

ASX ANNOUNCEMENT

16 AUGUST 2023



\$6.9m Raised in Successful Placement Cornerstoned by New Strategic Investor

Far East Gold Ltd (**FEG** or the **Company**), is pleased to announce the successful \$6.9 million Placement of new fully paid ordinary shares in FEG to strategic, institutional, wholesale and sophisticated investors at \$0.25 per share.

HIGHLIGHTS

- **Firm Commitments:** Firm commitments received to raise A\$6.9 million at an offer price of \$0.25 per share.
- **Cornerstone Investment:** The Placement was cornerstoned by Eurasian Resources Group who entered into a Subscription Agreement to invest \$4 million in the Company.
- **Use of Proceeds:** Funds raised will be applied to progressing exploration activities at the Woyla Copper Gold Project and Trenggalek Copper Gold Project and progressing permitting and technical studies at the Wonogiri Copper Gold Project.

Eurasian Resources Group

Eurasian Resources Group (**ERG**) is a privately held diversified natural resources group which owns integrated mining, processing, energy and logistics operations for a range of commodities across Eurasia, Africa and Brazil. ERG is headquartered in Luxembourg and has operations in over 16 countries with a global workforce of over 70,000. ERG is in the world's top 3 producers of cobalt. In 2021, ERG reported annual revenues of USD\$8.53Bn with an underlying EBITDA of USD\$4.21Bn that included copper production of more than 200,000t.

In accordance with terms of the Subscription Agreement with ERG, the Company has agreed to give ERG a Right of First Refusal (**ROFR**) over its Trenggalek Copper Gold Project located in East Java, Indonesia on the following key terms:

- ERG must maintain a minimum holding of 8,000,000 shares in FEG to keep their ROFR.
- If FEG intend to sell any interest in the Trenggalek Copper Gold Project then FEG must give ERG notice of the offer received from a third party.
- ERG has 30 calendar days to match or better the offer and exercise the ROFR.
- If ERG does not exercise the ROFR within 30 calendar days then FEG may proceed with the sale to the third party.

FEG Chairman, Mr Paul Walker stated: *"ERG's investment holds strategic significance for us, offering not only financial resources but also valuable operational insights on a global scale. This collaboration between ERG and FEG underscores the strength of our management team and the remarkable potential of our portfolio of advanced copper and gold projects."*



Placement Details

The Placement to strategic, institutional, wholesale and sophisticated investors raised \$6.9 million before transaction related costs.

The offer price of \$0.25 represents a:

- 16.7% discount to the last closing price of \$0.30 per share on Friday, 11 August 2023; and
- 12.8% discount to the 10 day volume weighted average price of A\$0.287 up to and including Friday, 11 August 2023.

The Placement will be undertaken in a single tranche within the Company's existing placement capacity under ASX Listing Rule 7.1 and 7.1A.

23,661,675 shares and 6,000,000 options will be issued under ASX listing rule 7.1. This will fully extinguish the Company's placement capacity under ASX listing rule 7.1. An additional 4,338,325 shares will be issued utilising the Company's placement capacity under ASX listing rule 7.1A. Settlement of the Placement is scheduled to occur on 21 August 2023.

The funds raised from the Placement will be used for:

- Progressing exploration activities at the Woyla Copper Gold Project.
- Progressing exploration and expansion activities at the Trenggalek Copper Gold Project.
- Progressing permitting and technical studies at the Wonogiri Copper Gold Project.
- Supporting local community and stakeholder engagement and meeting environmental benchmarks across all projects.
- The cost of this offer.

Canaccord Genuity (Australia) Limited and Ord Minnett Limited acted as Lead Managers to the Placement with Reach Markets Pty Ltd as Co-manager.

As part of the Co-manager's fundraising fee, the Company will issue 1,000,000 options to Reach Markets Pty Ltd exercisable at \$0.40 and expiring three years from the date of issue.

Additionally, as part of the Company's engagement of Canaccord Genuity (Australia) Limited to provide ongoing Capital Markets Advisory Services, the Company agreed to pay Canaccord Genuity (Australia) Limited an option fee upon the successful completion of the Placement and issue three tranches of options that expire three years from the date of issue:

- Tranche 1 – 1,666,667 options with an exercise price of A\$0.40 per option.
- Tranche 2 – 1,666,667 options with an exercise price of A\$0.50 per option.
- Tranche 3 – 1,666,666 options with an exercise price of A\$0.60 per option.



ABOUT FAR EAST GOLD:

Far East Gold (ASX: FEG), one of the most successful IPOs of 2022, is a copper and gold explorer with three projects in Indonesia and three in Australia providing the Company with a diversified portfolio approach to its operations.

FURTHER INFORMATION:

To receive company updates and investor information from Far East Gold, register your details on the investor portal: <https://fareastgold.investorportal.com.au/register/>

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