First Australian Resources Ltd

"Hunting Elephants in West Africa"

Mining 2009 Conference Brisbane

October 2009

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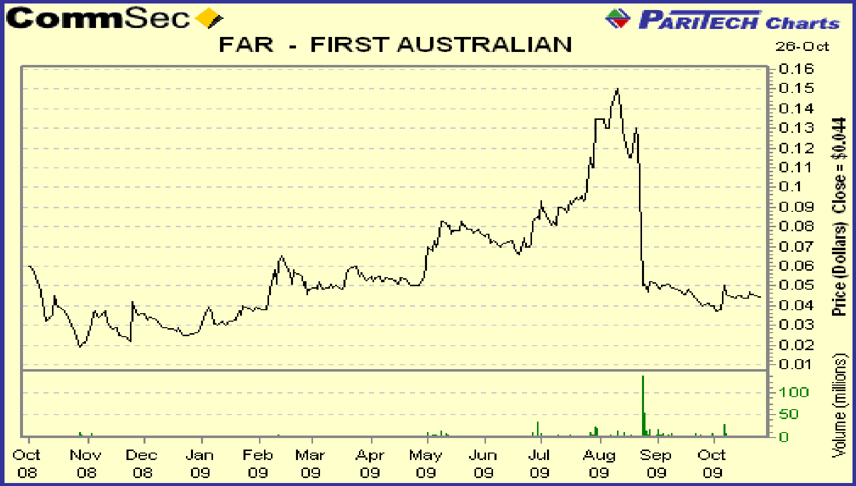
Overview of FAR

- Strong balance sheet and Shareholder base > 5,500
- Underpins world class Project offshore Senegal where 3D defined targets exceed 1 billion barrels oil in place.
- Opens the door to new high leverage opportunities
- FAR has sought an extension on Senegal Licences and re-commenced new farmout discussions

Capital Structure (30 Sept 2009)

Shares on issue	658,232,784
Share price	$0.044
Market capitalisation	$28,962,242
Cash on hand*	$12,570,000
Convertible Notes (6.6m, 15%, 31 Jan 2012, convert at $0.45 per share)	$2,971,165
Enterprise value	$19,363,408
Unlisted options on issue (exp 2010-12; ex $0.05 to $0.30)	27,300,000

Share Price Performance Since 1 Oct 2008



*excludes further staged payments from sales of China asset of US$6m

West Africa

Senegal 3D Proves-up Giant Prospects

- Acquired 2050 km^2 3D seismic at a cost of US$14 million in 2007
- 3D interpretation and Slope fan attribute work completed Q1 2008
- FAR moves to 90% and becomes Operator December 2008
- Shell funded CSEM program acquisition May 2009
- Shell withdraws August 2009. Farmout marketing commences Sept 2009
- Multiple Santonian age fan systems with stacked amplitude anomalies
- Large Albian shelf edge closure (up to 178 km^2) > 1 billion barrels mean potential
- Adjacent Turonian source rock kitchen in oil window

SANTONIAN AGE FAN – SINGLE FAN/SINGLE RESERVOIR POTENTIAL

	OOIP	AREA	NET PAY	Φ	K
	MMBO	ACRES	FT	%	mD
P90	5	400	15	8	50
Mean	**183**	**3855**	**102**	**17**	**200**
P10	516	10,000	225	25	1000

Water Depth:	1650 m	(5400')
Depth to target:	3700 m	(12,140')
Well TVD:	4100 m	(13,450')

Analogue:
Cantarell Field: Offshore Campeche. Mexico
Reservoir Rock: Carbonate Breccia
Depositional Environment: Carbonate Platform/ Slope
Trapping Mechanism: Combination-Structural & stratigraphic
Age of Reservoir: Early Cretaceous
Gross reservoir thickness: 290m
Porosity & type: 3-5 % Vugs, intercrystalline spaces & fractures
Produced: 7.861 Billion bbls oil

SHELF EDGE CLOSURE – POTENTIAL

	OOIP	AREA	NET PAY	Φ	K
	MMBO	ACRES	FT	%	mD
P90	40	4,000	16	3.6	50
Mean	**1128**	**22,925**	**172**	**7**	**1000**
P10	3082	54,550	452	10	10000

Water Depth:	1300 m	(4250')
Depth to target:	2800 m	(9180')
Well TVD:	4000 m	(13,100')

Analogue:
Amposta Field: Spain
Basin: Western Mediterranean
Basin Type: Back Arc
Reservoir Rock: Karstic Limestones
Depositional Environment: Carbonate Platform
Trapping Mechanism: Tilted Horst
Age of Reservoir: Early Cretaceous
Net reservoir thickness: 194m (636ft)
Porosity & type: Karstic fractures and vugs
Proved Acres: 903hc
Ultimate recoverable: 55.96 mm bbl oil

CSEM Summary

Shell report concludes that not only does the technique have no bearing on other prospects in the Licence Area but importantly does not rule out the possibility of finding hydrocarbons.

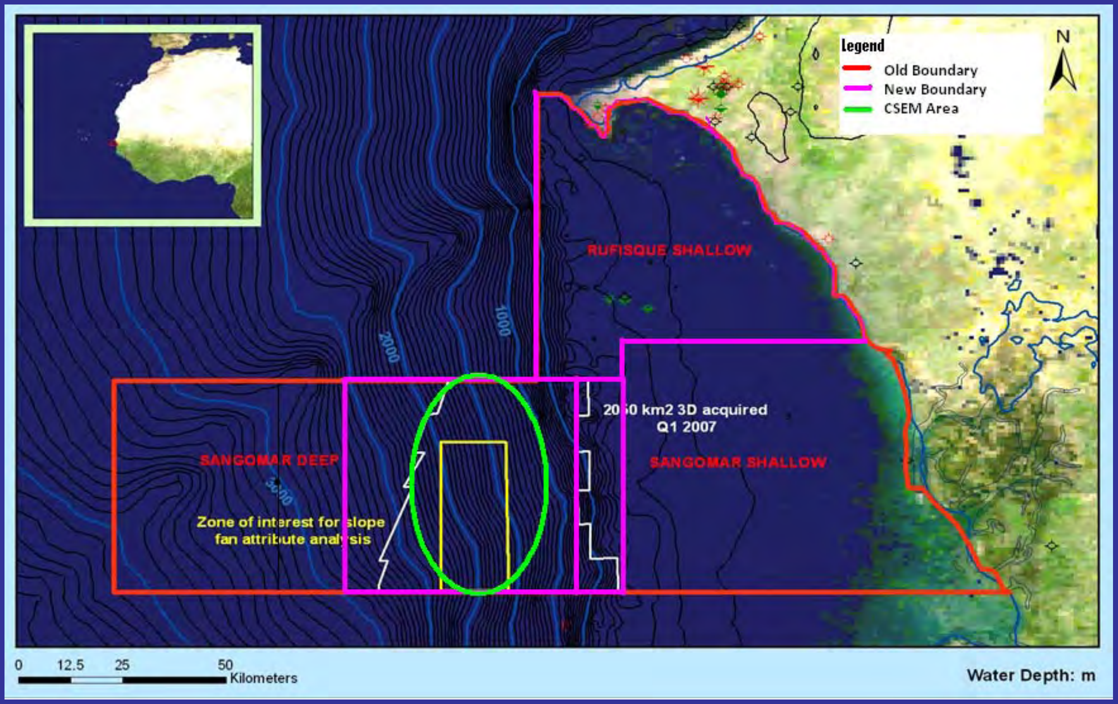
WEST AFRICAN POSITIVES

- Large equity (90%) / acreage (7,490 sq km) / operatorship available
- Over US$21m spent on 3D seismic and CSEM
- Contract Extension has NOC support
- Drill ready prospects / different play types
- Big neighbours in Edison and Petrobras
- FAR has been in this position before (Hunt 2008)
- Oil double price of previous negotiations ($78 v $36)
- Drilling costs down (Ophir US$30m v Shell US$65m)
- New discoveries along West African Coast
- Acreage has attracted World's largest oil company
- CSEM leaves the door open to finding hydrocarbons
- Shell history of leaving something on the table

Offshore Senegal, West Africa

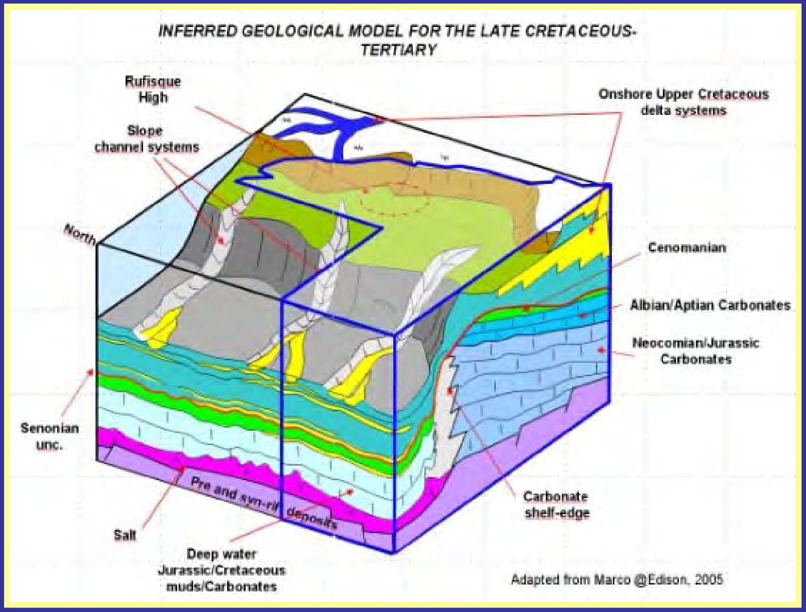
- FAR (90%) Operator - only ASX entry in this world class play - Petrosen (NOC) (10%)
- Currently in 2nd phase of license to 22 November 2009 with extension pending
- The Sangomar-Rufisque offshore licence (3 concessions) covers an area of 7,490 sq km over the shelf, slope, and basin floor
- Prospects derived from 3D seismic include:

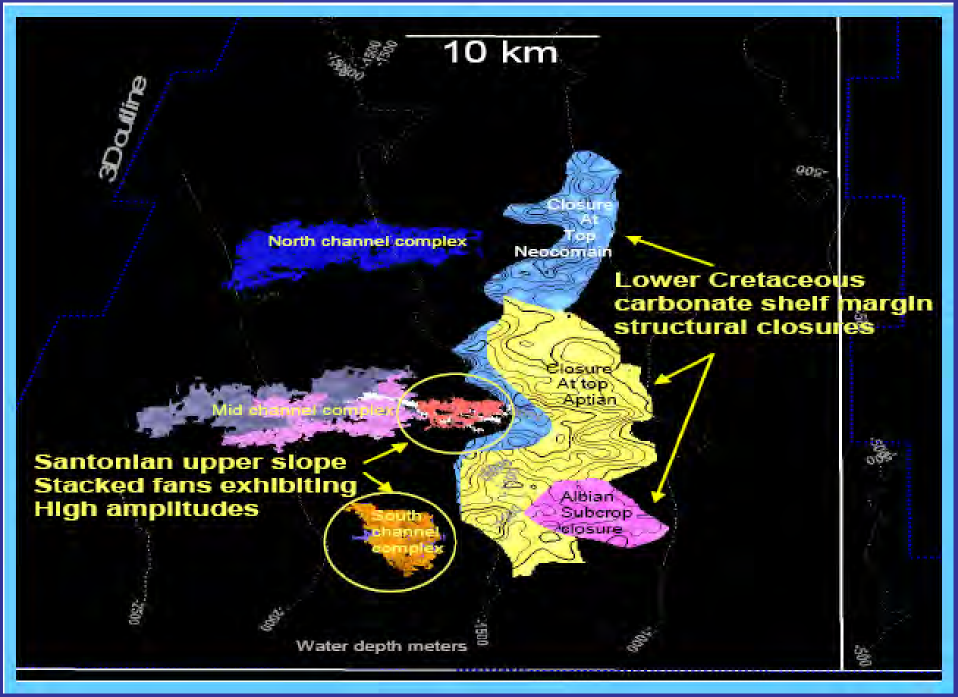
  Aptian shelf edge prospect with mean potential exceeding **1 billion** barrels of oil in place;
  Santonian age fan prospects with mean potential exceeding **180 million** barrels of oil in place from a single fan complex

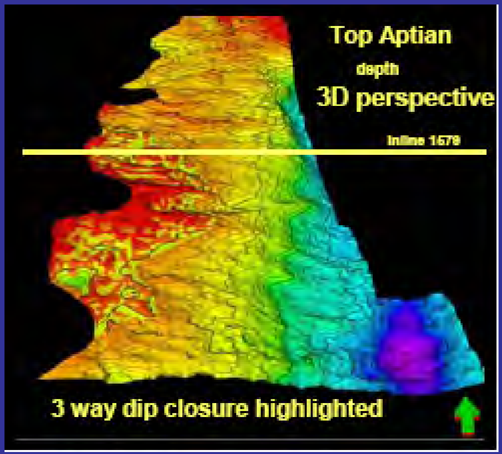


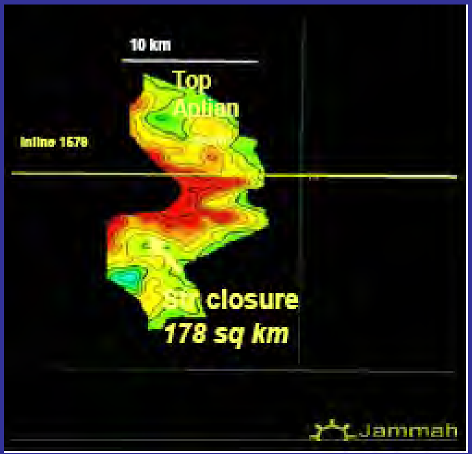
Location of FAR Blocks

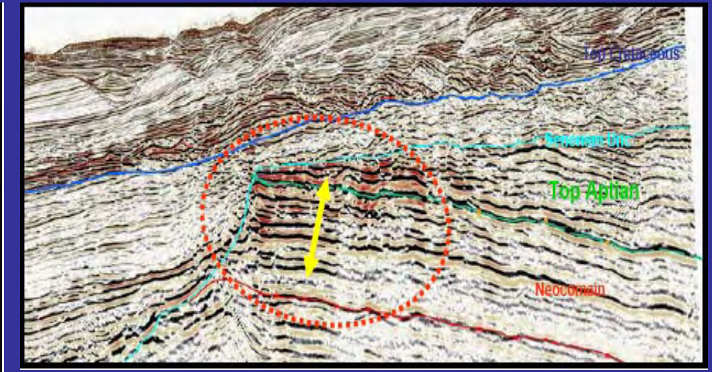
Senegal Targets











Drilling

China

Offshore China Block 22/12 Sold

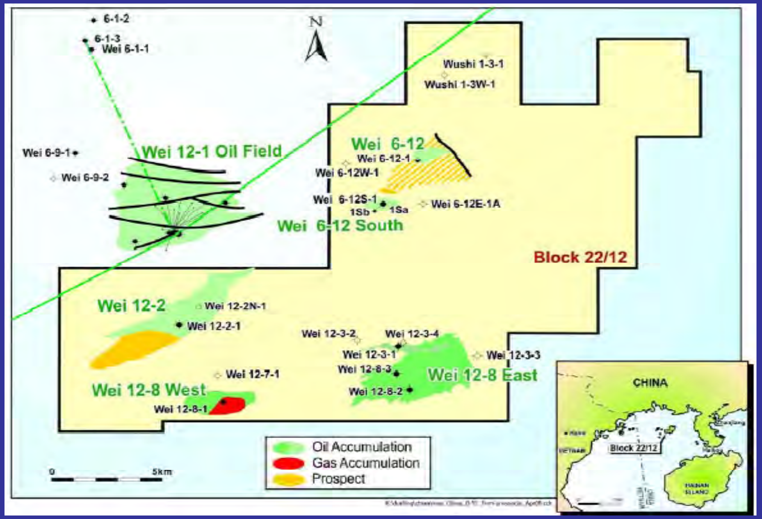
FAR 5%* sold to Korean Group in April 2009 for US$ 8million payable:

•US$2 million received

•US$3 million upon approval of an Oilfield Development Program (“ODP”) or if commercial development of the project proceeds

•US$3 million once the project has produced 1 million barrels of oil (gross).

“Another milestone for FAR enabling focus on other opportunities that generate greater leverage for Shareholders”



* (CNOOC has option to ‘back in’ to any discovery at an equity level up to 51%.)

Summary

Summary

- FAR has a 90% interest in 3 concessions offshore Senegal:
  - 2,050 sq km of 3D processed data
  - mapped multiple prospects including:
    - 3D defined Aptian shelf edge prospect, mean potential exceeding **1 billion** barrels of oil in place; and
    - Fan systems such as 3D mapped Santonian age fan prospects with mean potential exceeding **180 million** barrels of oil in place from a single fan complex
- SHELL funded CSEM study does not rule out possibility of finding hydrocarbons
- Ground floor opportunities in North America, meaningful targets yet to be drilled
- Strong balance sheet with no significant expenditure commitments
- With a market capitalisation of circa A$29 million and A$12.6 million in cash and a further US$6m in receivables, FAR provides unique leverage to a world class interests offshore West Africa
- FAR is open to other global opportunities that meet high leverage threshold criteria