

FAR Ltd

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FAR Ltd signs new Joint Operating Agreements for Gambian blocks

FAR Ltd (ASX:FAR) (OTCMKTS:FARYF) (FRA:FA6) wholly-owned subsidiary FAR Gambia Ltd has signed new Joint Operating Agreements (JOAs) in respect of the A2 and A5 Blocks offshore The Gambia.

The JOAs with PC Gambia Ltd, a subsidiary of Petroliam Nasional Berhad (PETRONAS) follow the granting of new licences for those blocks by The Government of The Gambia effective October 1, 2019.

After the grant of the licences, FAR and PETRONAS took the opportunity to update the terms of the existing JOAs by entering into new JOAs with effect from October 1, 2019.

These new JOAs better reflect the terms of the new licences for which FAR remains the operator.

Seeking partner

Efforts to find an additional partner for the drilling of the next well in The Gambia are ongoing with FAR having run numerous data room presentations for interested parties.

FAR is working to conclude a farm-out before the restart of the drilling operations.

FAR management said "We are delighted to enter into new JOA's with PETRONAS in respect of the A2 and A5 Blocks, following the granting of the new licences last year.

"This is testament to an excellent partnership between FAR and PETRONAS."

South of Sangomar Field

FAR has a 50% interest in Block A2 and Block A5 in The Gambia with both blocks to the south of FAR's Sangomar Field development offshore Senegal.

The blocks cover an area of approximately 2,682 square kilometres within the rapidly emerging and prolific Mauritania-Senegal-Guinea-Bissau-Conakry Basin and lie about 30 kilometres offshore in water depths ranging from 50 to 1,200 metres.

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

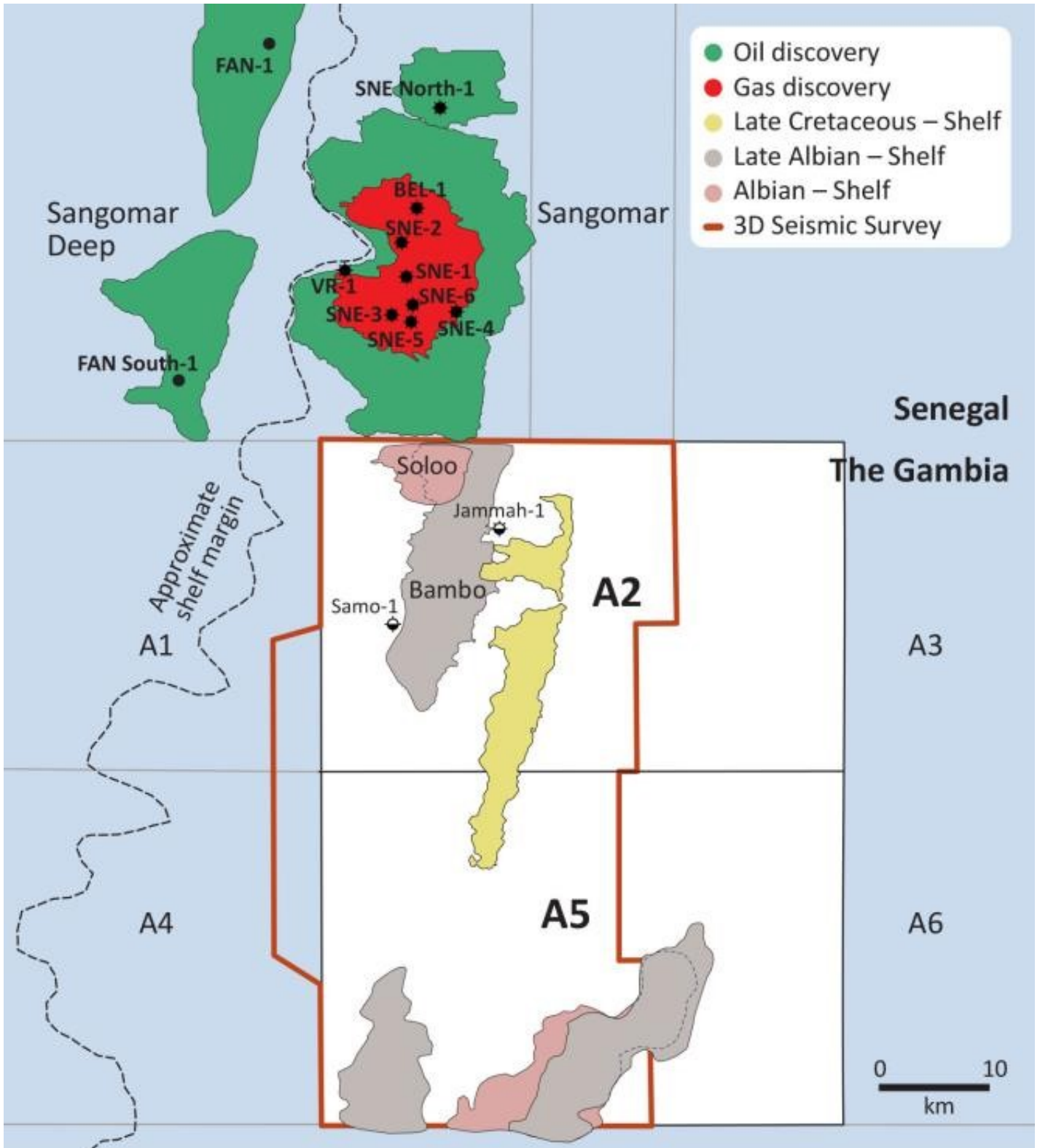
Sector: Investments and investor services

Website: www.far.com.au

Company Synopsis:

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

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In combination, Blocks A2 and A5 have potential to contain prospective resources in excess of 1 billion barrels of oil (on an unrisksed, best estimate, 100% basis).

Technical and commercial analysis supports drilling of the Bambo well to test the main target of S400 series sands (152 mmbbls, P50, gross), which FAR has mapped as the southern culmination of the Sangomar Field extending into The Gambia.

The Bambo prospect has multiple reservoir targets, having two of the main reservoirs in S400 series sand being hydrocarbon-bearing in the Sangomar wells.

Drilling preparations

Preparations are underway for the start of drilling operations.

Initial planning has further highlighted the opportunity to locate a single well to intersect both the main target, S400 series and a shallower, secondary target at the S390 sand (464 mmbbls, P50, gross).

The operational team that managed the Samo-1 well campaign was reassembled in the December quarter of 2019 with significant progress being made, however, drilling activities have been suspended in the wake of COVID-19 and will recommence when it is safe to do so.

Management added: "The new JOAs and licences provide us with up-to-date agreements for our ongoing work on these blocks, where we are highly encouraged to continue exploring in this proven and prospective basin."

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