

28 May 2026

ASX Announcement & Media Release

2026 Annual General Meeting – Chairman’s Address

FAR Limited (ASX: FAR) (“**Company**” or “**FAR**”) is pleased to attach a copy of the Chairman’s Address that will be made at the Company’s 2026 Annual General Meeting to be held today.

This ASX announcement was approved for release by FAR’s Board of Directors.

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2026 Annual General Meeting – Chairman’s Address

Welcome to the 2026 Annual General Meeting of FAR Limited. As advised in the Notice of Meeting released to the ASX on 24 April 2026, this year’s meeting is being held as a virtual-only meeting and I thank shareholders for joining us in this format.

The 2025 year saw the Company continue to execute its strategy of delivering value to shareholders through the orderly realisation of the Woodside Contingent Payment and the prudent return of surplus capital. Key activities during the year, together with material developments since year end, are summarised below.

Woodside Contingent Payment

As part of the consideration for the sale of its interest in the RSSD Project in Senegal to Woodside Energy (“Woodside”) in 2021, FAR received rights to a Contingent Payment (“Contingent Payment”) with a maximum value of US\$55 million.

In May 2025, FAR received a provisional 2024 Contingent Payment of US\$11.5 million, calculated by reference to Sangomar sales volumes for calendar year 2024. Shareholders subsequently approved a capital return of 8 cents per share at the 2025 Annual General Meeting, returning approximately A\$7.4 million to shareholders.

Woodside advised the ASX on 28 January 2026 that Sangomar produced approximately 29.7 MMboe of crude in 2025, with sales of approximately 28.5 MMboe. Based on the sales volume, FAR estimated that the Contingent Payment payable in respect of calendar year 2025 would be approximately US\$23.7 million. On 16 March 2026, FAR announced that it had reached agreement with Woodside for a provisional 2025 Contingent Payment of US\$23.7 million. That amount was subsequently received by FAR on 12 May 2026.

As previously disclosed, both the 2024 and 2025 provisional payments remain subject to the reconciliation of underlying oil entitlement volumes with each joint venture participant and the Senegalese Ministry of Energy, Petroleum and Mines. Following that reconciliation process, Woodside or FAR will be required to settle any difference between the final and provisional amounts.

Following receipt of the provisional 2025 payment, the maximum future Contingent Payment potentially receivable by FAR is US\$19.8 million. The Contingent Payment arrangements terminate on the earliest of 31 December 2027, three years from first oil being sold — excluding periods of zero production — or the aggregate Contingent Payment reaching US\$55 million.

Woodside’s First Quarter 2026 Report, released to the ASX on 29 April 2026, advised that the Sangomar field achieved an average daily production rate of 99 Mbbl/d during the quarter with reliability of 99.9%, and that the reservoir continues to perform better than expected. Woodside also indicated that it expects production rates to decline over the balance of 2026

Woodside Claim Agreement

As announced to the ASX on 28 May 2025, Woodside advised FAR of a claim of US\$6,029,899 under the Sale and Purchase Agreement relating to the sale by the FAR group of its interest in the RSSD Project in 2021. The claim arose following a final decision by the Senegal Ministry of Energy, Petroleum and Mines that Woodside is unable to recover certain petroleum expenditure not directly linked to exploration activities, in respect of which FAR had an indemnity obligation capped at US\$6,803,355.

On 22 December 2025, FAR announced that it had entered into an agreement with Woodside for the settlement of the claim. On 30 December 2025, FAR paid Woodside the full amount of the claim. Importantly, the agreement preserves FAR’s right to reimbursement if, prior to 31 December 2030, Woodside is ultimately able to recover the relevant petroleum expenditure from the Senegalese Ministry of Energy, Petroleum and Mines.

Capital Management

At the 2025 Annual General Meeting held on 30 May 2025, shareholders approved a capital return of 8 cents per share, returning approximately A\$7.4 million to shareholders. Payment was completed on 12 June 2025.

Following receipt of the provisional 2025 Contingent Payment, the Directors consider that FAR has surplus capital which should be returned to shareholders. Accordingly, shareholder approval is being sought at today's meeting for a proposed capital return of 35 cents per share, returning approximately A\$32.3 million to shareholders. If approved, the Company intends to implement the capital return in accordance with the timetable set out in the Notice of Meeting.

Consistent with the approach adopted for previous capital returns conducted in 2021, 2023 and 2025, the Company is seeking a class ruling from the Australian Taxation Office confirming that the proposed capital return will not be treated as a dividend for taxation purposes. The Company will release the class ruling to ASX, if and when received.

The Directors continue to adopt a conservative capital management approach, ensuring that sufficient funds are retained to meet the Company's ongoing operating obligations and any potential reconciliation outcomes under the Woodside arrangements.

Corporate Overheads

The Company has continued to focus on the rationalisation of corporate overheads and has successfully operated under a contract-service provider model with no employees. Total operating expenditure during 2025, comprising employee benefits and corporate and administration costs, reduced compared with the prior year, reflecting the Board's ongoing strategy to maintain operating costs at the minimum level necessary to discharge the Company's obligations as an ASX-listed entity.

Outlook

FAR's strategic focus remains the orderly realisation of the remaining Woodside Contingent Payment entitlements and the timely return of surplus capital to shareholders.

Based on current expectations regarding Sangomar production performance and prevailing oil price assumptions, it may reasonably be expected — all other things remaining equal — that the remaining maximum US\$19.8 million of Contingent Payment entitlement could potentially be realised during calendar year 2026, with any corresponding payment expected to be received by FAR during the first half of calendar year 2027.

Subject to the receipt of any final Contingent Payment amount, and subject to the reconciliation of the underlying oil entitlement volumes with Woodside and the Senegalese Ministry of Energy, Petroleum and Mines, the Board presently intends to propose a further capital return to shareholders in respect of any remaining surplus capital.

Coincident with that process, the Board may also begin considering new opportunities for the Company. Any such opportunity may result in a change in the strategic direction and control of the Company. The Board will continue to keep shareholders informed of any material developments in accordance with the Company's continuous disclosure obligations.

I thank my fellow Directors for their continued contribution during 2025, and shareholders for their ongoing support and patience as we continue the realisation of value from the Woodside Contingent Payment and the return of capital to shareholders.

Patrick O'Connor
Chairman