

# FIRST AUSTRALIAN RESOURCES LIMITED

Incorporated in Western Australia

11 February 2002



02 FEB 27 AM 8:16

Securities and Exchange Commission  
 Division of Corporation Finance  
 Office of International Corporate Finance  
 450 Fifth Street  
 WASHINGTON DC 20549  
 USA

SUPPL

Gentlemen

**EXEMPTION NUMBER 82-3494**

To continue the exemption of our securities from Section 12(g) of the Securities Exchange Act of 1934 ("the Act") and in accordance with Rule 12g-3-2(b)(iii) under the Act, we enclose announcements which information we have sent to The Australian Stock Exchange (Perth) Ltd, the only Stock Exchange on which, to our knowledge, our Company's securities are traded, and which was made public by the Exchange with which we filed.

The information is being furnished under Rule 12g-3-2(b)(iii), with the understanding that such information will not be deemed "filed" with the Securities and Exchange Commission or otherwise subject to the liabilities of Section 18 of the Act, and that neither this letter nor the furnishing of such information shall constitute an admission for any purpose that this Company is subject to the Act.

Yours faithfully

**PROCESSED**

**MAR 05 2002**

**THOMSON  
 FINANCIAL**

*[Handwritten signature]*

TED BRINDAL  
 Company Secretary

Lodgement with Australian Stock Exchange:  
 11 Feb 2002: Announcement and Media Release

S:CoSecretary/ADR's/Securities Exchange Letter

# **FIRST AUSTRALIAN RESOURCES LIMITED**

*Incorporated in Western Australia*

Monday 11 February 2002

## **ASX ANNOUNCEMENT AND PRESS RELEASE**

### **FAR JOINS AUSTRALIAN CONSORTIUM IN OFFSHORE CHINA WELL**

FAR is pleased to announce that it has agreed to a ten percent (10%) participation in the drilling of the 6/12-1 Prospect in Block 22/12, located in the Beibu Gulf, offshore China.

The 6/12-1 well is expected to spud late February 2002 using the Nanhai 4 Jack-Up and will be drilled to a planned total depth of 1750 metres.

The terms of the agreement entered into with Bligh Oil and Minerals NL ("Bligh") are the same as announced to the ASX by Roc Oil ("ROC") and Petsec ("PSA").

#### **1. THE AGREEMENT**

The main terms of the agreement are:-

- FAR, through a wholly owned subsidiary, has agreed to acquire from Bligh, a 10% interest in Block 22/12. In the event of a commercial development, the China National Offshore Oil Corporation ("CNOOC") has the right to back-in for up to 51% working interest to be acquired from all participants on a prorated basis.
- The agreement is subject to the approval of CNOOC which is currently being sought by Bligh.
- In consideration for acquiring the 10% interest FAR will pay 10% of the costs of drilling an exploration well to test the 6/12-1 Prospect to an initial depth of 1750 metres. The well will be drilled under a turnkey contract for an estimated dry hole cost of US\$4 million.
- In the event that the well is a discovery, or at least offers sufficient encouragement to cause FAR to want to continue in the Block, the Company will exercise an option to maintain its pre-CNOOC back-in interest at a 10% level. If FAR exercises this option it will provide Bligh with an amount in the order of US\$300,000 which reflects a reimbursement of Bligh's pre-drill costs and pre-payment of some of Bligh's future permit administration costs.

#### **2. BACKGROUND**

FAR has enjoyed a longstanding working relationship with Bligh dating back to the Hardeman Basin Joint Venture in Texas which commenced during the mid 1980's and continues with the recently announced Bayou Choctaw joint venture in Louisiana. On the basis of this relationship FAR was offered participation in the Beibu Gulf project.

FAR has continually screened international offerings and considers the Beibu Gulf project to be an excellent ground floor level entry into the oil and gas industry in China. The well will be FAR's first in China although FAR was previously offered a project onshore Jilin Province during 1994.

### 3. THE BLOCK

The Block, situated approximately 60 km off the coast of China, northwest of Hainan Island, covers an area of 608 sq km. Water depths are shallow, ranging from, approximately, 10 metres to 40 metres. Within the Block there are several undeveloped oil accumulations which, in FAR's opinion, may merit further study independent of the outcome of the next well. The 6/12-1 Prospect lies in 30 metres of water, 10 km east of the 12/1-1 Oil Field which is located in an adjacent permit area and reportedly producing in excess of 20,000 barrels of oil per day. A pipeline to the Weizhou Island Oil Terminal, 10 km to the north, passes within 5 km of the 6/12-1 Prospect.

The 6/12-1 Prospect has been mapped on a modern 3D seismic grid and is supported by subsurface well control resulting in a structural play which has a strong stratigraphic element and the reported potential to contain in excess of 100 million barrels of recoverable oil. If the well is a discovery there are other undrilled prospects and leads in the Block which would be considered for follow-up drilling.

#### COMMENT:

Commenting on the Company's entry into China, FAR's CEO Michael Evans stated that:-

*FAR is pleased to be part of a unique Australian thrust into offshore China on a highly prospective Block with the added protection of a "heads-up" turnkey well located very close to infrastructure.*

*The Petroleum Contract terms are among the best on offer among our Asian neighbours and we look forward to working with Bligh, Roc and Petsec, all experienced internationals.*

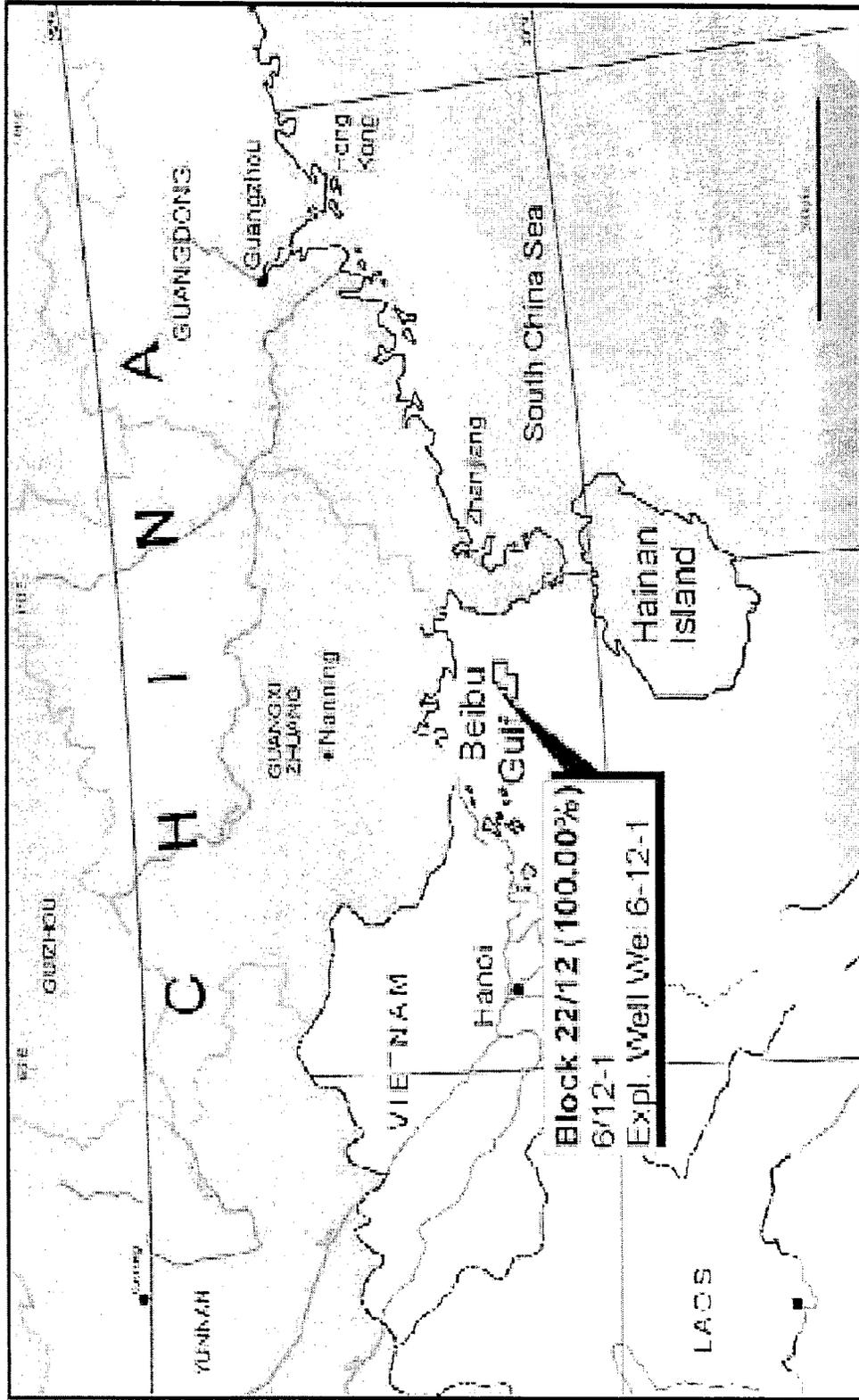
*Australian investors have shown strong support for recent international success offshore Mauritania and hopefully this will spill over into the Beibu Gulf project located on the doorstep to a large and immediate Chinese energy market. Success on the test well has the potential to make a significant impact on FAR in the very near term.*

Michael Evans  
Chairman

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Or visit FAR's website: [www.farnl.com.au](http://www.farnl.com.au)



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Yours faithfully

TED BRINDAL  
Company Secretary

Lodgement with Australian Stock Exchange:  
10 Dec 2001: Announcement and Media Release

S:CoSecretary/ADR's/Securities Exchange Letter



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First Australian Resources Ltd

ABN 41009 117 223

Announcements

## ASX RELEASE

10 December 2001

### FAR TO PARTICIPATE IN CARLSTON PROSPECT 410 ONSHORE CARNARVON BASIN

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Drilling Schedule

FAR advises that it plans to participate in the drilling of the Carlston Prospect in EP-410, onshore Carnarvon Basin. FAR's participation is conditional upon the well being spudded before 31 December 2001 or such other date as may mutually be agreed.

A brief of the technical write-up of the Carlston Prospect has been prepared by Dr Bevan Warris and is attached to this release, more details will follow shortly.

The Carlston Prospect is a seismically defined Devonian aged reef play with reported potential for over 38 million barrels of oil in place with a predicted recovery rate of 60%. FAR was attracted to the opportunity due to the low entry (FAR exposure around \$100,000) and the high potential associated with any discovery given additional prospects and acreage position.

By committing to fund 13.3% of the cost of Carlston, FAR will have the right to elect to acquire a 10.0% interest in EP-410, neighbouring permits EP-369, EP-405 and application area to the south of EP-410.

This is a very attractive deal as these permits cover an area of approximately 20,000 square kilometers providing significant offsetting acreage for follow-up exploration if the well is successful.

Empire Oil & Gas NL (ASX: EGO) will operate the Carlston well having recently drilled a number of wells in the

and is currently settling a "turnkey" contract with D The location is approximately 12.5 km due east of Minilya Bridge Roadhouse. The spud date is depend upon a suitable Access Agreement to enter the Min Station pastoral Lease.

EP-369 and EP-405 permits are intersected by the Perth-Dampier gas pipeline and the Carnarvon spu pipeline lies to the south. If Carlston is successful t another three reefs in the EP-410 permit that could drilled in the future.

Other participants in the well and respective equitie currently being finalised. FAR maintains a web site [www.farnl.com.au](http://www.farnl.com.au).

Enquiries: Michael Evans 61-8-9322-3939 email: [admin@farnl.com.au](mailto:admin@farnl.com.au).

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### **CARLSTON PROSPECT ONSHORE CARNARVON BASIN TECHNICAL INFORMATION**

The Carlston Prospect is located in EP-410, situated Gascoyne Sub-basin, onshore Carnarvon Basin. Th basin covers an area of some 100,000 sq kms (25 acres) and contains up to 4,500 metres of Silurian, Devonian and Carboniferous marine elastic and car sediments. The Northwest Coastal Highway, an all sealed road, runs north-south through the permit, port of Carnarvon is 100 kilometres to the southwe permit. .

### **EXPLORATION HISTORY**

Only eight wells have intersected a significant Palae section beneath the Base Cretaceous Unconformity Gascoyne Sub-basin. These are Barrabiddy-1A by t Geological Survey of Western Australia in 1997; Gn by the Geological Survey of Western Australia in 19 Pendock-1D by Genoa in 1970; Quail-1 by Wapet in Quobba-1 by Canada Northwest in 1984 and Wand 2 & -3 by Wapet in the 1960's. Most of these were stratigraphic tests, one Pendock-1D was drilled offs

two (Pendock- 1D and Quobba-1) were drilled on Cretaceous structures. No wells in the Gascoyne Su have tested a valid Palaeozoic trap.

At the end of 1990, Western Geophysical Australia conducted a speculative vibroseis survey in the are between Wandagee-1 in the east and Lake Macleod west. This program comprised 312 kilometres of re coverage, and was the first seismic to identify the D reef prospects.

Carnarvon Petroleum conducted two detailed seism surveys over these reefs during 1993 and 1994. Interpretation of these data confirmed the presenc reefs, two of which have closures at multiple levels the Devonian sequence.

The Geological Survey of Western Australia, in an a to upgrade the petroleum industry's perception of t hydrocarbon potential of the Palaeozoic sequences Carnarvon Basin, drilled two stratigraphic wells, Gn in 1995 and Barrabiddy-1A in 1997. The results of wells were to prove the existence of porous Devoni and the presence of excellent Devonian organic-ric rocks.

## **HYDROCARBON POTENTIAL.**

### **Reservoir/Seal**

The primary objective in the Gascoyne Sub-basin is Frasnian reefal Point Maud Member of the Gneudna Formation. Point Maud reefs have only been encou two wells in the Gascoyne Sub-basin; Pendock- 1D Barrabiddy-1A.

In Pendock-1D, the Point Maud Member is compose massive, fine to course grained dolomite containing abundant Amphipora stromatoporoids. In Barrabidd the Point Maud Member also consisted of dolomitise limestones with Amphipora stromatoporoids. The s was continuously cored and had intercrystalline and vuggy and cavernous porosities. One sample at 28 near the top of the reef had porosity of 15.5% with effective permeability of 40.7 millidarcies. However

complete loss of circulation during the drilling of the section attests to much higher permeabilities. In Barrabiddy-1A, the Point Maud Member reef was unconformably overlain by the Munabia Sandstone therefore is not sealed. Pendock-1D was drilled on Cretaceous anticline with the underlying Devonian dipping at 2 degrees to the west and was not a valve the Point Maud Member reef.  
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### **Source**

Some 8% of the world's oil was generated from the intra-cratonic sag black shale facies of Frasnian to Tournaisian age. Eighty percent of these reserves are and were sourced from mostly Type 1 kerogens deposited within 45 degrees of the equator. Palaeogeographical reconstructions show that the Gascoyne Subbasin I between 25 to 30 south of the equator during the Upper Devonian. Good oil-prone source rocks are present organic-rich marine shales in the lower part of the Formation. The best source rocks in the lower part of the Gneudna Formation were intersected in Barrabiddy some 16 kms to the east of the Carlston Prospect.

### **Maturity**

The lower Gneudna Formation is immature in Gneudna and in the early oil window in Barrabiddy-1A, Pendock and Quobba-1. It is interpreted to be in the peak oil generation window at the Carlston Prospect where more deeply buried than at Barrabiddy-1A.

### **Timing**

Timing is not critical for the reef prospects as the source rocks lie immediately beneath the reefs and hydrocarbons would migrate vertically into these reefs as soon as maturity was reached.

### **CARLSTON PROSPECT**

The quality of the seismic in EP-410 is very good with excellent seismic character providing reliable horizons.

line intersections.

During the Frasnian, Amphipora stromatoporoid reef developed on a shelf edge between a broad carbon platform and a deeper basin to the west. These reef the Point Maud Member, have been recognized in P 1D and Barrabiddy-1A. Significant structural movement took place during the Early Devonian Pernjara Movement causing tilted fault blocks and vertical uplift in part basin.

These topographic variations allowed the development of Frasnian Amphipora stromatoporoid reefs on these areas where the water bottom was shallowest. These reefs are the same age as the highly productive Devonian reef play in Canada.

Four reef prospects have so far been matured in EP the Carlston, Carlston North, Manarra South and M North Prospects. The seismic clearly shows the reef developing over deeper fault blocks which created water bathymetry on which the reefs could grow. The seismic also illustrates strong drape over the reefs in the younger Devonian strata.

The largest of the reefs in EP-410 is the Carlston Prospect which is best shown on seismic line CP93-02. The reef centre is devoid of seismic reflectivity due to the change in seismic character across the face of the reefs from massive limestone reef to the well-bedded, inter-reef marls and shales. In addition these inter-reef marls and shales can be seen overlapping the reef edges.

The Carlston Prospect is an oval reef with an area of 100 hectares and vertical relief of 30 milliseconds (45 m). Estimated recoverable reserves for the Point Maud reef are estimated to be 11.6 million barrels.

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