

FAR Ltd

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FAR implements plans to preserve \$150 million amid COVID-19 pandemic

FAR Ltd (ASX:FAR) has implemented plans to ensure business continuity and preserve cash (around \$150 million at end of February 2020) in the wake of the COVID-19 pandemic and the recent crash in oil price.

The FAR board recognises that this is an extraordinary business climate that is affecting its ability to deliver work programs in all its assets.

The Senegal and Gambian Governments have closed their borders and where possible, the company is looking to suspend expenditure and conserve FAR's cash until the global climate is more predictable and stable.

FAR operates a PEARL approach to risk mitigation and management in the company where the acronym stands for People, Environment, Assets, Reputation and Legal.

Sangomar impact to be released soon

Managing director Cath Norman said disruptions caused by the COVID-19 pandemic and the crash in oil price are presenting challenges to FAR's debt process and the company will provide further information as soon as possible.

Norman added: "The rapid decline in oil prices has created a significant headwind for energy companies and the board of directors feel it is prudent to adjust our spending levels in order to protect our balance sheet and ensure sustainability based on our current understanding of market conditions.

"The Senegal JV is working to better understand the impact on the Sangomar development of the COVID-19 virus and we anticipate releasing an update in the near future."

The company is working with the operator, Woodside, and joint venture partners to explore and evaluate all options to preserve and enhance the value of this world class development.

Work-from-home practice

The company has adopted a work from home practice for its staff and contractors which has been in place for the past week.

With the nature of the FAR business being predominantly focused in Africa, all of its staff are used to working from home to accommodate the African time zone, so this has been implemented with minimal disruption.

FAR's Australian citizens who were traveling on business have returned and are completing the last few days of their mandatory isolation periods.

Temporary suspension of drilling plans

As operator of the A2 and A5 blocks offshore Gambia, FAR has been preparing to drill an exploration well in the second

Price: 0.011

Market Cap: \$109.77 m

1 Year Share Price Graph



Share Information

Code: FAR

Listing: ASX

52 week High Low
0.065 0.008

Sector: Investments and investor services

Website: www.far.com.au

Company Synopsis:

FAR Ltd (ASX:FAR) is listed on the Australian Securities Exchange.

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half of this year.

These plans now need to be adjusted as a result of the COVID-19 pandemic.

To remove the risk to FAR personnel and contractors, and in recognition that international supply of services is currently uncertain FAR will be temporarily suspending the drilling plans.

The project is currently at an early stage and at a good hold-point for reactivation at some time in the future.

FAR and its partners will continue to assess the situation on the ground with a view to reactivating the drilling project when it is safe and sensible to do so.

Under the licence, the well is not obliged to be drilled until quarter three 2021.

Annual general meeting

The company aims to hold the AGM on May 27 through the web.

FAR will be working with Computershare, the corporate share registry, to finalise arrangements and instructions for shareholders will be mailed out with the Notice of Meeting towards the end of April.

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