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ASX Announcement & Media Release

Senegal Drilling Update: SNE-2 delivers a successful appraisal well

The SNE-2 appraisal well has completed drilling and evaluation and has delivered a positive result after being safely drilled, cored, logged and flow tested ahead of schedule.

Oil flows from drill stem testing (DST) are important in demonstrating SNE is a world class oil discovery with the ability to flow oil at commercially viable rates:

- A DST of the lower reservoir unit flowed oil at a constrained rate of 8,000 bopd (stabilised) confirming high primary reservoir deliverability
- A DST of the upper "heterolithic" reservoir unit flowed oil at a maximum rate of ~1,000 bopd (unstable), highlighting the potential for these upper units to make a material contribution to SNE resource and production volumes

New SNE-2 data, plus analysis of new and reprocessed seismic and well data, and further appraisal activity is expected to lead to a future revision of the SNE field resource estimates.

Preliminary results from SNE-2:

- A drill stem test (DST) of a lower principal oil reservoir unit over a 12m interval (~11.5m net) flowed oil at a maximum stabilised constrained rate of ~8,000 bopd on a 48/64" choke. The interpreted unconstrained flow rate of this interval is greater than the testing equipment capacity of 10,000 bopd. This result confirms the high deliverability of the principal SNE reservoir units.
- A DST of a shallower "heterolithic" reservoir unit over a 15m interval (~3.5m net) flowed oil at a maximum rate of ~1,000 bopd on a 24/64" choke. The flow from this interval was unstable due to the 4.5" DST tubing, however, this result confirms the potential of the "heterolithic" reservoir units to produce at viable rates and make a material contribution to SNE oil resource and production volumes.
- SNE-2 appears to have the same high quality 32 degree API oil seen in SNE-1.
- Gas-Oil and Oil-Water depths have been confirmed, showing a similar oil-down-to and oil-up-to depth at SNE-2 of 103m gross (SNE-1 is 96m gross).
- SNE-2 has confirmed the correlation of the principal reservoir units between SNE-1 and SNE-2 and the potential for lateral reservoir continuity.
- A total of 216m of continuous core (100% recovery) was recovered across the entire SNE field reservoir interval.

The SNE-2 appraisal well is now being plugged and abandoned and the Ocean Rig Athena will then move 6km south to drill the SNE-3 appraisal well to evaluate the SNE oil field reservoir quality and continuity at a more southerly location.

SNE-2 is the first appraisal well in a three-well, back-to-back drilling program designed to comprehensively evaluate the SNE oil field from the drilling of the SNE-2 and SNE-3 appraisal wells and Bellatrix exploration well.

SNE-2 is located 3km north of the SNE-1 oil field discovery well and it has been drilled in 1,200m of water approximately 100km offshore Senegal in the Sangomar Offshore block.

FAR Managing Director Cath Norman said;

"The excellent results from the SNE-2 appraisal well have confirmed the SNE oil field reservoir quality and are important in demonstrating the ability of the SNE reservoirs to flow oil at commercially viable rates.

This positive result has also helped confirm the overall scale and extent of the resource base and it is expected to support a future revision of the SNE resource estimates.

This also provides further evidence of the substantial potential of FAR's extensive exploration acreage position offshore Senegal.

Overall, SNE-2 has provided FAR with significant confidence that SNE has potential to become a major, world-class, oil field development.

SNE-2 has been drilled, cored, logged and tested ahead of schedule and we are now looking forward to the results from SNE-3."



Figure 1: SNE-2 flow test

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About FAR

FAR (ASX: FAR) is an independent oil and gas explorer with high impact assets in West and East Africa.

FAR holds a significant acreage position (PSC area 7,490km²) in an emerging offshore exploration global hot spot offshore Senegal located along the West Africa transform margin. FAR delivered two world class oil discoveries offshore Senegal in late 2014 at FAN-1 and SNE-1. These were the first deep water exploration wells ever drilled, and first offshore wells drilled for more than 20 years offshore Senegal.

FAN-1 is significant because it confirmed a working petroleum system offshore Senegal by identifying excellent (world class) source rocks. FAN discovered a 500m gross oil interval (made up of a series of discrete oil columns) within a channel fed submarine fan play (stacked sequence) with 29m of net oil pay and no oil water contact. FAN has potential to be large with the operator quoted oil in place resource of P90: 250 mmbbls, P50: 900 mmbbls, P10: 2500 mmbbls*.

SNE-1 confirmed 36m of net oil pay in a gross 96m oil column. Reservoir quality was also excellent (25% porosity). The high quality result from SNE-1 and confidence in mapping the SNE structure (3D seismic) has led the Operator to announce a SNE recoverable contingent resource of 1C: 150 mmbbls, 2C: 330 mmbbls, and 3C: 670 mmbbls*. IHS CERA has rated SNE as the world's largest oil discovery in 2014.

FAR has identified a sizeable prospect and lead portfolio in its offshore Senegal acreage that is estimated to contain prospective resources of over 1.5 billion barrels of oil on a gross un-risked best estimate basis* (FAR net 225 million barrels potential*).

Offshore Senegal PSC partners are: Cairn Energy 40% (operator), ConocoPhillips 35%, FAR 15%, Petrosen 10%.

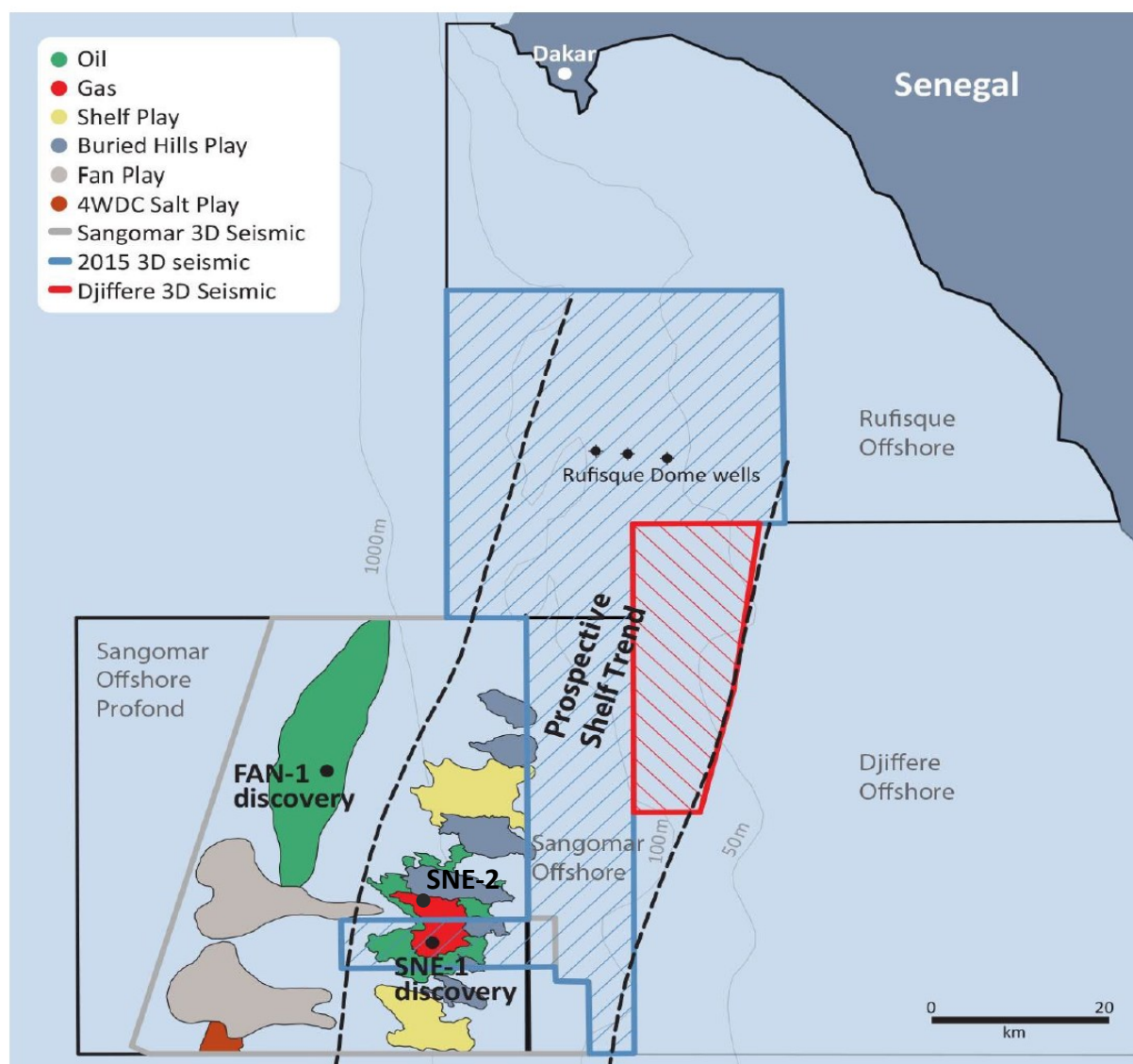


Figure 2: Location map – FAR Senegal acreage

* Refer to Cautionary Statement in this report (Page 4) relating to estimates of prospective resources

Disclaimers

***Prospective Resource Estimates Cautionary Statement** - With respect to the prospective resource estimates contained within this report, it should be noted that the estimated quantities of Petroleum that may potentially be recovered by the future application of a development project may relate to undiscovered accumulations. These estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Prospective Resources - All prospective resource estimates presented in this report are prepared as at 27/2/2013, 11/3/2014, 5/2/2014 and 13/04/2015 (Reference: FAR ASX releases of 27/02/2013, 11/3/2014, 5/2/2014 and 13/04/2015). The estimates have been prepared by the Company in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System, 2007 approved by the Society of Petroleum Engineer and have been prepared using probabilistic methods. Unless otherwise stated the estimates provided in this report are Best Estimates and represent that there is a 50% probability that the actual resource volume will be in excess of the amounts reported. The estimates are unrisks and have not been adjusted for both an associated chance of discovery and a chance of development. The 100% basis and net to FAR prospective resource estimates include Government share of production applicable under the Production Sharing Contract.

Competent Person Statement Information - In this report relating to hydrocarbon resource estimates has been compiled by Peter Nicholls, the FAR Limited exploration manager. Mr Nicholls has over 30 years of experience in petroleum geophysics and geology and is a member of the American Association of Petroleum Geology, the Society of Petroleum Engineers and the Petroleum Exploration Society of Australia. Mr Nicholls consents to the inclusion of the information in this report relating to hydrocarbon Prospective Resources in the form and context in which it appears. The Prospective Resource estimates contained in this report are in accordance with the standard definitions set out by the Society of Petroleum Engineers, Petroleum Resource Management System.

Forward looking statements - This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning FAR's planned operation program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although FAR Ltd believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward looking statements. The entity confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.