

28 April 2025

ASX Announcement & Media Release

March 2025 Quarterly Activities Report

FAR Limited (**ASX: FAR**) (**Company** or **FAR**), provides its quarterly activities report for the quarter ended 31 March 2025.

Highlights

- Woodside Energy advised the ASX on 23 April 2025 in its 'First Quarter Report' that the Sangomar field offshore Senegal achieved exceptional production of 99 thousand barrels per day (Mbbbl/d) (100% basis, 78 Mbbbl/d Woodside share) at 97.6% reliability, with production from the Sangomar field remaining at plateau for the quarter.
- Cash at quarter end was US\$1.6 million (unaudited).
- Subsequent to the end of the quarter, the Company announced:
 - that Woodside Energy would make a provisional 2024 Contingent Payment of US\$11.5 million, which is expected to be received by FAR in May 2025; and
 - its intention to seek shareholder approval for a proposed capital return of 8 cents per share at FAR's upcoming annual general meeting to be held on 30 May 2025.

Independent Chairman Patrick O'Connor said:

"The Company looks forward to receiving the provisional 2024 Contingent Payment from Woodside Energy next month. This payment, linked to oil production from the Sangomar field, represents a significant asset for FAR. The Board remains committed to delivering value to our shareholders through the proposed capital return."

Woodside Energy Contingent Payment

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

The Contingent Payment comprises 45% of entitlement barrels (being the share of oil relating to FAR's previously held 13.67% of the RSSD Project comprising the Sangomar Field exploitation area of interest), multiplied by the excess of the crude oil price per barrel and US\$58 per barrel (capped at US\$70 per barrel). The crude oil price for this purpose shall be the simple average of the mid-points of bid and offers for Dated Brent. The Contingent Payment terminates on the earliest of 31 December 2027, three years from the first oil being sold (excluding periods of zero production), or a total Contingent Payment of US\$55 million being reached, whichever occurs first.

Woodside Energy's First Quarter Report for the period ended 31 March 2025 which was released to the ASX on 23 April 2025 noted the following in relation to Sangomar:

- Achieved exceptional production of 99 thousand barrels per day (Mbbbl/d) (100% basis, 78 Mbbbl/d Woodside share) at 97.6% reliability, with production from the Sangomar field remaining at plateau for the quarter.

- During the quarter, based on a positive response observed in S400 oil producers from water injection, contingent resources were migrated to developed reserves. The reserve addition was 7.1 million barrels to proved (1P) reserves and 16.1 million barrels to proved plus probable (2P) reserves, Woodside share.
- Cargoes were delivered to China, Europe, US and Senegal's domestic refinery.

The Board remains open to the potential monetisation of this Contingent Payment.

2024 Contingent Payment Update

As announced to ASX on 24 March 2025, Woodside Energy has advised that the precise amount of the 2024 Contingent Payment which is payable to FAR is subject to the agreement to the reconciliation of underlying oil entitlement volumes with each joint venture participant and the Senegalese Ministry of Energy, Petroleum and Mines, and that process is ongoing.

In the interim Woodside Energy will make a provisional 2024 Contingent Payment of US\$11.5 million which is expected to be received by FAR in May 2025.

Payment of the provisional amount is subject to the outcome of the reconciliation process, following which Woodside Energy or FAR must pay the other the difference between the final and provisional amounts.

Woodside Energy Potential Claim

As announced to ASX on 31 January 2025, FAR had been advised by Woodside Energy of a potential claim under the sales and purchase agreement relating to the sale by FAR of its interest in the RSSD Project. That announcement referred to an obligation on FAR to indemnify Woodside Energy up to a maximum of US\$6,803,355 relating to any loss from an inability of Woodside Energy to recover petroleum expenditure not directly linked to exploration activities. FAR continues to liaise with Woodside Energy in this regard with a view to providing Woodside Energy with relevant information supporting past expenditure. Woodside Energy has also advised that the item has been and remains the subject of discussions between Woodside Energy and the Senegalese Ministry of Energy, Petroleum and Mines. The potential for a claim continues.

Corporate

On 23 April 2025, the Company announced its intention to seek shareholder approval for a proposed capital return (**Capital Return**) of 8 cents per share, returning approximately A\$7.4 million to shareholders. Shareholder approval will be sought at the annual general meeting of FAR shareholders (**AGM**) to be held on 30 May 2025.

The proposed Capital Return is expected to follow a similar format and process to the capital reduction conducted by the Company in 2021 and 2023. FAR intends to seek a class ruling from the Australian Taxation Office in a similar manner to that which occurred then seeking confirmation that the Capital Return will not count as a dividend for taxation purposes.

Annual General Meeting

The Company's AGM will be held as a virtual meeting at 12.00pm (AEST) on Friday, 30 May 2025. Further details can be found in the Notice of Annual General Meeting which will be released to the ASX on 28 April 2025.

Cash Balance and Expenditure (unaudited)

FAR had US\$1.6 million of cash at the end of the quarter. During the March 2025 quarter expenditure totalled US\$0.17 million, comprising mainly corporate and administration costs.

Other movements of US\$0.07 million in the quarter represents the proceeds of term deposit used as security for bank guarantee received upon the termination of the Company office lease during the March 2025 quarter.

A summary of cash movements in the March 2025 quarter is set out in the table below.

March 2025 Quarter	Jun 2024 Quarter US\$M	Sept 2024 Quarter US\$M	Dec 2024 Quarter US\$M	Mar 2025 Quarter US\$M
Opening cash balance	2.5	2.2	2.0	1.7
Corporate and administration costs	(0.28)	(0.19)	(0.15)	(0.17)
Exploration expenditure	(0.02)	(0.01)	(0)	(0)
Total expenditure	(0.3)	(0.2)	(0.15)	(0.17)
Financing	-	-	-	
On-market share buy-back payments	-	-	-	
Capital return to shareholders	-	-	-	
Other movements	-	-	(0.15)	0.07
Closing cash balance	2.2	2.0	1.7	1.6

Corporate and administration expenditure in the March 2025 quarter included mainly corporate and compliance costs.

As detailed in Item 6.1 of the accompanying Appendix 5B, the Company discloses that the aggregate payments to related parties and their associates during the quarter was US\$36,000. The payments during the quarter represent remuneration paid to Non-Executive Directors.

This ASX announcement has been approved for release by the Board of FAR Limited.

For further information, please contact:

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Disclaimer

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 "target", "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", "anticipate", "continue" 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

FAR Limited

ABN

41 009 117 293

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter US\$'000	Year to date (3 months) US\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(36)	(36)
(e) administration and corporate costs	(119)	(119)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	17	17
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(138)	(138)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter US\$'000	Year to date (3 months) US\$'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	69	69
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	69	69

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities) Payments for share buy-back	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (Lease Payments)	(27)	(27)
3.10 Net cash from / (used in) financing activities	(27)	(27)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,665	1,665
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(138)	(138)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	69	69
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(27)	(27)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (3 months) US\$'000
4.5	Effect of movement in exchange rates on cash held	7	7
4.6	Cash and cash equivalents at end of period	1,576	1,576

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter US\$'000	Previous quarter US\$'000
5.1	Bank balances	1,576	1,665
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other -Term Deposits	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,576	1,665

6.	Payments to related parties of the entity and their associates	Current quarter US\$'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	36
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end US\$'000	Amount drawn at quarter end US\$'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8. Estimated cash available for future operating activities	US\$'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(138)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(138)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,576
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,576
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	11.42
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2025

Authorised by: The Board

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.