



US Oil & Gas Downunder Conference

First Australian Resources Ltd

March 2006

Overview of FAR

Active International Portfolio (USA/China/Senegal)

Strong 3D driven 2006 Program (18 wells)

Cash of \$13.8m (at 15 March 2005)

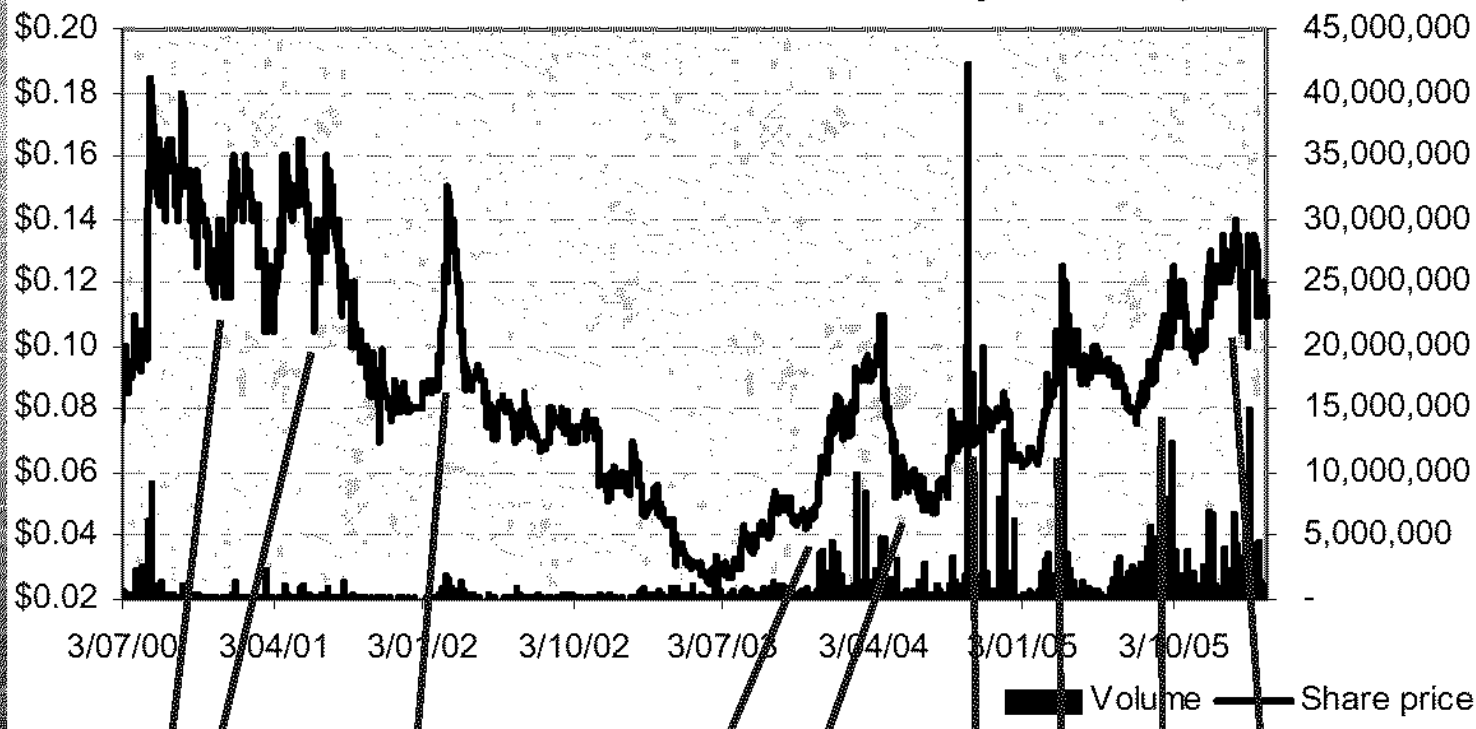
Non Operator Focus (more \$\$\$ in wells)

CAPITAL STRUCTURE

	Shares	Mkt Cap (@ 11c)
Ordinary shares	318,553,344	\$ 35,040,868
Unlisted options (various exercise and expiry terms)	10,500,000	
Total Issued Shares	329,053,344	\$ 36,195,868
Convertible notes (10% at 70c each)	7,700,000	\$ 5,390,000

Share price performance

FAR Share Price and Volume - 1 July 2000 to present



Louisiana Drilling

Eagle No 1 first drilled

China offshore project announced

China drilling

Difficulties with Beibu Gulf 22/12

- Eagle 1 drilling
- Kakwa drilling
- Senegal farm-in and \$5.4m convertible note raising

FAROA options exercised - \$7.95m

Welder Ranch drilling / results

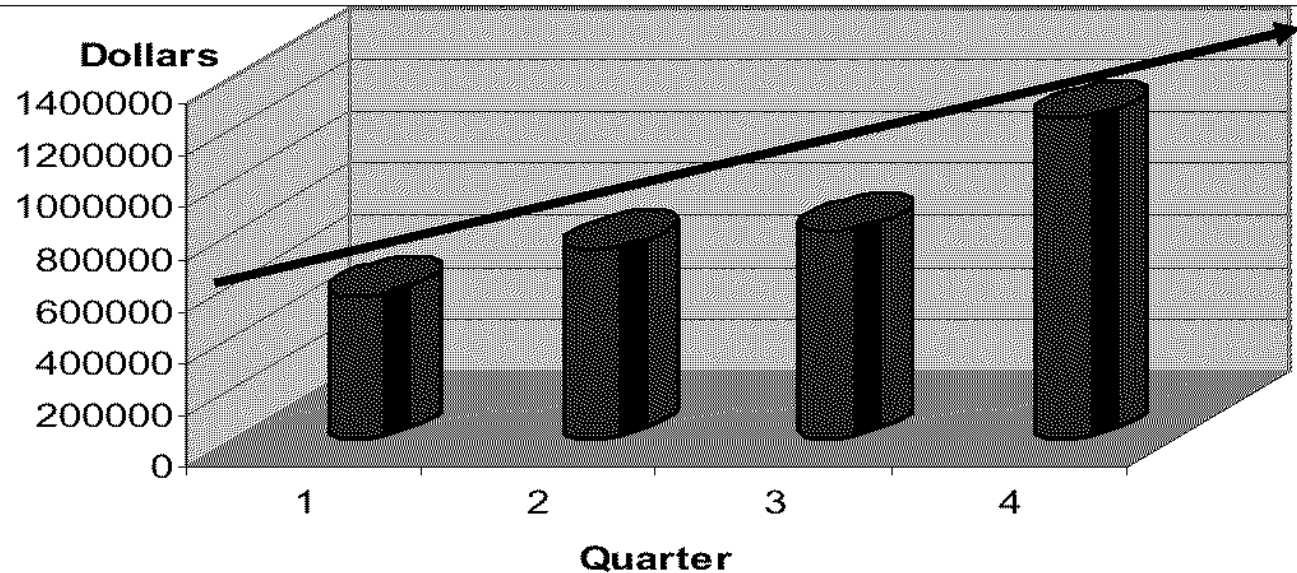
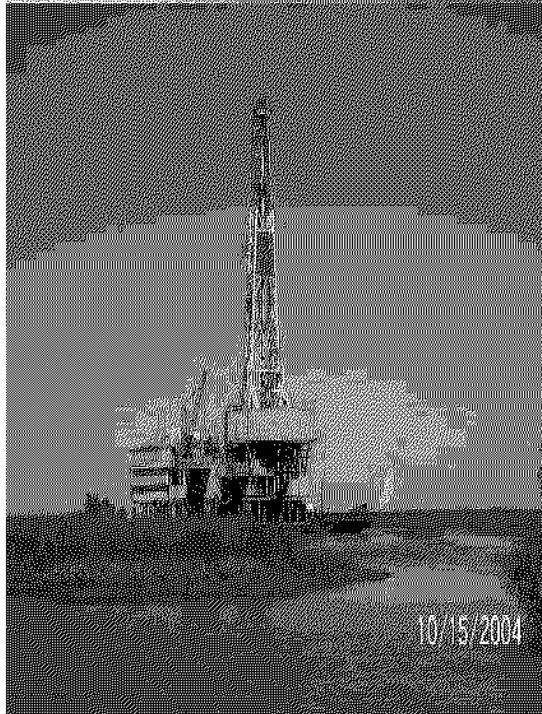
Lake long & Bay Courant drilling / results

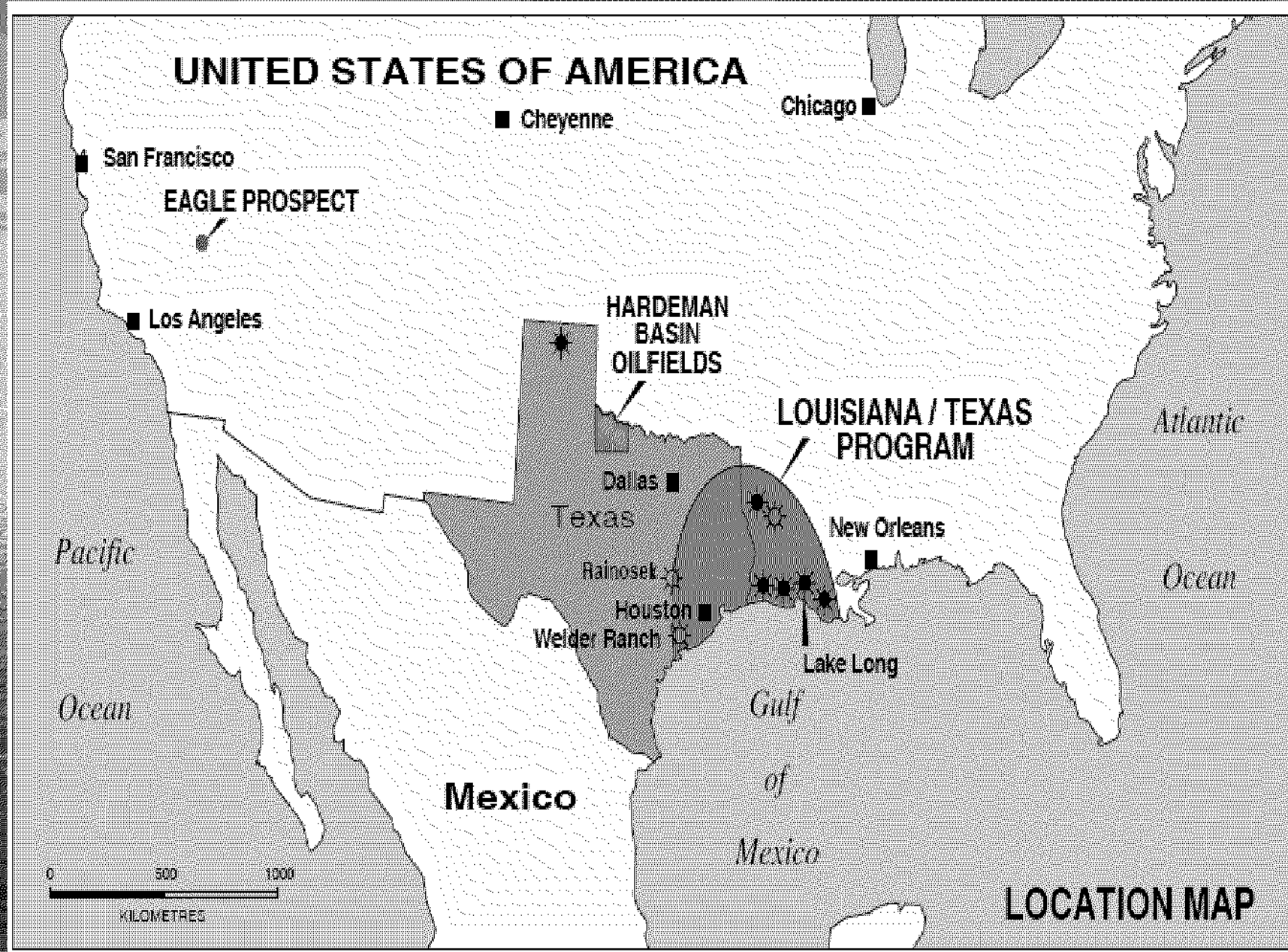
Strategy



First Prong

- Low to Moderate Risk Exploration (Gulf Coast/Canada)
- Build Production, Cash Flow and Reserves
- Result = Steady growth in 2005 Sales (A\$3.5m)





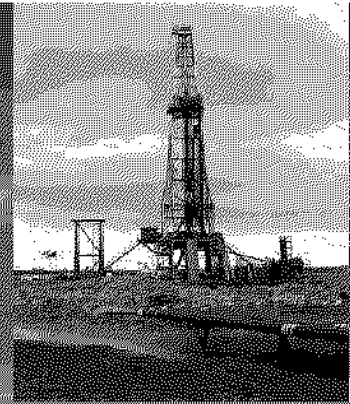
Ground Floor Activity

Offshore Bidding

Onshore Gulf Coast 30

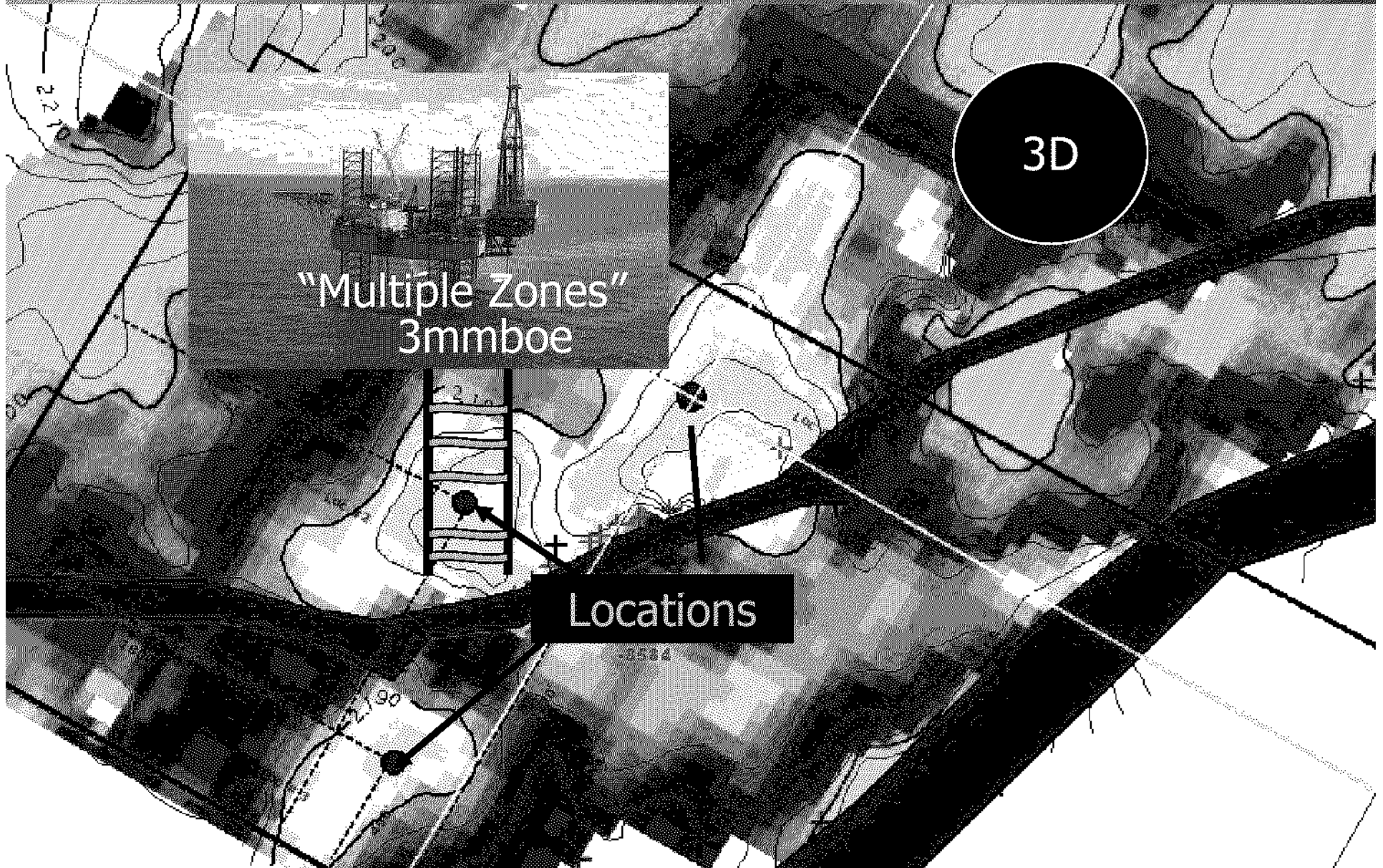


Onshore Gulf Coast 3D (50 square miles)

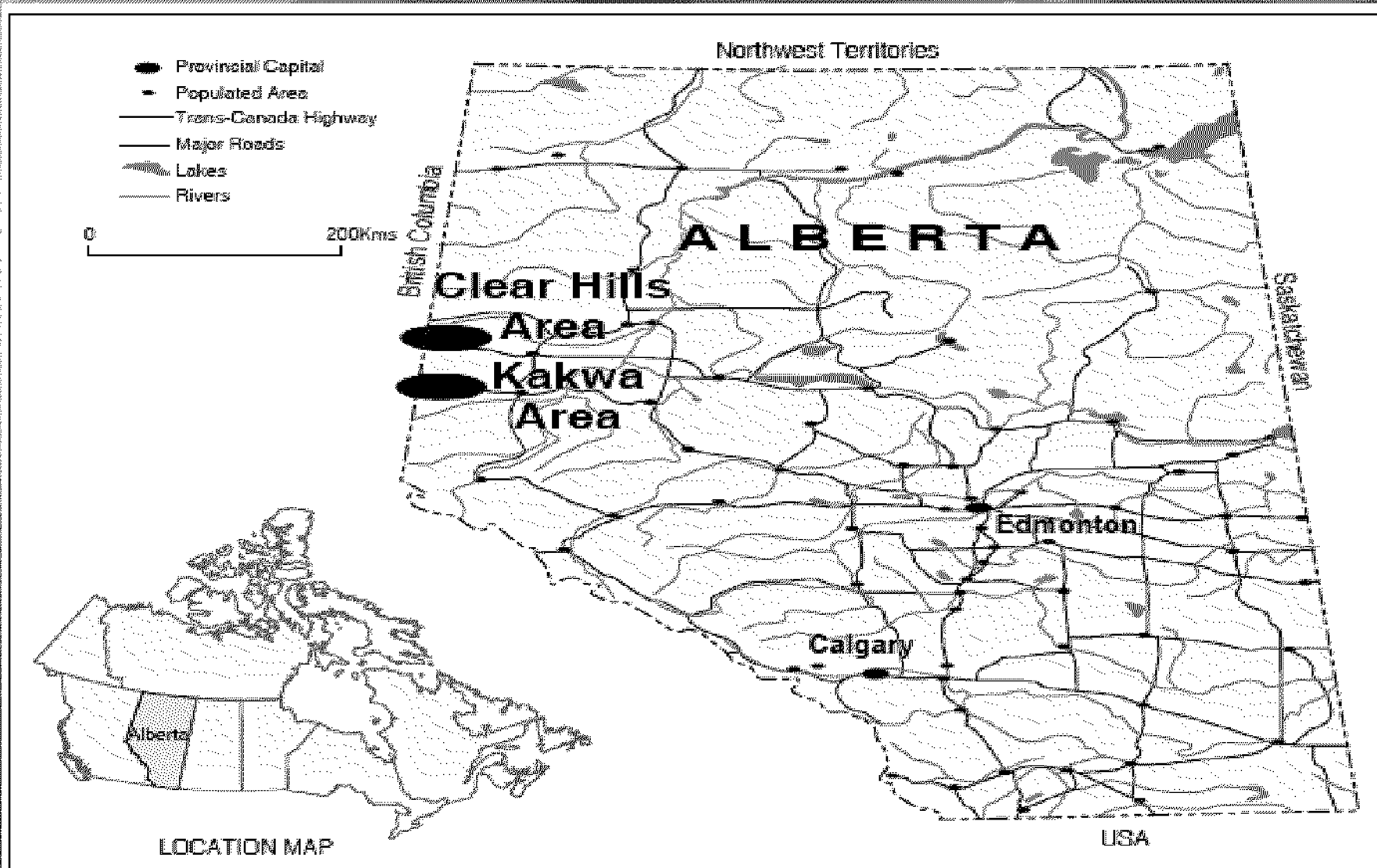


- **"Play"** based on 100 miles of existing 2D seismic data
- on strike with nearby fields with production over a quarter trillion cubic feet of gas and over thirty million barrels of liquids
- Experienced Operator with a successful track record
- FAR the biggest player (34%) may recover early costs by future farm out of prospects generated
- 6 Landmen now leasing (Gross 5,000 acres Net 3605 Acres). Core areas tied up !!!!!

Offshore Gulf Coast — New Project (12.5%)



Western Canada



Kakwa (15%)

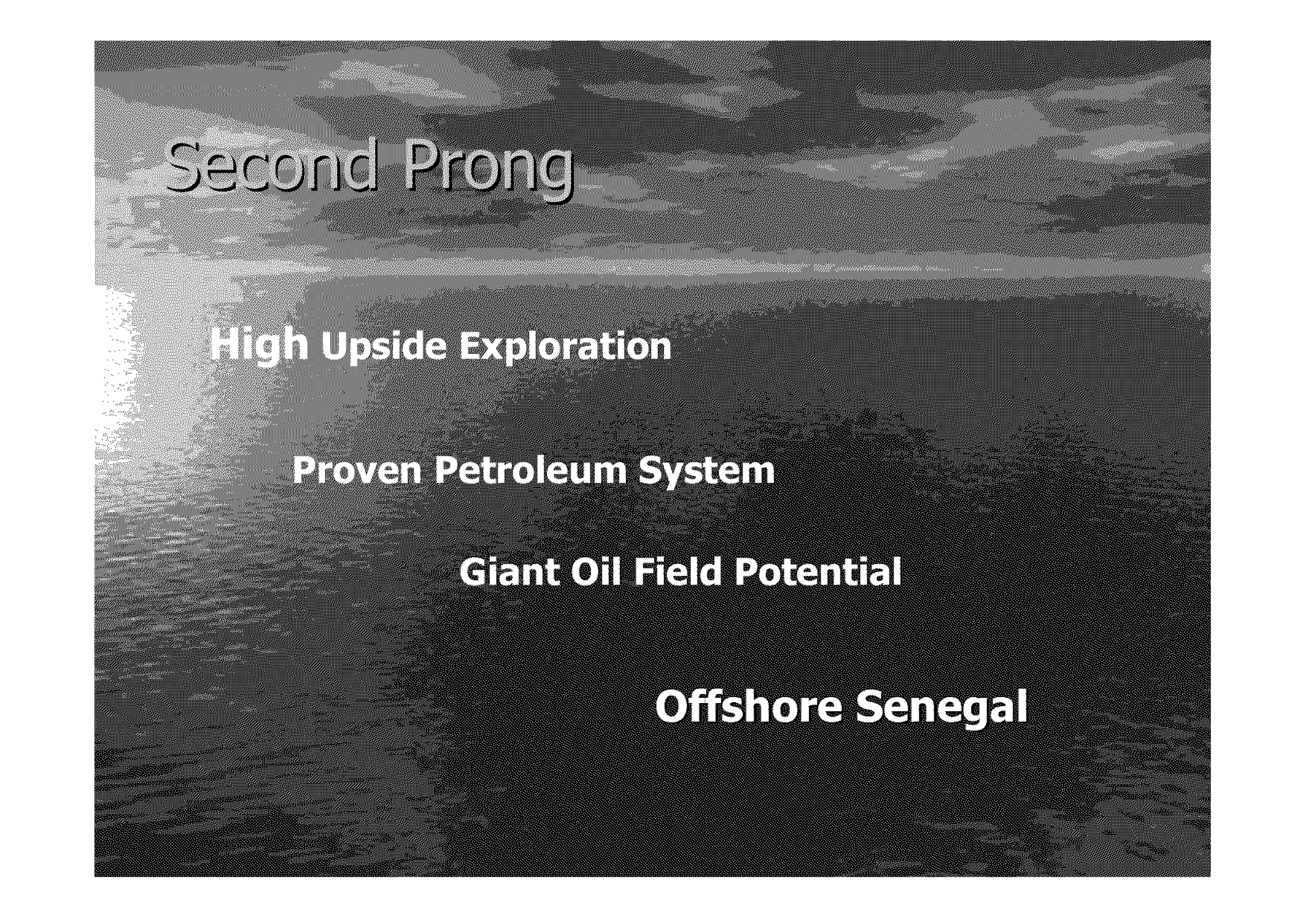
- Alliance with Suncor
- **"Play"** with excellent gas potential
- Seismically defined Wabamun (13,000 ft)
- Bail out zones uphole
- Initial Prospect ~ 20 BCF now drilling
- Second Prospect ~ 50 BCF to follow
- Expect Rates ~ 15mmcf/d *****

Clear Hills (15%)

- Alliance with Suncor
- **"Play"** with excellent gas potential
- 7,000 acres already leased
- Shallow Play (3,300ft) now drilling
- Cum potential 20 BCF – multiple wells
- Analogous to Peance Basin USA
- Expect Rates ~ 300mcfd *
- Pipelines in place

Strategy





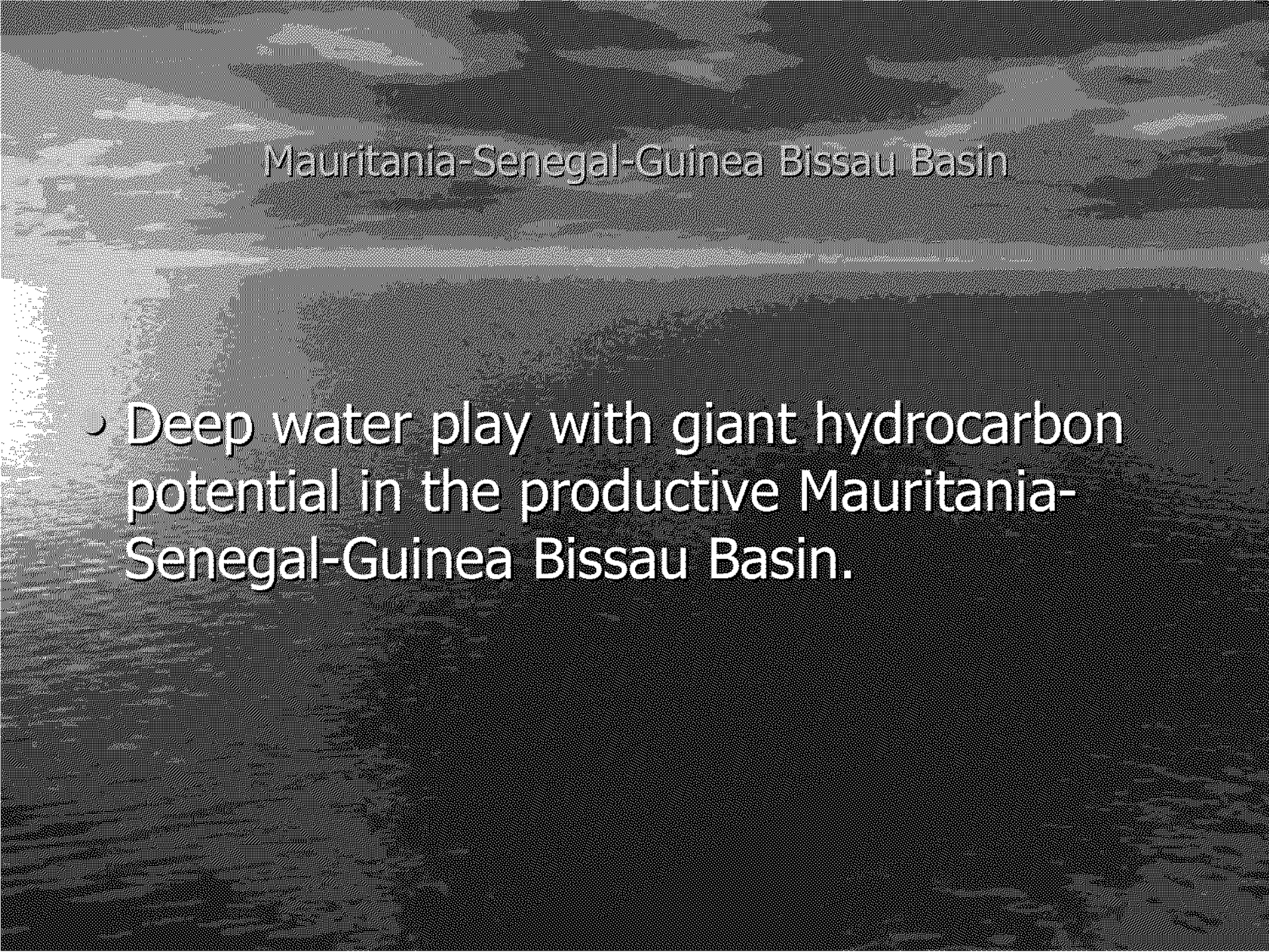
Second Prong

High Upside Exploration

Proven Petroleum System

Giant Oil Field Potential

Offshore Senegal

An aerial photograph of a vast, flat, arid landscape, likely a coastal plain or desert. The terrain is dark and textured, possibly due to low vegetation or sand. The sky is filled with large, white, fluffy clouds. The overall tone is monochromatic, with shades of gray and white.

Mauritania-Senegal-Guinea Bissau Basin

- Deep water play with giant hydrocarbon potential in the productive Mauritania-Senegal-Guinea Bissau Basin.

Industry Activity Mauritania-Senegal-Guinea Bissau Basin

The map displays the M.S.G.B.C. BASIN and BOVE / CONAKRY. Key discoveries and activities are highlighted with callouts:

- Dana Petroleum Blocks 7 & 8 Pelican gas discovery
- Woodside Chinguetti, Tioff, Tevet, and Banda oil and gas discoveries
- Dana Petroleum
- Energy Africa
- Al Thani
- Edison Rufisque Profond
- SHOC Sangomar Rufisque
- Gambia Bid Round
- Agip AGC - Exxon dropped out
- Premier Sinapa oil discovery
- Fortessa Theis block Gadiaga gas field
- Sterling Dome Flore / Casamance / AGC

Legend:

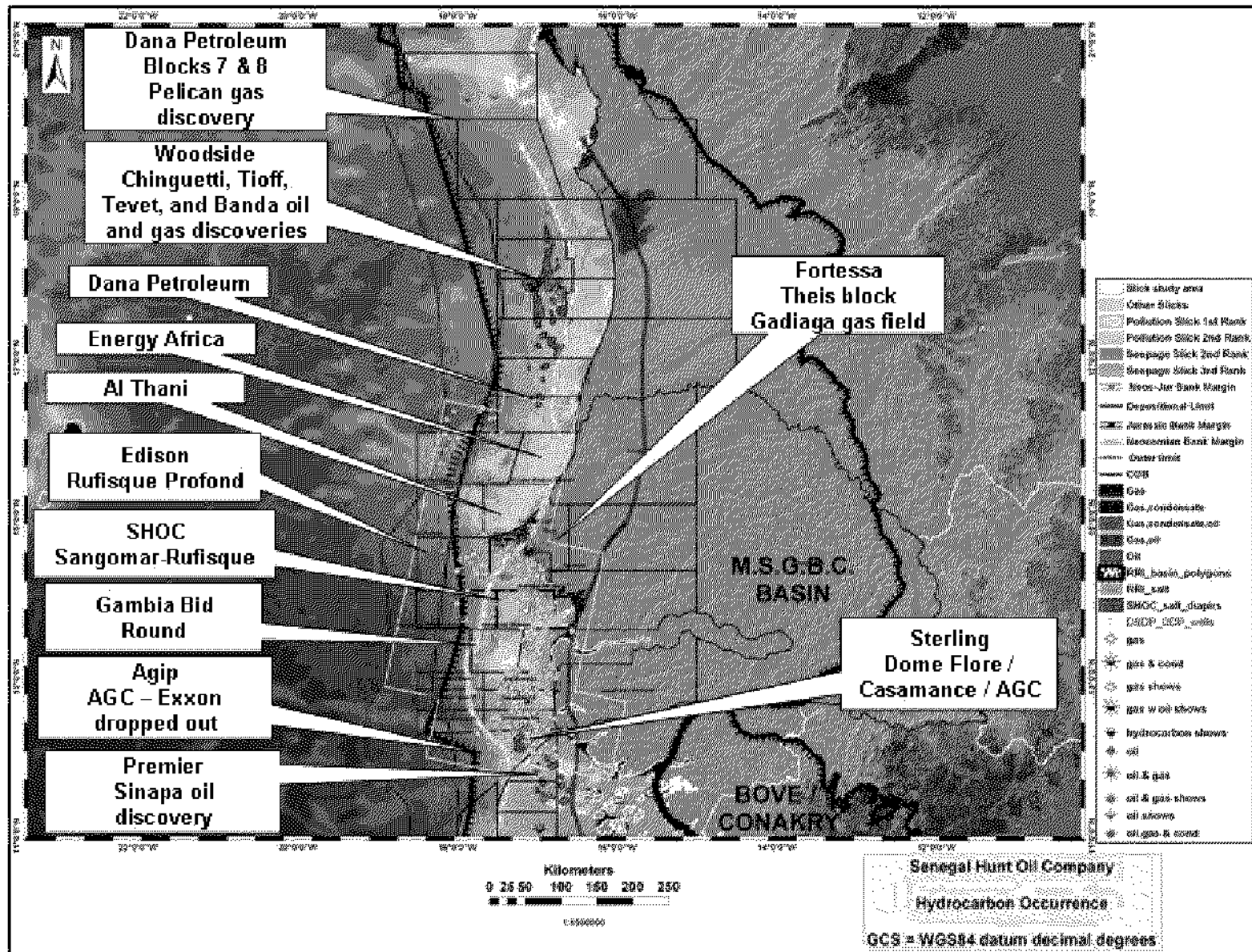
- Block study area
- Other Blocks
- Pollution Block 1st Rank
- Pollution Block 2nd Rank
- Seepage Block 2nd Rank
- Seepage Block 3rd Rank
- Seos-Jur Bank Margin
- Depositional Limit
- Jurassic Bank Margin
- Neocomian Bank Margin
- Outer shelf
- Coast
- Gas
- Gas, condensate
- Gas, condensate, oil
- Gas, oil
- Oil
- SHOC basin polygons
- SHOC well
- SHOC well, diaphragm
- SHOC well, well
- gas
- gas & coal
- gas shows
- gas w oil shows
- hydrocarbon shows
- oil
- oil & gas
- oil & gas shows
- oil shows
- oil, gas & sand

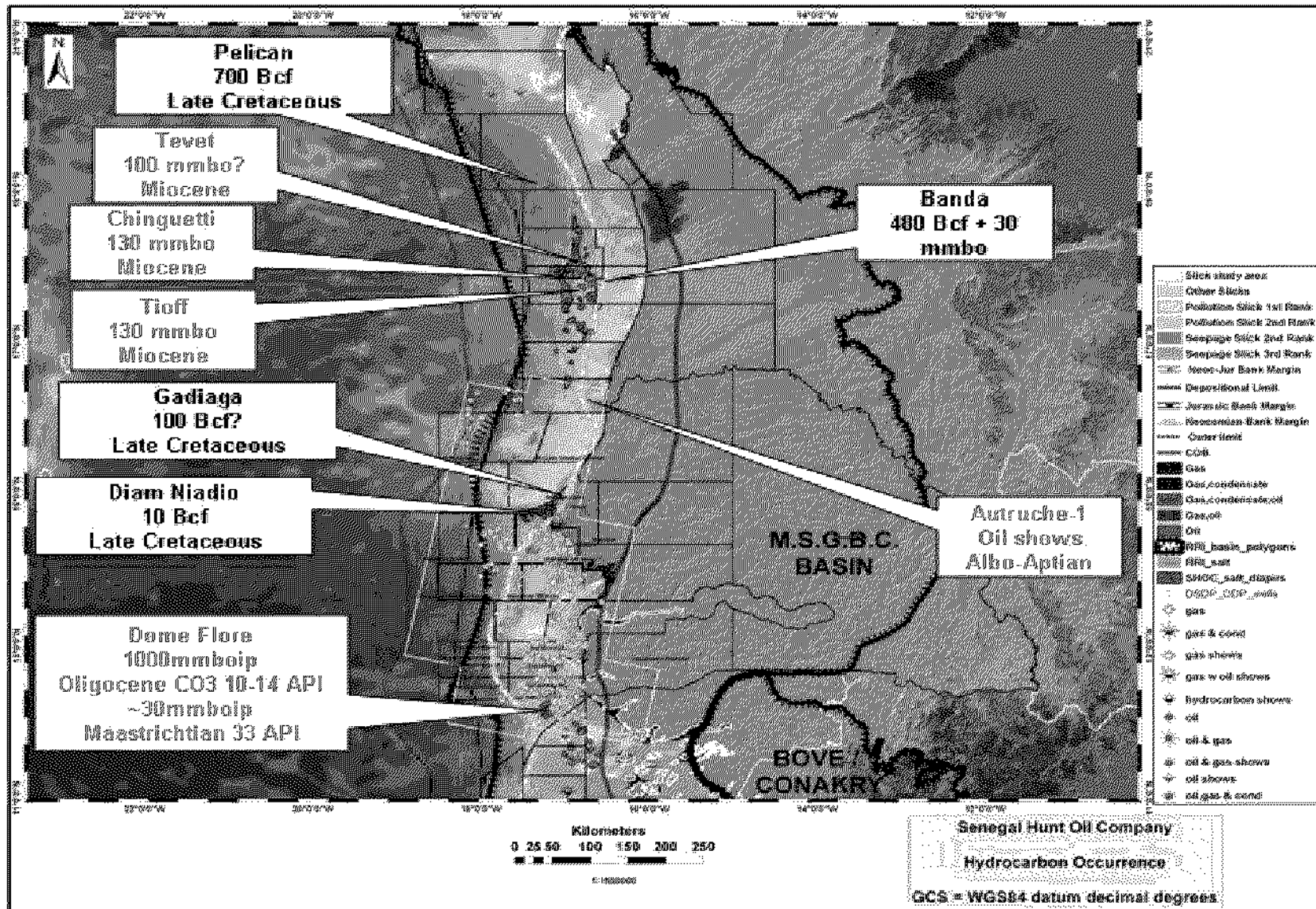
Scale: 0 25 50 100 150 200 250 Kilometers

Senegal Hunt Oil Company

Hydrocarbon Occurrence

GCS = WGS84 datum decimal degrees





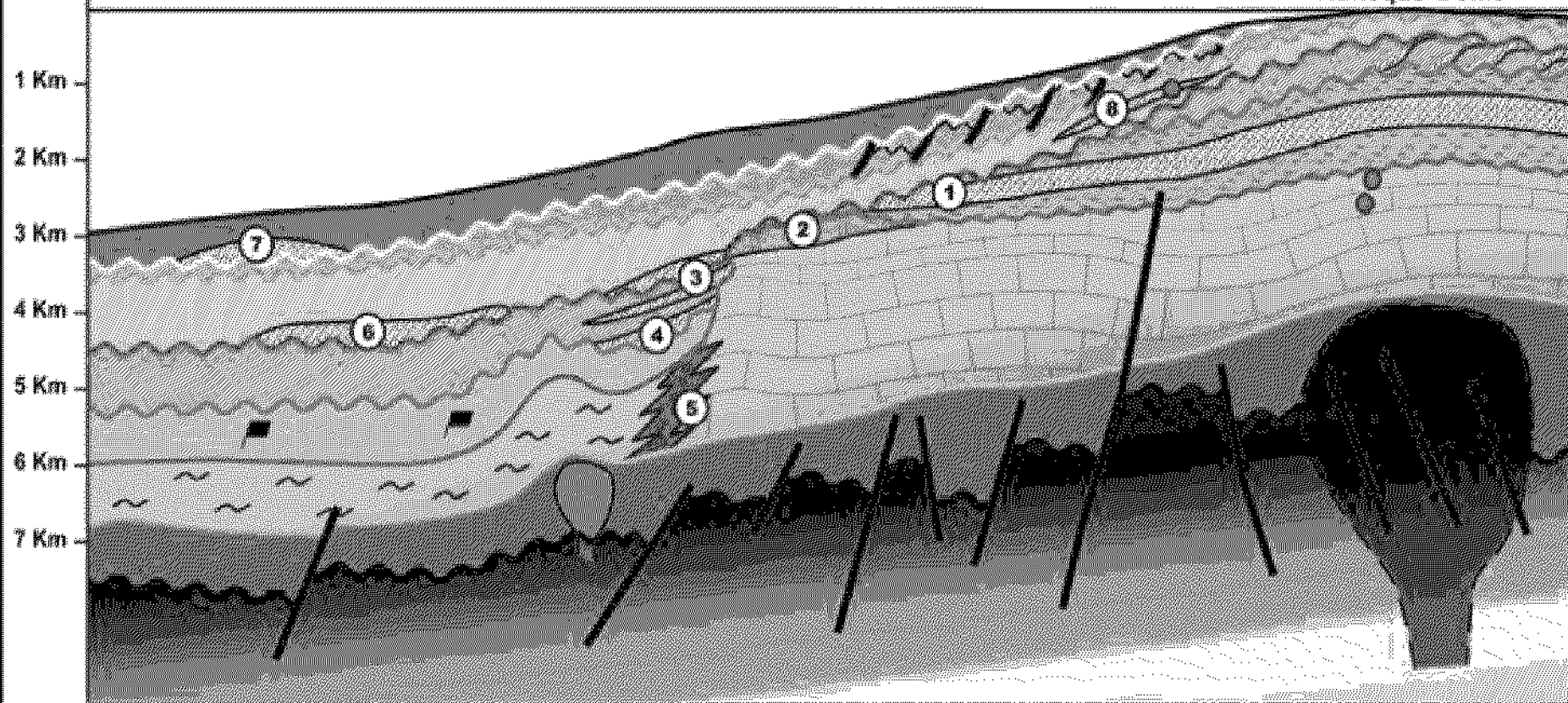
Northwest African margin is relatively unexplored, but has had numerous recent, sizeable, and intriguing discoveries.

Play Type Distribution

Schematic Cross-Section Highlighting Play Type Distribution

Sangomar - Rufisque Blocks; Offshore Senegal

Rufisque Dome

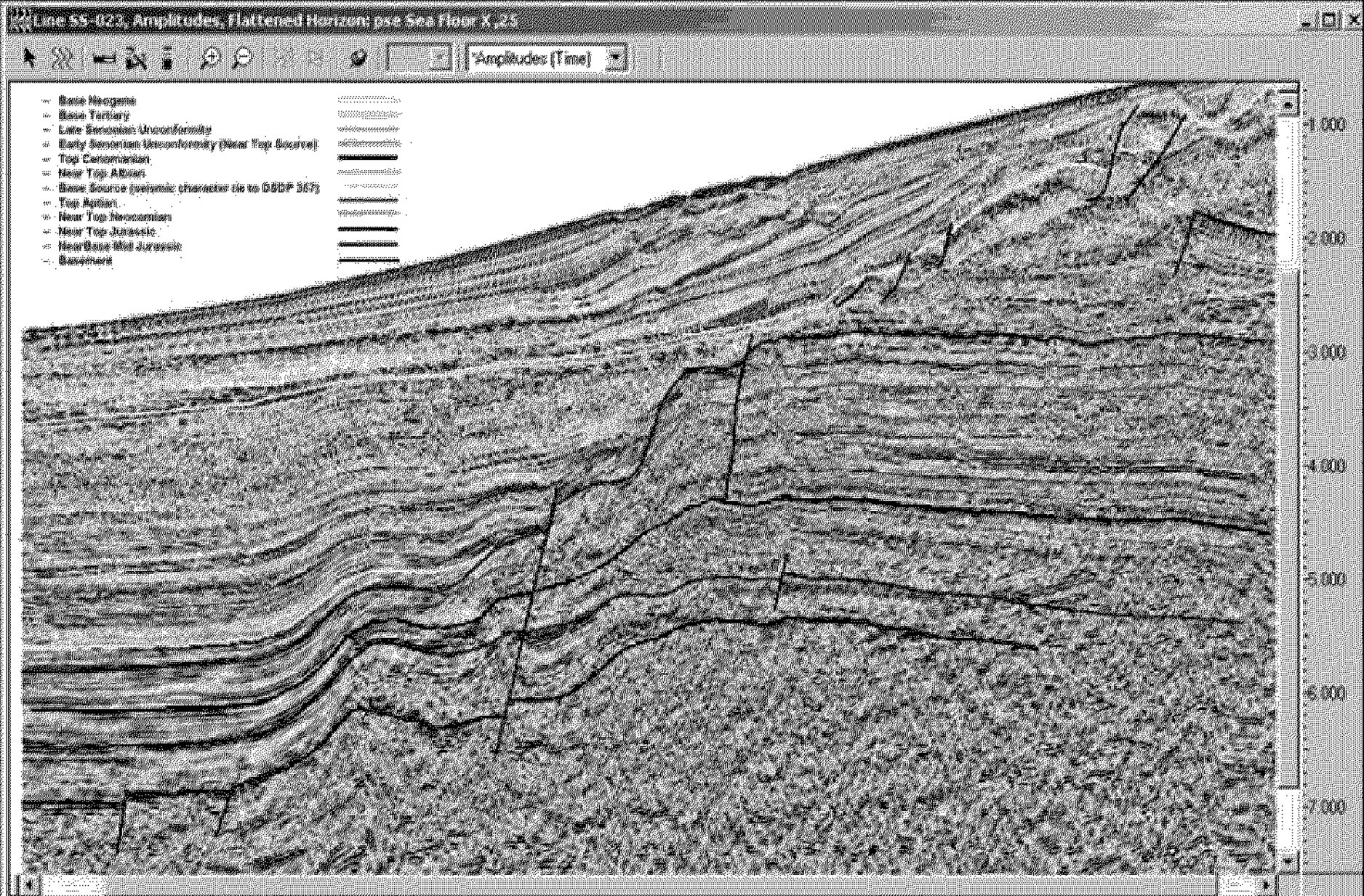


- | | |
|----------------|---------------------------|
| Neogene | Turonian - Albian |
| Paleogene | Aptian - Mid Jurassic |
| Upper Senonian | Lower Jurassic - Triassic |
| Lower Senonian | Basement |

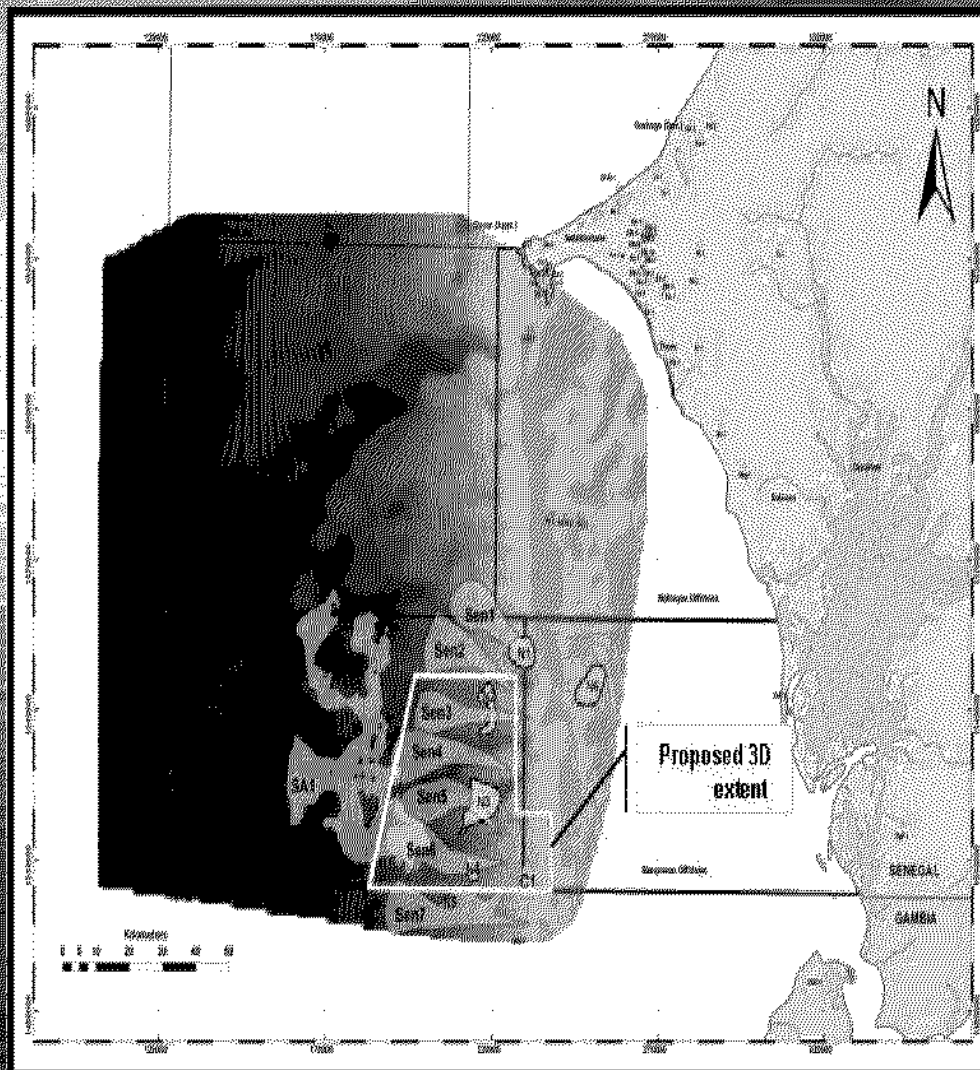
- ① Cenomanian sub-Senonian unconformity trap
- ② Aptian rudistid carbonate build-up
- ③ Stacked Senonian toe-of-slope canyon sands
- ④ Ponded Senonian sands between structure and bank margin

- ⑤ Carbonate debris apron
- ⑥ Outboard flank sand-rich turbidite wedge
- ⑦ Neogene sand-rich submarine fans
- ⑧ Upper slope canyon-fill sandstones

Play Type Distribution - Seismic



Prospect and Lead Inventory



➤ **Prospect C1= Cenomanian sandstone reservoirs in sub-Senonian unconformity 4-way depth closure (EUR = 180-320mmbo)**

➤ **Prospect N3= Aptian build-up in a 4-way depth way closure (EUR = 120 – 418 mmbo)**

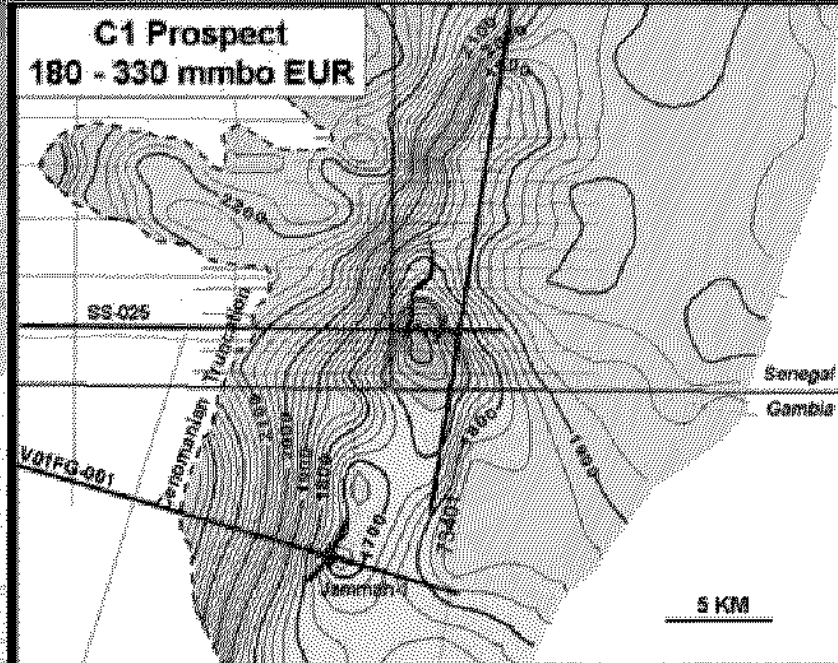
➤ **Leads N2-N5 = Aptian build-ups**

➤ **Lead N6= Aptian carbonate 4-way dip closure**

➤ **Lead N1= Subtle 4-way dip closure at Aptian and Senonian levels**

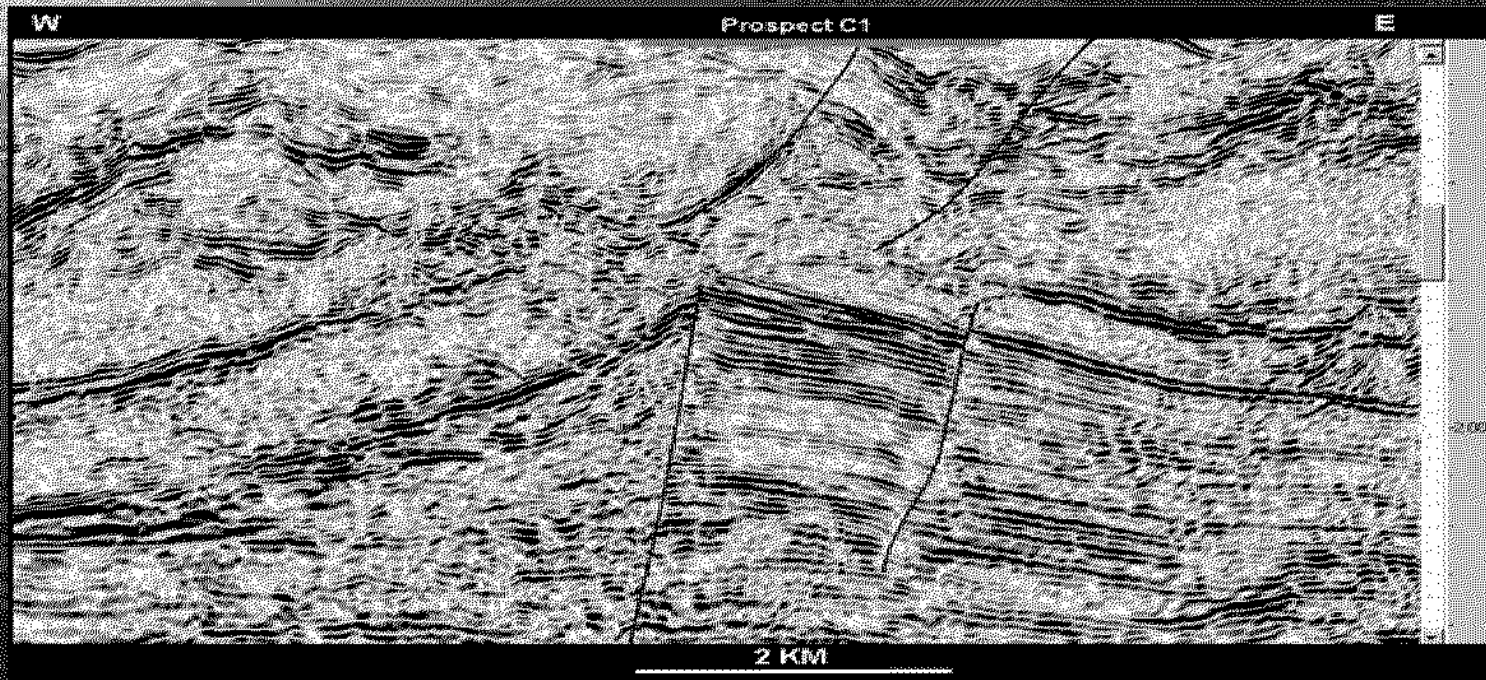
➤ **Lead SA1= Santonian submarine fan complex**

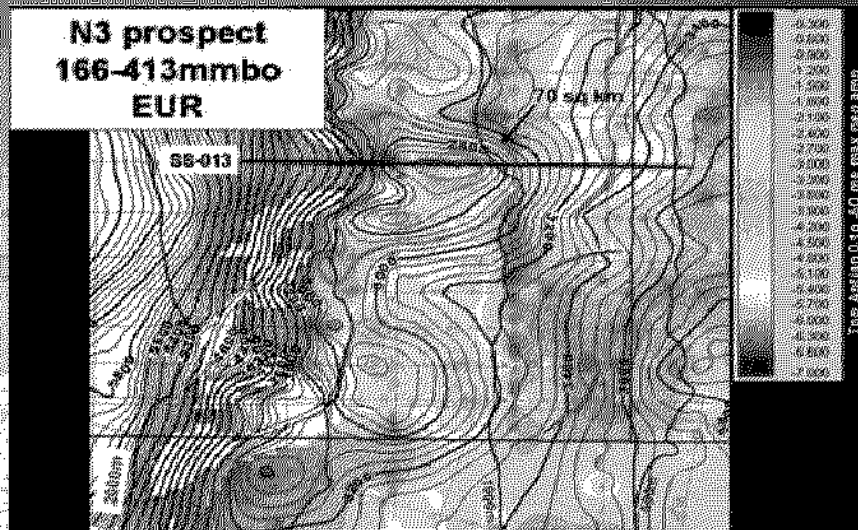
➤ **Lead SEN1-SEN7= Senonian turbidite sands**



Sub-Senonian Unconformity Cenomanian Closure Prospect C1

- Sub-Senonian unconformity trap at the Cenomanian level. **EUR 120-320 mmbo**
- Sandstones with porosities >24% porosities >24% have been encountered in wells in the area
- Espoir trap analog





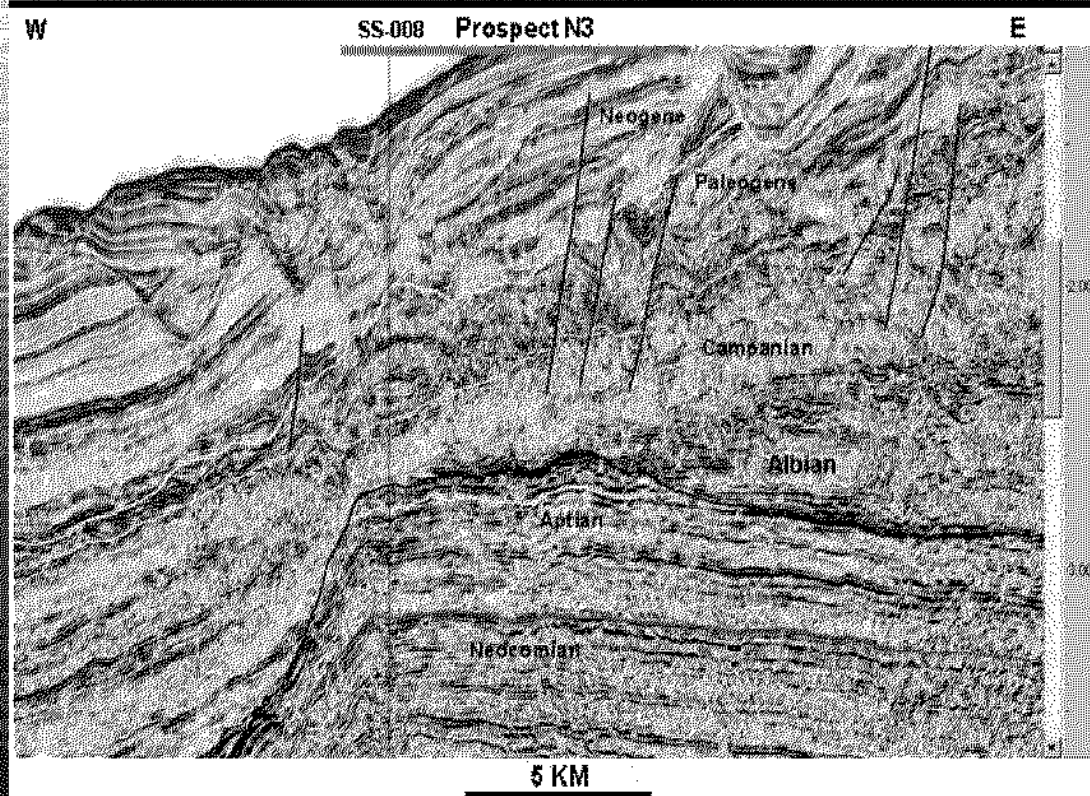
4-way Closure at Top Aptian at Top Aptian Carbonate Carbonate Prospect N3

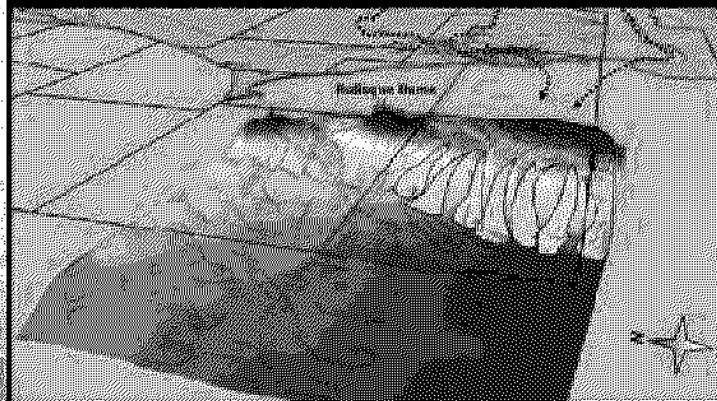
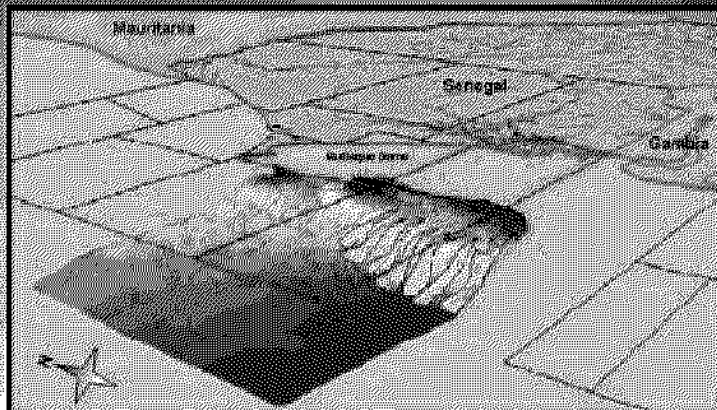
➤ Large (72 sq km) closure at Aptian carbonate bank margin. EUR 120-418 mmbo.

➤ Probable rudistid build-up, with enhancement by karstification.

➤ Charged by outboard mature Albian-Cenomanian-Turonian source.

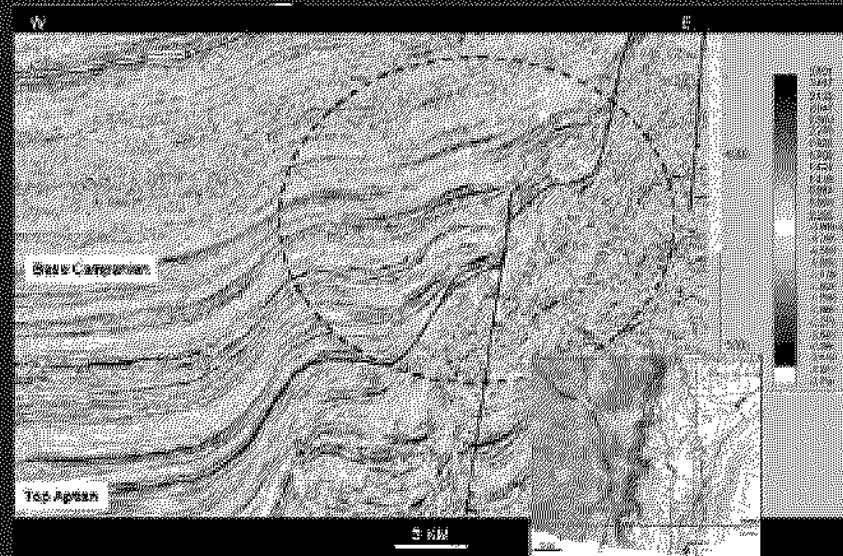
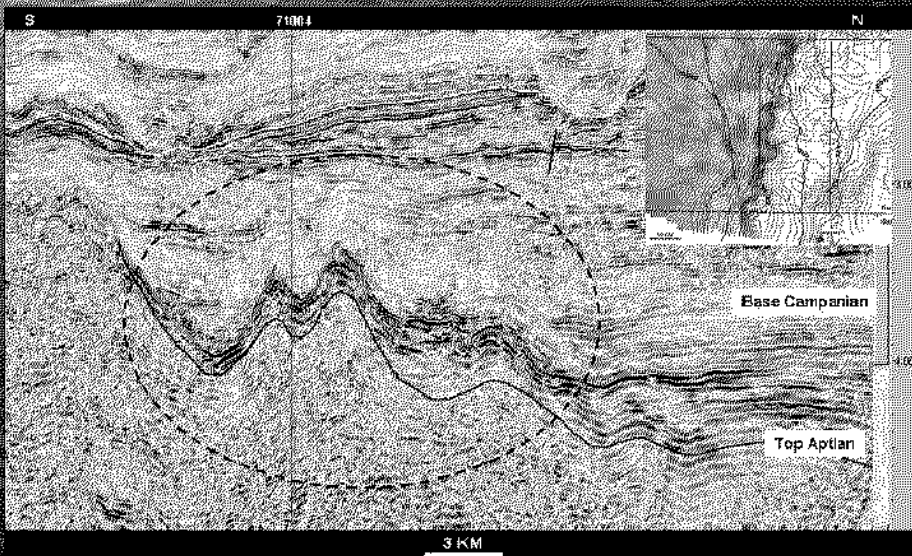
➤ Golden Lane analog.





Senonian Sandstone Stratigraphic Potential

- Numerous amplitude packages associated with canyons in steep slope
- Significant upside potential requiring 3D to validate
- Banda, Okume, Oveng Banda, Okume, Oveng



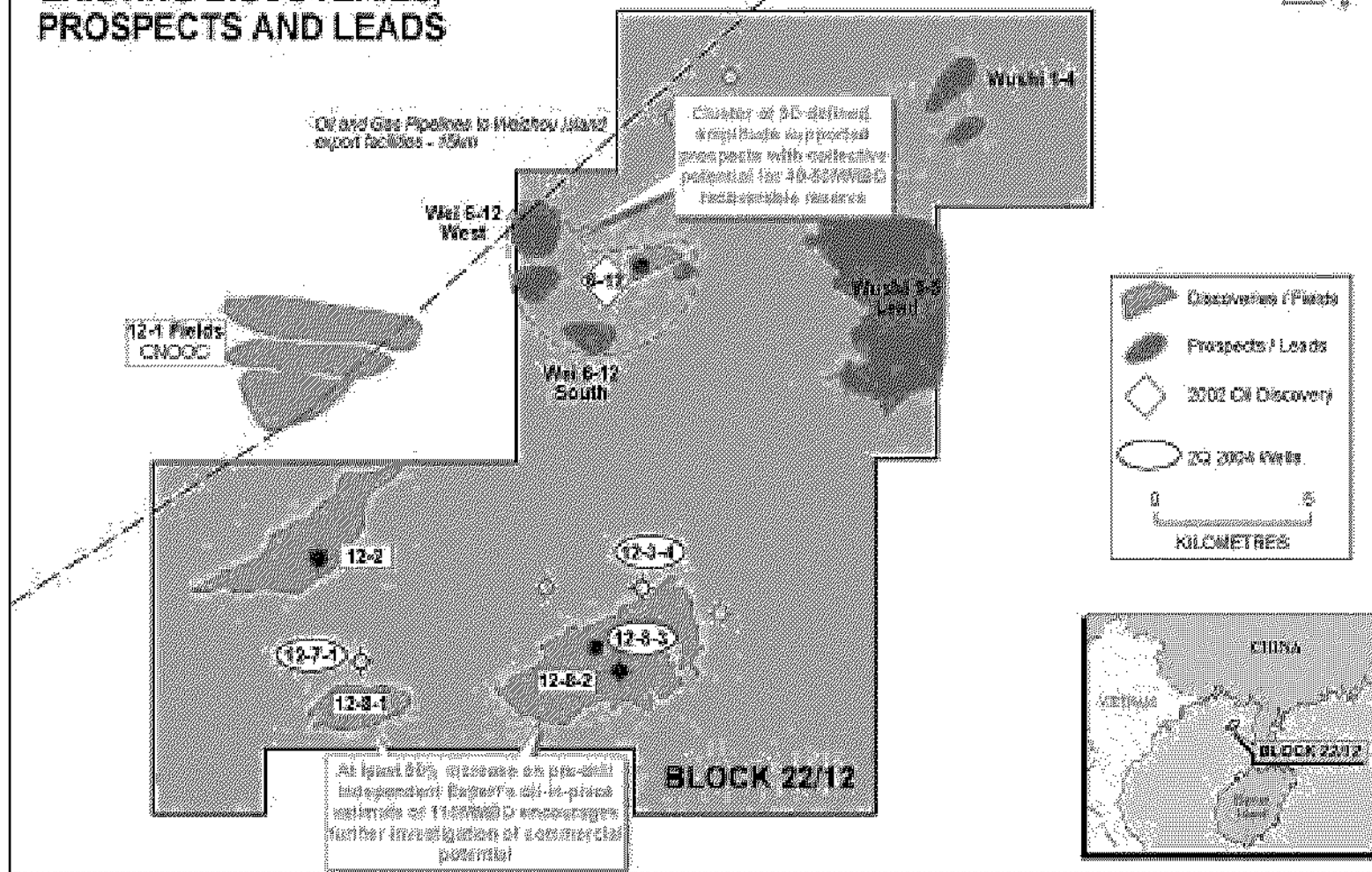
Offshore China

Beibu Gulf Block 22/12 (5%)

20/05/2007

OFFSHORE CHINA BEIBU BLOCK 22/12 EXISTING DISCOVERIES, PROSPECTS AND LEADS

FIRST AUSTRALIAN RESOURCES N.L.



12-8 West Concept Plan (China)

ICON



WEI 12-1 PLATFORM

WEIZHOU ISLAND

30.8 km

10.0 km

10" FLOWLINE AND
POWER CABLE

12-8 WEST WHP

First Production: 15,000 bopd Jan 2008

Recoverable Reserves: 8 - 10 million bbls

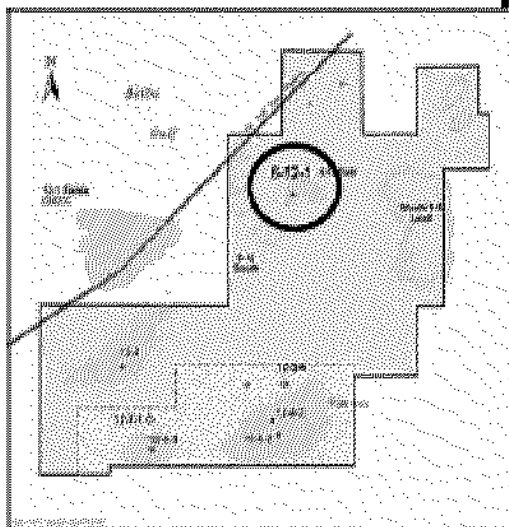
12-8 ANNEXE PLATFORM
12-8 WEST PLATFORM



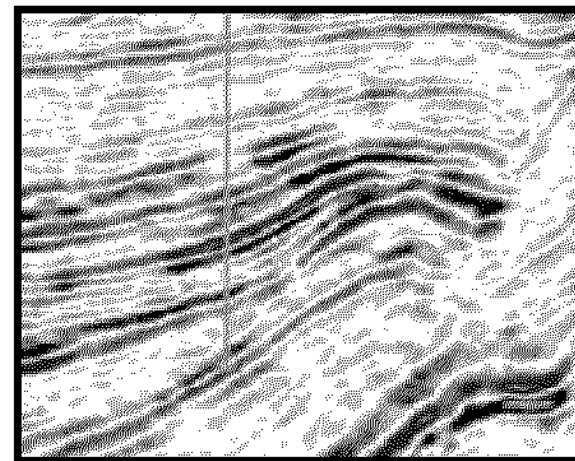
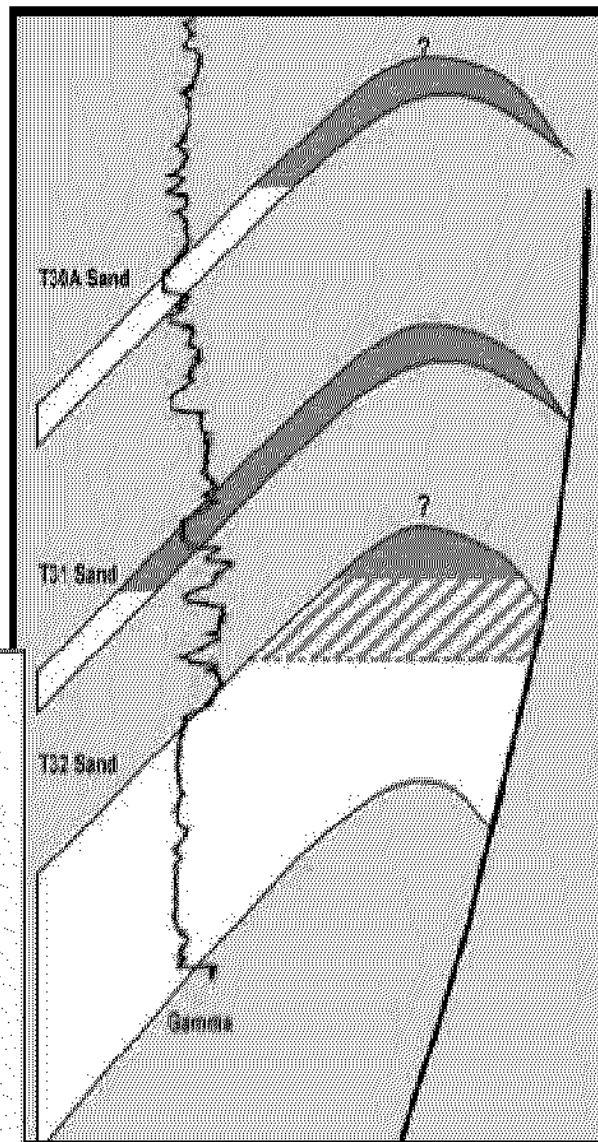
6-12-1 DRILL SITE - 1984 WEL 6-12-1

6-12-1 DRILLED IN 2002

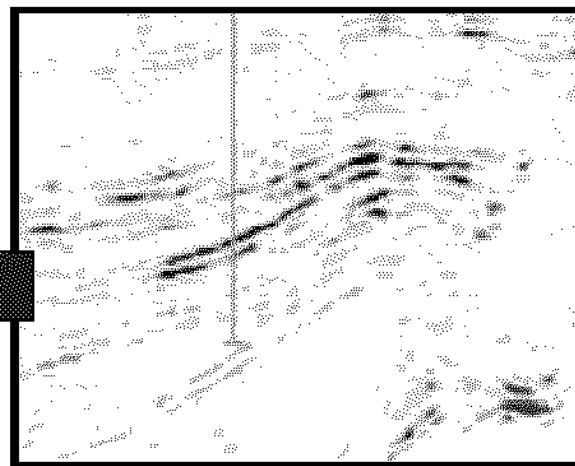
OIL DISCOVERY BUT
NOT CONSIDERED
COMMERCIAL ON
STAND ALONE BASIS



WEI 6-12-1



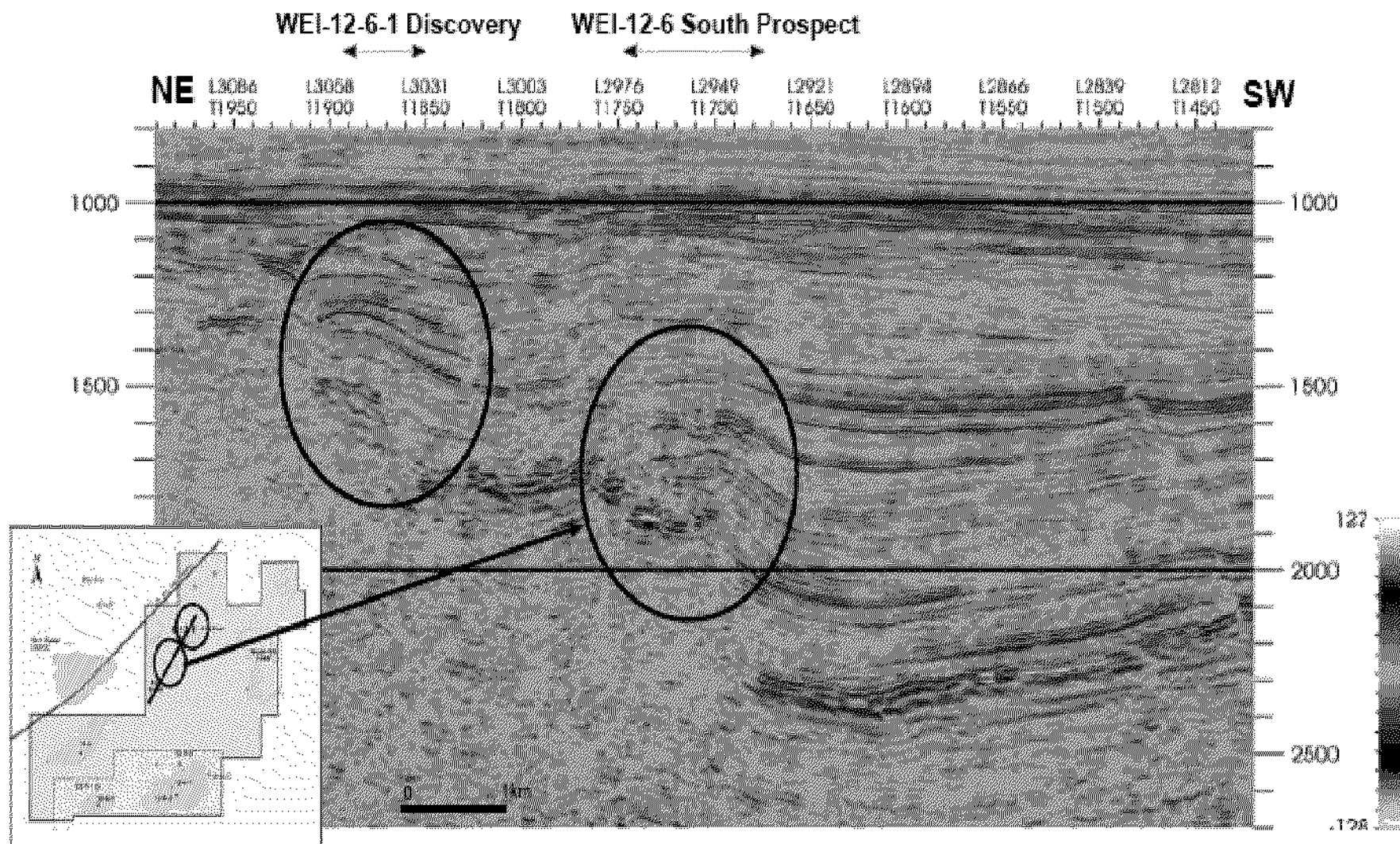
Seismic Close-up

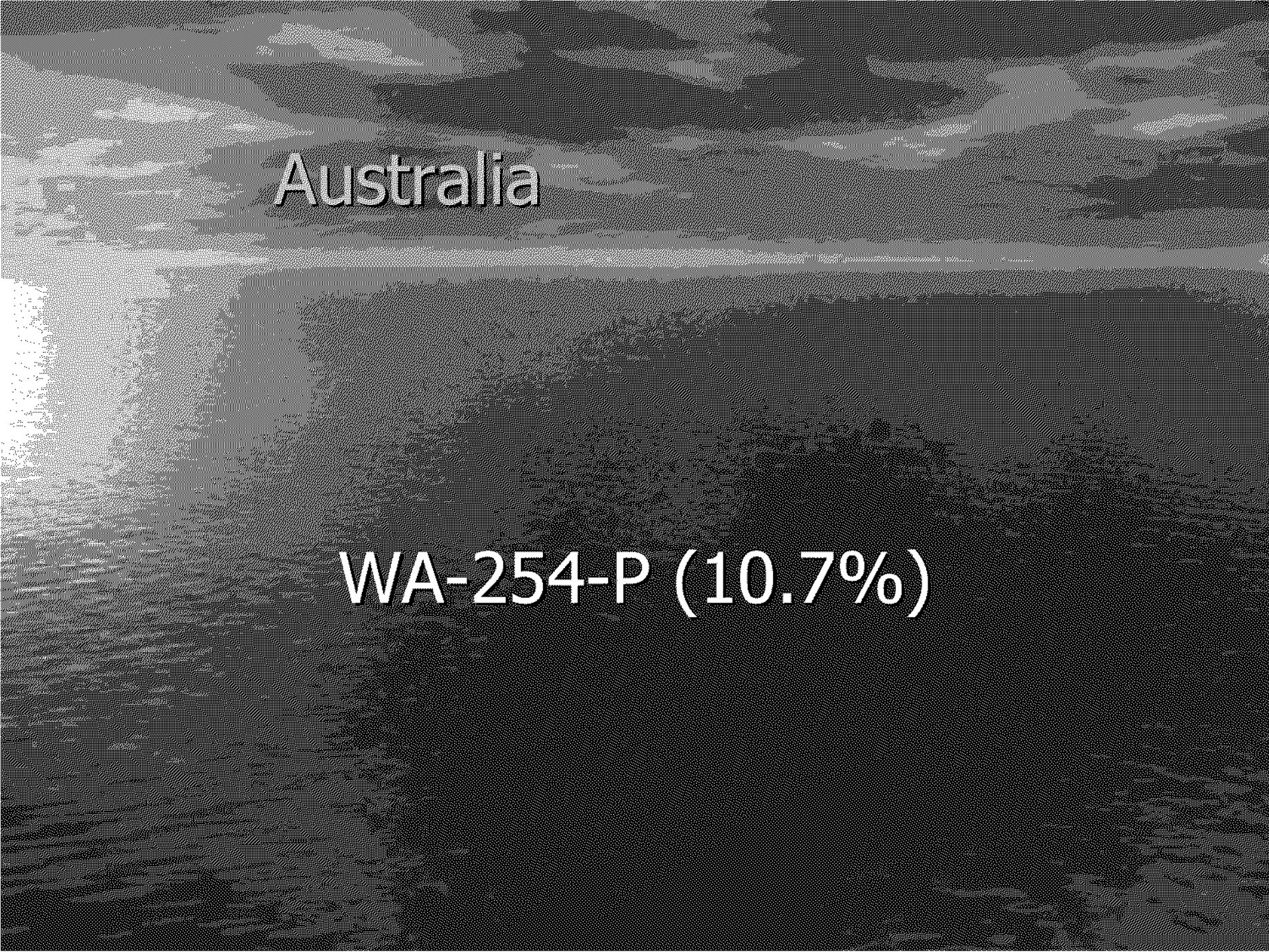


Reconnaissance AVO Display

6-12 SOUTH PROSPECT (MAY 2006)

- Strong Analog to 6-12-1 Discovery, on Trend and Potentially Bigger
- Could move 6-12 Complex to Commerciality





Australia

WA-254-P (10.7%)



Legendre Structural closure w/
possible buttress component
re-evaluated w/ reprocessed seismic
Mature, peer reviewed

**M. Australis Structural closure w/
possible buttress component
re-evaluated w/ reprocessed seismic,
Mature, peer reviewed, nearing**

**Lower Cret./Angel Fm structural closure
with buttress component**

**Requires review over the next 6
months**

Eliassen Stratigraphic pinchout on basin slope

Integrate with post Ajax-1 mapping in the next 6 months

2006 Drilling Program (18 wells)

Country/Project/Well	WI %	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
UNITED STATES													
South Grosse Tete													
Shallow Bolnrex	18.3	●											
Deep Nodasaria	18.3											●	
Eagle	15.0	●											
Lake Long													
SL 328#8	1.7			●									
SL 328 #9	4.1							●					
Rainosek	21.5					●							
Galveston Bay	12.5							●					
Welder Ranch	9.0								●		●		
CHINA													
Kakwa	15.0			●									●
Clear Hills	15.0				●		●		●		●		●
CHINA													
Beihu Gulf Block 22/12													
Wei 6-12-S1	5.0				●								
CHINA													
Stokes Bay-1	8.0								●				

Going FAR

