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ASX Announcement & Media Release

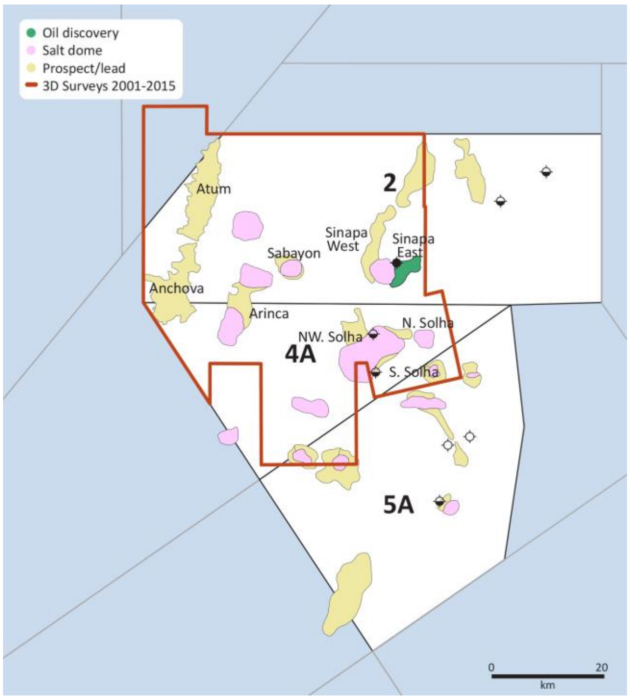
CNOOC acquires 55.55% of Svenska's interest in highly prospective acreage offshore Guinea-Bissau

- CNOOC to acquire 55.55% interest from Svenska Petroleum Exploration GB in Sinapa and Esperanca licences offshore Guinea-Bissau
- Proven hydrocarbon system with 2 oil discoveries on licences
- Drill planning on target to test Greater Atum Prospect (471mmbbls*, 100% basis, best-estimate prospective resource) in Q1 2020
- Greater Atum is a shelf-edge combined structural-stratigraphic play analogous to giant SNE oil discovery offshore Senegal
- FAR to retain its 21.42% participating interest in each of the licences.

FAR Limited (ASX: FAR) has approved the Request for Transfer of Interest from Svenska Petroleum Exploration GB ("Svenska") of a 55.55% participating interest in the highly prospective Sinapa and Esperanca petroleum licences offshore Guinea-Bissau, to CNOOC West African Petroleum E&P SA ("CNOOC"). FAR will retain its 21.42% participating interest in each of the licences.

Under the terms of the farm-out agreement, CNOOC will be assigned a 55.55% participating interest in the Sinapa and Esperanca licences, with the obligation to fund 55.55% of all expenditures under their respective Agreement for Joint Venture Participation ("AJVP") and Joint Operating Agreements ("JOAs"). CNOOC's interest will convert to a 50.0% participating interest in each of the licences in the event of a commercial discovery.

Svenska will retain a reduced 23.03% participating interest and shall continue to act as operator while CNOOC, upon conclusion of the upcoming offshore drilling campaign, may elect to assume operatorship. Completion of the farm-out agreement is subject to approval from the Government of the Republic of Guinea-Bissau and customary Joint Venture consents, which under the AJVP, is not subject to pre-emption rights.



Map showing Guinea-Bissau discovery, prospects and leads

Svenska will continue to operate the exploration licences as the JV prepares to drill the first ever deepwater exploration well offshore Guinea-Bissau in the first quarter of 2020. Subject to receiving regulatory approvals, the transaction is expected to close in the third quarter of 2019.

Past offshore exploration in Guinea-Bissau had initially concentrated in shallow waters less than 200m targeting a variety of salt diapiric-related features. Drilling to date has encountered excellent quality reservoir sands across multiple intervals exhibiting abundant oil and gas shows. The Sinapa permit has two discoveries, with light oil having been recovered to surface from both those locations. The most significant of the two being the Sinapa discovery with contingent resources of ~13.4MMbbls* of recoverable light oil (unrisked, 2C case, 100% basis).

The Joint Venture is advancing preparations for drilling of the Greater Atum prospect in early 2020, which will be the first offshore exploration well drilled since 2007 and the first ever deepwater exploration well offshore Guinea-Bissau. The Greater Atum prospect is a recognised shelf-edge play analogue of the giant SNE oil field offshore Senegal and has a best estimate prospective resource of 471mmbbls* (gross, unrisked).

CNOOC West African Petroleum E&P SA, a subsidiary of CNOOC Limited, (together with its subsidiaries) is the largest producer of offshore crude oil and natural gas in China and one of the largest independent oil and gas exploration and production companies in the world.

***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.*

In applying the knowledge gained from its discoveries in Senegal, FAR's enhanced understanding of the various petroleum systems active in the area led the Joint Venture to identify the potential for a shelf-edge play along the western boundaries of our offshore permits. Focussing on exploration along this play fairway through the MSGBC Basin shelf margin has attracted significant new interest, and this recent entry by CNOOC – a super-major National Oil Company into our permits – is supporting recognition of our exploration strategy offshore Guinea-Bissau.

FAR's Managing Director Cath Norman said, *"We look forward to progressing the Guinea-Bissau acreage now that CNOOC have farmed into the project. Attracting a National Oil Company such as CNOOC shows the confidence that another major company has in FAR's Guinea-Bissau acreage. CNOOC brings a wealth of technical and operational expertise and experience and we look forward to finalising the details of the future drilling plans that are expected to begin early 2020. We welcome CNOOC to the Joint Venture and look forward to a long and successful relationship."*

	Participating Interest
CNOOC West Africa Petroleum E&P SA	55.55%
SPE Guinea Bissau AB	23.03%
FAR Ltd	21.42%

As reported in FAR's 2018 Annual Report to Shareholders, FAR has an extensive inventory of leads and prospects mapped offshore Guinea-Bissau (as seen in the following tables).

	Contingent Resources (mmbbls)		
	1C	2C	3C
Sinapa	4.4	13.4	38.9
Total Contingent Resources	**4.4**	**13.4**	**38.9**
Total net to FAR	**0.9**	**2.9**	**8.3**

	Prospective Resources (mmbbls)		
	P90	P50	P10
Sinapa West	17.7	64.7	251.7
Greater Atum	144.0	471.7	1,569.6
North Solha	6.0	28.4	131.6
Arinca	10.0	59.2	393.0
Sabayon	3.4	18.1	88.2
Other Leads	87.2	311.2	1,066
Total All Prospective Resources	**269**	**954**	**3,500**
Total net to FAR	**57**	**203**	**749**

***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.*

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. The Prospective Resource estimates provided in this report are Low Estimate, Best Estimate and High Estimate and represent that there is a 90%, 50% and 10% probability respectively that the actual resource volume will be in excess of the amounts reported.*

***Prospective and Contingent Resources** - All contingent and Prospective Resource estimates presented in this report are prepared as at 27/2/2013, 11/3/2014, 5/2/2014, 13/04/2015, 13/4/2016, 23/08/2016, 7/2/2017 and 21/11/2017 (Reference: FAR ASX releases of the same dates). 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. The contingent resource estimates provided in this report are those quantities of petroleum to be potentially recoverable from known accumulations, but the project is not considered mature enough for commercial development due to one or more contingencies. The Prospective Resource 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 unrisked and have not been adjusted for both an associated chance of discovery and a chance of development. The 100% basis and net to FAR contingent and Prospective Resource estimates include Government share of production applicable under the Production Sharing Contract or License.*

***Competent Person Statement Information** - The hydrocarbon resource estimates in this report have 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 Contingent and Prospective Resources in the form and context in which it appears. The Contingent and 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.*

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SVENSKA REACHES FARM-DOWN AGREEMENT WITH CNOOC WEST AFRICA PETROLEUM E&P SA IN GUINEA BISSAU

SPE Guinea Bissau AB ("Svenska GB"), a wholly owned subsidiary of Svenska Petroleum Exploration AB, Sweden, is the Operator of Block 2, the Sinapa Licence, and Blocks 4A & 5A, the Esperança Licence, offshore Guinea Bissau. The other co-venturers in these licences are FAR Limited ("FAR") and Empresa Nacional de Pesquisa e Exploração Petrolíferas, E.P. ("Petroguin", the state-owned oil company).

CNOOC West Africa Petroleum E & P SA ("CWPE"), a wholly owned subsidiary of CNOOC Limited, has reached an agreement with Svenska GB to farm-in to the Sinapa and Esperança Licences. This transaction is subject to regulatory approvals which are currently being progressed. The farm-in will occur when a decree of the Council of Ministers approving the transaction has been promulgated.

As part of the agreement, CWPE will acquire a 55.5555% participating interest in these frontier exploration licences for the exploration phase, which will convert into a 50% participating interest in each of the licences in the event of a commercial discovery. Svenska GB will continue to operate the frontier exploration licences for the exploration well scheduled for drilling in first quarter of 2020. Subject to receiving regulatory approvals, the transaction is expected to close in the third quarter of 2019.

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