

ASX ANNOUNCEMENT

5 SEPTEMBER 2024



STRATEGIC INVESTOR

The Directors of Far East Gold (FEG or the Company) are delighted to announce the execution of a conditional share placement agreement (the Agreement) with Hsing Yip Gold (Hong Kong) Mine Company Limited (the Subscriber) for a strategic investment in Far East Gold.

HIGHLIGHTS

- Three-tranche conditional share placement agreement, targeting **over A\$14 million investment for a 19.99% strategic stake in Far East Gold.**
- All tranches priced at **A\$0.20** per share, representing a **47% premium to the recent placement and share purchase plan** and a **21% premium to the last traded price.**
- The Subscriber is a wholly owned subsidiary of **Inner Mongolia Xingye Silver & Tin Mining Co., Ltd** (Xingye), a Chinese mining company listed on the Shenzhen Stock Exchange with a market capitalisation of over A\$4 billion, the largest silver producer in China, one of the largest silver producers in the world and China's second largest tin producer.
- Xingye to add deep technical expertise in bringing greenfield projects through to production, including the capacity for follow-on investment.
- Combined with the recent A\$4 million placement and share purchase plan, this investment allows FEG to progress its portfolio of high-quality assets at an accelerated pace.
- Join Non-Executive Chairman Justin Werner for a live investor briefing on Friday 6th September, 11am (AEST) to hear about the details and implications of this agreement. Register here: <https://fareastgold.investorportal.com.au/investor-briefing/>

FEG Chief Executive Officer – Mr Shane Menere commented:

"This transaction marks the logical next step for FEG, following recent announcements around the pending Idenburg acquisition which triggered several approaches from strategic investors. We are delighted to welcome Xingye as a strategic partner because it ticks all our boxes – significant funding, deep technical expertise and full alignment with our strategic goals for our portfolio of high-quality assets."

Xingye Chief Executive Officer – Mr Shucheng Zhang commented:

"We are pleased to make this significant investment. Far East Gold's portfolio represents a perfect fit for Xingye's competencies around bringing highest-quality greenfield projects all the way through to production. We are looking forward to working closely with the Far East Gold team to achieve this."

Join an investor briefing

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CONDITIONAL PLACEMENT

Under the terms of the agreement, the Subscriber has agreed to subscribe for up to 19.99% of the shares in FEG over three tranches at A\$0.20 per share representing

- a 47% premium to the Company's recently completed share placement and share purchase plan (see ASX announcement 27 August 2024), and
- a 21% premium to FEG's last traded price.

The conditional placement will comprise the issue of an envisaged 71,236,739 shares at A\$0.20 per share over three tranches with the following conditions.

Tranche 1:

- Targeting to take the Subscriber's subscription shares to approximately 9.99% of issued capital in the Company.
- Indicatively, if the Tranche 1 Subscription Amount was paid at the date of the Agreement, then the **Tranche 1 Subscription Amount would be A\$6,336,114.00.**
- Falls under existing placement capacity (Listing Rule 7.1 and Listing Rule 7.1A).
- Conditions include signing Conditional Share Purchase Agreement contemplated by the Idenburg Binding Term Sheet and the Subscriber obtaining various Chinese regulatory approvals.

Tranche 2

- Targeting to take the Subscriber's subscription shares to the level where the total shares subscribed for exhaust Far East Gold's current placement capacity (Listing Rule 7.1 and Listing Rule 7.1A).
- Indicatively, if the Tranche 2 Subscription Amount was paid at the date of the Agreement, then the **Tranche 2 Subscription Amount would be A\$4,054,194.00.**
- Falls under existing placement capacity (Listing Rule 7.1 and Listing Rule 7.1A).
- Subject to the same conditions as Tranche 1 as well as FIRB approval.

Tranche 3

- Targeting to take the Subscriber's subscription shares to 19.99% of issued capital in the Company.
- Indicatively, if the Tranche 3 Subscription Amount was paid at the date of the Agreement, then the **Tranche 3 Subscription Amount would be A\$3,857,039.80**
- Would exceed existing placement capacity (Listing Rule 7.1 and Listing Rule 7.1A) and therefore be subject to shareholder approval.
- Subject to the same conditions as Tranche 2 as well as FEG shareholder approval.

Right to appoint a board member – the Subscriber is entitled to nominate one director for appointment to Far East Gold's board of directors, subject to FIRB approval and completion of Tranche 2.

Dealing Restriction – the Subscriber will be restricted from dealing with the shares issued in each Tranche for 12 months from the date of issue.

ABOUT INNER MONGOLIA XINGYE SILVER & TIN Co. LTD

Inner Mongolia Xingye Silver and Tin Mining Co., Ltd. (Stock Abbreviation: Xingye Silver & Tin; Stock Code: 000426) was listed on Shenzhen Stock Exchange on 28th August 1996. Current registered capital is 1,837,192,219 Yuan (RMB) (approx. US\$ 255,165,586), with 1,837,000,000 shares and a total market value of 20,000,000,000 Yuan (approx. US\$2,816,901,408).

The company's main business is non-ferrous metal mining and smelting, operating a full mining industry chain from geological exploration, mining, mineral processing to smelting of silver and tin. In addition, it has also been actively exploring for copper and gold in Russia, Kyrgyzstan, Laos, Indonesia and Africa for the past five years.

Xingye is the number one enterprise in silver production and number two in tin production in China.

The company has diverse mineral resources and very rich reserves, the main products being silver, tin, lead, zinc, copper, iron, bismuth, tungsten, antimony, gold and other non-ferrous metals, precious metals and ferrous metals. As of December 2023, Xingye had a confirmed total resource of 800 Moz of silver metal and more than 300,000 MT of tin metal.

Xingye's controlling shareholder is Inner Mongolia Xingye Gold Refinery Group Ltd. (previously Inner Mongolia Xingye Group Co Ltd.), which holds 27.27% of the company's equity.

The company has 13 Subsidiaries and 1 partnership enterprise.



Upper Left: Inner Mongolia Xingye Silver and Tin Mining Co. Ltd – Office headquarters – Chifeng City, Inner Mongolia, China

Upper Right: Yinman Mining Co. Ltd: Showing FEG CEO, Shane Menere and FEG Country Director, Jim Gultom, the Model of its Processing Plant and Tailings Dam



Above: Inner Mongolia Xingye Silver & Tin Mining Co. Ltd – Yinman Silver Mine, Inner Mongolia, China



ABOUT FAR EAST GOLD

Far East Gold Limited (ASX: FEG) is an ASX listed copper/gold exploration company with six advanced projects in Australia and Indonesia. This Release has been approved by the FEG Board of Directors.

Release approved by the Company's board of directors.

FURTHER INFORMATION:

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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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