

FAR builds on solid foundations

Annual General Meeting
30 May 2018



FAR team



Our company in 2017

End of year cash position

A\$49.9M
with no debt

**Farmed into blocks
A2 & A5 The Gambia**

March 2017



**Samo
prospect**

825
mmbbls

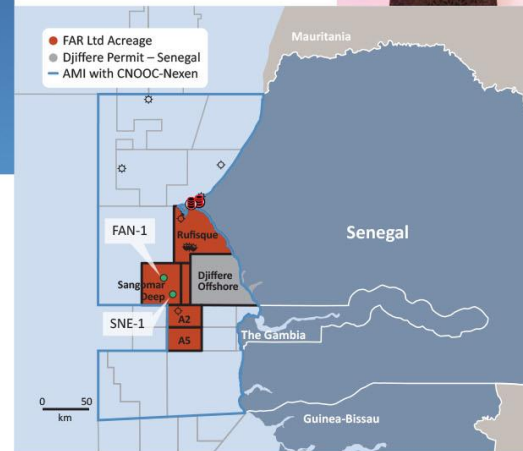


11

**deepwater
wells drilled
with 100%
success rate**



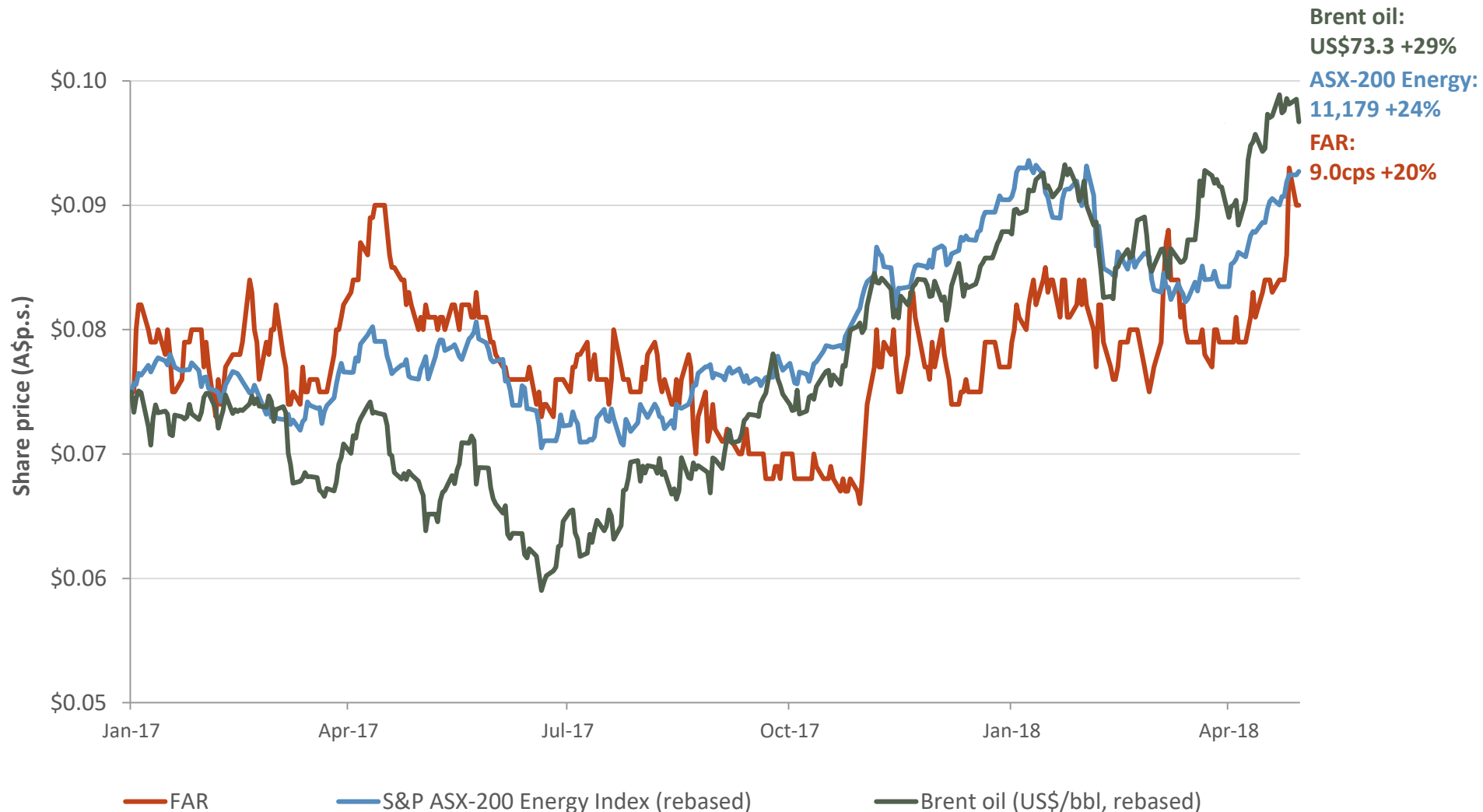
**Completed appraisal of SNE Field
with 2017 drilling campaign**



**Signed Area of Mutual
Interest Agreement
with CNOOC UK** *March 2017*

FAR relative performance

FAR has largely performed in line with the oil price and the ASX200 Energy index



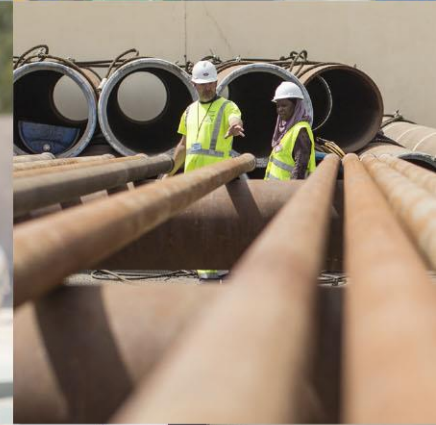
Source: IRESS.

Note: Market data as at 1-May-18.

S&P ASX-200 Energy Index and Brent price indexed to FAR's share price of 7.5cps, as at 2-Jan-17.

Building on solid foundations

- Partner in the world's largest oil discovery for 2014, offshore Senegal, W Africa
- Secured prized blocks offshore, The Gambia
- Drilling first exploration well in The Gambia since 1979
- No dry wells drilled in 11 straight wells offshore Senegal
- Well positioned for upturn in global oil markets

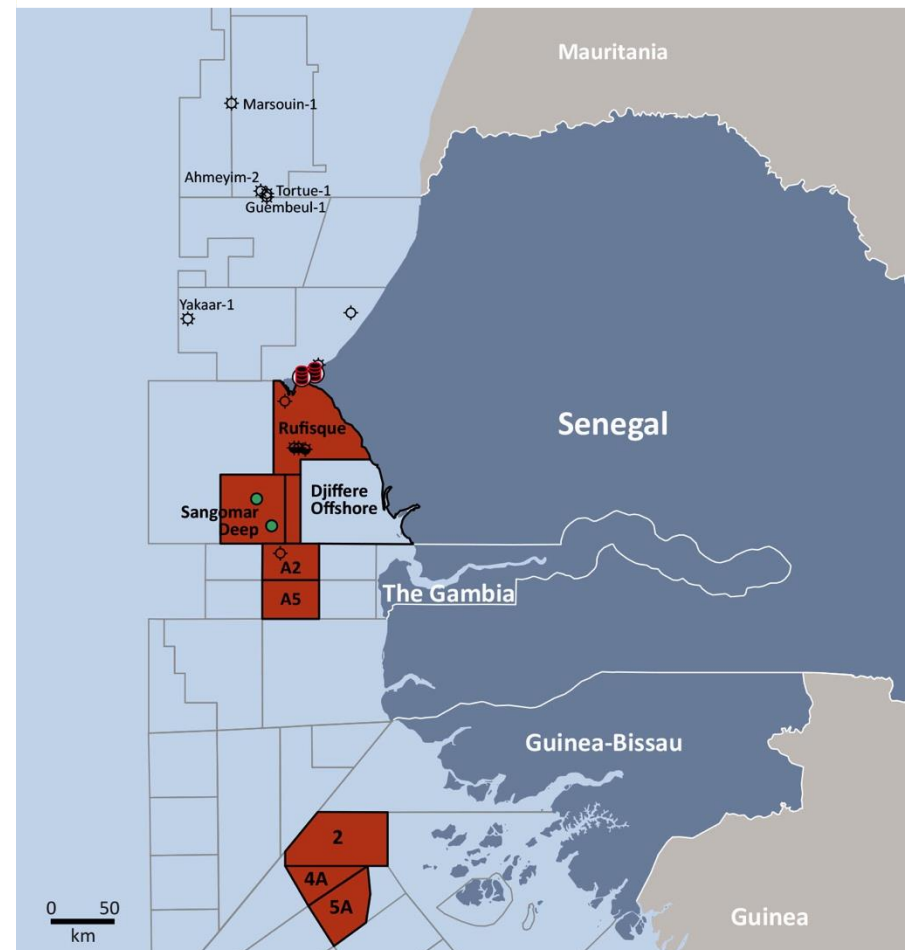


FAR in the MSGBC Basin



- The Mauritania-Senegal-Guinea-Bissau-Conakry Basin has emerged as a global hotspot for oil and gas exploration
- FAR is one of the largest acreage holders in the MSGBC Basin
- FAR in Senegal since 2006, Guinea-Bissau since 2008 and The Gambia since March 2017
- Basin opening FAN-1 and SNE-1 oil discoveries, 2014
- SNE ranked as worlds largest oil discovery in 2014
- FAR 15% Senegal (Cairn Energy Operator), 20% Guinea-Bissau (Svenska Operator), 40% of blocks A2 and A5 offshore The Gambia

FAR LICENCES OFFSHORE SENEGAL, THE GAMBIA & GUINEA-BISSAU



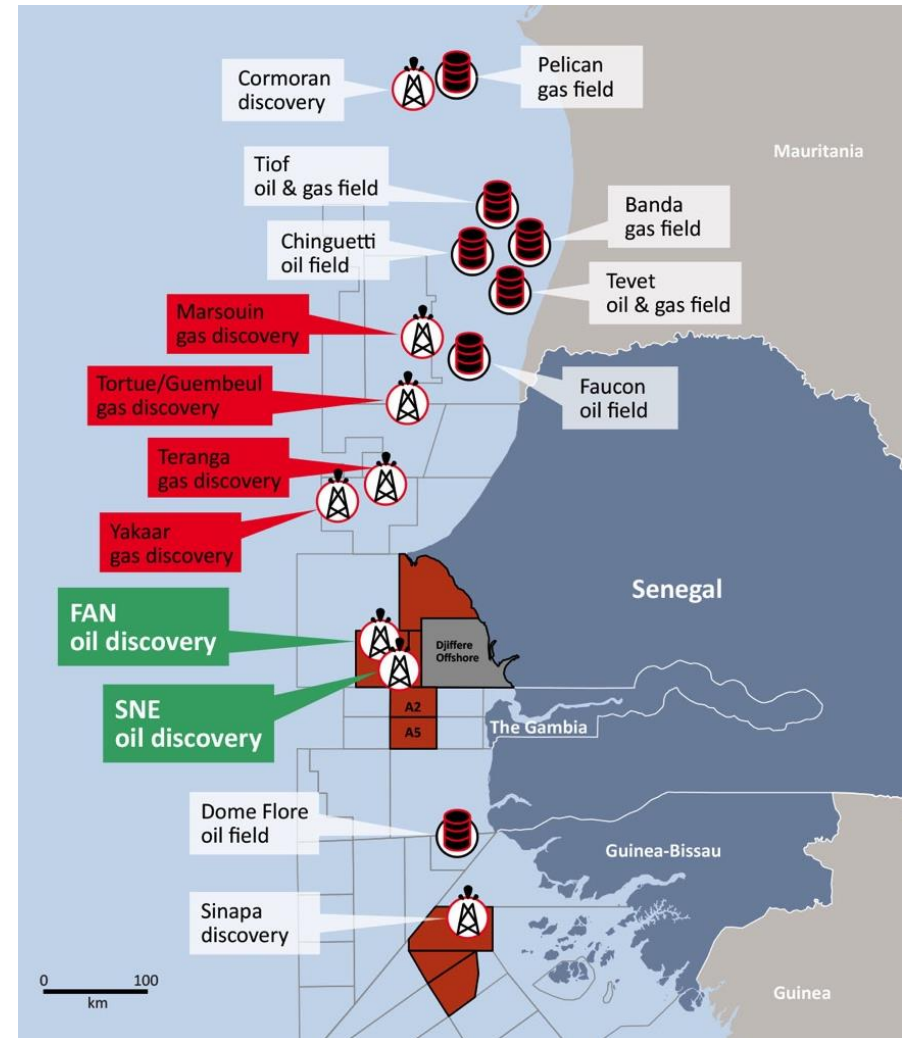
FAN-1 and SNE-1 opened up Senegal



Industry hotspot – increased investment and activity

- FAN and SNE discoveries 2014
- FAN South and SNE North discoveries 2017
- **100% drilling success (11 wells) to date in FAR's Senegal acreage**
- **Major gas discoveries** made in 2015, 2016, 2017 by Kosmos and partners
- **BP farm-in** to Kosmos acreage introduces a large IOC to the basin
- **CNOOC farm-in** to Impact acreage in AGC March 2017
- **Total** awarded ROP block May 2017
- **PETRONAS** farmin to FAR's blocks A2/A5 offshore The Gambia, March 2018

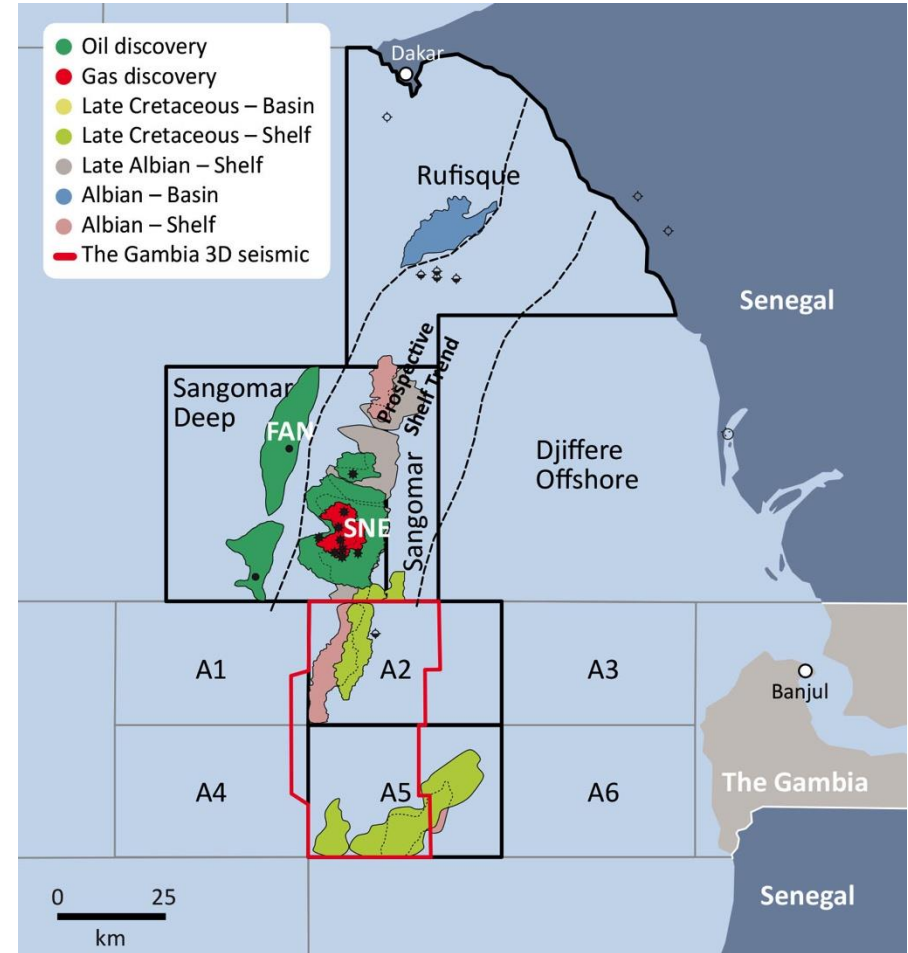
Stellar Energy Advisers stated
'The SNE discovery saved African exploration'



FAR in Senegal



- FAR introduced Cairn Energy and ConocoPhillips to the joint venture in 2012
- SNE Field discovered in November 2014
- SNE-1 was the first oil exploration well drilled offshore Senegal in 40 years
- JV now invested ~ US\$930M in four years
- 11th successful oil well drilled in 2017
- SNE field 641mmbbls 2C resource*
- All discoveries made to date within tie back range of a hub development at SNE
- Undrilled prospects in total have prospective resources of 673 mmbbls oil*



Senegal project 2017

5 wells drilled
for the price of **4**

*All wells drilled
safely & efficiently*

3%
non
productive
rig time

Final 3 appraisal
wells for SNE



SNE-5



VR-1



SNE-6

2 additional
discoveries



SNE North-1



FAN South-1

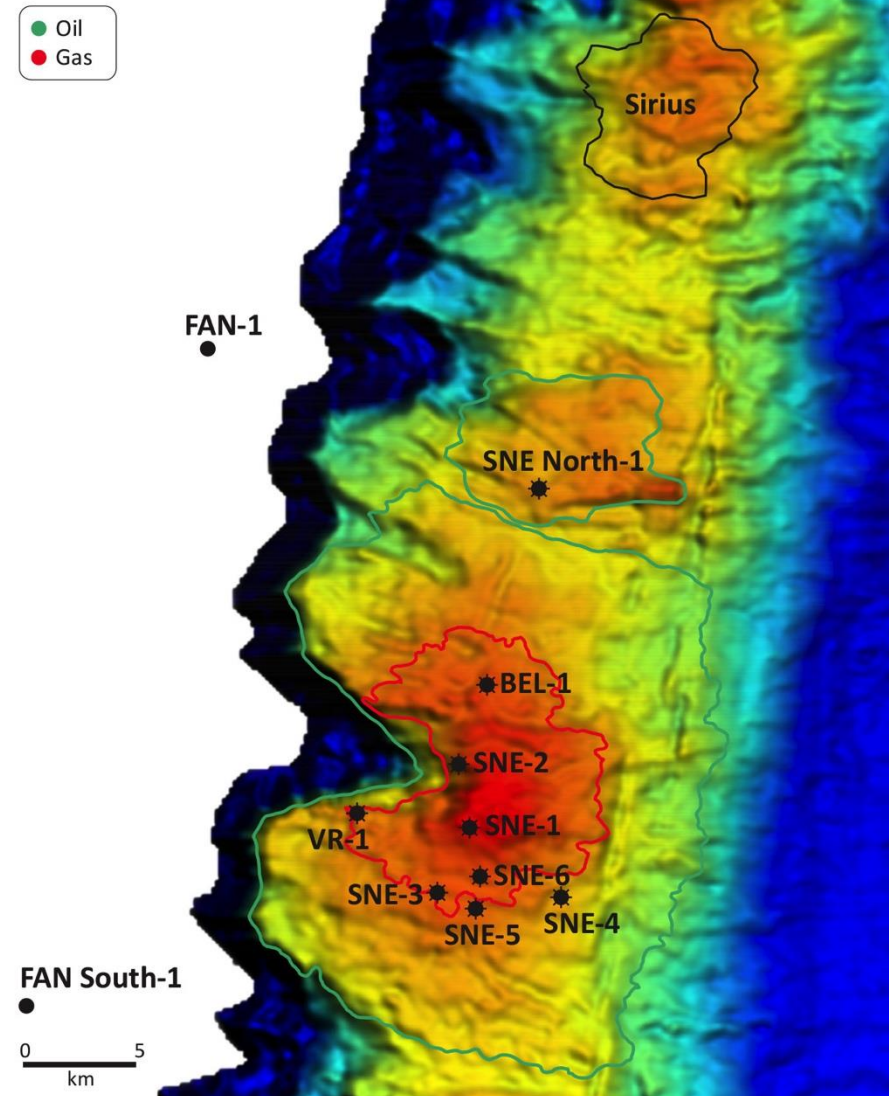


**Proved size,
deliverability &
connectivity of
SNE reservoirs**

SNE appraisal program



- Seven appraisal wells drilled to complete evaluation of the SNE Field
- Objectives of the appraisal program: Size, deliverability and connectivity of reservoirs
- All appraisal wells proved 97m gross oil column
- Deliverability of reservoirs understood – world class flow rates in primary reservoirs
- VR-1 well proved thickening of the lower reservoir units to the west and excellent reservoir properties



Senegal in 2018



SNE Evaluation report

*Mid year
submission*

SNE Exploitation plan

September submission

*Government approval
expected year end*

FID
mid 2019



**First oil
2021-2023**

Senegal development video



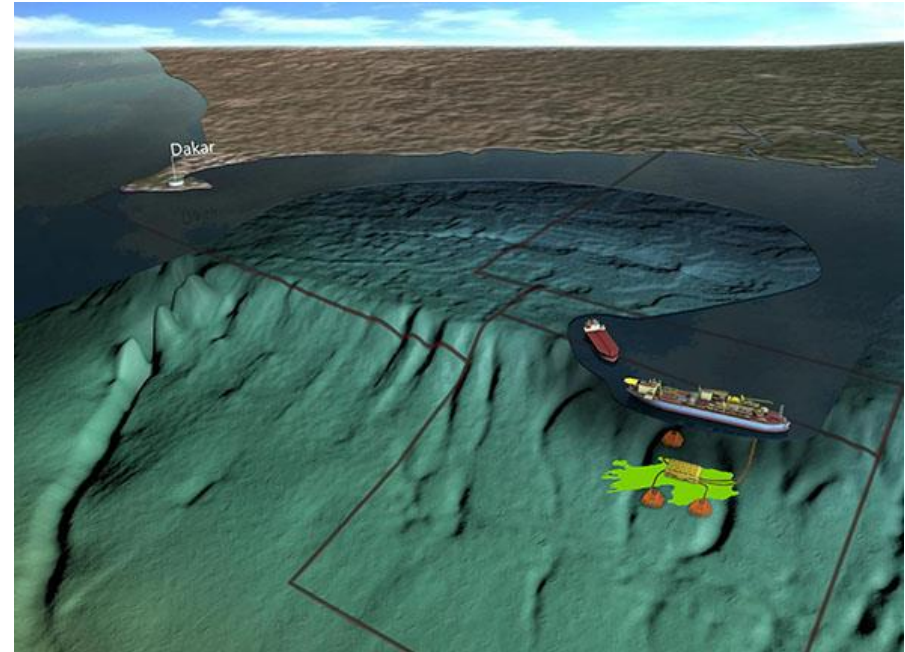
SNE Field Development



SNE development and tie back concept

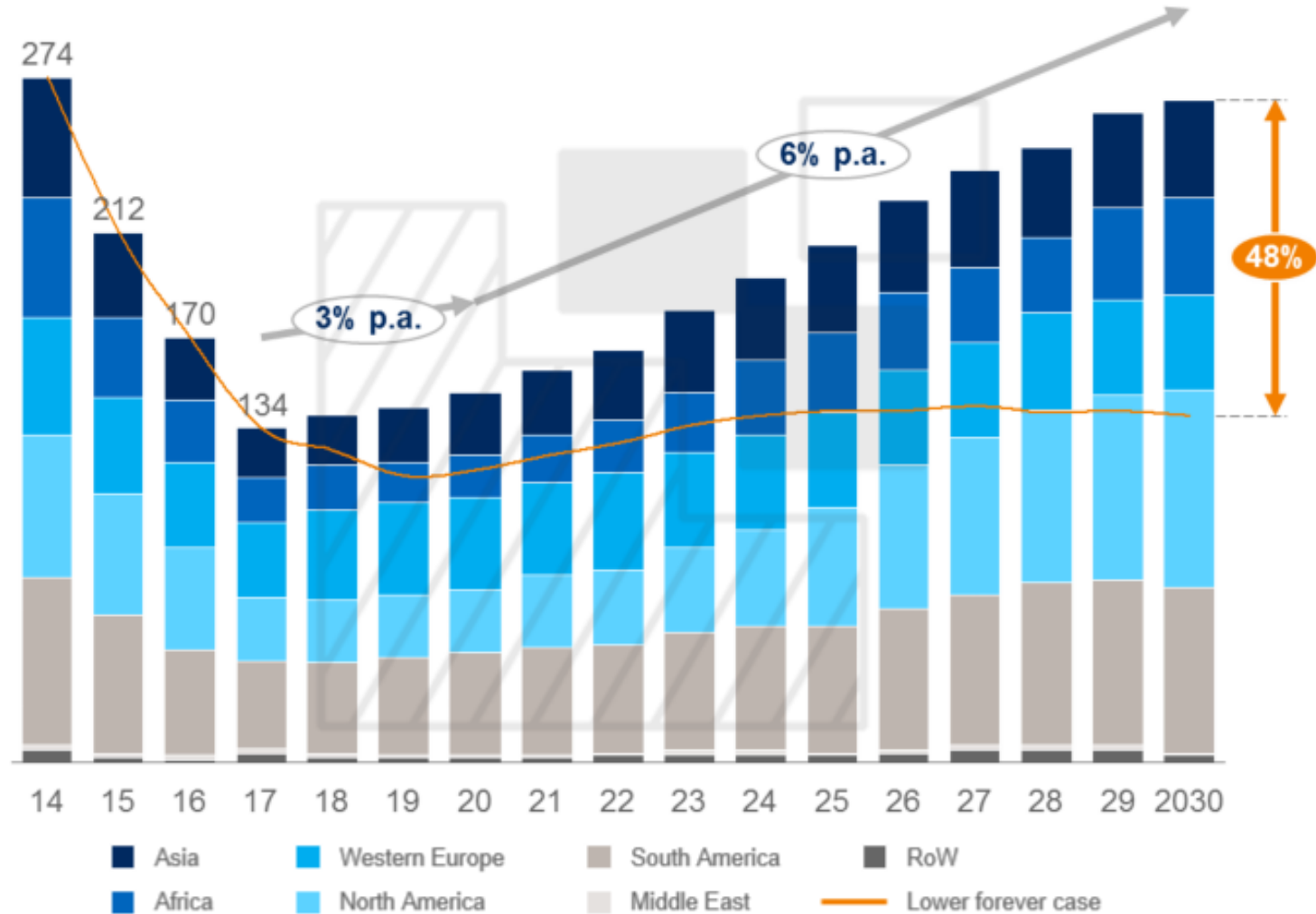


- **Full field, phased development**
- **Standalone FPSO:** planned expansion capability for tie-backs
- **Estimated costs (life of field)***
 - CAPEX: ~US\$12/bbl
 - OPEX: ~US\$7/bbl
 - FPSO lease costs: US\$3-7/bbl
- **Breakeven oil price:** US\$35/bbl*
- **Unlevered IRR at US\$60/bbl:** ~34%*
- **FAR Plateau production:** rate expected to be ~100,000 bopd (phase 1)
- Drilling cost and CAPEX reductions expected to reduce CAPEX by estimated 20-30% in ITT process
- Estimated CAPEX to first oil: US\$2bn*



SNE Field development concept

Annual demand for floating drill rigs

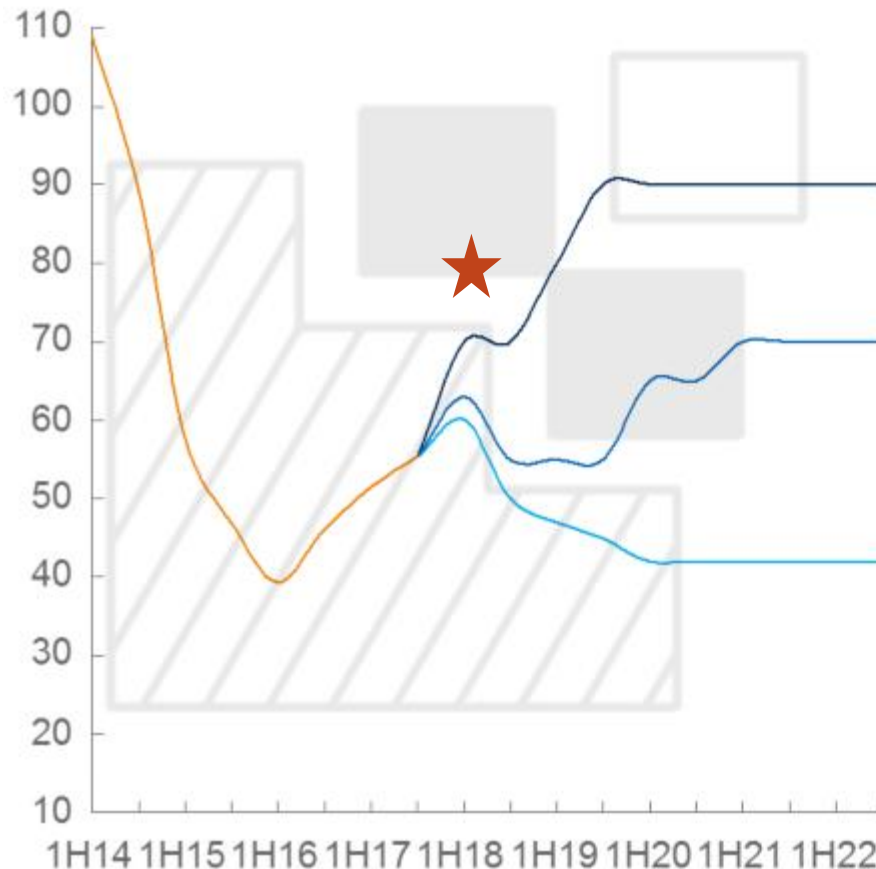


Oil market outlook

Potential mid-term Brent price scenarios

Brent spot price

\$/bbl, 2017 real



Geopolitical shock

Major supply OPEC disruptions due to economic turmoil and political instability coupled with strong demand growth catch the industry unprepared and prices shoot up



Lower for Longer

North America shale oil growth and inventories cap prices until market starts tightening in 2019, due to delayed FIDs and limited MARPOL effect, with OPEC helping manage the transition smoothly to a stable long-term pricing



Lower Forever

OPEC returns to full production to monetize reserves, while demand growth decelerates further due to low GDP growth

Chosen scenario Geopolitical shock Lower Forever Lower for Longer Historical

Arbitration update

Claimant : FAR Limited

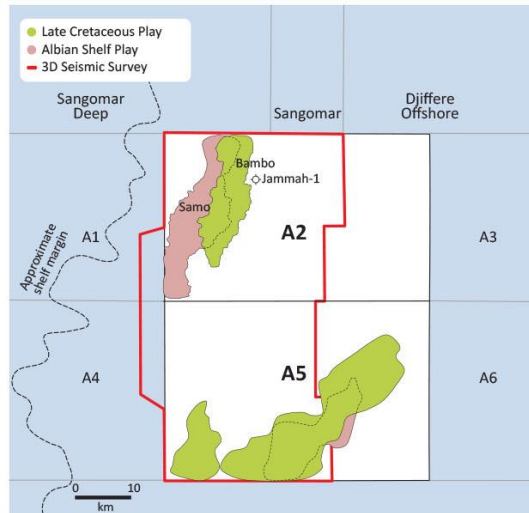
Respondent: ConocoPhillips Senegal BV*

President of the arbitral tribunal appointed by the ICC International Court of Arbitration (13 April)

Time limit for establishing the Terms of Reference set by President of the ICA as 29 June (25 May)

*ConocoPhillips Senegal B.V. alleges that its shares were transferred to a Woodside affiliate and thereafter it is alleged that ConocoPhillips Senegal B.V. changed its name to Woodside Energy (Senegal) B.V.

FAR in The Gambia



A2 & A5
blocks cover
2,700 km²

Q4 2018

**Drilling giant
Samo Prospect**

March 2018

**Farmout for well carry
plus cash**

Major oil company
as 40% partner
PETRONAS

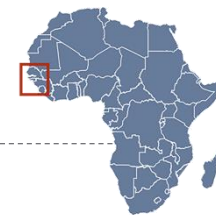
FAR retaining
40% carried
interest

April 2017

**Farmin for
80%**
equity &
operatorship



Prospectivity of the A2/A5 blocks

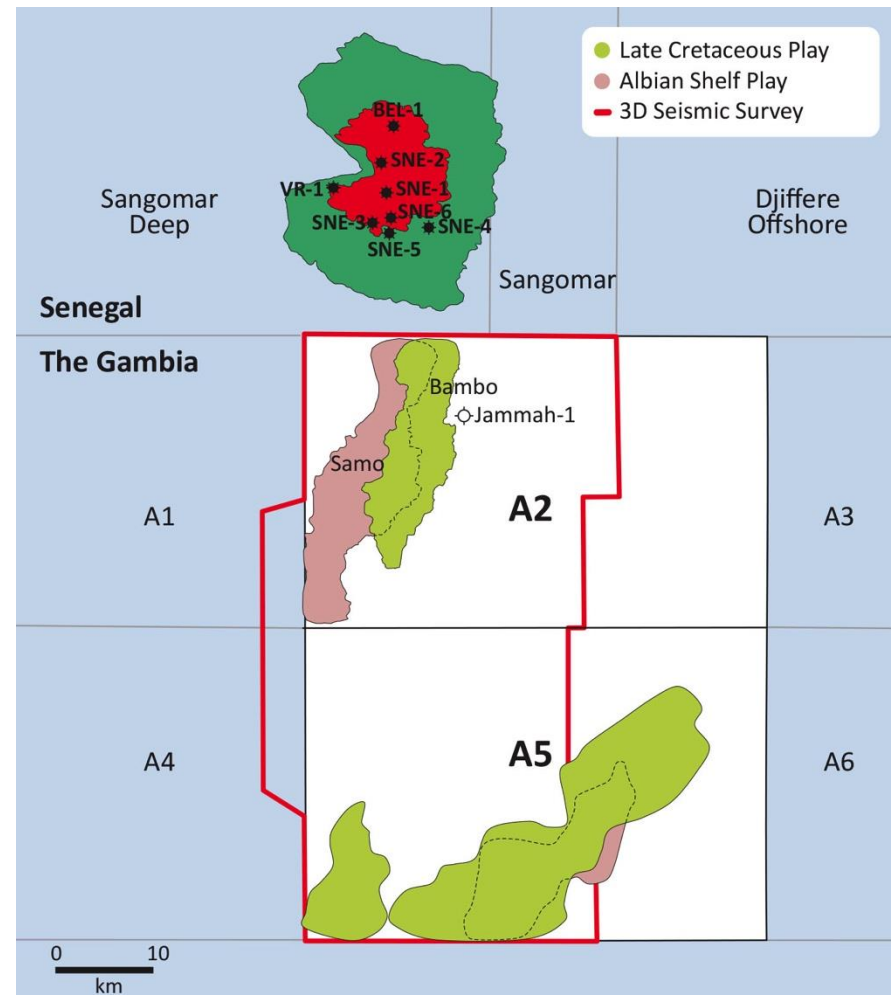


- Blocks A2 and A5 highly prospective following the discovery of SNE field
- RISC Audit of blocks A2/A5 prospectivity released 21 November 2017

• Samo Prospect Prospective Resources*

Samo Prospect	mmbbls oil
Low estimate (P90)	335
Best estimate (P50)	825
High estimate (P10)	1,713
Chance of success (CoS)	55%

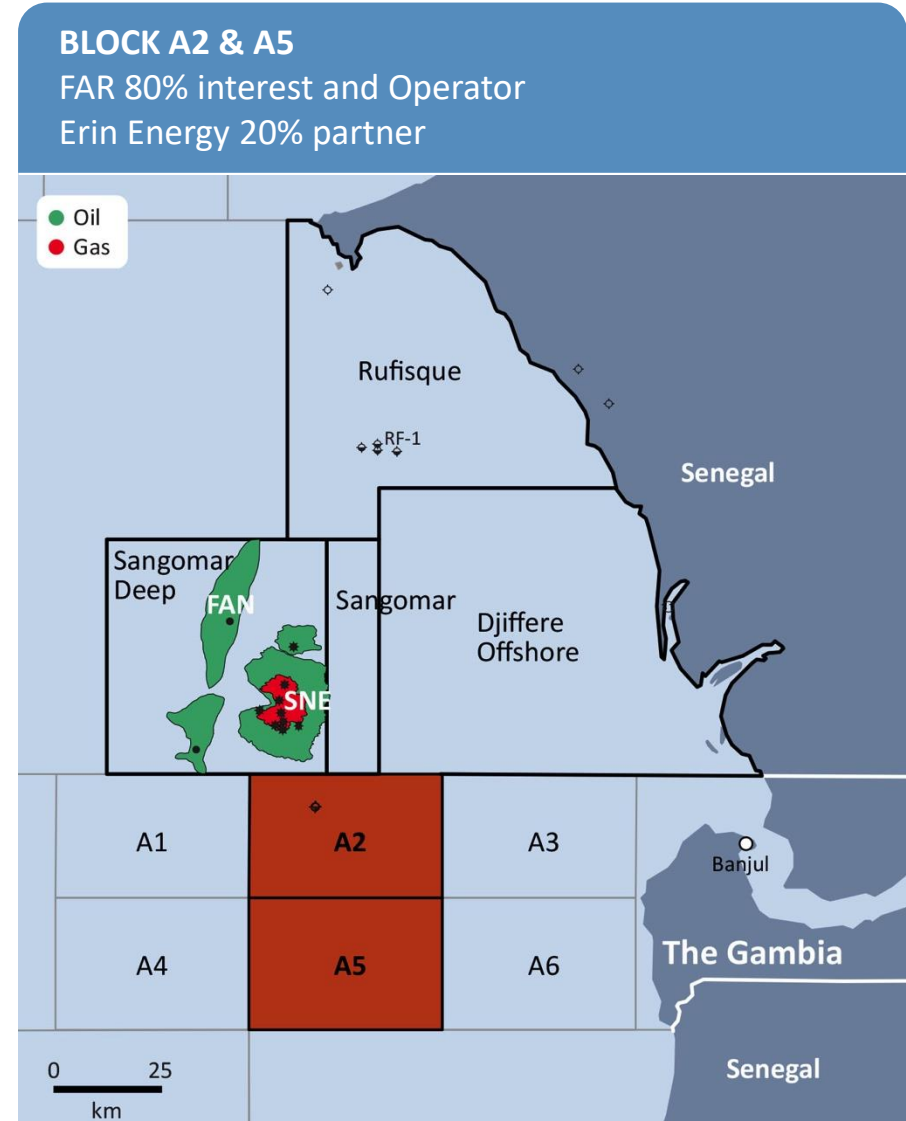
- Total Best Estimate 1,158 mmbbls (463 mmbbls net to FAR)*
- 3D seismic data currently being reprocessed to optimise drilling location
- Success will be transformational for people of The Gambia



The Gambia farmout to PETRONAS



- FAR farmed out 40% interest in the A2 and A5 permits to PETRONAS in February 2018
 - FAR retains 40% equity*
 - PETRONAS to pay 80% of well costs to a cap of US\$45M
 - FAR to remain Operator of the Joint Venture through the exploration period including the drilling of the Samo-1 exploration well
- PETRONAS is the National Oil Company (NOC) of Malaysia with development expertise
- FAR net cash forecast to increase by approximately A\$17M at close*



* On government and partner approval of the transaction

Samo Prospect: Block A2, The Gambia

Best estimate

825

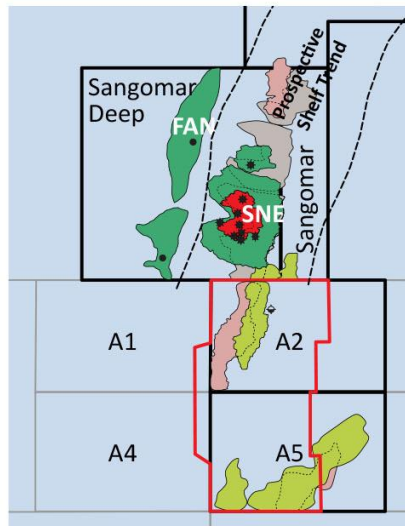
mmbbls

prospective resource

50% chance
of success

Multiple
reservoir targets

Reservoirs drilled
with 9 wells in
Senegal program



5 kms
from SNE Field

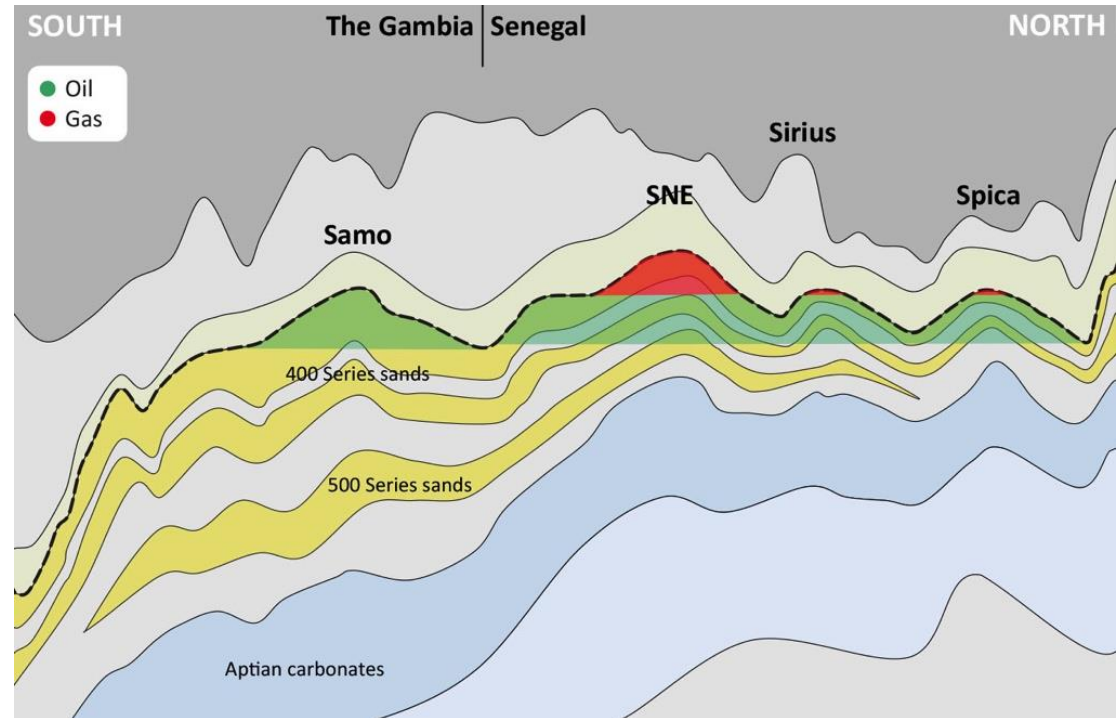
to top of
**Samo
Prospect**

*Large
running
room in event
of success*

Regional schematic cross-section



- Samo prospect defined on 3D seismic
- Access to same, prolific source kitchen as SNE and is in same geological play
- Same upper/400 series reservoirs as SNE
- Thickening of 400 series sands to the south
- Samo reservoirs have been drilled by 9 wells in Senegal drilling program at 100% success rate on the structural trend – high chance of drilling success



Drill readiness

**Secured
Stena
DrillMax**

2017 drilling rates

*Drill rig warm
stacked in
Las Palmas*



*Large equity
position at*

40%

July 2018

**Final
well
location**

**FAR fully
funded
for well**



Estimated cost

US\$40_M

**Voted one of the top
conventional wells to
look out for in 2018**

WoodMac survey

Drill readiness

- Scheduled to spud well in Q4 with results by year end
- EIA approval received in February – stakeholder engagement ongoing
- LTI free (324 days)
- No environmental incidents
- Operator organisation and local office established
- Shore base contracts awarded
- Final well location by end June

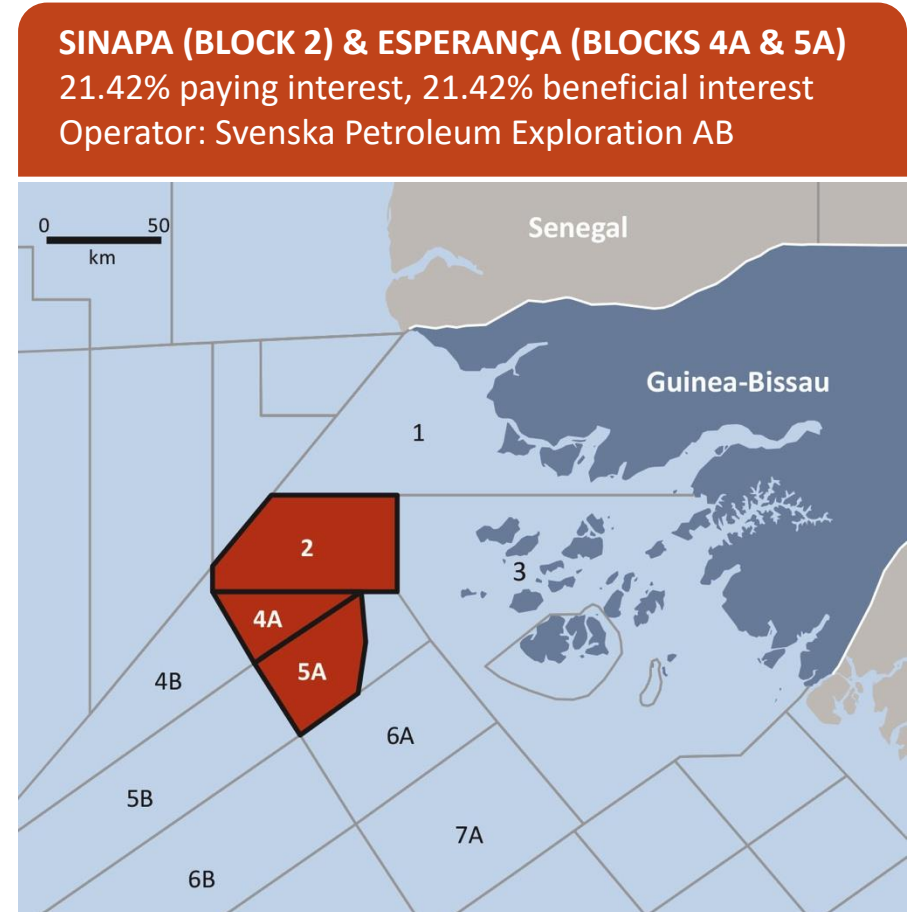


Guinea-Bissau



Guinea-Bissau

- Currently evaluating SNE look-a-like prospect on shelf edge
- Atum has best estimate 471mmbbls oil*
- Commenced farmout with partner Svenska
- Drilling before end of 2020
- Upside potential on proven play

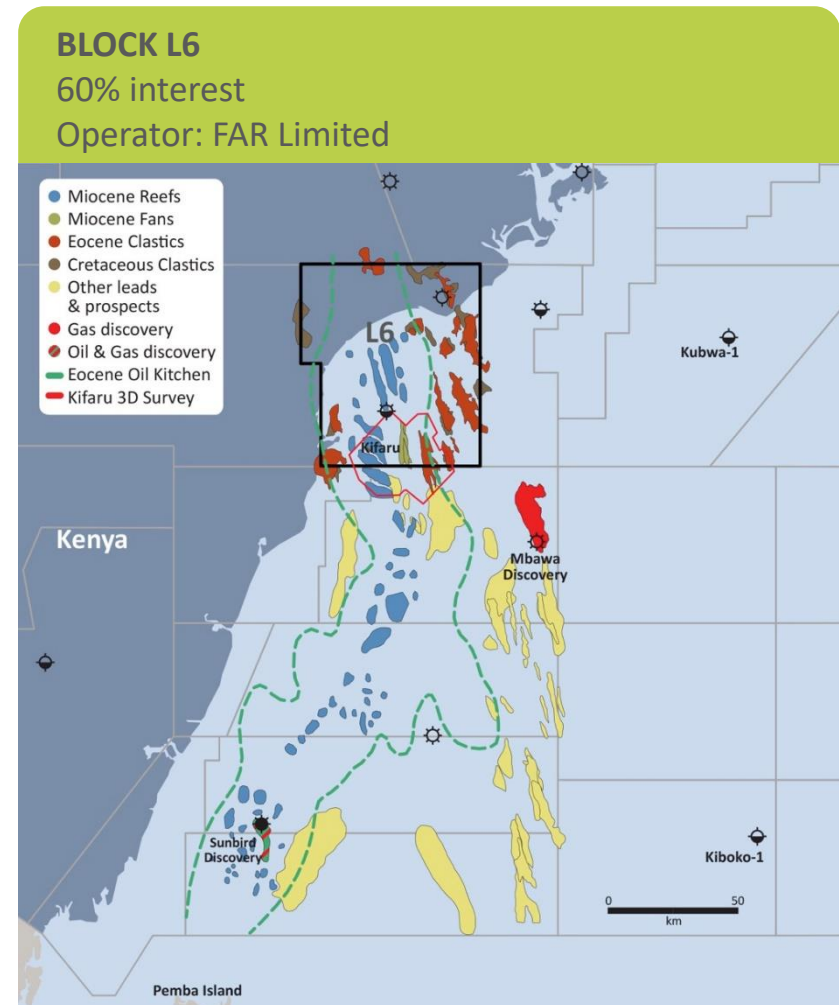


Kenya



Kenya

- L6 exploration permit in the Lamu Basin
- Lamu Basin has proven oil at both ends of Miocene reef play
- Permit currently in suspension due to on ground strife preventing ground access



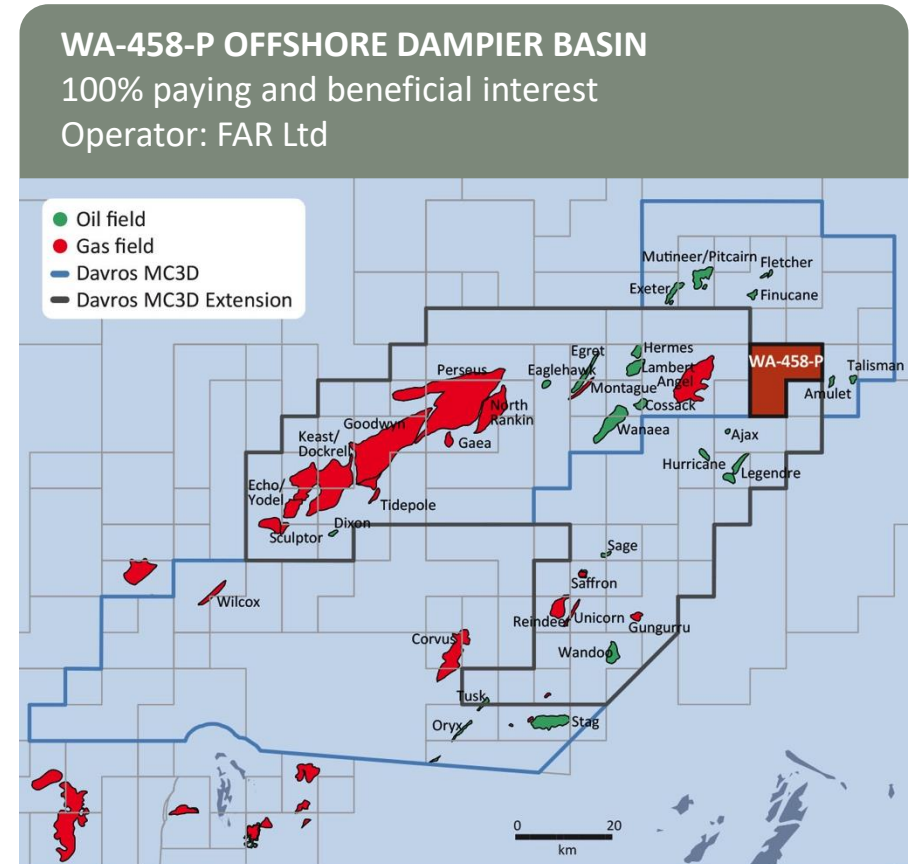
Australia



*Reference FAR 2017 Annual Report to Shareholders, best estimate, gross, unrisks prospective resources, 100% basis, oil only

Australia

- WA-458-P exploration permit offshore WA is surrounded by discoveries
- Mapped leads at proven reservoir levels
- Combined unrisks prospective resources for WA-458-P estimated to be 359mmbbls*
- 3D seismic survey to be completed Q4



Community & social programs



Another big year ahead

- Value drivers for the year ahead are large and converging on the second half of 2018
- Final JV agreed resources and economics for the SNE Field development
- Submission and approval of the SNE Field Exploitation plan
- Drilling of the Samo-1 well offshore Gambia
- Finalise funding arrangements for the SNE Field development
- Arbitration resolution



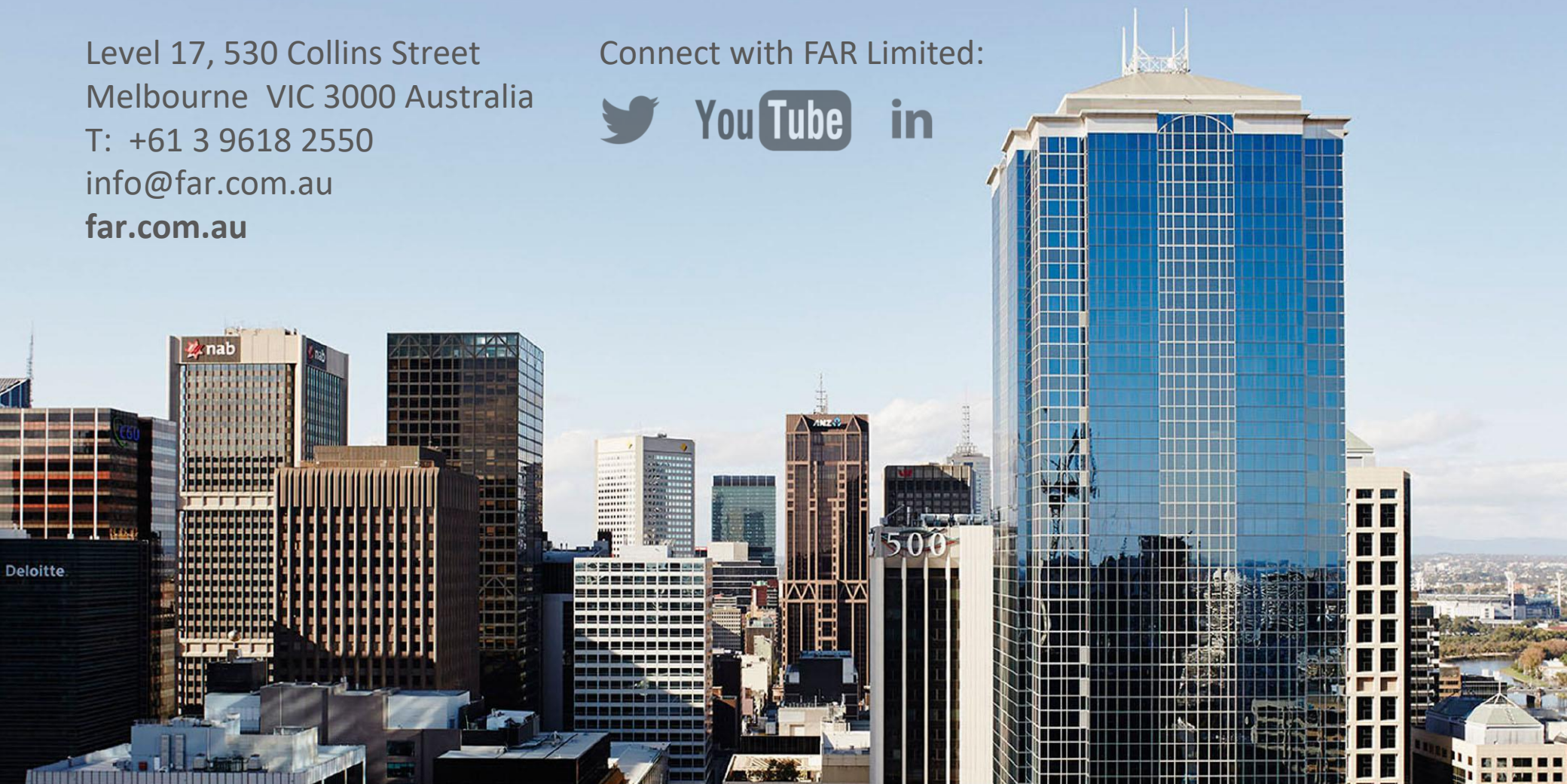
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- Cautionary Statement for Prospective Resource Estimates – With respect to the Prospective Resource estimates contained within this report, it should be noted that the estimated quantities of Petroleum that may potentially be recovered by the future 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.
- Information in this report relating to hydrocarbon resource estimates has been compiled by Peter Nicholls, the FAR 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 Exploration Geophysicists 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.