# Off-Shore West Africa
# World Class Oil Potential

AGM

PERTH 11 APRIL 2011

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# Overview of FAR (ASX)

- Focus on Central Atlantic Margin of West Africa
- FAR (10% WI) is partnering Ophir in landmark West African "Kora" well (potential 448 million bbl potential) in AGC Profond Block early May 2011
- Farm-in with Ophir gives FAR largest foothold offshore Senegal and Guinea Bissau region, West Africa
- "Kora" well focuses attention on FAR's world class offshore Senegal Project (3 blocks, FAR 100% WI)
- FAR's Senegal project - multiple prospects range from around 200 million to greater than 1 billion bbl potential
- AGC Profond Block is immediately adjacent to FAR's Guinea Bissau blocks (FAR 21.43% WI) that includes 240 MMBOE STOOIP oil discovery, "Sinapa"

## Capital Structure

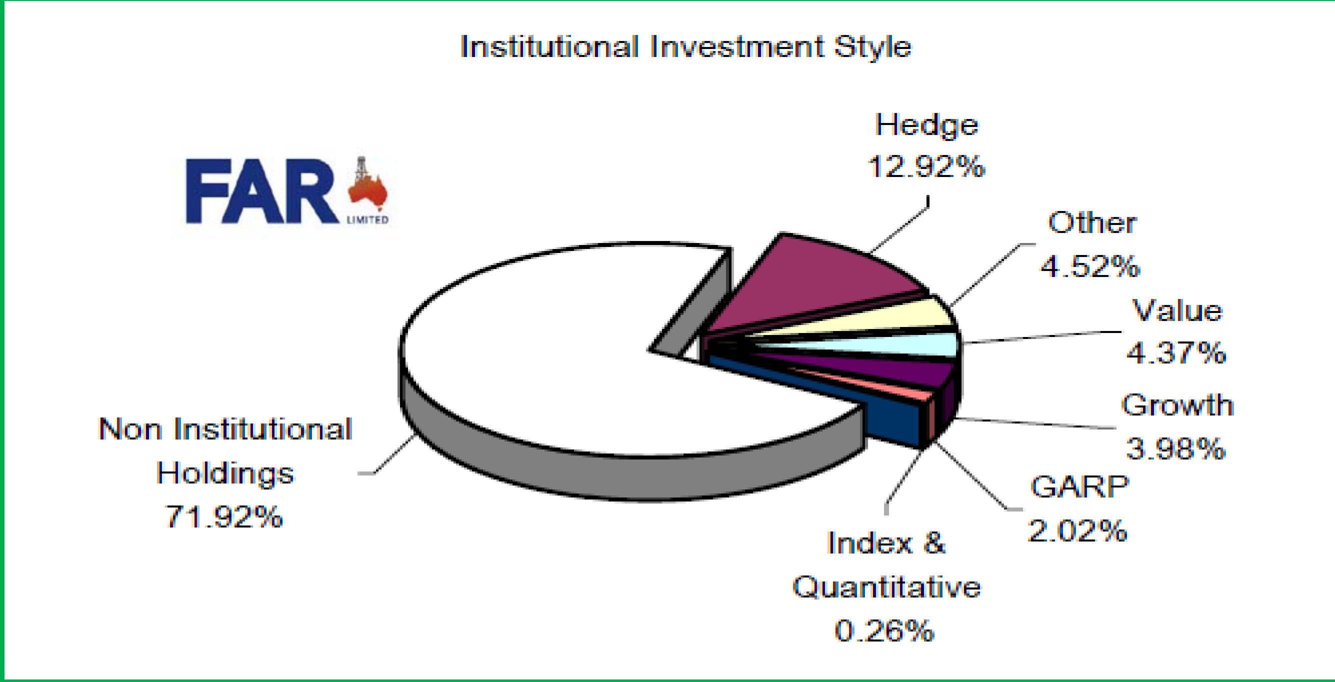
| | |
|---|---|
| **Shares on issue** | **1,245,351,164** |
| **Share price** | **$0.120** |
| **Market capitalisation** *(at 12 cents per share)* | **$149,442,140** |
| **Cash on hand**[1] | **$36,103,862** |
| **Convertible Notes** (6.6m, 15%, 31 Jan 2012, face value 45 cents convert at 1:10 basis) | **$2,971,165** |
| **Enterprise value** | **$116,309,443** |
| **Unlisted options on issue** (exp 2011-13; ex $0.05 to $0.14) | **19,300,000** |

## Share Price Performance Last 12 months


1. Excludes further staged payments from FAR's sale of China Beibu Gulf asset (US$6m).

# FAR attracts Institutional investors

| INSTITUTIONAL INVESTMENT STYLE | NO OF SHARES 10 Feb 11 | %ISSUED CAPITAL |
|---|---|---|
| Hedge | 160,769,839 | 12.92% |
| Other | 56,234,965 | 4.52% |
| Value | 54,382,023 | 4.37% |
| Growth | 49,567,937 | 3.98% |
| GARP | 25,159,020 | 2.02% |
| Index & Quantitative | 3,266,341 | 0.26% |
| **Institutional Holdings** | 349,380,125 | 28.08% |

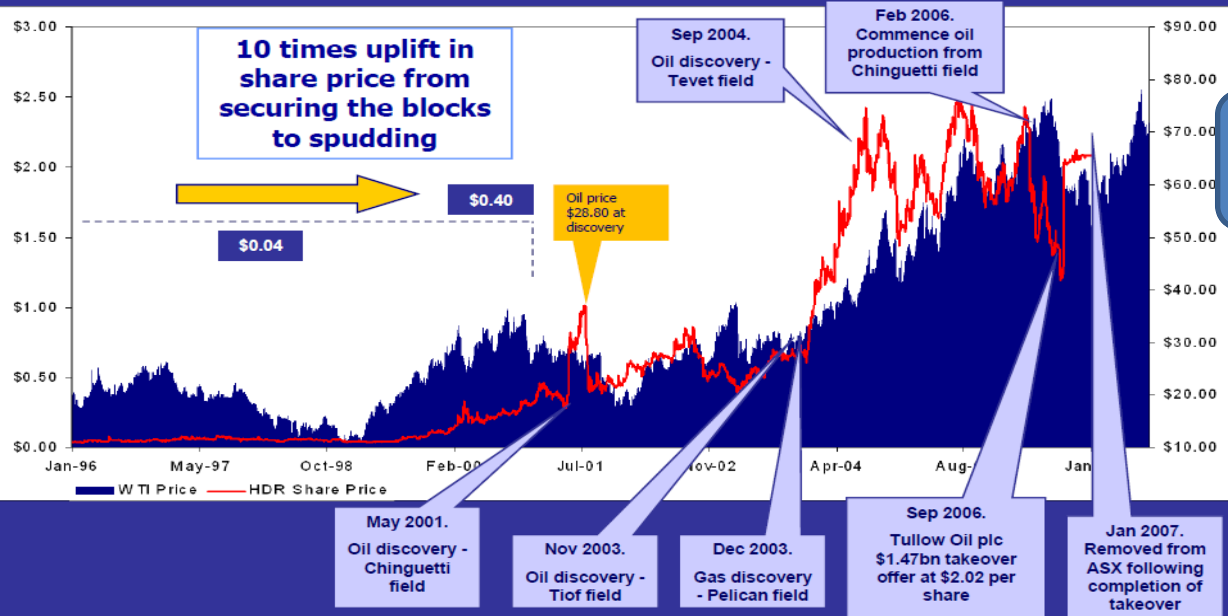


# FAR tracking Hardman on ASX ?

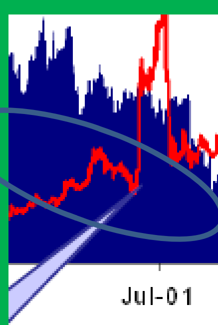
## Case Study – Hardman Resources with Oil Price Overlay

**Senegal gives FAR the opportunity to replicate the success of Hardman Resources**

**Hardman market cap $10 million in 1999, market bid of $1.5 billion by Tullow Oil Plc in 2006 (started with adjacent Mauritania Project)**

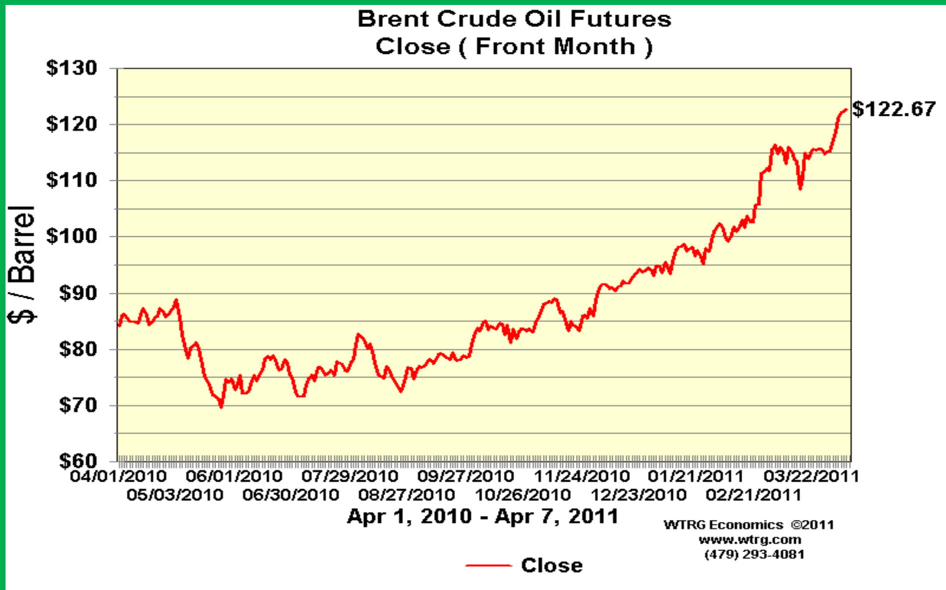




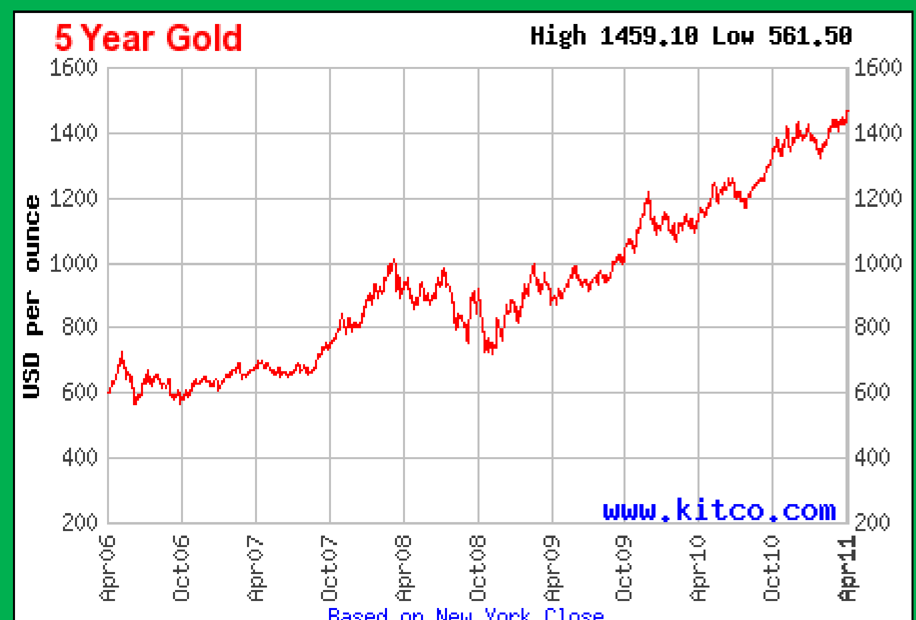


# Unprecedented Global Turmoil

# How global events are impacting pricing





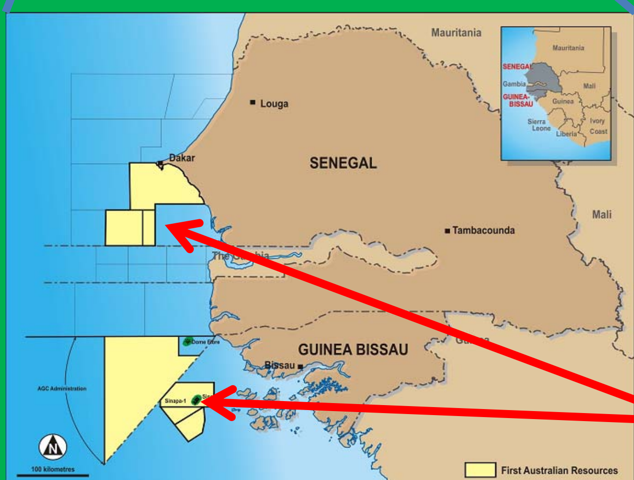



# Why explore in West Africa?

The geology that stretches from Mauritania to northern Namibia may hold 71.7 billion barrels of undiscovered oil, according to U.S. Geological Survey estimates

From 1989 to 2009, Africa's estimated oil reserves more than doubled to 127.7 billion barrels, equivalent to about 9.6 percent of the world's total, according to BP

# West Africa – World Class Oil Potential


OFFSHORE WEST AFRICAN CONCESSIONS


FAR 7 Licences – 23,170 sq km (gross)

**Farm-in with Ophir gives FAR largest foothold offshore Senegal and Guinea Bissau region**

# West Africa Emerging Resources Projects

## Iron Ore Projects

Mittal
$2 Billion
Commitment

Rio
$3 Billion
Simandou deal value

African Minerals
Tonkolili
$6B deal value

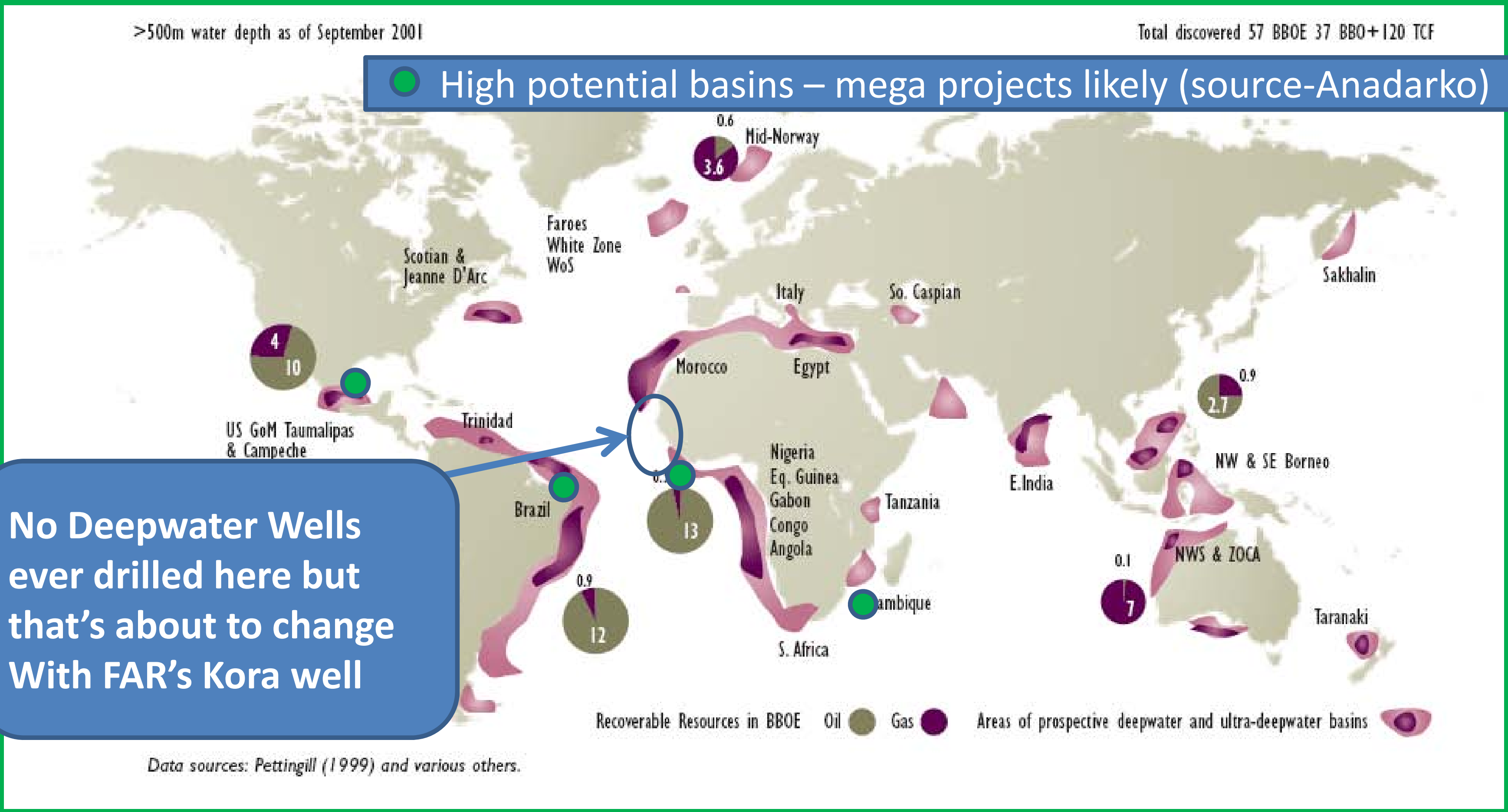

Xstrata/Sphere
Guelb El Aouj

Mittal
$1.5 Billion
Commitment
Buchanan

BHP
$3 Billion
Commitment
Tolo Range etal

Guinea may hold up to half the world's bauxite

# What's Missing on the Map and Why?

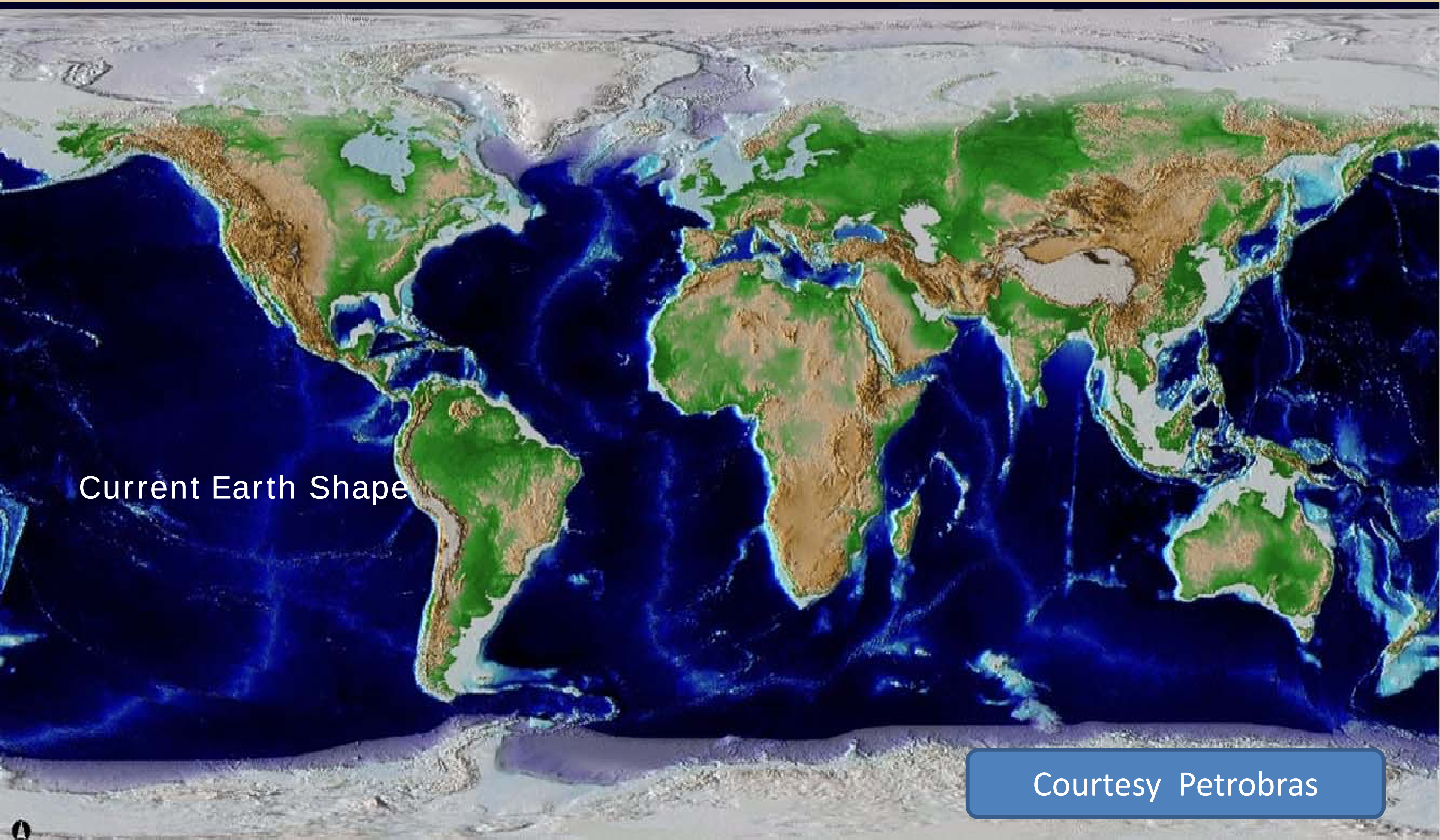



High potential basins – mega projects likely (source-Anadarko)

**No Deepwater Wells ever drilled here but that's about to change With FAR's Kora well**

Prospective Deepwater basins (purple)

# Geological History



# FAR Offshore West Africa Summary

- **AGC Profond Block** (FAR earning 10% WI[1])
  - Ophir as operator to drill the "Kora" well in May 2011
  - Well is targeting a prospect with mean prospective oil resources of 448million bbl (100% basis)
  - 16 prospects on block mapped, total un-risked resource potential estimate at approx 1.7 billion Bboe
- **Senegal** (FAR 100%WI –subject to Ophir Option)
  - 3 Blocks. 2,086sqkm 3D seismic has been acquired. Several fans and a giant buried hills play
  - Multiple prospects ranging from 200 million bbl to greater than 1 billion bbl potential
  - Ophir earning the right to acquire a 25% interest in Senegal licence areas[1]
  - FAR is looking for a partner in Senegal (up to 50% available)
- **Guinea Bissau** (FAR 21.43%WI)
  - 3 Blocks (5,832 sq km) with Svenska as Operator
  - Licenses include the "Sinapa" oil discovery (30m of water, P50 STOOIP of 240million bbl)
  - Several large prospects including Sardinha prospect with un-risked P50 STOOIP of 219 million bbl
  - Completed a 1,600 sqkm 3D seismic acquisition program late 2010. Appraisal drilling likely 2012

1. Agreement entered into between FAR and Ophir Energy plc announced to ASX on 11 October 2011. The agreement is subject to a number of conditions including regulatory approval by the relevant authorities being the AGC joint authority and the Republic of Senegal. The agreement gives Ophir the ability to acquire a 25% interest in the Senegal blocks within 60 days of drilling the Kora Prospect and, in the event Ophir exercises its option, it will be appointed Operator.

# Central West African Exploration

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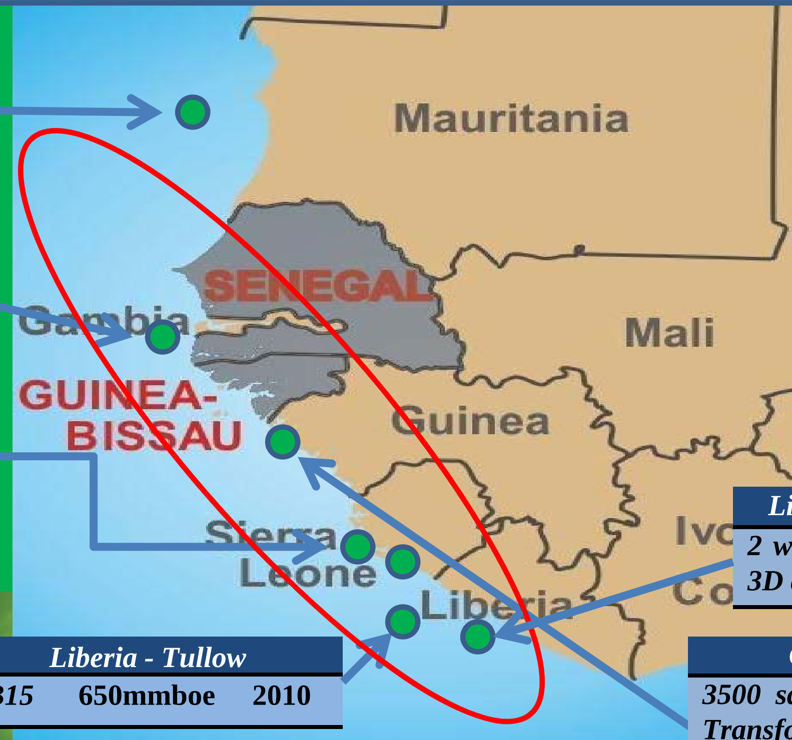
| Mauritania - Tullow | | |
|---|---|---|
| *Cormorant* | *discovery* | *Q1 2011* |

| AGC/Senegal – Ophir/FAR | |
|---|---|
| Kora 448 mmboe | Q2 2011 |

| Sierra Leone - Tullow | | |
|---|---|---|
| *Mercury* | *discovery* | *Q4 2010* |
| *Jupiter* | *250mmboe* | *2011* |



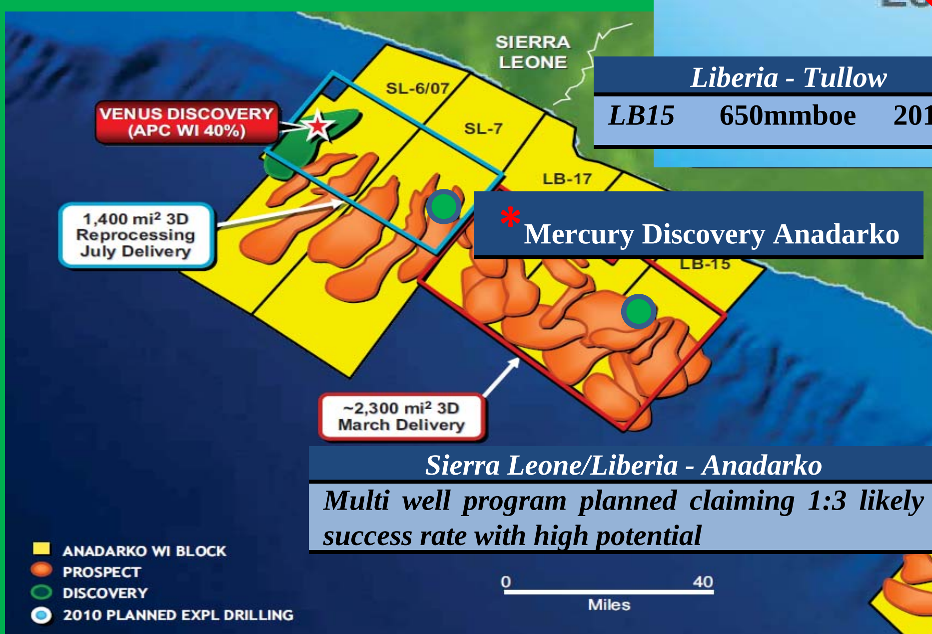

Planned deep water wells

No deepwater wells <2009
*Venus
Mercury

| Liberia – African Petroleum |
|---|
| *2 well program 2012 following 3D acquisition* |

| Liberia - Tullow | | |
|---|---|---|
| *LB15* | *650mmboe* | *2010* |

| Guinea – Dana/HDY |
|---|
| *3500 sq km 3 D survey* |
| *Transform margin play* |
| *1st well 2011* |
| *Company maker - Dana* |




*Mercury Discovery Anadarko

| Sierra Leone/Liberia - Anadarko |
|---|
| *Multi well program planned claiming 1:3 likely success rate with high potential* |


| Liberia – Chevron |
|---|
| *Acquires 3 licences late 2010* |
| *Wells planned 2010/11* |
| *Potential worth $10 Billion (source US embassy)* |

# Who has the acreage tied up?

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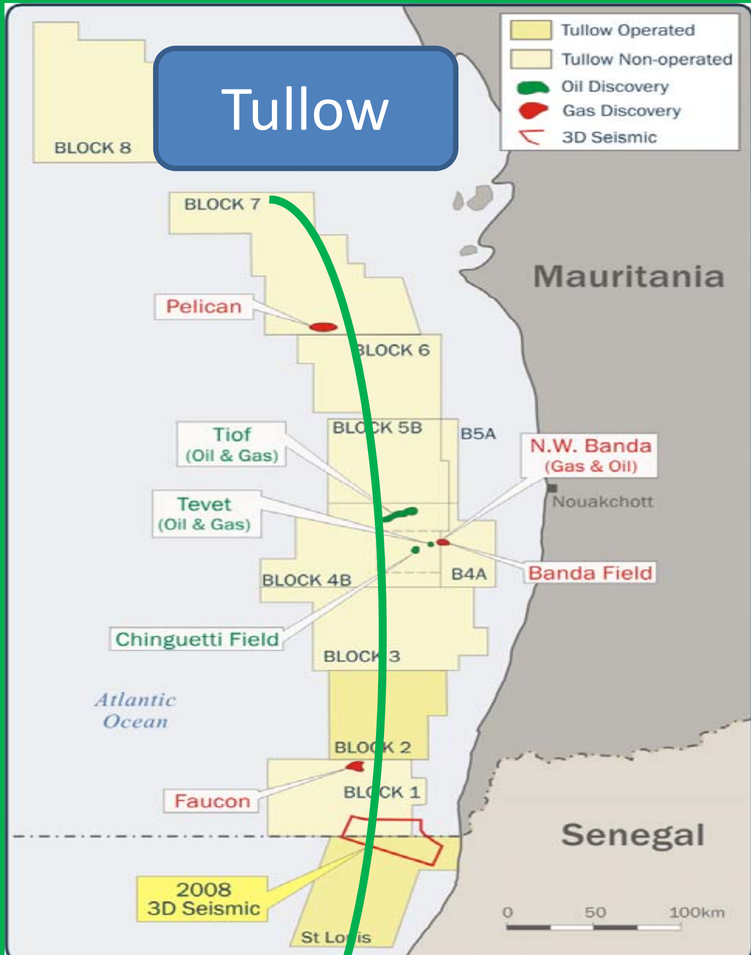
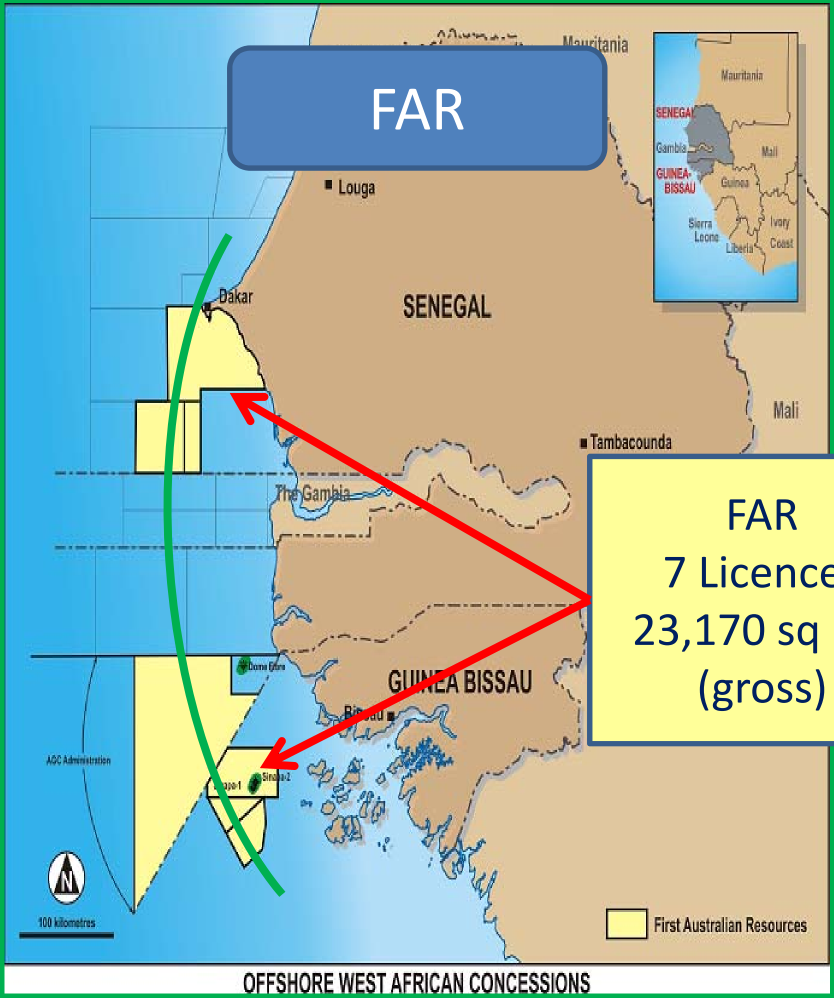
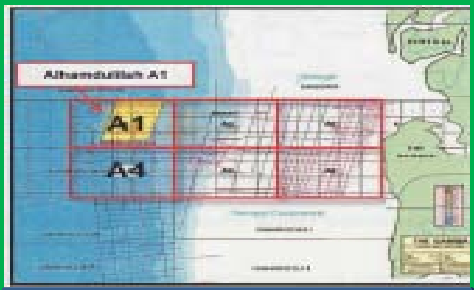


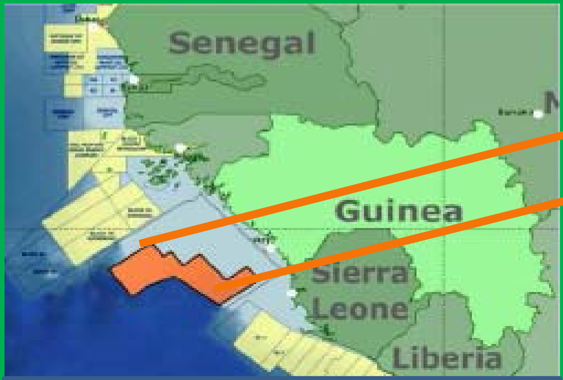

FAR
7 Licences
23,170 sq km
(gross)

FAR has the largest acreage holding of any ASX entity in West Africa and first mover advantage

# A look at the some 2010 West African deal values




African Petroleum commits to +US$60m for 60% of 2 offshore Gambian Licences




Dana pays US$19.6m for 23% offshore Guinea

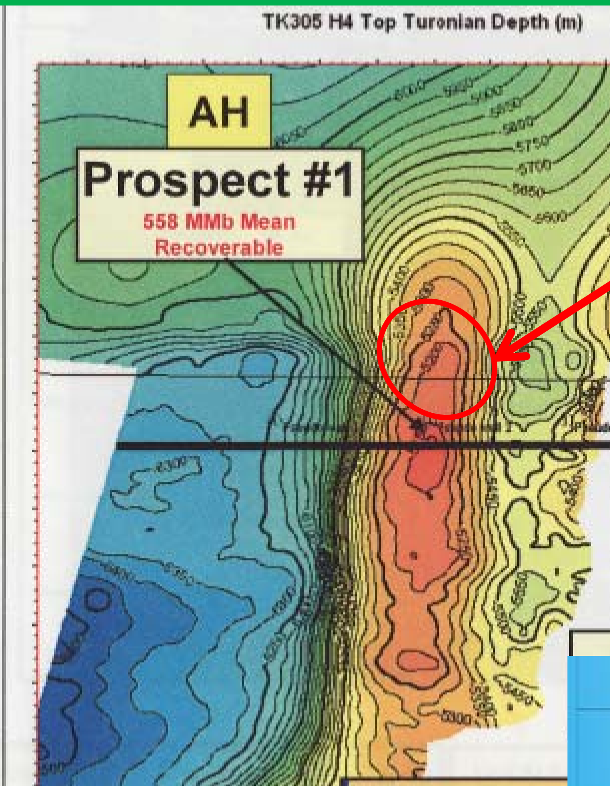


African Petroleum acquires Blocks 8 & 9 in $500 million transaction

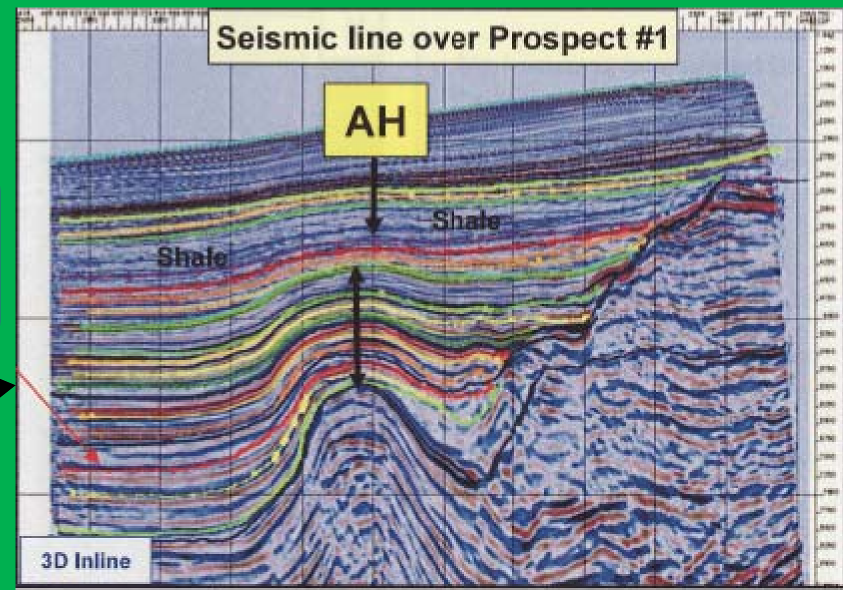

Chevron purported to have paid $100 million per licence

Compare to the FAR carrying value of A$19m over 7 Licences

# African Petroleum Corp Ltd Gambian play overlaps into FAR Senegal Licence

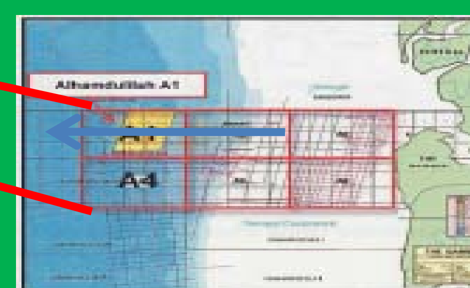



FAR Senegal Licence boundary




Senergy indicates total unrisked mean recoverable potential for 2 Gambian licences (A1,A4) at 4.6 billion barrels

2500sqkm TGS Nopec 3D Gambian survey late 2010

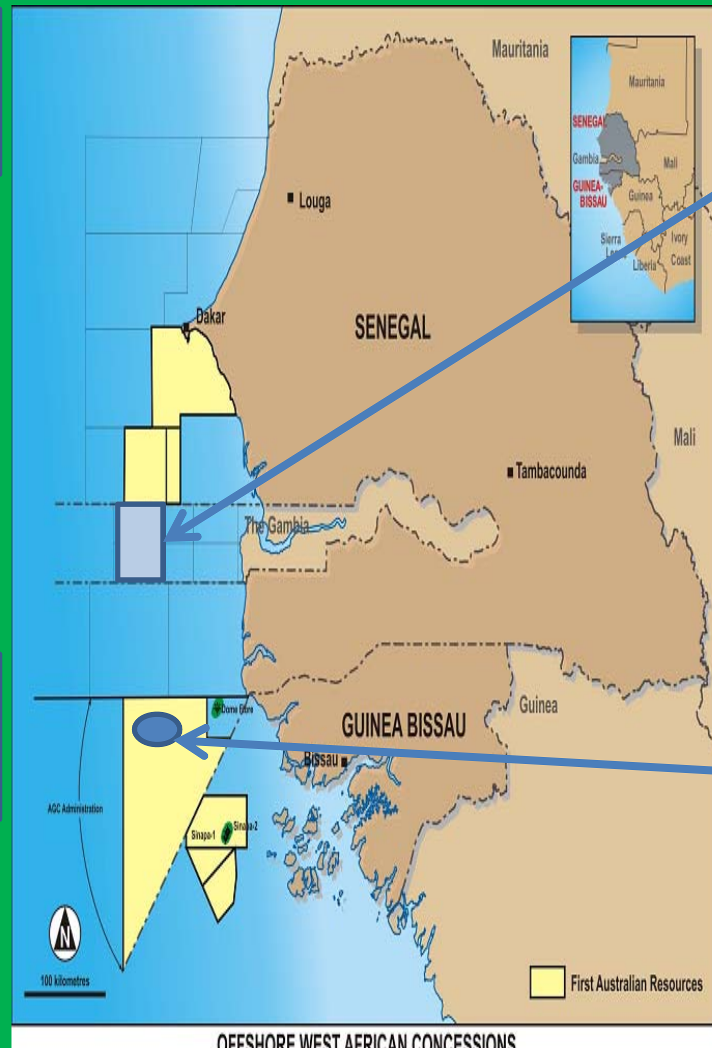



# West African Exploration Adjacent to FAR

First deep water well
Q2 2011 AGC/Senegal

Maersk Deliverer due on location Q2 2011
Est. well cost ~ $US32m

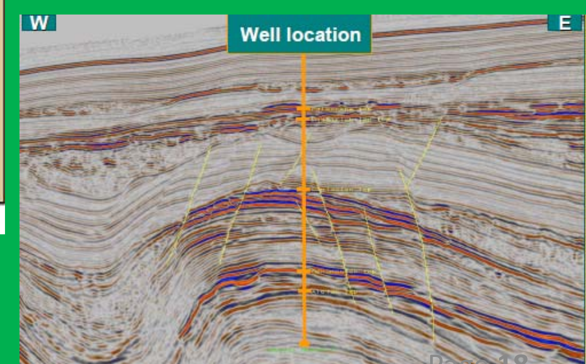
Chance of Success >50% based on 3D and CSEM (www.rocksource.com)

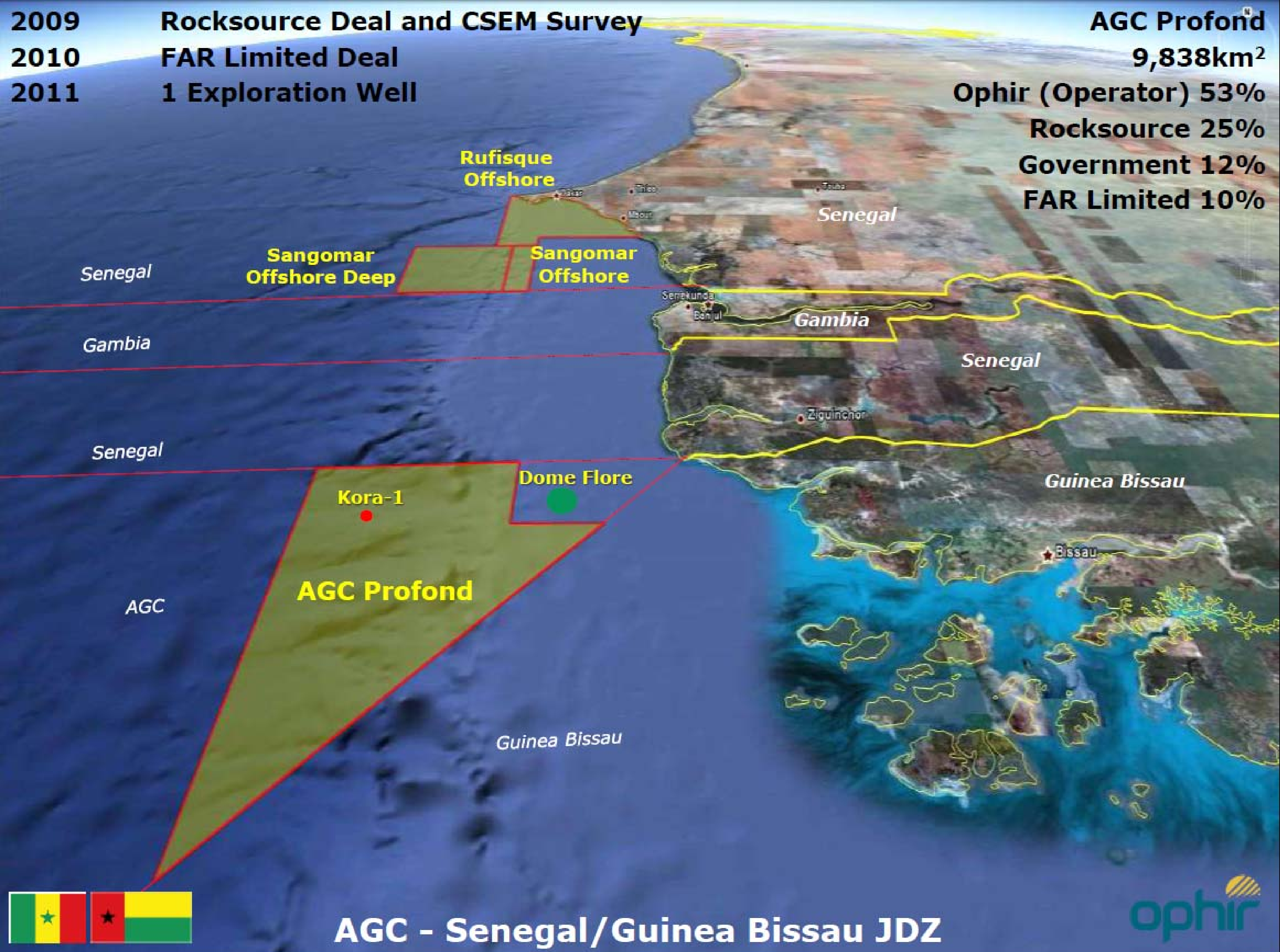



African Petroleum 2500 sq km 3D Gambian survey and drill one well to earn 60%

FAR Licences
100% WI Senegal
21.4% WI Guinea Bissau
10% WI AGC

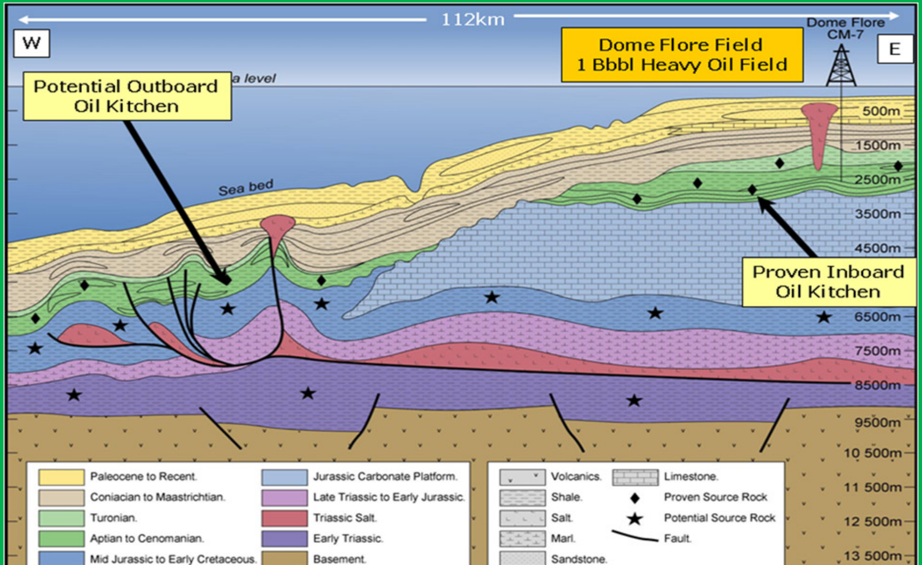
Ophir/FAR to drill 448 mmbbl Kora prospect in 2,600m water



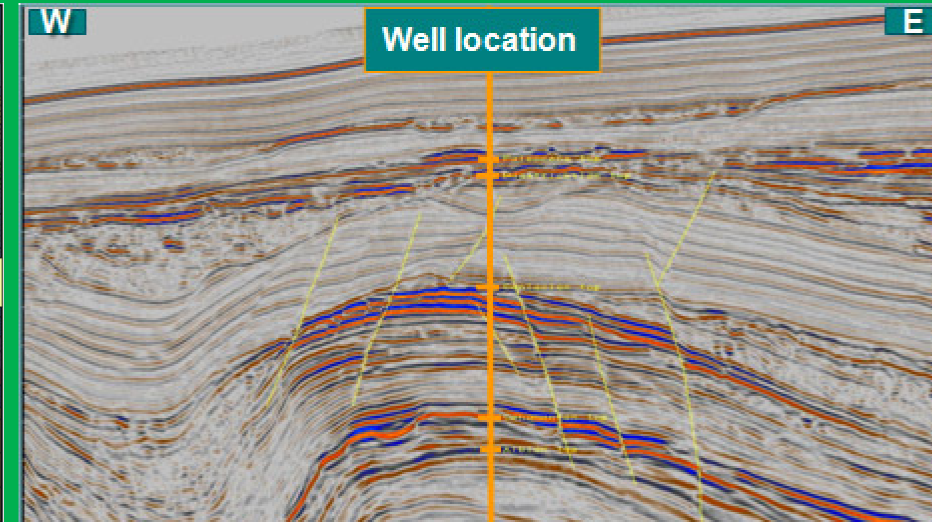

2009 Rocksource Deal and CSEM Survey
2010 FAR Limited Deal
2011 1 Exploration Well
AGC Profond
9,838km²
Ophir (Operator) 53%
Rocksource 25%
Government 12%
FAR Limited 10%
Rufisque Offshore
Sangomar Offshore Deep
Sangomar Offshore
Senegal
Gambia
Senegal
Serrekunda
Banjul
Ziguinchor
Dome Flore
Kora-1
AGC Profond
AGC
Guinea Bissau
Bissau
ophir
AGC - Senegal/Guinea Bissau JDZ

# KORA – A West African Musical instrument

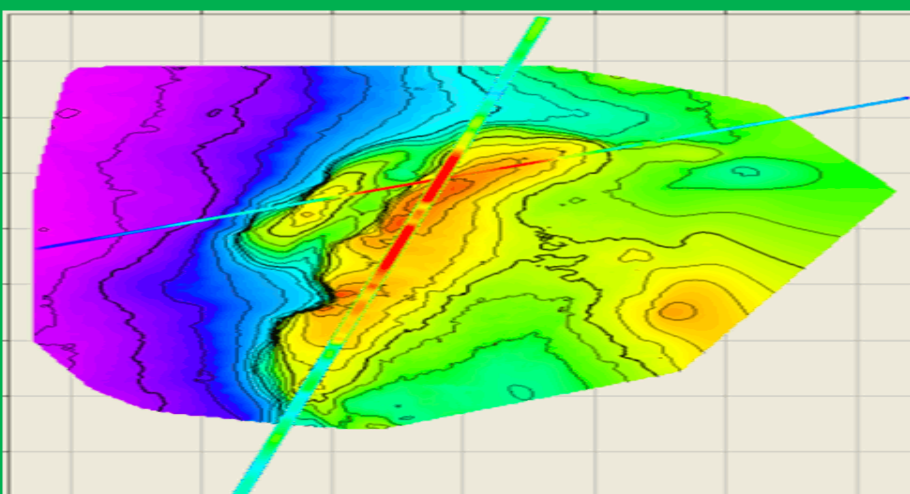
# Snapshot of Kora Well



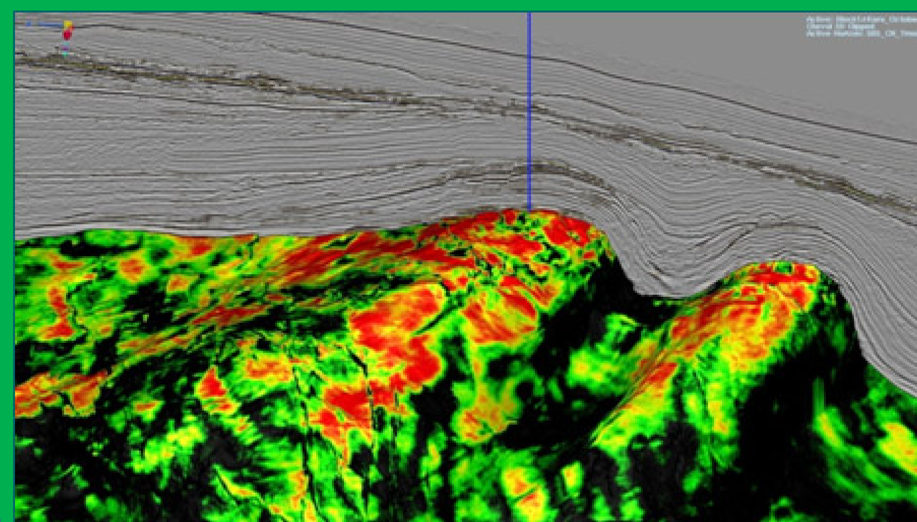

Play elements southern MSGBC Basin



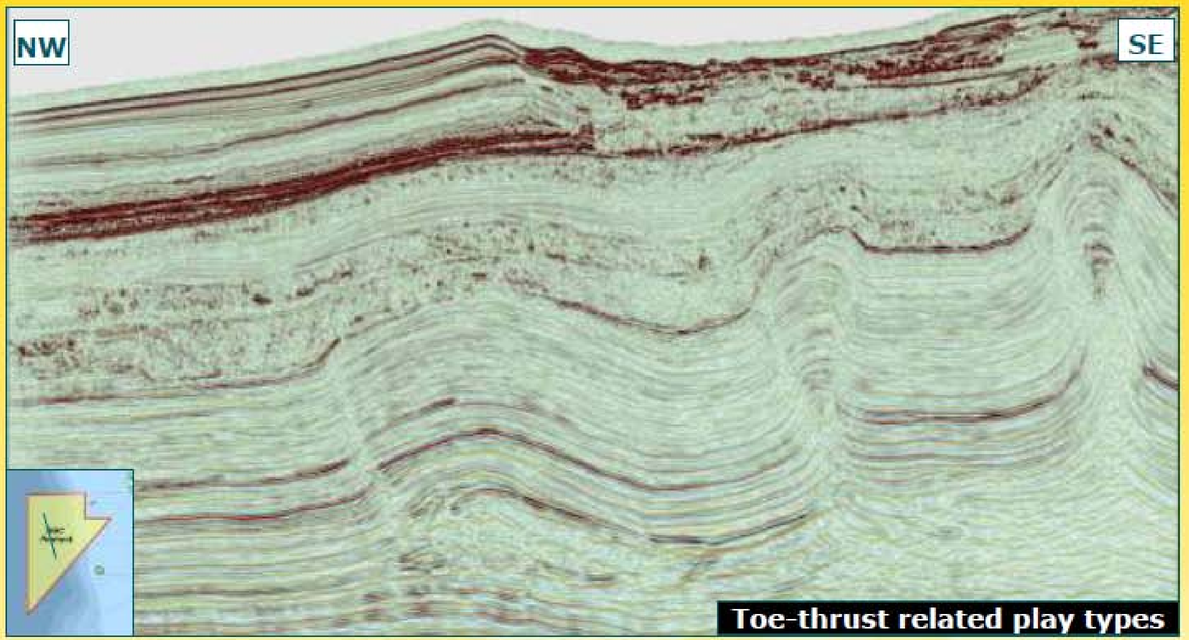

Seismic traverse approximately through the proposed Kora -1 location



Kora Prospect structure map with strong CSEM response over eastern feature



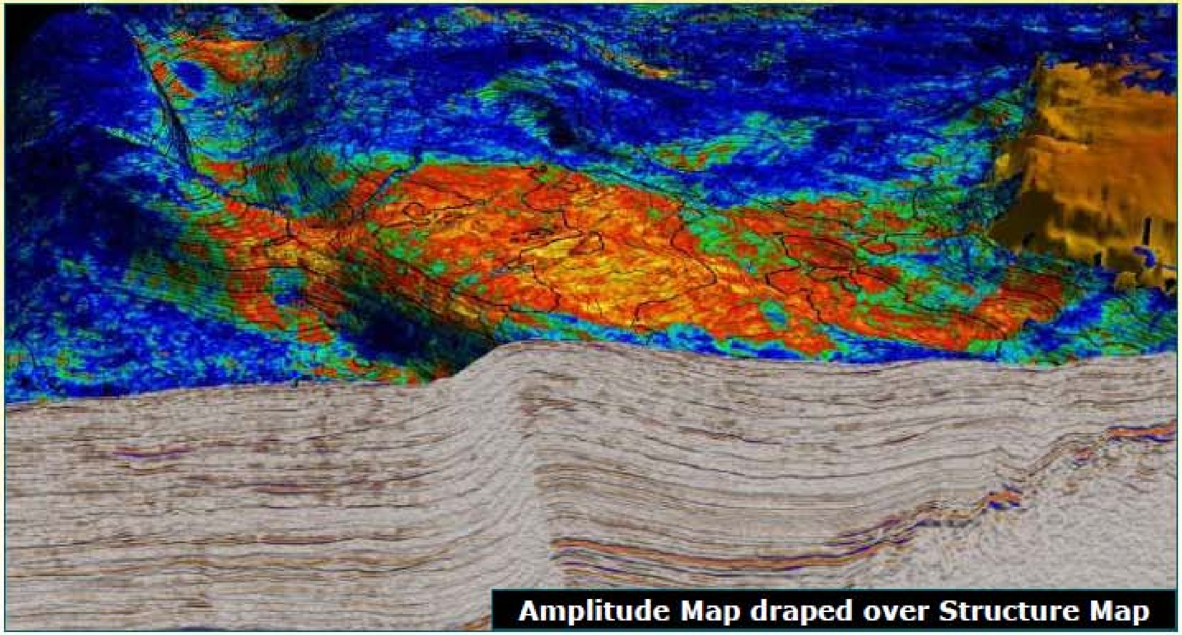
Seismic amplitude extraction from the Albian section over the Kora Prospect



Toe-thrust related play types

Structural style in the AGC is dominated by toe thrusts and salt diapirism.

The combination provides a target rich environment for both structural and stratigraphic plays.


Amplitude Map draped over Structure Map

Potential reservoirs deposited by the Casamace River delta are predominantly Cretaceous in age.

Source rocks are present in DSDP coreholes to the west and have been proven on the shelf.

# AGC Profond - Seismic Examples

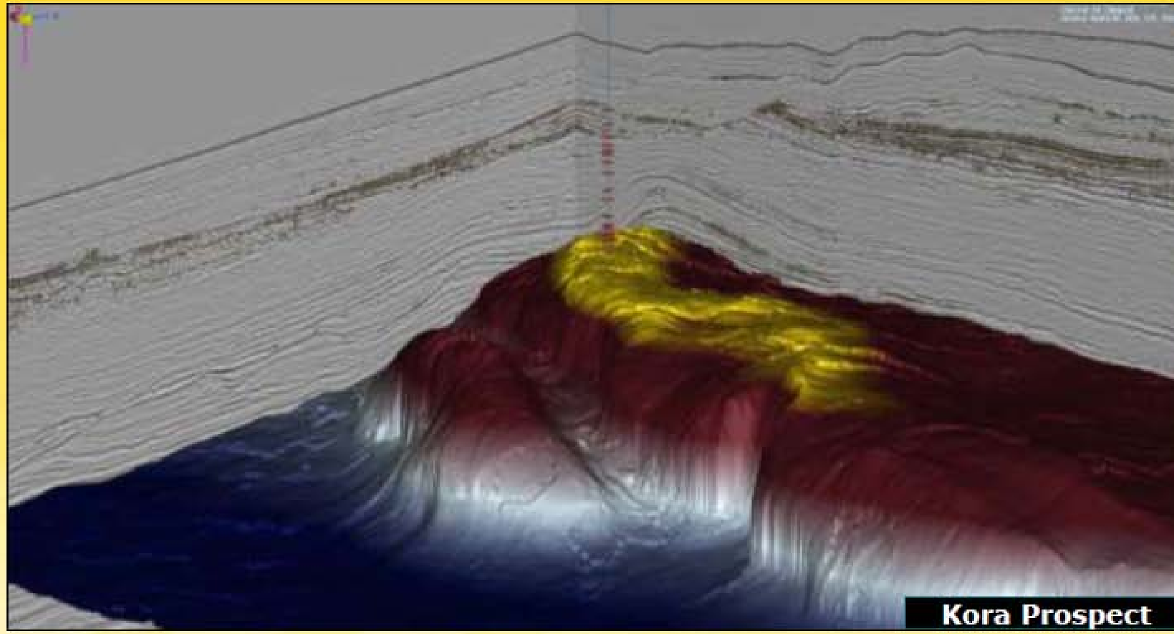
ophir energy plc

# AGC Profond - Kora-1 Prospect

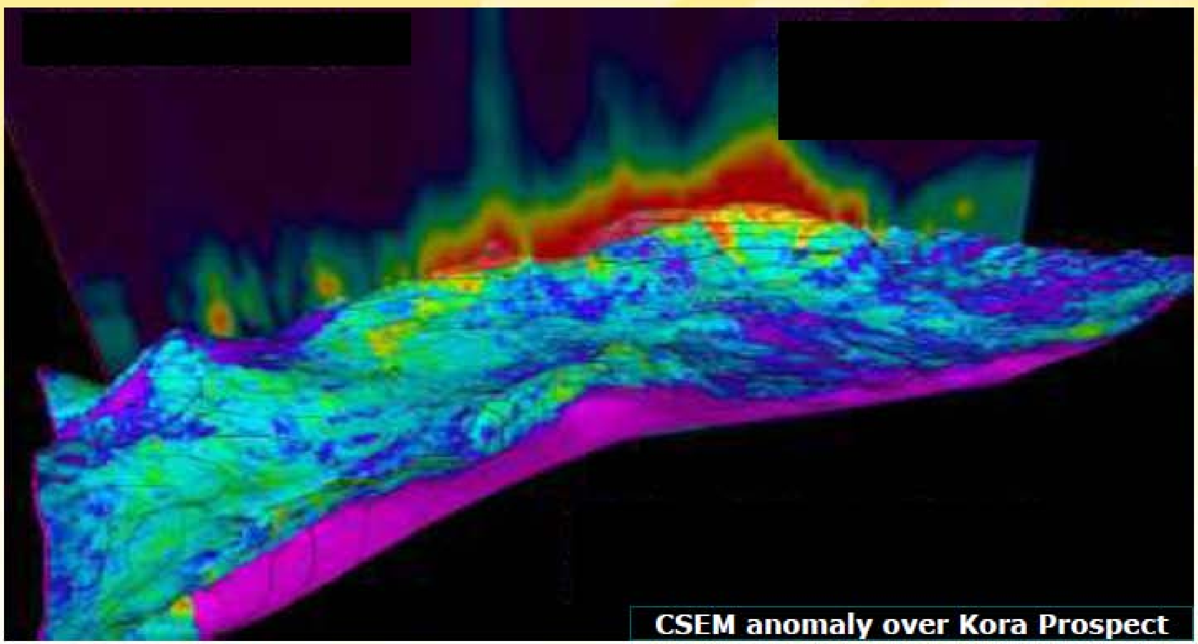
The Kora prospect is a four way dip closed structure above a salt cored toe thrust.

Primary and secondary reservoir objectives are both Cretaceous in age.

There are several follow up prospects.



Kora Prospect



CSEM anomaly over Kora Prospect

There is a strong resistivity anomaly over the Kora prospect which might indicate the presence of hydrocarbons.

The Controlled Source Electromagnetic ("CSEM") anomaly is shown here from the east superimposed upon a seismic amplitude map draped over structure.

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# FAR meets Senegal Ministry and Petrosen

Senegal Decree pending

# FAR meets AGC Personnel


AGC Approval granted

# FAR (100%WI) Senegal - Large 3D defined Prospect Inventory

- FAR has acquired 2050 km$^2$ 3D seismic at a cost of US$14 million in 2007
- 3D interpretation and slope fan attribute work completed Q1 2008
- FAR moved to 90% and became Operator in December 2008
- Multiple Santonian age fan systems with stacked amplitude anomalies
- Large Albian shelf edge closure (up to 178 km$^2$) > 1 billion barrels mean recoverable potential
- Adjacent Turonian source rock kitchen in oil window
- FAR has given notice under the terms of the PSC to the Senegalese Minister for Energy of its intention to enter the next exploration phase (second renewal period) which commenced on 23 November 2010. The request has been supported by Petrosen, the National Oil Company of Senegal. US$5m payable by FAR upon Decree

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

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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

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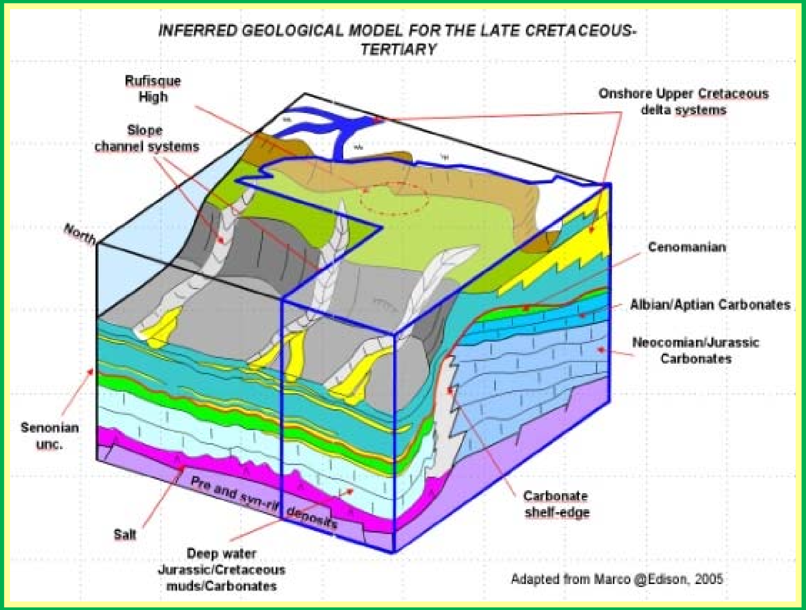
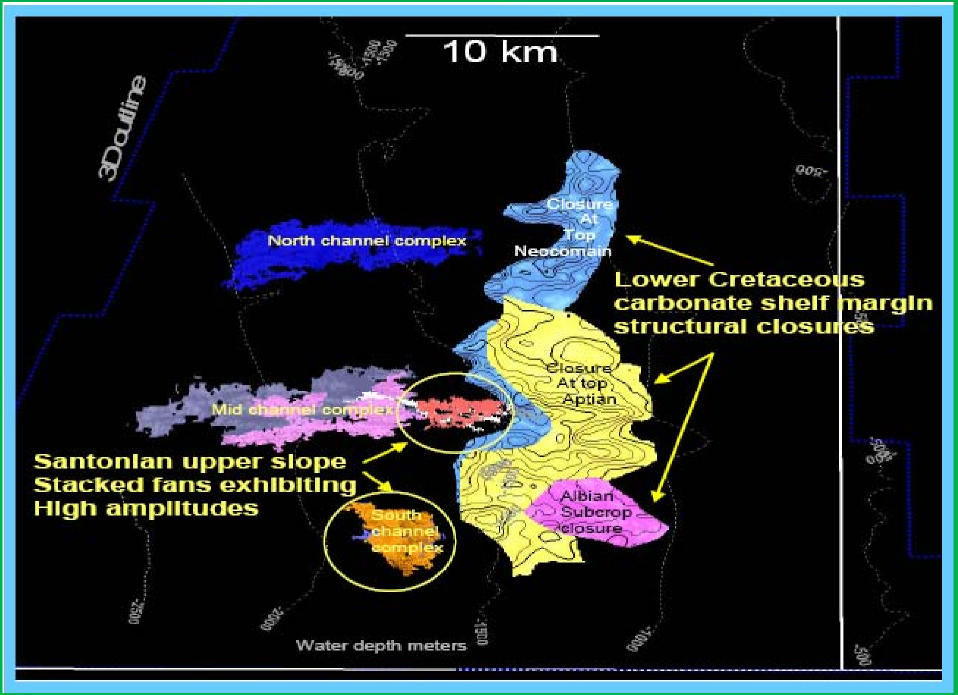
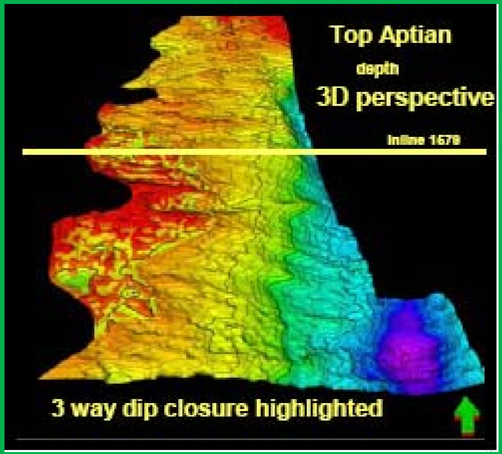
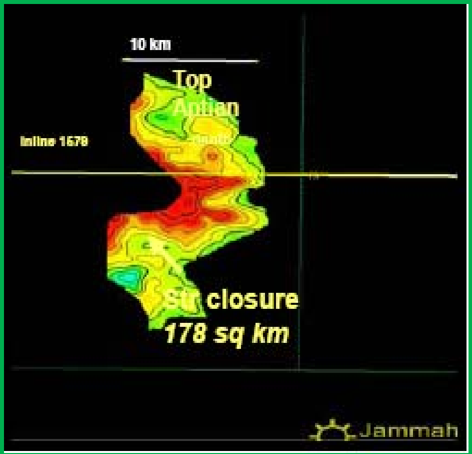
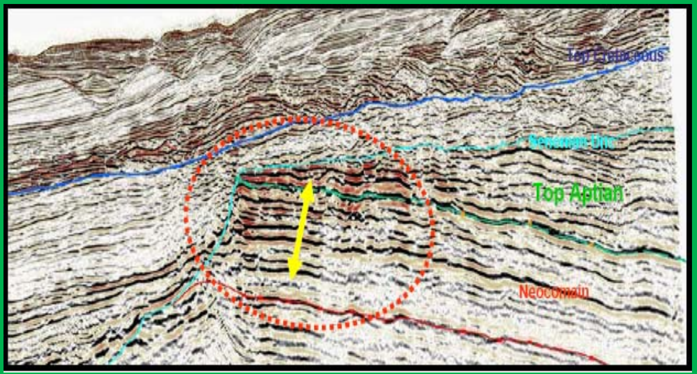
# FAR's (100%WI) Senegal 3D defined drill targets



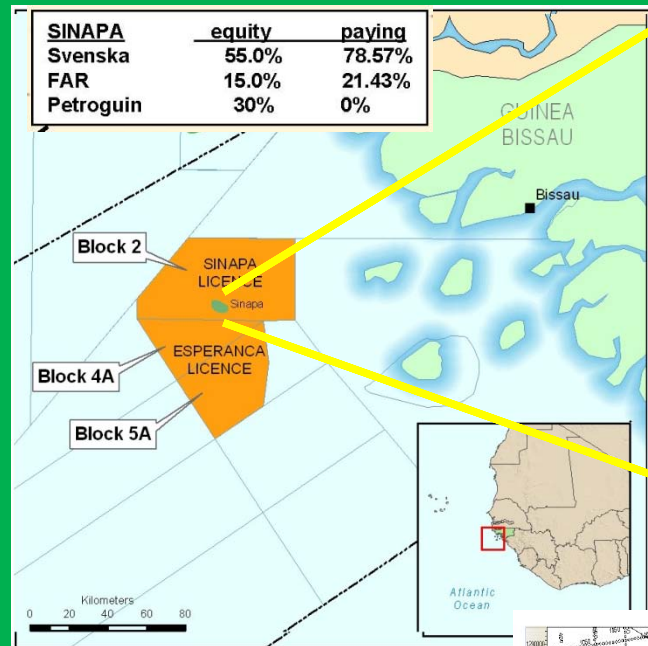



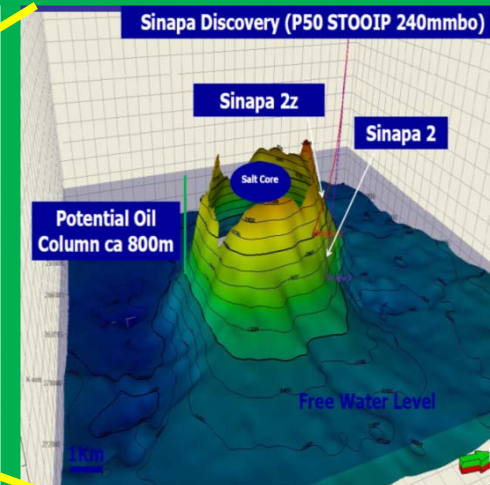



# Guinea Bissau – FAR 21.4%WI

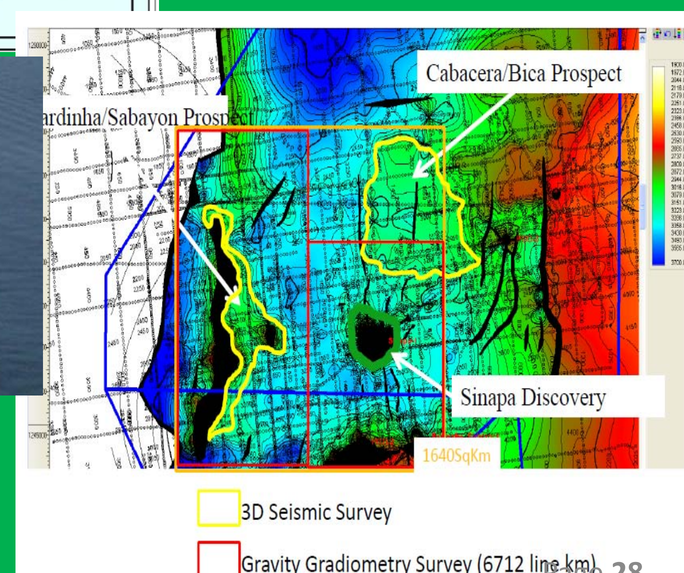
- 3 Blocks, 5,832 sq km. Billion barrel Dome Flore discovery lies immediately north
- "Sinapa" oil discovery located in 30m of water, P50 STOOIP of 240million bbl
- 3D seismic acquisition program with the objective of identifying appraisal drilling locations – Dec 2010
- Appraisal drilling likely to follow in 2012 – 2 wells planned subject to 3D results
- Current exploration term extended by formal gazette for 2 years to 25 Nov 2012

| SINAPA | equity | paying |
|---|---|---|
| Svenska | 55.0% | 78.57% |
| FAR | 15.0% | 21.43% |
| Petroguin | 30% | 0% |




1640 sq km



# Comparison with other West African Explorers

| Licences | FAR Limited | African Petroleum | Hyperdynamics |
|---|---|---|---|
| Senegal | 3 | | |
| Guinea Bissau (2,4A,5A) | 3 | | |
| AGC Profond | 1 | | |
| Liberia (8 & 9) | | 2 | |
| Sierra Leone (SL3) | | 1 | |
| Guinea | | | 1 |
| Gambia (A1,A4) | | 2 | |
| **Total Licences** | **7** | **5** | **1** |
| **Area (sq km gross)** | **FAR Limited** | **African Petroleum** | **Hyperdynamics** |
| Senegal | 7,490 | | |
| Guinea Bissau | 5,832 | | |
| AGC Profond | 9,838 | | |
| Liberia | | 7,135 | |
| Sierra Leone (SL3) | | 3,860 | |
| Guinea | | | 15,530 |
| Gambia (A1,A4) | | 2,668 | |
| **Total Area (sq km gross)** | **23,160** | **13,663** | **15,530** |
| **3 D Coverage** | **FAR Limited** | **African Petroleum** | **Hyperdynamics** |
| Senegal | 2,086 | | |
| Guinea Bissau | 2,240 | | |
| AGC Profond | 3,991 | | |
| Liberia (8 & 9) | | 5,100 | |
| Sierra Leone (SL3) | | 0 | |
| Guinea | | | 3,635 |
| Gambia (A1,A4) | | 2,500 | |
| **Total 3D Coverage (sq km)** | **8,317** | **7,600** | **3,635** |
| **Market Valuation** | **FAR Limited** | **African Petroleum** | **Hyperdynamics** |
| Total Shares | 1,245,351,164 | 1,328,002,598 | 124,260,000 |
| Market price* | 0.12 | 1.00 | 4.61 |
| **Market Capitalisation A$m** | **$149.4** | **$1,328.0** | **$572.8** |

1.Speculative estimated unrisked exploration potential not to be construed as commercial reserves or contingent reserves

FAR has 7 licences across 3 offshore jurisdictions

(only contracted Licences included - does not take into account applications pending)

FAR has significant acreage

FAR has acquired 3D seismic data across its projects with unrisked prospect potential (P10 STOOIP) estimated > 9 Billion bbls gross[1]

FAR has re-rating potential

(based on 1AUD= 1USD)

* Share prices at 8 April 2011

# FAR contributes to social programs

# FAR will grow its African portfolio

During the past year FAR has evaluated offshore opportunities in the following regimes and will continue to build on its established standing:

- Ghana
- Benin
- Angola
- Gabon
- Equatorial Guinea
- Mozambique
- Kenya

FAR will consider an AIM listing in 2011

# Conclusion

- FAR has established an early mover advantage in West Africa where exploration is set to intensify and big deals are being done
- With a market capitalisation of around $150 million and $36 million cash FAR has high leverage to the near term high impact “Kora” well with a compelling exploration story emerging:
  - “Kora” well potential 448 million bbl potential to be drilled in the AGC Profond Block Q2 2011
  - Senegal (FAR 100%WI) has multiple prospects ranging from 200 million bbl to greater than 1 billion bbl potential
  - Guinea Bissau (FAR 21.4%WI), large acreage position with the existing “Sinapa” oil discovery
  - Further opportunities in the AGC Profond Block with 16 prospects mapped, total un-risked resource potential estimate at approx 1.7 billion Bboe (CPR report pending)