

19 January 2016

## ASX Announcement & Media Release

### Senegal Drilling Update: SNE-3 starts drilling

The second appraisal well to be drilled on the SNE oil field, 100km offshore Senegal, has been re-entered and will now be drilled to planned total depth. The SNE-3 well, located approximately 3km south of the initial SNE-1 discovery well, will further evaluate the potential of the world-class SNE oil field.

The SNE-3 well follows the successful first appraisal well at SNE-2 (refer ASX announcement 4 January 2016). SNE-2 successfully flowed oil at 8,000 bbls per day constrained and estimated at over 10,000 bbls per day on an unconstrained basis. SNE-2 appears to have the same high quality 32 degree API oil seen in SNE-1.

The oil flows from the SNE-2 drill stem testing (DST) were important in demonstrating that the SNE field is a world class oil discovery with the ability to flow oil at commercially viable rates as well as highlighting the potential of the upper "heterolithic" reservoir units to make a material contribution to SNE resource and production volumes. This positive result has helped confirm the overall scale and extent of the SNE resource base and is expected to support a future revision of the SNE resource estimates.

The SNE-3 well will be drilled in approximately 1,180m of water to a total vertical depth sub-sea (TVDSS) of approximately 2,782m and is expected to include an extensive evaluation program involving coring, logging and flow testing.

SNE-3 was previously drilled to a depth of 1,755 metres by the Ocean Rig Athena prior to the spud of SNE-2 (refer ASX announcement 2 November 2015). FAR expects SNE-3 to reach TD after re-commencement of drilling and after the completion of coring in the latter part of next month. It is expected wireline logs will then be run followed by a drill stem testing (DST) program.

A key aim of the SNE appraisal program is to progress towards proving a minimum economic field size for the SNE discovery, which FAR estimates to be approximately 200 million barrels of recoverable oil as well as determining flow rates for the planning of a future development. In addition, the BEL-1 well, which will evaluate the untested Buried Hills play to test the Bellatrix exploration prospect, will also appraise the northern portion of the SNE oil field (refer Figures 1, 2). BEL-1 will be drilled after completion of SNE-3.

Senegal JV partners: Cairn Energy PLC (Operator) 40%, ConocoPhillips 35%, FAR 15% and Petrosen 10%.

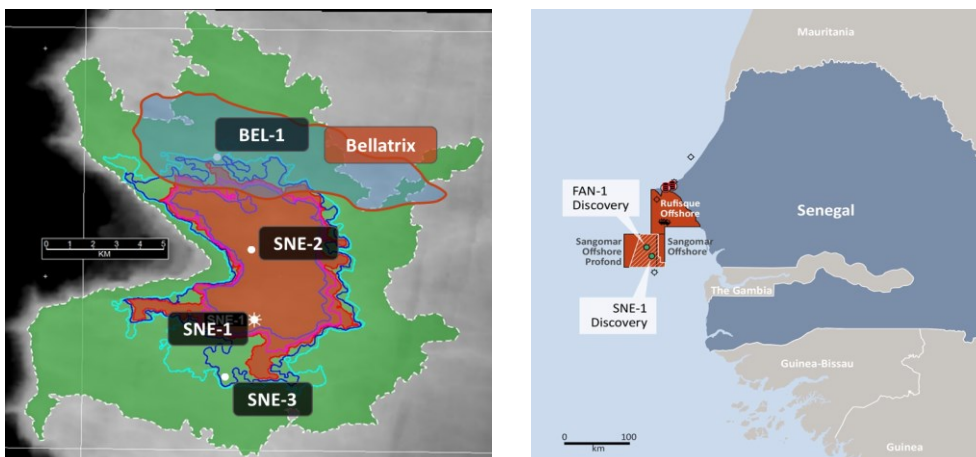


Figure 1 and 2: Location of SNE-2, SNE-3 and BEL-1 evaluation wells

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