMITED

Incorporated in Western Australia

9 June 2004

ASX ANNOUNCEMENT AND MEDIA RELEASE

PLACEMENT PROSPECTUS OVERSUBSCRIBED

The Company is pleased to advise that the placement prospectus dated 25 May 2004 has been oversubscribed following strong support from existing shareholders.

Whilst shareholders are being given priority under the terms of the prospectus, some scaling back of applications will be necessary. Securities will be allotted and holding statements mailed to successful applicants in due course. All enquiries concerning statements should be directed to Advanced Share Registry Services.

Participation by directors in the issue on the same terms offered under the prospectus is subject to a meeting of shareholders called for 30 June 2004.

Commenting on the placement, the Chairman, Michael Evans said:

"It was pleasing to see the placement filled in such a short time thanks to the excellent response from our shareholders. We now look forward with optimism to the spudding of the Muggles well by Apache Energy, offshore Western Australia, commencing about 23 June 2004, to be followed shortly thereafter by the Lake Long Deep well in the intra-coastal waters of the US gulf coast. Success on either front would be very significant to the company, particularly in the current energy pricing regime."

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