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ASX ANNOUNCEMENT

25 JUNE 2026

FAR EAST GOLD

Lodgement of Target's Statement by Far East Gold in response to takeover offer by Xingye

Far East Gold Ltd (ASX: FEG) (**FEG** or the **Company**) refers to the unsolicited conditional off-market takeover offer from Xingye Gold (Hong Kong) Mining Company Limited (**Xingye**) for all fully paid ordinary shares in the Company (**Offer**).

In accordance with item 14 of subsection 633(1) of the *Corporations Act 2001* (Cth) (the **Act**), we enclose a copy of the target's statement prepared by FEG in relation to the Offer (**Target's Statement**). The Company appointed Lonergan Edwards & Associates Limited as independent expert to undertake an independent assessment of the Offer and a copy of their independent expert's report is attached to the Target's Statement.

A copy of the Target's Statement has today been lodged with the Australian Securities & Investments Commission and sent to Xingye.

In accordance with section 110D and item 12 of section 633(1) of the Act, the Target's Statement is being dispatched to FEG's shareholders today by the following means:

- FEG shareholders who have not provided FEG with an electronic address for the purposes of receiving electronic communications from FEG, and FEG shareholders who have validly elected to receive hard copies of shareholder communications, will be sent a hard copy of the access letter to their registered postal address which will contain a link to access an electronic copy of the Target's Statement (**Access Letter**); and

- FEG shareholders who have nominated an email address for the purposes of receiving electronic communications from FEG will, unless they have validly elected to receive hard copies of shareholder communications, be sent an email providing a link to access an electronic copy of the Target's Statement.

A copy of the Access Letter is **attached** to this notice.

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 announcement has been authorised for release by the Independent Board Committee of Far East Gold Ltd.

FURTHER INFORMATION:

Sign up to the Far East Gold investor hub to receive important news and updates directly to your inbox, and to engage directly with our leadership team: https://investorhub.fareast.gold/auth/signup

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COMPANY ENQUIRIES

Justin Werner **Chairman**	Shane Menere **Chief Executive Officer**	Tim Young **Investor Relations & Capital Markets**
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Far East Gold Ltd
ACN: 639 887 219
Level 18, 324 Queen Street
Brisbane, QLD 4000

25 June 2026

Dear securityholder,

RE: FAR EAST GOLD LTD - TARGET'S STATEMENT

Far East Gold Ltd (**FEG**) refers to the unsolicited conditional off-market takeover bid by Xingye Gold (Hong Kong) Mining Company Ltd (**Xingye**) under Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) to acquire all the ordinary shares in FEG that it does not currently hold, for $0.13 cash per FEG share (**Offer**), as announced on 27 May 2026.

IMPORTANT INFORMATION

In accordance with section 110D of the Corporations Act, this letter sets out how you can access FEG's Target's Statement in connection with the Offer (**Target's Statement**). The Target's Statement was lodged with the Australian Securities and Investments Commission on Thursday, 25 June 2026 and sets out FEG's formal response to, and important information about the Offer, including the Independent Board Committee's unanimous recommendation that you **REJECT** the Offer and **TAKE NO ACTION** in respect of it.

Please refer to the Target's Statement for further information in relation to the Independent Directors' reasons for recommending that FEG Shareholders **REJECT** the Offer. To **REJECT** the Offer, simply do nothing and take no action in relation all documents sent to you by Xingye.

WHERE CAN I ACCESS THE TARGET'S STATEMENT?

Online

A copy of the Target's Statement has been released to the Australian Securities Exchange and is available electronically on FEG's website at https://fareast.gold/invest.

Paper

You may request a hard copy of the Target's Statement by emailing FEG's share registry at hello@automicgroup.com.au.

If you request a hard copy of the Target's Statement it will be sent to you by standard post.

ENQUIRIES

If you have any queries about the terms of the Offer, please call Tim Young, Investor Relations, on +61 7 3067 3368, between 8.30am and 5.00pm (Sydney time), Monday to Friday or by email at info@fareast.gold.

Thank you for your continued support as an FEG shareholder.

Your sincerely

Justin Werner
Chairman
Far East Gold Ltd

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TARGET'S STATEMENT

ISSUED BY
FAR EAST GOLD LTD
ACN 639 887 219

This Target's Statement is issued in relation to the unsolicited conditional off-market takeover bid by Xingye Gold (Hong Kong) Mining Company Limited to purchase all of your ordinary fully paid shares in Far East Gold Ltd.

The Independent Board Committee unanimously recommend that you:

REJECT the Offer from Xingye

To **REJECT** the Offer, simply **DO NOTHING** and **TAKE NO ACTION**.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

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Key Dates

Announcement of Offer	27 May 2026
Date of Bidder's Statement	27 May 2026
Date of this Target's Statement	25 June 2026
Offer opened	11 June 2026
Offer closes (unless extended or withdrawn)*	7.00pm on 22 July 2026

*This date is subject to change. Please see **section 4.3** of this Target's Statement for further details regarding the Offer Period.

Important notices

Nature of this document

This document is a Target's Statement issued by Far East Gold Ltd ACN 639 887 219 (**FEG**) under Part 6.5 Division 3 of the Corporations Act in response to the Bidder's Statement and the Offer.

A copy of this Target's Statement was lodged with ASIC and given to ASX on 25 June 2026. Neither ASIC, ASX nor any of their respective officers, take any responsibility for the content of this Target's Statement.

Defined terms

A number of defined terms are used in this Target's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in **section 9** of this Target's Statement, words and phrases in this Target's Statement have the same meaning and interpretation as in the Corporations Act.

No account of personal circumstances

This Target's Statement does not take into account your individual objectives, financial situation or particular needs. It does not contain personal advice. Your Directors encourage you to seek independent financial and taxation advice before making a decision as to whether or not to accept or reject the Offer.

Disclaimer as to forward looking statements

Some of the statements appearing in this Target's Statement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement. None of FEG, its Related Bodies Corporate and its officers or employees, or any persons named in this Target's Statement or any person involved in the preparation of this Target's Statement, subject to the Corporations Act, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement. Except as required by applicable law or the ASX Listing Rules, FEG does not undertake to revise or update any forward-looking statements nor any other statements (either written or oral) that may be made from time to time by or on behalf of FEG, whether as a result of new information, future events or otherwise.

Disclaimer as to information

The information on Xingye contained in this Target's Statement has been obtained from publicly available sources, including the Bidder's Statement lodged by Xingye. None of the information contained in this Target's Statement relating to Xingye has been verified by FEG or its Directors for the purposes of this Target's Statement. Accordingly, and to the extent permitted by law, FEG makes no representation or warranty (either express or implied) as to the accuracy or completeness of this information.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

Effect of rounding

Figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement may be subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Target's Statement.

Currency

In this Target's Statement, references to ''Australian dollars'', "AUD", "A$" or "cents" are to the lawful currency of Australia. This Target's Statement may contain conversions of relevant currencies to other currencies for convenience. These conversions should not be construed as representations that the relevant currency could be converted into the other currency at the rate used in this Target's Statement or at any other rate. Conversions that have been calculated at the date of this Target's Statement (or any other relevant date) may not correspond to the amounts shown in the historic or future financial statements of FEG in respect of which different exchange rates may have been, or may be, used.

Privacy

FEG has collected your information from the FEG register of Shareholders (including name, contact details and shareholding details) for the purpose of providing you with this Target's Statement.

Your information may be disclosed on a confidential basis to external service providers (such as FEG's share registry and print and mail service providers) and may be required to be disclosed to regulators (such as ASIC and ASX). If you would like to obtain details of the information held about you by FEG, please contact Automic Pty Ltd (FEG's share registry) on 1300 288 664 (within Australia) or +61 (2) 9698 5414 (outside Australia).

Enquiries

If you have any enquiries in relation to the Offer or this Target's Statement, please contact the Head of Investor Relations Tim Young from FEG on +61 7 3067 3368, between 9.00am and 5.00pm (Queensland time) Monday to Friday.

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Reasons why you should REJECT the Unsolicited Offer

The Independent Board Committee has carefully considered the Unsolicited Offer. The Independent Directors' key reasons for recommending that Shareholders **REJECT** the Unsolicited Offer are:

1.	Xingye's Offer materially undervalues FEG and does not reflect the underlying value of its asset portfolio	Refer to **section 1.1**
2.	Xingye's Offer is opportunistically timed, ahead of multiple near-term value catalysts	Refer to **section 1.2**
3.	FEG's Shareholders, who as at the Last Practicable Date held in aggregate approximately 23.51% of FEG Shares, do not intend to accept the Offer at the Offer Price	Refer to **section 1.3**
4.	The Offer is subject to a number of conditions, including regulatory approvals in China, and therefore it is uncertain whether the Offer will ultimately proceed	Refer to **section 1.4**
5.	If you accept the Offer, you risk missing out if a superior proposal from a third party emerges	Refer to **section 1.5**
6.	If you accept the Offer, you may pay tax on any sale proceeds, gain or profit in the current financial year	Refer to **section 1.6**

To **REJECT** the Offer, simply **DO NOTHING** and **TAKE NO ACTION** in relation to all documents sent to you by Xingye.

You should read this Target's Statement in its entirety for further information on the reasons why the Independent Directors unanimously recommend that Shareholders should **REJECT** the Offer.

Contents

1 WHY YOU SHOULD REJECT THE OFFER 3

2 FREQUENTLY ASKED QUESTIONS 9

3 DIRECTORS' RECOMMENDATIONS AND INTENTIONS 16

3.1 Directors 16
3.2 Independent Board Committee recommendation 16
3.3 Your choices as a Shareholder 16

4 KEY FEATURES OF THE OFFER 18

4.1 The Offer 18
4.2 Conditions to the Offer 18
4.3 Offer Period and Conditions 23
4.4 Effect of acceptance of the Offer 24
4.5 Effect of an increase of the Offer Price on Shareholders who have already accepted the Offer 25
4.6 Compulsory acquisition of all FEG Shares 25
4.7 Consequences of Xingye acquiring more than 50% and less than 90% of all FEG Shares 26
4.8 Consequences of Xingye acquiring less than 50% of FEG Shares 27
4.9 Effect of the Offer on FEG Options and FEG Performance Rights 27

5 INFORMATION ABOUT FEG 29

5.1 Overview of FEG and the FEG Group 29
5.2 Principal activities of the FEG Group 29
5.3 Historical financial information 31
5.4 Capital structure 34
5.5 Substantial Shareholders 35
5.6 Information about the Directors 35
5.7 Continuous disclosure 37

6 INFORMATION ABOUT XINGYE AND INNER MONGOLIA XINGYE 38

6.1 Disclaimer 38
6.2 Overview of Xingye and Inner Mongolia Xingye 38
6.3 Xingye interest in FEG securities 39
6.4 Xingye funding arrangements related to the Offer 39
6.5 Xingye's intentions in respect of FEG 39

7 RISK FACTORS 40

7.1 Overview 40
7.2 Risks associated with accepting the Offer 40
7.3 Risks associated with rejecting the Offer and continuing as a Shareholder 41
7.4 Risks specific to certain Offer outcomes 41
7.5 Risks specific to FEG 42
7.6 Risks specific to FEG's foreign operations 48
7.7 General risks 51

8 ADDITIONAL INFORMATION 52

8.1 Interests and dealings in FEG securities 52
8.2 Interests and dealings in securities of Xingye 52
8.3 Treatment of FEG Options and FEG Performance Rights 52
8.4 Director benefits and agreements 53
8.5 Material contracts 53
8.6 Transaction costs 53
8.7 Taxation consequences of accepting the Offer 53
8.8 Consents 53
8.9 No other material information 54

9 GLOSSARY AND INTERPRETATION 56

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9.1 Glossary 56
9.2 Interpretation 62
10 AUTHORISATION 62

WHAT YOU NEED TO DO

To **REJECT** the Offer, simply **DO NOTHING** and **TAKE NO ACTION** in relation to all documents sent to you by Xingye.

You should read this Target's Statement which contains the Independent Directors' unanimous recommendation to **REJECT** the Offer and provides reasons for this recommendation, and the Bidder's Statement. In addition, you should consult your investment, financial, taxation or other independent professional adviser if in doubt about what to do.

If you have any further queries in relation to the Offer, you can contact Tim Young from FEG on +61 7 3067 3368, between 9.00 am and 5.00 pm (Queensland time) Monday to Friday.

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Letter from the Independent Board Committee to FEG's Shareholders

Dear Fellow Shareholder,

On 27 May 2026, Xingye Gold (Hong Kong) Mining Company Limited (**Xingye** or **Bidder**), a company wholly-owned by Inner Mongolia Xingye Silver & Tin Mining Co., Ltd (**Inner Mongolia Xingye**), announced an unsolicited conditional off-market takeover bid to acquire all of the shares in Far East Gold Ltd (ASX:FEG) (**FEG**), (**FEG Shares**), that Xingye does not already own or control.

Xingye has offered A$0.13 cash price per FEG Share (**Unsolicited Offer**). Xingye's bidder's statement in respect of the Unsolicited Offer (**Bidder's Statement**) was released on the ASX on 27 May 2026, and distributed to Shareholders on 11 June 2026.

The FEG Board has established an independent board committee of the board (the **Independent Board Committee**) for the purposes of considering and responding to the Unsolicited Offer. The Independent Board Committee consists of Mr Justin Werner, Mr Shane Menere, Mr Christopher Atkinson, Mr Paul Walker, and Mr Michael Thirnbeck (together, the **Independent Directors**) who are independent of Xingye.

Ms Monique Tang is also a director of FEG (the **Non-Independent Director**) and is regarded as a representative of Xingye, by reason of her role as Xingye's designated nominee director appointed to the FEG Board. In light of the relationship between the Non-Independent Director and Xingye, there are actual or perceived conflicts of interest, and the Independent Board Committee was formed to have sole and exclusive authority for all decisions, communications and negotiations on behalf of FEG relating to the Unsolicited Offer.

Mr Justin Hastings was appointed to the FEG Board effective 24 June 2026, being a date after the announcement of the Unsolicited Offer and one day immediately prior to the date of the Target's Statement. Accordingly, he has not had sufficient time to review and familiarise himself with the circumstances of the Unsolicited Offer to properly discharge his duties and will not participate in the Independent Board Committee.

The Independent Board Committee has appointed Canaccord Genuity (Australia) Limited as its financial advisor and Thomsons as its legal advisor to assist the Independent Directors to evaluate and respond to the Unsolicited Offer by Xingye.

Having carefully considered Xingye's Unsolicited Offer, **the Independent Board Committee unanimously recommends that you should REJECT the Offer** and **TAKE NO ACTION,** for the following key reasons:

- Xingye's Unsolicited Offer materially undervalues FEG and does not reflect the underlying value of its asset portfolio. Lonergan Edwards & Associates Limited, appointed as the Independent Expert to give an independent opinion on Xingye's Unsolicited Offer, has concluded the Unsolicited Offer is not fair and not reasonable to FEG shareholders not associated with Xingye. The Independent Expert has assessed the fair value of FEG Shares on a 100% controlling interest basis, to be in the range of A$0.324 - A$0.444 per FEG Share, so that the Unsolicited Offer is at a 60% to 71% discount below their assessed value.
- The Unsolicited Offer is opportunistically timed. The FEG Board believes that Xingye's Unsolicited Offer was opportunistically timed to take advantage of a FEG share price that does not yet reflect the underlying value of FEG's asset portfolio, and a series of near-term value catalysts (described in **section 1.2** of this Target's Statement), including the Idenburg Scoping Study, development drilling, resource growth opportunities and the advancement of permitting and feasibility studies currently underway.
- FEG Shareholders, who hold in aggregate approximately 23.51% of FEG Shares, do not presently intend to accept the Unsolicited Offer at its current price.
- The Unsolicited Offer is subject to a number of conditions, including regulatory approvals in China and therefore, it is uncertain if the Unsolicited Offer will ultimately proceed.
- If you accept the Unsolicited Offer, you risk missing out if a superior proposal from a third party emerges.

- If you accept the Unsolicited Offer, you may pay tax on any sale proceeds, gain or profit in the current financial year.

All Independent Directors currently intend to REJECT Xingye's Unsolicited Offer in relation to any FEG Shares they own or control.[1] Reasons for the Independent Directors' recommendation, and the interests of each Director in FEG securities, is set out in the Target's Statement that accompanies this letter.

The Non-Independent Director and Mr Hastings are not making a recommendation to Shareholders in relation to the Unsolicited Offer.

WHAT SHOULD YOU DO?

To **REJECT** the Unsolicited Offer, simply **DO NOTHING** and **TAKE NO ACTION** in relation to all documents sent to you by Xingye.

You should read this Target's Statement and the Bidder's Statement carefully, and in their entirety, as they will assist you in making an informed decision in respect to the Unsolicited Offer. You may wish to seek advice from independent and appropriately licensed financial, legal, taxation and other professional advisers before making a decision in relation to your FEG Shares.

If you have any further queries in relation to the Unsolicited Offer, you can contact Tim Young from FEG on +61 7 3067 3368, between 9.00 am and 5.00 pm (Queensland time) Monday to Friday.

On behalf of the board of FEG, I thank you in anticipation of your continuing support. The Independent Board Committee will continue to keep you fully informed of key material developments in respect of the Unsolicited Offer.

Yours sincerely



Justin Werner

Chairman

Far East Gold Ltd

[1] Detail of the Directors' Relevant Interests in FEG Shares are set out in **section 8.1** of this Target's Statement. The Independent Directors reserve the right to alter this intention should they change their recommendation in respect of the Unsolicited Offer.

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1 Why you should REJECT the Offer

The Independent Board Committee has considered the advantages and disadvantages of the Offer and based on the information currently available to it, unanimously recommends that you REJECT the Offer. The reasons for this recommendation are set out below. As at the date of this Target's Statement, each Independent Director currently intends to REJECT the Offer in relation to any FEG Shares they own or control.[2] Details of each of the Directors' relevant interests in FEG Shares is set out in **section 8.1** of this Target's Statement. The Independent Directors also acknowledge there are risks associated with not accepting the Offer which are highlighted in **section 7.3** of this Target's Statement, and that each Shareholder's risk profile, investment strategy, tax position and financial circumstances are different. If in any doubt as to what to do, Shareholders should obtain financial advice from their broker or financial adviser on the Offer, and taxation advice on the effect of not accepting the Offer.

1.1 Xingye's Offer materially undervalues FEG

The Independent Board Committee believes the Offer materially undervalues FEG and fails to appropriately reflect the value of its asset portfolio, recent technical achievements and future development potential (see **section 1.2** below). This conclusion is supported by the Independent Expert's assessment which is summarised below.

The Independent Expert has concluded that the Offer is not fair and not reasonable to FEG Shareholders not associated with Xingye. The Directors appointed Lonergan Edwards & Associates Limited to act as the Independent Expert and undertake an independent assessment of the Offer. The Independent Expert has assessed the value of FEG Shares to be in the range of A$0.324-$0.444 per FEG Share on a 100% controlling interest basis, so the offer price of A$0.13 per FEG Share (**Offer Price**) is at a discount of 60%-71% below their assessed value. The Independent Expert has concluded the Offer is not fair and not reasonable to FEG shareholders not associated with Xingye. The reasons why the Independent Expert reached these conclusions are set out in the Independent Expert's Report, a copy of which is set out in **Attachment A** to this Target's Statement. The Independent Directors encourage you to read this report in its entirety.

Furthermore, FEG Shares have traded above the Offer Price of A$0.13 per FEG Share since 2 June 2026. Over the period from Xingye's announcement of the Offer on 27 May 2026 to the Last Practicable Date, FEG Shares traded at a volume weighted average price (**VWAP**) of A$0.1359 per FEG Share, representing a premium of approximately 4.6% to the Offer Price.

The Independent Board Committee considers that the continued trading of FEG Shares above the Offer Price since the Offer was announced is a further indication that the Offer does not reflect the underlying value of FEG, and is consistent with the Independent Expert's conclusion that the Offer is neither fair nor reasonable. Shareholders who accept the Offer would receive less than the price at which they may currently be able to sell their FEG Shares on-market (subject to any applicable brokerage).

1.2 Xingye's Offer is opportunistically timed

The Independent Board Committee believes the timing of Xingye's Offer is opportunistic and that Xingye has structured its Offer so that it is not obliged to proceed unless Stage One Completion under the Idenburg Gold Project transaction occurs.

Stage One Completion resulted in FEG acquiring a 51% interest in the Idenburg Gold Project and represents a major corporate and project milestone.

The Independent Board Committee believes it is significant that Xingye has made Stage One Completion a condition of its Offer whilst simultaneously inviting Shareholders to sell their FEG Shares before receiving the benefit of that milestone.

In the Independent Board Committee's view, this highlights the strategic importance of Stage One Completion and reinforces the opportunistic timing of the Offer.

[2] Detail of the Directors' Relevant Interest in FEG Shares are set out in **section 8.1** of this Target's Statement. The Independent Directors reserve the right to alter this intention should they change their recommendation in respect of the Offer.

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The Offer has been made at a time when, in the Independent Board Committee's view, the FEG share price does not yet reflect the underlying value of FEG's asset portfolio, and immediately ahead of a number of near-term catalysts that have the potential to create significant value for Shareholders. A short summary of the status of these near-term catalysts is shown in the table below:

Near-Term Catalyst	**Status**
Stage One Completion (51% Idenburg Interest)	Completed during Offer Period
Idenburg Scoping Study	Well advanced
Development Drilling at Idenburg	Ready to commence
Resource Growth Opportunities	Ongoing
Permitting Advancement	Ongoing
Feasibility Pathway Progression	Underway

Over the past 12 months, FEG has delivered a series of material developments across its broader project portfolio, including:

- delivery of the Idenburg Gold Project earn-in equity position of 51% from the vendor (announced 22 June 2026);
- the scoping study for FEG's high-grade Idenburg Gold Project is well advanced and that FEG had engaged Mining One Consultants to complete a Scoping Study for potential mine development options at Idenburg (announced 15 May 2026);
- confirmation of its intention to undertake a drilling program on the Sua prospect at the Idenburg Gold Project, with this program specifically designed to support the ongoing Idenburg Scoping Study and FEG's ongoing evaluation of a pathway toward a potential Indonesian Feasibility Study targeted for completion in late 2026 (announced 15 May 2026). FEG notes that the completion of a feasibility study in Indonesia is the key condition precedent for FEG to increase its ownership of the Idenburg Gold Project from 51% to 80% (announced 15 July 2024) and will allow the Idenburg CoW to move from the exploration phase to a 30-year mining operation phase;
- a 44% increase in the Idenburg JORC Mineral Resource Estimate to approximately 780,000 ounces of gold at 3.1g/t Au (announced 5 May 2026);
- metallurgical test work indicating high gold recoveries at the Sua prospect at Idenburg, with total recovery achieving approximately 95% (announced 21 April 2026);
- the grant of the UKLUPL (environmental) approval for advanced exploration at the Idenburg Gold Project, unlocking the pathway to operational licensing and future mine development (announced on 17 March 2026), following the approval of the PIPPIB clearance at Idenburg (announced on 5 November 2025);
- the delivery of the "Governors Recommendation Letter" which is a key requirement for the Forest Area Utilization Approval (PPKH);
- 5 year extension of the Mount Clark West exploration permit without an immediate mandatory relinquishment of FEG's QLD copper project;
- completion of a drilling campaign at the Mount Clark West Copper Gold Project; and
- reclamation plan approval for PT Sumber Mineral Nusantara (Trenggalek Copper Gold Project) through to 2027.

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Further near-term catalysts remain in progress, including ongoing development drilling, resource growth opportunities, advancement of permitting and progression of the Idenburg Gold Project along the development pathway through the completion of an Indonesian Feasibility Study. Specifically, Xingye has structured its Offer so that it is not obliged to proceed unless Stage One Completion of the Idenburg Gold Project occurs, whilst simultaneously inviting Shareholders to sell before they receive the benefit of FEG acquiring a 51% interest in the Idenburg Gold Project.

FEG is transitioning from an explorer to a developer. The market has historically valued exploration companies differently from companies with development-ready projects. The Independent Board Committee believes FEG is now entering a period in which significant value can be created as it advances the Idenburg Gold Project along the development pathway, and that the Offer is timed to acquire FEG before the benefit of that transition is reflected in the FEG Share price.

The Offer does not reflect the Idenburg Gold Project's potential as a district-scale gold system with substantial growth potential. FEG has identified 30 structural targets across the Idenburg Gold Project area, of which 11 are classified as Priority 1 targets. The mine plan being developed as part of the Idenburg Scoping Study represents only part of the broader opportunity presented by the Idenburg Gold Project as a whole.

For these reasons, the Independent Board Committee believes that Shareholders who accept the Offer now risk forgoing the future value that may be created as this technical, permitting and development work is completed. In the Independent Board Committee's view, the Offer invites Shareholders to sell at a time that is favourable for Xingye, rather than at a time that reflects the full value of their FEG Shares.

1.3 **FEG Shareholders, who as at the Last Practicable Date held in aggregate approximately 23.51% of FEG, do not presently intend to accept the Offer**

Five FEG Shareholders (**Rejecting Shareholders**), who collectively, as at the Last Practicable Date held approximately 12.44% of FEG Shares, have each confirmed to FEG that they do not intend to accept Xingye's Offer at the Offer Price in respect of the FEG Shares they respectively own or control.

The FEG Shares held by the Rejecting Shareholders, together with the aggregate shareholding in FEG of the Independent Directors (who each intend to REJECT the Offer in respect of any FEG Shares they own or control[3]) suggests that approximately 23.51% of FEG's Shareholders do not intend to accept the Offer at the Offer Price. Therefore, there is a degree of uncertainty as to whether Xingye will be able to obtain the necessary acceptances to satisfy the 50% minimum acceptance condition to its Offer.

Further information about the conditions to the Offer is set out in **section 4.2** of this Target's Statement.

1.4 **The Offer is subject to a number of conditions, including regulatory approvals in China, and therefore it is uncertain whether the Offer will ultimately proceed**

The Offer is subject to a number of defeating conditions, including the receipt of regulatory approvals from a number of Chinese regulatory authorities (including the NDRC, MOFCOM and SAFE). There can be no certainty as to whether these regulatory approvals will be forthcoming or how long it may take to obtain such approvals.

In section 10.3(b) of the Bidder's Statement, Xingye states that the receipt of the regulatory approvals referred to above are each a condition precedent to the acquisition by Xingye of any interest in FEG Shares and that notwithstanding any acceptances of the Offer, unless and until those regulatory approvals conditions are fulfilled or waived, no contract for the sale of FEG Shares will come into force or be binding on Shareholders who have accepted the Offer, or Xingye.

Accordingly, Shareholders who accept the Offer whilst the Offer remains subject to defeating conditions may have to wait a lengthy period before receiving the Offer consideration (and will be

[3] Details of the Directors' Relevant Interest in FEG Shares are set out in **section 8.1** of this Target's Statement. The Independent Directors reserve the right to alter this intention should they change their recommendation in respect of the Offer.

unable to deal with their FEG Shares during that time unless they are entitled to withdraw their acceptance of the Offer).

Further information about the conditions to the Offer and the effect of accepting the Offer is set out in **sections 4.2 and 4.4** of this Target's Statement.

1.5 If you accept the Offer, you risk missing out if a superior proposal from a third party emerges

Since the announcement of the Offer, FEG has attracted substantial interest from a range of international mining companies, strategic investors and financial groups. Multiple parties have entered into confidentiality agreements with FEG and are actively progressing technical, commercial and site-based due diligence initiatives. The breadth and quality of engagement received underscores the growing recognition of the value, scale and development potential of FEG's assets and supports the Independent Board Committee's view that the Offer does not adequately reflect that value.

If you accept the Offer, unless your acceptance is legally able to be withdrawn, or the Offer lapses due to the failure of one or more conditions to be satisfied or waived, you will not be able to accept a superior offer from a third party for FEG Shares, should one emerge.

Additionally, if you sell your FEG Shares on-market, and Xingye subsequently increases its Offer or a superior proposal from a third party for FEG Shares emerges, you will not receive the benefit of any such increase to the Offer Price or superior proposal, respectively.

For further details regarding the effect of accepting the Offer, see **sections 4.4 and 4.5** of this Target's Statement.

1.6 If you accept the Offer, you may pay tax on any sale proceeds, gain or profit in the current financial year

If you accept the Offer, then this may trigger taxation implications for you.

Australian tax resident Shareholders for income tax purposes who hold their FEG Shares on capital account, and who would make a capital gain on disposal of their FEG Shares, could crystalise a capital gains tax liability by accepting the Offer. For Australian tax residents who hold their shares on revenue account, accepting the offer may have Australian income tax implications.

In addition, foreign Shareholders may have tax consequences in Australia and/or their jurisdiction if they accept the Offer.

You should carefully read the taxation considerations outlined in section 8 of the Bidder's Statement, however Shareholders should not rely upon the taxation considerations in that overview as being advice on their own particular circumstances and affairs. The Independent Directors encourage Shareholders to consult with their own independent taxation advisers regarding the taxation implications of accepting the Offer given their own particular circumstances.

1.7 Other considerations

In addition to the above reasons, the Independent Board Committee considers that some claims made by Xingye in the Bidder's Statement are selective and omit important context regarding the current status of, and recent developments in respect of, FEG's assets and prospects. These matters have been taken into account by the Independent Board Committee in considering the Offer and include the following:

- **Idenburg Stage One Completion** – The Bidder's Statement states that Stage One Completion under the Idenburg CSPA has not yet occurred and presents this as a reason to accept the Offer. That position is now overtaken by recent events. Stage One Completion occurred on 22 June 2026, with FEG acquiring its 51% interest in the Idenburg Gold Project.

  The Independent Board Committee considers that Stage One Completion is a material positive development for FEG and one of the near-term value catalysts identified in **section 1.2** of this Target's Statement. It materially advances FEG's ownership position in its flagship asset and strengthens FEG's exposure to the Idenburg Gold Project.

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Furthermore, Stage One Completion is itself a condition of the Offer (see section 10.3(g)(ii)) of the Bidder's Statement). Accordingly, Xingye structured its Offer so that it was not obliged to proceed unless Stage One Completion occurred, while at the same time inviting Shareholders to accept the Offer before the market had the benefit of that milestone having occurred.

- **Woyla Copper Gold Project** – The Bidder's Statement refers to the expiry of the Woyla CSPA and the exploration period under the Woyla CoW, but omits important context regarding FEG's ownership and the continuing status of the project.

  FEG had already acquired and retains a 51% interest in the Woyla Copper Gold Project. Increasing that interest to 80% under the Woyla CSPA required completion of an Indonesian feasibility study and substantial additional expenditure which was not justified at that time. FEG subsequently negotiated an alternative pathway to acquire 100% without first incurring the cost of a feasibility study, but those negotiations did not result in agreement. Expiry of the Woyla CSPA did not affect FEG's existing 51% interest.

  The expiry of the exploration period did not affect the validity of the Woyla CoW. Before that period ended, PT Woyla Aceh Minerals lodged a valid application for an extension, which remains under consideration. Further studies are required before the project can progress to the 30-year operation and production phase of the Woyla CoW, and those studies have not yet been undertaken.

  FEG's decision not to commit further capital to the Woyla Copper Gold Project at this time reflects its current prioritisation of capital and technical resources toward the Idenburg Gold Project and other near-term activities.

- **Wonogiri Mining License** – The Bidder's Statement states that the Wonogiri Mining Licence was revoked on 5 April 2022 and that this has delayed drilling activities at the Wonogiri Copper Gold Project. The Independent Board Committee considers that this presentation omits important context concerning both the circumstances of this administrative decision and the continuing value of the Wonogiri Copper Gold Project.

  FEG holds documentation from the Indonesian Government indicating that the administrative action occurred in error. Indonesian Counsel has advised that the action was procedurally and legally defective, did not constitute a final and valid administrative determination and did not extinguish PT Alexis Perdana Mineral's rights in respect of the Wonogiri Mining Licence. FEG and its Indonesian subsidiaries continue to engage with the relevant authorities regarding correction of the administrative record.

  The Independent Board Committee also notes that FEG had not announced or planned a drilling program at the Wonogiri Copper Gold Project that could properly be characterised as having been delayed. FEG's recent allocation of capital and technical resources toward the Idenburg Gold Project and other priority projects reflects a portfolio decision.

  The Wonogiri Copper Gold Project remains an advanced copper-gold project with a JORC Mineral Resource of approximately 996,000 ounces of gold and 190 million pounds of copper, equivalent to approximately 1.15 million ounces of gold equivalent. More than 21,000 metres of drilling have been completed, together with previous technical and environmental studies.

- **Trenggalek and Blue Hill Creek** – The Bidder's Statement states that no drilling activities have been undertaken at the Trenggalek Copper Gold Project or the Blue Hill Creek Gold Project. This is incorrect. Both projects have previously been drilled.

  At Trenggalek, drilling undertaken by previous project owners identified mineralisation and multiple copper-gold porphyry targets. The Trenggalek Copper Gold Project is an advanced exploration project held under an operation and production mining permit, and FEG continues to advance the project through technical studies, permitting and stakeholder engagement.

  At Blue Hill Creek, FEG previously completed a drilling program and is undertaking further geological mapping, structural interpretation and rock-chip sampling to refine targets and inform the design of future drilling.

The absence of recent drilling at either project reflects FEG's allocation of capital and technical resources across its portfolio. It does not support the Bidder's assertion that no drilling has been undertaken or that the projects have stalled.

- **Mount Clark West Copper Gold Project in Queensland** – The Bidder's Statement states that no assay results have been reported from the drilling activities undertaken at the Mount Clark West Copper Gold Project since 6 November 2025.

  The Independent Board Committee notes that the Bidder's Statement acknowledges that drilling has been undertaken at the Mount Clark West Copper Gold Project. Drilling commenced at this project as announced on 7 November 2025, and FEG subsequently announced positive geological observations from the drilling programme together with a tenement extension on 10 February 2026.

  The timing of assay reporting is a normal feature of an active exploration programme and can be influenced by laboratory turnaround times and the completion of appropriate technical review and validation processes. The absence of previously reported assay results does not indicate that the project has stalled or that exploration activities have ceased.

  The Independent Board Committee notes that assay results from the Mount Clark West Copper Gold Project drilling programme have now been received and are currently undergoing technical evaluation and interpretation. FEG is preparing the necessary reporting and disclosure materials and, subject to completion of its technical review processes, expects to provide an update to the market during the Offer Period in accordance with its continuous disclosure obligations. Accordingly, the Independent Board Committee does not consider the current status of assay reporting at the Mount Clark West Copper Gold Project to detract from the value of FEG's broader asset portfolio or to be a factor supporting acceptance of the Offer.

1.8 **The Independent Board Committee acknowledges that there may be circumstances under which some Shareholders may wish to accept the Offer**

Although the Independent Board Committee unanimously recommends that you **REJECT** the Offer, there are a number of reasons why you may wish to accept the Offer taking into account your particular circumstances. The Offer is currently subject to a number of conditions which, if not satisfied or waived by Xingye, will prevent the Offer from proceeding even if you have accepted the Offer. In this circumstance your acceptance will be void and of no effect, you will not receive the Offer Price for your FEG Shares, and you will remain a Shareholder in FEG. More information regarding the conditions to the Offer is set out in **section 4.2** of this Target's Statement.

A summary of some of the reasons why you may wish to accept the Offer are as follows:

- you may disagree with the unanimous recommendation of the Independent Directors or the Independent Expert's conclusion;
- you may no longer wish to be exposed to future risks and uncertainties associated with an investment in FEG;
- you may wish to exit your shareholding in FEG for a certain price and without incurring any brokerage fees; and
- Shareholders should note that the past trading performance of FEG Shares is not a guarantee or a reliable indicator of the future price at which FEG Shares may trade, and the price of FEG Shares may rise or fall. In particular, the price of FEG Shares may fall if the Offer is unsuccessful or is withdrawn.

This summary is not exhaustive and you should also have regard to your own personal investment objectives and financial circumstances, and should consult your professional advisers, before deciding whether or not to accept the Offer.

For further details regarding the effect of accepting the Offer, see **sections 4.4 and 4.5** of this Target's Statement.

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2 Frequently asked questions

This section answers some commonly asked questions about the Offer. It is not intended to address all relevant issues for Shareholders. This section should be read together with all other parts of this Target's Statement.

Question	Answer
1. What is this Target's Statement?	This Target's Statement has been prepared by FEG and is required to be sent to you by law. This Target's Statement provides FEG's response to the Bidder's Statement and the Offer, including the recommendation of the Independent Board Committee to **REJECT** the Offer, the reasons for such recommendation and other information that is material to your decision as to how to respond to the Offer.
2. What is the Bidder's Statement?	The Bidder's Statement was prepared by Xingye Gold (Hong Kong) Mining Company Limited (**Xingye**). The Bidder's Statement describes the terms of Xingye's Offer for your FEG Shares and other information that Xingye considers relevant to your decision as to whether or not to accept the Offer. A copy of the Bidder's Statement is available on the ASX website (www.asx.com.au).
3. Who is making the Offer?	The Offer is being made by Xingye. Xingye is a private limited company incorporated in Hong Kong. Xingye is a wholly-owned subsidiary of Inner Mongolia Xingye Silver & Tin Mining Co., Ltd (**Inner Mongolia Xingye**). Inner Mongolia Xingye is a public listed company incorporated in the People's Republic of China and listed on the Shenzhen Stock Exchange. Together, Xingye and Inner Mongolia Xingye are a large-scale mining group that engages in the exploration and development of metallic mineral resources. Further information on Xingye and Inner Mongolia Xingye is set out in **section 6** of this Target's Statement and section 4 of the Bidder's Statement.
4. What is the Offer?	Xingye has made an unsolicited conditional offer of A$0.13 for each FEG Share held by you. Further information about Xingye's Offer, including the conditions to the Offer, is set out in **section 4** of this Target's Statement and section 10 of the Bidder's Statement.
5. What are the conditions to the Offer?	The Offer is highly conditional. The conditions of the Offer include (in summary form only): • **Minimum acceptance**: at the end of the Offer Period, Xingye (and its Associates) have Relevant Interests in more than 50% (by number) of all FEG Shares on a fully diluted basis. • **Chinese regulatory approvals**: before the end of the Offer Period: ▪ NDRC approves the acquisition of FEG Shares by Xingye; ▪ MOFCOM approves the acquisition of FEG Shares by Xingye; and ▪ SAFE approves Xingye paying the aggregate price for FEG Shares under the Offer and transferring funds in Australian dollars or another approved currency from PRC to Australia for that purpose. • **Other regulatory approvals**: before the end of the Offer Period, all other required approvals required by law or any Regulatory Authority, as necessary or desirable to permit making the Offer and the acquisition of FEG Shares by Xingye pursuant to the Offer, have been granted, made or obtained, and such approvals are unconditional and remain in full force and effect. • **No Regulatory Action in relation to the Offer**: there is no Regulatory Action that is likely to or purports or threatens to restrain, prohibit, impede or otherwise materially adversely affect making the Offer and the acquisition of FEG Shares by Xingye pursuant to the Offer, or require

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	divestiture by Xingye or by any FEG Group Member, any securities, property or other interests (other than an application to ASIC or the Takeovers Panel relating to the Offer). • **No Regulatory Action in respect of the Projects:** there is no Regulatory Action in respect of any Projects or Project Approvals that results in or would reasonably be expected to result in requiring to dispose of any interest in a Project, terminate a Project Approval or otherwise adversely affect the rights held under any Project Approval. • **Project Approvals**: the Project Approvals permit the FEG Group to continue operations substantially as they were conducted prior to the date of the Bidder's Statement. • **Idenburg Gold Project**: each of the Idenburg CSPA and Idenburg CoW remain in full force and effect, Stage One Completion occurs in accordance with the Idenburg CSPA, no FEG Member waives its rights under the Idenburg CSPA in a manner materially adverse to FEG and no FEG member breaches the Idenburg CSPA. • **No prescribed occurrences** occur. • **No Material Adverse Change** is publicly announced by FEG or becomes otherwise known to the Bidder. • **No other material occurrences** including in relation to convertible securities or rights issues, bonuses, retention payments and other incentives, material acquisitions, material disposals, commitments and settlements, settlements of disputes, Financial Indebtedness, distributions, related party transactions, constitution modifications or an event of insolvency, other than as fairly disclosed by FEG before the date of the Bidder's Statement. • **No litigation**: no legal proceedings against a FEG Group Member likely to result in a judgement of $200,000 or more is commenced, threatened, announced or made known to FEG or Xingye. • **No market fall**: no market fall occurs between the Bidder's statement and the end of the Offer Period of more than 10% of the index of the S&P/ASX200 at the close of trading on the last trading date before the date of the Bidder's Statement for more than five consecutive days. • **No untrue statements**: no untrue statements are made to the ASX by FEG. • **No suspension from the ASX**: ASX does not suspend or remove (or threaten to or announce any such suspension or removal) FEG from the ASX. • **FEG Options and FEG Performance Rights**: all FEG Options or Performance Rights have been exercised and resulting FEG Shares have been issued or otherwise lapsed. Further information about the conditions to the Offer is set out in **section 4.2** of this Target's Statement and section 10.3 of the Bidder's Statement.
6. What happens if one or more conditions are not satisfied or waived?	If one or more conditions are not satisfied or waived, Xingye will have the option as to whether to proceed with the Offer or allow the Offer to lapse. You should be aware that the conditions relating to obtaining regulatory approvals in China must be satisfied or waived in order for Xingye to acquire FEG Shares and pay the Offer Price to accepting Shareholders under the Offer. If the Offer lapses, all acceptances will be void and of no effect and you will continue to hold FEG Shares and be free to deal with them as if Xingye had never made the Offer.
7. Does Xingye already have an interest in FEG Shares?	As at the Last Practicable Date, based on substantial shareholder notices lodged with ASX and registry data, Xingye (via its related bodies corporate) has an interest in 73,368,788 FEG Shares which represents approximately 17.59% of the total number of FEG Shares on issue.

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8. What are the Directors recommending?	The Independent Board Committee unanimously recommend that you **REJECT** the Offer for the reasons explained in **section 1** of this Target's Statement. To follow the Independent Board Committee recommendation that you **REJECT** the Offer, you should simply **DO NOTHING** and **TAKE NO ACTION** in relation to the Offer. If there is a change to this recommendation or any material development in relation to the Offer, your Independent Board Committee will inform you.
9. What do the Directors intend to do with their FEG Shares?	As at the date of this Target's Statement, each Independent Director intends to **REJECT** the Offer in relation to any FEG Shares they own or control.[4] Refer to **section 8.1** of this Target's Statement for further information about the Directors' interests in FEG securities.
10. Are there any major Shareholders who support the Offer?	FEG Shareholders, who as at the Last Practicable Date, held in aggregate approximately 12.44% of FEG Shares (the **Rejecting Shareholders**), have each confirmed to FEG that they do not intend to accept Xingye's Offer at the Offer Price in respect of the FEG Shares they respectively own or control. The Rejecting Shareholder's aggregate shareholding in FEG, together with the aggregate shareholding in FEG of the Directors, indicates that approximately 23.51% of FEG's Shareholders do not intend to accept the Offer at the Offer Price. Therefore, there is a degree of uncertainty as to whether Xingye will be able to obtain the necessary acceptances to satisfy the 50% minimum acceptance condition to the Offer. Further information about the conditions to the Offer is set out in **section 4.2** of this Target's Statement.
11. What choices do I have as a Shareholder?	As a Shareholder, you have the following choices in respect of your FEG Shares: • **REJECT** the Offer for all of your FEG Shares by **DOING NOTHING** and **TAKING NO ACTION** (which is what your Independent Directors unanimously recommend you do); • sell some or all of your FEG Shares on-market (which you cannot do if you have already accepted the Offer and you have not validly withdrawn your acceptance); or • accept the Offer for some or all of your FEG Shares. There are implications in relation to each of these choices. If you are in any doubt as to what to do, the Independent Directors recommend that you consult with your investment, financial, taxation or other independent professional adviser. Refer to **section 3.3** of this Target's Statement for further details.
12. Has an Independent Expert's Report been prepared?	Yes. FEG has engaged Lonergan Edwards & Associates Limited (**Independent Expert**) to prepare a report in relation to the Offer (**Independent Expert's Report**). The Independent Expert's Report is set out in **Attachment A** of this Target's Statement. The Independent Expert has assessed the value of FEG's Shares on a 100% controlling interest basis to be in the range of A$0.324 to A$0.444 and notes that the Offer Price of A$0.13 per FEG Share is not fair and not reasonable to FEG Shareholders not associated with Xingye. The reasons why the Independent Expert reached these conclusions are set out in the Independent Expert's Report, a copy of which is set out in **Attachment A**. The Directors encourage you to read this report in its entirety.
13. Does the Offer extend to FEG Options and FEG	No, the Offer does not extend to FEG Options or FEG Performance Rights currently on issue. However, the Offer extends to any FEG Shares issued upon the exercise of those FEG Options and FEG Performance Rights during the period from the Register Date until the end of the Offer Period.

[4] The Independent Directors reserve the right to alter this intention should they change their recommendation in respect of the Offer.

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Performance Rights?	The effect of the Offer on the FEG Options and FEG Performance Rights is set out in **section 4.9** of this Target's Statement. As at the Last Practicable Date, there are 16,000,000 FEG Options and 9,000,000 FEG Performance Rights on issue. Refer to sections 9.3 and 10.1 of the Bidder's Statement for more information.
14. Why should I <u>REJECT</u> the Offer?	The Independent Board Committee has unanimously recommended that you should **REJECT** the Offer because: • Xingye's Offer materially undervalues FEG; • Xingye's Offer is opportunistically timed; • FEG Shareholders, who as at the Last Practicable Date, held in aggregate approximately 23.51% of FEG, have each confirmed to FEG that they do not intend to accept Xingye's Offer at the Offer Price in respect of the FEG Shares they respectively own or control; • the Offer is subject to a number of conditions, including regulatory approvals in China, and therefore it is uncertain whether the Offer will ultimately proceed; • if you accept the Offer, you risk missing out if a superior proposal from a third party emerges; and • if you accept the Offer, you may pay tax on any sale proceeds, gain or profit in the current financial year. Further information about the reasons to **REJECT** the Offer is set out in **section 1** of this Target's Statement.
15. How do I <u>REJECT</u> the Offer?	To **<u>REJECT</u>** the Offer, simply **<u>DO NOTHING</u>** and **<u>TAKE NO ACTION</u>.**
16. How do I accept the Offer?	To accept the Offer, you should follow the instructions in the Bidder's Statement.
17. What are the risks of accepting or rejecting the Offer?	A non-exhaustive list of the key risks in accepting or rejecting the Offer are set out in **section 7** of this Target's Statement.
18. What are the consequences of accepting the Offer now?	If you accept the Offer, then unless you are able to subsequently withdraw your acceptance (which you may only do in limited circumstances), you will: • lose the potential upside of continued exposure to FEG's assets immediately ahead of a number of near-term catalysts that have the potential to create significant value for Shareholders, as further detailed in **section 1.2** of this Target's Statement; • risk not receiving the benefit of any superior proposal for FEG if one emerges; • possibly be liable to pay tax on the disposal of your FEG Shares; • not be able to sell your FEG Shares on-market and will have limited ability to withdraw your acceptance; • possibly not receive the Offer Price for your FEG Shares if your acceptance becomes void and of no effect if the Offer is withdrawn by Xingye or lapses without the conditions to the Offer being satisfied or waived; and • possibly have to wait for a lengthy period of time to receive the Offer Price for your FEG Shares (and you may not be able to deal with your FEG Shares during that time). Further information about the effect of accepting the Offer (including the circumstances in which you may withdraw your acceptance) is set out in **sections 4.4** and **4.5** of this Target's Statement, and further information about the risks of accepting the Offer is set out in **section 7.2** of this Target's Statement.

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19. If I accept the Offer now, can I withdraw my acceptance?	If you accept the Offer whilst it remains subject to defeating conditions, you will only be able to withdraw your acceptance in limited circumstances. Refer to **section 4.4** of this Target's Statement for further information. If you accept the Offer (and have not withdrawn your acceptance) and the Offer subsequently becomes unconditional, or if the Offer is unconditional at the time you accept, then you will be legally bound to sell your FEG Shares and you cannot later withdraw your acceptance.
20. When do I have to decide? How long will the Offer remain open?	If you wish to **REJECT** the Offer, there is no need to do anything or take any action. If you wish to accept the Offer, you need to do so before its scheduled closing date, being the last day of the Offer Period. Xingye has stated that its Offer is scheduled to close at 7.00pm on 22 July 2026, unless it is extended or withdrawn. Details of the circumstances in which the Offer Period can be extended or withdrawn are set out in **sections 4.3(a) and 4.3(b)** of this Target's Statement.
21. Can I accept the Offer for part of my shareholding?	Yes. You can accept the Offer for some or all of your shareholding.
22. What if I am a foreign Shareholder?	Foreign Shareholders will be paid the same cash consideration as stipulated under the Offer. However, the tax implications under the Offer for foreign Shareholders may be different from those relating to Australian resident Shareholders, and due to the possible Australian tax implications, this may impact the cash received. Payments will be made in Australian dollars and, in the case of international accounts, the Australian dollar amount to be paid will be converted into the foreign currency nominated to Xingye's share registry on or before the date of acceptance. If you have not previously nominated account details to FEG and do not nominate any such details, payment will be paid by cheque in Australian currency. We recommend that Foreign Shareholders consult with their own independent taxation advisers regarding the taxation implications of accepting the Offer given their own particular circumstances.
23. If I do not accept the Offer, can I be forced to sell my FEG Shares?	You cannot be forced to sell your FEG Shares unless Xingye proceeds to compulsorily acquire all FEG Shares under Chapter 6A of the Corporations Act. To be entitled to proceed to compulsory acquisition, Xingye will need to acquire a Relevant Interest in at least 90% of all FEG Shares (under the Offer or otherwise). If Xingye proceeds to compulsorily acquire all FEG Shares, you will receive the same consideration from Xingye as you would have received under the Offer. Further information is set out in **section 4.6** of this Target's Statement. See also section 6.3 of the Bidder's Statement for further information about Xingye's intentions to compulsorily acquire FEG Shares.
24. What happens if I accept the Offer now and the Offer Price is increased?	If you accept the Offer and Xingye subsequently increases the Offer Price, you will receive the increased Offer Price for your FEG Shares. Further information is set out in **section 4.5** of this Target's Statement.
25. What if there is a competing offer?	If a competing offer for FEG emerges, Shareholders will be informed through an announcement to ASX. If there is a competing offer, the Independent Board Committee will carefully consider the merits of such offer and advise Shareholders of their recommendation in respect of the competing offer. If you have already accepted the Offer at the time any competing offer emerges, you will be unable to accept the competing offer unless you are able to withdraw your acceptance or the Offer automictically terminates (refer to **section 4.4** of this Target's Statement for further details about the ability to withdraw an acceptance of the Offer). As at the date of this Target's

	Statement, the Independent Directors are not aware of any competing offer that is available to be accepted by Shareholders.
26. Can Xingye withdraw the Offer?	Xingye can only withdraw the Offer in limited circumstances. These are described in **section 4.3(b)** of this Target's Statement. At the time the Offer is validly withdrawn by Xingye, all contracts arising from acceptances of the Offer will be automatically void.
27. During the Offer Period, can I sell my FEG Shares on ASX?	Yes. During the Offer Period, you may sell your FEG Shares on ASX to third parties, provided that you have not accepted the Offer. If you sell your FEG Shares on-market, you will not receive any increase in the Offer Price (if there is one), and you will pay brokerage.
28. What are Xingye's intentions?	Further information about Xingye's intentions is set out in **sections 4.6, 4.7** and **4.8** of this Target's Statement and section 6 of the Bidder's Statement.
29. Can I buy FEG Shares during the Offer Period?	Yes. Notwithstanding the Offer, you can still continue to buy FEG Shares as you normally would through ASX during the Offer Period.
30. What if I reject the Offer but Xingye obtains more than 50% but less than 90% of FEG Shares?	If, at any point during or after the Offer, Xingye holds a Relevant Interest in FEG securities of between 50% and 90%, and you have not accepted the Offer, then you may be exposed to the risk of being a minority Shareholder. Some of these risks are described in **section 7.4** of this Target's Statement. Refer to section 6.4 of the Bidder's Statement for further information.
31. What if I reject the Offer but Xingye obtains 90% or more of FEG Shares?	If, at any point during or after the Offer, Xingye holds a Relevant Interest in FEG securities of 90% or more, then Xingye (subject to various legal requirements) is likely to be able to compulsorily acquire the remaining FEG Shares (held by Shareholders who did not accept the Offer). If this occurs, you will receive the same consideration for your FEG Shares as if you had accepted the Offer. Further information about Xingye proceeding to compulsory acquisition of FEG is set out in **section 7.4** of this Target's Statement and section 6.3 of the Bidder's Statement.
32. What are the tax implications of accepting the Offer?	A general outline of the Australian income tax, stamp duty and goods and services tax consequences for Shareholders who either accept the Offer or whose FEG Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act is set out in section 8 of the Bidder's Statement. You should not rely on that outline as advice on your own affairs. It does not deal with the position of all Shareholders. It also does not take into account the particular circumstances of each Shareholder. You should therefore seek your own professional financial and taxation advice before making a decision as to whether or not to accept the Offer for your FEG Shares.
33. If I accept the Offer, when will I be paid?	If you accept the Offer, generally Xingye will provide the consideration due to you under the Offer on or before the earlier of: • one month after your acceptance, unless the Offer is still subject to any of the conditions, in which case you will be sent payment within one month of the Offer becoming or being declared unconditional; and • provided the Offer is unconditional, within 21 days of the end of the Offer Period. Refer to section 10.12 of the Bidder's Statement for further details on when you will be provided the consideration under the Offer if you accept the Offer.
34. Do I pay brokerage or stamp duty if I accept?	If you accept the Offer, you will not pay stamp duty on the disposal of your FEG Shares. If your FEG Shares are held on FEG's issuer sponsored sub-register in your name and you deliver them directly to Xingye, you will not incur any brokerage in connection with your acceptance of the Offer.

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		If your FEG Shares are registered in a CHESS Holding, or if you are a beneficial owner whose FEG Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.
35.	**What happens if I do nothing?**	You will remain a Shareholder. However, Xingye has stated that if it acquires 90% or more of FEG Shares and becomes entitled to compulsorily acquire all FEG Shares, it intends to do so. Refer to **section 4.6** of this Target's Statement and section 6.3 of the Bidder's Statement for more details. If Xingye acquires more than 50% but less than 90% of FEG Shares, and you haven't accepted the Offer, you will be a minority Shareholder in FEG. The implications of this are described in **section 7.4** of this Target's Statement.
36.	**Is there a number that I can call if I have further queries in relation to the Offer?**	If you have any further queries in relation to the Offer, you can contact Tim Young from FEG on +61 7 3067 3368, between 9.00am and 5.00pm (Queensland time) Monday to Friday.

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3 Directors' recommendations and intentions

3.1 Directors

As at the date of this Target's Statement, the Directors are as follows:

- Justin Werner – Non-Executive Chairman
- Shane Menere – Chief Executive Officer and Director
- Michael Thirnbeck – Non-Executive Director
- Christopher Atkinson – Non-Executive Director
- Paul Walker – Non-Executive Director
- Monique Tang – Non-Executive Director
- Justin Hastings – Non-Executive Director

3.2 Independent Board Committee recommendation

The Independent Board Committee unanimously recommend that you **REJECT** the Offer.

The reasons for this recommendation are set out in **section 1** of this Target's Statement.

As at the date of this Target's Statement, each Independent Director intends to **REJECT** the Offer in relation to any FEG Shares they own or control.[5] Further information about the Relevant Interests of each Director in FEG securities is set out in **section 8.1** of this Target's Statement.

3.3 Your choices as a Shareholder

As a Shareholder, you have three options currently available to you. These options are set out below.

Before making any decision on how to deal with your FEG Shares under the Offer, the Directors encourage you to read the whole of this Target's Statement (including the Independent Board Committee's unanimous recommendation as set out above, the Independent Expert's Report contained in Attachment A, and the Bidder's Statement) and consider your personal risk profile, investment strategy, tax position and financial circumstances. If you are in any doubt as to what to do, you should obtain financial advice from your broker or financial adviser on the Offer and taxation advice on the effect of accepting the Offer.

(a) Option 1: REJECT the Offer

If you do not wish to accept the Offer or sell your FEG Shares on-market, you can choose to do nothing and take no action. This is the unanimous recommendation of the Independent Board Committee.

By doing nothing you will continue to remain a Shareholder. Shareholders should note that if Xingye acquires at least 90% of all FEG Shares during or at the end of the Offer Period, Xingye will be entitled to compulsorily acquire the FEG Shares it does not already own (refer to **section 4.6** of this Target's Statement for more details). Shareholders should also note that there are risks associated with remaining a Shareholder (see **section 7.3** of this Target's Statement for more details).

(b) Option 2: Sell your FEG Shares on-market

Shareholders remain free to sell their FEG Shares on ASX for the market price at the time (unless you have previously accepted the Offer). The latest price for FEG Shares may be obtained from the ASX website www.asx.com.au.

[5] The Independent Directors reserve the right to alter this intention should they change their recommendation in respect of the Offer.

Shareholders who sell their FEG Shares on-market may be liable for capital gains tax and may incur a brokerage charge. Shareholders who wish to sell their FEG Shares on-market should contact their broker for information on how to effect that sale.

(c) **Option 3: Accept the Offer**

You may choose to accept the Offer. Details of how to accept the Offer are set out in the Bidder's Statement. If you accept the Offer:

- you lose the potential upside of continued exposure to FEG's assets immediately ahead of a number of near-term catalysts that have the potential to create significant value for Shareholders, as further detailed in **section 1.2** of this Target's Statement;
- you risk not receiving the benefit of a superior proposal for FEG if one emerges;
- you may be liable to pay tax on the disposal of your FEG Shares (see section 8 of the Bidder's Statement for further details on the tax consequences for Shareholders who accept the Offer);
- you will not be able to sell your FEG Shares on-market and will have limited ability to withdraw your acceptance (see **section 4.4** of this Target's Statement for more information);
- your acceptance may be void and of no effect in any event if the Offer is withdrawn by Xingye or lapses without the conditions to the Offer being satisfied or waived. In this circumstance you will not receive the Offer Price for your FEG Shares and you will remain a Shareholder; and
- you may have to wait for a lengthy period of time to receive the Offer Price for your FEG Shares (and you may not be able to deal with your FEG Shares during that time).

There may be other risks associated with accepting the Offer (see **section 7** of this Target's Statement for further information).

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4 Key features of the Offer

4.1 The Offer

Xingye is offering to acquire all of your FEG Shares on the terms and conditions set out in this **section 4** and in section 10 of the Bidder's Statement. The price being offered by Xingye for your FEG Shares is A$0.13 for each FEG Share.

You may accept the Offer in respect to some or all of your FEG Shares.

The Offer does not extend to the acquisition of any FEG Options or FEG Performance Rights. However, the Offer extends to FEG Shares that are issued as a result of the exercise or conversion of the FEG Options and FEG Performance Rights currently on issue during the period from the Register Date to the end of the Offer Period. Further information about the effect of the Offer on FEG Options and FEG Performance Rights is set out in **section 4.9** of this Target's Statement and section 5.6 of the Bidder's Statement.

4.2 Conditions to the Offer

Completion of the Offer and any contract that results from the acceptance of the Offer will be subject to fulfilment or waiver (if applicable) of the conditions set out below:

(a) **Minimum acceptance**

At the end of the Offer Period, the Bidder and its Associates have Relevant Interests in more than 50% (by number) of all FEG Shares on a fully diluted basis.

(b) **Chinese regulatory approvals**

Before the end of the Offer Period:

(i) the NDRC approves the acquisition of FEG Shares by the Bidder;

(ii) the MOFCOM approves the acquisition of FEG Shares by the Bidder; and

(iii) the SAFE approves the Bidder:

(A) paying the aggregate price for the FEG Shares under the Offer; and

(B) transferring funds in Australian dollars or another approved currency from the PRC to Australia for the purposes stated in subparagraph (A) above,

and such approvals are unconditional, remain in full force and effect, and do not become subject to any notice, intimation or indication of intention from the relevant Chinese Regulatory Authority to revoke, suspend, restrict, modify or not renew the same.

(c) **Other regulatory approvals**

Without limiting the condition in **section 4.2(b)** above, before the end of the Offer Period, all approvals, authorisations or consents that are required by law, or by any Regulatory Authority, as are necessary or desirable to permit:

(i) the making of the Offer to, and acceptance of the Offer by, Shareholders;

(ii) the acquisition of FEG Shares by the Bidder pursuant to the Offer; and

(iii) the completion of any other transaction contemplated by the Bidder's Statement,

have been granted, made or obtained, and such approvals, authorisations or consents are unconditional, remain in full force and effect and do not become subject to any notice, intimation or indication of intention from any Regulatory Authority to revoke, suspend, restrict, modify or not renew the same.

(d) **No Regulatory Action in relation to Offer**

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive), there is no Regulatory Action that:

(i) is likely to or purports or threatens to restrain, prohibit, impede, or otherwise materially adversely affect:

(A) the making of the Offer and acceptance of the Offer by Shareholders;

(B) the acquisition of FEG Shares by the Bidder pursuant to the Offer; and

(C) the completion of any other transaction contemplated by the Bidder's Statement; or

(ii) requires the divestiture by the Bidder or its Associates, or by any FEG Group Member or Project Company, of any securities, property or other interests,

other than an application to, or a decision or order of, or action or investigation by ASIC or the Takeovers Panel in exercise of the powers or discretions conferred by the Corporations Act where the subject matter of such application, decision, order, action or investigation related to the Offer.

(e) **No Regulatory Action in respect of the Projects**

Between the date of the Bidder's Statement and the end of the Offer Period, there is no Regulatory Action in respect of any Projects or Project Approvals that results in, or if made, issued or granted would or would reasonably be expected to result in:

(i) any FEG Group Member or Project Company being required to sell, transfer or otherwise dispose of, or create any Encumbrance over, any direct or indirect interest in a Project or Project Company;

(ii) the termination, revocation, suspension, surrender, non-renewal or forfeiture of any Project Approval; or

(iii) the imposition of new terms or conditions on, or the amendment of, any Project Approval, or any other action that otherwise restricts, limits or adversely affects the rights directly or indirectly held by any FEG Group Member or Project Company under any Project Approval, in a manner that is materially adverse to the FEG Group as a whole.

(f) **Project Approvals**

At all times between the date of the Bidder's Statement and the end of the Offer Period (each inclusive):

(i) the Project Approvals permit the relevant FEG Group Members and Project Companies to continue or commence drilling, exploration and other operations in respect of the relevant Projects substantially as they were conducted, or proposed to be conducted, prior to the date of the Bidder's Statement; and

(ii) no event or circumstance occurs that would, or would reasonably be expected to, prevent, restrict or materially impair the FEG Group Member or Project Company from continuing or commencing drilling, exploration and other operations substantially as they were conducted, or proposed to be conducted, prior to the date of the Bidder's Statement.

(g) **Idenburg Gold Project**

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive):

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(i) each of the Idenburg CSPA and Idenburg CoW remains in full force and effect, and is not terminated, rescinded or varied in a manner materially adverse to the FEG Group as a whole;

(ii) Stage One Completion occurs in accordance with the Idenburg CSPA;

(iii) no FEG Group Member waives any of its rights under the Idenburg CSPA in a manner materially adverse to the FEG Group as a whole;

(iv) no FEG Group Member materially breaches the Idenburg CSPA; and

(v) no Project Company materially breaches the Idenburg CoW or any other Project Approval that concerns the Idenburg Gold Project.

(h) **No prescribed occurrences**

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive), none of the events set out in section 652C of the Corporations Act occur.

(i) **No Material Adverse Change**

Between the date of the Bidder's Statement and the end of the Offer Period, no Material Adverse Change occurs, is publicly announced by FEG or otherwise becomes known to the Bidder.

(j) **No other material occurrences**

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive), none of the following events occur:

(i) (**convertible securities or rights issues**) without limiting the condition set out in **section 4.2(h)** of this Target's Statement, an FEG Group Member grants or issues any securities, derivatives or other rights convertible into or that may result in the issue of FEG Shares, or any other incentives which are convertible into or may result in the issue of FEG Shares, or alters its capital structure or the Rights attaching to any of the FEG Shares;

(ii) (**bonuses, retention payments and other incentives**) an FEG Group Member:

(A) pays any bonus or other incentive payment or retention payment (including any retention bonus), whether or not the payment of which is subject to the satisfaction of performance or other conditions, to any FEG Director, executive or other officer (other than such a payment that the FEG Group Member determined or agreed to pay before the date of the Bidder's Statement); or

(B) increases the salary, remuneration or other compensation of an FEG Director, executive or other officer (other than as expressly provided for in the employment contract or terms of appointment of that FEG Director, executive or other officer before the date of the Bidder's Statement);

(iii) (**material acquisitions**) other than in accordance with the Idenburg CSPA, an FEG Group Member:

(A) acquires an interest in an incorporated or unincorporated joint venture, partnership or other form of business, or a security or other interest in another entity;

(B) causes an entity to become a Subsidiary of FEG; or

(C) acquires any assets (or interests therein) for an amount, or in respect of which its book value is, in aggregate, greater than $1,000,000;

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(iv) (**material disposals**) an FEG Group Member;

(A) disposes of an interest in an incorporated or unincorporated joint venture, partnership or other form of business, or a security or other interest in another entity;

(B) causes an entity to cease to be a Subsidiary of FEG; or

(C) disposes of, or creates an Encumbrance over any assets or interests therein for an amount, or in respect of which its book value is, in aggregate, greater than $1,000,000;

(v) (**commitments and settlements**) the FEG Group:

(A) incurs a liability for Unbudgeted Opex where the amount of that liability when summed with the liability for any other Unbudgeted Opex incurred in that calendar quarter exceeds $200,000; or

(B) incurs a liability for Unbudgeted Capex where the amount of that liability when summed with the liability for any other Unbudgeted Capex incurred in that calendar quarter exceeds $200,000;

(vi) (**other actions in relation to the Projects or Material Contracts**) an action is taken or omitted to be taken, or a decision is made or threatened (whether by an FEG Group Member, a Project Company, a counterparty to a Material Contract, a Regulatory Authority or any other person) in respect of any Material Contract, Project or Project Approval that results in, or if made or done would or would reasonably be expected to result in:

(A) other than the entry into any shareholders' agreements relating to the Idenburg Gold Project on substantially the same terms that have previously been agreed by the parties to the Idenburg CSPA prior to the date of the Bidder's Statement, the entry into, amendment or termination of a Material Contract, or the variation or acceleration of any material obligation of an FEG Group Member under a Material Contract;

(B) the variation, waiver, release or delay in the benefit of any material right of an FEG Group Member under a Material Contract;

(C) the acquisition or disposal of any direct or indirect interest of any FEG Group Member in any incorporated or unincorporated joint venture, partnership or other form of business, or a security or other interest in another entity;

(D) the sale, transfer or other disposal of, or creation of a security or other interest over, any direct or indirect interest in a Project or Project Company;

(E) a breach, termination, revocation, suspension, surrender, non-renewal or forfeiture of any Project Approvals; or

(F) any other event or circumstance that adversely affects:

(I) any FEG Group Member's direct or indirect interest in a Project or Project Company, or any right of an FEG Group Member under a Material Contract or Project Approval; or

(II) the business of the FEG Group with any person,

to the extent that is material to the FEG Group as a whole;

(vii) (**settlement of disputes**) any FEG Group Member compromises, settles, discharges, satisfies, waives or releases any legal proceedings, claims, investigations, arbitrations or similar matters where the aggregate amount in dispute or subject to such matters (whether payable by or to the FEG Group) exceeds $200,000;

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(viii) (**Financial Indebtedness**) the FEG Group incurs any Financial Indebtedness, other than Financial Indebtedness incurred in the ordinary course of business which does not result in the aggregate Financial Indebtedness of the FEG Group exceeding $200,000 above its level as at the date of the Bidder's Statement;

(ix) (**distributions**) FEG announces, makes, declares, pays or determines to pay any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie);

(x) (**related party transactions**) an FEG Group Member enters into or amends any agreement, arrangement or commitment with a related party (as that term is defined in section 228 of the Corporations Act) including payment by an FEG Group Member of a termination payment to an FEG Director, executive or other officer;

(xi) (**constitutions**) an FEG Group Member adopts a new constitution or modifies or repeals its constitution or a provision of it, or passes any resolution to do so;

(xii) (**insolvency of companies**) an analogous or equivalent event to any event set out in sections 652C(1)(h) and 652C(2) in the Corporations Act occurs in relation to an FEG Group Member in any jurisdiction; or

(xiii) (**agreements about the foregoing**) an FEG Group Member enters into any agreement, arrangement or commitment, or offers to do so, where the agreement, arrangement or commitment, if implemented, will result in any event described in **sections 4.2(j)(i) to 4.2(j)(xiii)** of this Target's Statement occurring (including if occurring after, or partly after, the end of the Offer Period),

other than as fairly disclosed by FEG to the ASX before the date of the Bidder's Statement.

(k) **No litigation**

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive), no legal proceedings against an FEG Group Member which may reasonably result in a judgment of $200,000.00 or more are commenced, are threatened to be commenced, are announced, or are made known to FEG or the Bidder.

(l) **No market fall**

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive), the S&P/ASX200 Index does not fall to a level which is 10% or more below that index at the close of trading on the last Trading Day before the date of the Bidder's Statement and remain at, or below, that level for at least five consecutive Trading Days.

(m) **No untrue statements to ASX**

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive), the Bidder does not become aware, and FEG does not announce, disclose or otherwise make known, that any announcement by FEG to the ASX contains a statement which is or becomes incorrect, untrue or misleading in any material respect such that the Bidder might reasonably be expected not to have proceeded with making the Offer at all or would have proceeded with making the Offer on materially different terms.

(n) **No suspension from the ASX**

Between the date of the Bidder's Statement and the end of the Offer Period (each inclusive), the ASX does not:

(i) suspend FEG Shares from quotation on the ASX;

(ii) remove FEG from the official list of the ASX; or

(iii) announce, commence or threaten to do any of the actions in subparagraphs (i) and (ii) above.

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(o) **FEG Options and FEG Performance Rights**

Before the end of the Offer Period, all FEG Options or FEG Performance Rights have been exercised and the resultant FEG Shares have been issued, or have otherwise lapsed.

4.3 **Offer Period and Conditions**

(a) **Timing and Extension of Offer Period**

Unless the Offer is extended or withdrawn, it is open for acceptance from 11 June 2026 until 7.00pm (Sydney time) on 22 July 2026.

Xingye has reserved the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.

As the Offer is subject to defeating conditions, Xingye is required to give a notice regarding the status of the defeating conditions (**Notice of Status of Conditions**). If Xingye extends the Offer Period before this date, then assuming the Offer remains conditional, this date will be adjusted accordingly and Xingye will notify FEG and Shareholders of the new date for giving the Notice of Status of Conditions.

Once the Notice of Status of Conditions has been given, Xingye may only extend the Offer Period if one or more of the following events occur:

- another person lodges with ASIC a bidder's statement for a takeover bid for FEG Shares or announces a takeover bid for FEG Shares;
- another person makes offers under a takeover bid for FEG Shares; or
- the consideration offered under another takeover bid for FEG Shares is improved.

However, if the Offer becomes unconditional prior to the date on which it must give the Notice of Status of Conditions (including as extended), Xingye is able to extend the Offer Period at any time prior to the end of the Offer Period.

Additionally, if, within the last seven days of the Offer Period, either of the following events occur:

- the Offer is varied to improve the consideration offered; or
- Xingye's voting power in FEG increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event occurring, in accordance with section 624(2) of the Corporations Act.

(b) **Withdrawal of Offer**

Xingye may withdraw the Offer with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Xingye has stated that it will give notice of the withdrawal to the ASX and to FEG and will comply with any other conditions imposed by ASIC.

At the time the Offer is withdrawn by Xingye, all contracts arising from acceptances of the Offer will be automatically void.

Any withdrawal of the Offer will take effect:

- if the withdrawal is not subject to conditions imposed by ASIC, on and from the date that consent to the withdrawal is given by ASIC; or
- if the withdrawal is subject to conditions imposed by ASIC, on and from the date those conditions are satisfied.

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(c) **Effect of non-satisfaction or non-waiver of conditions**

The "Chinese regulatory approvals" condition in **section 4.2** is a condition precedent to the acquisition by Xingye of any interest in FEG Shares of a kind which would cause a breach of the provisions of laws referred to in those conditions. If you accept the Offer then notwithstanding your acceptance, unless and until those conditions are fulfilled:

- no contract for the sale of your FEG Shares will come into force or be binding on you or on Xingye;
- Xingye will have no rights (conditional or otherwise) in relation to your FEG Shares; and
- you will be entitled to withdraw your acceptance in the manner prescribed in section 10.9 of the Bidder's Statement.

If, at the end of the Offer Period (or in the case of the "no prescribed occurrences" condition set out in **section 4.2** of this Target's Statement, the end of the third Business Day after the end of the Offer Period), the conditions in **section 4.2** have not been satisfied or waived, all contracts resulting from the acceptance of the Offer will automatically become void and of no effect. In these circumstances, if you have previously accepted into the Offer, your acceptance will be void and of no effect, you will not receive the Offer Price for your FEG Shares and you will remain a Shareholder.

Further information about the effect of non-satisfaction or waiver (where applicable) of the conditions to the Offer is set out in section 10.11 of the Bidder's Statement.

(d) **Waiving the conditions to the Offer**

Xingye may waive the Offer, and any contract resulting from any acceptance of the Offer, from all or any of the conditions to the Offer, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to FEG and to the ASX declaring the Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:

- in the case of the "no prescribed occurrences" condition, not later than the end of the third Business Day after the end of the Offer Period; and
- in the case of all the other conditions, not less than seven days before the end of the Offer Period.

Further information about waiving the conditions to the Offer is set out in section 10.11 of the Bidder's Statement.

4.4 **Effect of acceptance of the Offer**

Once you accept the Offer for some or all of your FEG Shares, you will not be able to sell those FEG Shares or otherwise deal with the Rights attaching to those FEG Shares, subject to your limited statutory rights to withdraw your acceptance in certain circumstances.

Once you have accepted this Offer, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw your acceptance of this Offer or otherwise dispose of your FEG Shares, except as follows:

(a) if, by the end of the Offer Period, the conditions of the Offer have not been fulfilled or waived, this Offer will automatically terminate and your FEG Shares will be returned to you; or

(b) if the Offer Period is extended for more than one month and the obligations of the Bidder to pay the consideration are postponed for more than one month and, at the time, this Offer remains subject to a condition, you may be able to withdraw your acceptance and your FEG Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.

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Shareholders should note that by accepting the Offer, they will be deemed to take certain actions and make certain representations and warranties in favour of Xingye. Further information about this is set out in section 10.9 of the Bidder's Statement.

Your Directors encourage you to read the Bidder's Statement in full, particularly section 10.9 to understand in full the effect that acceptance of the Offer will have on your ability to exercise rights attaching to your FEG Shares.

Full details of when you will be provided the consideration under the Offer are set out in section 10.12 of the Bidder's Statement.

4.5 Effect of an increase of the Offer Price on Shareholders who have already accepted the Offer

If Xingye increases the Offer Price (or otherwise improves the Offer consideration), all accepting Shareholders, whether or not they have accepted the Offer before that improvement, will be entitled to the benefit of the increased Offer Price (or improved Offer consideration).

Shareholders should be aware that if they sell their FEG Shares on-market and Xingye increases the Offer Price, they will not receive any additional consideration arising from such an increase.

Further, if you have already accepted the Offer and a competing proposal for FEG emerges, you will be unable to accept into the competing offer unless you have a right to withdraw your acceptance of the Offer or the Offer atomically terminates (see **section 4.4** of this Target's Statement).

Refer to **section 7.2** of this Target's Statement for further details of the risks of accepting the Offer now.

4.6 Compulsory acquisition of all FEG Shares

(a) Compulsory acquisition of FEG Shares during or at the end of the Offer Period

Xingye has indicated in section 6.3 of the Bidder's Statement that, if it becomes entitled to do so, it intends to compulsorily acquire any FEG Shares in respect of which it has not received an acceptance of the Offer pursuant to Part 6A.1 of the Corporations Act and thereafter:

- arrange for FEG to be removed from the official list of the ASX;
- replace some or all of the members of the FEG Board, other than Monique Tang, with Xingye nominee directors;
- conduct a general strategic and operational review of FEG's structure, assets, business, operations, personnel (including employees) and projects; and
- evaluate the capabilities and fit of existing FEG employees and If there are any employment related actions to be taken as a result of the operational review, applicable employment laws will be complied with.

Xingye will be entitled to proceed to compulsory acquisition of any outstanding FEG Shares if, during or at the end of the Offer Period, Xingye and its Associates have a Relevant Interest in at least 90% of the FEG Shares.

If this threshold is met, Xingye will have one month after the end of the Offer Period within which to give compulsory acquisition notices to Shareholders who have not accepted the Offer during the Offer Period. Shareholders have statutory rights to challenge the compulsory acquisition, but a successful challenge will require the relevant Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent 'fair value' for their FEG Shares. The compulsory acquisition offer will be made on the same terms as the Offer.

Further information about Xingye's intention to compulsorily acquire FEG Shares if it becomes entitled to do so is set out in section 6.3 of the Bidder's Statement.

Further information about the risks associated with Xingye proceeding with compulsory acquisition of all FEG Shares is set out in **section 7.4** of this Target's Statement.

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(b) **Later general compulsory acquisition of FEG Shares by Xingye as holder of at least 90% of all FEG Shares**

Even if Xingye does not satisfy the compulsory acquisition threshold referred to in **section 4.6(a)** of this Target's Statement during or immediately following the Offer Period, it is possible that Xingye will, at some later time after the end of the Offer Period, become the beneficial holder of 90% or more of all FEG Shares. At this time, Xingye would have rights to compulsorily acquire FEG Shares not owned by it within six months of becoming the beneficial holder of at least 90% of all FEG Shares. Xingye's offered consideration for compulsory acquisition under this procedure would have to be considered in a report of an independent expert, and may be different to the Offer Price under the Offer.

4.7 **Consequences of Xingye acquiring more than 50% and less than 90% of all FEG Shares**

If Xingye acquires more than 50% but less than 90% of all FEG Shares before or at the end of the Offer Period then, assuming all the conditions to the Offer are satisfied or waived, Xingye will acquire a majority holding in FEG and will effectively control FEG, but will not be entitled to compulsorily acquire all FEG Shares.

In this situation, Shareholders who have not accepted the Offer and therefore still hold their FEG Shares will become minority Shareholders in a company with a majority Shareholder whose views on the strategies and objectives of FEG may be different from their own. This has a number of possible implications:

- Xingye will be in a position to cast the majority of votes at a general meeting of FEG. This will enable it to control the composition of the FEG Board and senior management, determine FEG's dividend policy and control the strategic direction of FEG and its subsidiaries;
- depending on the size of Xingye's interest in FEG, it may be less likely that a third party will make an offer for FEG Shares in future;
- the price of FEG Shares may fall immediately following the end of the Offer Period, and it is unlikely that the price of FEG Shares will contain any takeover premium;
- the liquidity of FEG Shares may be lower than at present; and
- if Xingye subsequently acquires 75% or more of all FEG Shares, it will be able to unilaterally pass special resolutions of FEG.

Xingye has indicated, in section 6.4 of the Bidder's Statement, that its current intentions if it were to acquire more than 50% but less than 90% of all FEG Shares, include to:

- subject to the Corporations Act and FEG's constitution, Xingye intends to seek to replace some of the members of the FEG Board so that the Xingye nominees constitute at least a majority of the members of the FEG Board. Other than Monique Tang remaining as an FEG Director, no decision has been made at this stage about the identity of the proposed nominees to the FEG Board or which current FEG Directors would be removed.

  Xingye will seek, to the extent possible through its nominees on the FEG Board, to implement the intentions detailed in section 6.3 of the Bidder's Statement where they are consistent with FEG being a controlled entity of (but not wholly-owned by) Xingye and are considered to be in the interests of Shareholders as a whole.

  The Bidder would consider (but not necessarily comply with) the recommendations in ASX Corporate Governance Principles and Recommendations when determining the composition of the FEG Board;
- after the Offer Period, the Bidder will, to the extent permitted, undertake the general strategic and operational review and steps outlined in sections 6.3(c) and 6.3(d) of the Bidder's Statement;
- subject to satisfying the relevant preconditions, Xingye intends to remove FEG from the official list of the ASX;

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- may, at some later time, acquire further FEG Shares in a manner consistent with the Corporations Act and any other applicable laws; and

- may subsequently acquire beneficial interests in at least 90% (by number) of FEG Shares and become entitled to proceed with general compulsory acquisition under Part 6A.2 of the Corporations Act. If Xingye becomes entitled to proceed with such general compulsory acquisition, it intends to exercise its rights to do so.

Further information about Xingye's intentions and plans with respect to FEG if it acquires more than 50%, but less than 90% of all FEG Shares, are set out in section 6.4 and 6.6 of the Bidder's Statement.

4.8 **Consequences of Xingye acquiring less than 50% of FEG Shares**

At the date of this Target's Statement, Xingye's Offer is subject to conditions including that at the end of the Offer Period, Xingye has a Relevant Interest in more than 50% of FEG Shares (on a fully diluted basis). As such, unless Xingye waives this condition, if it does not acquire a Relevant Interest in more than 50% of FEG Shares (on a fully diluted basis) by the end of the Offer Period, the Offer will lapse and any prior acceptances will be void and of no effect.

In section 6.5 of the Bidder's Statement, Xingye has stated that it reserves the right to waive the "minimum acceptance" condition referred to above, or any other condition.

Xingye has also stated that if the Offer is not successful, it will undertake a review of its investment in FEG, the outcome of which may be one or more of the following:

- the resignation of Monique Tang from the FEG Board;

- Xingye or its Related Bodies Corporate (or both) not taking up its entitlements in future equity raises by FEG for near-term capital requirements and any future development costs of the Projects including under the Placement Agreement; or

- the Bidder or its Related Bodies Corporate (or both) potentially divesting their interest in FEG Shares through a market sell-down process.

Further information about Xingye's intentions if it waives the ''minimum acceptance" condition referred to above, but does not ultimately acquire a Relevant Interest in more than 50% of all FEG Shares (on a fully diluted basis), are set out in sections 6.5 and 6.6 of the Bidder's Statement.

4.9 **Effect of the Offer on FEG Options and FEG Performance Rights**

The Offer does not extend to FEG Options or FEG Performance Rights. However, the Offer extends to FEG Shares that are issued on the exercise or vesting of FEG Options or FEG Performance Rights that are currently on issue during the period from the Register Date to the end of the Offer Period.

This means that holders of such FEG Options and FEG Performance Rights that are converted into FEG Shares prior to the end of the Offer Period will be able to accept the Offer in respect of the FEG Shares which they are issued as a result of that conversion.

Refer to **section 8.3** of this Target's Statement for information about the treatment of FEG Options and FEG Performance Rights under the Offer.

If Xingye and its Associates have Relevant Interests in at least 90% of all FEG Shares during, or at the end of, the Offer Period, Xingye will give a notice of compulsory acquisition to all Shareholders who have not previously accepted into the Offer in respect of their FEG Shares, even if the FEG Shares to which the notices relate are issued:

- after the Offer Period closes but before the notices are given (pursuant to section 661A(4)(b) of the Corporations Act); or

- on conversion of any FEG Options or FEG Performance Rights, up to six weeks after the notices are given (pursuant to section 661A(4) of the Corporations Act).

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Xingye has stated in section 6.3 of the Bidder's Statement that if Xingye becomes entitled to compulsorily acquire any:

- FEG Options (that are not exercised and remain outstanding) pursuant to Part 6A.2 of the Corporations Act; and
- FEG Performance Rights (that are not exercised and remain outstanding) pursuant to relief sought by the Bidder, and granted by ASIC,

Xingye may exercise its rights to compulsorily acquire those FEG Options and FEG Performance Rights (although it reserves the right not to do so).

Further information about the FEG Options and FEG Performance Rights currently on issue is set out in **section 5.4** of this Target's Statement.

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5 Information about FEG

5.1 Overview of FEG and the FEG Group

FEG is an Australian incorporated, ASX-listed (ASX:FEG) exploration mining company.

FEG is the holding company of the FEG Group.

FEG has one Indonesian subsidiary, PT Far East Minerals Indonesia, and the following ten wholly owned Australian subsidiaries:

(a) Far East Gold (Australia) Pty Ltd;

(b) Far East Gold (212) Pty Ltd;

(c) Far East Gold (MCW) Pty Ltd;

(d) Far East Gold (BGC) Pty Ltd;

(e) Far East Gold (RC) Pty Ltd;

(f) Woyla Pty Ltd;

(g) Trenggalek (No. 2) Pty Ltd;

(h) Wonogiri Pty Ltd;

(i) Trenggalek Pty Ltd; and

(j) Idenburg Pty Ltd.

Through its subsidiaries, FEG has full operational control of the following mining projects:

(a) Hill 212 Project, Blue Grass Creek Project and Ready Creek Project, collectively referred to as the Blue Hill Creek Gold Project;

(b) Mount Clark West Copper Gold Project;

(c) PT Woyla Aceh Minerals - Woyla Project "Contract of Work";

(d) PT Alexis Perdana Mineral - Wonogiri Project "IUP Exploration";

(e) PT Sumber Mineral Nusantara - Trenggalek Project "IUP OP"; and

(f) Idenburg Project "Contract of Work".

FEG is a 'disclosing entity' for the purposes of the Corporations Act and is therefore subject to regular reporting obligations under the Corporations Act and the ASX Listing Rules.

5.2 Principal activities of the FEG Group

The principal activities of the FEG Group are exploration, development and operation of gold and copper assets in Australia and Indonesia.

(a) **Idenburg Gold Project**

The Idenburg Gold Project is FEG's flagship asset and primary focus for near-term value creation. The project comprises a 95,280-hectare sixth-generation Contract of Work (CoW) held by PT Iriana Mutiara Idenburg, located within the Keerom and Pegunungan Bintang Regencies of Papua, Indonesia, near the border with Papua New Guinea. The all-weather Trans Irian Highway transects the Idenburg CoW, providing relatively straightforward logistical access compared to other projects in the region. The Idenburg CoW provides tenure with a potential operating and production phase of up to 30 years, with possible 2 x 10-year extensions.

The Idenburg Gold Project is situated within one of the world's most significant gold-endowed regions, proximal to major deposits including Grasberg, Wabu, Ok Tedi, Wafi, Freida River, Porgera and Lihir.

FEG holds a 51% interest in the Idenburg Gold Project, with a pathway to increase its interest to 80% upon completion of a feasibility study in Indonesia.

(b) **Woyla Copper Gold Project**

The Woyla Copper Gold Project is a 24,260-hectare sixth-generation Contract of Work (CoW) located in the Aceh region of Sumatra, Indonesia, held by PT Woyla Aceh Minerals. FEG holds a 51% interest in the Woyla Copper Gold Project.

The project is situated within the Neogene Gold Belt of Sumatra, a region characterised by Miocene-Neogene intrusion-centred gold mineralisation. Regional analogues include the Miwah high-sulphidation gold deposit to the northwest and the Abong and Meluak gold deposits to the southeast. Previous exploration identified several low-sulphidation epithermal gold-silver bearing quartz-breccia systems hosted within and controlled by fault structures related to the Sumatra Fault system, with potential for associated copper-gold porphyry and high-sulphidation gold mineralisation.

(c) **Wonogiri Copper Gold Project**

The Wonogiri Copper Gold Project is an advanced 3.928 hectare Izin Usaha Pertambangan for Operations and Production (IUP-OP) mining permit, located in Central Java, Indonesia. FEG holds a 100% economic interest in the Wonogiri Project through PT Alexis Perdana Mineral (PT APM). The Wonogiri Copper Gold Project is a sub outcropping porphyry prospect which remains open at depth and has a JORC Mineral Resource Estimate of 1.15Moz AuEq comprising a 1.15 million ounce gold equivalent JORC 2012 mineral resource composed of:

- 996 thousand Au oz (48% measured, 6% indicated and 46% inferred); and
- 190 million Cu lbs (38% measured, 3% indicated and 59% inferred).

The Randu Kuning prospect at the Wonogiri Copper Gold Project, holds a shallow gold rich porphyry deposit returning consistent wide economic grade Au and Cu mineralisation from surface, with only the top 500m drill tested to date.

(d) **Trenggalek Copper Gold Project**

The Trenggalek Copper Gold Project comprises an advanced 12,813-hectare Izin Usaha Pertambangan for Operations and Production (IUP-OP) mining permit, located in East Java, Indonesia. FEG holds a 100% economic interest in the Trenggalek Copper Gold Project through PT Sumber Mineral Nusantara (**PT SMN**).

The Trenggalek Copper Gold Project is highly prospective for epithermal and porphyry-related copper-gold mineralisation. The project has a history of exploration by a number of parties including PT Aneka Tambang in the 1990s, Arc Exploration Limited in joint venture with Anglo American during 2012–2014, and PT Dunusa Tambang Nusantara during 2015–2018. This prior work has identified multiple copper-gold porphyry targets across the district-scale landholding.

FEG has been advancing the project through technical studies and stakeholder engagement activities. Reclamation plan approval for PT SMN through to 2027 was secured, as announced on ASX on 30 April 2026.

(e) **Mount Clark West Copper Gold Project**

The Mount Clark West Copper Gold Project is a 1,912-hectare Exploration Permit for Minerals tenement situated within the Connors Arc region of Central Queensland, Australia. FEG holds a 90% interest in the Mount Clark West Copper Gold Project.

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The Mount Clark West Copper Gold Project hosts a geophysical anomaly coincident with copper-gold-molybdenum geochemistry, consistent with a porphyry copper-gold system. FEG completed a Phase 1 diamond drilling program at the project, as announced on ASX on 7 November 2025, with positive geological observations and a tenement extension announced on 10 February 2026.

Assay results from the Phase 1 drilling program have been received and are currently undergoing technical evaluation. FEG expects to provide a market update during the Offer Period in accordance with its continuous disclosure obligations.

Further information regarding FEG's assets and operations is set out in the Independent Expert's Report contained in **Attachment A.**

Project	**Status**	**Key Metric**
Idenburg Gold Project	Advanced Gold Development Project	51% & 780koz Au @ 3.1g/t
Woyla Copper Gold Project	Copper-Gold Project	51% interest & Drilling Completed
Wonogiri Copper Gold Project	Gold-Copper Project	100% & 996koz Au JORC (1.15Moz AuEq)
Trenggalek Copper Gold Project	Copper-Gold Porphyry District	100% & Multiple Porphyry Targets
Mount Clark West Copper Gold Project	Copper-Gold Exploration	90% & Drilling Completed

5.3 Historical financial information

The following historical financial information for FEG is extracted from the audited consolidated financial statements of Far East Gold Ltd for the years ended 30 June 2025 and 30 June 2024 and the Half Year Financial Report for the period ended 31 December 2025.

The general-purpose financial information has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act. The financial information also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial information presented below does not represent complete financial statements and should therefore be read in conjunction with the annual report, including the description of accounting policies, notes to those financial statements and any public announcements made by the Company during the interim reporting period. Where appropriate, adjustments may have been made to headings and classifications of historical data to provide a consistent basis of presentation.

In the interval between the release of the FY 2026 Half Year Report and the date of this Target's Statement, no item, transaction or event of a material and unusual nature has arisen that is likely, in the opinion of the Directors, to significantly affect the operations of FEG, the results of those operations, or the state of affairs of FEG, in future financial years other than as disclosed in this Target's Statement and the FY 2026 Half Year Report and subsequent filings with ASX.

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Summary of Audited Financial Statements

Comparative periods: half-years ended 31 December 2025 & 2024 and financial years ended 30 June 2025 & 2024

All amounts in Australian dollars (AUD). Figures derived from the audited Annual Report for the year ended 30 June 2025 and the reviewed Half-year Report for the period ended 31 December 2025. Half-year figures are subject to review, not audit.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Half-year ended 31 Dec 2025 ($)	Half-year ended 31 Dec 2024 ($)	Year ended 30 Jun 2025 ($)	Year ended 30 Jun 2024 ($)
Revenue				
Interest revenue calculated using the effective interest method	156,176	11,843	191,570	17,729
Expenses				
Consulting costs	(407,826)	(118,868)	(192,676)	(505,212)
Employee benefits expense	(331,085)	(271,071)	(236,927)	(189,329)
Professional fees	(453,673)	(229,053)	(468,024)	(421,908)
Project acquisition costs	-	(1,278,465)	(1,314,882)	-
Exploration expenses	(2,521,888)	-	(1,846,357)	-
Share-based payment expense	(210,634)	(1,413,482)	(1,561,975)	(25,550)
Finance costs	(1,917)	(3,253)	(5,850)	(3,562)
Depreciation and amortisation expense	(55,344)	(44,750)	(86,596)	(78,266)
Listing and share registry expenses	(39,415)	(47,923)	(85,028)	(113,892)
Marketing and investor relations	(132,604)	(218,791)	(354,401)	-
Foreign exchange gain/(loss)	5,867	(25,988)	(83,940)	(82,261)
Other expenses	(364,807)	(160,014)	(334,158)	(154,206)
Administration	-	-	(128,651)	(153,532)
Loss before income tax expense	**(4,357,150)**	**(3,799,815)**	**(6,507,895)**	**(1,709,989)**
Income tax expense	-	-	-	-
Loss after income tax expense for the period	**(4,357,150)**	**(3,799,815)**	**(6,507,895)**	**(1,709,989)**
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation	(1,525,463)	1,798,026	398,608	(1,891,312)
Other comprehensive income for the period, net of tax	**(1,525,463)**	**1,798,026**	**398,608**	**(1,891,312)**
Total comprehensive income for the period	**(5,882,613)**	**(2,001,789)**	**(6,109,287)**	**(3,601,301)**
Loss for the period is attributable to:				
Non-controlling interest	(96,478)	(11,380)	(31,256)	(45,791)
Owners of Far East Gold Ltd	(4,260,672)	(3,788,435)	(6,476,639)	(1,664,198)
	(4,357,150)	**(3,799,815)**	**(6,507,895)**	**(1,709,989)**
Total comprehensive income is attributable to:				
Non-controlling interest	(143,863)	78,026	(6,862)	(40,368)
Owners of Far East Gold Ltd	(5,738,750)	(2,079,815)	(6,102,425)	(3,560,933)
	(5,882,613)	**(2,001,789)**	**(6,109,287)**	**(3,601,301)**
Earnings per share (cents)				
Basic earnings per share	(1.16)	(1.31)	(1.99)	(0.66)
Diluted earnings per share	(1.16)	(1.31)	(1.99)	(0.66)

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Consolidated Statement of Financial Position

	31 Dec 2025 ($)	31 Dec 2024 ($)	30 Jun 2025 ($)	30 Jun 2024 ($)
Current assets				
Cash and cash equivalents	955,602	10,445,515	3,444,540	1,090,974
Trade and other receivables	212,479	184,184	260,962	261,118
Financial assets	5,500,000	-	7,500,000	-
Other assets	373,585	364,227	431,964	422,701
Total current assets	**7,041,666**	**10,993,926**	**11,637,466**	**1,774,793**
Non-current assets				
Plant and equipment	37,420	78,845	54,490	94,288
Right-of-use assets	53,011	96,758	75,413	119,160
Exploration and evaluation assets	33,270,340	34,288,894	33,782,054	30,525,379
Other assets	1,067,058	836,919	1,084,620	742,941
Total non-current assets	**34,427,829**	**35,301,416**	**34,996,577**	**31,481,768**
Total assets	**41,469,495**	**46,295,342**	**46,634,043**	**33,256,561**
Current liabilities				
Trade and other payables	1,126,070	1,155,645	589,878	1,571,051
Lease liabilities	41,770	43,679	45,012	25,846
Provisions	165	7,143	229	1,219
Total current liabilities	**1,168,005**	**1,206,467**	**635,119**	**1,598,116**
Non-current liabilities				
Lease liabilities	7,233	53,226	31,184	91,106
Provisions	30,859	34,285	32,363	31,670
Total non-current liabilities	**38,092**	**87,511**	**63,547**	**122,776**
Total liabilities	**1,206,097**	**1,293,978**	**698,666**	**1,720,892**
Net assets	**40,263,398**	**45,001,364**	**45,935,377**	**31,535,669**
Equity				
Issued capital	61,135,517	56,246,248	61,135,517	41,742,795
Reserves	(965,104)	1,422,037	302,340	(648,490)
Accumulated losses	(22,342,512)	(15,331,169)	(18,081,840)	(12,144,858)
Equity attributable to owners of Far East Gold Ltd	**37,827,901**	**42,337,116**	**43,356,017**	**28,949,447**
Non-controlling interest	2,435,497	**2,664,248**	2,579,360	2,586,222
Total equity	**40,263,398**	**45,001,364**	**45,935,377**	**31,535,669**

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Consolidated Statement of Cash Flows

	Half-year ended 31 Dec 2025 ($)	Half-year ended 31 Dec 2024 ($)	Year ended 30 Jun 2025 ($)	Year ended 30 Jun 2024 ($)
Cash flows from operating activities				
Payments to suppliers and employees	(3,971,750)	(1,441,835)	(4,687,616)	(2,203,086)
Interest received	219,950	11,842	75,397	17,729
Payments for acquisition transaction cost	-	(803,465)	-	-
Net cash used in operating activities	**(3,751,800)**	**(2,233,458)**	**(4,612,219)**	**(2,185,357)**
Cash flows from investing activities				
Payments for investment in term deposits	-	-	(7,500,000)	-
Payments for property, plant and equipment	(4,037)	-	(3,051)	(5,757)
Payments for exploration and evaluation	(725,261)	(2,016,898)	(3,956,864)	(6,923,350)
Proceeds from investment	2,000,000	-	-	-
Net cash from/(used in) investing activities	**1,270,702**	**(2,016,898)**	**(11,459,915)**	**(6,929,107)**
Cash flows from financing activities				
Proceeds from issue of shares net of capital raising costs	-	13,941,251	18,472,020	6,397,480
Share issue transaction costs	-	(327,624)	-	-
Repayment of borrowings	-	-	-	(89,940)
Repayment of lease liabilities	(22,471)	(23,299)	(46,606)	(46,692)
Net cash from/(used in) financing activities	**(22,471)**	**13,590,328**	**18,425,414**	**6,260,848**
Net increase/(decrease) in cash and cash equivalents	**(2,503,569)**	**9,339,972**	**2,353,280**	**(2,853,616)**
Cash and cash equivalents at the beginning of the period	3,444,540	1,090,974	1,090,974	3,933,048
Effects of exchange rate changes on cash and cash equivalents	14,631	14,569	286	11,542
Cash and cash equivalents at the end of the period	**955,602**	**10,445,515**	**3,444,540**	**1,090,974**

Complete copies of FEG's audited financial statements are available on ASX website at www.asx.com.au and in the "Investor Centre" section of FEG's website at www.fareast.gold.

The Directors confirm that, other than what has been disclosed in announcements with ASX, as at the Last Practicable Date, they are not aware of any material changes in FEG's financial position since 31 December 2025.

5.4 Capital structure

As at the Last Practicable Date, the issued capital of FEG consisted of 417,027,453 FEG Shares, 16,000,000 FEG Options and 9,000,000 FEG Performance Rights.

(a) FEG Options

As at the Last Practicable Date, FEG has 16,000,000 options on issue (**FEG Options**). The FEG Options are summarised in the following table.

ASX Code	Number	Exercise Price	Expiry Date
FEGAF	1,000,000	$0.25	31 December 2026
FEGAE	1,000,000	$0.40	21 August 2026
FEGAG	14,000,000	$0.25	24 December 2027

16,000,000 FEG Options were issued under FEG's Incentive Entitlements Plan.

(b) **FEG Performance Rights**

As at the Last Practicable Date, FEG had 9,000,000 performance rights on issue (**FEG Performance Rights**). The FEG Performance Rights are summarised in the following table:

ASX Code	Expiry Date	Number
FEGAH	24 December 2027	8,750,000
FEGAD	31 December 2026	250,000

The FEG Performance Rights were issued to eligible participants under FEG's Incentive Entitlements Plan.

Refer to **section 4.9** of this Target's Statement for details of the effect of the Offer on the FEG Options and FEG Performance Rights. Refer to **section 8.3** of this Target's Statement for details of the treatment of FEG Options and FEG Performance Rights under the Offer.

5.5 Substantial Shareholders

As at the Last Practicable Date, based on substantial shareholder notices lodged with the ASX and share registry data, Shareholders holding more than 5% of the issued capital of FEG are:

Shareholder	Number of FEG Shares	% of issued capital
Xingye Gold (Hong Kong) Mining Company Limited	73,368,788	17.59
PT Rajawali Corporation	20,930,625	5.02
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	21,588,252	5.18
ELOQUENT ENTERPRISES LIMITED	67,500,000	16.19

5.6 Information about the Directors

A summary of the FEG Board as at the date of this Target's Statement is set out below.

Mr Justin Werner - Non-Executive Chairman

Mr Werner is the Chairman of FEG. Mr Werner has over 20 years mining experience and has a very strong track record of mine discovery and development in Indonesia. As Managing Director of Nickel Industries (ASX:NIC) he has helped to guide NIC to become the world's largest pure listed nickel producer in a little over 5 years since listing in 2018 with a A$4bn market capitalisation.

Mr Werner was appointed to the FEG Board on 20 March 2020.

Mr Shane Menere - Chief Executive Officer, Director

Mr Menere is an expert in leading major projects from exploration to operation. Based in Indonesia for 15 years, he was the APAC President Director of a global mining technology, services and equipment processing company.

He has more than 25 years of experience in resource and infrastructure projects globally with over 15 years' experience supporting some of the largest mine sites throughout Asia Pacific.

Mr Menere was appointed to the FEG Board on 20 March 2020.

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Mr Michael Thirnbeck - Non-Executive Director

Michael has over 30 years of broad mining, corporate and commercial experience whilst managing numerous mineral development projects in Papua New Guinea, Indonesia and Australia. He is a successful gold explorer with direct involvement in +5 Moz gold discoveries on the Island of New Guinea. He can also bring special knowledge and experience to bear on projects or investments which span the Pacific, due to his close knowledge of several Southeast Asian jurisdictions and markets in Canada, Australia and Europe.

Michael is a past and present officer of mining corporations in Singapore, Indonesia and Australia and is a 30-year Member of the Australasian Institute of Mining and Metallurgy.

Mr Thirnbeck was appointed to the FEG Board on 20 May 2022.

Mr Paul Walker - Non-Executive Director

Mr Walker is a co-founder and former Executive Chairman of Far East Gold Ltd (ASX: FEG). He has more than 30 years' experience in international business, capital raising, and the delivery of major infrastructure and resource projects across Asia, Africa, the Americas, and Australia.

He has led and advised companies through complex cross-border financings, large-scale project developments, and public-market listings, and has held senior leadership roles across the resources, manufacturing, and technology sectors.

He also co-founded, financed, and served as Executive Chairman of a mining company in Indonesia that brought a coal mine into operation. He brings extensive expertise in corporate governance, project finance, and strategic development.

Mr Walker lectures in the Finance Discipline at the University of Queensland Business School, is an Associate of the Australian Property Institute, a Member of the Australian Institute of Project Management, and is admitted as a Barrister.

Mr Walker was appointed to the FEG Board on 20 March 2020.

Dr Chris Atkinson - Non-Executive Director

Dr Atkinson is a geologist with over 40 years of international experience. He is a Non-Executive Director of Lime Petroleum AS in Norway and Chairman of Masirah Oil in Oman. He was previously an Executive board member of Serica Energy (LSE: SQZ).

Dr Atkinson was appointed to the FEG Board on 1 April 2020.

Ms Monique Tang - Non-Executive Director

Ms Tang is Vice President, General Manager - Global Business from FEG's strategic investor, Xingye Gold Hong Kong Mining Company Limited.

Ms Tang has over 25 years' experience in international business, commercial M&As, resource projects including coal, gold, silver and tin. She has held senior level positions at several multinational organisations in Asia Pacific.

Ms Tang has a distinguished career having worked and led teams on several large scale project developments in China, Indonesia and Australia. She has a proven ability and track record to strike up International strategic alliances where she advises in the business strategy, marketing, operations and expansion plans.

Ms Tang was appointed to the FEG Board on 19 March 2025.

Mr Justin Hastings – Non-Executive Director

Mr Hastings is a Professor of International Relations and Comparative Politics at the University of Sydney, with more than twenty years of experience researching international security, including geopolitical risk, strategic threats, security and trade, and international legal compliance. His work examines the geopolitics of global supply chains and the strategic competition shaping access to

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critical minerals, and he is a contributor to expert roundtables evaluating Australia's positioning in the global race for critical minerals. He has consulted extensively for companies, international organisations, and governments on political, economic, and security risk in Southeast Asia and the broader Asia-Pacific, bringing deep insight into the international policy, trade and security dynamics increasingly central to the resources sector.

His expertise spans the strategic, regulatory and geopolitical considerations that are increasingly material to resource development across the Asia-Pacific – the region in which FEG holds advanced gold and copper projects spanning Australia and Indonesia. The Board expects Mr Hastings' perspective to strengthen FEG's strategic positioning and stakeholder engagement as global demand and competition for precious and critical metals continues to intensify.

Mr Hastings was appointed to the FEG Board effective on 24 June 2026.

5.7 Continuous disclosure

FEG is a listed disclosing entity for the purposes of the Corporations Act and subject to regular reporting and disclosure obligations. Specifically, as an ASX-listed company, FEG is subject to the ASX Listing Rules which require continuous disclosure of any information FEG has that a reasonable person would expect to have a material or significant effect on the price or value of FEG Shares.

ASX maintains files containing publicly disclosed information about all listed companies. FEG's file is available for inspection at ASX during normal business hours. Copies of announcements made by FEG may be obtained from the ASX website at www.asx.com.au and FEG's website at https://fareast.gold/. FEG's ASX announcements released between the announcement date of the Offer, being 27 May 2026, and the Last Practicable Date are listed at the Annexure.

In addition, FEG is required to lodge various documents with ASIC, copies of which may be obtained from, or inspected at, an ASIC office.

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6 Information about Xingye and Inner Mongolia Xingye

6.1 Disclaimer

The information set out in this section of the Target's Statement in relation to Xingye and Inner Mongolia Xingye has been prepared by FEG using publicly available information (principally the Bidder's Statement) and has not been independently verified. Accordingly, and subject to the Corporations Act, FEG and its Directors and advisers do not make any representation or warranty, express or implied, as to the accuracy or completeness of such information and take no responsibility for the contents of the Bidder's Statement.

Further information on Xingye can be found in section 4 of the Bidder's Statement.

6.2 Overview of Xingye and Inner Mongolia Xingye

The bidder under the Offer is Xingye.

Xingye is a private limited company that was incorporated in Hong Kong with Company Registration number 72744503. As at the date of the Bidder's Statement, the sole director of Xingye is Fan Hansheng.

Xingye is a wholly owned subsidiary of Inner Mongolia Xingye. Inner Mongolia Xingye is a public listed company incorporated in the People's Republic of China and listed on the Shenzhen Stock Exchange (000426.SZ). As at the date of the Bidder's Statement, the directors of Inner Mongolia Xingye are:

(a) Xingye Ji;

(b) Xiang Ji;

(c) Shucheng Zhang;

(d) Yong Dong;

(e) Kai Sun;

(f) Xudong Zhang;

(g) Guoxin Zhang;

(h) Xianjun Zhou;

(i) Shichao Zhang;

(j) Chonggang Cheng; and

(k) Ruixia Han.

During 2025, Xingye Group acquired an unlisted Australian public company, Atlantic Tin Ltd, by means of an off-market takeover bid. Atlantic Tin Ltd is a tin-focused exploration and development company that operates several mining projects in Morocco.

Inner Mongolia Xingye and its subsidiaries operate a large-scale mining enterprise engaged in the exploration, development and production of metallic mineral resources. As a major silver and tin producer in the PRC, the Xingye Group has a relatively complete industrial mining chain including:

(a) the exploration, reservation, development and smelting of non-ferrous metal resources; and

(b) non-ferrous metal trading.

Further information on Xingye Group can be found at www.xyyxmining.com.

6.3 Xingye interest in FEG securities

Based on substantial shareholder notices lodged with ASX and registry data, as at the Last Practicable Date, Xingye (via its related bodies corporate) has a Relevant Interest in 73,368,788 FEG Shares or 17.59% of FEG's total issued capital.

6.4 Xingye funding arrangements related to the Offer

In accordance with the Bidder's Statement, the consideration for the acquisition of the Shares to which the Offer relates will be satisfied wholly in cash.

In the event that all FEG Shares on issue as at the date of the Bidder's Statement (other than those FEG Shares which Xingye already holds, being 73,368,788 FEG Shares) are accepted into the Offer, the aggregate amount of cash consideration that Xingye would be required to pay is approximately $38.18 million.

The funds required by Xingye to satisfy its obligation to pay the Offer Consideration will be made available to Xingye by Inner Mongolia Xingye. Inner Mongolia Xingye will fund the Offer Consideration, together with transaction costs arising in connection with the Offer, from existing cash reserves held by Inner Mongolia Xingye which are in excess of the Offer Consideration and associated transaction costs. Xingye has stated that it believes it has a reasonable basis for forming the view, and it holds the view, that it will be able to satisfy its payment obligations under the Offer.

Section 7 of the Bidder's Statement sets out further information relating to Xingye's funding for the Offer consideration.

6.5 Xingye's intentions in respect of FEG

Sections 4.6, **4.7** and **4.8** of this Target's Statement, and section 6 of the Bidder's Statement, set out further information relating to Xingye's intentions in respect of the future business and operations of FEG (assuming that the Offer results in Xingye acquiring FEG Shares).

Shareholders should carefully consider these intentions when deciding whether to accept the Offer (noting that these are statements of current intention only and may change).

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7 Risk factors

7.1 Overview

There are various risks associated with either accepting the Offer or rejecting the Offer and continuing to hold FEG Shares. Some of these risks are specific to FEG and its business, and other risks are of a more general nature and apply to any investment in a listed company. Some of these risks can be mitigated but many are beyond the control of FEG and its Directors and cannot be mitigated. This **section 7** contains a non-exhaustive summary of some of these key risks.

This **section 7** does not take into account the investment objectives, financial circumstances, taxation position or particular needs of individual Shareholders and is not, and does not purport to be, exhaustive or complete. Prior to deciding whether to reject or accept the Offer, Shareholders should carefully consider the key risk factors in this **section 7** and seek appropriate independent professional advice.

The options you have in relation to the Offer are set out in **section 3.3** of this Target's Statement.

7.2 Risks associated with accepting the Offer

(a) **The Offer is currently subject to conditions, including regulatory approvals in China, and therefore it is not certain that the Offer will proceed**

If the conditions to the Offer are not satisfied or waived within the relevant timeframes for satisfaction or waiver of those conditions, the Offer will lapse. In this circumstance, if you have already accepted the Offer, your acceptance will be void and of no effect, you will not receive the Offer Price for your FEG Shares, and you will remain a Shareholder.

Furthermore, Shareholders who accept the Offer now may have to wait a lengthy period before receiving the Offer consideration due to the need for certain conditions to be satisfied before Xingye can acquire accepting Shareholders' FEG Shares. Shareholders may be unable to deal with their FEG Shares during that time).

Further information on the effect of non-satisfaction or non-waiver of the conditions to the Offer is set out in **section 4.3(c)** of this Target's Statement.

(b) **You will no longer have any exposure to FEG's assets and operations, and will lose the benefit of any near-term upside of continued exposure to FEG's assets and operations**

If you accept the Offer and the Offer is or becomes unconditional, you will no longer be a Shareholder in FEG.

This means that you will not participate in any potential upside associated with continued exposure to FEG's assets immediately ahead of a number of near-term catalysts that have the potential to create significant value for Shareholders operating performance, as further detailed in **section 1.2** of this Target's Statement.

You will also cease to have the ability to influence the future direction of FEG through your voting rights as a Shareholder.

(c) **You will be unable to accept any competing offer that emerges**

If you have already accepted Xingye's Offer and a competing offer emerges, you will be unable to accept the competing offer unless you are able to withdraw your acceptance. Further information about Shareholders' ability to withdraw an acceptance of the Offer is set out in **section 4.4** of this Target's Statement.

As at the date of this Target's Statement, the Directors are not aware of any competing offer that is available to be accepted by Shareholders. If a competing offer arises, the Independent Board Committee will carefully consider the merits of such offer and advise Shareholders of their recommendation in respect of the competing offer.

(d) **You will have limited withdrawal rights and may lose your right to otherwise deal with your FEG Shares**

If you accept the Offer, you may be unable to withdraw your acceptance, and the contract resulting from your acceptance will be binding on you and you may be unable to withdraw your FEG Shares from the Offer or otherwise deal with your FEG Shares. Further information about Shareholders' ability to withdraw an acceptance of the Offer is set out in **section 4.4** of this Target's Statement.

(e) **You may be liable to pay tax on the disposal of your FEG Shares**

The taxation consequences of disposing of your FEG Shares under the Offer depend on a number of factors and your particular circumstances. A general description of the Australian income and capital gains tax consequences for Shareholders is set out in section 8 of the Bidder's Statement. You should also seek your own specific professional advice as to the taxation implications of accepting the Offer in your particular circumstances. FEG, its Directors and advisers take no responsibility for the contents of the Bidder's Statement.

(f) **You will not be able to sell your FEG Shares on-market**

If you accept the Offer, you will no longer be able to trade your FEG Shares on market. There is a possibility that the market price of FEG Shares may exceed the Offer Price during the Offer Period. Further information about the effect of accepting the Offer is set out in **section 4.4** of this Target's Statement. For the avoidance of doubt, the future price of FEG Shares is uncertain and no assurance or forecast is or can be given about any potential increase in the future price of FEG Shares.

7.3 **Risks associated with rejecting the Offer and continuing as a Shareholder**

In considering whether to accept the Offer, Shareholders should be aware of the risks relating to FEG, its business and assets as well as the general risks associated with an investment in securities markets. These risks include those specific to the industry in which FEG operates and general economic conditions which may affect the future operating and financial performance of FEG. **Sections 7.5, 7.6 and 7.7** of this Target's Statement contain a summary of some, but not all, of the material risks FEG believes may impact it and its future prospects and operations.

7.4 **Risks specific to certain Offer outcomes**

Xingye meets 90% compulsory acquisition threshold

Xingye has indicated in section 6.3 of the Bidder's statement that, if it becomes entitled to do so, it intends to compulsorily acquire any FEG Shares in respect of which it has not received an acceptance of the Offer; and thereafter:

- arrange for FEG to be removed from the official list of the ASX;
- replace some or all of members of the FEG Board, other than Monique Tang, with Xingye nominee directors;
- conduct a general strategic and operational review of FEG's structure, assets, business, operations, personnel (including employees) and projects; and
- evaluate the capabilities and fit of existing FEG employees and if there are any employment related actions to be taken as a result of the operational review, applicable employment laws will be complied with.

In this circumstance:

- Shareholders who have not previously accepted the Offer will no longer have any exposure to FEG's assets and operations, and will lose the benefit of any near-term upside of continued exposure to FEG's assets and operations, including exposure to an ASX-listed entity;
- no competing proposal for FEG will be made, which will mean Shareholders who have not previously accepted the Offer will lose the potential upside of any such competing proposal for

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FEG which may be at a price higher than the Offer Price (noting that, for the avoidance of doubt, if Xingye proceeds with any compulsory acquisition of FEG Shares as a result of acquiring an interest in more than 90% of FEG Shares during or at the end of the Offer Period, it will only be required to pay the Offer Price to compulsorily acquire any outstanding FEG Shares); and

- Shareholders will cease to have the ability to influence the future direction of FEG, which will be a privately held company.

Further information about Xingye proceeding with compulsory acquisition of all FEG Shares is set out in **section 4.6** of this Target's Statement.

Xingye acquires more than 50% but less than 90% of all FEG Shares

If Xingye acquires more than 50% but less than 90% of all FEG Shares before or at the end of the Offer Period then, assuming all the conditions to the Offer are satisfied or waived, Xingye will acquire a majority holding in FEG and will effectively control FEG, but will not be entitled to compulsorily acquire all FEG Shares. This will have the following consequences:

- Shareholders who have not accepted the Offer will be minority Shareholders in FEG which has a majority Shareholder whose views on the strategies and objectives of FEG may be different from their own;

- Xingye will be in a position to cast the majority of votes at a general meeting of FEG. This will enable it to control the composition of the FEG Board and senior management, determine FEG's dividend policy and control the strategic direction of FEG and its subsidiaries. In section 6.4 of the Bidder's Statement Xingye has stated that if FEG becomes a controlled entity of Xingye (but not a wholly-controlled entity of Xingye), it will seek to replace existing FEG Board members with such number of Xingye nominees as reflects its majority shareholding);

- depending on the size of Xingye's interest in FEG, it may be less likely that a third party will make a takeover offer for FEG in future;

- the price of FEG Shares may fall immediately following the end of the Offer Period, and it is unlikely that the price of FEG Shares will contain any takeover premium;

- the liquidity of FEG Shares may be lower than at present; and

- if Xingye subsequently acquires 75% or more of all FEG Shares, it will be able to unilaterally pass special resolutions of FEG.

7.5 **Risks specific to FEG**

Resources and reserves

Estimating the quantity and quality of Mineral Resources is an inherently uncertain process and the Mineral Resources stated in this Target's Statement and any Mineral Resources or Ore Reserves that FEG states in the future are and will be estimates and may not prove to be an accurate indication of the quantity and/or grade of mineralisation that FEG has identified or that it will be able to extract, process and sell.

Mineral Resources and Ore Reserve estimates are expressions of judgment based on knowledge, experience and industry practice. Mineral Resource estimates are necessarily imprecise and depend to some extent on interpretations and geological assumptions, the application of sampling techniques, estimates of commodity prices, cost assumptions, and statistical inferences which may ultimately prove to have been unreliable. The inclusion of Mineral Resource estimates should not be regarded as a representation that these amounts can be economically exploited and investors are cautioned not to place undue reliance on Mineral Resource estimates.

Consequently, Mineral Resource estimates are often regularly revised based on actual production experience or new information and are therefore expected to change. Furthermore, should FEG encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, FEG's Mineral Resource estimates may have to be adjusted and mining plans, processing and infrastructure may have to be altered in a way that might adversely affect FEG's

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operations. Moreover, a decline in the price of gold, increases in production costs, decreases in recovery rates or changes in applicable laws and regulations, including environment, permitting, title or tax regulations, that are adverse to FEG, may mean the volumes of mineralisation that FEG can feasibly extract may be significantly lower than the estimates indicated in this Target's Statement. No assurance can be given that any or all of FEG's inferred Mineral Resources estimates will be converted into measured Mineral Resources with further geological definition. This may result in alterations to development and mining plans which may, in turn, have a material adverse effect on FEG's operational and financial performance.

Exploration and operations

The ability to continually find and replace reserves and resources is important for the long-term stability of FEG's operations and financial performance. There is a risk that depletion of reserves will not be offset by discoveries or acquisitions. The exploration for and development of mineral deposits is speculative and involves significant costs and risks. The reserve base of FEG may decline if reserves are mined without adequate replacement, and FEG may not be able to sustain production beyond current mine lives. The current and future operations of FEG, including exploration, appraisal, development and possible production activities may be affected by a range of exploration and operating factors, including:

- geological conditions;
- limitations on activities due to seasonal or adverse weather patterns;
- alterations to program and budgets;
- unanticipated operational and technical difficulties encountered in geophysical surveys, drilling, metallurgical laboratory work and production activities;
- mechanical failure of operating plant and equipment, industrial and environmental accidents, acts of terrorism or political or civil unrest and other force majeure events;
- industrial action, disputation or disruptions;
- unavailability of transport or drilling equipment to allow access and geological and geophysical investigations;
- unavailability of suitable laboratory facilities to complete metallurgical testwork investigations;
- failure of metallurgical testing to determine a commercially viable product;
- shortages or unavailability of manpower or appropriately skilled manpower;
- unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment;
- prevention or restriction of access by reason of inability to obtain consents or approvals.

Development

There are many uncertainties that are inherent in developing a mining project, including:

- the availability of capital to finance feasibility studies, construction and development activities;
- the timing and cost of constructing mining and processing facilities and related infrastructure;
- the availability and cost of skilled labour, power, water and transport; and
- the need to obtain necessary governmental permits and the timing of those permits.

As with any mining project, FEG may experience unexpected problems and delays during development, construction and mine start-up. Even if mining commences, there is a risk that the geology of the mines will be more complex than FEG's geological investigations have indicated, and

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that the ore extracted will be lower grade or have different metallurgy than anticipated, which may increase mining costs, increase processing costs or result in lower recoveries.

Additional Funding Requirements

At the date of this Target's Statement, FEG has no income producing assets and will generate losses for the foreseeable future. FEG must fund a significant amount of capital expenditure in order to commence production at its projects.

FEG expects to raise additional funds for working capital and in order to finance its projected capital expenditure at its projects, potentially by raising debt and/or equity, or through entry into joint venture arrangements. However, if these funding alternatives do not eventuate or are insufficient FEG may need to raise additional equity. Any additional equity financing may be dilutive to Shareholders, and debt financing (including lease financing of equipment), if available, may involve restrictions on financing and operating activities.

There is no assurance that FEG will be able to obtain or access additional funding when required, or that the terms associated with that funding will be acceptable to FEG. If such funding is not obtained, FEG will be unable to proceed with all or any of its projects, which would adversely affect its business, financial condition and operating results and its ability to continue as a going concern or its ability to pay its debts as and when they fall due. Also, no guarantee or assurance can be given as to whether the projects can be developed to the stage where it will generate positive cashflow or the timing of this development. These conditions indicate the existence of a material uncertainty that may cast significant doubt about FEG's ability to continue as a going concern and to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the FEG pro forma historical statement of financial position.

Lack of operating history

FEG has never developed or managed a fully operational mining operation facility. FEG was incorporated on 20 March 2020 and its only operation is in connection with its projects. Accordingly, FEG has no experience in building or operating mining or processing facilities.

While FEG's Directors and management have substantial experience in the mining industry, there can be no assurance that the projects will experience results similar to those achieved by other companies or projects in which its Directors and management have been involved in the past. FEG'S financial condition will depend upon the commercial viability and profitability of the projects. FEG cannot provide any assurance that it will be able to commission or sustain the successful operation of the Projects, or that it will achieve commercial viability.

No alternative means of generating revenue

The projects are the only business activities that FEG intends to undertake in the near term. Almost all of FEG's assets and resources will be employed in the development of the Projects. Until the development of a successful mining operation, the projects will not generate income sufficient to cover FEG's expenses and until that time, FEG will have limited means of generating income or other gains or positive cash flows.

Licences and permits

FEG is required under applicable laws and regulations to seek governmental concessions, permits, authorisations, licences and other approvals, including in connection with its operating, producing, exploration and development activities.

The Bidder’s Statement refers to the purported revocation of the Wonogiri Mining Licence. As described in **section 1.7** of this Target's Statement, FEG holds documentation from the Indonesian Government indicating that the administrative action occurred in error. Indonesian Counsel has advised that the action was procedurally and legally defective, did not constitute a final and valid administrative determination and did not extinguish PT Alexis Perdana Mineral’s rights in respect of the licence.

FEG and its Indonesian subsidiaries continue to engage with the relevant authorities regarding correction of the administrative record. There is no assurance as to when or on what basis that process will be completed, and it may involve additional requirements, delays or costs. Pending resolution, FEG’s ability to undertake further advanced exploration activities at the Wonogiri

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Copper Gold Project may be constrained. Any material delay or adverse outcome could affect the timing, development and value of the Wonogiri Copper Gold Project.

The Directors cannot predict whether FEG will be able to obtain all required permits or other authorisations for its current and future operations. Obtaining, retaining or renewing the necessary governmental concessions, permits, authorisations, licences (including with respect to environment and water use) and approvals can be a complex and time-consuming process and may involve substantial costs or the imposition of unfavourable conditions. There can be considerable delay in obtaining the necessary permits and other authorisations and in certain cases the relevant government agency may be unable to issue a required permit or other authorisation in a timely manner. The duration and success of permit applications are contingent on many factors that are outside FEG's control (including objections from local communities, non-government organisations or special interest groups). Failure to obtain a material licence or permit in connection with its Projects would adversely impact the ability to mine the Projects in an economically viable manner or at all.

Land access

FEG's Indonesian projects are situated on state-owned land and privately owned land in Indonesia. Under Indonesian law, a party may use state-owned land, provided that it has been granted the necessary land use rights by the competent local, federal or governmental authority.

In addition, there are certain regulatory requirements requiring agreements with other users of the land in respect of the Indonesian projects and Australian projects, including both legal land users and informal land users. FEG does not currently have all such agreements in place and will require land compensation arrangements to be agreed by both parties.

The cost and time of completing such agreements is contingent on many factors that are outside FEG's control (including objections from local communities, non-government organisations or special interest groups), and may not be able to be concluded. Failure to obtain such agreements in connection with the Indonesian projects would adversely impact the ability to mine the Indonesian projects in an economically viable manner or at all.

Local Communities and Landowners

The development of the projects will depend in part on maintaining good relations with the relevant local communities, particularly with respect to negotiations with a number of land owners which will be required to gain access to areas covered by the projects. Not meeting community and social expectations with respect to compensation for land access, employment opportunities, impact on local businesses or other aspects of the Projects may lead to local dissatisfaction with the projects, which in turn may lead to disruptions in FEG's proposed operations.

Mineral title

Title to the mineral property rights held by FEG may be challenged or impugned. In Indonesia, the State is the sole authority able to control mineral property rights, and FEG's ability to maintain mineral rights will be partly dependent on government policy, rules for the use of minerals and compliance with any special conditions, with regard to its Indonesian projects. In addition, some of the properties that FEG has acquired may be subject to prior claims, and FEG’s rights to the properties may be affected by, among other things, undetected title defects.

Certain concessions, permits, authorisations, licences or approvals held by FEG in respect of its operations and development of its Indonesian projects may be terminated under certain circumstances, which include the following:

- failure by FEG to comply with any of its material general or special licence conditions or to gain an extension to the time period required for compliance with such conditions;
- failure to complete construction within the required timeframe;
- environmental and safety standards are not met;
- employment standards are not met;
- FEG operates in the licensed areas in a manner that violates applicable law;

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- FEG fails to provide information required or requested by authorities; or
- liquidation of the immediate licence holder.

It is not always possible to comply with, or obtain waivers with respect to such requirements and it is not always clear whether the requirements have been properly complied with, or whether it is possible or practical to obtain evidence of compliance. In some cases, failure to comply with such requirements or to obtain relevant evidence may call into question the validity of the actions taken. Termination by any relevant governmental authority of any one or more of FEG's mining, development, exploration or other concessions, permits, authorisations, licences or approvals could have a material adverse effect on FEG's business, results of operations, financial condition and prospects and may result in FEG being unable to proceed with the development, exploration or continued operation of its Indonesian projects.

Exploration permits in Queensland are subject to periodic renewal and minimum expenditure and reporting requirements. Failure to meet minimum expenditure or reporting requirements may result in a forfeiture of an exploration permit. If this occurs, or if FEG is unable to secure the renewal of an exploration permit, FEG may be materially adversely affected.

Environmental matters

FEG's projects are subject to laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, the projects would be expected to have a variety of environmental impacts should development proceed. There is a risk that owners' rights and environmental requirements may restrict or prevent FEG from carrying out its exploration, development and mining activities.

FEG intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by FEG's activities are intended to be rehabilitated as required by applicable laws. FEG's future operations are subject to the extensive environmental risks inherent in the mining and processing industry. FEG's operations may substantially impact the environment or cause exposure to hazardous materials. These and other impacts that FEG's operations may have on the environment, could result in costs and liabilities that would have a material adverse impact on the financial position and operating results of FEG.

A violation of environmental laws relating to a mine or other operating facilities, or failure to comply with the instructions of the relevant environmental authorities, could lead to, amongst other things, a temporary shutdown of all or a portion of the mine or relevant facility, a loss of the right to operate the relevant facility, the imposition of costly compliance procedures and fines, or serious reputational damage to FEG.

Environmental legislation and permitting requirements and the manner in which these are enforced are likely to evolve in a manner which will increase standards and enforcement criteria, as well as increase fines and penalties for non-compliance. Gold production is an emissions intensive industry. Compliance with changes in laws, regulations and obligations relating to climate change could result in substantial capital expenditure, taxes, reduced profitability from changes in operating costs and revenue generation and strategic growth opportunities being impacted.

The Directors are unable to predict the extent and effect of additional environmental laws and regulations that may be adopted in the future, and if environmental standards evolve in such a manner, this could have a material adverse effect on FEG's business, results of operations, financial condition and prospects.

Commodity prices

FEG may derive some of its future revenue from the sale of commodity products. Consequently, any earnings will be closely related to the price of these commodities. Commodity prices fluctuate and are affected by numerous factors beyond the control of FEG. These factors include worldwide and regional supply, physical and investment demand for the specific commodity, prevailing commodity trading terms general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on FEG's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

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Foreign currency fluctuations

FEG will operate in a number of currencies. FEG shares will be listed in Australian dollars, and costs are likely to be incurred in a mixture of Australian dollars, US dollars and Indonesian Rupiah. Movements in these foreign currency exchange rates may have a positive or negative effect on FEG's exploration, project development and production plans and activities, together with the ability to fund those plans and activities. The Board will consider whether to manage currency fluctuation risk by hedging however, there can be no assurance that the FEG will hedge its exchange rate exposure, nor that it will be able to hedge such exposure on acceptable terms in the future or that any exchange rate hedging conducted by FEG will be effective or will not result in an adverse financial impact arising from the inability to benefit from a favourable movement in exchange rates.

Gold price volatility

The profitability of FEG depends on the world market price of gold. Volatility in the gold price creates revenue uncertainty and requires careful management of operating and business performance to ensure that operating cash margins are maintained. If the market gold price falls below FEG's future production costs and remains at that level for a sustained period, it may not be economically feasible to continue production.

A declining gold price can also impact operations by requiring a re-assessment of the feasibility of mine plans and certain projects and initiatives, the commencement of development projects and the ongoing commitment to exploration projects. Even if a project is economically determined to be economically viable, the need to conduct a re-assessment of viability could potentially cause substantial delays and / or may interrupt operations, which may have a material adverse effect on FEG's operational and financial performance.

FEG cannot provide any assurances as to the gold price it may receive in the future for its products. Changes in general commodity prices, including for gold and associated pricing for impurities and treatment charges, may have a positive or negative effect on FEG's revenues, which may have a flow-on impact on FEG's exploration and development programs and ongoing operations.

Key personnel and labour market risk

FEG is dependent on the experience, skills and knowledge of its key personnel to successfully manage its business. Recruiting and retaining qualified personnel is crucial to the ongoing success of FEG. The loss of any of FEG's key personnel, the inability to recruit necessary staff as needed or the increase cost of doing so, may cause a significant disruption to FEG and adversely affect its operational and financial performance. There is no assurance that FEG will successfully continue to retain existing specialised key personnel or attract additional key personnel required to execute and implement FEG's business plan, which will be particularly important as FEG continues to develop and grow. Competition for experienced key personnel in the international gold and mineral resources industry is intense.

In addition, there can be no assurance that the operations of FEG or its contractors will not be affected by labour related issues in the future, such as disputes or strikes. Relations between FEG and its employees (and between FEG's contractors and their employees) may be affected by labour laws and regulations in the jurisdictions in which FEG operates. Such changes in laws and regulations could have a material adverse effect on FEG's operational and financial performance. There may also be political, community or reputational risks associated with labour related issues involving FEG and its workforce.

Health and safety

Mining and mining-related operations and activities can potentially be hazardous. Workplace accidents and incidents may occur for various reasons, including as a result of occupational health and safety laws and regulations in the jurisdictions in which FEG operates. FEG is committed to providing a safe and healthy workplace and environment for personnel, contractors and visitors. FEG provides appropriate instructions, equipment, preventative measures, first aid information, medical facilities and training to all stakeholders through its occupational health and safety management systems. Notwithstanding this, FEG may be liable for workplace accidents and incidents that occur, which can involve significant penalties and have a material adverse effect on FEG's operational and financial performance, and reputation. Such workplace accidents and incidents may not be covered,

or may be inadequately covered, by FEG's insurance policies. Additionally, any accidents or injuries that occur at FEG's operations could result in delays or stoppages to operations and activities.

FEG is subject to health and safety laws and regulations in the jurisdictions in which it operates. Any unexpected change to such laws and regulations may result in increased costs of, or uncertainties in relation to, compliance with such laws and regulations.

Insurance risk

FEG maintains appropriate policies of insurance that are consistent with those customarily carried by similar organisations in the energy sector. Any future increase in the cost of such insurance policies, or an inability to fully replace, renew or claim against insurance policies could adversely affect FEG's business, financial position and operational results. Additionally, there is no assurance that FEG's insurance coverage will be sufficient to compensate it against all losses it may suffer as a result of an incident affecting its assets. There are certain types of risks that are not covered by insurance because they are either uninsurable or not economically insurable, including acts of war, acts of terrorism, civil unrest and business disruption caused by outbreaks of disease. If such events were to occur, FEG may have to bear the costs of any uninsured risk or uninsured amount and this could have a material adverse effect on FEG's business, financial position and operational results.

Other regulatory factors

Government regulations will impose significant costs on FEG's operations, and future regulations could increase those costs or limit FEG's ability to produce gold. The mining industry is subject to increasingly strict regulation with respect to matters such as limitations on land use, employee health and safety, mine permitting and licensing requirements, reclamation and restoration of mining properties, air quality standards, water pollution, protection of human health, plant life and wildlife, the discharge of materials into the environment, surface subsidence from underground mining and the effects of mining on groundwater quality and availability.

The possibility exists that new legislation and/or regulations and orders may be adopted that may materially adversely affect FEG's operations and cost structure. New legislation or administrative regulations (or new judicial interpretations or administrative enforcement of existing laws and regulations), may also require FEG or its customers to change operations significantly or incur increased costs. Other changes in government regulation may impact on FEG's business. These include changes to taxation laws, fiscal, monetary and regulatory policy changes and changes to export regulation in countries which FEG holds assets.

7.6 Risks specific to FEG's foreign operations

FEG is subject to risks relating to the general economic, regulatory, legal, social and political environment in the jurisdictions in which it operates. FEG's head office and three Queensland assets are located in Australia, with its remaining three assets located in Indonesia. As part of its growth program, FEG may pursue opportunities in other jurisdictions in the future. Accordingly, FEG's business, financial condition and results of operations could be materially adversely affected by factors specific to investing in these jurisdictions.

Some of these jurisdictions have experienced, and may continue to experience, significant political and social instability and may in some cases have less established judicial or legal systems, a more volatile political environment and/or more challenging trading conditions than in some other parts of the world. Moreover, FEG's business, financial condition and results of operations could be materially adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors or foreign policy in the areas in which FEG operates or will operate, sells or expects to sell its products, and holds or will hold its major assets, as well as other unforeseen matters. Unlawful, selective, discriminatory or arbitrary government action could have a material adverse effect on FEG's business, results of operations, financial condition and prospects.

FEG's operations may also be adversely affected by laws and policies of Australia or other jurisdictions in which or through which FEG operates affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with its operations, FEG may be subject to the exclusive jurisdiction of a foreign court or may not be successful in subjecting foreign persons to the jurisdiction of courts in Australia or enforcing Australian judgments in foreign jurisdictions.

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Investment in Emerging Markets

The Indonesian economy is vulnerable to market downturns and economic slowdowns elsewhere in the world, and, generally, investing in emerging markets such as Indonesia involves greater risk than investing in more developed markets, including in some cases significant legal, economic and political risks. Investors should also note that emerging markets such as Indonesia are subject to rapid change. Global financial or economic crises in any large emerging market country tend to adversely affect prices in equity markets of most or all emerging market countries as investors move their money to more stable, developed markets.

As has happened in the past, financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in Indonesia and adversely affect the economy. In addition, during such times, businesses that operate in emerging markets can face severe liquidity constraints as foreign funding sources are withdrawn.

Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Potential investors are urged to consult with their own legal and financial advisors before making an investment in FEG.

Expropriation, Nationalism and Commercial Disputes

As FEG's assets are located primarily in Indonesia which is an emerging market country, its assets and income are subject to certain political, economic and other uncertainties, including the risk of expropriation, nationalisation and commercial disputes.

Indonesia has been seeking to develop a value-added downstream sector including the requirement for domestic processing and refining, bans on the export of unprocessed ores, use of local content, domestic market obligations and staged divestment to local parties. These laws and regulations may result in sub-optimal outcomes for FEG and its Indonesian projects, and there is the possibility that the Indonesian legislation and regulations currently applicable to FEG and the Indonesian projects may become more nationalistic to the detriment of FEG.

While legislation exists in Indonesia that would require the payment of compensatory amounts in the event of an expropriation or nationalisation of assets, and the Idenburg CoW and Woyla CoW specifically include the availability of international arbitration, there is no assurance that such protections could be enforced and the amount of any such compensation may be lower than the price for which the expropriated asset could be sold in a free-market sale or the value of the asset as part of an ongoing business. Any expropriation or nationalisation of FEG's assets in Indonesia may have a material adverse effect on FEG's financial position and results of operations.

Commercial disputes arise in Indonesia as they do in most jurisdictions. Foreign owned Indonesian companies may face local commercial pressures and legal challenges to asset ownership and value which are time consuming, costly and disrupt harmonious business relationships. While legislation exists in Indonesia to protect commercial rights, there is no assurance that such protections could be enforced and commercial settlements may be lower than the price for which disputed assets could be sold in a free-market sale or the value of the asset as part of an ongoing business. Any commercial disputes regarding FEG's assets in Indonesia may have a material adverse effect on FEG's financial position and results of operations.

Physical Infrastructure

Whilst Indonesia continues to invest in improving its physical infrastructure, certain elements remain in poor condition, which may lead to interruptions in effective financial and economic activity. Particularly affected are parts of the rail and road networks, power-generation and transmission networks, communication systems and building stock. This poor physical infrastructure potentially disrupts the transportation of goods and supplies as well as communications and adds costs to doing business, which could have a material adverse effect on FEG's business, results of operations, financial condition and prospects.

Since 2015 there have been significant advances in the electricity sector and generation and transmission/distribution of power through a major nationwide capital works program initiated by the Government of Indonesia.

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Bribery and Corruption

The demands of corrupt officials or potential future claims that FEG has been involved in official corruption in Indonesia particularly could result in negative publicity or disrupt its ability to conduct its business effectively, which could have a material adverse effect on FEG's business, results of operations, financial condition and prospects.

FEG has an Anti-Bribery and Corruption Policy in place which has been endorsed by the Board and applies to all employees, Directors and officers. A copy of the policy is available on FEG's website (https://fareast.gold/governance).

Foreign Investment Regulation in Indonesia

The Indonesian regulatory regime in relation to foreign investments imposes certain restrictions on the acquisition by foreign investors of direct or indirect interests in Indonesian companies, including offshore loan regulations and repatriation of funds. Changes in the regulatory regime could consequently have a material adverse effect on FEG's business and financial condition.

Unexpected Policy and Regulatory Changes

A recurring feature of the Indonesian mining industry, over many years, has been unexpected changes in Government policy and regulation which create uncertainty for mining companies, both domestic and foreign owned.

Policy and regulatory areas such as the local value added obligation, the export ban on unprocessed metal minerals, the domestic market obligation and foreign ownership of mining projects have been the subject of particularly serious and unexpected changes over a long period of time.

In addition to MoEMR, other government agencies such as the Ministry of Investment/Investment Coordinating Board, Ministry of Trade, the MoEF, the Ministry of Employment, the Ministry of Finance and Bank Indonesia are authorised to administer and issue regulations relevant to the mining industry with respect to a broad range of matters, including taxation and royalties, exchange controls, import and export duties, foreign currency transfers, restrictions on foreign currency holdings and repatriation of foreign currency earnings, investment approvals, environmental approvals, forestry zoning and spatial planning, employment and other human resources matters, as well as corporate social responsibility requirements. This is also applicable to the Australian mining industry, which has experienced unexpected changes in Government policy and regulation and may do so again in the future.

Domestic Market Obligation and Benchmark Pricing Risks

Mining companies must sell a certain minimum percentage of their production to domestic users and must comply with benchmark selling price provisions. Regulations on the level of the domestic market obligation and the relevant benchmark prices will be determined by the relevant government authority after commencement of production. These determinations may not be commercially favourable.

Environmental License Cancellation Risk

The Environment Law contemplates that, if AMDAL approval obligations are not met (including monitoring and reporting obligations), one of the sanctions that may be imposed is the revocation of an Indonesian Mining Company's Environmental Licence. Revocation of an Indonesian Mining Company's Environmental License could lead to suspension and, eventually, to revocation of its business licenses, something that would necessitate the discontinuance of its Gold Mining Project operations.

Limitations of Indonesian Court Judgments and Enforcement

Indonesia's civil law system gives judges very broad fact-finding powers and a high level of discretion in relation to the manner in which those powers are exercised. Decisions by Indonesian courts are not binding on lower courts or in the same court in any subsequent case. Indonesian court judgments are not systematically published and judges are often unfamiliar with sophisticated commercial or financial transactions, leading in practice to a lack of certainty in the interpretation and

application of Indonesian legal principles. There are also inevitably difficulties, delays and increased costs involved in enforcing agreements and enforcing judgments against third parties in Indonesia.

7.7 General risks

Risks associated with equity investments

The price at which FEG's securities are quoted on the ASX may increase or decrease due to a number of factors, including fluctuations in the domestic and international market for listed securities, general economic conditions including interest rates, inflation rates, exchange rates, commodity and materials prices, changes to government fiscal, monetary or regulatory policies and settings, country trade and importation policies, changes in legislation or regulation, inclusion or removal from market indices, the nature of the markets in which FEG operates and other general operational and business risks.

No assurance can be given that there will always be an active market for FEG's securities.

Cybersecurity

The integrity, availability and reliability of data within FEG's information technology systems may be subject to intentional or unintentional disruption. Given the increasing level of sophistication and scope for potential cyber-attacks, these attacks may lead to significant breaches of security that could jeopardise the sensitive information and financial transactions of FEG (from a cyber perspective) and property and environmental damage (from a physical perspective).

Litigation risk

From time to time, FEG may be involved in disputes and litigation relating to the conduct of its business (with or without merit). The risk of litigation is a risk that may incur costs in making payments to settle claims or in complying with any court order (which may not be covered adequately, if at all, by insurance). Due to the inherent uncertainties of litigation, the litigation process could take away from management time and effort and the resolution of any material dispute or litigation involving FEG could have a material adverse effect on FEG's operational and financial performance, or its reputation.

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8 Additional information

8.1 Interests and dealings in FEG securities

(a) Interests in FEG securities

As at the Last Practicable Date, the Directors have the following Relevant Interests in FEG securities:

Director	Number of FEG Shares	Number of FEG Options	Number of FEG Performance Right
Paul Walker	8,590,000	2,000,000	250,000
Shane Menere	13,966,294	3,000,000	3,000,000
Michael Thirnbeck	173,234	1,000,000	250,000
Justin Werner	17,038,464	3,000,000	3,000,000
Chris Atkinson	6,381,028	1,000,000	250,000
Monique Tang	Nil	Nil	Nil

(b) Dealings in FEG securities

No Director has acquired or disposed of a Relevant Interest in any securities of FEG in the four-month period ending on the Last Practicable Date.

8.2 Interests and dealings in securities of Xingye

As at the Last Practicable Date, none of FEG, its Associates or any of its Directors had a Relevant Interest in the securities of Xingye or any Related Body Corporate of Xingye.

Neither FEG, its Associates nor any of the Directors have acquired or disposed of a Relevant Interest in any securities of Xingye or any Related Body Corporate of Xingye in the four-month period ending on the date immediately before the date of this Target's Statement.

8.3 Treatment of FEG Options and FEG Performance Rights

As set out in **section 5.4** of this Target's Statement, as at the Last Practicable Date, FEG has 16,000,000 FEG Options and 9,000,000 FEG Performance Rights on issue. All FEG Performance Rights and FEG Options were issued under FEG's Incentive Entitlements Plan.

Under the plan, the FEG Board may invite certain persons to apply for FEG Options and FEG Performance Rights which may be subject to:

- a number of vesting conditions based on performance, service or other criteria;
- restrictions on the disposal of FEG Options or FEG Performance Rights (and resulting FEG Shares upon exercise of those FEG Options or FEG Performance Rights) held by that person; and
- price payable on the granting or exercise of those FEG Options or FEG Performance Rights will immediately vest and become exercisable by the holder.

Upon the occurrence of a "change of control event", any unvested FEG Options and FEG Performance Rights will immediately vest and become exercisable by the holder.

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8.4 **Director benefits and agreements**

(a) **Benefits in connection with retirement from office**

No person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of FEG or Related Body Corporate of FEG, as a result of the Offer.

(b) **Agreements connected with or conditional on the Offer**

There are no agreements made between any Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of FEG Shares.

(c) **Benefits from Xingye**

None of the Directors have agreed to receive, or are entitled to receive, any benefit from Xingye which is conditional on, or is related to, the Offer, other than in their capacity as holders of FEG Shares.

(d) **Interests of Directors in contracts with Xingye**

None of the Directors have any interest in any contract entered into by Xingye.

8.5 **Material contracts**

As far as the Directors are aware, there are no contracts to which a FEG Group member is a party, which are material in the context of the FEG Group as a whole, that contain a change of control provision which would be triggered as a result of, or as a result of acceptances of, the Offer.

8.6 **Transaction costs**

The Offer will result in FEG incurring transaction costs that would not otherwise have arisen, including, without limitation, fees of external professional advisers to FEG and costs associated with this Target's Statement that total approximately $668,933.00.

8.7 **Taxation consequences of accepting the Offer**

The taxation consequences of accepting the Offer depend on a number of factors and will vary depending on your particular circumstances. A general description of the Australian income tax and goods and services tax consequences for Shareholders who either accept the Offer or whose FEG Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act are set out in section 8 of the Bidder's Statement.

You should carefully read and consider the taxation consequences of accepting the Offer. The outline provided in the Bidder's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances. FEG, its Directors and advisers take no responsibility for the contents of the Bidder's Statement.

8.8 **Consents**

The following persons have given and have not, before the date of issue of this Target's Statement, withdrawn their consent to:

- be named in this Target's Statement in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this Target's Statement; and
- the inclusion of other statements in this Target's Statement that are based on or referable to statements made in those reports or statements, or that are based on or referable to other statements made by those persons in the form and context in which they are included.

Name	Named as	Reports or Statement
Each Independent Director	an Independent Director	The inclusion of statements made by them
Automic Pty Ltd	FEG share registry	N/A
Canaccord Genuity (Australia) Limited	Financial adviser	N/A
Thomsons	Legal adviser	N/A
Lonergan Edwards & Associates Limited	Independent Expert	Independent Expert's Report and statements made in the Independent Expert's Report
SRK Consulting	Technical Mining Expert	Technical Mining Expert's Report and statements made in the Technical Mining Expert's Report

Each of the above persons:

- does not make, or purport to make, any statement in this Target's Statement other than those statements referred to above and as consented to by it; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement other than as described in this section with its consent.

As permitted by ASIC Corporations (Takeover Bids) Instrument 2023/683 (**ASIC Instrument 2023/683**), this Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or ASX (in compliance with the ASX Listing Rules), in particular, the Bidder's Statement. Pursuant to ASIC Instrument 2023/683, the consent of persons to whom such statements are attributed is not required for the inclusion of those statements in this Target's Statement. Any Shareholder who would like to receive a copy of any of the documents (or parts of the documents) that contain the statement which have been included pursuant to ASIC Instrument 2023/683 may obtain a copy (free of charge) during the Offer Period by contacting Tim Young from FEG on +61 7 3067 3368, between 9.00am and 5.00pm (Queensland time) Monday to Friday. The copy will be provided within two Business Days of the request.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2026/89 (**ASIC Instrument 2026/89**), this Target's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or published book, journal or comparable publication.

Pursuant to ASIC Instrument 2026/89, the consent of persons to whom such statements are attributed is not required for inclusion of those statements in this Target's Statement.

8.9 No other material information

This Target's Statement is required to include all the information that Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- only if the information is known to any Director.

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Your Directors are of the opinion that the information that Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer is the information contained in:

- the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- FEG's annual reports and releases to ASX before the date of this Target's Statement;
- the documents lodged by FEG with ASIC before the date of this Target's Statement; and
- this Target's Statement, including Attachment A to this Target's Statement.

Your Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate. However, your Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, your Directors have had regard to:

- the nature of the FEG Shares (being fully paid ordinary shares);
- the matters that Shareholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to Shareholders' professional advisers; and
- the time available to FEG to prepare this Target's Statement.

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9 Glossary and interpretation

9.1 Glossary

In this Target's Statement, defined terms have the meanings set out below:

Term	Meaning
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning given to that term in section 12 of the Corporations Act.
ASX	ASX Limited or the Australian Securities Exchange, as appropriate.
ASX Listing Rules	the listing rules of ASX.
ASX Settlement	ASX Settlement Pty Limited.
ASX Settlement Rules	the operating rules of the settlement facility provided by ASX Settlement.
Bidder or Xingye	means Xingye Gold (Hong Kong) Mining Company Limited, a private limited company incorporated in Hong Kong with Registration Number 72744503.
Bidder's Statement	the bidder's statement issued by Xingye dated 27 May 2026.
Blue Hill Creek Gold Project	means the resource exploration operations and infrastructure at the sites known as Hill 212 (permit number 26217), Bluegrass Creek (permit number 27794) and Reedy Creek (permit number 28601) located in the Drummond Basin in Queensland, Australia.
Business Day	means any day that is each of the following: a) a 'Trading Day' within the meaning given in the ASX Listing Rules; and b) a day that is not Saturday, Sunday or a public holiday or bank holiday in Sydney, Australia.
CHESS	means the Clearing House Electronic Subregister System operated by ASX Settlement, which provides for the electronic transfer, settlement and registration of securities in Australia.
CHESS Holding	means a holding of FEG Shares on the CHESS subregister of FEG.
Controlling Participant	has the meaning set out in the ASX Settlement Rules.
Corporations Act	the *Corporations Act 2001* (Cth) (as modified or varied by ASIC).
Encumbrance	means: a) a security interest; b) an easement, restrictive covenant, caveat or similar restriction over property;

Term	Meaning
	c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property (including a right to set off or withhold payment of a deposit or other money); d) a right of any person to purchase, occupy or use an asset (including under an option, agreement to purchase, licence, lease or hire purchase); e) any other thing that prevents, restricts or delays the exercise of a right over property, the use of property or the registration of an interest in or dealing with property; or f) an agreement to create anything referred to above or to allow any of them to exist.
FEG	Far East Gold Ltd ACN 639 887 219.
FEG Board	means the board of FEG Directors.
FEG Director (or Director)	means a member of the FEG Board.
FEG Group	means FEG and its Related Bodies Corporate.
FEG Group Member	means a member of the FEG Group including PTAPM.
FEG Option	means options in FEG which may be exercised or converted and result in the issuance of FEG Shares, as described in **section 5.4(a)** of this Target's Statement.
FEG Performance Rights	means performance rights and any other instruments in FEG (not including the FEG Options) which may be exercised or converted and result in the issuance of FEG Shares, as described in **section 5.4(b)** of this Target's Statement.
FEG Share	means a fully paid ordinary share in the capital of FEG.
FEG Shareholder (or Shareholder)	means a holder of one or more FEG Shares.
Financial Indebtedness	means any debt or other monetary liability (whether actual or contingent) in respect of moneys borrowed or raised or any financial accommodation including under or in respect of any: a) bill, bond, debenture, note, or similar instrument; b) acceptance, endorsement, or discounting arrangement; c) guarantee; d) finance or capital lease; e) agreement for the deferral of a purchase price or other payment in relation to the acquisition of any asset or service; or

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Term	Meaning
	f) obligation to deliver goods or provide services paid for in advance by any financier.
Idenburg CoW	means a 6th Generation CoW dated 28 April 1997 between PTIMI and the Government of the Republic of Indonesia as amended from time to time.
Idenburg CSPA	means the Conditional Share Purchase Agreement dated 6 October 2024 between, amongst others, FEG and Yap Sui Cheng Wendy, Yap Lan Cheng, Muljadi Irawan and Beverly Elaine Djuhari, in relation to the acquisition by FEG of an interest in the Idenburg Gold Project
Idenburg Gold Project	means the resource exploration operations and infrastructure at the area that is the subject of the Idenburg CoW.
Idenburg Scoping Study	means the scoping study being prepared by independent consultants Mining One in respect of the Idenburg Gold Project to assess a potential development pathway for the project, including preliminary technical, product, cost and economic parameters relevant to that assessment.
Independent Board Committee or IBC	means the independent board committee, being the committee established by the FEG Board and comprising the Independent Directors.
Independent Directors	means Justin Werner, Shane Menere, Christopher David Atkinson, Paul Thomas Walker, and Michael Robert Thirnbeck.
Independent Expert	Lonergan Edwards & Associates Limited ABN 53 095 445 560.
Independent Expert's Report	means the report prepared by the Independent Expert, as set out in **Attachment A**.
Inner Mongolia Xingye	Inner Mongolia Xingye Silver & Tin Mining Co., Ltd.
Last Practicable Date	the last practicable date on ASX prior to the finalisation of this Target Statement, being Monday, 22 June 2026.
Material Adverse Change	means any event, change, condition, matter or thing occurring (each a **Specified Event**) which, whether individually or when aggregated with all Specified Events, has had or would be reasonably likely to result in the diminution in the value (whether now or in the future) of the consolidated net assets of the FEG Group, by at least $2,000,000 against what it would reasonably have been expected to have been but for such Specified Event; but does not include the effect of: a) a Specified Event relating to changes in business conditions affecting all or substantially all of the industry in which the FEG Group operates; or b) a Specified Event that was fairly disclosed by FEG to the ASX before the date of the Bidder's Statement.
Material Contract	means: a) Idenburg CSPA;

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Term	Meaning
	b) Idenburg CoW; c) Woyla CoW; d) any financing agreement to which any FEG Group Member is a party; e) any joint venture agreement to which any FEG Group Member is a party; f) any shareholders' or cooperation agreement relating to shares or other interests in, or the operation of, a subsidiary of FEG; g) any other agreement, contract, or other arrangement, commitment, or instrument to which any FEG Group Member is a party to or bound by, or to which any of the assets of any FEG Group Member or the Projects is subject, and which: i. imposes obligations or liabilities on any party of at least $250,000 per annum or $20,000 per month; ii. delivers a contribution to the consolidated earnings or losses after tax of the FEG Group as a whole of at least $100,000 in any financial year of FEG; or iii. is otherwise of material importance to the FEG Group as a whole.
Mineral Resources	has the meaning given in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
MOFCOM	the Ministry of Commerce of the People's Republic of China.
Mount Clark West Copper Gold Project	means the resource exploration operations and infrastructure at the area that is the subject of an Australian Exploration Permit for Minerals (number 26008) issued to Ellenkay Gold Pty Ltd on 2 March 2020.
NDRC	the National Development and Reform Commission of the People's Republic of China.
Non-Independent Director	means Ms Monique Tang.
Offer or Unsolicited Offer	the offer by Xingye to purchase FEG Shares, the terms of which are contained in section 10 of the Bidder's Statement.
Offer Period	the period during which the Offer will remain open for acceptance in accordance with section 10.4 of the Bidder's Statement.
Offer Price	A$0.13 per FEG Share.
Ore Reserves	has the meaning given in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
Placement Agreement	the placement agreement dated 4 September 2024 between Xingye and FEG.
PRC	People's Republic of China.

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Term	Meaning
Project Approval	means any and all tenements, licences, permits or other approvals issued, or any and all agreements entered into, by Regulatory Authorities in respect of the Projects and includes the Idenburg CoW, Woyla CoW and Wonogiri Mining Licence.
Project Approval Holder	means any entity, trust, partnership or fund to which a Project Approval is issued or that holds the benefit of rights under a Project Approval.
Project Company	means: a) any Project Approval Holder; and b) any entity, trust, partnership or fund that has a direct or indirect interest in a Project Approval Holder.
Projects	means the following resource exploration projects of the FEG Group: a) Woyla Copper Gold Project; b) Idenburg Gold Project; c) Wonogiri Copper Gold Project; d) Trenggalek Copper Gold Project; e) Blue Hill Creek Gold Project; and f) Mount Clark West Copper Gold Project.
PTAPM	means PT Alexis Perdana Minerals.
PTIMI	means PT Iriana Mutiara Idenburg.
PTWAM	means PT Woyla Aceh Minerals.
Register Date	7.00 pm (Sydney time) on 28 May 2026, being the date set by Xingye.
Regulatory Action	means: a) any interim, preliminary or final decision, order, decree, direction or the passage of any new law or regulation issued by any Regulatory Authority, including any change in interpretation to any existing law or regulation; b) any action, proceeding or investigation announced, commenced, or threatened by any Regulatory Authority; and c) any application made to any Regulatory Authority (other than by the Bidder or its Related Bodies Corporate).
Regulatory Authority	means a government or governmental, semi-governmental, statutory, administrative, fiscal, or judicial body, department, commission, authority, tribunal, agency, or entity, and any self-regulatory organisation discharging substantially public or regulatory functions, whether foreign, federal, state, territorial, or local in the PRC, Australia, Indonesia or otherwise and for these purposes includes ASIC, ASX, and any other securities exchanges.

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Term	Meaning
Rejecting Shareholders	has the meaning given in **section 1.3** of this Target's Statement.
Related Body Corporate	has the meaning given to that term in the Corporations Act.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.
Rights	means all accretions, rights or benefits of whatever kind attaching to or arising from or in respect of the FEG Shares, whether directly or indirectly, including without limitation all rights to receive dividends (and any attaching franking credit), to receive or subscribe for shares, units, notes, options or other securities and to receive all other distributions or entitlements declared, paid, made or issued by FEG or any subsidiary of FEG after the date of the Bidder's Statement.
SAFE	the State Administration of Foreign Exchange of the People's Republic of China.
Stage One Completion	has the meaning given in the Idenburg CSPA.
Subsidiary	has the meaning given to it in the Corporations Act.
Target's Statement	this document (including the Annexure and attachments), being the statement of FEG under Part 6.5 Division 3 of the Corporations Act.
Technical Mining Expert or **SRK Consulting**	SRK Consulting (Australasia) Pty Ltd (ABN 56 074 271 720).
Technical Mining Expert's Report	The report prepared by the Technical Mining Expert, as set out in attachment to the Independent Expert's Report.
Trading Day	has the meaning given to it in the ASX Listing Rules.
Trenggalek Copper Gold Project	means the resource exploration operations and infrastructure at the area that is the subject of an Indonesian Izin Usaha Pertambangan issued to PT Sumber Mineral Nusantara on 28 December 2005 by the Regent of Trenggalek under decree number 188.45/466/425.012/2007
Unbudgeted Capex	means capital expenditure which is not provided for in any budget approved by the FEG Board at the date of the Bidder's Statement.
Unbudgeted Opex	means operating expenditure which is not provided for in any budget approved by the FEG Board at the date of the Bidder's Statement, other than expenditure incurred in good faith by FEG in connection with the Offer and any competing proposals to the Offer received by FEG.
VWAP	means, in respect of FEG Shares over a specified period, the volume weighted average price of those FEG Shares, calculated as the total value of all on-market trades in FEG Shares executed on ASX during that period divided by the total number of FEG Shares traded in those trades, excluding any trades that are not regarded by ASX as being in the ordinary course of trading.

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Term	Meaning
Wonogiri Copper Gold Project	means the resource exploration operations and infrastructure at the area that is or was the subject of the Wonogiri Mining Licence.
Wonogiri Mining Licence	means an Indonesian Izin Usaha Pertambangan issued to PTAPM on 10 January 2015 by the Minister of Energy and Mineral Resources under decree number 3096K/30/MEM/2015.
Woyla Copper Gold Project	means the resource exploration operations and infrastructure at the area that is the subject of the Woyla CoW.
Woyla CoW	means a 6th Generation CoW dated 28 April 1997 between PTWAM and the Government of the Republic of Indonesia as amended from time to time.
Woyla CSPA	means the Conditional Share Purchase Agreement dated 10 June 2021 between, amongst others, FEG and Yap Sui Cheng Wendy, Yap Lan Cheng in relation to the acquisition by FEG of an interest in the Woyla Copper Gold Project.
Xingye Group	means Inner Mongolia Xingye and each of its Related Bodies Corporate, including the Bidder.

9.2 **Interpretation**

In this Target's Statement:

- other words and phrases have the same meaning (if any) given to them in the Corporations Act;
- words of any gender include all genders;
- words importing the singular include the plural and vice versa;
- an expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- a reference to a section, clause, annexure, attachment and schedule is a reference to a section of, clause of and an annexure, attachment and schedule to this Target's Statement as relevant, unless otherwise stated;
- a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- headings and bold type are for convenience only and do not affect the interpretation of this Target's Statement;
- a reference to time is a reference to Sydney, New South Wales, unless otherwise stated; and
- a reference to $, A$, AUD or cents is a reference to the lawful currency of Australia.

10 Authorisation

This Target's Statement has been approved by a resolution passed by the Independent Board Committee. Each of your Independent Directors voted in favour of that resolution.

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25 June 2026

Signed for and on behalf of **Far East Gold Ltd**



Mr Justin Werner
Non-Executive Chairman

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Annexure – ASX Announcements

The following announcements have been made to ASX concerning FEG between the release of its Annual Report on 30 September 2025 and 22 June 2026 (being the Last Practicable Date).

Date	Announcement
22 June 2026	Notice under section 708A(5)(e) of the Corporations Act
22 June 2026	Application for quotation of securities – FEG
22 June 2026	FEG Moves to 51% Ownership of Idenburg, Clear Pathway to 80%
19 June 2026	Idenburg Surface Sampling & Project Update
11 June 2026	FEG Recommends No Action on Xingye Offer
11 June 2026	Completion of dispatch of Xingye's Bidder's Statement
11 June 2026	Dispatch of Bidder's Statement and opening of Xingye's Offer
28 May 2026	Xingye's change in substantial holding
28 May 2026	Far East Gold Limited Receives Unsolicited Takeover Offer
27 May 2026	Xingye's Bidder's Statement
15 May 2026	Idenburg Scoping Study and Advance, Drilling to Commence
5 May 2026	Idenburg JORC MRE Increases to 780,000 oz of Gold
30 April 2026	Quarterly Activities/Appendix 5B Cash Flow Report
21 April 2026	Idenburg update Met Testing shows high gold recoveries
7 April 2026	Woyla Project Update
17 March 2026	IDENBURG PROJECT – UKLUPL (ENVIRONMENTAL) APPROVAL GRANTED
16 March 2026	Half Year Report 31 December 2025
10 March 2026	Sua – High-Grade Gold Zones Extended & Resource Update Close
12 February 2026	Notice under ASX Listing Rule 3.10A
10 February 2026	MCW – Positive Drilling Observations, Tenement Extension
29 January 2026	Quarterly Activities/Appendix 5B Cash Flow Report
14 January 2026	Company Secretary Appointment/Resignation
12 January 2026	Idenburg Project Fifth Consecutive High Grade Gold Intercept

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Date	Announcement
17 December 2025	Idenburg – Sua Prospect – Drill Program Extended
15 December 2025	Sua Prospect – High Grade Assays Continue
10 December 2025	Change in substantial holding
3 December 2025	Release of Shares from Voluntary Escrow
25 November 2025	Results of Meeting
24 November 2025	Idenburg – Visible Gold and Bonanza Grades Extended
13 November 2025	High-Grade Gold Mineralisation – Multiple Prospects
11 November 2025	Change in substantial holding
10 November 2025	Visible Gold and Bonanza Grades Intersected at Idenburg
7 November 2025	Drilling Commenced at Mount Clark West Copper-Gold Project
5 November 2025	Release of Shares from Voluntary Escrow
5 November 2025	Major Regulatory Milestone Secured at Idenburg Gold Project
30 October 2025	Quarterly Activities/Appendix 5B Cash Flow Report
28 October 2025	New Gold Discovery at North Bermol
23 October 2025	Notice of Annual General Meeting/Proxy Form
15 October 2025	Mount Clark West – CCA and Drill Contracts Signed
13 October 2025	Drilling Commences at High-Grade Sua Prospect
30 September 2025	Appendix 4G and Corporate Governance Statement
30 September 2025	Annual Report to Shareholders

Attachment A – Independent Expert's Report

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LONERGAN EDWARDS
& ASSOCIATES LIMITED

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The Independent Board Committee
Far East Gold Limited
Level 18, 324 Queen Street
Brisbane QLD 4000

25 June 2026

Subject: Takeover offer for Far East Gold Limited

Dear Independent Board Committee

Introduction

1 On 27 May 2026, Xingye Gold (Hong Kong) Mining Company Limited (Xingye) released a Bidder's Statement in relation to an unsolicited off-market takeover bid to acquire all of the ordinary shares in Far East Gold Limited (FEG or the Company) that it does not already own for cash consideration of A$0.13 per share (Offer).

2 The Offer values the total equity in FEG at approximately A$54.2 million[1] and is subject to a number of conditions which are outlined in the Target's Statement (at Section 4.2) and the Bidder's Statement, dated 27 May 2026 (refer to Section 10.3).

3 FEG announced on 28 May 2026 that FEG shareholders were advised to take no action in relation to the Offer at that time and that no discussions or engagement occurred between Xingye and FEG in relation to the Offer prior to receipt of the Bidder's Statement.

FEG

4 FEG is an ASX-listed advanced gold exploration company headquartered in Brisbane, Queensland. The Company was incorporated on 20 March 2020 and listed on the ASX on 24 March 2022 following an initial public offering (IPO) at A$0.20 per share. FEG holds commercial rights to a portfolio of six gold and copper exploration projects across Indonesia and Australia.

5 The Company's flagship asset is the high-grade Idenburg gold project in Papua, Indonesia, which recently increased its Joint Ore Reserves Committee (JORC) Mineral Resource estimate to approximately 780,000 ounces of gold. In addition to Idenburg, FEG owns the

1 Including the 50 million share issued to Eloquent Enterprises Limited on 22 June 2026 to move to 51% ownership of the Idenburg project.

Authorised Representatives:
Julie Planinic* • Nathan Toscan • Hung Chu • Grant Kepler* • Martin Hall • Jorge Resende • Brett Aalders • Wayne Lonergan • Craig Edwards

* Members of Chartered Accountants Australia and New Zealand and holders of Certificate of Public Practice.
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Wonogiri, Woyla and Trenggalek projects in Indonesia, together with the Blue Hill Creek and Mount Clark West projects in Australia.

Purpose of report

6 Whilst there is no statutory requirement for FEG to obtain an independent expert's report (IER) in the present circumstances, the Independent Board Committee[2] of FEG have requested Lonergan Edwards & Associates Limited (LEA) to prepare an IER stating whether, in LEA's opinion, the Offer is "fair and reasonable" to the FEG shareholders not associated with Xingye (FEG Non-Associated Shareholders).

7 LEA is independent of FEG and Xingye and has no other involvement or interest in the outcome of the Offer, other than the preparation of this report.

Summary of opinion

8 LEA has concluded that the Offer is not fair nor reasonable to FEG Non-Associated Shareholders. We have arrived at this conclusion for the reasons set out below.

Valuation of FEG

9 LEA has valued 100% of the ordinary shares in FEG at between A$0.324 and A$0.444 per share, as summarised below:

FEG – valuation summary				
	Paragraph	**Low A$m**	**Mid A$m**	**High A$m**
SRK project asset values	117	144.6	170.6	196.6
FEG's option to progress to 80% ownership of Idenburg	126	16.9	20.1	22.7
Risk adjustment for Wonogiri	130	(23.6)	(26.5)	(29.5)
Other assets / (liabilities)				
– Cash	131(a)	1.3	1.3	1.3
– Cash from options exercise ($0.25)	131(b)	3.8	3.8	3.8
– Cash from options exercise ($0.40)	131(b)	-	-	0.4
– Tax losses	131(c)	-	0.5	1.0
Equity value – controlling interest basis		143.0	169.8	196.4
Fully diluted shares on issue (million)	135	441.0	441.0	442.0
Value per share – controlling interest basis ($)		$0.324	$0.385	$0.444

Assessment of fairness

10 Pursuant to Australian Securities & Investments Commission (ASIC) Regulatory Guideline 111 – *Content of expert reports* (RG 111), an offer is "fair" if:

"The value of the offer price or consideration is equal to or greater than the value of the securities the subject of the offer."

11 This comparison is shown below:

2 The Independent Board Committee was established for the purposes of considering and responding to the Offer. It consists of Mr Justin Werner, Mr Shane Menere, Mr Christopher Atkinson, Mr Paul Walker, and Mr Michael Thirnbeck (together, the Independent Directors) who are independent of Xingye.

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Comparison of Offer consideration	Low A$ per share	High A$ per share	Mid-point A$ per share
Value of Offer consideration	0.130	0.130	0.130
Value of 100% of ordinary shares in FEG	0.324	0.444	0.385
Extent to which the Offer consideration exceeds (or is less than) the value of the ordinary shares in FEG	(0.194)	(0.314)	(0.255)

12 As the consideration offered by Xingye is significantly less (a discount of 60% to 71%) than our assessed value of 100% of the ordinary shares in FEGs on a 100% controlling interest basis, in our opinion, the Offer is not fair to FEG Non-Associated Shareholders when assessed under the guidelines set out in RG 111.

Assessment of reasonableness

13 In our opinion, the reasons in favour of accepting the Offer for FEG Non-Associated Shareholders are more than outweighed by the factors in favour of rejecting the Offer.

14 In our opinion there are three particularly strong reasons against accepting the Offer for FEG Non-Associated Shareholders:

(a) the significant shortfall between the value of the Offer consideration and our assessed value range for FEG

(b) since the announcement of the Offer, FEG shares have generally traded above the Offer price

(c) advice from FEG that since the Offer it has attracted substantial interest from a range of international mining companies, strategic investors and financial groups and that multiple parties have entered into confidentiality agreements and are conducting due diligence initiatives.

15 On balance in our opinion there are not sufficient reasons for FEG Non-Associated Shareholders to accept the Offer. We have therefore concluded that the Offer is not reasonable.

16 Accordingly, we have concluded overall that the Offer is not fair and not reasonable to FEG Non-Associated Shareholders.

General

17 This report contains general financial product advice only and has been prepared without taking into account the personal objectives, financial situations or needs of individual FEG Non-Associated Shareholders. Accordingly, before acting in relation to the Offer, FEG Non-Associated Shareholders should have regard to their own objectives, financial situation and needs. FEG Non-Associated Shareholders should also read the Target's Statement that has been issued by FEG in relation to the Offer.

18 Furthermore, this report does not constitute advice or a recommendation (inferred or otherwise) as to whether FEG Non-Associated Shareholders should accept the Offer. This is a matter for individual FEG Non-Associated Shareholders based upon their own views as to value, their expectations about future economic and market conditions and their particular

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personal circumstances including their risk profile, liquidity preference, investment strategy, portfolio structure and tax position. If FEG Non-Associated Shareholders are in doubt about the action they should take in relation to the Offer or matters dealt with in this report, FEG Non-Associated Shareholders should seek independent professional advice.

19 For our full opinion on the Offer and the reasoning behind our opinion, we recommend that FEG Non-Associated Shareholders read the remainder of our report.

Yours faithfully



Jorge Resende
Authorised Representative



Martin Hall
Authorised Representative

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Table of contents

Section		Page
I	**Outline of the Offer**	**7**
	Conditions	7
II	**Scope of our report**	**8**
	Purpose	8
	Basis of assessment	8
	Reliance on independent technical specialist	9
	Limitations and reliance on information	10
III	**Profile of FEG**	**11**
	Overview	11
	History	11
	Current operations	11
	Indonesian projects	13
	Australian projects	15
	Financial performance	15
	Financial position	16
	Capital and security price performance	17
IV	**Industry overview**	**21**
	Gold overview	21
	Gold supply and demand	21
	Historic gold prices	23
	Gold market outlook	24
V	**Valuation of 100% of FEG**	**25**
	Overview	25
	Sum of parts approach	25
	SRK's valuation of FEG's projects	26
	Valuation of 100% of FEG	32
	FEG's option to progress to 80% ownership of Idenburg	33
	Risk adjustment for Wonogiri	34
	Other assets	34
	Shares on issue	35
	Valuation summary	36
	Valuation cross-check	36
VI	**Evaluation of the Offer**	**38**
	Summary of opinion	38
	Assessment of fairness	38
	Assessment of reasonableness	38
	Other matters	43

Appendices

A	**Financial Services Guide**
B	**Qualifications, declarations and consents**
C	**Valuation methodology**
D	**Glossary**

Annexures

A	**Independent Specialist Report of SRK Consulting dated 25 June 2026**

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I Outline of the Offer

20 On 27 May 2026, Xingye released a Bidder's Statement in relation to an unsolicited off-market takeover bid to acquire all of the ordinary shares in FEG that it does not already own for cash consideration of A$0.13 cash per share (the Offer).

Conditions

21 The Offer is subject to the conditions set out in both the Target's Statement (at Section 4.2) and the Bidder's Statement, dated 27 May 2026 (refer to Section 10.3).

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II Scope of our report

Purpose

22 While there is no statutory requirement for FEG to obtain an IER, the Independent Board Committee of FEG have requested that LEA prepare an IER stating whether, in LEA's opinion, the Offer is "fair and reasonable". Our report will accompany the Target's Statement to be sent to FEG Non-Associated Shareholders.

23 It should be noted that this report contains general financial product advice only and has been prepared without taking into account the personal objectives, financial situations or needs of individual FEG Non-Associated Shareholders. Accordingly, before acting in relation to the Offer, FEG Non-Associated Shareholders should have regard to their own objectives, financial situation and needs. FEG Non-Associated Shareholders should also read the Target's Statement that has been issued by FEG in relation to the Offer.

24 Furthermore, this report does not constitute advice or a recommendation (inferred or otherwise) as to whether FEG Non-Associated Shareholders should accept the Offer. This is a matter for individual FEG Non-Associated Shareholders based upon their own views as to value, their expectations about future economic and market conditions and their particular personal circumstances including their risk profile, liquidity preference, investment strategy, portfolio structure and tax position. If FEG Non-Associated Shareholders are in doubt about the action they should take in relation to the Offer or matters dealt with in this report, FEG Non-Associated Shareholders should seek independent professional advice.

Basis of assessment

25 Our report has been prepared as if it was required under s640 of the *Corporations Act 2001* (Cth) (Corporations Act). Accordingly, in preparing our report we have given due consideration to the Regulatory Guides issued by ASIC, particularly RG 111, which sets out the assessment framework to which an expert must adhere in evaluating the merits of a transaction.

26 RG 111 distinguishes "fair" from "reasonable" and considers:

(a) an offer to be "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are the subject of the offer. A comparison must be made assuming 100% ownership of the target company

(b) an offer to be "reasonable" if it is fair. An offer may also be "reasonable" if, despite not being "fair" but after considering other significant factors, shareholders should accept the offer in the absence of any higher bid before the close of the offer.

27 Based on our understanding of ASIC's policy intent, it should also be noted that:

(a) when assessing the fairness of a transaction the expert must determine the full underlying value of the company's shares without applying any discount due to company specific factors (such as excess gearing or the need to undertake a significant equity raising) which may impair the company's ability to realise full underlying value

(b) company specific factors which may impair a company's ability to realise full underlying value should only be taken into account when assessing the reasonableness of a transaction.

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28 Our report will therefore consider:

Fairness

(a) the market value of the shares in FEG (on a 100% controlling interest basis)

(b) the value of the consideration under the Offer

(c) the extent to which (a) and (b) differ (in order to assess whether the Offer is fair under RG 111)

Reasonableness

(d) the value of the Offer consideration compared to our assessed value range

(e) the listed market price of FEG shares both prior to the announcement of the Offer and during the Offer period

(f) the likely market price of FEG shares if the Offer is not successful

(g) the position of FEG Non-Associated Shareholders if Xingye acquires more than 50% but less than 100% of the FEG shares on issue

(h) Xingye's current shareholding in FEG

(i) the value of FEG to an alternative offeror and the likelihood of an alternative offer emerging, either prior to the close of the Offer, or sometime in the future

(j) FEG's financial resources and outlook if the Offer does not proceed

(k) the conditional nature of the Offer

(l) shareholders stated to be rejecting the Offer.

Reliance on independent technical specialist

29 ASIC Regulatory Guides envisage the use by an independent expert of specialists when valuing specific assets. To assist LEA in the valuation of FEG projects, SRK Consulting (Australasia) Pty Ltd (SRK) was engaged by FEG, and instructed by us, to prepare an Independent Specialist Report (the SRK Report) providing technical assessment and valuation of FEG's mineral assets.

30 LEA has relied on the work undertaken by SRK when forming our opinion on the value of FEG's projects. SRK possesses the appropriate qualifications and experience in the industry to make such assessments. SRK and LEA believe that SRK is independent of FEG. SRK's report was prepared in accordance with the guidelines outlined in the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (VALMIN Code, 2015), which incorporates the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012).

31 LEA is satisfied with the valuation methodologies adopted by SRK, and we believe they are in accordance with industry practices. Discussion of the valuation methodologies adopted by SRK and SRK's findings are referenced in the body of this report and in further detail in the SRK Report.

32 SRK has provided consent for the use of its report in preparing this report and a copy of the SRK Report is annexed to this IER at Annexure A.

Limitations and reliance on information

33 Our opinions are based on the economic, share market, financial and other conditions and expectations prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

34 Our report is also based upon financial and other information provided by FEG and its advisers. We understand the accounting and other financial information that was provided to us has been prepared in accordance with the Australian equivalents to International Financial Reporting Standards. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld.

35 The information provided was evaluated through analysis, enquiry and review to the extent considered appropriate for the purpose of forming an opinion on the Offer from the perspective of FEG securityholders. However, we do not warrant that our enquiries have identified or verified all of the matters which an audit, extensive examination or "due diligence" investigation might disclose. Whilst LEA has made what it considers to be appropriate enquiries for the purpose of forming its opinion, "due diligence" of the type undertaken by companies and their advisers in relation to (for example) prospectuses or profit forecasts is beyond the scope of an IER.

36 Accordingly, this report and the opinions expressed therein should be considered more in the nature of an overall review of the anticipated commercial and financial implications of the proposed transaction, rather than a comprehensive audit or investigation of detailed matters. Further, this report and the opinions therein, must be considered as a whole. Selecting specific sections or opinions without context or considering all factors together, could create a misleading or incorrect view or opinion. This report is a result of a complex valuation process that does not lend itself to a partial analysis or summary.

37 An important part of the information base used in forming an opinion of the kind expressed in this report is comprised of the opinions and judgement of management of the relevant companies. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.

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III Profile of FEG

Overview

38 FEG is an ASX-listed advanced gold exploration company headquartered in Brisbane, Queensland. The Company was incorporated on 20 March 2020 and listed on the ASX on 24 March 2022 following an IPO at A$0.20 per share. FEG holds commercial rights to a portfolio of six gold and copper exploration projects across Indonesia and Australia.

39 The Company's flagship asset is the high-grade Idenburg gold project in Papua, Indonesia, which recently increased its JORC Mineral Resource estimate to approximately 780,000 ounces of gold. In addition to Idenburg, FEG owns the Wonogiri, Woyla and Trenggalek projects in Indonesia, together with the Blue Hill Creek and Mount Clark West projects in Australia.

History

40 A summary of FEG's key corporate and project milestones is set out below:

FEG – history

Date	Event
20 March 2020	Incorporated in Queensland.
24 March 2022	Completed an IPO at A$0.20 per share, having secured the rights to the Woyla, Wonogiri and Trenggalek Indonesian projects, and the Hill 212, Blue Hill Creek and Mount Clark West Australian projects.
September 2022	Commenced maiden drilling at the Woyla Project.
6 June 2023	Completed the acquisition of a 100% interest in the Trenggalek copper-gold project.
11 July 2024	Acquired the Idenburg project under a conditional share purchase agreement for up to 100% of the Contract of Work (COW).
13 November 2024	Reported a maiden JORC Inferred Mineral Resource estimate for Idenburg of approximately 540,000 ounces of gold and 468,000 ounces of silver.
May 2025	Launched a resource-expansion drilling program at Idenburg (32 holes, 3,670 metres), which followed a new high-grade discovery (East Bermol) in late April 2025.
5 May 2026	Idenburg's JORC Inferred Mineral Resource estimate was increased by 44% to approximately 780,000 ounces.
28 May 2026	Xingye lodged its Bidder's Statement under the Offer for FEG at A$0.13 cash per share for all the FEG shares it did not already own.
22 June 2026	Moved to 51% interest in the Idenburg project by issuing the vender 50 million FEG shares with a value of A$6.5 million.

Current operations

41 As stated above, FEG's current portfolio comprises four Indonesian projects and two Australian projects, with Idenburg representing the Company's principal near-term development focus. A map of the project locations is set out below:

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FEG – location of projects



42 A summary of FEG's project interests, mineralisation types and current resource or exploration status is detailed in the table below:

FEG – project summary

Project	Location	FEG interest	Mineralisation	Resource / Status
Idenburg	Papua, Indonesia	Owns 51%, increasing to 80% on completion of a Feasibility Study	Orogenic gold	JORC Inferred Mineral Resource estimate of 780,000 ounces of gold
Wonogiri	Central Java, Indonesia	100% economic interest	Porphyry and epithermal copper-gold	JORC Resource Mineral estimate of 996,000 ounces of gold and approximately 190 million pounds of copper
Woyla	Aceh, Indonesia	51% economic interest	High-grade epithermal gold-silver	Advanced exploration asset
Trenggalek	East Java, Indonesia	100% economic interest	Porphyry copper-gold and epithermal gold	Mining licence held
Blue Hill Creek	Drummond Basin, Queensland	90% beneficial ownership	Low-sulphidation epithermal gold-silver	Consolidated Queensland gold exploration project
Mount Clark West	Connors Arc, Queensland	90% beneficial ownership	Porphyry copper-gold	Exploration project with an exploration target of 400–650 million tonnes (Mt) at 0.4–0.6% copper equivalent

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Indonesian projects

Idenburg Gold Project

43 In July 2024, FEG entered into a binding term sheet to acquire up to 100% of the Idenburg project, with a staged ownership pathway comprising an initial acquisition of a 51% interest and an increase to 80% on completion of a Feasibility Study. The acquisition of this 51% interest was finalised on 22 June 2026 following the issue of 50 million shares at an issue price of A$0.13 per share for a value of A$6.5 million[3]. FEG also has a pathway to 100% ownership if the vendor elects to convert their 20% interest into a 2% net smelter royalty.

44 The Idenburg gold project is FEG's flagship asset and is located in Papua, Indonesia, near the border with Papua New Guinea. Idenburg is an orogenic gold project with a significant historical exploration database, including almost US$12 million of work undertaken by major gold companies such as Barrick, Newmont, Newcrest and Placer Dome. The project is held under a 6th-generation COW covering approximately 95,280 hectares (952.8 km^2).

45 Idenburg is situated within the Idenburg Inlier, a geologically prospective region that hosts a number of significant gold and copper deposits, including the nearby Grasberg-Ertsberg district. The project benefits from relatively favourable access compared to many other Papuan mining projects, with the all-weather Trans-Irian Highway providing logistical access from the regional capital of Jayapura.

46 An initial maiden JORC Inferred Mineral Resource estimate of approximately 540,000 ounces of gold was announced in November 2024. In May 2026, FEG announced an updated JORC Inferred Mineral Resource estimate of approximately 780,000 ounces of gold, representing a 44% increase from the initial Inferred Mineral Resource estimate. The updated resource incorporates mineralisation from the Sua, North Bermol, Bermol and Mafi prospect areas.

47 The current mineral resource estimate is based on four prospect areas comprising Sua, North Bermol, Bermol and Mafi. To date, only around 30% of the concessional areas within the broader Idenburg project have been explored in detail. Historical exploration has identified a further 11 prospect areas and a number of additional structural targets that have not yet been subject to detailed evaluation or resource estimation. Accordingly, there remains potential for the mineral resource to increase through further exploration and drilling activities.

48 In recent years FEG has undertaken a number of steps towards the completion of its Indonesian Feasibility Study for Idenburg, which the Company has stated is expected to complete by the fourth quarter of 2026. These steps include the substantial completion of the scoping study and the commencement of a range of technical, environmental and permitting workstreams designed to facilitate completion of the Indonesian Feasibility Study. Key activities include resource definition and conversion work, LiDAR-supported geological modelling and mine planning, geotechnical and hydrological investigations, forestry reclassification and permitting activities, environmental approvals progression, civil and infrastructure studies, and ongoing metallurgical optimisation and mine design.

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3 FEG also had to spend at least A$5 million on the project to secure this interest (noting that at the date of this report the Company had spent some A$7.7 million progressing the development of the Idenburg project).

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Wonogiri

49 FEG has a 100% economic interest in the Wonogiri project, located in Central Java, Indonesia. It is an advanced mining project within the Sunda-Banda Arc, including the advanced Randu Kuning porphyry gold-copper deposit that is prospective for broader porphyry and epithermal-style copper-gold mineralisation. The project covers approximately 3,928 hectares (39.28 km^2) under an IUP[4] exploration licence.

50 Wonogiri hosts a JORC Mineral Resource estimate of approximately 1.16 million ounces of gold equivalent, comprising approximately 996,000 ounces of gold and 190 million pounds of copper, quoted at a 0.2 grams per tonne (g/t) gold equivalent cut-off. Importantly, 534,483 ounces of gold equivalent of the Mineral Resource estimate are in the Measured category. The Company has previously prepared a scoping study on the economic viability of the project.

51 In May 2022, FEG engaged Mining One to update the 2016 internal scoping study for the Randu Kuning deposit at the Wonogiri Project. The updated work incorporated prevailing commodity prices, recent metallurgical test work and an optimised processing flowsheet, building upon earlier pit optimisation studies that assessed conceptual open pit and underground mining scenarios. The results of the updated scoping study were not publicly released following the Company's strategic focus on the Idenburg Project. Internal technical studies and supporting tonnage and grade estimates have reportedly been completed and submitted to the Indonesian Government, although these have not been publicly disclosed.

52 In April 2022, shortly after FEG's ASX listing, the mining licence associated with the Wonogiri project was revoked by the Indonesian Government. Based on both legal advice (from multiple law firms) and a letter from Indonesia's Director General of Mineral and Coal, the revocation was made in error, and the licence is currently subject to an ongoing administrative reinstatement process.

Woyla

53 FEG holds a 51% economic interest in the Woyla project, with the original ownership pathway to 80% subject to completion of a Feasibility Study. However, in April 2026, FEG announced that further exploration would not be undertaken as the Company prioritised its highly prospective Idenburg project. Prior to the acquisition of the Idenburg project, FEG was focused on developing the Woyla project and had incurred over A$25 million on exploration and drilling[5].

54 The Woyla project is located in Aceh, Indonesia, and is held under a 6th-generation COW covering approximately 24,260 hectares (242.6 km^2). It is an advanced exploration asset prospective for high-grade epithermal gold-silver mineralisation and porphyry copper-gold mineralisation. FEG's historical drilling and exploration work has returned high-grade gold and silver results, however the project does not currently have a reported JORC Mineral Resource estimate.

4 IUP - Izin Usaha Pertambangan, which translates to Mining Business Licence in English.

5 Note, the underlying vendor of Woyla is also the underlying vendor of Idenburg.

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Trenggalek

55 FEG completed the acquisition of 100% economic interest in Trenggalek in June 2023, following Indonesian Government approval for the relevant share transfers. The Trenggalek project is located in East Java, Indonesia, covering approximately 12,813 hectares (128.13 km^2) under an IUP-OP[6] mining licence. The project is prospective for island-arc epithermal and porphyry-related gold and base metal mineralisation.

56 Trenggalek has had more than 17.7 kilometres (km) of historical drilling completed and historic work has identified multiple prospects and geochemical anomalies across the IUP-OP. At the Singgahan prospect, 5 separate porphyry targets have been defined ranging from 54 Mt to 265 Mt. At the Sumber Bening prospect, 4 separate porphyry targets ranging from 142 Mt to 680 Mt have been defined. FEG is preparing for a planned phase 1 drilling program and is engaging with local communities regarding timing.

Australian projects

Blue Hill Creek

57 The Blue Hill Creek project is located in the Drummond Basin in Queensland and covers approximately 8,000 hectares (80.0 km^2). FEG holds a 90% beneficial ownership interest in the project, which comprises the former Hill 212, Blue Grass Creek and Reedy Creek project areas. The consolidation followed FEG's completion of the relevant earn-in expenditure obligations and satisfaction of vendor requirements.

58 Blue Hill Creek is prospective for epithermal gold mineralisation. Prior to the consolidation, FEG had identified a 10 km epithermal gold vein at Hill 212, while Blue Grass Creek was interpreted as a potential continuation of that system. FEG has since focused on fieldwork preparation, including priority mapping, geochemical and hyperspectral anomaly work.

Mount Clark West

59 The Mount Clark West project is located in the Connors Arc region of central Queensland and covers approximately 1,912 hectares (19.12 km^2). FEG's interest was acquired under an earn-in arrangement with Ellenkay Gold Pty Ltd, with FEG having satisfied the relevant earn-in expenditure obligations for a 90% interest in the project. Mount Clark West is prospective for porphyry copper-gold mineralisation.

60 FEG has reported a prospective conceptual exploration target for Mount Clark West of 400 Mt to 650 Mt at 0.4% to 0.6% copper equivalent. At this scale, this represents one of the more significant conceptual intrusive copper systems identified in Queensland in recent years. During FY26, FEG commenced a further drilling program at Mount Clark West, with drilling delayed by seasonal rainfall before recommencing in February 2026.

Financial performance

61 The statement of financial performance for FEG for the four years ended 30 June 2025 (FY25), and the half year to 31 December 2025 (1H26) is set out below:

6 Izin Usaha Pertambangan – Operasi Produksi (IUP-OP), which is an Indonesian Operation and Production Mining Licence.

FEG – statement of financial performance[1]	FY22 A$000	FY23 A$000	FY24 A$000	FY25 A$000	1H26 A$000
Revenue[2]	0.1	0.9	17.7	191.6	156.2
Consulting costs	(807.1)	(622.6)	(505.2)	(192.7)	(407.8)
Employee benefits expense	(336.4)	(615.4)	(189.3)	(236.9)	(331.1)
Professional fees	(187.8)	(460.3)	(421.9)	(468.0)	(453.7)
Exploration expenses	-	-	-	(1,846.4)	(2,521.9)
Project acquisition costs	(841.5)	-	-	(1,314.9)	-
Share-based payment expense	(760.2)	(108.0)	(25.6)	(1,562.0)	(210.6)
Other expenses	(496.4)	(966.8)	(585.7)	(1,078.6)	(588.2)
Total expenses	(3,429.4)	(2,773.0)	(1,727.7)	(6,699.5)	(4,513.3)
Loss before income tax	(3,429.2)	(2,772.1)	(1,710.0)	(6,507.9)	(4,357.2)
Income tax expense	-	-	-	-	-
Loss after income tax	(3,429.2)	(2,772.1)	(1,710.0)	(6,507.9)	(4,357.2)

Note:
1 Rounding differences may exist.
2 This is interest income.
Source: FEG Financial Statements for FY22, FY23, FY24 and FY25 and 1H26.

62 FEG is an exploration-stage company which incurs expenditure to progress its mining projects and has not yet reached the stage of development where it derives revenue from its projects. Accordingly, and consistent with mining exploration companies generally, the Company's only revenue is a modest level of interest income, and its results since listing on the Australian Securities Exchange (ASX) have been losses.

63 Aside from capitalised development expenditure, costs incurred by the Company include operating costs associated with employees, consulting and professional fees, share based expenses (from the issue of shares, options and performance rights) and other expenses, as well as project acquisition costs.

Financial position

64 The statement of financial position for FEG as at 30 June 2025 and 31 December 2025 is set out below:

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FEG – statement of financial position[1]		
As at	**30 Jun 25 A$000**	**31 Dec 25 A$000**
Cash and cash equivalents	3,444.5	955.6
Term deposits	7,500.0	5,500.0
Trade and other receivables	261.0	212.5
Property, plant and equipment	54.5	37.4
Right-of-use assets[2]	75.4	53.0
Exploration and evaluation assets	33,782.1	33,270.3
Other assets	1,516.6	1,440.6
Total assets	46,634.0	41,469.5
Trade and other payables	(589.9)	(1,126.1)
Provisions	(32.6)	(7.4)
Lease liabilities[2]	(76.2)	(72.6)
Total liabilities	(698.7)	(1,206.1)
Net assets	45,935.4	40,263.4

Note:
1 Rounding differences may exist.
2 Australian Accounting Standard 16 – *Leases* related assets and liabilities.
Source: FEG Financial Statements for FY25 and 1H26.

65 FEG's net assets are primarily comprised of capitalised exploration and evaluation expenditure[7], which had a carrying value of approximately A$33.3 million as at 31 December 2025, representing more than 80% of the Company's net assets.

66 The Company's other significant assets comprise cash and term deposits, which totalled approximately A$6.5 million as at 31 December 2025. Following ongoing operating activities and project development expenditure, cash and term deposits had reduced to approximately A$3.6 million as at 31 March 2026.

67 As at 31 May 2026, FEG had accumulated gross tax losses available for potential future utilisation of approximately A$11.9 million. Consistent with the Company's accounting policy, these tax losses have not been recognised as an asset on its balance sheet.

Capital and security price performance

68 As at 27 May 2026 (i.e. the date of the Offer), FEG had 367.0 million fully paid securities on issue. However, following the issue of 50 million shares to the vendor to move to a 51% interest in Idenburg (as announced on 22 June 2026), there were 417.0 million fully paid ordinary securities on issue.

69 In addition, FEG's long-term incentives (LTI) include 16.0 million options and 9.0 million performance rights. In the event of a change of control of FEG, any unvested options or performance rights will immediately vest and become exercisable by the holder.

7 Consistent with FEG's accounting policy, exploration and evaluation expenditure is capitalised and carried at cost, less any impairment losses recognised.

70 The LTIs carry no dividend or voting rights and convert into ordinary securities upon vesting, as summarised below:

FEG – LTIs			
LTI class	**Number**	**Exercise price (A$)**	**Expiry date**
Options (FEGAF)	1,000,000	0.25	31 December 2026
Options (FEGAE)	1,000,000	0.40	21 August 2026
Options (FEGAG)	14,000,000	0.25	24 December 2027
Performance rights (FEGAH)	8,750,000	-	24 December 2027
Performance rights (FEGAD)	250,000	-	31 December 2027

Source: FEG FY25 Annual Report and FEG.

Substantial securityholders

71 As at 27 May 2026, there were two substantial securityholders in FEG. A summary of these is as follows:

FEG – substantial securityholders (prior to 22 June 2026)		
	Securities held	
Securityholder	**Million**	**% interest**
Xingye Gold (Hong Kong) Mining Company Limited	73.4	19.99
PT Rajawali Corporation	20.9	5.70
Total	94.3	25.69

Source: FEG ASX announcements.

72 Following the issue of 50 million shares to Eloquent Enterprises Limited to move to 51% ownership of the Idenburg project on 22 June 2026, there were now three substantial securityholders in FEG. A summary of these is as follows:

FEG – substantial securityholders (from 22 June 2026)		
	Securities held	
Securityholder	**Million**	**% interest**
Xingye Gold (Hong Kong) Mining Company Limited	73.4	17.59
Eloquent Enterprises Limited	67.5	16.19
PT Rajawali Corporation	20.9	5.02
Total	161.8	38.80

Source: FEG ASX announcements and FEG.

Security price performance

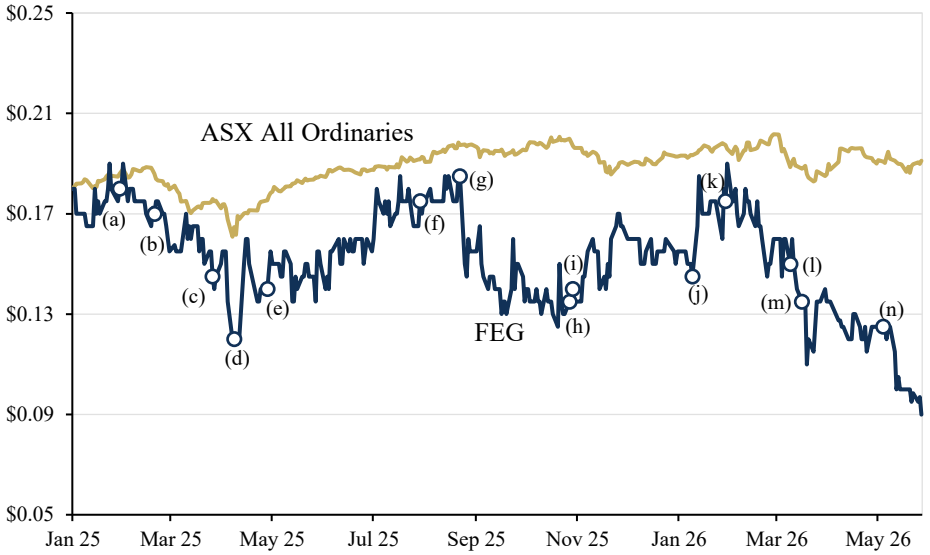
73 The following chart illustrates the movement in the share price of FEG from 1 January 2025 to 27 May 2026[8] compared to the ASX All Ordinaries Index:

8 Which was the last day of trading prior to the announcement of the Offer, which was announced after the close of trading on 27 May 2026.

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FEG – security price history(1)
1 January 2025 to 27 May 2026



Note:
1 Based on closing prices. The ASX All Ordinaries Index has been rebased to the closing price of FEG on 1 January 2025.
Source: FactSet and LEA analysis.

74 We note the following in respect of the movements in the security price of FEG:

(a) **30 January 2025** – released its December 2024 Quarterly Report, announcing a maiden Idenburg Inferred Mineral Resource estimate of 540,000 ounces of gold and 468,000 ounces of silver

(b) **20 February 2025** – completed the final tranche of Xingye's strategic placement, which increased Xingye's holding to a 19.99% of FEG shares for a total investment of A$14.67 million (at A$0.20 per share)

(c) **27 March 2025** – announced a 32-hole, 3,670-metre diamond drilling program at Idenburg aimed at expanding the mineral resources

(d) **9 April 2025** – announced a new high-grade gold discovery at East Bermol as part of the Idenburg project

(e) **29 April 2025** – released its March 2025 Quarterly Report, confirming the commencement of resource-expansion drilling at Idenburg and the East Bermol discovery

(f) **30 July 2025** – released its June 2025 Quarterly Report, updating its diamond drilling progress at the Bermol and Sua prospects

(g) **25 August 2025** – announced extensions to Idenburg mineralisation at Bermol

(h) **28 October 2025** – announced a new gold discovery at Idenburg at North Bermol

(i) **30 October 2025** – released its September 2025 Quarterly Report, reporting the North Bermol, Idenburg drilling results

(j) **12 January 2026** – reported new high-grade results from the Sua prospect at Idenburg

(k) **30 January 2026** – released its December 2025 Quarterly Report, covering the high-grade Sua drilling results and progress on Idenburg permitting

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(l) **10 March 2026** – reported further Sua drilling results, confirming that mineralisation extends about 100 metres down-dip and along strike to the north-east ahead of a planned resource update

(m) **17 March** – announced receipt of UKL-UPL[9] environmental approval for advanced exploration over 8,950 hectares within the Idenburg COW area

(n) **5 May 2026** – released an updated JORC Inferred Mineral Resource estimate for Idenburg of 7.8 Mt at 3.1 g/t gold for 780,000 ounces, a 44% increase on the prior estimate.

Liquidity in FEG securities

75 The liquidity in FEG securities based on trading on the ASX over the 12-month period up to and including to 27 May 2026[10] is set out below:

FEG – liquidity in securities(1)

Period	Start date	End date	WANOS(2) outstanding 000	No of securities traded 000	Implied level of liquidity Period(3) %	Implied level of liquidity Annual(4) %
1 month	28 Apr 26	27 May 26	367,027	4,459	1.2	15.3
3 months	28 Feb 26	27 May 26	367,027	10,336	2.8	11.7
6 months	28 Nov 25	27 May 26	367,027	23,967	6.5	13.2
1 year	28 May 25	27 May 26	367,027	50,524	13.8	13.8

Note:
1 Rounding differences may exist.
2 Weighted average number of securities outstanding (WANOS) during the relevant period.
3 Number of securities traded during the period divided by WANOS.
4 Implied annualised figure based upon implied level of liquidity for the period.
Source: FactSet and LEA analysis.

76 As indicated in the table above, securities in FEG are relatively illiquid, which can be attributable to the relatively small size of the Company, as well as a number of long-term shareholders, which include Xingye and FEG's management and Independent Directors.

9 Upaya Pengelolaan Lingkungan and Upaya Pemantauan Lingkungan, meaning Environmental Management and Monitoring Efforts.

10 Which was the last day of trading prior to the announcement of the Offer, which was announced after the close of trading on 27 May 2026.

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IV Industry overview

Gold overview

77 Gold is a ductile and malleable noble metal that has historically derived value from its relative scarcity, durability and physical beauty. Gold serves a dual role as both a commodity and a financial asset. As a commodity, gold is primarily used in jewellery, electronics and other industrial applications. As a financial asset, gold is held by central banks as part of their foreign reserve portfolios and by investors as a store of value and potential hedge against inflation.

78 Gold is typically priced in United States of America (US) dollars and, unlike many commodities, derives a significant portion of its value from its role as a store of wealth and safe-haven asset. As a result, its price is influenced by factors such as real interest rates, monetary policy, inflation expectations, currency movements, investor demand, central bank purchases, and geopolitical developments. This differs from many other commodities, whose prices are generally driven by conventional supply and demand dynamics.

79 Mine production is the primary source of global gold supply, accounting for approximately 75% of annual supply, with the balance sourced from recycled gold[11]. Gold is most commonly dispersed throughout rock and soil (collectively referred to as ore) and is extracted through either open-pit or underground mining methods where economically viable. Once mined, the ore is processed to recover the contained gold, generally through a combination of crushing, grinding and metallurgical treatment processes that separate the gold from waste material. The recovered gold is then refined through a series of processing stages to produce doré bullion, which is subsequently transported to a refinery for further purification into saleable gold[12].

80 Trading both as a physical commodity and as a financial asset through over-the-counter markets and exchanges, the global gold industry comprises a broad range of participants, including physical market participants such as producers, refiners, and manufacturers, and financial intermediaries including institutional banks, central banks, and investors. These markets facilitate the buying and selling of gold, support price discovery, and allow market participants to manage exposure to movements in the gold price[13]. Global trading activity is concentrated in London, the US, and China, whose exchanges together account for over 90% of global gold trading volumes[14].

Gold supply and demand

81 Global gold supply has grown relatively modestly over the decade to December 2025 notwithstanding a significant increase in gold prices. Total gold supply in 2025 increased 1.8% to 5,144 tonnes, comprising 3,740 tonnes of mine production (up 1.4%) and 1,403 of recycled gold (up 2.8%)[15], with net producer hedging of negative 74 tonnes. Whilst

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11 Source: World Gold Council website, *Gold Supply*, accessed on 2 June 2026 (https://www.gold.org/gold-supply).

12 Source: Geoscience Australia website, *Gold*, accessed on 2 June 2026 (https://www.ga.gov.au/education/minerals-energy/australian-mineral-facts/gold).

13 Source: World Gold Council website, *Market Structure Trends*, accessed on 2 June 2026 (https://www.gold.org/about-us/what-we-do/market-infrastructure/market-structure-trends).

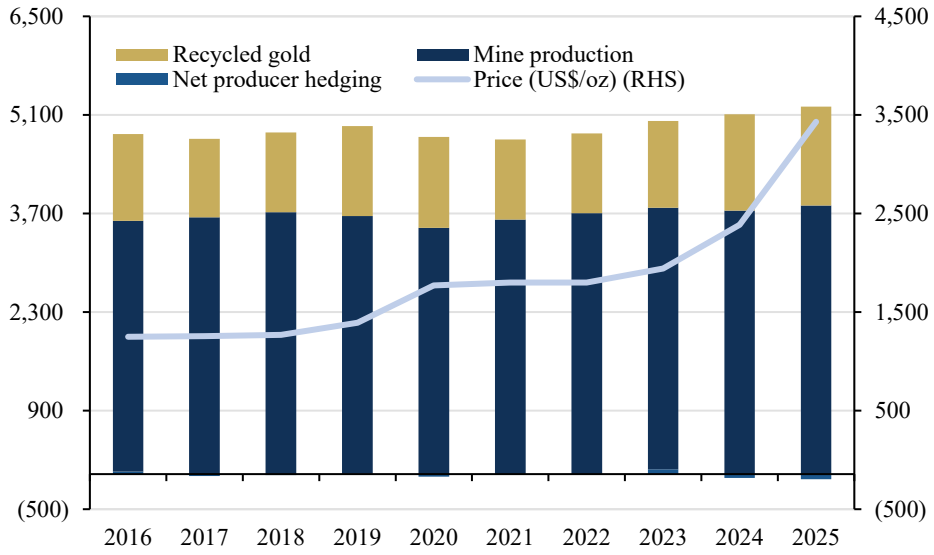
14 Source: World Gold Council website, *Major Global Trading Hubs*, accessed on 2 June 2026 (https://www.gold.org/gold-market-structure/global-gold-market).

15 Source: World Gold Council, *Gold Demand Trends (2025)*.

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remaining near historically high levels, total gold supply has increased by only 6.5% since 2016 while the gold price has increased by 174% over the same period, as illustrated in the following chart:

Global gold supply (tonnes)
2016 - 2025



Source: World Gold Council, *Gold Demand Trends (2025)*; LEA analysis.

82 Global gold demand exceeded 5,000 tonnes for the first time in 2025 after consecutive years of moderate declines. Safe-haven and diversification motives spurred a rotation into exchange traded funds (ETFs) and bar and coin investments during a period when the gold price set 53 new all-time highs throughout the year[16].

83 Jewellery accounted for approximately 33% of total gold demand in 2025, making it the largest end-use category. Nonetheless, jewellery demand declined by 19% during the year, driven by declines of 24% and 25% in the key markets of India and China respectively, as record gold prices reduced consumer purchasing activity[16].

84 Total investment demand (comprising physical bar and coin and ETFs) reached a new record in 2025, rising by 83% on the year prior. Over the decade to December 2025, investment demand became a more significant driver of the gold market, increasing from approximately 37% of total demand in 2016 to approximately 44% in 2025[17]. Gold investment demand was supported by safe-haven and diversification motives amid geopolitical and economic uncertainty. US dollar weakness, high equity valuations, lower interest rate expectations, and rising gold prices further increased investor demand[18].

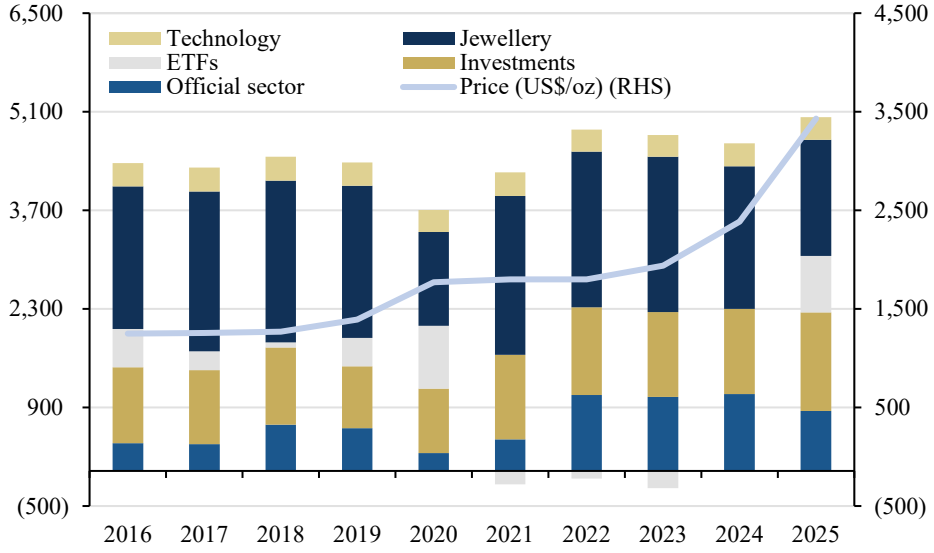
85 Central banks remained a significant source of demand in 2025 relative to historical levels, notwithstanding decreasing 22% on the year prior. Central bank purchases increased 6%

16 Source: World Gold Council, *Gold Demand Trends (2025)*.
17 Source: Thomson Reuters GFMS, *Gold Survey 2013*, dated April 2013 (pages 11-12).
18 Source: World Gold Council, *Gold Demand Trends (2025)*.

quarter-on-quarter in Q4 2025 as persistent economic and geopolitical uncertainty increased demand for gold as a reserve asset[18].

86 As illustrated in the below chart, the composition of global gold demand evolved over the decade to 2025:

Global gold demand (tonnes)
2016 - 2025



Source: World Gold Council, *Gold Demand Trends (2025)*; LEA analysis.

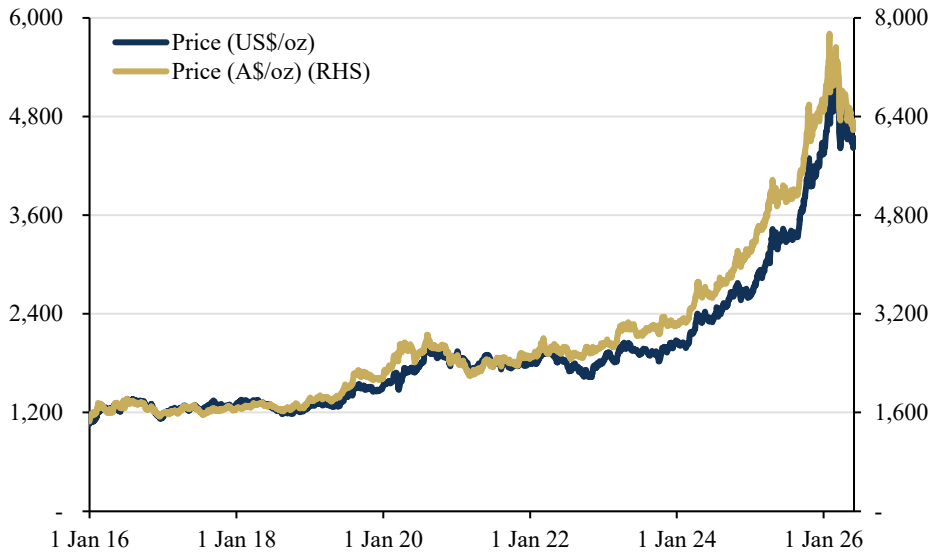
Historic gold prices

87 Long-term gold prices have historically trended upwards and typically outperform during periods of global economic uncertainty. Over the 10 years to 31 May 2026, the gold price has increased to US$4,546 per ounce from around US$1,212 per ounce (on 31 May 2016)[19]. The gold price peaked at US$5,405 per ounce on 29 January 2026[19]. This is illustrated in the following table which sets out the gold price from 1 January 2016 to 31 May 2026 in both US$ and A$ terms:

19 Source: FactSet.

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Historical gold prices
1 January 2016 – 31 May 2026



Source: FactSet.

Gold market outlook

88 The Department of the Industry, Sciences and Resources (DISR) reported in its Resources and Energy Quarterly published in December 2025 that gold prices had risen strongly during 2025 due to renewed trade tensions, geopolitical uncertainty and expectations of further reductions in US interest rates[20]. Consensus estimates published in the London Bullion Markets Association's Annual Precious Metals Forecast Survey 2026 forecast an average gold price of US$4,741.97 per ounce during 2026, with analyst forecasts ranging from US$4,000 per ounce to US$6,050 per ounce[21].

89 The DISR noted that demand for safe-haven assets such as gold was expected to remain strong during FY26 and FY27. Ongoing geopolitical uncertainty together with broader global economic uncertainty were identified as factors likely to continue supporting investment demand for gold[20].

90 The DISR also reported that gold and copper-gold exploration companies were expected to account for a larger share of mineral exploration activity going forward, supported by strong commodity prices and favourable long-term demand fundamentals[22].

20 Source: DISR, Office of the Chief Economist, *Resources and Energy Quarterly (December 2025)*, page 7.
21 Source: London Bullion Markets Association, *2026 Precious Metals Forecast Survey,* dated 19 January 2026.
22 Source: DISR, Office of the Chief Economist, *Resources and Energy Quarterly (December 2025)*, page 13.

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V Valuation of 100% of FEG

Overview

91 An overview of generally accepted valuation approaches used in the determination of market value is set out in Appendix C. As noted in Section III, FEG is an advanced gold exploration company that owns a range of projects located in Indonesia and Australia. Its most advanced projects are the Idenburg and Wonogiri projects, and it also owns a number of less developed projects (i.e. Woyla, Trenggalek, Mount Clark West and Blue Hill Creek). FEG is currently loss making and not expected to generate cash flows in the short term. Based on our review of its projects, none are at a stage that would enable a valuation methodology based on cash flows and/or earnings.

92 In our experience, the most appropriate method for determining the value of companies with such projects is the sum of the parts approach applied to the underlying net assets. We have cross checked this value to the share market trading in FEG shares prior to the announcement of the Offer, adjusted for a premium for control.

Sum of parts approach

93 In undertaking the sum of the parts method, given the stage of development of the projects we have instructed SRK to prepare an Independent Specialist Report providing technical assessment and valuation of FEG's projects. SRK's valuations are contained in their report dated 23 June 2026 (the SRK Report), which is attached as Annexure A to this report.

94 In relation to FEG's projects we note the following:

(a) Idenburg (51% interest) – the Idenburg project is FEG's flagship project, covering 95,280 hectares (952.8 km^2) with a JORC Inferred Mineral Resource estimate of approximately 780,000 ounces of gold. The current Mineral Resource estimate is based on only a portion of the identified prospects within the broader Idenburg Project, with a further 11 prospect areas and numerous structural targets yet to be subject to detailed evaluation or resource estimation. FEG has undertaken a number of steps towards the completion of an Indonesian Feasibility Study for Idenburg (including the substantial completion of the scoping study and the commencement of a range of technical, environmental and permitting workstreams designed to facilitate completion of the Feasibility Study), and the Company has stated the study is expected to be complete by the fourth quarter of 2026

(b) Wonogiri (100% interest) – has a JORC Mineral Resource estimate of approximately 1.16 million ounces of gold equivalent, with 534,483 ounces of this estimate in the Measured category. In May 2022, FEG commissioned an update to the 2016 scoping study for the Randu Kuning deposit, incorporating updated commodity price assumptions, metallurgical test work and process optimisation. Although the results were not publicly disclosed, the Company has reported that technical studies and supporting tonnage and grade estimates were completed and submitted to the Indonesian Government

(c) Woyla (51% interest) – the Woyla project covers approximately 24,260 hectares (242.6 km^2) and prior to the acquisition of the Idenburg project, FEG was focused on developing the Woyla project. FEG has incurred over A$25 million of exploration and drilling expenditure on this project

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(d) Trenggalek (100% interest) – the Trenggalek project is located in East Java, Indonesia, covering approximately 12,813 hectares (128.13 km^2) under an IUP-OP[23] mining licence. Historical exploration at Trenggalek includes more than 17.7 km of drilling and has identified multiple prospects across the licence area where a number of porphyry targets have been delineated

(e) Blue Hill Creek (90% interest) – the Blue Hill Creek project is located in the Drummond Basin and covers approximately 8,000 hectares (80.0 km^2) and is prospective for epithermal gold mineralisation

(f) Mount Clark West (90% interest) – the Mount Clark West project is located in central Queensland and covers approximately 1,912 hectares (19.12 km^2). FEG has reported a prospective conceptual exploration target for Mount Clark West of 400 Mt to 650 Mt at 0.4% to 0.6% copper equivalent.

SRK's valuation of FEG's projects

95 Regarding the valuation methodologies adopted by SRK to value FEG's projects, the following is set out in the SRK Report (further information on SRK's adopted methodologies and valuations can be found in their full report included at Annexure A):

(a) SRK has classified FEG's projects based on development stage, with all of FEG's projects classified as advanced stage exploration projects, aside from the Blue Hill Creek project which has been classified as an early-stage exploration project

(b) for valuation purposes, SRK has categorised FEG's projects into those with Mineral Resource estimates, and those without Mineral Resource estimates (referred to as Exploration Potential). The valuation methodologies undertaken for each of these categories are as follows:

(i) Mineral Resources (i.e. projects with a Mineral Resource estimate) – SRK has valued the Idenburg and Wonogiri projects using comparable transactions as the primary method, with a cross check to the yardstick method

(ii) Exploration Potential (i.e. projects without a Mineral Resource estimate) – SRK has valued the Woyla, Trenggalek, Mount Clark West and Blue Hill Creek projects, as well as the exploration potential of the Idenburg project (i.e. outside of the resources areas included in (i) above) using comparable transactions as the primary method, with a cross check to the geoscience rating method

(c) SRK's valuations have been undertaken on a 100% basis, from which they have applied FEG's ownership interest to obtain the net attributable value.

SRK valuations of Mineral Resources projects

96 As stated above, the Idenburg and Wonogiri projects (i.e. the projects with Mineral Resource estimates) have been valued by SRK using comparable transactions as the primary method, with a cross check to the yardstick method.

23 An Indonesian Operation and Production Mining Licence.

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97 For the comparable transactions method, SRK considered transactions of mineral interests that met the following parameters for the Idenburg[24] and Wonogiri projects (on the basis that, in SRK's view, these best reflect the development status positioning that would be adopted by market participants in evaluating Idenburg and Wonogiri):

(a) the transactions completed between 2017 and 11 June 2026. SRK stated that their initial data set (between 2021 and 11 June 2026) was insufficient to perform a resource-based calculation and that they had expanded the scope of transactions further back to 2017

(b) the transactions were based on southeast Asian resource projects with similar geopolitical risk factors to Indonesia (i.e. including Cambodia, Papua New Guinea, Indonesia, the Philippines, Fiji, and Vanuatu), given that there was initially an insufficient Indonesian data set

(c) were in various development stages (spanning from the pre-feasibility / scoping stage through feasibility to operating mines).

98 Based on the above parameters, SRK identified 11 transactions that they considered sufficiently relevant and for which sufficient information was available to calculate a resource multiple.

99 The implied transaction multiples were then expressed in A$/ounce of contained gold equivalent, calculated from the stated transaction value (at the grossed-up acquisition cost) and the total contained JORC Mineral Resource of contained gold equivalent defined within the project at the time of the transaction. These multiples were then "normalised", or adjusted upwards, based on the increase in the monthly average monthly gold price between the time of the transaction and the 30-day average gold price to 31 May 2026 (which implies a gold price of A$6,383 per ounce).

100 SRK notes that there is a clear relationship between the development stage of the assets that host defined Mineral Resources and their implied multiples, with the average and median values increasing in line with development stages. A summary of the average normalised implied multiples for southeast Asian projects calculated by SRK is as follows:

SRK normalised multiples	
Project stage	**A$ / ounce**
Pre-feasibility / scoping	90
Feasibility	110
Operating mines	725

Source: SRK Report, page 85.

101 Based on their assessment of the available technical data and the multiples derived, SRK adopted resource multiples of:

(a) Idenburg – between A$76/ounce and A$114/ounce for the JORC Inferred Mineral Resource estimate. SRK based these multiples on the Idenburg project's resources, ongoing resource definition and extension drilling across a range of targets and deposits,

24 SRK notes that FEG has stated that previous exploration at the Idenburg project has focused on only about 30% of the project area and hence some 70% of the COW remains under explored.

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initial metallurgical test work (which demonstrated high gold recoveries), the preparation of a scoping study which is nearing completion and the receival of key environmental approvals and permits

(b) Wonogiri – between A$64/ounce and A$125/ounce (with JORC Measured Mineral Resource estimates towards the high end of this range and JORC Inferred Mineral Resources estimates toward the low end of this range). SRK based these multiples on the Wonogiri project's resources, preparation of a scoping study (which was not publicly reported), advancement of the project by FEG through extensive drilling and resource definition, and initial metallurgical studies. SRK also notes that the permitting for Wonogiri has not advanced to the same degree as Idenburg.

102 A summary of the SRK valuations for the Mineral Resources projects on a 100% interest basis is set out in the table below:

Comparable transactions value for FEG's Mineral Resources projects

Prospect	Tenement	Total equiv. gold resources k ounce	Multiple Low A$/ounce	Multiple High A$/ounce	Low A$m	High A$m
Sua	Idenburg	517	76	114	39.2	58.9
North Bermol	Idenburg	22	76	114	1.7	2.5
Bermol	Idenburg	230	76	114	17.5	26.2
Mafi	Idenburg	18	76	114	1.3	2.0
Subtotal	Idenburg	786			59.7	89.6
Measured	Wonogiri	534	100	125	53.4	66.8
Indicated	Wonogiri	57	80	100	4.6	5.7
Inferred	Wonogiri	567	64	80	36.3	45.4
Subtotal	Wonogiri	1,159			94.3	117.9
Total					154.1	207.5

Source: SRK Report, Table 6.5, page 89.

103 The values adopted by SRK on a 100% interest basis are as follows:

(a) Idenburg – A$59.7 million to A$89.6 million, with an implied midpoint value per resource of A$90/ounce of JORC Mineral Resource estimate for the project

(b) Wonogiri – A$94.3 million to A$117.9 million, with an implied midpoint value per resource of A$91.6/ounce of JORC Mineral Resource estimate for the project.

104 SRK has completed a cross check to the above values employing the yardstick approach. The yardstick method involves applying a percentage of the spot commodity price to the quoted JORC Mineral Resource estimate. SRK notes this approach is typically used as a secondary method to cross check the primary valuation method.

105 SRK's industry yardstick factors are summarised as follows:

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Industry yardstick factors value range

Resource	% of spot price	Value range (gold) Low A$/oz	High A$/oz
Measured	2.0 – 5.0	127.66	319.15
Indicated	1.0 – 2.0	63.83	127.66
Inferred	0.5 – 1.0	31.91	63.83
Target	0.1 – 0.5	6.38	31.91

Source: SRK Report, Table 6.6, page 90.

106 Based on the industry yardstick assumptions and the 30-day average spot gold price to 31 May 2026, SRK's valuation range for the Mineral Resources held by FEG falls within the range of A$115.1 million to A$264.3 million on a 100% basis, detailed as follows:

Yardstick valuation of FEG's Mineral Resources projects

Project	Idenburg equiv. gold ounces	Wonogiri equiv. gold ounces	Total equiv. gold ounces	Yardstick multiple A$/ounce Low	High	Implied yardstick multiple A$m Low	High
Measured	-	534,483	534,483	128	319	68.2	170.6
Indicated	-	57,434	57,434	64	128	3.7	7.3
Inferred	786,169	567,006	1,353,176	32	64	43.2	86.4
Total	786,169	1,158,924	1,945,094			115.1	264.3

Source: SRK Report, Table 6.7, page 90.

107 With regard to this cross check, SRK's yardstick approach has a wider range of values of A$115.1 million to A$264.3 million in comparison to the comparable transactions approach of A$154.1 million to A$207.5 million. Further SRK notes that whilst the industry yardstick approach considers the different confidence levels of JORC Mineral Resource estimation as well as the state of the gold market, it does not consider other aspects, such as different stages of project development, infrastructure and types of mineralisation. SRK concludes that the market transaction analysis is their preferred valuation method and the yardstick approach should be used as a cross check for the reasonableness of this preferred valuation method.

SRK valuations of Exploration Potential projects

108 The projects without Mineral Resource estimates, i.e. the Woyla, Trenggalek, Blue Hill Creek and Mount Clark West projects, as well as the Exploration Potential of the Idenburg project (i.e. the 70% of the under explored area at the Idenburg project), have been valued by SRK using comparable transactions as the primary method, with a cross check to the geoscience rating method.

109 Under the comparable transactions approach for the above projects, SRK has considered transactions for exploration licences (ELs and EPMs[25]) as follows:

(a) to obtain a meaningful data set, the transactions for the Indonesian projects are based on transactions that completed between 2016 and 11 June 2026 located in southeast Asia

25 ELs = Exploration Licences, EPMs = Exploration Permit for Minerals.

(i.e. countries with similar geopolitical risk factors such as Cambodia, Papua New Guinea, Indonesia, the Philippines, Fiji, and Vanuatu). This provided 11 transactions

(b) the transactions for the Queensland projects are based on transactions located in Queensland that completed between June 2021 and 1 June 2026, of which there are 17 transactions.

110 The implied transaction multiples were then expressed as an area based multiple (i.e. A$/km^2), calculated from the stated transaction value (at the grossed-up acquisition cost) and the total project tenure at the time of the transaction. These multiples were then "normalised" or adjusted upwards based on the increase in the monthly average monthly gold price between the time of the transaction and the 30-day average gold price to 31 May 2026 (which implies a gold price of A$6,383 per ounce).

111 A summary of the comparable transaction multiples for FEG's Exploration Potential projects is as follows:

SRK adopted multiples			
A$/km^2	**Low**	**Mid**	**High**
Idenburg – exploration potential	21,200	28,250	35,300
Woyla	37,900	50,500	63,100
Trenggalek	37,900	50,500	63,100
Blue Hill Creek	31,400	41,900	52,400
Mount Clark West	52,800	70,400	88,000

Source: SRK Report, page 94.

112 Regarding the above, SRK notes that:

(a) Idenburg's exploration potential represented the 70% of the tenure area that remains unexplored. SRK states that the multiple applied should be less than that at FEG's other Indonesian projects. The Idenburg Exploration Potential was therefore based on the average (normalised) of the southeast Asian data set

(b) Woyla and Trenggalek were based on the 75th percentile (normalised) of the southeast Asia data set

(c) Blue Hill Creek was based on the average (normalised) of the Queensland data set

(d) Mount Clark West was based on the 80th percentile (normalised) of the Queensland data set.

113 A summary of the SRK valuations for the Exploration Potential projects on a 100% interest basis is set out in the table below:

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Comparable transactions value for FEG's Exploration Potential projects

Permit	Area km²	Multiple A$/km² Low	Multiple A$/km² High	Low A$m	High A$m
Idenburg (under-explored areas)					
458.K/30/DJB/2017	666.96	21,200	35,300	14.1	23.5
Woyla					
177.K/30/DJB/2018	242.60	37,900	63,100	9.2	15.3
Trenggalek					
P2T/57/15.02/VI/2019	128.13	37,900	63,100	4.9	8.1
Total Indonesia				28.2	46.9
Blue Hill Creek					
EPM26217	19.13	31,400	52,400	0.6	1.0
EPM27794	22.33	31,400	52,400	0.7	1.2
EPM28601	38.27	31,400	52,400	1.2	2.0
Subtotal				2.5	4.2
Mount Clark West					
EPM26008	19.17	52,800	88,000	0.9	1.5
Total Queensland				3.4	5.7
Total Indonesia and Queensland				31.6	52.6

Source: SRK Report, Table 6.10, page 95.

114 Based on the comparable transactions method, the early to advanced projects held by FEG fall within the range of A$31.6 million to A$52.6 million on a 100% basis, detailed as follows:

(a) Woyla – A$9.2 million to A$15.3 million

(b) Trenggalek – A$4.9 million to A$8.1 million

(c) Idenburg exploration – A$14.1 million to A$23.5 million, which when combined with the A$59.7 million to A$89.6 million value attributed to the project that has resources, results in a total value for Idenburg of A$73.8 million to A$113.1 million

(d) Blue Hill Creek – A$2.5 million to A$4.2 million

(e) Mount Clark West – A$0.9 million to A$1.5 million.

115 SRK has completed a cross check to the above values employing the geoscience rating method. The geoscience rating method involves attempts to quantify the relevant technical aspects of a property through appropriate multipliers (factors) applied to an appropriate base value and is considered to be a cost-based method of valuation. SRK notes this approach is typically used as a secondary method to cross check the primary valuation method.

116 SRK's geoscience rating method range of values is A$15.0 million to A$39.1 million in comparison to the comparable transactions approach of A$31.6 million to A$52.6 million. SRK notes that the geoscience rating method is a cost-based method which does not directly reference the vagaries of the market, while the comparable transactions method is a market-

based approach and this accounts for market conditions. SRK concludes that the market transaction analysis to be the preferred valuation method and the geoscience rating method should be used as a cross check as to reasonableness.

SRK valuation summary

117 A summary of the total values attributed to the both the Mineral Resources and the Exploration Potential projects by SRK on both a 100% economic interest and actual ownership interest basis is as follows:

Summary of market value of FEG's projects

	Value – 100% basis			Owner-	Value – net attributable		
Project	Low A$m	High A$m	Pref A$m	ship %	Low A$m	High A$m	Pref A$m
Mineral Resource							
Idenburg	59.7	89.6	74.7	51	30.5	45.7	38.1
Wonogiri	94.3	117.9	106.1	100	94.3	117.9	106.1
Subtotal	154.1	207.5	180.8		124.8	163.6	144.2
Exploration potential							
Idenburg (unexplored areas)	14.4	23.5	18.8	51	7.2	12.0	9.6
Woyla	9.2	15.3	12.3	51	4.7	7.8	6.2
Trenggalek	4.9	8.1	6.5	100	4.9	8.1	6.5
Blue Hill Creek	2.5	4.2	3.4	90	2.3	3.8	3.0
Mount Clark West	0.9	1.5	1.2	90	0.8	1.4	1.1
Subtotal	31.6	52.6	42.1		19.8	33.0	26.4
Total	185.7	260.1	222.9		144.6	196.6	170.6

Source: SRK Report, Table 6.15, page 106.

118 As shown above, SRK has valued FEG's interests in the Company's projects at between A$144.6 million and A$196.6 million. The breadth of this valuation range reflects the nature of the underlying assets, which comprise a portfolio of exploration and development-stage mineral projects, where value is inherently sensitive to assumptions regarding resources, exploration success, development outcomes, commodity prices and project timing. Accordingly, valuation ranges of this nature are not unusual in the context of mineral asset valuations.

Valuation of 100% of FEG

119 As Technical Specialist, we instructed SRK to provide technical assessment and valuation of FEG mineral assets, which are set out above. To determine the enterprise value of FEG we have also allowed for the following:

(a) FEG's option to move to 80% ownership of Idenburg project by the completion of an Indonesian Feasibility Study

(b) any necessary risk adjustments for the Wonogiri project, to allow for the revocation of the project licence

(c) any other assets, such as cash or tax assets, held by the Company.

These factors are covered in further detail below.

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FEG's option to progress to 80% ownership of Idenburg

120 On 22 June 2026, FEG announced it had increased its ownership of the Idenburg project to 51% following satisfaction of the required condition under the Conditional Share Purchase Agreement, being the issue of 50 million shares at an issue price of A$0.13 per FEG share, for a value of A$6.5 million.

121 Under the terms of the Conditional Share Purchase Agreement, FEG may further increase its interest in the Idenburg project to 80% upon completion of an Indonesian Feasibility Study that is accepted by the Indonesian Ministry of Energy and Mineral Resources. In this regard we note that FEG stated the following in its ASX announcement dated 19 June 2026:

"In parallel with its exploration activities, the Company has commenced work associated with the Indonesian Feasibility Study ("FS") for the Idenburg Project, which forms a key component of the pathway to increasing FEG's ownership interest in PT Iriana Mutiara Idenburg from 51% to 80%. These workstreams include resource definition and conversion activities, LiDAR survey acquisition to support geological modelling and mine planning, geotechnical and hydrological investigations, environmental and permitting activities, civil and infrastructure studies, together with ongoing metallurgical optimisation and mine design work."

122 Given that a number of the workstreams required for completion of the Indonesian Feasibility Study have already been undertaken, the remaining expenditure to complete the Feasibility Study is relatively modest, estimated by FEG at approximately A$0.8 million, excluding internal Company management time and associated costs. After allowing for Company management time and associated costs, for valuation purposes we have adopted total costs to complete the Indonesian Feasibility Study of A$1.5 million to A$2.5 million.

123 Further, FEG has stated that it intends to complete the Indonesian Feasibility Study during the fourth quarter of 2026 (i.e. by December 2026), indicating that its interest in the Idenburg Project is expected to increase from 51% to 80% in the near term.

124 The right to increase FEG's ownership interest in the Idenburg Project from 51% to 80% represents a valuable contractual option. Upon completion of an Indonesian Feasibility Study that is accepted by the Indonesian Ministry of Energy and Mineral Resources, FEG will be entitled to acquire an additional 29% interest in the project. Importantly, this additional interest can be acquired through satisfaction of a pre-agreed condition of the Conditional Share Purchase Agreement, without requiring any further negotiation with the vendor.

125 Given the above, for the purpose of our valuation of 100% of FEG, we consider it appropriate to incorporate the value of this option, noting that there is no guarantee that the Indonesian Feasibility Study will be completed, nor to its planned timing and cost. Accordingly, we have valued this contractual option at 75% to 85% of the excess of 29% of the SRK value of the Idenburg project, over expected costs (including Company management time and associated costs) to complete the Indonesian Feasibility Study.

126 On this basis we have determined that this contractual option has a value to FEG of A$16.9 million to A$22.7 million, calculated as follows:

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FEG's option to progress to 80% ownership of Idenburg	Low A$m	Mid A$m	High A$m
Value of 100% of Idenburg	73.8	93.5	113.1
Percentage attributable to FEG's option (29%)	21.4	27.1	32.8
Allowance for costs to complete Indonesian Feasibility Study	(1.5)	(2.0)	(2.5)
Value before allowance for risk adjustment factor	19.9	25.1	30.3
Risk adjustment factor (%)	85%	80%	75%
Value attributable to Idenburg uplift option	16.9	20.1	22.7

Risk adjustment for Wonogiri

127 As stated in Section III, in April 2022, the mining licence associated with the Wonogiri project was revoked by the Indonesian Government and based on both legal advice (from multiple law firms) and a letter from Indonesia's Director General of Mineral and Coal, the revocation was made in error. The licence is currently subject to an ongoing administrative reinstatement process.

128 Notwithstanding that the FEG licence revocation appears to have been made in error, as confirmed by both Indonesia's Director General of Mineral and Coal and a number of law firms engaged by FEG, the licence currently remains revoked. Whilst the Company is pursuing avenues to have the licence reinstated, the timing and conditions of any such process remain uncertain.

129 Given the above, the Wonogiri project is subject to a higher degree of uncertainty than the Company's other mineral assets. Accordingly, it is appropriate from a valuation perspective to apply a discount to the value otherwise attributable to the project to reflect the increased tenure risk and uncertainty.

130 Whilst subjective, to allow for this uncertainty, we have applied a 25% discount to the SRK values adopted for the Wonogiri project. This discount results in a decrease in value for the Wonogiri project of A$23.6 million to A$29.5 million, calculated as follows:

Risk adjustment for the Wonogiri Project	Low A$m	Mid A$m	High A$m
Value of FEG's 100% interest in Wonogiri	94.3	106.1	117.9
Risk discount factor	(25%)	(25%)	(25%)
Value reduction for licence status	(23.6)	(26.5)	(29.5)

Other assets

131 FEG has a number of other assets that are not reflected in FEG's enterprise value for which an allowance must be made. These assets are as follows:

(a) **cash or cash equivalents** – after allowing for cash expenses to the date of this report, and including allowance for the costs associated with the Offer (of some A$0.7 million), we have adopted cash for valuation purposes of A$1.3 million

(b) **cash from option exercise** – the Company has 16 million options on issue, 15 million of which have an option exercise price of A$0.25 per FEG share and 1 million of which

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have an option exercise price of A$0.40 per FEG share. For valuation purposes we allowed for the cash upon exercise for the 15 million options with an exercise price of A$0.25 per share (i.e. A$3.75 million). For the options with an exercise price of A$0.40 per share, we have allowed for the cash upon exercise (i.e. A$0.4 million) for the 1 million options on the basis that our assessed per share value is above this price (which is for the high value range only)

(c) **tax losses** – as set out in paragraph 67, FEG has gross carried forward tax assets (arising from past tax losses) of some A$11.9 million as at 31 May 2026[26], most of which reside in Australian entities. For the purposes of our report, we have valued the tax asset at Nil to A$1.0 million. In determining our values, we have considered:

(i) the time period over which any utilisation of this tax asset could reasonably be utilised (based on FEG's future earnings potential)

(ii) the reluctance by purchasers generally to pay significant value for tax losses due to, inter alia, the inherent uncertainty associated with their ability to utilise the tax losses (in particular, following a change of control).

Shares on issue

132 At the date of this report, FEG has 417 million fully paid ordinary shares on issue[27]. In addition, and as set out in paragraph 69, the Company has 16 million options and 9 million performance rights on issue. In the event of a change of control event, such as that envisaged under the Offer, any unvested options or performance rights will immediately vest and become exercisable by the holder. As noted above, the options have exercise prices of A$0.25 per share (for 15 million options) to A$0.40 per share (for 1 million options).

133 For valuation purposes we have:

(a) allowed for the dilution associated with the 9 million performance rights, as these vest immediately upon a change of control

(b) allowed for dilution arising from the[28]:

(i) 15 million options with an exercise price of A$0.25 per share

(ii) 1 million options with an exercise price of A$0.40 per share at the high end of our assessed valuation range only, as the implied equity value per share at the lower end of the range is below the exercise price.

134 On this basis, for the low and the midpoint valuation ranges we have allowed for 441 million fully diluted shares and for the high valuation, we have allowed for 442 million fully diluted shares.

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26 The net value of these tax losses at a 30% tax rate is some A$3.6 million.

27 We note that this includes the 50 million shares issued as part of acquiring FEG's 51% interest in Idenburg.

28 Whilst these also vest upon a change of control, a rational holder would only be expected to exercise an option where the value of the underlying shares exceeds the relevant exercise price.

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Valuation summary

135 Based on the above, we have assessed the value of 100% of the equity in FEG on a controlling interest basis as follows:

FEG – valuation summary	Paragraph	Low A$m	Mid A$m	High A$m
SRK project asset values	117	144.6	170.6	196.6
FEG's option to progress to 80% ownership of Idenburg	126	16.9	20.1	22.7
Risk adjustment for Wonogiri	130	(23.6)	(26.5)	(29.5)
Other assets / (liabilities)				
– Cash	131(a)	1.3	1.3	1.3
– Cash from options exercise ($0.25)	131(b)	3.8	3.8	3.8
– Cash from options exercise ($0.40)	131(b)	-	-	0.4
– Tax losses	131(c)	-	0.5	1.0
Equity value – controlling interest basis		143.0	169.8	196.4
Fully diluted shares on issue (million)	135	441.0	441.0	442.0
Value per share – controlling interest basis ($)		$0.324	$0.385	$0.444

Valuation cross-check

136 In our view, FEG's share price has not necessarily been an accurate measure of value, noting that the share price of an exploration company (particularly one that is thinly traded, such as FEG) can differ materially from underlying value and stay that way for an extended period. For example, in recent years FEG has significantly progressed the development of its projects, most notably the Idenburg project. The price of gold has also increased significantly in recent years. However, the FEG share price has not apparently reflected either of these factors and has reduced from some A$0.18 per share in January 2025, to A$0.09 per share prior to the Offer.

137 Notwithstanding the above comments, we have also considered the listed market prices of FEG shares up to and including 27 May 2026 (being the last trading day prior to the announcement of the Offer, which was announced after the close of trading on 27 May 2026). These market prices are shown below:

FEG share prices prior to the announcement of the Offer[1]	A$/share
Closing price on 27 May 2026	0.090
VWAP[2] for 1 month up to and including 27 May 2026	0.107
VWAP for 3 months up to and including 27 May 2026	0.122

Note:
1 Rounding differences may exist.
2 Volume weighted average price (VWAP).

138 For the purpose of our share price comparison, we have had more regard to the VWAPs rather than the share price on the last trading day prior to the announcement of the Offer, noting also the gradual decline in the prices at which FEG shares traded over the period. Accordingly, for comparison purposes we have adopted an FEG share price in the range of A$0.11 to A$0.12 per share (based on the one to three month VWAPs).

139 Empirical research undertaken by LEA indicates that the average premium paid above the listed market price in successful takeovers in Australia ranges between 30% and 35% (assuming the pre-bid market price does not reflect any speculation of the takeover, and after adjusting the pre-bid market price as appropriate for the movement in share market indices between the date of the pre-bid market price and the announcement of the takeover)[29].

140 Adding a 30% to 35% premium for control to the share price range of A$0.11 to A$0.12 would therefore result in a theoretical "control" value of A$0.143 to A$0.162 per share. Our assessed valuation of FEG shares (on a 100% controlling interest basis) lies significantly above this theoretical range, however we consider our valuation range to be appropriate, noting that in our view:

(a) for the reasons set out in 136 above, FEG's share price was not necessarily an accurate measure of value

(b) FEG shares are relatively illiquid and hence relatively small levels of trading can move its share price

(c) it is not uncommon for control premiums to exceed the average premium implied by empirical research, particularly for exploration companies such as FEG that:

  (i) are not covered by investment analysts or institutional investors

  (ii) do not form part of any ASX Index (which naturally limits the level of institutional investor interest).

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29 LEA has analysed the control premiums paid in successful takeovers and other change in control transactions involving cash consideration in Australia over the period 2000 to December 2025. LEA's study covered over 550 transactions in all sectors excluding real estate investment trusts and listed investment companies. Scrip transactions were excluded from the analysis because the value of the scrip consideration can vary materially depending on the date of measurement. Negative premiums and outliers (premiums over 60%) were also excluded.

VI Evaluation of the Offer

Summary of opinion

141 LEA has concluded that the Offer is not fair and not reasonable to FEG Non-Associated Shareholders.

142 We have formed this opinion for the following reasons.

Assessment of fairness

143 Pursuant to RG 111 an offer is "fair" if:

> *"The value of the offer price or consideration is equal to or greater than the value of the securities the subject of the offer."*

144 This comparison is shown below:

Comparison of Offer consideration	Low A$ per share	High A$ per share	Mid-point A$ per share
Value of Offer consideration	0.130	0.130	0.130
Value of 100% of ordinary shares in FEG	0.324	0.444	0.385
Extent to which the Offer consideration exceeds (or is less than) the value of the ordinary shares in FEG	(0.194)	(0.314)	(0.255)

145 As the consideration offered by Xingye is significantly less (a discount of 60% to 71%) than our assessed value of 100% of the ordinary shares in FEGs on a 100% controlling interest basis, in our opinion, the Offer is not fair to FEG Non-Associated Shareholders when assessed under the guidelines set out in RG 111.

Assessment of reasonableness

146 Pursuant to RG 111, an offer may be reasonable if, despite not being fair but after considering other significant factors, the expert is of the view that there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.

147 We have considered a number of factors in determining whether there are sufficient reasons for FEG Non-Associated Shareholders to accept the Offer, despite it not being fair:

(a) the value of the Offer consideration compared to our assessed value range

(b) the listed market price of FEG shares both prior to the announcement of the Offer and during the Offer period

(c) the likely market price of FEG shares if the Offer is not successful

(d) the position of FEG Non-Associated Shareholders if Xingye acquires more than 50% but less than 100% of the FEG shares on issue

(e) Xingye's current shareholding in FEG

(f) the value of FEG to an alternative offeror and the likelihood of an alternative offer emerging, either prior to the close of the Offer, or sometime in the future

(g) FEG's financial resources and outlook if the Offer does not proceed

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(h) the conditional nature of the Offer

(i) shareholders stated to be rejecting the Offer.

148 These issues are discussed in detail below.

Offer consideration compared to our assessed value range

149 Where the Offer price is only slightly below the assessed value range, it is more likely that accepting the Offer will be reasonable. However, in this case the value of the Offer consideration is substantially below our assessed valuation range, being A$0.13 per share compared to our valuation range of A$0.324 to A$0.444 per share.

150 A significant shortfall of the Offer consideration below the assessed value range makes it less likely that accepting the Offer is reasonable. For instance, it increases the likelihood of an alternative higher offer emerging.

Offer consideration compared to pre-bid FEG share price

151 While we consider that FEG's share price has not been a reasonable indicator of the underlying value in the Company (as discussed in Section V), it is still appropriate to compare the Offer consideration to the unaffected market price of the Company's shares. The excess of Offer consideration over pre-bid price is commonly referred to as the control premium.

152 Research undertaken by LEA[30] indicates that average premiums paid in successful takeovers in Australia generally range between 30% and 35% above the unaffected market price of the target company's shares[31]. This premium reflects the fact that:

(a) the owner of 100% of the shares in a company obtains access to all the free cash flows of the company being acquired, which it would otherwise be unable to do as a minority shareholder

(b) the controlling shareholder can direct the disposal of surplus assets and the redeployment of the proceeds

(c) a controlling shareholder can control the appointment of directors, management policy and the strategic direction of the company

(d) a controlling shareholder is often able to increase the value of the entity being acquired through synergies and/or rationalisation savings.

153 We have calculated the premium implied by the Offer of A$0.13 per share by reference to the market prices of FEG shares prior to the announcement of the Offer, as shown below:

30 LEA has analysed the control premiums paid in successful takeovers and other change in control transactions involving cash consideration in Australia over the period January 2000 to December 2025. LEA's study covered over 550 transactions in all sectors excluding real estate investment trusts and listed investment companies. Scrip transactions were excluded from the analysis because the value of the scrip consideration can vary materially depending on the date of measurement. Negative premiums and outliers (premiums over 60%) were also excluded.

31 Taken to be the share price one month prior to the earlier of the transaction announcement or market speculation that a transaction would occur. This price was adjusted for movement in the S&P / ASX All Ordinaries Accumulation Index from the share price date to the first announcement of the final offer.

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Implied offer premium relative to recent share prices[1]	FEG share price A$	Implied control premium %
27 May 2026[2]	0.090	44.4
Closing price 1 month prior	0.125	4.0
Closing price 3 months prior	0.160	(18.8)
1 month VWAP to 27 May 2026	0.107	21.6
3 months VWAP to 27 May 2026	0.122	6.9

Note:
1 Rounding differences may exist.
2 Being the closing price on the last day of trading prior to the announcement of the Offer.

154 We note that there was a relatively low level of trading in FEG prior to the Offer, i.e. there was low liquidity in the stock (as discussed at paragraphs 76 and 140). As a junior exploration company with relatively thin trading that is not covered by investment analysts or institutional investors, there is a significant risk of mispricing for FEG shares. However, to the extent that it is appropriate to compare against the pre-bid price, in our opinion the most appropriate base is the VWAP over the 3 months prior to the Offer. Against this benchmark, the implied control premium is some 6.9%[32].

155 Consequently, in our opinion, the Offer does not provide FEG Non-Associated Shareholders with a sufficient premium for control, even when measured against the pre-bid FEG share prices (which in our opinion have been relatively low compared to the underlying value of FEG).

Recent FEG share prices subsequent to the Offer

156 Shareholders should note that, since the Offer was announced, FEG shares have generally traded on the ASX above the A$0.13 per share offered by Xingye. On 24 June 2026, FEG shares last traded at A$0.155 per share (having traded as high as A$0.17 per share).

157 FEG Non-Associated Shareholders have therefore had an opportunity to realise cash value in excess of the Offer consideration through selling their shares on market. As long as FEG shares continue to trade at prices above the Offer price, FEG Non-Associated Shareholders have no incentive to sell their shares into the Offer.

158 This suggests that the market consensus view is that the Offer will need to be increased if it is to be successful.

Likely price of FEG shares if the Offer lapses

159 In our opinion, if the Offer lapses and no higher offer or alternative proposal emerges, it is likely (at least in the short term) that FEG shares will trade at a discount to our valuation (consistent with the difference between the value of FEG on a portfolio basis and the value on

32 We have also considered the Offer consideration against the 1 month VWAP, in which case the implied control premium is some 21.6%.

a 100% controlling interest basis) and may trade at a discount to the Offer price of A$0.13 per share.

160 However, there are some factors which in our opinion make it more likely that, if the Offer lapses, FEG shares will trade at prices higher than those observed prior to the announcement of the Offer:

(a) additional market attention on the Company arising from the Offer makes market mispricing less likely

(b) additional developments and information made available during the Offer process

(c) advice from FEG that since the Offer it has attracted substantial interest from a range of international mining companies, strategic investors and financial groups and that multiple parties have entered into confidentiality agreements and are conducting due diligence initiatives.

If Xingye acquires more than 50% but less than 90% of FEG

161 FEG Non-Associated Shareholders should note that the Offer is currently conditional on Xingye acquiring more than 50% of FEG shares on a fully diluted basis. Should Xingye acquire more than 50% but less than 90% of FEG shares, Xingye will control FEG[33] including its day-to-day management, strategic direction and level of dividend payments.

162 Xingye has also indicated in the Bidder's Statement that it intends, subject to meeting the eligibility requirements under the ASX Listing Rules, to remove FEG from the official list of the ASX. This would significantly diminish the ability of the remaining FEG Non-Associated Shareholders to trade in their shares, reducing their value.

163 Even without delisting from the ASX, if Xingye obtains more than 50% of FEG, the liquidity of FEG shares may be diminished and there may also be reduced prospects of minority shareholders obtaining a control premium on sale, both of which may have a negative effect on the price of FEG shares.

Xingye's current shareholding in FEG

164 At the date of the Offer, Xingye had a relevant interest in 19.99% of the shares on issue in FEG. Since that date, FEG has issued 50 million shares as part of the purchase agreement relating to its 51% interest in Idenburg, so Xingye's interest is now some 17.59%. Xingye could therefore prevent a competing bidder from proceeding to compulsory acquisition of FEG, but it does not control FEG.

Likelihood of an alternative offer

165 We have been advised by the Independent Board Committee of FEG that no formal alternative offers have been received subsequent to the announcement of the Offer on 27 May 2026.

33 In our opinion, the Offer in its current form does not offer FEG shareholders a full premium for control.

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166 However, FEG has advised that:

"Since the announcement of the Offer, Far East Gold has attracted substantial interest from a range of international mining companies, strategic investors and financial groups. Multiple parties have entered into confidentiality agreements with the Company and are actively progressing technical, commercial and site-based due diligence initiatives."

167 It is currently uncertain as to whether any alternative offer (or investment proposal) is likely to be made for FEG prior to the close of the Offer on 22 July 2026.

FEG's financial resources and outlook if the Offer does not proceed

168 FEG has limited financial resources, with its cash and term deposits as at 31 May 2026 being some A$2.4 million. In addition, FEG has estimated that it will incur some A$0.7 million of costs in responding to the Offer. Accordingly, if Xingye does not acquire all of FEG's shares and no alternative bid or investment proposal emerges, FEG will need additional funds in the short term just to continue to operate, in addition to the substantial capital required to develop any of its projects into operating mines.

169 While FEG has several potential alternative methods to raise additional funds (including equity raising, debt facilities, sale of assets, etc), the uncertainty about how the Company will deal with this situation creates additional risk for FEG minority shareholders.

Conditional nature of the Offer

170 As noted in the Bidder's Statement there are some significant conditions attached to Xingye's Offer including:

(a) obtaining more than 50% of FEG shares on a fully diluted basis

(b) Chinese regulatory approvals.

171 Until the Offer is made unconditional, FEG Non-Associated Shareholders accepting the Offer are not certain of receiving payment, but are not able to sell their shares on market nor to accept an alternative higher offer if one emerges.

Shareholders stated to be rejecting the Offer

172 FEG have stated that FEG Non-Associated Shareholders, who hold approximately 23.51% of FEG shares, do not presently intend to accept the Offer. This includes the Independent Directors who collectively own approximately 46.15 million shares or 11.07% of FEG issued shares[34]. Unless these shareholders change their position, Xingye cannot reach the 90% threshold needed to move to compulsory acquisition.

Conclusion

173 In our opinion, the reasons in favour of accepting the Offer for FEG Non-Associated Shareholders are more than outweighed by the factors in favour of rejecting the Offer.

174 In our opinion there are three particularly strong reasons against accepting the Offer for FEG Non-Associated Shareholders:

34 The Independent Directors also hold 10 million FEG options and 6.75 FEG performance rights.

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(a) the significant shortfall between the value of the Offer consideration and our assessed value range for FEG

(b) since the announcement of the Offer, FEG shares have generally traded above the Offer price

(c) advice from FEG that since the Offer it has attracted substantial interest from a range of international mining companies, strategic investors and financial groups and that multiple parties have entered into confidentiality agreements and are conducting due diligence initiatives.

175 On balance in our opinion there are not sufficient reasons for FEG Non-Associated Shareholders to accept the Offer. We have therefore concluded that the Offer is not reasonable.

176 Accordingly, we have concluded overall that the Offer is not fair and not reasonable to FEG Non-Associated Shareholders.

Other matters

177 The taxation consequences of accepting the Offer depend on the individual circumstances of each investor. Shareholders should read the taxation advice set out in the Bidder's Statement and should consult their own professional adviser if in doubt as to the taxation consequences of the Offer.

178 The ultimate decision whether to accept the Offer should be based on each shareholder's assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If FEG Non-Associated Shareholders are in doubt about the action they should take in relation to the Offer or matters dealt with in this report, FEG Non-Associated Shareholders should seek independent professional advice.

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Appendix A

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A Financial Services Guide

Lonergan Edwards & Associates Limited

1 Lonergan Edwards & Associates Limited (ABN 53 095 445 560) (LEA) is a specialist valuation firm which provides valuation advice, valuation reports and independent expert's reports (IER) in relation to takeovers and mergers, commercial litigation, tax and stamp duty matters, assessments of economic loss, commercial and regulatory disputes.

2 LEA holds Australian Financial Services Licence No. 246532, which authorises it to provide a broad range of financial services to retail and wholesale clients, including providing financial product advice in relation to various financial products such as securities, derivatives, interests in managed investment schemes, superannuation products, debentures, stocks and bonds.

Financial Services Guide

3 LEA has been engaged by FEG to provide general financial product advice in the form of an IER in relation to the Offer. The *Corporations Act 2001* (Cth) (Corporations Act) requires that LEA include this Financial Services Guide (FSG) with our IER.

4 This FSG is designed to assist retail clients in their use of the general financial product advice contained in the IER. This FSG contains information about LEA generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the IER, and if complaints against us ever arise how they will be dealt with.

General financial product advice

5 The IER contains general financial product advice only and has been prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the IER to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Fees, commissions and other benefits we may receive

6 LEA charges fees to produce reports, including this IER. These fees are negotiated and agreed with the entity who engages LEA to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the entity who engages us. In the preparation of this IER, LEA is entitled to receive a fee estimated at A$120,000 plus GST.

7 Neither LEA nor its directors and officers receives any commissions or other benefits, except for the fees for services referred to above.

8 All of our employees receive a salary. Our employees are eligible for bonuses based on overall performance and the firm's profitability, and do not receive any commissions or other benefits arising directly from services provided to our clients. The remuneration paid to our directors reflects their individual contribution to the company and covers all aspects of

performance. Our directors do not receive any commissions or other benefits arising directly from services provided to our clients.

9 We do not pay commissions or provide other benefits to other parties for referring prospective clients to us.

Complaints

10 If you have a complaint, please raise it with us first. LEA can be contacted by sending a letter to the following address:

Level 7
64 Castlereagh Street
Sydney NSW 2000

11 We will endeavour to satisfactorily resolve your complaint in a timely manner. Please note that LEA is only responsible for the preparation of this IER. Complaints or questions about the Target's Statement should not be directed toward LEA as it is not responsible for the preparation of this document.

12 If we are not able to resolve your complaint to your satisfaction within 30 days of your written notification, you are entitled to have your matter referred to the Australian Financial Complaints Authority (AFCA), an external complaints resolution service. You will not be charged for using the AFCA service.

Compensation arrangements

13 LEA has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of the Corporations Act.

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Appendix B

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B Qualifications, declarations and consents

Qualifications

1 LEA is a licensed investment adviser under the Corporations Act. LEA's authorised representatives have extensive experience in the field of corporate finance, particularly in relation to the valuation of shares and businesses and have prepared hundreds of IERs.

2 This report was prepared by Mr Jorge Resende and Mr Martin Hall, who are each authorised representatives of LEA. Mr Resende and Mr Hall have over 24 years and 38 years' experience respectively in the provision of valuation advice (and related advisory services).

Declarations

3 This report has been prepared at the request of the Independent Board Committee of FEG to accompany the Target's Statement to be sent to FEG Non-Associated Shareholders. It is not intended that this report serve any purpose other than as an expression of our opinion as to whether or not the Offer is fair and reasonable to FEG Non-Associated Shareholders.

4 LEA expressly disclaims any liability to any FEG shareholder who relies or purports to rely on our report for any other purpose and to any other party who relies or purports to rely on our report for any purpose whatsoever.

Interests

5 At the date of this report, neither LEA, Mr Resende nor Mr Hall have any interest in the outcome of the Offer. With the exception of the fee shown in Appendix A, LEA will not receive any other benefits, either directly or indirectly, for or in connection with the preparation of this report.

6 LEA has not had within the previous two years, any business or professional relationship with FEG or Xingye or any financial or other interest that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer.

7 We have considered the matters described in ASIC RG 112 – *Independence of experts*, and consider that there are no circumstances that, in our view, would constitute a conflict of interest or would impair our ability to provide objective independent assistance in this engagement.

8 LEA has had no part in the formulation of the Offer. Its only role has been the preparation of this report.

Indemnification

9 As a condition of LEA's agreement to prepare this report, FEG has agreed to indemnify LEA in relation to any claim arising from or in connection with its reliance on information or documentation provided by or on behalf of FEG which is false or misleading or omits material particulars or arising from any failure to supply relevant documents or information.

Consents

10 LEA consents to the inclusion of this report in the form and context in which it is included in FEG's Target Statement.

Appendix C

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C Valuation methodology

1 RG 111 outlines the appropriate methodologies that a valuer should consider when valuing assets or securities for the purposes of, amongst other things, schemes of arrangement, takeovers, share buy-backs, selective capital reductions and prospectuses. These include:

(a) the discounted cash flow (DCF) methodology

(b) the application of earnings multiples appropriate to the businesses or industries in which the company or its profit centres are engaged, to the estimated future maintainable earnings or cash flows of the company, added to the estimated realisable value of any surplus assets

(c) the amount that would be available for distribution to shareholders in an orderly realisation of assets

(d) the quoted price of listed securities, when there is a liquid and active market and allowing for the fact that the quoted market price may not reflect their value on a 100% controlling interest basis

(e) any recent genuine offers received by the target for any business units or assets as a basis for valuation of those business units or assets.

2 Under the DCF methodology the value of the business is equal to the net present value of the estimated future cash flows including a terminal value. In order to arrive at the net present value the future cash flows are discounted using a discount rate which reflects the risks associated with the cash flow stream.

3 Methodologies using capitalisation multiples of earnings or cash flows are commonly applied when valuing businesses where a future "maintainable" earnings stream can be established with a degree of confidence. Generally, this applies in circumstances where the business is relatively mature, has a proven track record and expectations of future profitability and has relatively steady growth prospects. Such a methodology is generally not applicable where a business is in start-up phase, has a finite life, or is likely to experience a significant change in growth prospects and risks in the future.

4 Capitalisation multiples can be applied to either estimates of future maintainable operating cash flow, earnings before interest, tax, depreciation and amortisation (EBITDA), earnings before interest, tax and amortisation (EBITA), earnings before interest and tax (EBIT) or net profit after tax. The appropriate multiple to be applied to such earnings is usually derived from stock market trading in shares in comparable companies which provide some guidance as to value and from precedent transactions within the industry. The multiples derived from these sources need to be reviewed in the context of the differing profiles and growth prospects between the company being valued and those considered comparable. When valuing controlling interests in a business an adjustment is also required to incorporate a premium for control. The earnings from any non-trading or surplus assets are excluded from the estimate of the maintainable earnings and the value of such assets is separately added to the value of the business in order to derive the total value of the company.

Appendix C

5 An asset based methodology is applicable in circumstances where neither a capitalisation of earnings nor a DCF methodology is appropriate. It can also be applied where a business is no longer a going concern or where an orderly realisation of assets and distribution of the proceeds is proposed. Using this methodology, the value of the net assets of the company are adjusted for the time, cost and taxation consequences of realising the company's assets.

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Appendix D

D Glossary

Term	Meaning
1H26	Half year to 31 December 2025
AFCA	Australian Financial Complaints Authority
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
Corporations Act	*Corporations Act 2001* (Cth)
COW	Contract of Work
DCF	Discounted cash flow
DISR	Department of the Industry, Sciences and Resources
EBIT	Earnings before interest and tax
EBITA	Earnings before interest, tax and amortisation of acquired intangibles
EBITDA	Earnings before interest, tax depreciation and amortisation
ETF	Exchange traded fund
Exploration Potential	Projects referred to in the SRK Report without a Mineral Resource estimate
FEG / the Company	Far East Gold Limited
FEG Non-Associated Shareholders	FEG shareholders not associated with Xingye
FSG	Financial Services Guide
FY	Financial year
g/t	Grams per tonne
IER	Independent expert's report
Independent Directors	Mr Justin Werner, Mr Shane Menere, Mr Christopher Atkinson, Mr Paul Walker, and Mr Michael Thirnbeck
IPO	Initial public offering
IUP-OP	Izin Usaha Pertambangan – Operasi Produksi, which is an Indonesian Operation and Production Mining Licence
JORC	Joint Ore Reserves Committee
km	Kilometre
km^2	Square kilometre
LEA	Lonergan Edwards & Associates Limited
LTI	Long-term incentive
Mt	Million tonnes
Offer	Unsolicited off-market takeover bid by Xingye to acquire all of the ordinary shares in FEG that it does not already own for cash consideration of A$0.13 per share
RG 111	Regulatory Guideline 111 – *Content of expert reports*
SRK	SRK Consulting (Australasia) Pty Ltd
SRK Report	Independent Specialist Report dated 23 June 2026 prepared by SRK
US	United States of America
VWAP	Volume weighted average price
WANOS	Weighted average number of shares
Xingye	Xingye Gold (Hong Kong) Mining Company Limited

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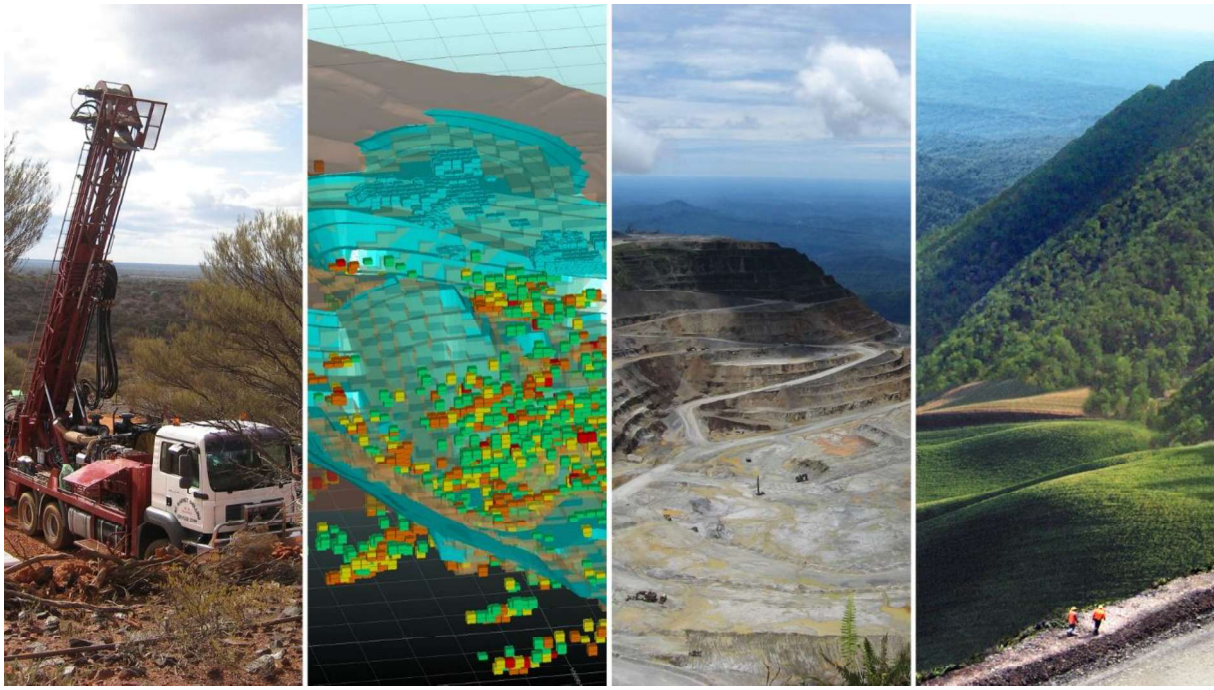
Final

Independent Specialist Report – Mineral Assets of Far East Gold Limited

Idenburg, Woyla, Trenggalek & Wonogiri Projects	Papua, Aceh, East Java & Central Java,	Indonesia
Blue Hill Creek & Mount Clark West Projects	Queensland,	Australia

Prepared for

Lonergan Edwards & Associates Limited



SRK Consulting (Australasia) Pty Ltd ■ LED002 ■ 25 June 2026

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Final

Independent Specialist Report – Mineral Assets of Far East Gold Limited

Idenburg, Woyla, Trenggalek & Wonogiri Projects, Papua, Aceh, East Java & Central Java (Indonesia) and Blue Hill Creek & Mount Clark West Projects, Queensland (Australia)

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Acknowledgments

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Disclaimer: The opinions expressed in this Report have been based on the information supplied to SRK Consulting (Australasia) Pty Ltd (SRK) by Far East Gold Limited (FEG). The opinions in this Report are provided in response to a specific request from Lonergan Edwards & Associates Limited (LEA) to do so. SRK has exercised all due care in reviewing the supplied information. While SRK has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. SRK does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in this Report apply to the site conditions and features as they existed at the time of SRK's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of this Report, about which SRK had no prior knowledge nor had the opportunity to evaluate.

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Contents

Useful definitions ix

Executive summary xi

1 Introduction 1
1.1 Scope 1
1.2 Reporting standard 1
1.3 Legal matters 2
1.4 Valuation date 2
1.5 Project team 2
1.6 Limitations, independence, indemnities and consent 4
1.6.1 Limitations and reliance 4
1.6.2 Statement of SRK independence 4
1.6.3 Indemnities 4
1.6.4 Consent 4
1.6.5 Consulting fees 5

2 Far East Gold Limited 6
2.1 Overview 6

3 Indonesian assets 8
3.1 Idenburg project 8
3.1.1 Overview 8
3.1.2 Location, access and climate 8
3.1.3 Tenure 9
3.1.4 Geology 11
3.1.5 Exploration history 12
3.1.6 Mineral Resource estimates 17
3.1.7 Mineral Resources 24
3.1.8 Exploration potential 26
3.1.9 Metallurgical testwork 28
3.1.10 Scoping Study 28
3.1.11 Risks and opportunities 28
3.2 Woyla project 29
3.2.1 Overview 29
3.2.2 Location, access and climate 29
3.2.3 Tenure 30
3.2.4 Geology 31
3.2.5 Exploration history 33
3.2.6 Risks and opportunities 40
3.3 Trenggalek project 40
3.3.1 Overview 40
3.3.2 Location, access and climate 41
3.3.3 Tenure 41
3.3.4 Geology 42
3.3.5 Exploration history 44
Prospects 44
3.3.6 Exploration potential 52
3.3.7 Risks and opportunities 52
3.4 Wonogiri project 53

For personal use only

3.4.1 Overview 53
3.4.2 Location, access and climate 53
3.4.3 Tenure 54
3.4.4 Geology 55
3.4.5 Exploration history 56
3.4.6 Mineral Resource estimates 57
3.4.7 Mineral Resources 63
3.4.8 Metallurgical testwork 64
3.4.9 Scoping Study 64

4 Australian assets 66
4.1 Blue Hill Creek 68
4.1.1 Location and access 68
4.1.2 Tenure 68
4.1.3 Geology 68
4.1.4 Exploration history 70
4.1.5 Exploration potential 71
4.1.6 Risks and opportunities 71
4.2 Mount Clark West 71
4.2.1 Location and access 71
4.2.2 Tenure 71
4.2.3 Geology 72
4.2.4 Exploration history 73
4.2.5 Exploration Target 75
4.2.6 Exploration potential 77
4.2.7 Risks and opportunities 77

5 Other considerations 78
5.1 Gold markets and pricing 78
5.2 Copper markets and pricing 79
5.3 Previous valuations 80
5.4 Previous transactions 80

6 Valuation 84
6.1 Valuation approaches 84
6.2 Basis of valuation 86
6.3 Valuation methods 86
6.4 Mineral Resources 88
6.4.1 Project Mineral Resources 88
6.4.2 Comparable transactions analysis 88
6.4.3 Industry yardstick 94
6.4.4 Valuation summary of Mineral Resources 95
6.5 Exploration potential 96
6.5.1 Introduction 96
6.5.2 Comparable transactions analysis 96
6.5.3 Geoscientific rating 100
6.5.4 Valuation summary of exploration potential 103
6.6 Valuation summary 104
6.7 Discussion on SRK's valuation range 107
6.8 Valuation risks 108
6.8.1 Information and data risk 108
6.8.2 Exploration and resource risk 108

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6.8.3 Mining and production risk 109
6.8.4 Environmental risk 109
6.8.5 Economic risk 109
6.8.6 Financing risk 110

References 112

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Tables

Table 1.1: Details of the qualifications and experience of the consultants 3
Table 3.1: Statistics of historical exploration work 13
Table 3.2: Search parameters applied for estimation 22
Table 3.3: Mineral Resource estimate as at 31 March 2026 25
Table 3.4: Search parameters applied for estimation 62
Table 3.5: Mineral Resource estimate as of 28 July 2016 (at 0.5 g/t AuEq and 0.2 g/t AuEq cut-off grades) 64
Table 4.1: Blue Hill Creek project tenure 68
Table 4.2: Mount Clark West project tenure 72
Table 6.1: Suggested valuation approaches according to development status 85
Table 6.2: SRK's adopted valuation methods 87
Table 6.3: Mineral Resources contained gold estimate 88
Table 6.4: Resource-based transaction multiple analysis – Southeast Asia 90
Table 6.5: Comparable transactions analysis of Mineral Resources 93
Table 6.6: Industry yardstick factors value range 94
Table 6.7: Yardstick valuation of Mineral Resources 94
Table 6.8: Summary of Market Value – Mineral Resources 95
Table 6.9: Area-based transaction multiple analysis 97
Table 6.10: Comparable transactions exploration potential valuation 99
Table 6.11: Underlying assumption for base acquisition cost – Queensland 100
Table 6.12: Modified property rating criteria 102
Table 6.13: Geoscientific rating exploration potential valuation summary (100% basis) 103
Table 6.14: Summary of Market Value – exploration potential 104
Table 6.15: Summary of Market Value – all Mineral Assets 106
Table 6.16: General guide regarding confidence for target and resource/reserve estimates 107

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Figures

Figure 2.1: Location of Far East Gold Limited's Mineral Assets 7
Figure 3.1: Location of Idenburg project 9
Figure 3.2: Idenburg project access 10
Figure 3.3: Idenburg project geology 12
Figure 3.4: Mineralised domains of Sua, Bermol, North Bermol and Mafi prospects 20
Figure 3.5: Regional exploration potential of Idenburg project 27
Figure 3.6: Woyla project location 30
Figure 3.7: Woyla project regional setting 32
Figure 3.8: Prospects of Woyla project 34
Figure 3.9: Woyla high-potential prospects 35
Figure 3.10: Anak Perak prospect 36
Figure 3.11: Rek Rinti prospect 37
Figure 3.12: Beurieung prospect 39
Figure 3.13: Concession map of Trenggalek project 42
Figure 3.14: Trenggalek project Regional setting 43
Figure 3.15: Trenggalek prospects 45
Figure 3.16: Singgahan prospect 47
Figure 3.17: Reconnaissance drilling across breccia zone at the Buluroto prospect 48
Figure 3.18: Sentul prospect 49
Figure 3.19: Historical drill hole locations targeting the Sentul prospect 50
Figure 3.20: 3D magnetic inversion modelling at the Ngerdani prospect 51
Figure 3.21: Wonogiri project location 54
Figure 3.22: Concession map of Wonogiri project 55
Figure 3.23: Mineralised domains of Wonogiri project 60
Figure 4.1: Project tenements of Blue Hill Creek and Mount Clark West projects 67
Figure 4.2: Drummond Basin regional geology 69
Figure 4.3: Regional geological map of Mount Clark West project 72
Figure 4.4: Interpreted RTP magnetic image base with interpreted MIMDAS zones of high chargeability (green) 75
Figure 5.1: Gold price in A$/oz 79
Figure 5.2: Copper price in US$/t 80
Figure 6.1: Project value curve 89
Figure 6.2: Summary of valuation methods of total 100% value – Mineral Resources 95
Figure 6.3: Area-based resource multiples – Queensland 97
Figure 6.4: Area-based resource multiples – Southeast Asia 98
Figure 6.5: Exploration potential value range of valuation methods 104
Figure 6.6: Uncertainty by advancing exploration stage 107

Appendices

Appendix A Comparable market transactions
Appendix B Geoscientific rating valuation

Useful definitions

This list contains definitions of symbols, units, abbreviations, and terminology that may be unfamiliar to the reader.

A$	Australian dollars
Ag	silver
ASX	Australian Securities Exchange
Au	gold
AusIMM	Australasian Institute of Mining and Metallurgy
BAC	base acquisition cost
BLEG	bulk leach extractable gold
Company	Far East Gold Limited
CoW	Contract of Work
CP	Chartered Professional
CRM	certified reference material
DD	diamond drilling
EPM	Exploration permit for minerals, other than coal
ESG	environmental, social and governance
FEG	Far East Gold Limited
g/t	grams per tonne
ha	hectares
IDW	inverse distance weighting
IER	Independent Expert Report
IMXSTM	Inner Mongolia Xingye Silver & Tin Mining Co Ltd
ISR	Independent Specialist Report
IUP	*Izin Usaha Pertambangan*
JORC Code	*Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*, edition 2012
km	kilometres
koz	kilo-ounces, a thousand ounces
ktpa	kilotonnes per annum
LEA	Lonergan Edwards & Associates Limited
m	metres
M	million
MEE	multiples of exploration expenditure
mm	millimetres
Moz	million ounces
OK	Ordinary Kriging
oz	ounces
QA/QC	quality assurance and quality control
RC	reverse circulation

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RPEEE	reasonable prospects for eventual economic extraction
SRK	SRK Consulting (Australasia) Pty Ltd
t	tonnes
t/m^3	tonnes per cubic metre
µm	microns
VALMIN Code	*Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets*, edition 2015
Xingye	Xingye Gold (Hong Kong) Mining Company Ltd

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Executive summary

On 27 May 2026, Xingye Gold (Hong Kong) Mining Company Ltd (Xingye), a company wholly owned by Inner Mongolia Xingye Silver & Tin Mining Co Ltd (IMXSTM), made an unsolicited off-market takeover offer to acquire all of the ordinary shares in Far East Gold Limited (FEG, or the Company) that it did not already own (the Offer).

Lonergan Edwards & Associates Limited (LEA) has been engaged by FEG to prepare an Independent Expert Report (IER) commenting on the fairness and reasonableness of the Offer to FEG's shareholders other than Xingye. LEA has commissioned SRK Consulting (Australasia) Pty Ltd (SRK) to prepare an Independent Specialist Report providing technical assessment and valuation of FEG's mineral assets.

Far East Gold

FEG is an Australian-based gold exploration and development company, listed on the Australian Securities Exchange (ASX: FEG). Its mineral asset portfolio comprises six gold projects across two geographic segments: four in Indonesia and two in Queensland, Australia.

Mineral Assets in Indonesia

- The **Idenburg** project, located in Papua, Indonesia, is an advanced exploration gold project (FEG currently holds a 51% interest). The project is held under a granted Contract of Work (CoW) (952.8 km^2). The project is targeted for orogenic gold mineralisation. Since 1992, extensive exploration has been carried out across 11 identified prospects, including diamond drilling, geochemical sampling of rock, soil and stream sediments, as well as detailed geological mapping. The most advanced prospects (Sua, Bermol, North Bermol and Mafi) have undergone substantial drilling, concentrated in 30% of the total CoW area. The latest Mineral Resource estimate prepared in accordance with the JORC Code show that these prospects collectively host a total Inferred Mineral Resource of 780,000 oz of contained gold, the majority of which is at the Sua prospect. This latest Mineral Resource estimate is also the subject of an ongoing Scoping Study.
- The **Woyla** project, located in Aceh, Indonesia, is an advanced exploration stage gold project. FEG currently holds a 51% interest in this granted CoW (242.6 km^2). It is prospective for gold and copper associated with epithermal and porphyry mineralisation. Since 2021, 133 holes for 20,584 m have been drilled across multiple targets. Some of the targets, including Anak Perak (the largest known vein system, up to 50 m wide × 2 km long), Rek Rinti (epithermal-style with high gold-silver grades), Aloe Rek (Victory Vein), Aloe Eumpeuk and Beurieung (porphyry–epithermal system), were drill tested. Other prospects remain largely untested.
- The **Trenggalek** project, located in East Java, Indonesia, is an advanced exploration project in which FEG holds a 100% interest through an Operation and Production Licence IUP (*Izin Usaha Pertambangan*) (128.13 km^2). The project has been subject to extensive exploration including geological mapping, sampling, geophysical surveys, and over 17,700 m of drilling by various companies over the last two decades. FEG has identified a number of high-priority targets, including Sumberbening (an untested zone with porphyry copper-gold potential), Singgahan and Jerambah (porphyry copper-gold potential confirmed by limited drilling), Buluroto (high-grade gold-silver-copper mineralisation with much still untested), Sentul

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(large epithermal veins, mostly undrilled) and Ngerdani (elevated gold grades and porphyry potential from trench sampling). Overall, Trenggalek offers potential opportunities for good and copper discoveries through future exploration.

- The **Wonogiri** project, located in Central Java, Indonesia, is an advanced exploration project in which FEG holds a 100% interest under an Exploration IUP (39.28 km^2). The project is centred on the Randu Kuning prospect, which hosts a shallow porphyry gold-copper system. Since the 1990s, the area has seen small-scale artisanal mining as well as extensive modern exploration, including geological mapping, geochemistry, geophysics, and over 21,000 m of diamond drilling. The most recent Mineral Resource, reported in 2016 in accordance with the JORC Code, contains 533 koz of gold and 33,600 tonnes of copper. Key opportunities include potential resource expansion using lower cut-off grades driven by higher gold and copper prices compared to a decade ago. The project remains open to further exploration and resource growth, supported by favourable geology and established infrastructure.

Mineral Assets in Australia

- The **Blue Hill Creek** project, located in Queensland, Australia, is an early-stage exploration project covering three contiguous exploration permits for minerals (EPMs) (79.74 km^2), in which FEG holds a 90% interest. The tenements are prospective for low-sulfidation epithermal gold-silver mineralisation similar to the nearby Mount Coolon district, with potential supported by favourable structural corridors, and magnetic and spectral anomalies. Exploration to date includes mapping, geochemical sampling, and limited drilling at Hill 212, where quartz veins were intersected but only low gold grades were returned. Blue Grass Creek and Reedy Creek remain largely untested, aside from recent remote-sensing studies. Key opportunities exist in multiple conceptual targets along an approximately 10 km epithermal corridor, with further drilling required to test the priority alteration targets.
- The **Mount Clark West** project located in Queensland is an advanced exploration project, covering a single EPM (19.12 km^2). FEG holds a 90% interest in the project. The project targets copper-gold porphyry mineralisation. The tenement lies within the Connors Arc volcanic belt near the Bowen Basin, a region geologically analogous to other major porphyry and epithermal systems such as Mount Carlton. Exploration to date has included geological mapping, surface geochemistry, geophysical surveys, and several diamond drill holes, with recent drilling intersecting zones of hydrothermal alteration and the presence of some sulfides typical of porphyry systems, as well as local copper mineralisation. Geophysical data and drilling results continue to support the project's prospectivity, with additional drilling planned to test deeper and more central porphyry targets. The project remains at an advanced exploration stage and warrants ongoing evaluation.

Valuation

SRK's recommended valuation range and preferred values are detailed in Section 6 of this Report and are summarised in Table ES.1. The valuation represents the Market Value of the Company's mineral assets as at the Valuation Date (11 June 2026) on a 100% equity basis.

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Based on its technical assessment and valuation, Table ES.1 summarises SRK's opinion of the Market Value associated with the defined Mineral Resources, as well as the exploration potential in accordance with its mandate. The values have been derived using comparable transactions analysis with support provided through the industry yardstick method for Mineral Resources.

For the value of the exploration potential, SRK has used comparable transactions analysis, supported by geoscientific rating method. SRK has adopted the average of the derived range as its preferred value given the current gold price and prevailing market.

Based on its analysis, SRK considers the Market Value of FEG's mineral assets resides between A$185.7 M and A$260.1 M, with a preferred valuation of A$222.9 M as at the Valuation Date on a 100% equity basis. The Net Attributable Market Value of FEG's mineral assets based on the supplied current beneficial ownership interest resides between A$144.6 M and A$196.6 M, with a preferred valuation of A$170.6 M.

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Table ES.1: Summary valuation of the Mineral Resources and exploration potential

Preferred Valuation Method	Type	Province, Country	Project	Attributable percentage	Value – Net Attributable (A$ M)			Value – 100% basis (A$ M)		
					Low	High	Preferred	Low	High	Preferred
Comparable Transactions – Resource based	Mineral Resource	Papua, Indonesia	Idenburg	51%	30.5	45.7	38.1	59.7	89.6	74.7
		Central Java, Indonesia	Wonogiri	100%	94.3	117.9	106.1	94.3	117.9	106.1
Subtotal					**124.8**	**163.6**	**144.2**	**154.1**	**207.5**	**180.8**
Comparable Transactions – Area-based	Exploration Potential	Queensland, Australia	Blue Hill Creek	90%	2.3	3.8	3.0	2.5	4.2	3.4
		Queensland, Australia	Mount Clark West	90%	0.8	1.4	1.1	0.9	1.5	1.2
		Papua, Indonesia	Idenburg (unexplored areas)	51%	7.2	12.0	9.6	14.1	23.5	18.8
		Aceh, Indonesia	Woyla	51%	4.7	7.8	6.2	9.2	15.3	12.3
		East Java, Indonesia	Trenggalek	100%	4.9	8.1	6.5	4.9	8.1	6.5
Subtotal					**19.8**	**33.0**	**26.4**	**31.6**	**52.6**	**42.1**
Total					**144.6**	**196.6**	**170.6**	**185.7**	**260.1**	**222.9**

Source: SRK analysis

Note: Any discrepancies between values in the tables are due to rounding.

As noted previously, SRK consider its adopted resource multiples are inclusive of value attributable to the exploration potential over the explored areas at Idenburg (stated by FEG as comprising 30% of the tenure) and at Wonogiri. As such, the values attributed to Idenburg in the table above reflect the value associated with the unexplored portions of the Idenburg tenure (70% of total tenure area).

No value has been attributed to Wonogiri in the exploration potential portion of the table above to avoid double counting.

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1 Introduction

On 27 May 2026, Xingye Gold (Hong Kong) Mining Company Ltd (Xingye), a company wholly owned by Inner Mongolia Xingye Silver & Tin Mining Co Ltd (IMXSTM), made an unsolicited off-market takeover offer to acquire all of the ordinary shares in Far East Gold Limited (FEG, or the Company) that it did not already own (the Offer).

Lonergan Edwards & Associates Limited (LEA) has been engaged by FEG to prepare an Independent Expert Report (IER) commenting on the fairness and reasonableness of the Offer to FEG's shareholders other than Xingye.

Mr Jorge Resende, Associate Director at LEA, subsequently commissioned SRK Consulting (Australasia) Pty Ltd (SRK) to provide an Independent Specialist Report (ISR or Report) incorporating a technical assessment and valuation of the mineral assets held by FEG. SRK understands that its ISR is to be attached to LEA's IER and included in a notice of meeting to be provided to shareholders of the Company.

FEG is an Australian-based exploration and development company focused on six gold mineral assets: four in Indonesia and two in Queensland, Australia.

1.1 Scope

As requested by LEA, SRK prepared this ISR on the mineral assets of FEG. SRK's scope of work was as follows:

- Provide a brief description of the mineral assets, including the development status of the assets.
- Verify the Mineral Resources for valuation purposes.
- If warranted, value the defined Mineral Resources and exploration potential associated with FEG's mineral assets based on their development status.
- Prepare an ISR summarising SRK's findings.

SRK understands that FEG's mineral assets are at Early-stage to Advanced Exploration stage. The valuation methods adopted in this Report were based on the availability of information, the development status of the mineral assets, and the level of technical assessment previously completed at the projects.

1.2 Reporting standard

This Report has been prepared in accordance with the guidelines outlined in the *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets* (VALMIN Code, 2015), which incorporates the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code, 2012).

A first draft of the Report was supplied to LEA and FEG to check for material errors, factual accuracy and omissions before the final Report was issued.

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For the purpose of this Report, value is defined as 'market value', being the amount of money (or the cash equivalent or some other consideration) for which a mineral asset should change hands on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing, wherein the parties each acted knowledgeably, prudently and without compulsion.

SRK's Report does not comment on the 'fairness and reasonableness' of any transaction between any parties.

As discussed further in this Report, SRK has classified FEG's projects as Early-stage Exploration Projects and Advanced Exploration Projects for valuation purpose.

SRK has used valuation approaches that are typically used for mineral assets at each of these respective stages. Additional details are provided in Section 6.3 of this Report.

1.3 Legal matters

SRK has not been engaged to comment on any legal matters. SRK notes that it is not qualified to make legal representations as to the ownership and legal standing of the mineral tenements that are the subject of this valuation. SRK has not attempted to confirm the legal status of the tenements with respect to joint venture (JV) agreements, local heritage or potential environmental or land access restrictions.

1.4 Valuation date

The Valuation Date adopted is 11 June 2026.

1.5 Project team

This Report has been prepared by a team of consultants from SRK's offices in Australia and Hong Kong. Details of the qualifications and experience of the consultants who have carried out the work in this Report, who have extensive experience in the mining industry and are members in good standing of appropriate professional institutions, are set out in Table 1.1.

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Table 1.1: Details of the qualifications and experience of the consultants

Specialist	Position, Company	Responsibility	Length and type of experience	Site inspection	Professional designation
James Carpenter	Senior Consultant, SRK Australia	Project management and report compilation	20+ years in exploration, resource estimation and consulting; a specialist in the evaluation and assessment of Mineral Resource characteristics, estimation, uncertainty and risks	None	MGeostats, BAppSc(Hons), MAusIMM(CP)
Gavin Chan	Principal Consultant, SRK Hong Kong	Geology Review and Valuation	22+ years' experience, 4 years in academia and 18 years in consulting, focusing on project evaluation and valuation	None	BSc, MPhil, PhD, FAIG
Tony Tang	Senior Consultant, SRK Hong Kong	Mineral Resource Review	12+ years in exploration, resource estimation and consulting	None	BSc, MSc, PhD, MAIG, MAusIMM
Ricky Chiu	Consultant, SRK Hong Kong	Geology Review and Valuation	11+ years; 3 years in valuation and 8 years in exploration and project management roles	None	BSc, MSc, MAIG
Jeames McKibben	Corporate Consultant, SRK Australia	Peer review and releasing authority	30+ years: +20 years in valuation and corporate advisory, 2 years as an analyst and 8 years in exploration and project management roles	None	BSc (Hons), MBA, FAusIMM(CP), MAIG, MRICS

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1.6 Limitations, independence, indemnities and consent

1.6.1 Limitations and reliance

SRK's opinion contained herein is based on information provided to SRK by FEG throughout the course of SRK's investigations as described in this Report, which in turn reflects various technical and economic conditions at the time of writing. Such technical information as provided by FEG was taken in good faith by SRK.

SRK has not re-estimated the Mineral Resources but has independently assessed the reasonableness of these estimates and has made adjustments where deemed appropriate.

This Report includes technical information, which requires subsequent calculations to derive subtotals, totals, averages and weighted averages. Such calculations may involve a degree of rounding. Where such rounding occurs, SRK does not consider it to be material.

As far as SRK has been able to ascertain, the information provided by FEG was complete and not incorrect, misleading or irrelevant in any material aspect.

1.6.2 Statement of SRK independence

Neither SRK, nor any of the authors of this Report, have any material present or contingent interest in the outcome of this Report, nor any pecuniary or other interest that could be reasonably regarded as capable of affecting their independence or that of SRK. SRK has no beneficial interest in the outcome of this Report capable of affecting its independence.

1.6.3 Indemnities

As recommended by the VALMIN Code (2015), FEG has represented in writing to SRK that full disclosure has been made of all material information and that, to the best of its knowledge and understanding, such information is complete, accurate and true.

In line with the VALMIN Code (2015), FEG has provided SRK with an indemnity letter under which SRK is to be compensated for any liability and/or expenditure resulting from any additional work required which:

- results from SRK's reliance on information provided by FEG, or from FEG not providing material; or
- relates to any consequential extension of workload through queries, questions or public hearings arising from this report.

1.6.4 Consent

SRK understands this Report may be provided to FEG's shareholders. SRK provides its consent for this Report to be included in the LEA Report on the basis that the technical assessment and valuation expressed in the Executive summary and in the individual sections of this Report are considered with, and not independently of, the information set out in the complete Report.

1.6.5 Consulting fees

SRK's estimated fee for completing this Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and the availability of data. The fee payable to SRK for this engagement is estimated at approximately A$46,000 (excluding GST). The payment of this professional fee is not contingent upon the outcome of this Report.

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2 Far East Gold Limited

2.1 Overview

FEG is an Australian-based gold exploration and development company, listed on the Australian Securities Exchange (ASX: FEG). Its mineral asset portfolio comprises six gold projects across two geographic segments: four in Indonesia and two in Queensland, Australia.

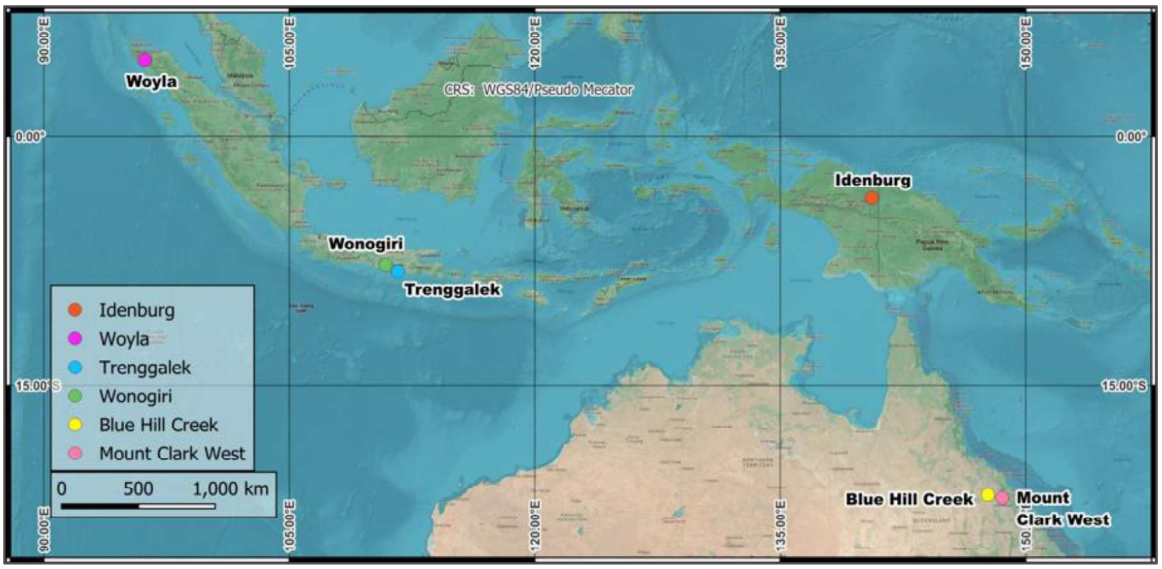
The locations of FEG's mineral assets are shown in Figure 2.1.

FEG's key mineral assets which are the subject of this review are:

- Idenburg – Papua, Indonesia. FEG currently holds a 51% interest (increasing to 80% upon meeting various conditions) in this granted Contract of Work (CoW) (952.8 km^2), at the advanced exploration stage. Prospective for gold hosted in orogenic, structurally controlled vein systems.
- Woyla – Aceh, Indonesia. FEG currently holds a 51% interest in this granted CoW (242.6 km^2), at the advanced exploration stage. Prospective for gold and copper in high-grade epithermal vein systems and underlying porphyry deposits.
- Trenggalek – East Java, Indonesia. FEG holds a 100% interest in this Operation and Production IUP (128.13 km^2), an advanced exploration project. Prospective for copper and gold in porphyry and epithermal systems within the Sunda-Banda Arc.
- Wonogiri – Central Java, Indonesia. FEG holds a 100% interest in this Exploration IUP (39.28 km^2), an advanced exploration project. Prospective for gold and copper in a shallow porphyry deposit, centred on the Randu Kuning prospect.
- Mount Clark West – Queensland, Australia. FEG holds a 90% interest in this exploration permit for minerals (EPM) (79.74 km^2), at the early to advanced exploration stage. Prospective for copper and gold in a large-scale porphyry system within the Connors Arc.
- Blue Hill Creek – Queensland, Australia. FEG holds a 90% interest in this EPM (19.12 km^2), an early-stage exploration project. Prospective for gold in epithermal systems within the Drummond Basin.

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Figure 2.1: Location of Far East Gold Limited's Mineral Assets



Source: SRK

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3 Indonesian assets

3.1 Idenburg project

3.1.1 Overview

FEG's Idenburg project is at an advanced exploration stage, having recently been subject to ongoing resource definition and extensional drilling and metallurgical testwork, which has informed a scoping-level study into future project development.

The project comprises a single Exploration Contract of Work (CoW) covering an area of 95,280 ha within the Keerom and Pegunungan Bintang regencies of Papua in eastern Indonesia, near the country's border with Papua New Guinea.

Known mineralisation at Idenburg comprises various epithermal–mesothermal gold ± base metal veins within sheared and brecciated metamorphic and mafic-ultramafic rocks. While FEG has outlined 30 prospects and targets within the CoW, Mineral Resources are currently only reported at the Sua, North Bermol, Bermol and Mafi deposits.

In April 2026, FEG reported an updated a Inferred Mineral Resource at the project, which increased the contained ounces outlined in the previous May 2024 estimate. Further details are discussed below.

Preliminary metallurgical test results have been received from composite drill samples and confirm earlier testwork regimes and outline the potential for high gold recoveries using standard gravity and leach processing techniques.

As noted previously, FEG has also initiated a Scoping Study as an early-stage assessment of the development options for the project based on the latest Mineral Resource estimate. The intent of this study is to outline a pathway towards a potential Indonesian Feasibility Study by late 2026. SRK understands that the Scoping Study is nearing completion.

Furthermore, SRK notes the ASX announcement (FEG) dated 22 June 2026 "FEG Moves to 51% Ownership of Flagship Idenburg, Clear Pathway to 80%". This confirms FEG's 51% ownership of the Idenburg Project, along with discussion on how the Company plans to acquire an 80% ownership.

3.1.2 Location, access and climate

The Idenburg project is situated in the Keerom and Pegunungan Bintang regencies of Papua Pegunungan in northern Papua, Indonesia, approximately 120 km south of the provincial capital, Jayapura. The coordinates of the project's central point are 3°44'19.44" S, 140°37'18.32" E. The project is accessible via the Trans-Papua Highway, which provides direct all-weather access to the concession area.

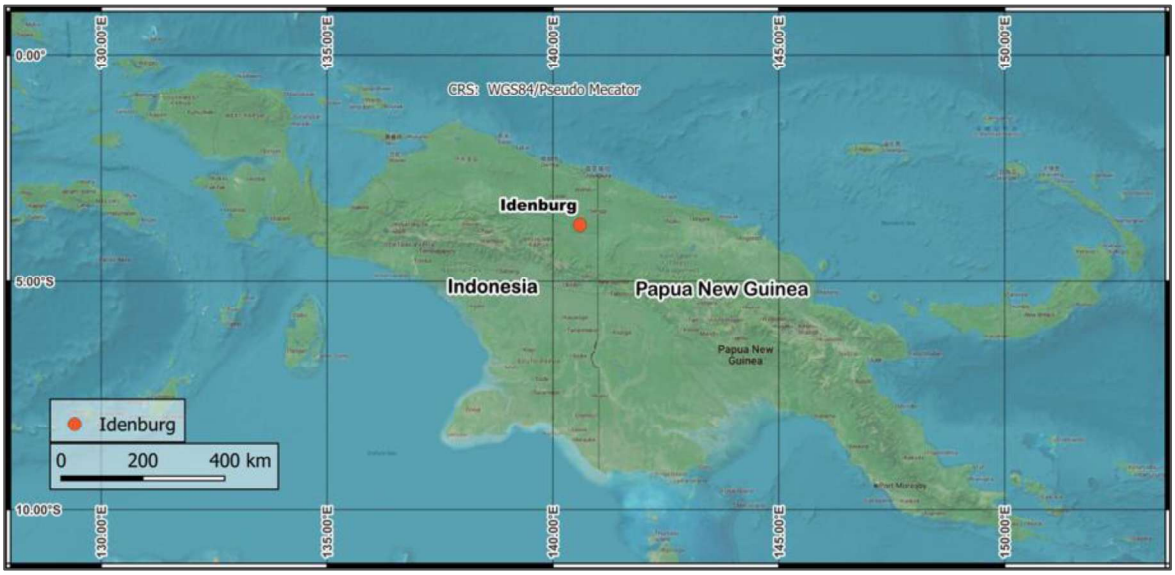
Travel from Jayapura to the main field base camp at Tekai, near the northern boundary of the concession at Usku Village, follows a 210 km-long all-weather road. From the base camp, various prospect areas can be reached along foot trails that make use of the drainage network.

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All prospects can be accessed by helicopter, approximately 10 minutes from the Tekai base camp (Figure 3.1 and Figure 3.2).

The Idenburg project area experiences a humid tropical equatorial climate typical of northern Papua, with high rainfall, high humidity and warm temperatures throughout the year. Seasonal and intense rainfall may affect river levels, road and track conditions, helicopter availability, field access, slope stability and exploration logistics, particularly in steep, forested terrain and more remote prospect areas. Exploration activities can generally be conducted year-round, although field programmes may require flexible scheduling to account for heavy rainfall events and temporary access constraints.

Figure 3.1: Location of Idenburg project



Source: SRK, 2026

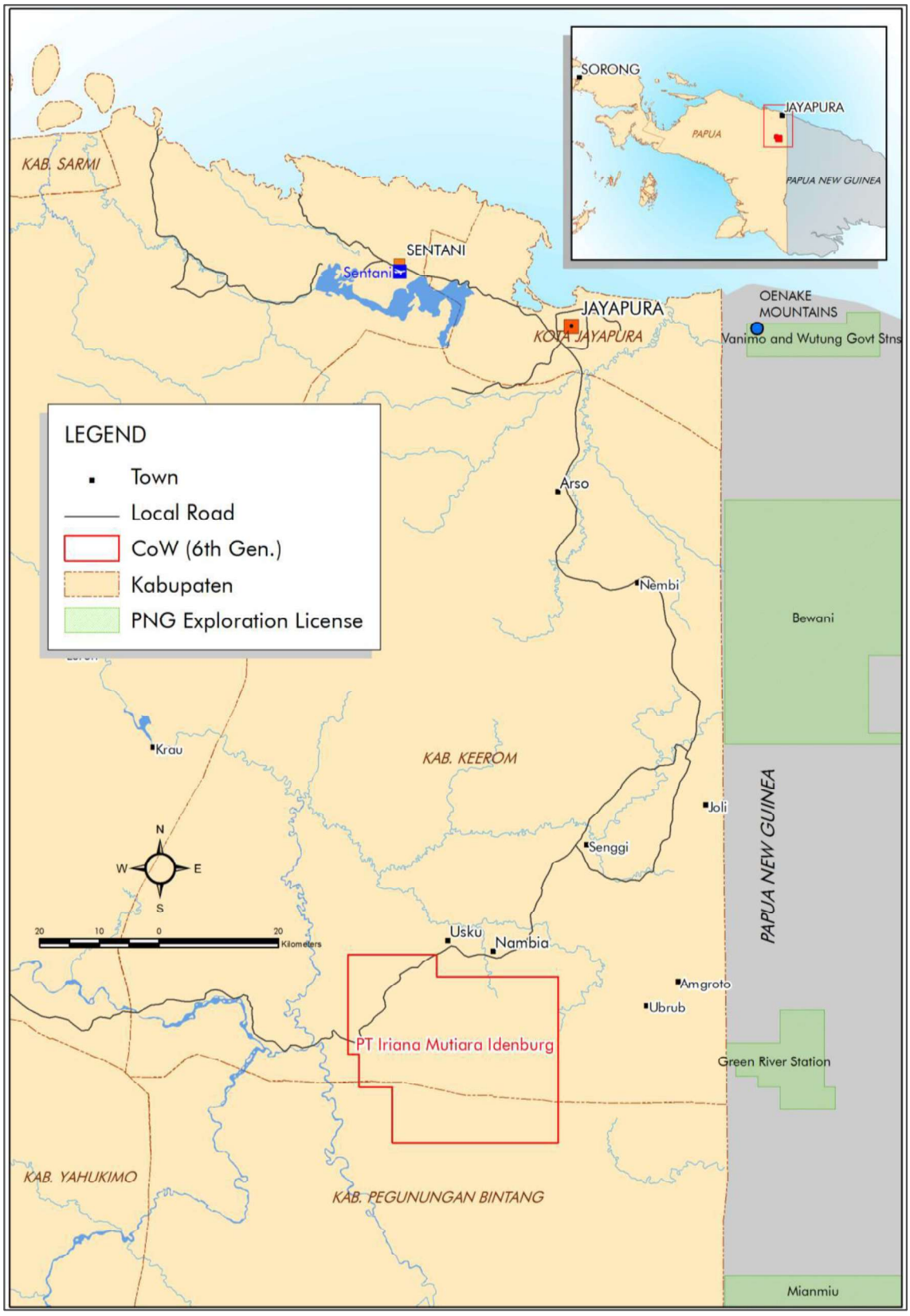
3.1.3 Tenure

The Idenburg project is held under a concession area registered to PT Iriana Mutiara Idenburg (IMI). FEG is advancing to hold a 51% interest in this concession area, which may increase to 80% upon completion of a feasibility study considered acceptable to the relevant agencies of the Indonesian Government. IMI may choose to either retain the remaining 20% economic interest or to convert this interest into a 2% net smelter royalty.

The project's tenure is covered by an Exploration CoW covering approximately 952.8 km^2 which was issued on 13 December 2017 and remains valid until 26 October 2026. The location of the concession relative to Jayapura and other local townships is shown in Figure 3.2.

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Figure 3.2: Idenburg project access



Source: SMGC, 2026

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On 17 March 2026, FEG announced that the Idenburg project had received environmental approval for advanced exploration activities, thus enabling an acceleration of drilling within its priority strategy corridor. The *Upaya Pengelolaan Lingkungan - Upaya Pemantuan Lingkungan* (UKL-UPL) is approval by the Indonesian Government of the Company's environmental management and monitoring efforts. Approval for advanced exploration supports ongoing progression towards operational licensing and future mine development.

In addition to the UKL-UPL, FEG is also advancing forestry permits, having previously secured PIPPIB (*Peta Indikatif Penundaan Pemberian Izin Baru*) approval over along the core development corridor within the Idenburg CoW. The PIPPIB is a further step in unlocking the pathway to environmental permitting, operational licensing and future mine development.

3.1.4 Geology

Regional geology

The Idenburg project is located along the tectonic boundary between the Indo-Australian and Pacific plates, on the northern margin of the 200 km-wide Mamberamo Fold and Thrust Belt (MFTB) that is characterised by a complex corridor of branching faults and thrusts.

Rocks of the project area form part of the Idenburg Inlier, an ancient continental block that consists of metamorphic units (phyllite, schist, gneiss) from the Australian Plate, emplaced ophiolites (gabbro, diorite, basalt, etc.) and Tertiary marine sedimentary rocks.

The current structural architecture reflects two main post-Mesozoic events: (i) Oligocene–Miocene compression during plate convergence, and (ii) ongoing Late Miocene oblique collision which resulted in the formation of the MFTB along with dilational jogs and fracture zones in the Derewo Metamorphics.

The area is traversed by significant regional fault systems, namely the Derewo, Der Wal and Luban fault zones, which intersect with NE trending lineaments and northwest-oriented thrusts. This configuration produces a complex network of deep-seated structures, closely analogous to transfer zones observed in Papua New Guinea that are known to channel magmatic activity and control the localisation of major mineral deposits such as Ok Tedi and Grasberg.

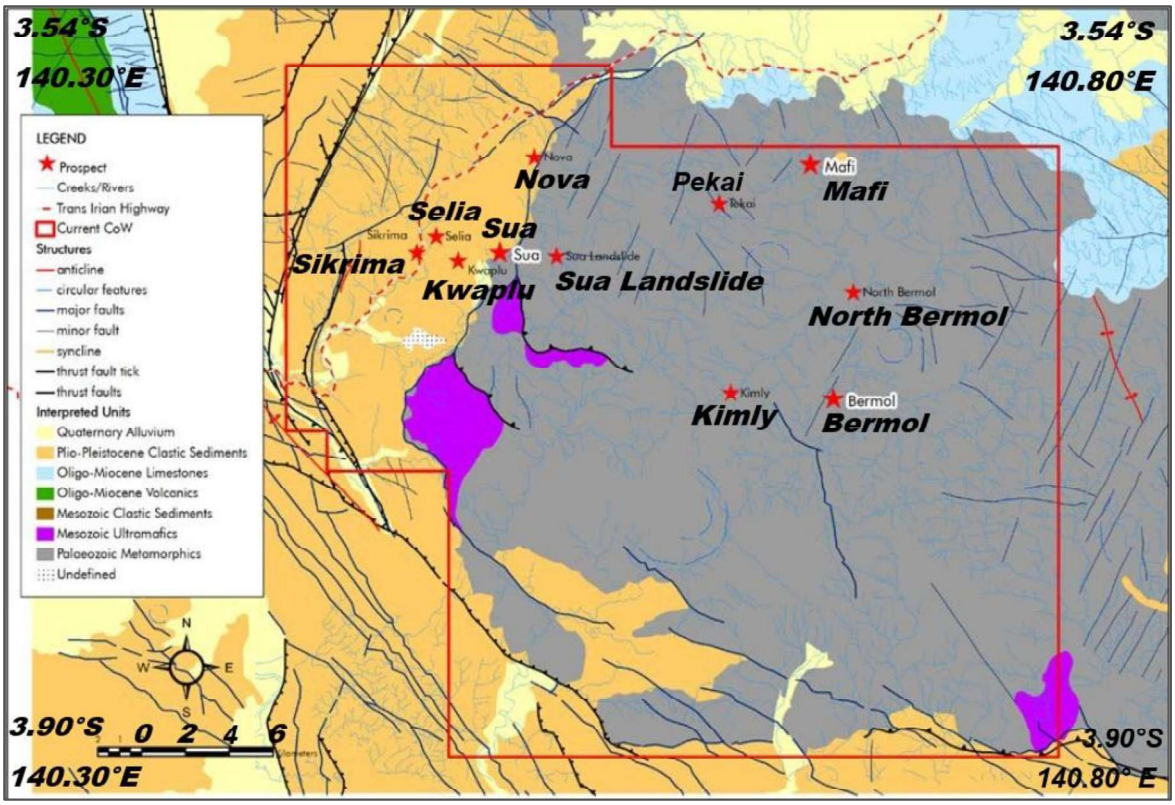
Project geology

The Idenburg project is situated on the northern slopes and foothills of the Central Range in the Idenburg Inlier, where older metamorphic and intrusive rocks are juxtaposed structurally against younger Tertiary sediments and volcanic rocks. Gold mineralisation is found in quartz-sulfide veins within metamorphic and mafic-ultramafic rocks which are cut by major thrusts and shear zones (Figure 3.3). These veins form as narrow, stacked lodes with shallow to moderate dips, hosted in rocks such as amphibolite, gneiss, schist, basalt, gabbro and ultramafic units.

Mineralised zones are typically shear-hosted and brecciated, containing quartz, pyrite, arsenopyrite and sometimes base-metal sulfides, surrounded by silica–sericite–carbonate–chlorite alteration halos. Elevated gold grades were returned in surface geochemical samples and drill core intervals, and soil and stream geochemical surveys show gold anomalies spanning hundreds of metres to several kilometres, often accompanied by arsenic, copper, lead and zinc.

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Figure 3.3: Idenburg project geology



Source: modified after SMGC

3.1.5 Exploration history

Exploration across the project and adjacent area began in 1992 and has continued sporadically in the subsequent three decades. Table 3.1 summarises the previous drilling, surface sampling, and geochemical data for each prospect within the Idenburg project (Figure 3.3).

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Table 3.1: Statistics of historical exploration work

No.	Prospect	Drilling		Rock				Geochemical stream sediment				Soil samples
		Diamond holes	Core samples	Rock chip	Rock float	Rock grab	Rock trench	Rock channel	Stream sediment	Panned concentrate	Bulk leach extractable gold	
1	Sua	37	2,649	168	162	4	229	364	89	74	–	971
2	Bermol	19	1,029	33	22	3	–	46	24	24	–	341
3	Mafi	23	655	45	16	–	–	106	18	19	–	93
4	Selia	3	165	28	20	4	–	25	–	5	–	365
5	Sikrima	4	324	31	18	–	119	42	15	15	–	491
6	Kwaplu	–	–	24	5	1	–	18	–	–	–	615
7	Hulu Sua/Landslide	–	–	14	24	–	–	11	–	6	–	380
8	North Bermol	26	563	7	24	1	–	23	23	27	22	300
9	Kimly	–	–	6	19	–	–	2	2	17	18	–
10	Nova	–	–	37	10	–	–	35	35	10	9	181
11	Kali Kae	–	–	11	4	–	–	9	9	22	17	–
12	Tekai	–	–	38	11	1	–	28	28	–	–	319
13	Andre	–	–	6	3	–	–	6	6	–	–	–
14	Nomura	–	–	11	25	–	–	–	–	–	6	159
15	Ulitay	–	–	–	–	–	–	–	–	–	–	–
	Total	**112**	**5,385**	**459**	**363**	**14**	**348**	**715**	**222**	**215**	**–**	**4,215**

Source: SMC

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Sua prospect

Exploration at the Sua prospect began with regional drainage and float geochemical sampling programs, which returned very high gold grades in river float and led to discovery of an outcropping quartz-vein system in 2003–2004. This was followed by ridge-and-spur and grid soil geochemical surveys which defined a 700 m × 1,100 m gold anomaly. This was followed by extensive trenching and channel sampling (169 samples) and two phases of diamond drilling (22 holes, 2,629 m) in 2005–2006, which confirmed high-grade, shallow-dipping quartz-vein mineralisation in both oxide and fresh rock.

A further 15 diamond holes were drilled by FEG in 2025–2026, which resulted in the preparation of the latest Mineral Resource estimate in Q1 2026.

Bermol prospect

The Bermol prospect was first recognised in 1995 as a coincident gold-arsenic stream sediment geochemical anomaly, with follow-up geological mapping and further geochemical infill sampling in 1997 and 2000. This additional exploration discovered shallow-dipping gold-copper mineralisation along a major thrust structure. In 2001–2002, detailed mapping, soil grids (1.1 km × 1.3 km grid), trenching, and channel sampling were undertaken, resulting in the tracing of mineralisation discontinuously over about 4 km of strike and the return of multiple high-grade channel intercepts. Seven scout diamond holes (771 m) completed by the Avocet–IMI joint venture confirmed a shallow-dipping quartz–sulfide vein system. In 2025-2026, FEG drilled an additional 12 holes (total advanced of 1,224.9 m). While these assay results are available, they remain to be incorporated into an updated Mineral Resource estimate.

North Bermol prospect

North Bermol was identified in 1995 through identification of surface sample gold geochemical anomalies over a 2 km × 1 km area north of Bermol, highlighting potential along the same thrust system.

Subsequent geological mapping and trenching confirmed the presence of narrow, locally high-grade mineralised structures extending over approximately 400 m of strike. Ridge-and-spur soil sampling further delineated narrow gold geochemical anomalies, suggesting that mineralisation is controlled by NE trending structural features.

Mafi prospect

The Mafi prospect was discovered in 1995 during regional drainage sampling after an outcrop was considered anomalous (where anomalous gold is defined as greater than 0.5 g/t Au; significant gold anomalies as greater than 10.0 g/t Au; anomalous copper is defined as greater than 200 ppm Cu; anomalous silver is defined as greater than 100 g/t Ag, and significant silver anomalies at >1,000 g/t Ag). Follow-up geological mapping and geochemical sampling between 1997 and 1998 identified multiple gold-bearing gossans along a 5–6 km segment of a NW trending thrust zone, containing dismembered ophiolitic rocks. Systematic soil sampling, extensive rock chipping and channel geochemical sampling were undertaken, which was followed by a 23-hole (1,642 m) diamond drilling program in 2000. This drilling program confirmed the presence of shallow, west-dipping quartz–sulfide veins forming a tabular near-surface zone. The prospect now supports an Inferred Mineral Resource, with much of the high-grade material being supergene enriched.

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Selia prospect

The Selia Prospect, located adjacent to the Trans-Papua Highway, has been explored primarily through geological mapping, ridge-and-spur soil geochemical sampling (covering a 500 m × 1,000 m area), and limited trench and channel sampling. Exploration results indicate the presence of narrow, locally high-grade quartz–sulfide veins with characteristics similar to those found at the Sua prospect. Three scout diamond drill holes were completed to test ENE–NE mineralised trends; however, two holes did not intersect significant mineralisation, suggesting poor continuity. However, the Selia prospect remains at an early stage of exploration and various conceptual targets remain untested.

Sikrima (Afley) prospect

The Sikrima (Afley) prospect, southwest of Selia, was first highlighted by regional geochemical sampling in 1998, which returned very high-grade float and outcrop results from a drainage with strongly anomalous panned concentrates. Follow-up geological mapping, soil sampling and trench/channel sampling confirmed narrow, high-grade quartz–sulfide veins exhibiting orogenic textures and aligned ENE with gentle NW dips. Four diamond holes (598.3 m) were drilled but intersected only narrow, discontinuous mineralised zones at depth with grades lower than at surface, suggesting surface supergene enrichment and limited tonnage potential, though along-strike float anomalies still warrant follow-up work.

Kwaplu prospect

Exploration at Kwaplu, which lies on the ridge between the Sua and Sikrima catchments, has been limited to geological mapping, as well as rock chip and two soil geochemical sampling campaigns. These programs defined a strong ridge-top gold-in-soil anomaly (larger than Sua's) over ~125 m with multiple samples >0.5 g/t Au, supported by gold anomalies in creek vein outcrops and float. Despite the strength of the geochemical anomaly, no trenching or drilling has been completed to date; the area is interpreted as a possible up-dip or *en echelon* equivalent of the Selia–Sikrima structure and is considered a high-priority target for future scout drilling.

Hulu Sua (Landslide) prospect

The Hulu Sua (Landslide) prospect, in the northeastern headwaters of the Sua River, was initially identified from regional and follow-up stream sediment geochemical anomalies. Due diligence reconnaissance found quartz–pyrite–chalcopyrite vein contained gold anomalies, and subsequent soil lines (~7.5 km total) recorded spot geochemical anomalies over 0.5 g/t Au flanked by broader >0.1 g/t Au halos. As outcrop is scarce and largely obscured by landslide debris, no trenching or drilling has yet been undertaken; the area remains an early-stage target, interpreted by FEG as a possible eastern *en echelon* shear within the Sua–Afley shear zone.

Kimly prospect

To date, the Kimly prospect, west of Bermol, has only seen regional-scale work comprising stream sediment geochemical sampling over 16 km^2 and mapping over about 6,000 m^2. These programs defined a sequence of metamorphosed sediments intruded by mafic dykes and sills with local silicification, but no significant gold grades or detailed follow-up are reported, leaving Kimly at the reconnaissance stage with untested potential.

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Nova prospect

Nova was discovered through regional panned concentrate and dredging programs, which produced some of the best concentrate results in the project area, including visible gold nuggets. A broad soil geochemical survey extending into the adjacent Nomura catchment defined a cluster of >0.1 g/t Au over ~300 m of ridge, and IMI's initial rock and channel sampling (16 rock, 12 channels) yielded only two significant 1 m intervals of over 0.5 g/t Au. Despite strong placer and soil signatures, bedrock mineralisation remains only weakly defined, and no drilling has yet been undertaken.

Kali Kae prospect

Kali Kae was first highlighted during early IMI reconnaissance work when a single rock float sample returned significant gold grade, prompting follow-up mapping and sampling of a nearby silica–sericite alteration zone. However, subsequent work (26 samples) yielded only one additional anomalous float, with no other significant results, and no drilling was undertaken.

Tekai prospect

Tekai was identified in the 1995 reconnaissance program after a quartz float returned a significant gold anomaly, and later vein outcrops along a thrust, 800 m apart, also returned significant gold anomalies. Mapping defined an ENE-trending drainage lineament continuous with Mafi and a 200 m × 600 m NNW-trending clay–sericite alteration zone in basalt, gabbro, diorite and minor tuff. Despite this, rock geochemical sampling of quartz veins and silicified rocks produced only two notable assays over 0.5 g/t Au, and a 2 km × 3 km soil grid returned just one significant anomaly, a short 250 m spur with >0.1 g/t Au, where follow-up rock sampling failed to locate meaningful bedrock mineralisation. A strong copper-in-soil geochemical anomaly coincident with copper-rich streams and aeromagnetic geophysical features remains untested by drilling.

Andre prospect

At Andre, early work focused on mapping and limited geochemical sampling after the area was recognised as hosting altered basement and alluvium cut by NE–SW sinistral faults, with mineralisation aligned along NE–SW trends. A small program of 15 samples (3 float, 6 channel and 6 rock chip) identified anomalous gold at three locations, with an anomalous grade over 0.5 g/t Au, confirming the presence of gold but leaving the prospect at an early reconnaissance stage, with no drilling completed.

Nomura prospect

Nomura's exploration history is largely geochemical and reconnaissance based, with geology inferred from nearby Nova as basalt, volcanic breccia and metasedimentary rocks intruded by gabbro. Work has included 159 soil samples and 36 rock samples (11 rock chips and 25 floats), plus panned concentrate sampling, which together outlined anomalous gold values, including several >0.5 g/t Au. No drilling has been reported, so Nomura remains at a soil-and-rock-geochemistry stage despite its strong gold anomalies.

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3.1.6 Mineral Resource estimates

The most recent Mineral Resource estimate prepared for the Idenburg project was reported in accordance with the JORC Code (2012) as at 31 March 2026, which outlined an Inferred Mineral Resource totalling 780,000 oz of contained gold across several prospects. Of this, 514,000 oz are attributed to the Sua prospect, while the remaining 266,000 oz are distributed among the North Bermol, Bermol and Mafi prospects. A summary of the drilling and sampling database is provided below.

Drilling and sampling

Drilling

No records are available to identify the drilling contractor responsible for the first phase of drilling conducted prior to 2000. Drilling activities undertaken during the second phase (2005–2007) were carried out by PT Indodrill Indonesia. The most recent drilling phase, completed between June 2025 and February 2026, was conducted by PT Omega Drilling Services.

Drilling across the project area was undertaken using triple-tube diamond coring, with holes fully cored from surface, typically in HQ diameter (63.5 mm) in the upper sections and reduced to NQ (47.6 mm diameter) at depth. Most holes were completed using directional techniques to improve intersection of shallow-dipping mineralised veins and to maximise subsurface coverage from a limited number of collar positions.

All core was reassembled in trays, systematically photographed and subjected to detailed geological and geotechnical logging, including lithology, alteration, sulphide content, structural features and rock quality. Any intervals considered to have mineralisation potential were sawn and sampled, while only clearly barren core was excluded from sampling.

Core recovery within mineralised zones was consistently high, generally exceeding 90%; fragmented intervals were stabilised with tape prior to cutting to maintain sample integrity, and statistical analysis indicates no relationship between recovery and grade.

Downhole geophysical surveys, typically at 30 m intervals, together with core orientation tools, were employed to control deviation and accurately record structural data.

Drill sections were laid out approximately perpendicular to the strike of the shallow-dipping veins and spaced at about 100 m, providing sufficient information to confirm strike and dip continuity of the gold-bearing quartz veins and to define their overall geometry, although resolution at the individual vein scale remains limited.

Half-core samples, generally 1.0–2.0 m long in 2007 (average 1.38 m) and 0.3–1.5 m at North Bermol in 2025–2026 (average 0.8 m), were packed into woven bags and air-freighted to Sucofindo (Timika) and Geoservices (Cikarang) laboratories in Indonesia for preparation and assay. Samples were not composited prior to assay; compositing was applied only at the data processing stage for Mineral Resource estimation.

In SRK's opinion, drilling and sampling methods described are appropriate for this deposit style, and the core recovery is considered satisfactory for Mineral Resource estimation purposes.

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Rock, soil and stream sediment sampling

Rock sampling comprised in-situ rock chip, channel and trench samples collected from exposed outcrops, targeting veins, lodes, altered wall rock and fracture fillings with visible sulfides or alteration (silicification, sericitisation, stockworks). Rock chips were collected across vein widths, perpendicular to their trend. Float samples (transported rocks) were also collected to help interpret source lithologies and mineralisation. All rock samples were tagged, bagged in polyweave bags, flown by helicopter to IMI's Jayapura depot and then air-freighted to the Sucofindo laboratory in Timika for preparation and assaying.

Soil geochemical sampling used in-situ material from the B and C horizons, with the organic O horizon first removed to avoid contamination. Samples of 5–20 kg were taken on a systematic grid at 25–50 m spacing, with full coordinates recorded for each site. Tagged soil samples were bagged on site, helicoptered to the Jayapura depot and then air-freighted to Sucofindo laboratories for analysis.

Stream sediment and pan concentrate geochemical sampling targeted river and creek sites where hill-wash sediments accumulate. Fine sediment (<140 mesh) from riverbanks was collected and sieved for stream sediment assays, while additional bulk material was panned to produce heavy mineral concentrates for analysis. As with other media, all samples were uniquely tagged, bagged, sent by helicopter to the Jayapura depot and then flown to Sucofindo laboratories in Timika for preparation and assaying.

In SRK's opinion, the adopted rock, soil and stream sediment sampling methods described are appropriate for this deposit style.

Assays

Prior to 2024, sampling of drill core, outcrop, float, soil and stream sediment was undertaken by geologists from IMI. Analytical work was carried out by Sucofindo Laboratory. The analytical methods employed are fire assays and atomic absorption spectrometry (AAS).

Since 2024, more recent samples have been derived exclusively from drill core. Drill core sampling was carried out by geologists from FEG, with analytical work completed by Geoservices Laboratory. The analytical methods employed are fire assay, AAS and inductively coupled plasma optical emission spectrometry (ICP-OES).

SRK considers that the assaying methods are appropriate for this deposit style.

Quality assurance/quality control

During the earlier exploration phase, quality assurance/quality control (QA/QC) procedures were limited to laboratory-based controls. A more comprehensive QA/QC protocol was implemented during the June 2025 to February 2026 drilling program across the Sua, North Bermol, and Bermol prospects. This included the routine insertion of certified reference materials (CRMs), field duplicates, and blank samples to ensure ongoing monitoring of assay accuracy, precision, and contamination.

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Sucofindo laboratory

During the 2002 to 2007 early exploration stage, QA/QC was only conducted within the Timika Sucofindo laboratory, and no QA/QC was conducted in the field at any stages of exploratory sampling. Sucofindo collected duplicate and replicate samples to control the assaying process within the laboratory. The duplicate and replicate samples indicated that the lower grade (<0.5 g/t Au) yielded a poor reproducibility (60–69% outside the 10% tolerance), while the higher grade (>0.5 g/t Au) showed a better reproducibility (72–84% within the 10% tolerance).

Geoservices laboratory

During the June 2025 to February 2026 drilling program, QA/QC procedures were implemented, including the insertion of CRMs or standard samples, field duplicate samples and blank samples. The CRMs, duplicates and blanks showed a satisfactory result.

In SRK's opinion, the drilling and assaying QA/QC is appropriate for an Inferred Mineral Resources level estimation.

Geological modelling

Wireframes were created by FEG and reviewed by SMGC for the Sua, Bermol, North Bermol and Mafi prospects before being applied to the Mineral Resources estimates.

Geological mapping and core logging suggest that the dominant style of gold mineralisation is consistent with an orogenic (mesothermal lode) gold system. Such deposits are typically hosted in highly deformed rocks in tectonically active settings and are commonly related to regional metamorphism and/or magmatic intrusions.

At Sua, the gold mineralisation has been interpreted and modelled as a stacked quartz vein system dipping moderately (~35°) to the north. This vein system appears to be associated with a thrusting event and is broadly parallel to the mapped thrust surfaces.

At Bermol, gold mineralisation has been interpreted and modelled as a single vein structure that has been downthrown to the north by faulting on the western side of the river and exposed at higher elevation on the eastern side. This structural configuration has led to the definition of five discrete vein models.

At North Bermol, gold mineralisation is interpreted as structurally controlled quartz veins hosted within altered metadiorite and metabasalt. The vein geometry has been modelled as an elongated mineralised body aligned with the dominant NE structural trend, with shallow NE and SW dips indicated by the available data.

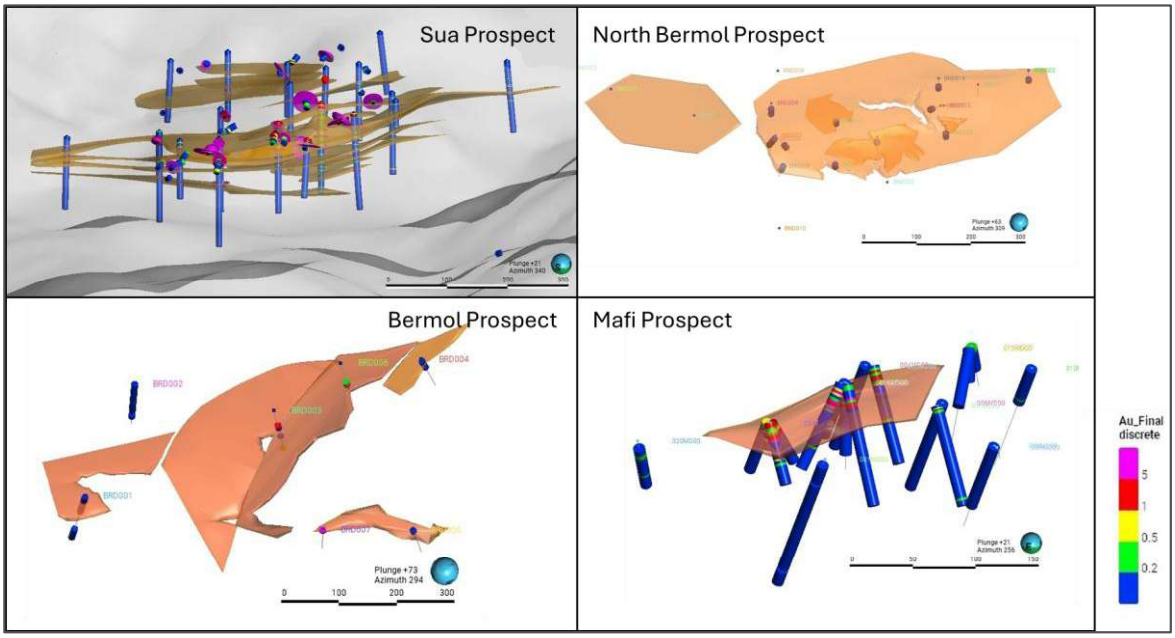
At Mafi, gold mineralisation occurs within oxidised, silicified ultramafic rocks, hosted by vuggy, brecciated sulphide–quartz veins forming a shallow (10°–40°) west-dipping tabular zone. The described characteristics indicate possible epithermal affinities. If the mineralisation is coincident with a thrust, steeper feeder zones may exist beneath the thrust plane, particularly if the mineralisation is laterally restricted.

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Model dimensions according to prospect are outlined below and shown in Figure 3.4:

- Sua: ~ 1,130 m × 1,000 m
- Bermol: ~ 1,240 m × 1,280 m
- North Bermol: ~ 750 m × 1,700 m
- Mafi: ~ 500 m × 460 m.

Figure 3.4: Mineralised domains of Sua, Bermol, North Bermol and Mafi prospects



Source: SMGC

SRK has reviewed the mineralisation-domain wireframes and did not identify any significant issues. Although no specific threshold grade for modelling is stated in the provided documentation, the three dimensional (3D) models suggest a value of approximately 0.2 g/t Au. SRK recommends that SMGC re-wireframe the mineralisation based on an improved understanding of the deposits and the application of more refined and clearly defined criteria.

A bulk density of 2.8 t/m^3, derived from measurements at Sua, has been adopted by SMGC as the specific gravity (SG) value for resource estimation at Sua, North Bermol, Bermol and Mafi. This value is considered appropriate given the similarities in host rocks and mineralisation styles across the prospects. However, SRK recommends that additional bulk density measurements be collected at North Bermol, Bermol and Mafi prior to upgrading any Mineral Resources from the Inferred category to Indicated category.

No grade capping has been applied to the Sua, North Bermol, Bermol or Mafi datasets, as SMGC's prospect-level review did not identify any obvious outlier assays. Nonetheless, SRK notes the presence of outlier values beyond the log-normal distribution in several domains and recommends considering testing the use of either clamping or more specific top caps for different domains for future estimates.

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Estimation

Grade estimation for Sua, North Bermol and Mafi was completed by SMGC using inverse distance weighting (IDW), where block grades are calculated as distance-weighted averages of nearby samples, typically using an inverse distance squared function (power of 2) so closer samples have greater influence. The choice of power controls how locally sensitive the estimates are.

At Bermol, limited data meant grades were estimated using a simple weighted average of interval samples within the wireframe. Five variables were estimated: Au, Ag, Cu, Pb and Zn.

For Sua and North Bermol, the parent block size is 10 m × 10 m × 2 m, with a minimum block size of 5 m × 5 m × 1 m.

For Bermol and Mafi, the parent block size is 20 m × 20 m × 2 m, with a minimum block size of 2.5 m × 2.5 m × 2 m.

The search parameters are shown in Table 3.2.

In SRK's opinion, the IDW interpolation method is appropriate for estimating Inferred Mineral Resources. Since no Indicated or Measured Mineral Resources have been reported using this method, its use is acceptable. SRK considers the estimate to be sufficiently accurate for the Inferred category and recommends using the reported Mineral Resources without modification as the basis for valuation.

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Table 3.2: Search parameters applied for estimation

Domain	Interpolation method	Power	Search pass	Radius ellipsoid	Dip	Dip azimuth	Pitch	Min. sample	Max. sample	Sector search	Maximum samples per sector
Sua	IDW	2	1	100 × 100 × 40	Dynamic	Dynamic	Dynamic	2	10	Quadrant	10
North Bermol	IDW	2	1	100 × 100 × 40	7.5	1	155	4	20	Quadrant	10
Mafi	IDW	2	1	200 × 100 × 20	7	140	90	4	32	Quadrant	10

Source: SMGC

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Validation

Model validation for the Idenburg project deposits included review of histograms of sample assays against model grades, generation of swath plots in easting, northing and elevation, visual inspection of sectional and plan views comparing estimated grades with drill hole data, and comparison between block model and wireframe volume. SRK has assessed the validation plots and considers the results to be reasonable.

Reasonable prospects for eventual economic extraction

SMGC applied a break-even cut-off grade of 0.1 g/t Au to the reported Resource to demonstrate reasonable prospects for eventual economic extraction (RPEEE).

This cut-off grade was derived using:

- processing + G&A costs of US$8.06/t, based on a similar, nearby Indonesian open-pit operation
- an assumed overall gold recovery of 90%, supported by initial metallurgical tests showing >90% gravity + carbon in leach (CIL)/resin-in-leach (RIL) recovery
- a long-term gold price of US$3,329/oz, selected from 10-year price history to avoid short-term volatility.

The geological model is constrained to a maximum extrapolation of 100 m from each datapoint, and an overall pit slope of 45° is assumed in the absence of geotechnical studies.

SRK considers that RPEEE has been adequately demonstrated. However, the determined cut-off of 0.1 g/t Au appears to be on the low side of a deposit being exploited by open-pit mining methods. SRK recommends that the thresholds applied for the wireframing as well as the cut-off to be further evaluated for future Mineral Resources estimation purposes.

Classification

Exploration completed to date has defined four prospects/geological models (Sua, North Bermol, Bermol, Mafi), but SMGC considers all deposits to be Inferred Mineral Resources only.

This classification reflects:

- Limited and evolving QA/QC: Early work relied mainly on laboratory controls, with later duplicate sampling (2024) revealing issues and prompting a more robust QA/QC program (2025–2026) using CRMs, field duplicates and blanks. Despite this, QA/QC coverage is still small relative to the total assays.
- Incomplete bulk density data: SG measurements were only collected at Sua, with no direct bulk density data for the North Bermol, Bermol or Mafi prospects.
- Uncertainties in collar positions: Borehole collar elevations for all prospects were adjusted to match the topographic surface.

There are no Indicated or Measured Mineral Resources reported. In SRK's opinion, the classification appears appropriate.

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3.1.7 Mineral Resources

The most recent Mineral Resources for the Idenburg project were reported as at 31 March 2026. SRK considers this Mineral Resource estimate to be suitable for valuation purposes. Some refinements on certain technical areas may be required; however, SRK has determined these issues are unlikely to represent a material change to the estimate. Full details of the issues are discussed above and summarised in the Risks section (Section 3.1.9).

The Mineral Resources for March 2026 are provided in Table 3.3.

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Table 3.3: Mineral Resource estimate as at 31 March 2026

Prospect	Resource Class	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Au (koz)	Ag (koz)	Cu (lb '000)	Pb (lb '000)	Zn (lb '000)
Sua	Inferred	5.6	2.9	0.5	145	5.7	71.4	514	89	1,793	71	881
North Bermol	Inferred	0.5	1.2	1.3	180	38	87.6	22	23	183	46	106
Bermol	Inferred	1.5	4.8	2.7	432	15.8	44	228	125	1,274	47	130
Mafi	Inferred	0.2	2.9	51.7	595	14,888	6,135	16	284	204	5,102	2,105
Total	**Inferred**	**7.8**	**3.1**	**2.1**	**210**	**336**	**201**	**780**	**522**	**3,464**	**5,266**	**3,222**

Source: SMGC

Notes:

[1] The Competent Person for Mineral Resources is Mr Abdullah Dahlan, BE (Geology), PERHAPI, IPM, ASEAN Eng of SMGC (Principal Geologist). Mr Dahlan is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM).

[2] Threshold for wireframing is 0.2 g/t Au.

[3] Cut-off grade is 0.1 g/t Au RPEEE.

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3.1.8 Exploration potential

To date, only around 30% of the concession area (952.8 km²) has been explored in detail. The remaining area offers significant potential for the definition of further mineralisation. Mapping, soil sampling, float, and rock-chip geochemical sampling have outlined several prospects, but no trenching or drilling has been carried out on these targets, so they remain untested.

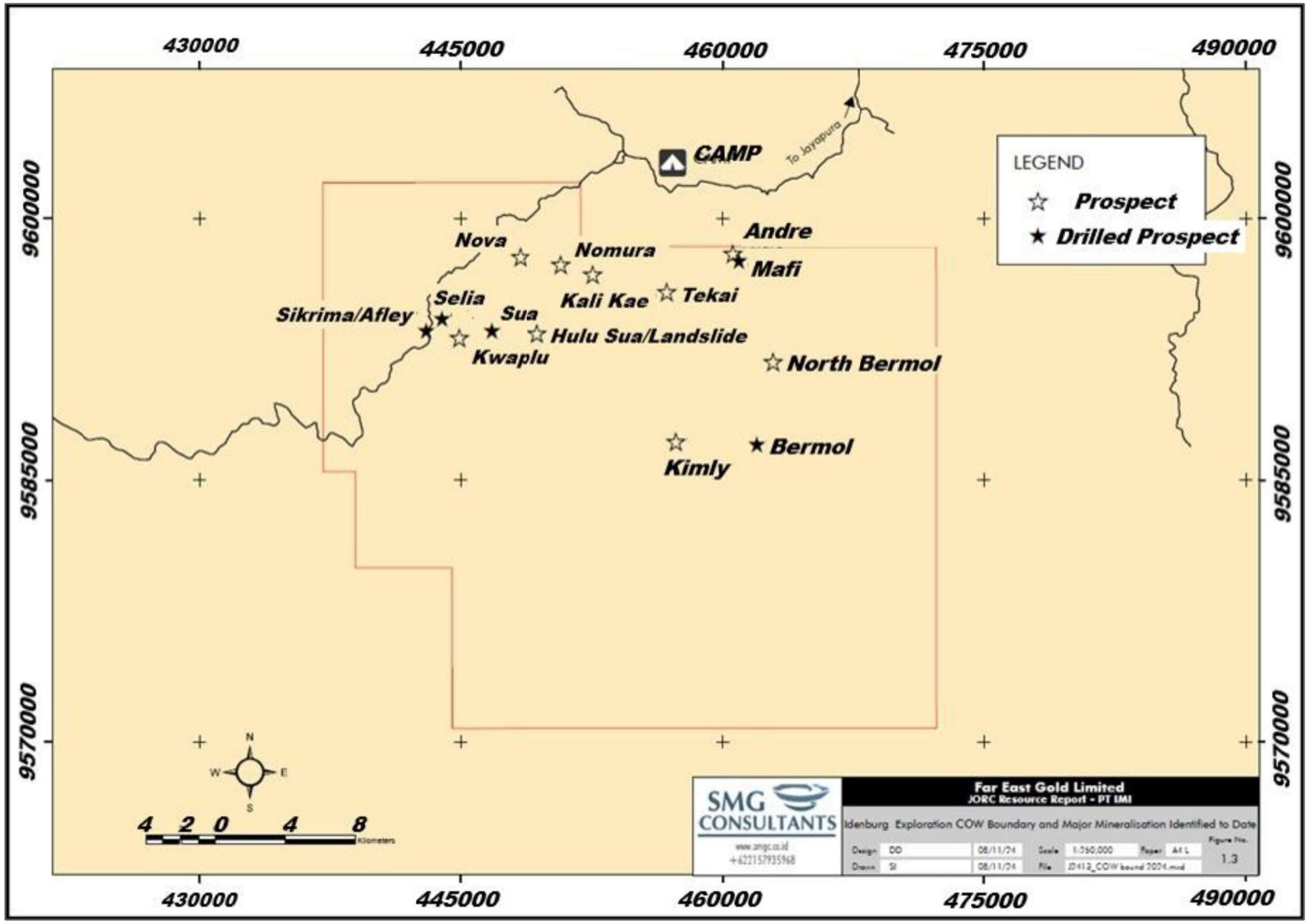
These prospects and the exploration activities completed at each are summarised below:

- Kwaplu prospect
  - Multiple rock/soil samples contained gold anomalies; creek veins/float yielded significant gold anomalies.
  - No trenching or drilling; high-priority scout drilling target (Selia–Sikrima structural analogue).
- Hulu Sua (Landslide) prospect
  - Float up yielded significant gold anomalies; soil lines (~7.5 km) with spot gold anomalies and broad >0.1 g/t Au halos.
  - Good potential for structurally controlled gold; requires systematic follow-up and drilling.
- Nova prospect
  - Soil cluster >0.1 g/t Au over ~300 m; two 1 m channel intervals that contained gold anomalies.
  - Strong placer/soil response but weakly defined bedrock; no drilling yet.
- Tekai prospect
  - Early float/vein assays returned significant gold; later work gave only two notable anomalous gold assay results.
  - One small soil gold anomaly not confirmed in bedrock; strong untested copper-in-soil anomaly (>200 ppm over 500 m).
- Andre prospect
  - 15 samples (float, channel, rock) with anomalous gold at three sites; significant gold anomalies.
  - Confirms gold presence but remains early-stage; no drilling.
- Nomura prospect
  - 159 soils and 36 rocks (chips/floats) with several >0.5 g/t Au; peak rock chip with significant gold anomalies.
  - Strong geochemical anomalies; no drilling yet, good follow-up potential.

Furthermore, the currently defined resources are confined to near-surface mineralisation, suggesting strong potential for extensions at depth to the known Mineral Resource base.

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Figure 3.5: Regional exploration potential of Idenburg project



Source: SMGC.

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3.1.9 Metallurgical testwork

In April 2026, FEG announced the results from initial metallurgical testwork from composite drill core samples at the Sua prospect. This testwork confirmed the results of earlier (2007) metallurgical testing and confirmed the potential for high gold recoveries (90–96%, of which approximately 50% was gravity recoverable) using standard gravity and leach processing techniques.

The results also indicated low grades of silver and copper with minimal impact on gold extraction and reagent consumption. The results also indicated low grades of arsenic and other deleterious elements.

FEG cautioned that these results were preliminary and had been based on limited composite samples. Further testwork will be required to evaluate the processing routes, recoveries and reagent consumption assumptions.

3.1.10 Scoping Study

In May 2026, FEG announced that it had engaged Mining One (consultants) to complete a Scoping Study for potential mine development options based on the updated Mineral Resource estimate dated May 2026.

Along with ongoing drilling, the intent of this Scoping Study is to support the Company's evaluation of a viable pathway towards delivery of a potential Indonesian Feasibility Study by late 2026. SRK notes that while an Indonesian Feasibility Study is designed to assess the technical and economic merits of a project, the outcomes of any such study should not be considered to be as robust or reliable as those meeting a Feasibility Study as defined under clause 40 of the JORC Code (2012).

Based on discussions with FEG, SRK understands that the Scoping Study is nearing completion.

3.1.11 Risks and opportunities

SRK has identified the following risks and opportunities:

Risks

- A bulk density of 2.8 t/m^3, derived solely from measurements at Sua, has been applied to all Mineral Resource estimates at Sua, North Bermol, Bermol and Mafi. This may introduce a slight inaccuracy in the total tonnage estimates.
- The domain wireframes for Sua, Bermol, North Bermol and Mafi were created by FEG and reviewed by SMGC prior to Mineral Resource estimation. This may introduce inconsistencies in 3D model construction and subsequent resource estimation.
- During the early exploration phase, QA/QC procedures were limited to laboratory-based controls only. This may reduce the confidence in the Mineral Resources estimated from these datasets.
- No grade capping has been applied to the Sua, North Bermol, Bermol or Mafi datasets, as SMGC's prospect-level review did not identify obvious outlier assays. This may lead to local overestimation of the resource grade.

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Opportunities

- Mineral Resource classification can be upgraded with appropriate infill drilling, additional bulk density measurements, and implementation of a robust QA/QC protocol.
- Areas beyond Sua, North Bermol, Bermol and Mafi remain largely untested, and there is significant potential for further mineralisation at depth.

Recommendations

- SRK recommends collecting additional bulk density measurements at North Bermol, Bermol and Mafi prior to upgrading any Mineral Resources from the Inferred to Indicated categories.
- SRK recommends that SMGC re-wireframe the mineralisation based on an improved understanding of the deposit and the application of more refined and clearly defined criteria.
- SRK notes the presence of outlier values beyond the log-normal distribution in several domains and recommends testing the use of either clamping or more domain-specific top caps in future estimates.
- SRK considers that RPEEE has been adequately demonstrated. The reported cut-off of 0.1 g/t Au appears to be on the low side of a deposit being exploited by open-pit mining methods. SRK recommends that the thresholds applied for wireframing as well as the cut-off be further evaluated for future Mineral Resource estimates.

3.2 Woyla project

3.2.1 Overview

The Woyla project is at an early exploration stage, and no Mineral Resource estimate has been reported to date. Eight prospects have been identified, and drilling has been carried out on five of them: Aloe Eumpeuk, Aloe Rek, Anak Perak, Rek Rinti and Beurieung.

SRK notes that while internal estimates have previously been prepared based on drilling conducted since 2021, these remain to be publicly disclosed. As a result, SRK's review recognises the project's significant exploration potential but does not incorporate any unpublished Mineral Resource estimates.

3.2.2 Location, access and climate

The Woyla project is located southeast of Banda Aceh in Aceh Province, northern Sumatra, Indonesia. The village of Geumpang is the nearest village and the main local logistics and supply centre of the project (Figure 3.6). The coordinates of the project's central point are 4°43'43.51" N, 96°09'13.52" E.

Access to the project is by road from Banda Aceh, with light vehicle access taking approximately 4–5 hours to reach the Anak Perak basecamp.

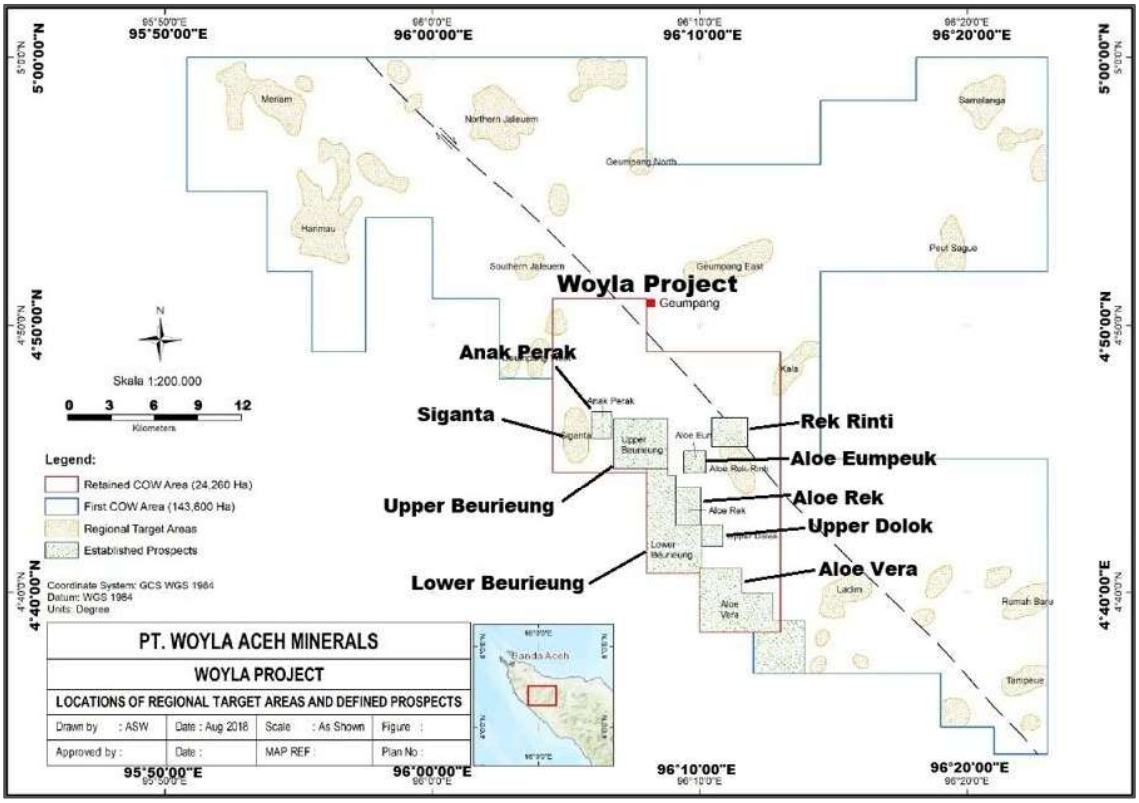
The Anak Perak prospect is accessible on foot from the basecamp via local footpaths over steep to gentle terrain.

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The Aloe Eumpeuk and Aloe Rek prospects are located approximately 25 km from the Anak Perak base camp and require a further 4–5 hours travel by motorcycle along muddy and rocky dirt roads, followed locally by walking access.

The Woyla project area experiences humid tropical equatorial climate, with high rainfall, high humidity and warm temperatures throughout the year. Seasonal rainfall may affect road conditions, field access, slope stability and exploration logistics, particularly on unsealed tracks to the more remote prospects. Exploration activities can be conducted year-round.

Figure 3.6: Woyla project location



Source: FEG, 2018

3.2.3 Tenure

The Woyla project is located within a concession area owned by PT Woyla Aceh Minerals (WAM), which covers approximately 24,260 ha in Aceh Province, Indonesia. FEG holds a controlling interest in the Woyla project through its wholly owned subsidiary, Woyla Pty Ltd. Woyla Pty Ltd, through Woyla Aceh Ltd (WAL), currently owns an indirect 51% stake in WAM. The project tenure is based on an Exploration CoW granted on 17 March 1997 and valid until September 2026.

In April 2026, FEG provided an update on its interest in the Woyla project. Under the Conditional Share Purchase Agreement, FEG had the right to increase its ownership interest in the Woyla project to 80%, subject to completion of a Feasibility Study (able to be submitted to the Indonesian Government). The Company had been seeking to progress an agreement with the vendor of the Woyla project to increase its economic interest to 100% without the requirement to complete a Feasibility Study. Agreement on final terms was not able to be achieved and FEG therefore intends to continue to hold its 51% interest.

No Feasibility Study has been initiated, and further exploration is not anticipated.

3.2.4 Geology

Regional geology

Aceh Province is located at the northwestern end of Sumatra, Indonesia, within the Sunda-Banda magmatic arc system. The regional tectonic framework is dominated by oblique subduction of the Indo-Australian Plate beneath the Sunda/Burma margin, which has generated a long-lived volcanic and plutonic arc extending along the length of Sumatra. This convergent margin setting has been active through much of the Cenozoic and is associated regionally with calc-alkaline magmatism, crustal-scale faulting, and the development of porphyry, epithermal and skarn-style mineral systems (Figure 3.7).

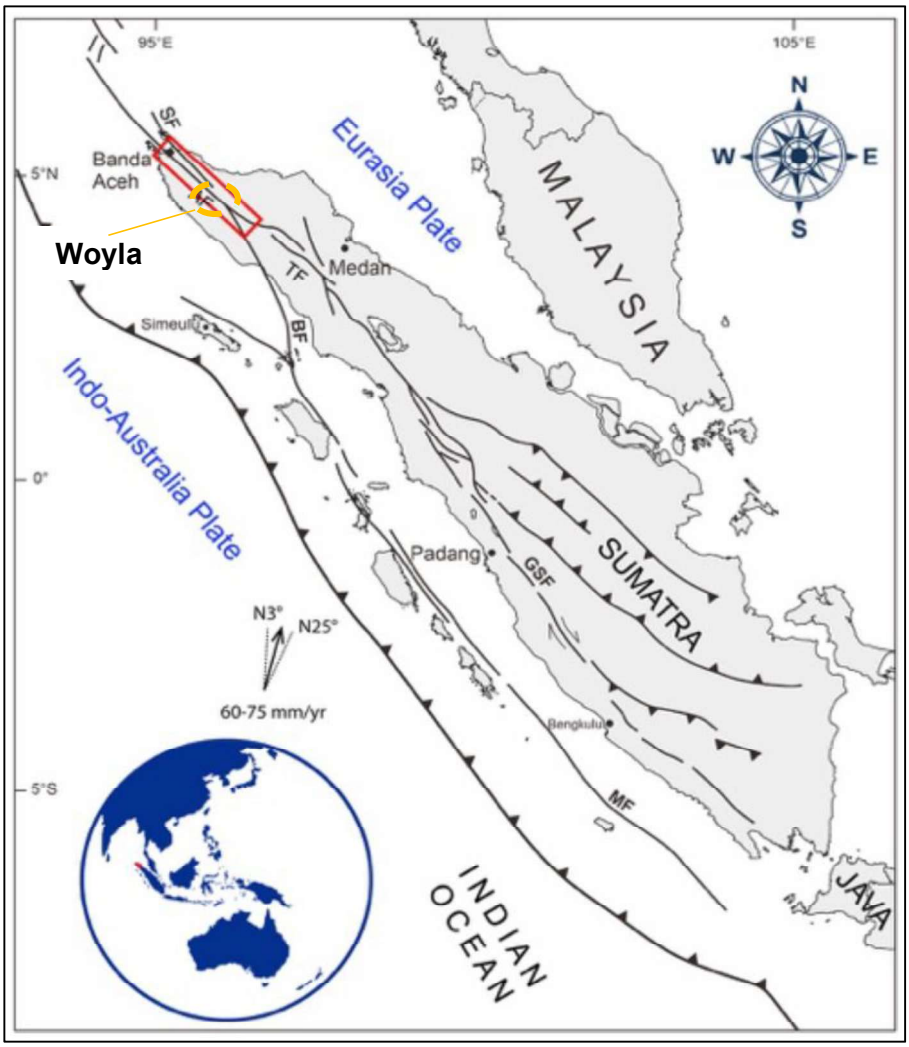
The geology of Aceh can be broadly subdivided into a western forearc domain, a central Barisan volcanic–plutonic belt, and an eastern back-arc sedimentary basin domain. The central Barisan belt is the principal metallogenic corridor and contains Mesozoic basement and accreted terranes, including components of the Woyla terrane, overlain and intruded by Tertiary volcanic, volcaniclastic and intrusive rocks. Intrusive rocks in this belt commonly include diorite, quartz diorite, tonalite and granodiorite compositions, which are typical of magmatic arc environments and are considered favourable for porphyry copper-gold and related hydrothermal systems.

A major structural feature of the region is the Great Sumatran Fault system, a dextral strike-slip fault zone that extends along the length of Sumatra. In Aceh, this fault system is represented by a series of major fault segments and splays, including the Aceh, Seulimeum, Batee and Tripa fault zones. These structures, together with cross-cutting NE-E trending faults, are interpreted to have influenced magma emplacement, volcanic centre development and hydrothermal fluid flow. Structural intersections, dilational jogs and fault splays are regarded as favourable sites for hydrothermal alteration and mineralisation.

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Figure 3.7: Woyla project regional setting



Source: Modified from G.I. Marliyani et al. (2006)

Project geology

The Woyla project geology consists mainly of intermediate volcanic rocks, such as andesite, volcanic breccia and pyroclastic units. These rocks are commonly altered by argillic to clay–pyrite alteration, with some areas showing stronger silica–pyrite alteration and disseminated pyrite.

Gold mineralisation is mainly found in structurally controlled quartz veins and quartz breccia zones, typical of a low-sulfidation epithermal system. Vein textures reveal brecciation, cockade, comb, vuggy, crustiform-colloform, sugary, and bladed quartz after calcite. These features indicate shallow epithermal conditions with episodic fluid flow and boiling.

Vein systems range from narrow, metre-scale zones to broader quartz breccia zones, which can reach widths of 10–50 m and strike lengths of up to 1.8–2 km in larger zones. Narrower veins, 1–10 m wide, may extend several hundred metres to over 1 km. Sulfide content in the veins is generally low, but the altered host andesite may have disseminated pyrite and local silica–pyrite alteration.

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3.2.5 Exploration history

Exploration at the Woyla project commenced in 1996–1998 under Barrick Gold/PT Barrick Mutiara Woyla. Work during this period included regional geochemical sampling, geological mapping, rock, soil, silt and stream sediment sampling, bulk leach extractable gold (BLEG) sampling, trenching, and airborne magnetic-radiometric geophysical surveying.

From 1999 to 2002, Newcrest Mining undertook further exploration under a joint venture arrangement. This work included detailed regional stream sediment sampling, geological mapping, rock and soil sampling, and trenching across the project area. Newcrest withdrew in 2002, reportedly due to the civil conflict in Aceh.

In 2009, Tiger Realm was involved with the project, although the available information provides limited detail on the extent of work completed during this period.

From 2002 to 2021, no substantial field exploration is reported to have been completed. The project was retained by PT Woyla Aceh Minerals during this period, with planned drilling delayed by permitting constraints associated with the project's location within protected forest areas.

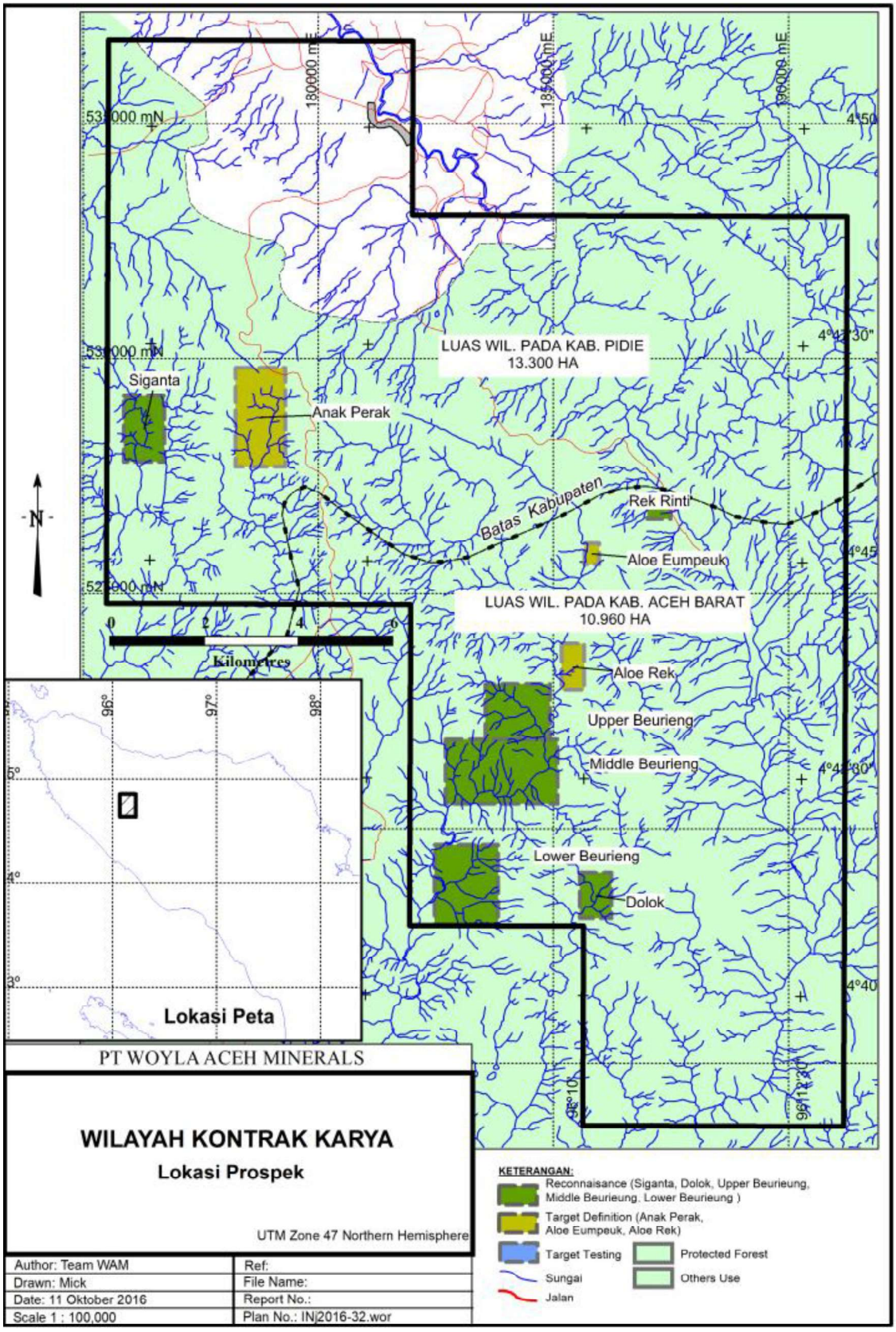
Following a 2021 site review, FEG advanced exploration across the project. Work completed includes diamond drilling, detailed geological mapping, prospect-scale evaluation, and follow-up assessment of epithermal vein systems. Drilling completed by FEG to date comprises 133 holes for 20,584 m, including Phase 1 scout drilling at Anak Perak and Rek Rinti, Phase 2 drilling at Anak Perak, Rek Rinti and Aloe Eumpeuk, Phase 2 extended drilling at Rek Rinti, and Phase 3 drilling comprising resource delineation drilling at Rek Rinti and scout drilling at Aloe Rek.

Prospects

The Woyla project remains at an early to advanced-stage of exploration with the geological setting inferred to comprise an island-arc situated along a plate boundary. Work to date has identified multiple epithermal, skarn and porphyry-style targets, including the Aloe Rek (Victory Vein) prospect, Anak Perak prospect, Aloe Eumpeuk prospect, Aloe Vera prospect, Upper Dolok prospect, Beurieung prospect (Lower, Middle, Upper), Rek Rinti prospect, Siganta prospect, as shown in Figure 3.8.

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Figure 3.8: Prospects of Woyla project



Source: FEG.

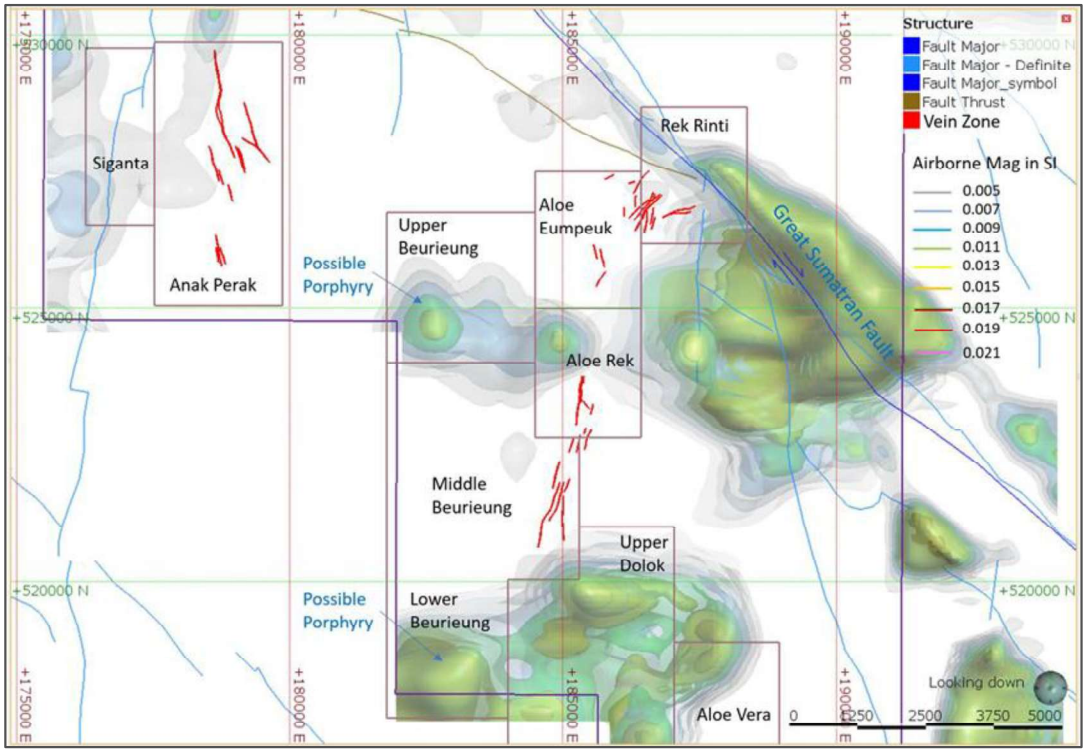
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High-potential prospects

A total of 133 holes has been completed for 20,584 m since 2021. Phase 1 comprised 4,631 m of scout drilling at the Anak Perak and Rek Rinti prospects. This was followed by a 10,789 m Phase 2 program at Anak Perak, Rek Rinti and Aloe Eumpeuk, together with a 2,156 m Phase 2 extension program at Rek Rinti. Phase 3 drilling totalled 3,008 m, including 1,124 m of resource delineation drilling at Rek Rinti and 1,884 m of scout drilling at Aloe Rek.

These recent drill programs identified potential epithermal type gold-silver mineralised vein systems at Anak Perak, Aloe Eumpouk, Rek Rinti and Aloe Rek prospects and a porphyry system at the Beurieung prospect (Figure 3.9). Anak Perak is the largest known vein system (10–50 m wide × 1.8–2 km long).

Figure 3.9: Woyla high-potential prospects



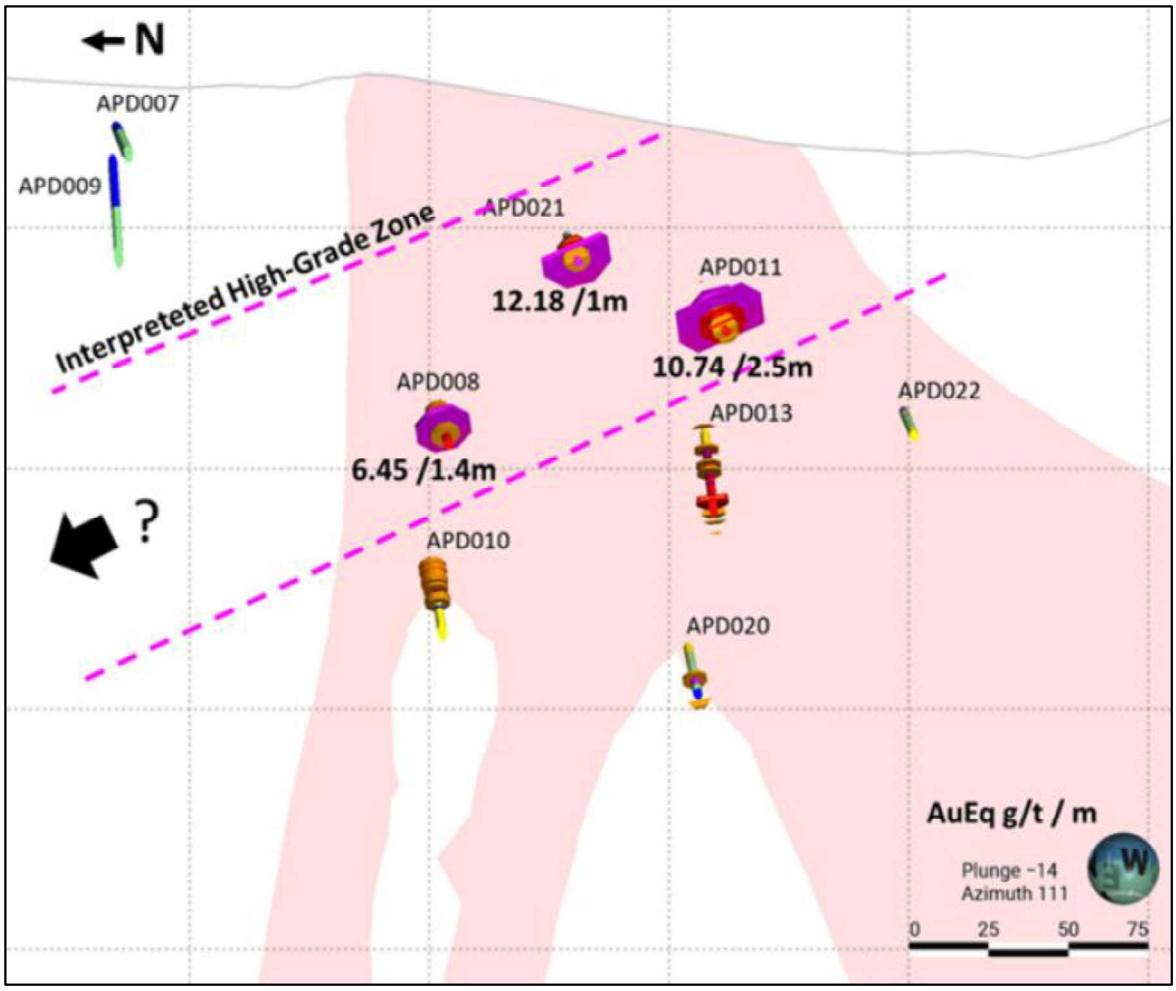
Source: FEG, 2026

Anak Perak prospect

Anak Perak is located towards the west of the concession area and is underlain by intermediate volcanics (andesitic lavas and pyroclastics) within a laharic breccia rim. This area hosts a broad NNW–N-trending low-sulfidation quartz vein/stockwork zone up to ~50 m wide in clay–pyrite altered andesite. Fluid inclusion data (≈219 °C, ~256 m depth) indicate a relatively shallow epithermal level, and geophysical data shows a zone of low magnetics and low radiometrics reflecting widespread argillic alteration. Rock float geochemical samples returned maximum values of 35 g/t Au, while soil geochemical data outline a ~2.2 km-long × ~300 m-wide gold anomaly (>0.5 g/t Au), and trenching has returned over 6 m of gold anomalies. The peak assays from drill cores include were significant (>10 g/t Au). Phase 1 drilling revealed a 1.2 km mineralised zone within the 4.7 km strike length of the Anak Perak system. Phase 2 drill hole APD021 confirmed continuation of the interpreted high-grade gold zone over a strike length of 100 m which remains open to the north (Figure 3.10).

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Figure 3.10: Anak Perak prospect



Source: FEG Woyla Factsheet (FEG_Fact_Sheets_-_Woyla_lqgvmw.pdf), accessed on 04 June 2026 from FEG's homepage

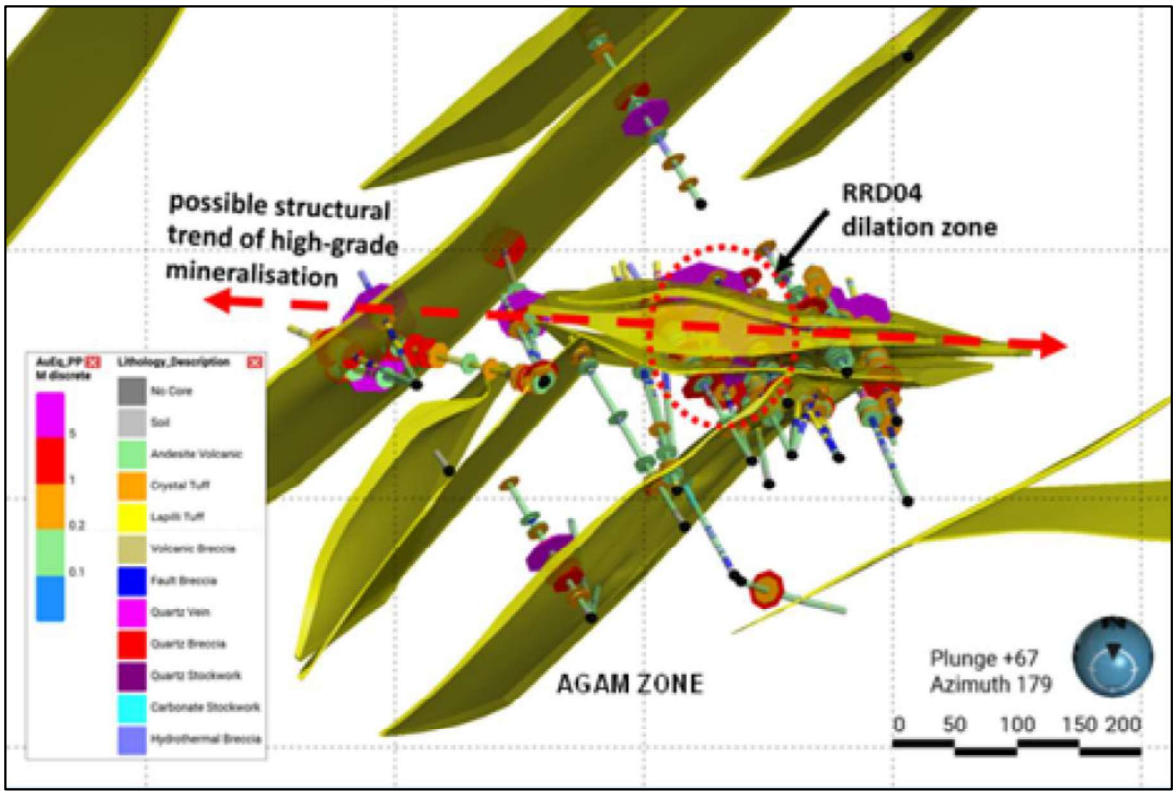
Rek Rinti prospect

Rek Rinti comprises andesite flows (locally porphyritic) hosting NE-trending quartz veins up to 5 m wide in variably clay–pyrite altered rocks, with vein textures (crustiform, comb, vuggy) similar to low-sulfidation systems at Aloe Rek and Aloe Eumpeuk. The prospect is interpreted as an epithermal vein system with common high-grade float and good potential. Lithostructural interpretation places the area in Woyla Group rocks on the northern margin of the Beurieung granodiorite near a circular intrusive/volcanic centre, with a small central magnetic geophysical high. Initial geochemistry outlined a BLEG Ag anomaly, but follow-up sampling returned numerous sites with anomalous gold in pan concentrates and ore-grade quartz-vein float yield significant gold anomalies, vein chip samples returned gold anomalies and significant silver anomalies, with low arsenic and base metals.

FEG's Phase 1 drilling encountered high grade significant anomalous gold intervals of over 2 m. Phase 2 drilling also encountered significant mineralised widths at Rek Rinti, intercepting over 5 m of significant gold mineralisation in Hole AGM007. The Phase 3 drill program has been completed for detailed resource delineation purposes (Figure 3.11).

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Figure 3.11: Rek Rinti prospect



Source: FEG, 2026

Aloe Rek (Victory Vein) prospect

The centrally located Victory Vein is a low-sulfidation quartz–adularia–carbonate vein system hosted in argillic-altered andesite on the margin of a laharic arcuate ‘rim’ feature, with north–south lenses and pods 1–5 m wide within a 50 m-wide altered envelope traceable over ~1.1 km of strike. It lies in a broad E–W trending magnetic geophysical low, and geochemistry shows rock float with significant gold grades, anomalous soil gold grades over a 900 m by up to 70 m N–S gold-arsenic anomaly, and trench channel samples of over 14 m of gold anomalies. The vein system is well developed and covered by soil and trench, and the full width and strike extents are constrained by drilling. The peak assays from drill cores showed significant gold and silver mineralisation. The known extents to the deposit remain open at depth and along strike to the south.

Aloe Eumpeuk prospect

Aloe Eumpeuk is a north-striking epithermal vein system about 1.8 km north of the Victory Vein, with veins 0.5–3 m wide traced for ~100 m in argillic-altered porphyritic andesite, striking NNW and dipping moderately to steeply east. It sits in an E–W magnetic high with low–moderate radiometric geophysical signature, and reconnaissance sampling returned stream sediments up to 0.5 ppm Au, float contained significant gold and silver anomalies, and an outcrop channel of 5 m of gold anomalies. An auger soil grid defines a spotty gold anomaly ~250 m long and up to 120 m wide, with local highs anomalous gold grade above quartz-bearing soils, while trenching has exposed 100 m of strike with 1 m channel samples returning a significant gold anomaly and trenches ending in mineralisation. The peak assays from cores contain significant gold and significant silver grades. The deposit is interpreted to remain open at depth.

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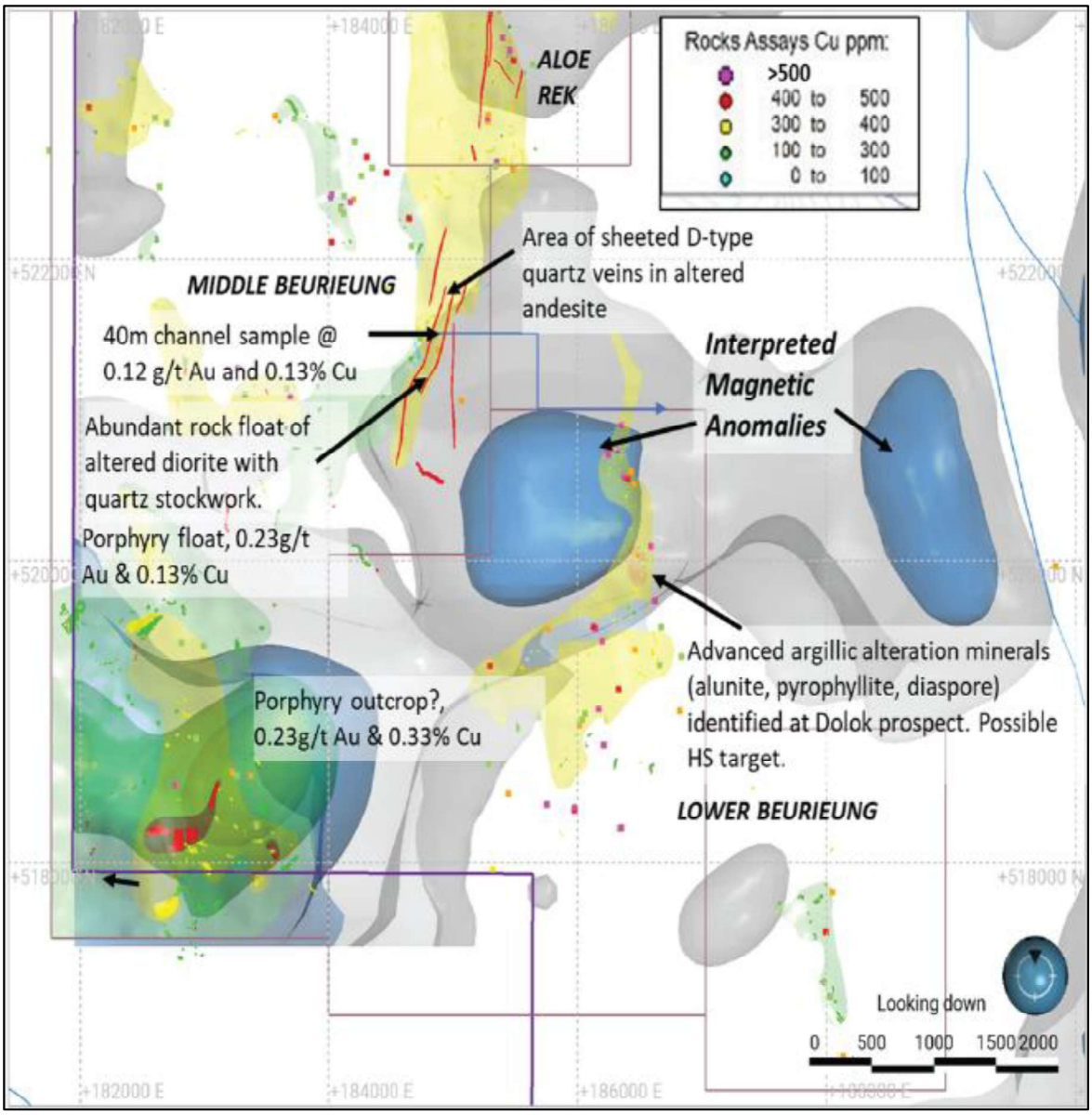
Beurieung prospect (Lower, Middle, Upper)

The Beurieung area covers the Beurieung and Suluh drainages. It is underlain by porphyritic andesites intruded by diorite/granodiorite, with propylitic, phyllic, skarn and epithermal alteration, quartz vein breccias and quartz–sulfide stockworks, reflecting a porphyry-related hydrothermal system. Petrology and fluid inclusion studies indicate formation depths from ~388–668 m (deep epithermal–mesothermal) and ~1,700 m (porphyry environment), with quartz–diaspore–alunite assemblages typical of high-sulfidation copper-gold systems and early skarn overprinted by low-temperature epithermal alteration.

Geochemically, BLEG gold is low, silt gold are less than 0.5 g/t Au, rock samples mostly <0.5 g/t Au but contains gold anomalies in a 2 m quartz vein and anomalous gold float grades, while the Lower Beurieung float suggested Au, Ag, Cu, Pb, Zn and Mo mineralisation and a 40 m interval of <0.5 g/t Au and <200 ppm Cu in potassic altered porphyry. No ore-grade intervals have yet been defined, but the geology and geochemistry point to multi-phase porphyry–epithermal activity, with Lower Beurieung the most prospective for follow-up (Figure 3.12).

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Figure 3.12: Beurieung prospect



Source: FEG Woyla Factsheet (FEG_Fact_Sheets_-_Woyla_lqgvmw.pdf), accessed on 04 June 2026 from FEG's homepage.

Other prospects

For the other prospects, only limited drilling has been undertaken. These prospects require systematic grid soils, more trenching, and scout diamond drilling.

- The Aloe Vera prospect hosts skarn and intrusion-related alteration but is currently considered a low priority for the next stage of exploration.
- The Upper Dolok prospect contains low-sulfidation epithermal quartz veins exhibiting crustiform, drusy, platy quartz-after-calcite, cockade and comb textures.
- At Siganta, geological, geophysical and geochemical evidence indicates the presence of porphyry copper-gold-style mineralisation.

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3.2.6 Risks and opportunities

SRK has identified the following risks and opportunities:

Risks

- Limited exploration: Large areas within most prospects remain untested, so the style, potential, continuity, size and grade of mineralisation are still not well constrained.
- Exploration stage: Several prospects have reached an advanced exploration stage with internal tonnage and grade estimates completed; however, additional work is required in order to upgrade those internal estimates towards JORC Code (2012) compliance.
- Variable grades and thickness: Although high-grade intercepts have been recorded, mineralisation appears locally sporadic, discontinuous and/or tightly constrained.
- Technical challenges: Deeper targets (e.g. potential porphyry systems at Beurieung and Siganta) are likely to require more advanced drilling methods and higher capital investment.

Opportunities

- Strong discovery potential: Historical work has returned elevated gold, silver and copper grades at multiple prospects, supporting the potential for both epithermal and porphyry copper-gold mineralisation.
- Untested prospects: Several targets, including Aloe Vera, Upper Dolok and Siganta, remain largely untested by drilling and present significant upside exploration potential.
- Multiple deposit styles: The coexistence of epithermal, skarn and porphyry-style systems enhances the likelihood of discovering one or more deposit types within the project area.

Recommendations

- SRK recommends additional work be undertaken to upgrade the internal tonnage and grade estimates for the Anak Perak, Aloe Eumpeuk, Rek Rinti and Aloe Rek prospects to JORC Code (2012) compliance and subsequent public reporting.
- Further advanced exploration is also recommended, including drilling, at Beurieung.

3.3 Trenggalek project

3.3.1 Overview

The Trenggalek project is at an advanced stage, with several prospects identified that show potential for epithermal and porphyry precious and base metal mineralisation. To date, only some of these prospects have been tested by drilling.

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3.3.2 Location, access and climate

The Trenggalek project is located in Trenggalek Regency, East Java Province, Indonesia, approximately 199 km southwest of Surabaya, the provincial capital of East Java.

The project area (centred at 8°12'02" S, 111°39'54" E) lies between approximately 10 km and 25 km southwest to south of Trenggalek City and includes parts of the Kampak sub-district, with the Sentul–Buluroto prospect area located around Karangrejo and Ngadimulyo villages (Figure 3.13).

Access to the project is principally by air to Surabaya, followed by road travel southwest to Trenggalek Regency. From Trenggalek City, access continues by local roads for approximately 20 km to the south toward the project area. An alternative access route is via Malang, followed by road travel west and then southwest toward the project area.

The project area experiences a tropical climate with distinct wet and dry seasons. The rainy season is influenced by the northwest monsoon and generally extends from September to April. Rainfall in the southern mountainous areas is reported to range from approximately 16 mm to 643 mm per month, which may affect field access, surface conditions and exploration logistics during periods of high rainfall.

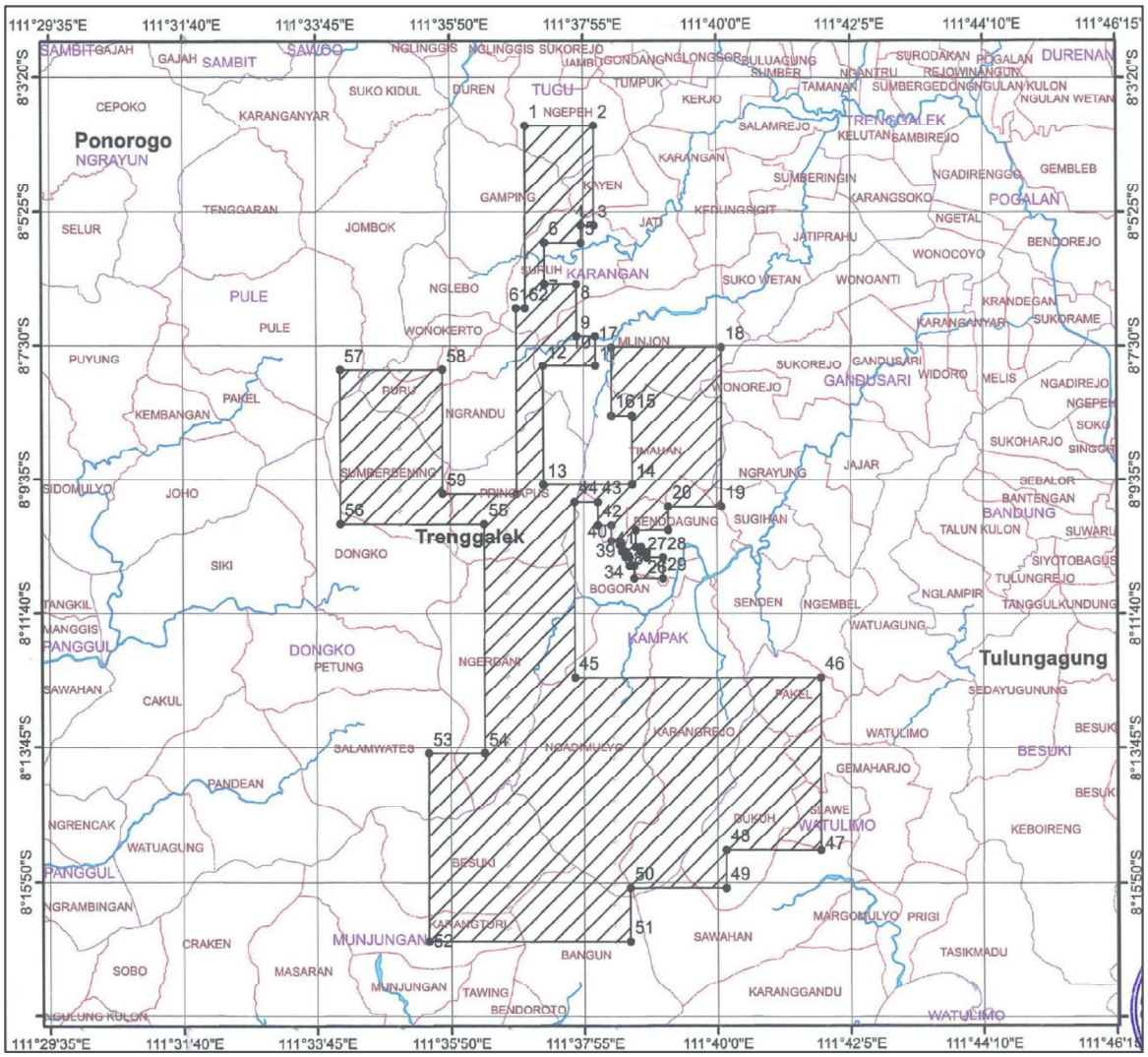
The local terrain is dominated by moderate to steep undulating hills, with elevations locally reaching approximately 1,200 m above sea level at Jrebeng Hill. The Sentul–Buluroto area is situated on the southern slopes of the hills, with drainage generally directed to the south.

3.3.3 Tenure

The Trenggalek project is owned by PT Sumber Mineral Nusantara (SMN) and covers approximately 12,813 ha. FEG holds an indirect controlling interest in SMN through its wholly owned subsidiaries and Indonesian holding companies. FEG, via PT Sumber Abadi Nusantara (PT SAN), owns 49% of PT SMN's Class A shares, which provides FEG with 100% economic interest in the Trenggalek project operated by PT SMN. The project is held under an Operation and Production IUP (IUP-OP) granted on 24 June 2019, which is valid until 24 June 2029, with the possibility of exercising one of two available 10-year extension periods.

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Figure 3.13: Concession map of Trenggalek project



Source: FEG, 2019

3.3.4 Geology

Regional geology

The Trenggalek project is situated in East Java's Southern Mountain Range, a region known for epithermal and porphyry gold and base metal mineralisation. World-class deposits in this region include Tujuh Bukit/Tumpangpitu, Batu Hijau, and Onto/Hu'u.

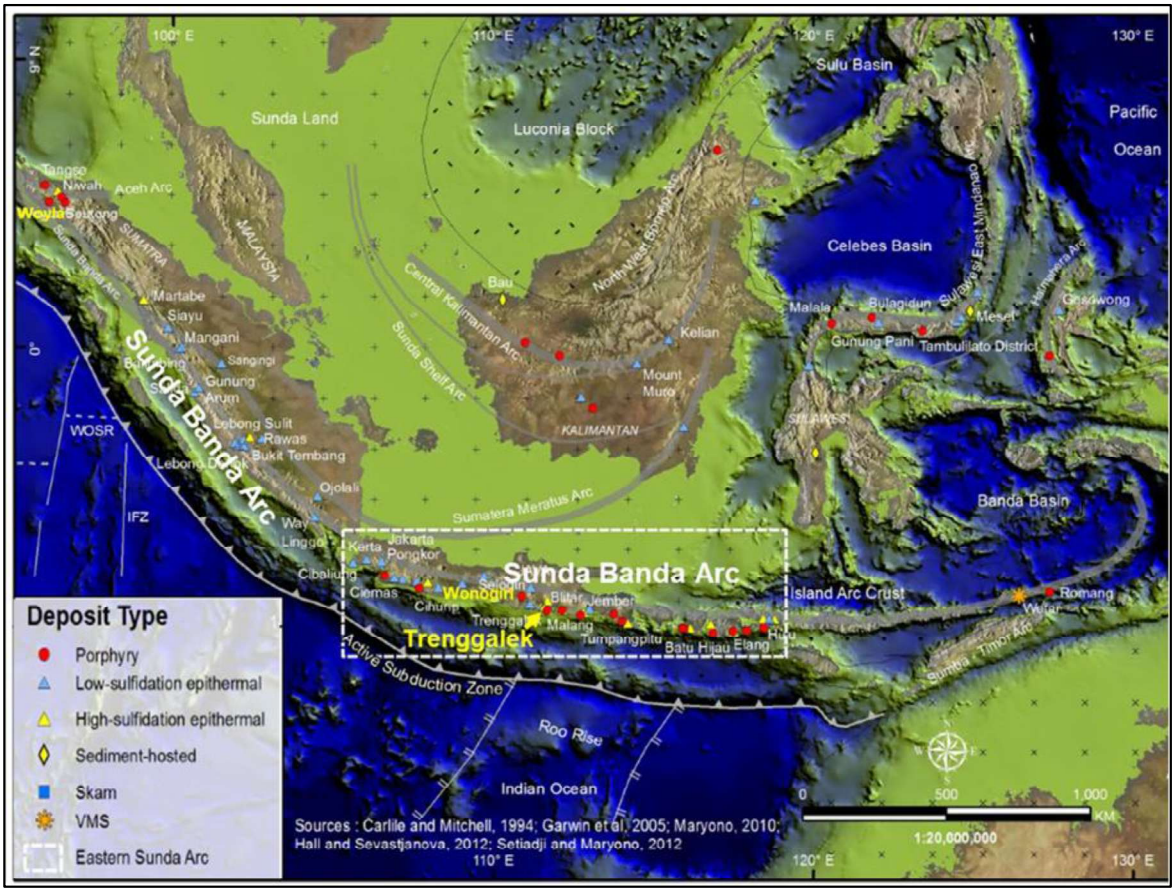
The project lies in the forearc zone of the Sunda-Banda Arc, between the Java Trench and the Quaternary volcanic belt, where N-NE trending geological structures have strongly controlled volcanic activity and mineralisation.

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The oldest rocks in this region are pre-Tertiary metamorphic and Eocene sedimentary units, intruded by Eocene diorite. Younger rocks include andesitic volcanics, volcaniclastic rocks, and Oligocene to Miocene sediments, all capped by Miocene limestone. These are further intruded by igneous rocks such as andesite, dacite, and diorite, which locally cause alteration and associated gold mineralisation.

Regional geology is structurally controlled by NE-SW normal and strike-slip faults, and by E-W thrust faults.

Figure 3.14: Trenggalek project Regional setting



Source: FEG, 23 June 2023

Project geology

The local geology is represented by Oligocene-Miocene volcanosedimentary rocks, consisting of andesitic lava flows, breccias and sedimentary rocks. These are overlain by Middle Miocene limestone and volcaniclastic rocks. The units are intruded by andesitic plugs, dykes and sills, with some forming prominent pinnacles with columnar jointing, and hosting quartz, calcite and zeolite veins, along with local alteration.

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3.3.5 Exploration history

The project area has been subject to exploration by several companies over the past two decades.

In 2005–2006, PT Sumber Mineral Nusantara (SMN), together with PT Aneka Tambang Tbk, conducted geological mapping, soil sampling, geophysical surveys, and four drill holes for a total of 511 m.

In 2007, SMN entered into a joint venture with Arc Exploration Ltd (ARX), under which ARX would earn a 95% interest, manage, and fully fund ongoing exploration activities, with SMN retaining 5%. It appears there was a hiatus of work between 2007 and 2010.

Between 2010 and 2014, ARX partnered with Anglo American PLC, undertaking geological mapping, geochemical and petrographic studies, spectral analysis, magnetic geophysical surveys, and a major drilling program comprising 61 holes for 14,530 m.

In 2016–2017, ARX collaborated with PT Danusa Tambang Nusantara and completed 18 additional drill holes totalling 2,745 m.

More recently, from 2021 to 2023, FEG compiled historical data, created 3D prospect models, and performed 3D inversion of legacy magnetic geophysical datasets. In 2024, detailed mapping and structural interpretation was carried out, focusing on magnetic anomalies selected as initial drill targets for porphyry systems. Collaboration with Eurasian Resource Group (ERG) in 2024 led to the identification of another porphyry-related system at the Ngerdani prospect.

In 2025, a drilling program was planned to test the identified targets, but this program remained to commence as at the time of report preparation.

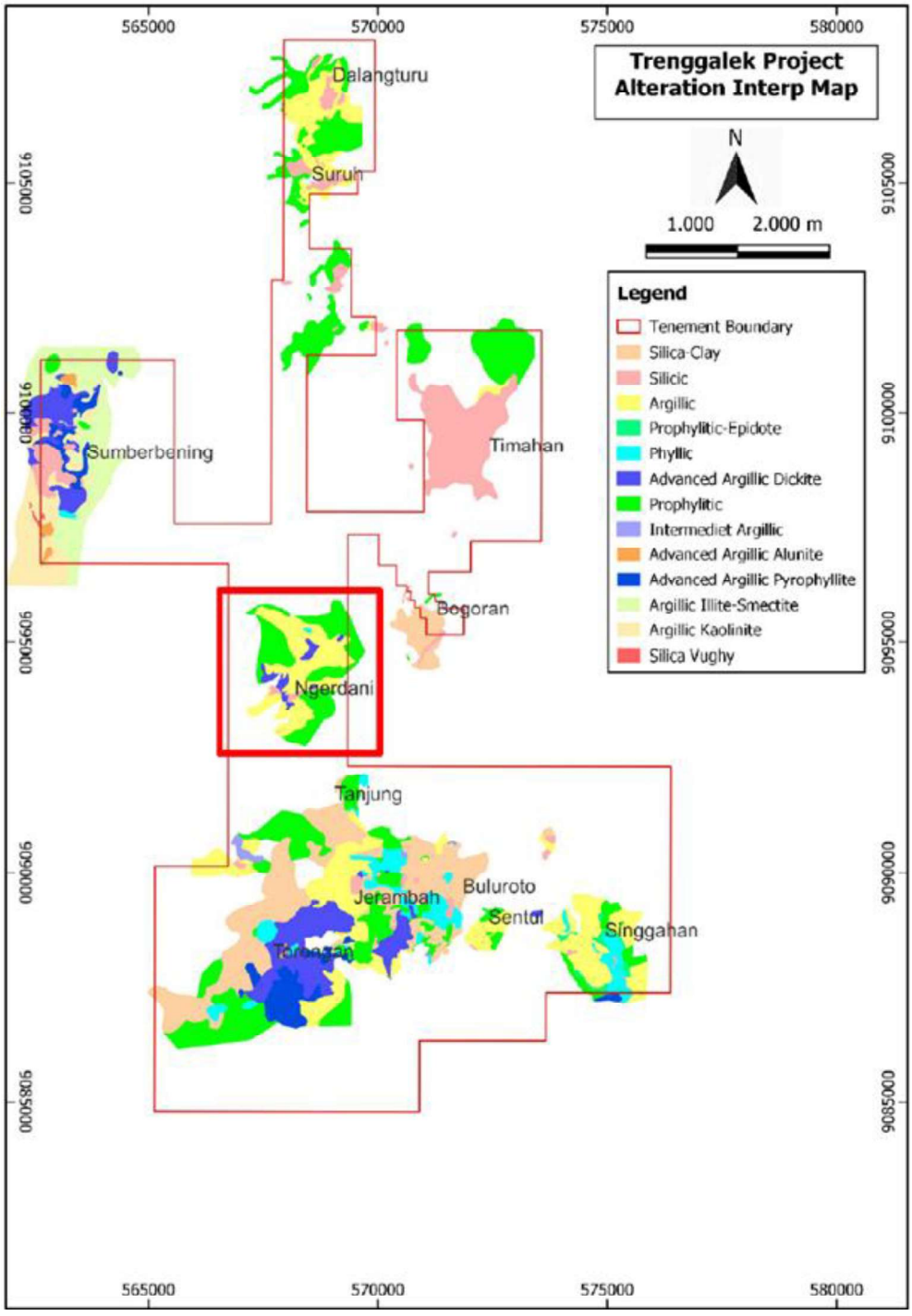
To date, historical exploration has generated a substantial project dataset, including 17,786 m of drilling, 3,675 km of airborne magnetic and radiometric geophysical data, over 10,000 soil samples, 5,000 rock chip samples, and induced polarisation (IP) resistivity surveys in selected areas.

Prospects

Several prospects have been identified by FEG and previous explorers (Figure 3.15). A brief description of the key prospects is presented below.

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Figure 3.15: Trenggalek prospects



Source: FEG ASX announcement, 1 May 2024

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Sumberbening

This Sumberbening prospect is located in the far west of the concession area and features a broad argillic alteration zone trending N-NE, stretching 5 km in length with a 1.6 km central area characterised by vuggy quartz. The central zone is associated with strongly altered quartz diorite and quartz feldspar porphyry intrusions and aligns with a prominent high chargeability and conductivity geophysical anomaly. The presence of these alteration types and vuggy quartz suggests potential for a proximal porphyry system, which may host copper-gold mineralisation. This prospect remains untested by drilling.

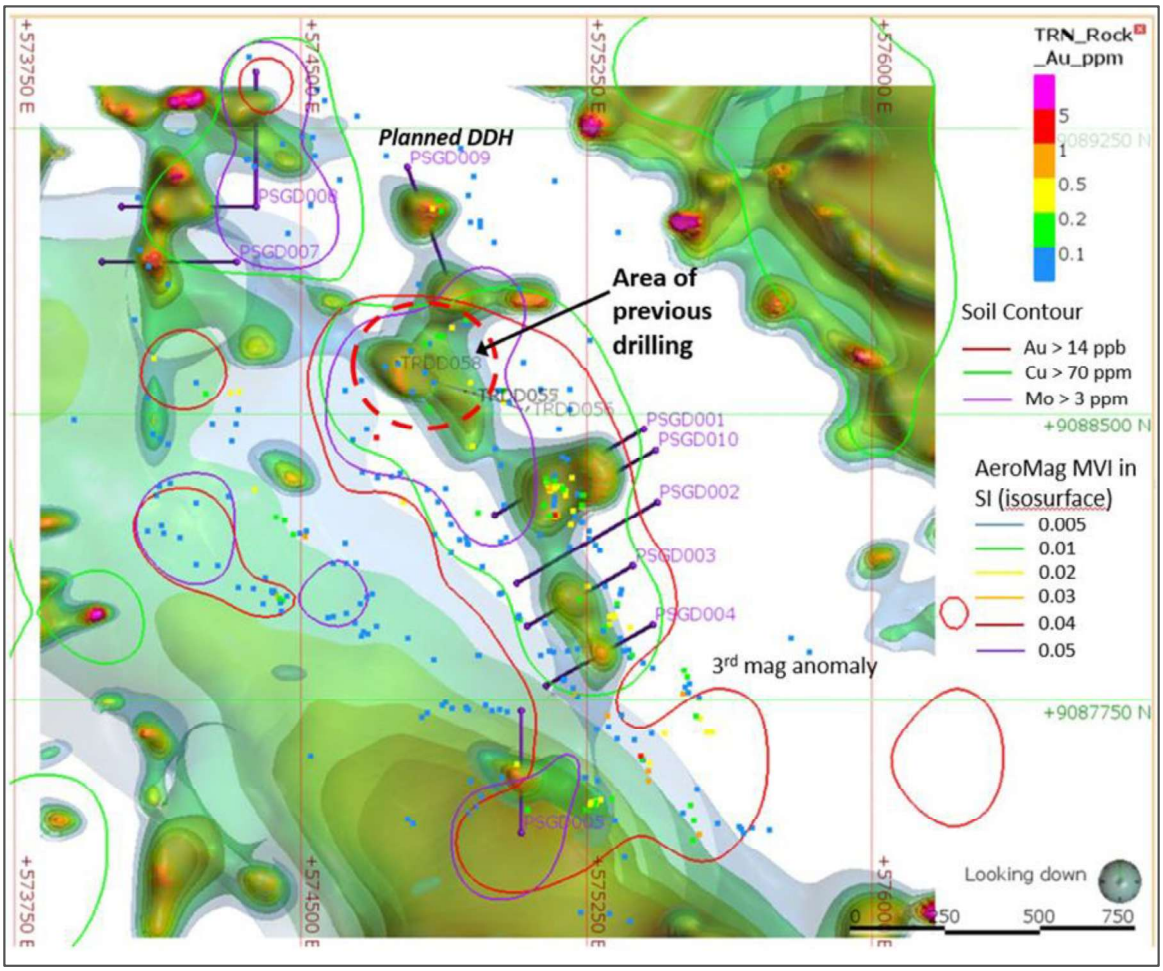
Singgahan and Jerambah

Porphyry copper-gold targets have been identified in the southern portion of the concession area via surface mapping, sampling, and ground IP geophysical surveying (Figure 3.16).

At the Singgahan prospect, drilling tested one of four high-magnetic geophysical anomalies where a surface geochemical sample returned up to gold and copper anomalies. Four holes for a total of 1,541.7 m completed at the prospect intersected altered diorite with fracture-hosted pyrite, minor chalcopyrite, and traces of arsenopyrite and sphalerite, as well as quartz stockwork veins showing weak potassic alteration. The best intersection in TRDD057 returned 12 m of Au, Cu and Mo grades. Other high-magnetic anomalies aligned with surface geochemical results remain untested.

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Figure 3.16: Singgahan prospect



Source: FEG ASX announcement, 23 June 2023

Note: Au-Cu-Mo soil geochemistry overlap with aeromagnetic anomalies and historical drill hole traces.

At the Jerambah prospect, surface exploration outlined a 2 km × 1.5 km silica-clay-pyrite alteration zone centred on a high-magnetic diorite intrusive. The diorite hosts minor quartz-magnetite stringers and weak advanced argillic alteration. One deep hole (end of hole 1,022.3 m) intersected skarn and hornfels-style mineralisation with copper, molybdenum, lead, zinc, and antimony/arsenic in altered sedimentary and volcanic rocks cut by diorite-tonalite intrusions and hydrothermal breccias. However, assay results returned the best interval with 2.0 m of 0.05 g/t Au and 1,040 ppm Cu from 459 m. These features suggest proximity to a mineralised porphyry system.

Petrographic studies and previous scout drilling by ARX and Anglo American in 2014 confirmed porphyry copper-gold potential, with disseminated chalcopyrite and porphyry-style alteration and veining similar to major deposits such as Tujuh Bukit and Batu Hijau.

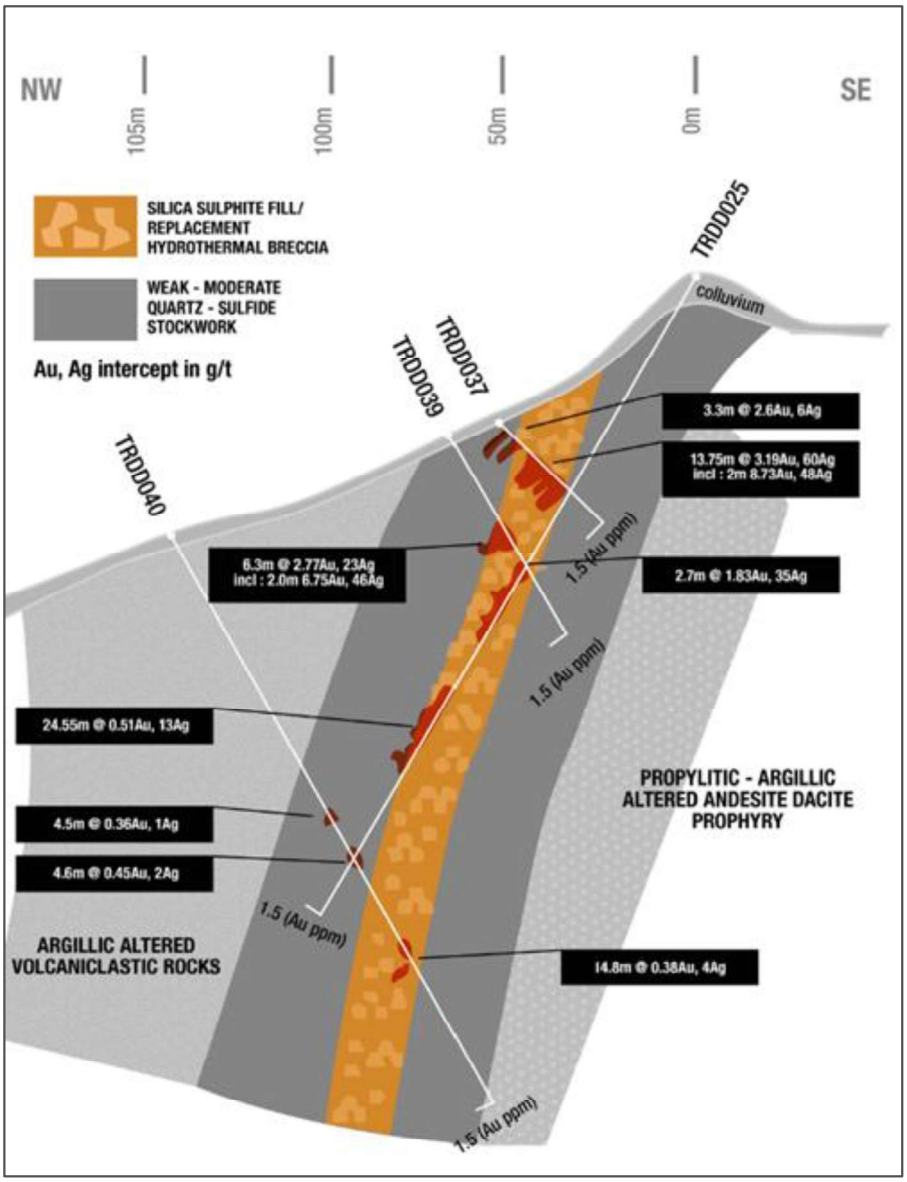
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Buluroto

The Buluroto prospect is a quartz-sulfide vein-breccia system measuring 1–2 km in length and up to 20 m wide. Previous exploration revealed elevated gold and copper grades in trenches, with significant intercepts such as multiple significant gold anomalies and silver anomalies that are over 10 m. The mineralisation is hosted within a N-S trending, silicified breccia body approximately 200 m long and up to 100 m wide.

Reconnaissance drilling across a section of the breccia zone returned positive results, including a gold anomaly at 13.7 m, from 13.7m and 24.5 m, and from 138.5 m (Figure 3.17). This mineralisation also corresponds with a surface gold and arsenic soil geochemical anomaly that extends over 700 m. The mineralisation is interpreted to be associated with an epithermal and porphyry system. Much of the zone remains untested along strike and at depth, making it a high-priority target for further drill testing.

Figure 3.17: Reconnaissance drilling across breccia zone at the Buluroto prospect



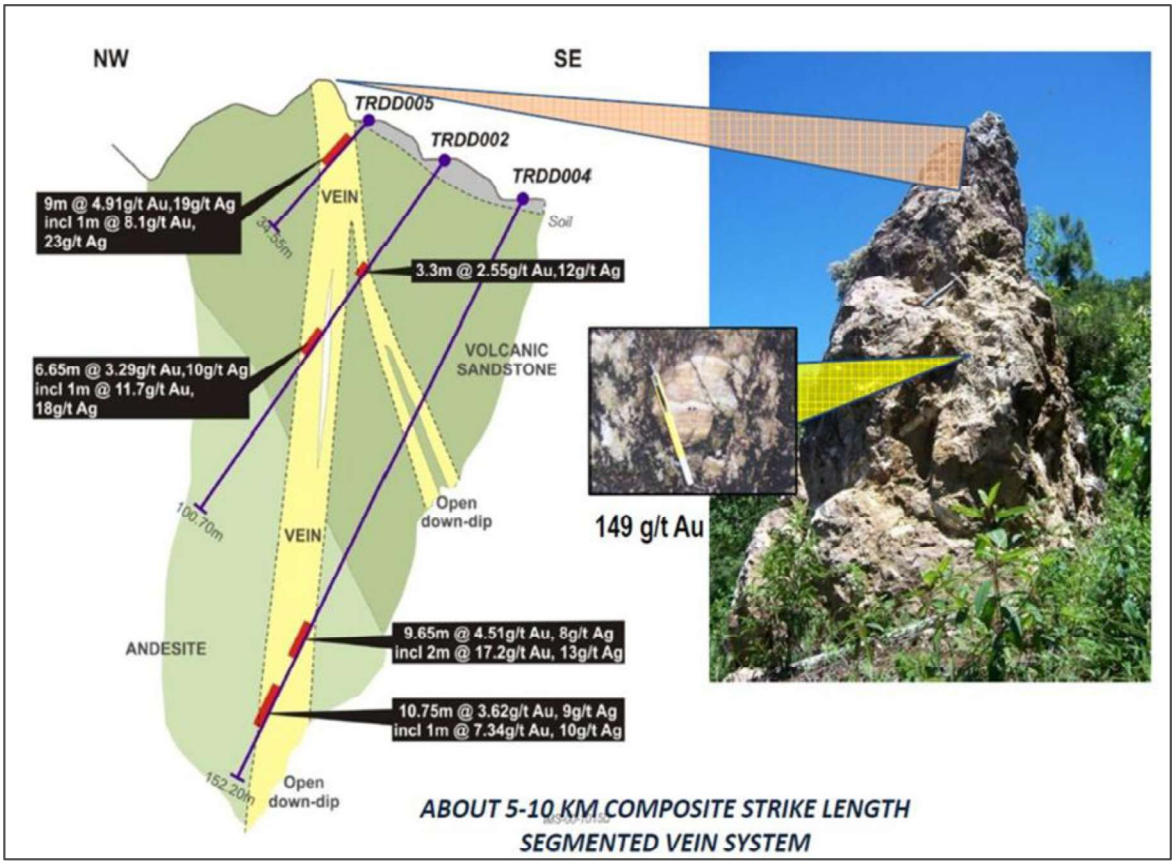
Source: FEG ASX announcement, 23 June 2023, 'FAR EAST GOLD COMPLETES ACQUISITION OF THE TRENGGALEK PROJECT'

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Sentul

This Sentul prospect is located to the east of Buluroto, and three low-sulfidation epithermal quartz vein-breccia systems have been identified to date. These three systems collectively have a length extent of 5–10 km, with individual vein-breccia zones up to 10–15 m wide. Detailed mapping has outlined two main sub-parallel systems, known as the West Sentul and East Sentul zones, but both vein systems remain open and unexplored along strike and at depth. Additional discontinuous veins have been identified in varying orientations between these main structures.

Figure 3.18: Sentul prospect



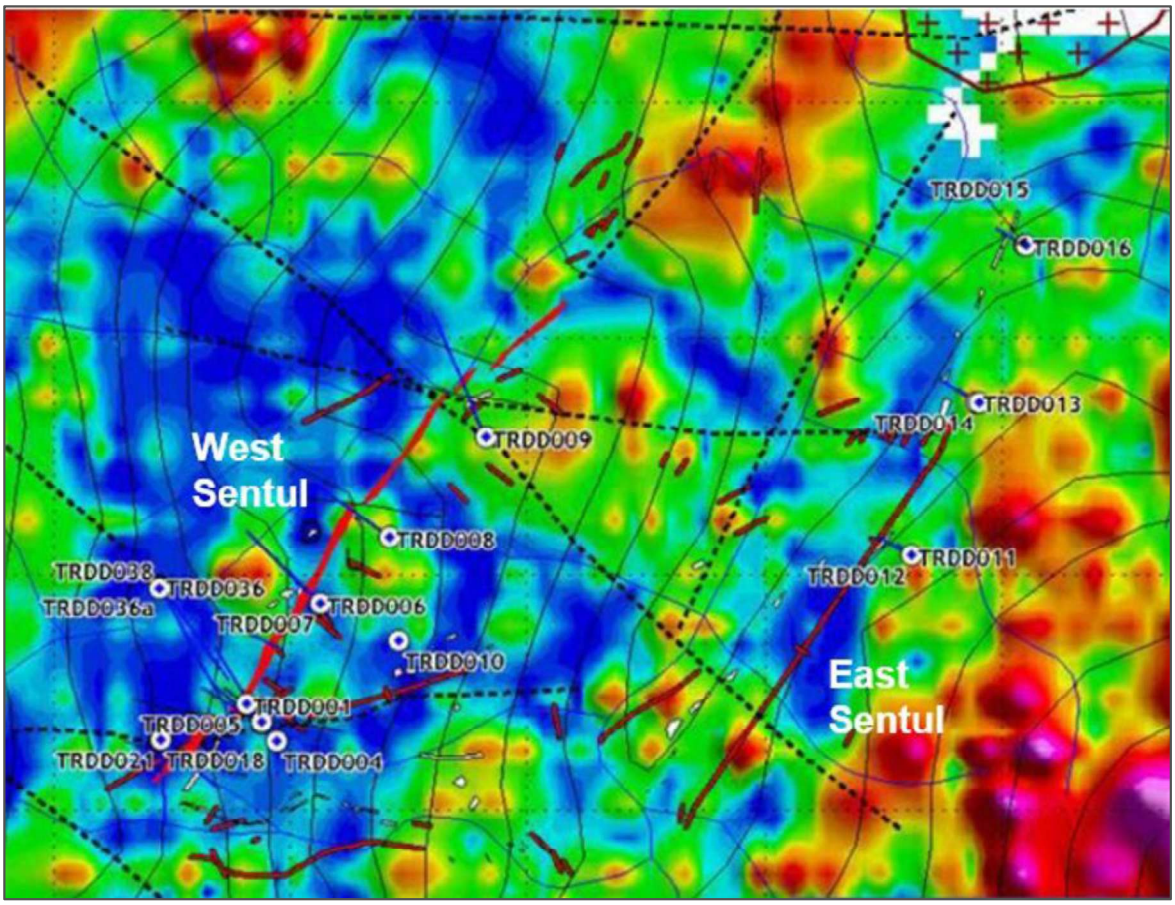
Source: FEG ASX announcement, 23 June 2023, 'FAR EAST GOLD COMPLETES ACQUISITION OF THE TRENGGALEK PROJECT'

Previous drilling included 36 holes totalling 4, 692 m, and returned several significant gold and silver intercepts (Figure 3.18 and Figure 3.19), including:

- TRDD004: anomalous gold grades at various depths
- TRDD002: 6.65 m of anomalous gold interval.
- TRDD005: 9 m of anomalous gold interval.

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Figure 3.19: Historical drill hole locations targeting the Sentul prospect



Source: FEG ASX announcement, 23 June 2023, 'FAR EAST GOLD COMPLETES ACQUISITION OF THE TRENGGALEK PROJECT'

The veins show evidence of multiple quartz deposition events, with chalcedony, microcrystalline, and fine- to medium-grained quartz present. ARX identified five separate stages of quartz veining. The highest gold grades are found in well-banded, crustiform veins with disseminated sulphides and distinctive ginguro textures. These shoots and the extensive vein system suggest strong potential for high-grade gold mineralisation, particularly within the West Sentul structure.

The East Sentul vein trends to the northeast and remains largely untested. To date, only approximately 650 m of these zones, less than 20% of the vein system, have been tested by previous reconnaissance drilling.

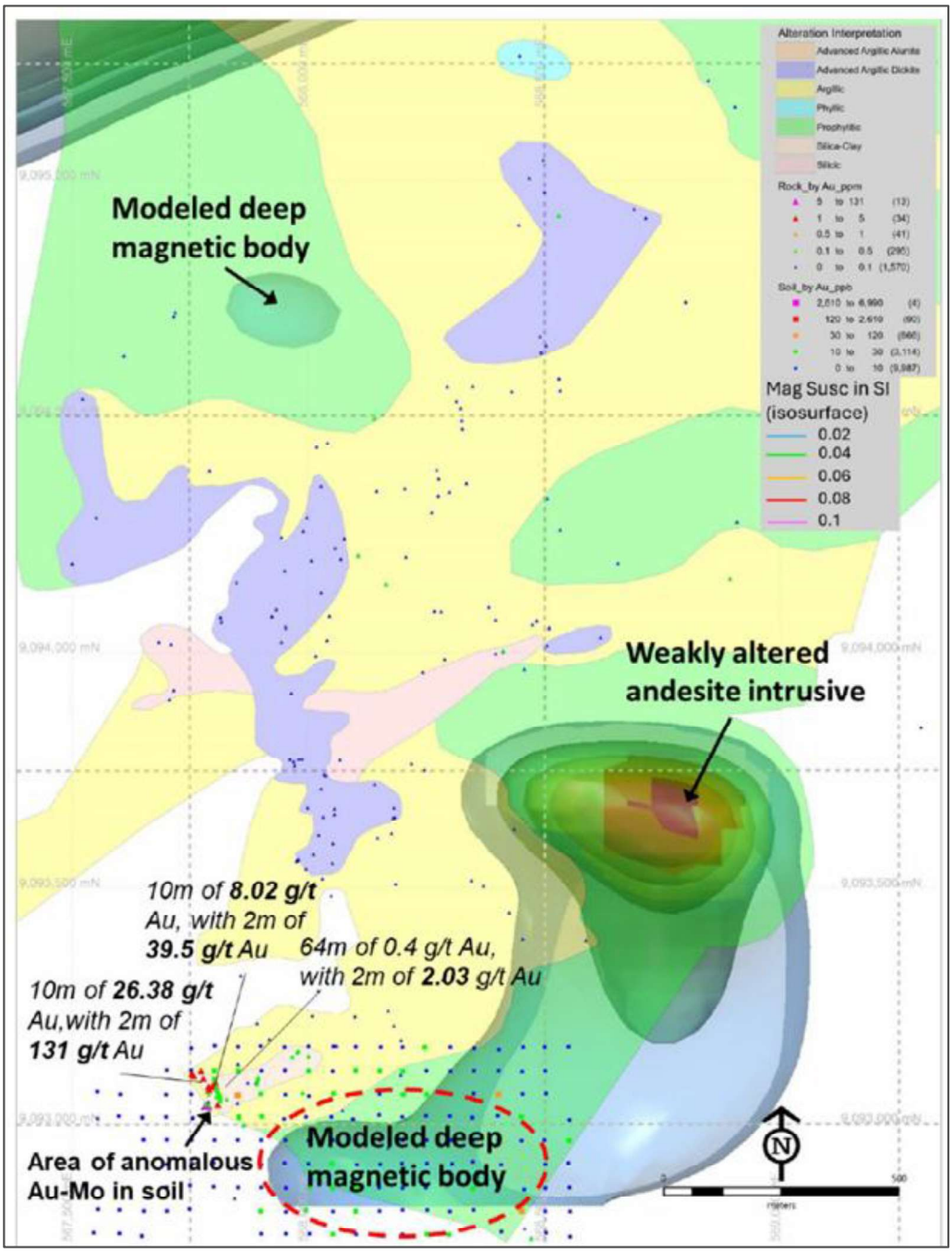
Ngerdani

The Ngerdani prospect was identified based on geophysical, structural and geochemical data. Magnetic inversion modelling (3D) has revealed a possible deep magnetic body beneath a large zone of advanced argillic alteration, which was also confirmed by recent field mapping (Figure 3.20).

Previous trench sampling by PT Danusa Tambang Nusantara returned high gold grades, including multiple significant gold anomalies that are over 10 m.

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Figure 3.20: 3D magnetic inversion modelling at the Ngerdani prospect



Source: FEG ASX announcement, 23 June 2023, 'FAR EAST GOLD COMPLETES ACQUISITION OF THE TRENGGALEK PROJECT'

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3.3.6 Exploration potential

The prospects at Trenggalek, especially Buluroto and Sentul, offer strong opportunities for high-grade copper-gold discoveries given historical intercepts and extensive untested zones. Large alteration zones and multiple vein systems suggest the possibility of the presence of deposits. Both epithermal and porphyry mineralisation styles are present, confirmed by positive geophysical and geochemical results. Recent drilling and trenching show well-developed mineralised trends and high-grade zones.

Further information relevant to the Trenggalek exploration potential has been provided by FEG to SRK in two documents. The first is an internal company assessment of the Trenggalek exploration prospects titled [Trenggalek – Porphyry Exploration Targets V7.docx], created around 2024. This document does not describe any additional prospects at Trenggalek; however, it adds detail on exploration priorities based on coincident magnetic, Induced Polarisation (geophysical survey) and geochemical anomalies, along with planned drill programs and target areas. These details have not been released to the public by FEG, however SRK have considered the information contained in the report for valuation purposes.

The second document is a report prepared under the Indonesian mineral reporting code (KCMI) titled [Feasibility Study PT SMN_Translate.pdf], dated April 2018. This report describes a Mineral Resource estimate for the Trenggalek project. The report describes the drilling, sampling, Quality Assurance/Quality Control (QA/QC), geological modelling and estimation methods used to prepare the estimate. The report also details the resource classification and determination of the cut-off grade used to support Reasonable Prospects of Eventual Economic Extraction. Whilst the information in the [Feasibility Study PT SMN_Translate.pdf] report is relevant for valuation consideration, SRK notes that this information has not been previously reported to the ASX or in accordance with the reporting standards of the JORC Code (2012). As such, SRK has not detailed the results of this estimate in this Independent Specialist Report. The geological information in the report has been considered by SRK, however in SRK's opinion the estimated tonnes and grade are not suitable to be used for valuation purposes at this time.

3.3.7 Risks and opportunities

SRK has identified the following risks and opportunities:

Risks

- Limited drill coverage: Significant portions of most prospects remain untested, meaning the continuity, size, and grade of mineralisation are still uncertain.
- Exploration stage: All prospects are in early stages, with no resource definition or economic evaluation completed; mineralisation may not prove sufficiently extensive for development.
- Geological complexity: The vein systems, alteration zones, and intrusive contacts are structurally complex, potentially making resource delineation challenging.
- Variable grades and thickness: Although high grades have been intersected, mineralisation may be sporadic, discontinuous, or localised.
- Technical challenges: Deep targets (e.g., possible porphyry bodies at Ngerdani or Sumberbening) may require advanced drilling techniques and greater investment.

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Opportunities

- Strong discovery potential: Historical exploration has returned elevated gold, silver, and copper grades across multiple prospects, indicating potential for both epithermal and porphyry copper-gold mineralisation.
- Untested prospects: Many targets, including Sumberbening, Ngerdani, and much of Buluroto and Sentul, remain largely untested by drilling, offering significant upside potential.
- Large and continuous mineralised systems: Extensive alteration zones and vein systems identified at Buluroto, Sentul, and Sumberbening suggest the possibility of large-scale, high-grade deposits.
- Multiple deposit styles: Presence of both epithermal and porphyry-style mineralisation increases the likelihood of discovering a variety of deposit types.
- Positive geophysical and geochemical anomalies: Coincident geophysical (magnetic, chargeability) and geochemical (Au, Cu, Mo in soil and rock) anomalies in several prospects support further exploration.
- Well-developed mineralised trends and vein structures: Drill and trench results, particularly at Buluroto and Sentul, show evidence of discrete high-grade zones and multi-stage quartz veining.

3.4 Wonogiri project

3.4.1 Overview

The Wonogiri project is an advanced exploration project focused on gold and copper within a shallow porphyry system, primarily at the Randu Kuning prospect. A Mineral Resource estimate was defined in accordance with the JORC Code (2012) in 2016.

3.4.2 Location, access and climate

The Wonogiri project is located in the Selogiri area of Wonogiri Regency, Central Java, Indonesia. The coordinates of the project's central point are 7°48'35.00" S, 110°52'45.41" E. The project is situated approximately 40 km southeast of Solo City and approximately 70 km east of Yogyakarta. The project location is shown in Figure 3.21.

Access to the project area is available by road from Solo or Yogyakarta, with local access possible by four-wheel-drive or two-wheel vehicles. The project's proximity to established regional centres provides relatively favourable access compared with more remote Indonesian exploration projects.

The project area experiences a tropical monsoonal climate, with warm temperatures year-round and distinct wet and dry seasons. Seasonal rainfall may affect local road conditions, field access, surface mapping, drilling logistics and slope stability, particularly in hilly or unsealed areas.

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Figure 3.21: Wonogiri project location



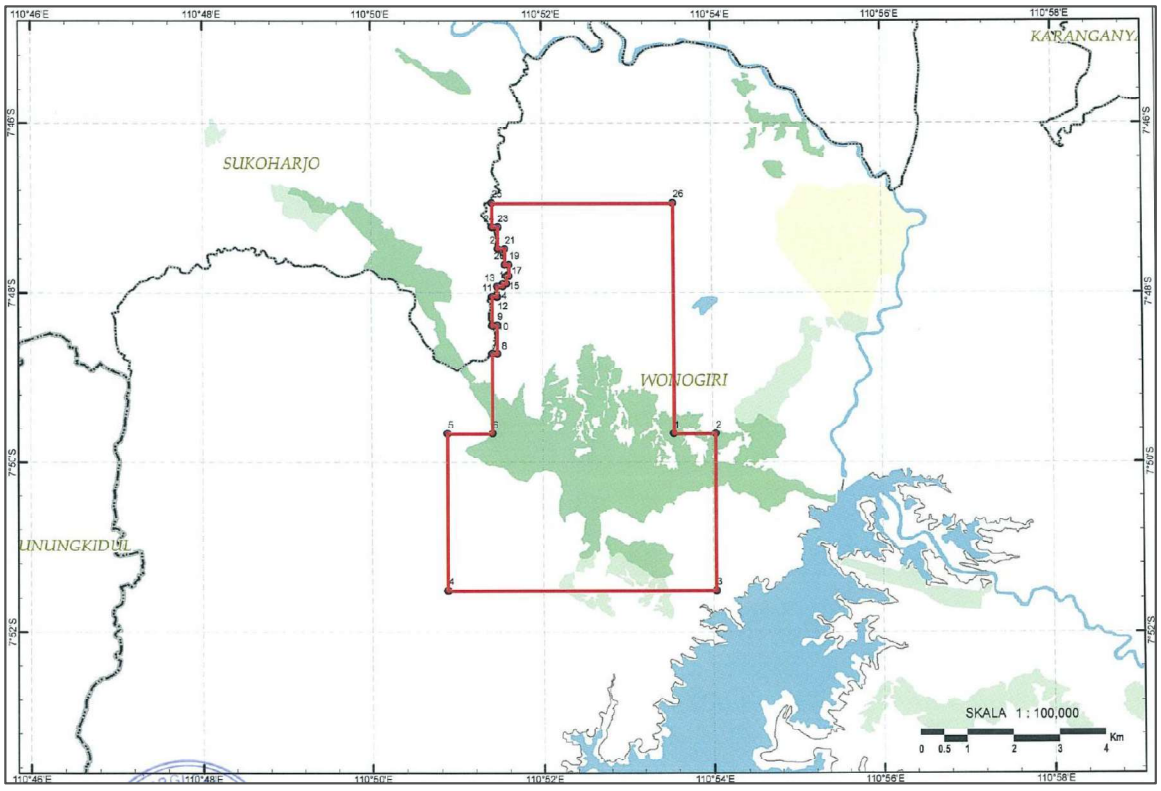
Source: SRK

3.4.3 Tenure

The Wonogiri project is owned by PT Alexis Perdana Mineral (APM) and covers approximately 3,928 ha in the Selogiri area of Wonogiri Regency, Central Java Province, Indonesia. FEG is the ultimate parent company (100% interest) with a full economic interest in APM through its wholly owned subsidiary, Wonogiri Pty Limited, via direct and indirect shareholding distributions. The project tenure is secured under an Exploration IUP granted on 14 December 2009.

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Figure 3.22: Concession map of Wonogiri project



Source: FEG, 2015

3.4.4 Geology

Regional geology

The Wonogiri Project is located within the Sunda-Banda magmatic arc. This arc extends from Sumatra through Java and into the eastern Indonesian islands and was developed by northward subduction of the Indo-Australian oceanic plate beneath the southeastern margin of the Eurasian/Sundaland plate.

Regionally, the project lies within the Southern Mountains Zone of Java, a Tertiary volcanic-plutonic belt comprising volcanic, volcaniclastic, siliciclastic and carbonate rocks intruded by intermediate intrusive bodies.

In the Selogiri–Wonogiri district, magmatism and volcanism are represented principally by the Mandalika and Semilir formations. The Mandalika Formation comprises andesitic to dacitic volcanic rocks, volcaniclastic rocks and volcanic breccias, while the Semilir Formation includes tuffs, lapilli tuffs, dacitic pumice breccias, tuffaceous sandstones and tuffaceous shales.

The regional magmatic history of Java includes Late Eocene to Early Miocene magmatism along the southern part of the island, followed by younger Late Miocene to Pliocene magmatism located progressively farther north. The Selogiri–Wonogiri area is associated with the older Late Eocene to Early Miocene magmatic belt, with reported intrusive ages in the district of approximately 21.7 Ma.

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The Wonogiri district contains multiple dioritic intrusive phases, including pyroxene diorite, hornblende microdiorite and quartz diorite. These intrusions occur within and adjacent to volcanic and volcaniclastic host rocks and are interpreted to represent components of a Tertiary intrusive complex related to magmatic-hydrothermal activity in the district.

Project geology

The local geology is dominated by Tertiary volcanic, volcaniclastic, intrusive and sedimentary rocks assigned principally to the Mandalika and Semilir formations. The Mandalika Formation comprises andesitic to dacitic lavas, volcanic breccias and associated volcaniclastic rocks, while the Semilir Formation includes tuffs, lapilli tuffs, dacitic pumice breccias, tuffaceous sandstones and tuffaceous shales.

The project area contains multiple dioritic intrusive phases, including pyroxene diorite, hornblende microdiorite and quartz diorite. These intrusions occur within and adjacent to volcanic and volcaniclastic host rocks and are interpreted to represent pre-mineralisation, syn-mineralisation and post-mineralisation intrusive phases. The intrusive complex is developed near the centre of an approximately 8 km diameter semi-circular depression, interpreted as a possible ancient volcanic crater or feeder system.

Hydrothermal alteration at Randu Kuning and surrounding areas is zoned and includes potassic, propylitic, phyllic and argillic assemblages. Potassic alteration is characterised by secondary biotite, potassic-feldspar and magnetite and is mainly associated with microdiorite intrusive rocks. Propylitic alteration includes chlorite, epidote, magnetite and carbonate and is more broadly developed around the intrusive complex. Phyllic alteration, comprising quartz-sericite-chlorite-pyrite, is locally developed along fault zones and late quartz-pyrite veins, while argillic alteration is generally associated with faults, breccias and epithermal-style zones.

Structural control is important at the project scale, with alteration and mineralised vein development reported to be more strongly influenced by NE-SW trending structures than NW-SE structures. Fault and breccia zones locally control phyllic and argillic alteration and provide pathways for later hydrothermal fluids.

3.4.5 Exploration history

Small-scale artisanal mining has been observed within the Wonogiri Project area since the 1990s, principally where banded quartz veins are exposed at surface. No large-scale mining activity has been identified within the project area.

Modern exploration was first undertaken by PT Oxindo between 2009 and 2010, targeting porphyry copper mineralisation in the northern part of the concession, including the Randu Kuning area. Work completed during this period included geological mapping, soil geochemical sampling, ground magnetic geophysical surveying and diamond drilling comprising five holes for 1,996.3 m.

From 2011 to 2012, PT Alexis Perdana Mineral, in conjunction with Augur Resources Limited, completed a more substantial exploration program. This work included diamond drilling comprising 50 holes for 15,588.1 m, geochemical sampling including rock chip, soil and stream sediment sampling, metallurgical testwork, and preparation of the first Mineral Resource estimate for the project.

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In 2014, PT Alexis Perdana Mineral completed further exploration, including geophysical surveying using IP methods and additional diamond drilling comprising 22 holes for 4,186.8 m.

In 2016, Augur Resources Limited completed an updated Mineral Resource estimate for the Randu Kuning deposit and completed an internal scoping study.

Following FEG's acquisition of the project in 2020, work has focused on compilation and review of available exploration data, updating project economic studies (i.e. 2016 internal scoping study), pit optimisation studies for the Randu Kuning deposit, engagement with local government regarding future workforce planning.

3.4.6 Mineral Resource estimates

Drilling

Holes were typically collared using PQ tooling (nominal core diameter of 75 mm) and then reduced to HQ and subsequently NQ as drilling conditions required. At Randu Kuning, drill holes were collared on a nominal 50 m by 50 m grid, with azimuths of either 090° or 270°. Hole dips were generally 45° or 60°, with additional holes drilled at dips of 50°, 55°, 70° and 75°. Drill hole depths averaged 318.0 ± 130.0 m, ranging from 157.6 m to 854.95 m.

Core recovery was recorded in the geotechnical log by drill run. For 50 drill holes totalling 15,218.8 m, the average core recovery is 97 ± 13%. Ninety-five percent of the drilling achieved core recoveries greater than 90%, and 1.5% of the total drilled length is recorded as having zero recovery.

Drill core preparation commenced at the drill site, where trained technicians recorded drill runs and recoveries, inserted and numbered core blocks, and secured the aluminium core boxes for transport to the laydown area at the site office. At the site office, core boxes were weighed and photographed (both wet and dry), geologically logged, and then marked up for half-core cutting and sampling by trained technicians.

The drill core was logged for major lithological units and alteration zones to determine appropriate sampling intervals. All sample intervals were defined by core blocks, recorded in a ledger, and assigned unique sample numbers. Following core cutting and sampling, detailed logging continued using standardised forms, which were entered into the database and verified daily.

Sample preparation

Core was cut in half at the site office. Cutting was undertaken carefully to minimise breakage and prevent any loss of material through washing. PQ core was generally sampled in 0.5 m intervals, while HQ and NQ core were sampled in 1.0 m intervals within mineralised zones and 2.0 m intervals in non-mineralised zones. Sampling intervals were constrained by major lithological boundaries.

The split core was placed into plastic sample bags together with a sample ticket, and the sample number was clearly written on the outside of each bag using a permanent marker. Blank samples and CRMs were inserted into the sample stream at every 40th position. All sample bags were weighed prior to dispatch to the laboratory.

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Sample batches of 400 were packed into sealed, labelled rice sacks (10 samples per sack) and transported by road by the company to the Intertek laboratory in Jakarta. Samples remained under continuous security from drilling, through processing, to delivery at the laboratory. Intertek's standard sample submission forms were crosschecked against Sample Receipt Confirmation notes issued by the laboratory. Analytical results were emailed to the site office and to corporate offices in Jakarta and Sydney.

In SRK's opinion, the sampling methods described are appropriate for this deposit style.

Assays

Most samples were assayed by PT Intertek Utama Services (Jakarta), accredited to ISO 17025:2005 (equivalent to NATA certification in Australia). PT SGS (Jakarta) and Geoservices (Jakarta), both ISO/IEC 17025:2005 accredited, were used during early drilling and for independent check assays against Intertek results.

At Intertek, samples were verified against submission sheets, dried at 105°C, weighed, crushed to 95% <2 mm, and a 1.5 kg split was riffle split and pulverised to 95% <200 mesh (74 µm). Two splits were taken (one for analysis, one for QA/QC). Gold was analysed by fire assay - FA51 (50 g lead-collection fire assay with AAS finish) and base metals by IC01 (aqua regia digest with ICP-OES finish).

SRK considers that the assaying methods are appropriate this deposit style.

Quality assurance/quality control

A structured QA/QC program was implemented throughout all drilling phases, incorporating regular insertion of blanks, CRMs, and inter-laboratory check assays.

During Phase 2, 437 blanks were submitted to SGS and Intertek, which were approximately 9.5 blanks per drill hole. Intertek blanks averaged 0.004 g/t Au and 21 ppm Cu; SGS blanks averaged 0.004 g/t Au and 48 ppm Cu. A small number of blank samples returned elevated Au (>0.1 g/t) or Cu (>1,000 ppm), but these did not show a consistent cross-contamination pattern and are interpreted as anomalous.

A total of 422 CRMs covering the relevant gold-copper grade range were submitted (9.1 CRMs per hole). Average gold grades for CRMs were within ±5% of certified values and control charts were generally within expected limits, indicating that routine Randu Kuning assays are representative.

Inter-laboratory checks (Intertek vs Geoservices and SGS) show close agreement overall. Geoservices results are typically within 1–2% of Intertek for both gold and copper, though there is a slight systematic trend (overestimation of low gold grades and underestimation of high gold grades by about ±10%). SGS results average about 12% lower for gold and 5% higher for copper relative to Intertek. Copper shows strong correlation between all three laboratories. The report notes that more definitive comparisons would have been possible had identical sample sequences been submitted to each laboratory.

Although there was no insertion of internal duplicates inserted for the quality control, results from the blanks, CRMs and inter-laboratory checks appears generally appropriate. In SRK's opinion, the drilling and assaying QA/QC appears appropriate for resource estimation purposes.

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Bulk density

Bulk density was estimated using two methods: laboratory specific gravity (SG) measurements on core using wax-coating method, and bulk density (BD) calculations from core box weight/volume.

For SG, 182 half-core samples (152 from Randu Kuning) were tested at Intertek Jakarta using a wax-coating immersion method. Data are well distributed with depth and mostly fall between 2.60 and 2.82 g/cm^3, averaging about 2.70 g/cm^3. After compositing to 1 m intervals and assigning oxidation codes, average SG values were: Oxide 2.61 ± 0.15 g/cm^3, Transitional 2.76 ± 0.04 g/cm^3, with all oxidised material averaging 2.68 g/cm^3. Domain assignment and compositing introduce some smoothing, especially where rock type varies within intervals or the oxidation model is less constrained.

BD values from core box weight/volume were compiled from 35 of the first 50 drill holes (PQ, HQ, NQ). Inconsistencies between key data fields limit their reliability for detailed use, but global statistics are indicative. After excluding obvious errors (BD >3.0 g/cm^3, based on a cumulative frequency inflection at 2.9), the BD data averages 2.56 g/cm^3, about 5% lower than the SG-based average of 2.70 g/cm^3. This difference is within typical feasibility study error limits but highlights potential tonnage estimation variability. Depth profiles suggest a bimodal BD distribution with a threshold around 20 m, consistent with the average depth of oxidation.

In SRK's opinion, the SG and BD data are appropriate for resources estimation.

Geological modelling

Gold and copper mineralisation were modelled using sectional and plan view interpretations based on cut-off grades of 0.2 g/t Au and 1,000 ppm Cu. Sectional outlines (E-W and N-S) were converted to 10 m level plans, reinterpreted in plan view to confirm strike continuity, and then used to code the block model via a point-in-polygon method (Au mineralisation = 10, Cu mineralisation = 3, host = 1 in separate Au and Cu models).

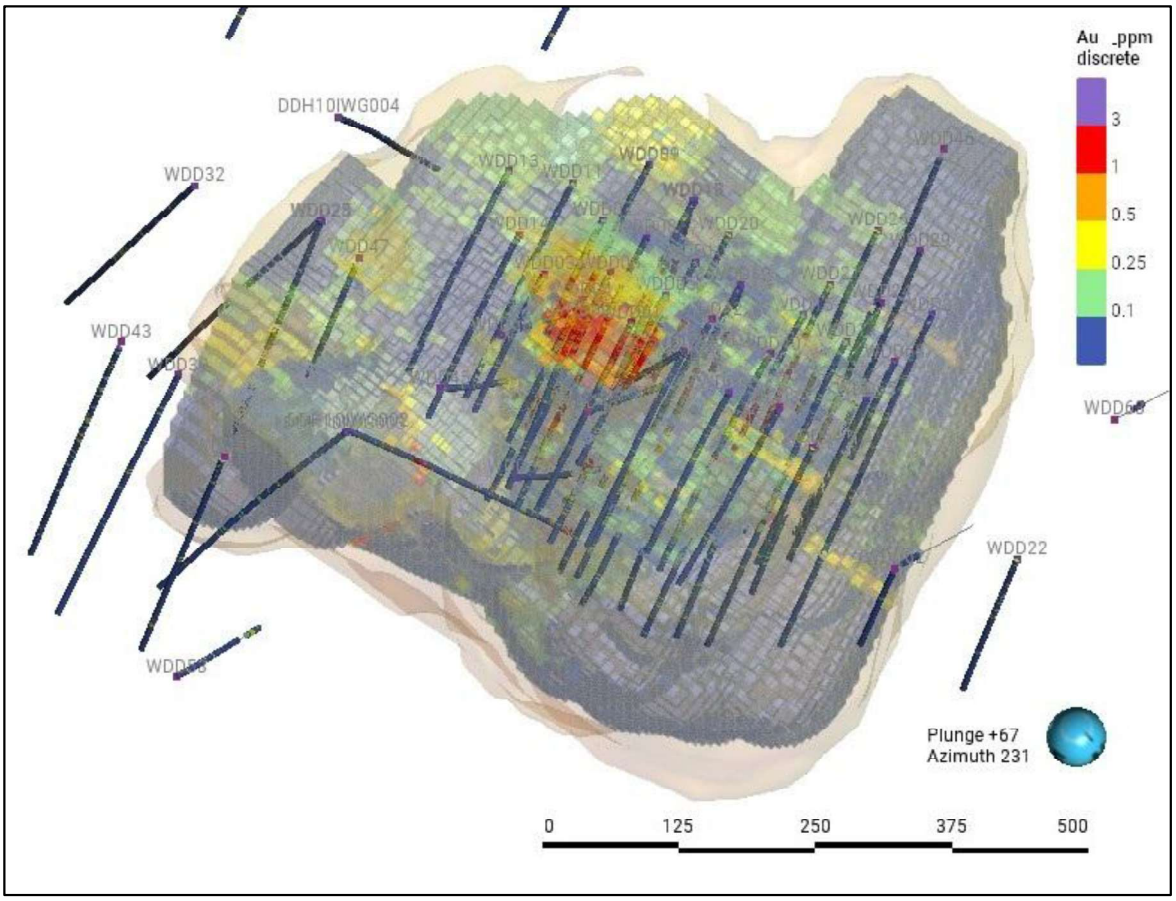
Oxidation domains were interpreted on all drill sections and extrapolated laterally using topography. These interpretations were used to generate Base of Oxide (BOO) and Base of Transition (BOT) surfaces, which in turn were used to code the rock model by oxidation state.

The wireframed model dimensions are:

- X-axis: ~ 620 m
- Y-axis: ~ 580 m
- Z-axis: ~ 630 m.

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Figure 3.23: Mineralised domains of Wonogiri project



Source: SRK review, 2026

SRK reviewed the mineralisation-domain wireframes and did not identify any significant issues. SRK recommends using gold equivalent (AuEq) as the basis for defining the mineralisation domain thresholds, instead using AuEq as an RPEEE cut-off grade applied only after completion of the resource model estimation.

Samples, though stratigraphically controlled by lithological boundaries, are predominantly 0.5, 1.0, and 2.0 m in length, reflecting 1 m sampling in mineralised and 2 m in barren zones, with higher grades generally in shorter intervals.

Gold assays range from below detection to over 10 g/t Au, with a bimodal distribution split at 0.3 g/t Au (approximately 80% waste, 20% mineralised). There are few high-grade outliers (>5 g/t; 4 samples >10 g/t), and no gold top-cut has been applied.

Copper assays range from below detection to over 46,000 ppm (mean 679 ppm), also bimodal with a threshold at 823 ppm Cu (approximately 75% waste, 25% mineralised). Eleven samples >1% Cu were top cut to 10,000 ppm.

Bench height analysis showed a marked drop in grade variance at 2.5 m, so samples were composited to 2.5 m (minimum 0.5 m). This reduced gold variance by 32% and copper variance by 27%, with only minor reductions in mean grades (2–3%) and no material change to the overall grade distributions.

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SRK recommends that grade capping be undertaken after downhole compositing rather than on raw intervals. In addition, SRK advises applying a top cut to gold grades, guided by the gold composite grade distribution.

Estimation

Variography

Directional log-variograms were generated for mineralised gold and copper composites to characterise anisotropy. Due to close drill spacing, variograms were well defined and indicate relatively homogeneous populations.

Gold shows a low nugget effect (27% of total variance) and a geometric anisotropy of about 110 × 70 × 40 m, oriented ~030° strike, 20°E dip. Weak zonal anisotropy is present, and hole effects occur at ~100 m horizontally and ~40 m vertically.

Copper shows a high nugget (46%), with up to ~50% of variance likely due to short-range (<10 m) structures. Its anisotropy is ~115 × 55 × 40 m, oriented ~040° strike, 25°E dip, 20°N plunge, with minimal zonal anisotropy and hole effects at 120–130 m. Overall, gold and copper variograms are broadly consistent, supporting the interpretation of a common mineralising event and a repetitive, breccia-style mineralised architecture.

Grade modelling

Gold and copper grades were estimated using IDW squared within oriented, anisotropic search ellipsoids. Both the main mineralised zones (coded separately for Au and Cu) and surrounding halo mineralisation were modelled.

Initial search orientations followed the variography but produced sub-horizontal grade trends not supported by geology, so the final ellipsoids combined the variographic strike and 2:1:1 range ratios with geologically observed vertical alignment, giving tighter geological control.

Blocks were interpolated from composites of the same code using a sector search (≥3 composites per of 6 sectors; minimum 3 composites total). Four models (Au and Cu) were produced at different search ranges to emulate Measured, Indicated and Inferred classifications within mineralised zones, with higher-confidence categories taking precedence. An additional broader-range Inferred model was estimated outside the main mineralised domains.

The search parameters are shown in Table 3.4.

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Table 3.4: Search parameters applied for estimation

Element	Class	Code	Ellipsoid dimension (m)			Ellipsoid orientation (°)			Maximum search distance (m)
			Major axis	Semi-major axis	Minor axis	Azimuth (°)	Plunge (°)	Dip (°)	
Gold	Measured	30	200	100	100	120	0	90	65
	Indicated	30	200	100	100	120	0	90	110
	Inferred	30	200	100	100	120	0	90	150
	Inferred	1	200	100	100	120	0	90	150
Copper	Measured	3	200	100	100	130	0	90	65
	Indicated	3	200	100	100	130	0	90	110
	Inferred	3	200	100	100	130	0	90	150
	Inferred	1	200	100	100	130	0	90	150

Source: FEG, 2016

The block size of 10 m × 10 m × 5m has been used for establishing a block model.

In SRK's opinion, the resources estimated by the IDW method appears to be appropriate to support a Measured Mineral Resource classification in 2016, when this resource estimate was completed. However, in SRK's view the Ordinary Kriging (OK) method is more appropriate to support the estimate a Measured Mineral Resource.

Though the ranges indicated by variography are useful for the determination of ellipsoid parameters in the IDW estimation method, SRK recommends performing a grade estimation using the OK method to validate or alternative for the resource estimate.

SRK concludes that the prevailing estimate is likely to be sufficiently accurate for Mineral Resource estimation purposes. On that basis, SRK considers the reported Mineral Resource to be appropriate for valuation purposes.

Validation

The block models were validated by visually comparing sectional views against drill hole data and by statistical checks. Composite vs block model comparisons show average grade differences of only about 10–15%, with similar grade distributions and limited regression to the mean, indicating that the models reasonably reproduce the input data. SRK has assessed the validation plots and found them to appear similar to be reasonable.

RPEEE

Preliminary metallurgical testwork (Metcon Report 2546 and Jenkins, May 2012) on Randu Kuning primary sulfide ore indicates that conventional flotation can produce a saleable copper concentrate with high gold grades. A composite primary sample (1.26 g/t Au, 0.31% Cu) yielded 15–18% Cu and 60–70 g/t Au concentrates, with recoveries of ~85% Cu and 80–90% Au. High pyrite recovery lowered copper grade; initial pyrite-suppression testing was inconclusive, and further optimisation was recommended.

Using these metallurgical assumptions, an AuEq grade was calculated from the Au and Cu block models, incorporating recoveries and relevant prices.

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Applying an average bulk density of 2.7 t/m^3, the reported resources are:

- At 0.5 g/t AuEq cut-off: 21 Mt at 0.85 g/t AuEq (0.79 g/t Au, 0.16% Cu)
- At 0.2 g/t AuEq cut-off: 81 Mt at 0.44 g/t AuEq (0.38 g/t Au, 0.16% Cu).

There was no comprehensive RPEEE assessment completed for determination of the cut-off grade supporting the Mineral Resource estimate when the estimation was originally completed in 2016. SRK recommends performing a detailed RPEEE study to determine a practical cut-off grade for the currently reported Mineral Resource. However, it can be presumed that the cut-off grade may be lower than the 0.5 g/t AuEq, given the recent increases in gold and copper prices.

Classification

The following distance-based criteria were used for Mineral Resource classification:

- Measured: Average sampling spacing is within 65 m.
- Indicated: Average sampling spacing is between 65 m and 110 m.
- Inferred: Average sampling spacing is beyond 110 m.

SRK notes that a maximum spacing of 110 m for Indicated Mineral Resources is broader than commonly applied ranges (typically 60–80 m). However, material classified as Indicated on the basis of 65–110 m spacing represents only about 8% of the total resource, so any tightening of this criterion would have limited impact on the overall classification.

In SRK's opinion, the classification appears appropriate.

3.4.7 Mineral Resources

The most recent Mineral Resources for the Wonogiri project were reported as of 28 July 2016. SRK considers this Mineral Resource estimate to be suitable for the purposes of valuation. While some refinements on technical issues may be required, SRK has determined these issues are unlikely to represent a material change to the estimate. Full details of the issues are discussed above and summarised in the Risks section (Section 3.4.8).

The Mineral Resources for July 2016 are provided in Table 3.5.

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Table 3.5: Mineral Resource estimate as of 28 July 2016 (at 0.5 g/t AuEq and 0.2 g/t AuEq cut-off grades)

Class	Tonnes (Mt)	AuEq (g/t)	Au (g/t)	Cu (%)	Au (koz)	Cu (Mlb)
Measured	15.7	0.91	0.83	0.17	417	58.5
Indicated	1.7	0.74	0.73	0.11	39	4.0
Inferred	3.6	0.67	0.62	0.12	73	9.6
Total (0.5 g/t AuEq)	**21**	**0.85**	**0.79**	**0.16**	**532**	**72.2**
Measured	21.6	0.77	0.69	0.15	479	71.2
Indicated	3.1	0.58	0.56	0. 09	55	6.1
Inferred	56.9	0.31	0.25	0.09	457	112.6
Total (0.2 g/t AuEq)	**81.6**	**0.44**	**0.38**	**0.11**	**996**	**190.0**

Source: FEG Prospectus, page 27

Notes:

[1] The Competent Person for Mineral Resources is Mr TA Leahey, Chairman and Managing Director of Computer Aided Geoscience Pty Ltd. Mr Dahlan is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM).

[2] Thresholds for wireframing are 0.3 g/t Au and 800 ppm Cu.

3.4.8 Metallurgical testwork

The 2014 and 2016 internal scoping studies (as discussed in the following section) considered the results of various metallurgical testwork programs completed prior to FEG's acquisition of the Wonogiri project.

In May 2022, FEG announced that it had commenced copper and gold recovery testwork on porphyry and epithermal samples from historical drill core at Wonogiri. Initial test results returned recoveries of between 35% and 51% of the contained gold by simple gravity recovery and a further 83–85% of the gold in gravity tailings using CIL. Overall recoveries ranged from 90% to 91%, with associated silver recoveries at around 65%.

Testwork also demonstrated potential reductions in cyanide consumption from previous studies. Additional tailings treatment testwork on leach residue also provided confidence that a filter cake for dry stacking could be produced.

Further gold leaching testwork on samples of epithermal mineralisation using gravity concentrate production followed by CIL processing was carried out, and indicated high gold recoveries (96%) with 75% of the gold being gravity recoverable.

3.4.9 Scoping Study

In August 2016, Augur Resources Ltd (subsequently Alpha HPA Limited) completed an updated scoping study on the Wonogiri project based on an earlier (March 2014) study. This 2016 internal study evaluated a conceptual open pit mine with 11-year mine life.

In May 2022, FEG announced it had engaged Mining One to update the 2016 internal scoping study based on prevailing commodity prices, updated metallurgical testwork results and an optimised processing flowsheet. Mining One had previously completed a pit optimisation study which evaluated a conceptual open pit and potential underground mining operation focused on the Bandu Kuning deposit.

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SRK understands that the results of the Wonogiri scoping study have not been publicly released as the Company subsequently pivoted towards the Idenburg project. Internal studies and grade-tonnage estimates to support reporting to the Indonesian Government have been completed but not publicly disclosed under the Australian regulatory framework.

3.4.10 Risks and opportunities

SRK has identified the following risks and opportunities:

Risks

- Grade capping of Au and Cu were performed on raw intervals before the downhole compositing, which may excessively cut the high grades.
- The resources estimated by the IDW method appears to be appropriate to be classified as Measured Mineral Resources in 2016; however, the accuracy is lower than the Measured Mineral Resources estimated using OK method.
- SRK notes that a maximum spacing of 110 m for Indicated Mineral Resources is broader than commonly applied ranges (typically 60–80 m). This may lead to overestimation of the Indicated Mineral Resources.

Opportunities

- There was no comprehensive RPEEE assessment completed for determination of the cut-off grade to be applied to Mineral Resources when the estimation was completed. SRK recommends performing a detailed RPEEE study to determine a practical cut-off for the Mineral Resources. However, it can be presumed that the cut-off would be lower than the 0.5 g/t AuEq, given recent increases in gold and copper prices.

Recommendations

SRK recommends as follows:

- Insert duplicates during assaying for the quality control in the future.
- Use AuEq as the basis for defining the mineralisation-domain thresholds, instead using AuEq as a RPEEE cut-off applied only after completion of the resource model estimation.
- Undertake grade capping after downhole compositing rather than on raw intervals. In addition, SRK advises applying a top cut to gold grades, guided by the Au composite grade distribution.
- Perform a grade estimation by using the OK method to validate or substitute the resources estimation.
- Adjust the sampling spacing criteria for Indicated Mineral Resources from 110 m to a more commonly applied range (typically 60–80 m).
- Perform a detailed RPEEE study to determine a practical cut-off for the Mineral Resources.

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4 Australian assets

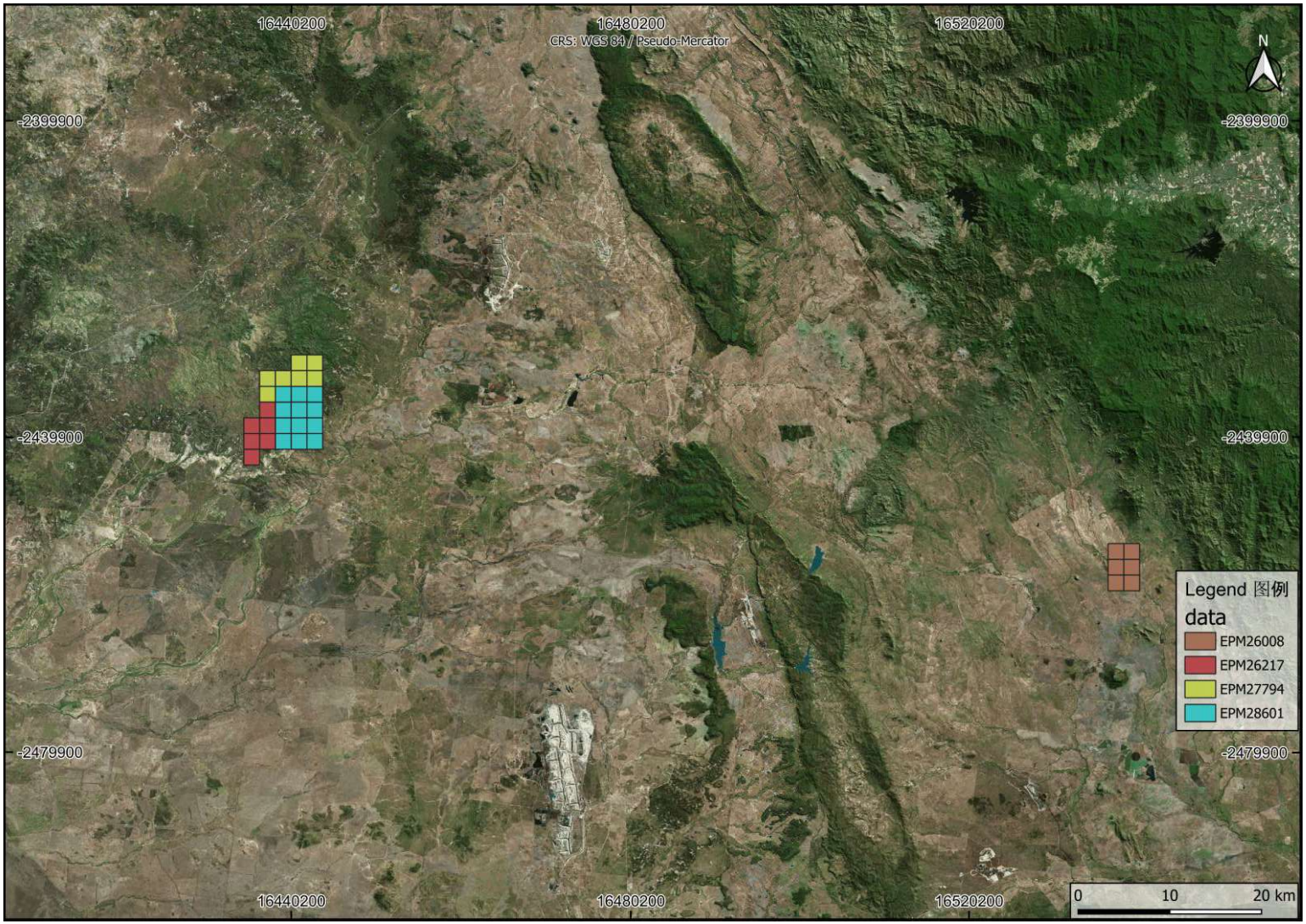
In Queensland, FEG holds two exploration projects: Blue Hill Creek and Mount Clark West. The project locations are shown in Figure 4.1.

The Blue Hill Creek project consists of three granted exploration permits: EPM26217 (Hill 212), EPM27794 (Blue Grass Creek) and EPM28601 (Reedy Creek). These tenures are considered prospective for gold mineralisation in epithermal systems within the Drummond Basin.

The Mount Clark West project is held under a single granted exploration permit, EPM26008, which is considered prospective for copper and gold mineralisation associated with a porphyry system.

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Figure 4.1: Project tenements of Blue Hill Creek and Mount Clark West projects



Source: georesglobe.information.qld.gov.au, SRK, 2026

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4.1 Blue Hill Creek

4.1.1 Location and access

The Blue Hill Creek project is located between the towns of Suttor and Mount Coolon, Whitsunday region, Queensland, approximately 35 km east of Mount Coolon. Access to the tenement is via the Suttor Development Road, the Bowen Development Road and various connecting roads.

The tenements cover mostly rural lands of undulating topography. The tenement is interpreted to be prospective for low sulfidation epithermal gold and silver mineralisation.

4.1.2 Tenure

The project comprises three exploration permits that cover a total of 79.74 km^2. The status of these tenures is summarised in Table 4.1. SRK has been advised by FEG that it has earned a 90% interest in these tenures.

Table 4.1: Blue Hill Creek project tenure

Tenement	Name	Status	Registered Holder	Area (km^2)	Expiry date
EPM26217	Hill 212	Granted	Far East Gold (212) Pty Ltd	19.13	27-Nov-26
EPM27794	Blue Grass Creek	Granted (renewal lodged)	Far East Gold (BGC) Pty Ltd	22.33	25-Aug-26
EPM28601	Reedy Creek	Granted	Ellenkay Gold Pty Ltd	38.27	04-Feb-29

Source: georesglobe.information.qld.gov.au

Note: SRK understands that a renewal has been lodged for EPM27794.

Third-party agreements and royalties

Interested third-party partner(s) retain a free-carry to completion of a Feasibility Study within these tenures, at which point the vendors may elect to take a 2% net smelter return (NSR) royalty and the Company's interest in the project will increase to 100%

4.1.3 Geology

FEG's exploration tenements in the Drummond Basin were selected for their gold and silver potential associated with low-sulfidation epithermal systems interpreted from structural corridors, ASTER/Landsat alteration anomalies and regional magnetic geophysical trends are comparable to the nearby Mount Coolon district. The project is at an early exploration stage of assessment for structurally controlled epithermal gold-silver systems.

Recent work has defined quartz vein–breccia mineralisation and limited drilling on the Hill 212 EPM, while the Blue Grass Creek and Reedy Creek tenures remain largely untested. Currently defined targets are conceptual and based mainly on remote sensing and geological interpretation.

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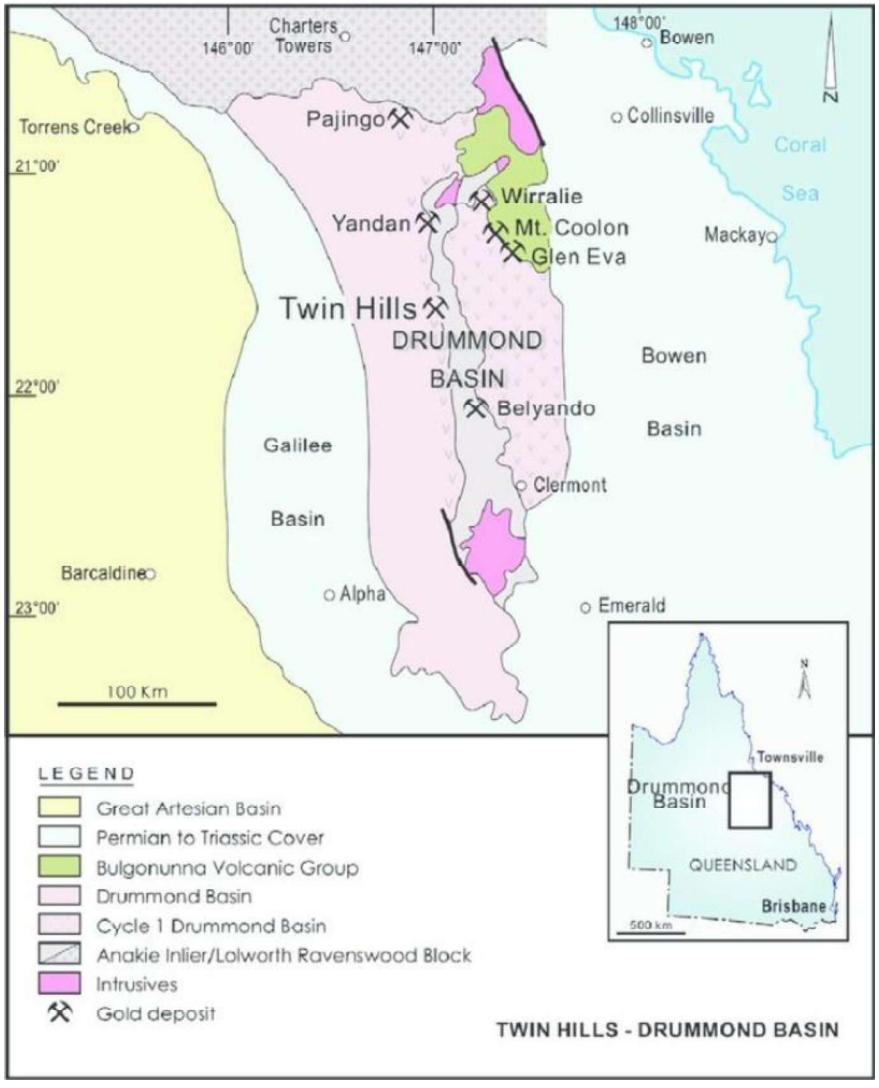
Regional geology

The project is dominated by volcanics and sedimentary rocks of the Lower Drummond Basin in central Queensland (Figure 4.2). The Drummond Basin, a significant depositional feature from the Late Devonian to Early Carboniferous periods, formed as an extensional back-arc basin due to active plate margin tectonism. This basin is divided into two parts by a tract of basement rock. The eastern part contains a thin shelf of volcanics, while the western part has a thick infill with a well-established basin-wide stratigraphy.

The western succession is informally divided into three cycles:

- Cycle 1 comprises primary volcanics and volcaniclastics, with the Silver Hills Volcanics being the dominant unit.
- Cycle 2 is characterised by quartzose sandstone.
- Cycle 3 consists of volcaniclastics.

Figure 4.2: Drummond Basin regional geology



Source: after Uysal et al., 2011

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The Drummond Basin sequence was deformed by extension related to detachment faulting, as shown by antiform structures with crestal faults. Contractional deformations during the mid-Carboniferous and mid-Triassic periods, caused basin inversion, involving movement reversals on reactivated extensional faults, and the formation of wrench faults and broad, open folds.

The inverted basin now contains a north trending tract of basement rock composed of Late Proterozoic to Cambrian Anakie Metamorphics and Devonian assemblages, including the Retreat Granite Batholith. To the west, a parallel fold crest exists where inliers of Cycle 2 rocks are found within Cycle 3. Sporadic thin outliers of Silver Hills Volcanics are present within the basement tract and may have accumulated in local basins or be remnants of a once-continuous sheet between the eastern and western parts of the basin.

The basement underlying the Drummond stratigraphy consists of the Anakie Metamorphic Group and the granite of the Retreat Batholith, among other granites. Where the contact between the Anakie and Drummond is exposed, it is generally undisturbed by structural overprint. The basin stratigraphy is extensively faulted, with three main fault groups.

Regional-scale extensional faults form two sets: one trending N-NW parallel to the basin margin, and the other trending N-NE. There is a complex pattern of localised transfer faults within the basin, with four sets of faults trending N, NE, E and SE, creating an intricate mosaic of fault blocks.

Project geology

The project tenures are contiguous cover a series of areas characterised by inferred magnetism, ASTER spectral anomalies and structural trends which are interpreted to be similar to the known low-sulfidation epithermal gold-silver mineralisation in the nearby Mount Coolon district.

4.1.4 Exploration history

Exploration across the adjoining Hill 212, Blue Grass Creek and Reedy Creek EPMs has progressed from historical mapping and drilling at Hill 212 to mainly remote-sensing–led target generation at Blue Grass and Reedy Creek. At Hill 212, work by Dominion/Battle Mountain in the early to mid-1990s included mapping, stream-sediment and rock chip geochemical sampling, airborne geophysics, and limited reverse circulation (RC)/diamond drilling; Ellenkay Gold followed by additional surface work and seven diamond holes (2016–2021), and FEG then completed an ASTER spectral study (2021) and an 11-hole RC drilling program in 2022 to test the main vein corridor.

At Blue Grass Creek, no significant historical on-ground programs are documented; targeting to date consists of ASTER/Landsat spectral studies in 2021 and an updated three-tenement spectral review in 2024 that outlined alteration anomalies but has not yet been drill tested.

At Reedy Creek, Ellenkay undertook no substantive exploration before FEG's earn-in; work to date is limited to the 2024 ASTER/Landsat study, which defined 18 silicic–argillic alteration targets (nine priority) along the same structural trend, with no drilling or surface sampling completed to date.

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4.1.5 Exploration potential

The exploration tenements are considered to have potential for discrete mineralised gold-silver rich magmatic intrusions. The structural setting and geophysical anomalies are interpreted by FEG to be similar to the nearby Mount Coolon low-sulfidation epithermal gold-silver system.

4.1.6 Risks and opportunities

SRK has identified the following risks and opportunities:

Risks

- The EPMs are at an early exploration stage with no defined Mineral Resources; drilling to date has been limited to Hill 212, with Blue Grass Creek and Reedy Creek remaining undrilled.
- At Hill 212, Phase 1 RC drilling intersected quartz veins and stockwork zones but only low gold grades (best 1 m interval has >0.5 g/t Au).
- Spectral and magnetic anomalies at Blue Grass Creek and Reedy Creek are conceptual targets based on remote sensing and regional geophysics; there is a material risk that many of these alteration anomalies may prove weakly mineralised or barren once drill tested.

Opportunities

- The tenements occupy a favourable regional setting along interpreted structural corridors that host the Mount Coolon epithermal deposits.
- The combined Hill 212–Blue Grass Creek–Reedy Creek package secures ~10 km of epithermal-style structural corridor with only a small portion drilled, providing upside if discrete high-grade shoots typical of Drummond Basin low-sulfidation deposits are located.
- ASTER/Landsat work has identified silicic–argillic alteration anomalies with spectral signatures analogous to known Mount Coolon epithermal systems.

4.2 Mount Clark West

4.2.1 Location and access

The Mount Clark West project is located between the towns of Hill Creek and Epsom, Whitsunday region, Queensland, approximately 17 km east of the Hail Creek coal mine. Access is via the Suttor Development Road and various connecting roads.

The tenement comprises mostly of rural lands. The tenement is prospective for copper-gold porphyry mineralisation.

4.2.2 Tenure

The project comprises a single exploration permit (covering 19 km^2) that expired in February 2026, renewal pending (Table 4.1). The applications for the tenement extension were submitted 8 February 2026. SRK has been advised by FEG that it has earned a 90% interest in the tenure under a third-party agreement with Ellenkay Gold.

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Table 4.2: Mount Clark West project tenure

Tenement	Name	Status	Registered Holder	Area (km²)	Expiry date
EPM26008	Mount Clark West	Granted (renewal lodged)	Far East Gold (MCW) Pty Ltd	19.12	08-Feb-26

Source: georesglobe.information.qld.gov.au
Notes: Renewal pending.

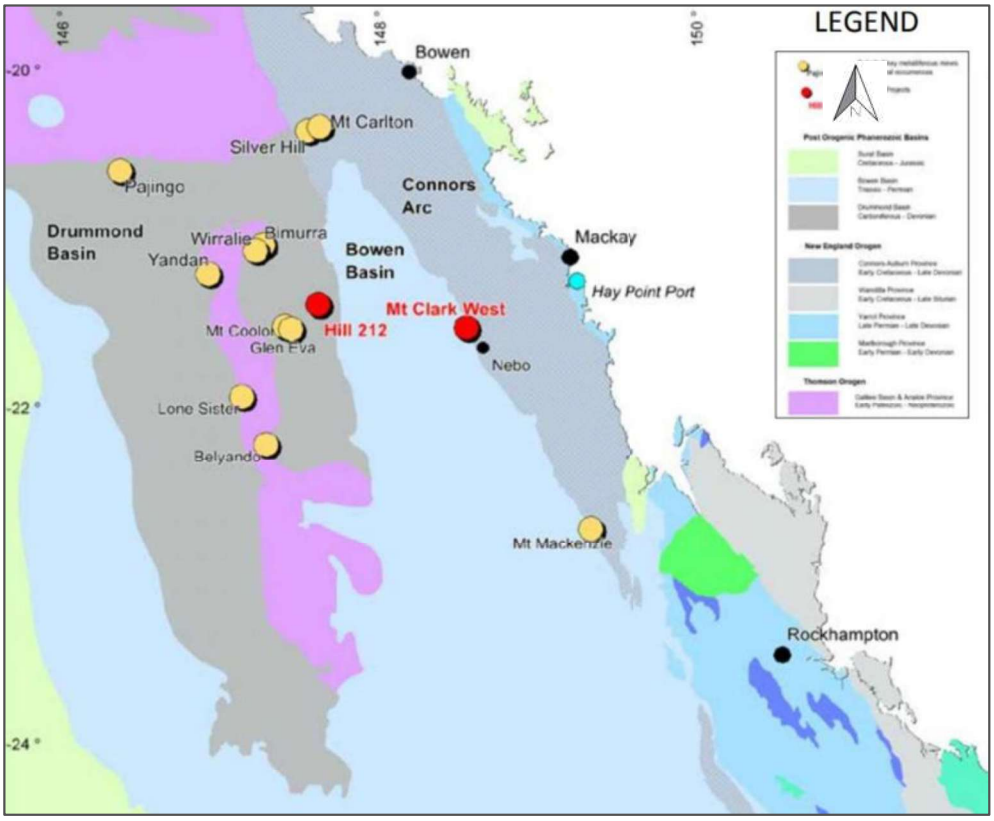
4.2.3 Geology

Regional geology

FEG's Mount Clark West project comprises a single granted exploration permit, EPM26008, which is located approximately 17 km east of the Hail Creek coal mine, within the Connors Arc volcanic belt near the Bowen Basin margin. The project covers volcanics and sedimentary rocks of the Connors Arc Carboniferous volcanic rocks to the east, with the overlying Bowen Basin Permian-Triassic sediments to the west.

The Bowen Basin and the Connors–Auburn Province form part of the northern New England Orogen of eastern Australia, which developed along a long-lived convergent margin where the Palaeo-Pacific plate subducted westward beneath eastern Gondwana from the Late Devonian to Early Permian.

Figure 4.3: Regional geological map of Mount Clark West project



Source: FEG, 2022

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Regionally, three major, roughly coast-parallel belts are recognised from east to west:

- the fore-arc Yarrol Province
- the arc-front Connors–Auburn Province (Connors Arch)
- the back-arc–related Bowen Basin.

The Connors–Auburn Province represents the magmatic arc front and includes the ~320–278 Ma Urannah Batholith, a large calc-alkaline granitoid complex that provides the crystalline basement east of, and locally beneath, the Bowen Basin. In the Early Permian, eastward retreat of the subducting slab initiated the extension in the back-arc of the Connors Arch, opening the proto-Bowen Basin and creating NNW trending graben and half-graben in which the Early Permian Lizzie Creek Volcanic Group – a calc-alkaline basalt-to-rhyolite volcano-sedimentary sequence– was deposited unconformably on the Urannah granitoids. This volcanic suite, with typical arc geochemical signatures, fringes the northern and eastern margins of the Bowen Basin and is particularly well exposed around Mount Carlton and Collinsville, where it hosts high-sulfidation epithermal copper-gold-silver mineralisation at Mount Carlton but is largely barren farther south.

The Bowen Basin subsequently evolved into a major Permian–Triassic sedimentary basin, accumulating thick marine and non-marine siliciclastic successions and major coal measures as the tectonic regime shifted from early back-arc extension to later foreland-style subsidence and compression during the Late Permian–Triassic Hunter–Bowen Orogeny, which also effectively terminated the back-arc volcanism. Post-orogenic magmatism was relatively restricted to minor Triassic and Cretaceous intrusions and mafic dykes in the orogen, and to development of the large, silicic Whitsunday Volcanic Province along the nearby coast in the Early–Mid Cretaceous.

Project geology

The Mount Clark West geology consists of three main units: the Connors Arc forms the basement with Palaeozoic volcanic rocks, the Bowen Basin overlying sequence of marine sandstones and siltstones (Tiverton and Gebbie formations), and the area is locally covered by much younger volcanic rocks from the Mount Benmore Volcanics. Most of the mineral potential is linked to deep-seated porphyry intrusions.

EPM26008 is interpreted to cover a 1.5 km × 2 km ground-based magnetic geophysical anomaly feature that is elliptical in the shape, with the major axis strike N-S. Several zones of interest have been identified, where the strong remanent magnetic anomaly is interpreted to be associated with Permian diorite pluton (Figure 4.4). It is considered prospective for porphyry copper-gold mineralisation.

4.2.4 Exploration history

Previous exploration targeting porphyry copper-gold-molybdenum mineralisation included geological mapping, surface geochemical sampling and geophysical surveys.

Early work by Climax Mining in 1988–89 involved stream-sediment sampling, followed by Navaho Gold's 2010–2013 program, which included geological mapping, rock chip sampling, multi-element soil sampling, and ground-based magnetic and IP geophysical surveys. Ellenkay Gold subsequently conducted further rock chip sampling, additional ground-based magnetic and IP geophysical surveys and completed four HQ diamond holes totalling 1,283 m to test key targets.

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Copper mineralisation averaging 0.1% Cu, with a higher-grade section of 14 m with over 200 ppm Cu from 180 m, hosted in basaltic andesite and andesitic volcaniclastic rocks displaying mostly phyllic alteration and contain pyrite. Two narrow molybdenum zones (over 300 ppm Mo) were also identified within a diorite porphyry intrusive (Figure 4.4).

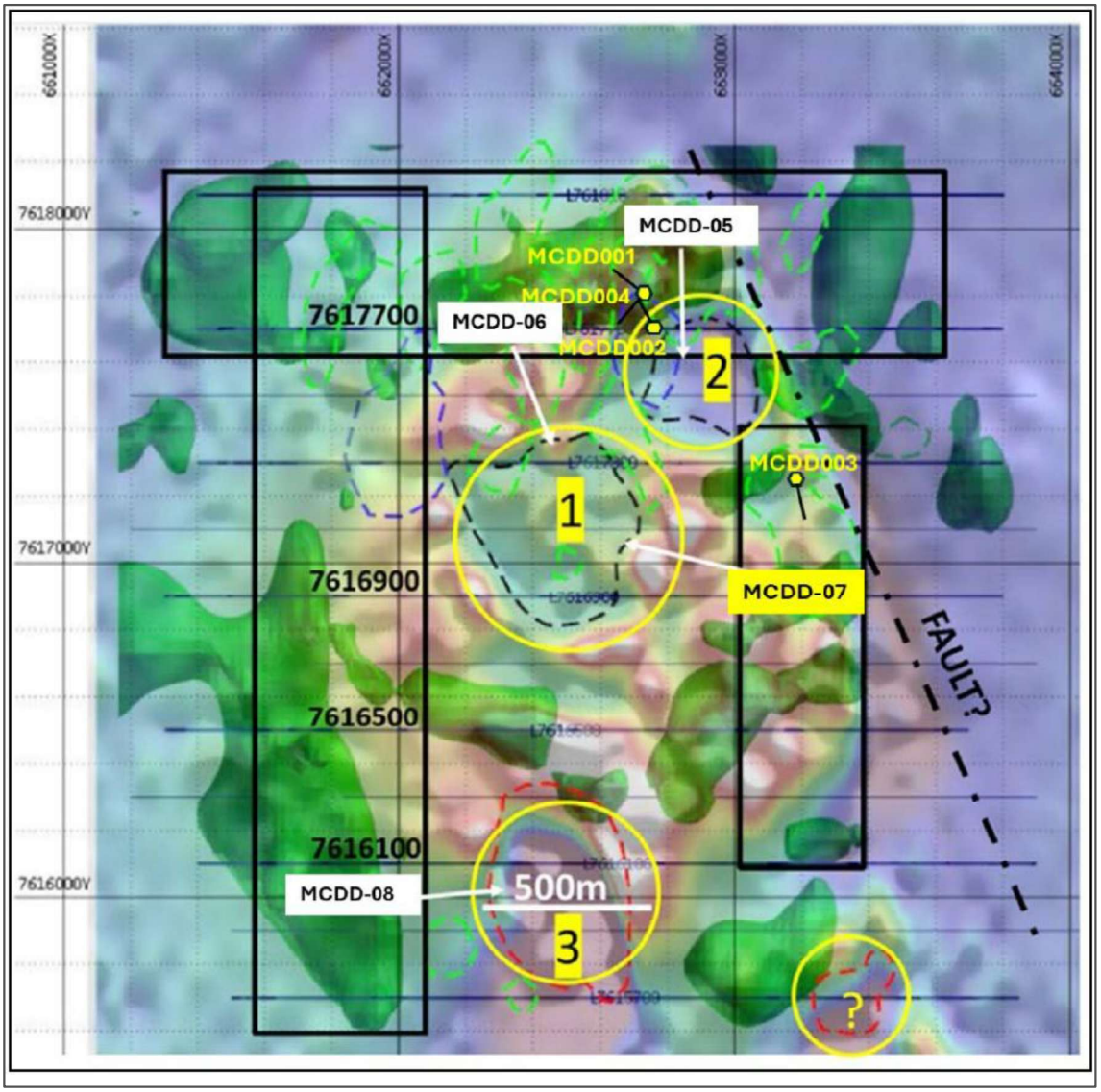
Since acquiring a 90% interest in 2021, FEG has collected further soil samples, completed a 21 line-kilometre M.I.M. Distributed Acquisition System (MIMDAS) IP–MT geophysical survey with 3D modelling. In November 2022, FEG identified a conceptual exploration target.

In November 2025, a combined RC–diamond drilling program totalling 1,229.3 m commenced. Three holes (MCDD005–MCDD007) tested the identified geophysical anomalies.

MCDD005 was terminated at 142 m due to poor conditions and intersected only weak alteration, while MCDD006 and MCDD007 (516.2 m and 571.1 m, respectively) encountered extensive hydrothermal alteration typical of porphyry systems, propylitic, phyllic and weak potassic with quartz vein pyrite and rare chalcopyrite, alongside magnetite enrichment. Selected intervals were collected for assay, but the results were pending at the time of report preparation.

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Figure 4.4: Interpreted RTP magnetic image base with interpreted MIMDAS zones of high chargeability (green)



Source: FEG ASX announcement, 10 February 2026

Notes: Exploration targets outlined in yellow. RTP – reduced to pole.

4.2.5 Exploration Target

On 14 November 2022, FEG announced an Exploration Target within EPM26008 (expired 8 February 2026, renewal lodged) at the Mount Clark West copper-gold project. This Exploration Target was developed using previous geochemical (stream sediment, soil, rock chip), geophysical (ground-based magnetic, induced polarisation) survey, geological mapping and diamond core drilling (4 holes). The target outlined ranged from 400 Mt to 650 Mt at an average grade of 0.4–0.6% copper equivalent (CuEq).

SRK has assessed the November 2022 Exploration Target and considers that it does not comply with the reporting requirements of the JORC Code (2012). The key issue is that the grade range stated is expressed as CuEq, which the announcement implies comprises both copper and gold.

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For transparency, the reporting of metal equivalents requires the following disclosures outlined in clause 50 of the Code:

1. Individual grades for each metal or mineral present; in the announcement, only the copper equivalent value grade range has been reported.
2. Assumptions used for the equivalence calculation, for example, metal prices, recovery rates, and assumptions about processing or payability. No assumptions have been provided in the announcement.
3. The calculation method, detailing how the equivalence was determined, is not provided.

On this basis SRK does not consider the reported Exploration Target to be suitable for valuation purposes.

SRK notes, however, that significant exploration potential exists at Mount Clark West as evidenced by:

1. Geophysical and geochemical data:
    a. The geophysical survey results from the Company's MIMDAS survey are indicative of a signature for a copper-gold porphyry target. MIMDAS (MIM Distributed Acquisition System) is a deep ground-penetrating geophysics survey technique useful for targeting porphyry copper-gold prospects.
    b. Surface soil geochemical sampling at Mount Clark West identified coincident geochemistry anomalies (copper, molybdenum, gold and zinc anomalism) at three areas identified by the MIMDAS survey. The zonation is interpreted to reflect a mineral system typical of porphyry-style deposits.
2. Regional geological setting: The tenement lies on the boundary between Connors Arc volcanic rocks (local basement) and overlying Bowen Basin sediments. The Connors Arc is a region noted for hosting significant epithermal gold-silver and porphyry copper-gold systems.
3. Historical exploration results: Previous explorers identified porphyry copper occurrences in the region.
    a. Drilling by Medusa Mining Limited (Medusa) in 2018–19 intersected intervals of low-grade copper mineralisation. Medusa's drill program consisted of a four-hole diamond drill program for a total of 1,283 m. Of the four holes, one hole (MCDD-002) intersected 104 m of slightly anomalous copper grades near surface.
    b. SRK notes that drilling was completed by FEG in late 2025, however, assay results have not been made available to SRK for review.

SRK considers the evidence from the geophysical, geochemical and drill results to be positive exploration indicators for a copper-gold (and potentially molybdenum) porphyry system, but inconclusive to support an Exploration Target (as defined by the JORC Code (2012)). This is due to a lack of clarity on how the grade range was determined in the absence of any actual drill results from the porphyry stock.

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4.2.6 Exploration potential

Drilling results to date show key features typically associated with the peripheral zones of porphyry copper systems, including typical host rocks, characteristic hydrothermal alteration styles, and associated sulfide mineral assemblages. Extensive phyllic and propylitic alteration, together with localised potassic development and quartz vein pyrite with minor chalcopyrite, suggest a potential prospective porphyry environment.

Exploration has progressed from regional sampling to targeted geophysical surveys and drilling, with current efforts focused on vectoring toward and testing interpreted porphyry centres. The exploration results to date continues to support the potential for a copper-gold porphyry intrusion within the tenement. Overall, these results confirm the area's prospectivity and warrant ongoing evaluation through further drilling.

4.2.7 Risks and opportunities

SRK has identified the following risks and opportunities:

Risks

- The project is at an advanced exploration stage and exploration to date is focused in testing the mineralisation.

Opportunities

- The regional setting and magnetic interpretations indicate structures and features that are similar to Mount Carlton, indicating potential for copper-gold mineralisation.

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5 Other considerations

5.1 Gold markets and pricing

SRK has carried out a limited analysis of the prevailing gold markets to support its valuation analysis. This analysis reflects the prevailing conditions as at 11 June 2026 (the effective valuation date, which is aligned to the announcement date to the market) and is considered reasonable to support the opinions and conclusions presented in this Report.

Unlike other commodities whose fundamentals are supply and demand driven, gold is regarded by many as a store of wealth and is not consumed like other industrial metals, with much of the gold historically produced remaining readily available. Gold can also be considered as a monetary asset as it is less volatile than world currencies and therefore provides a safe haven investment during periods of economic uncertainty. Due to this, the supply and demand argument that can be made for other metal commodities in general, does not hold well for gold.

The gold available 'above ground' remains fairly liquid. While total annual demand for gold is around 4,000–4,500 t, approximately two-thirds of annual gold demand is destined for the jewellery market. Jewellery in many countries represents liquid wealth. Gold used for personal adornment often makes its way back into circulation after a few years or a few generations. A small amount of gold (approximately 330 t) each year is destined for medical and industrial applications, and the remainder goes into investments and exchange-traded gold funds.

Gold ore mining is a capital intensive and high-cost process, which becomes increasingly difficult and more expensive as the quality of ore reserves diminish. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing and native title law. Typically, many of these costs are fixed in the short-term as a result of industry operators' inability to significantly alter cost structures once a mine commences production.

The gold industry is geographically diverse as China, Australia and Russia led global gold production. According to the Australian Department of Industry, Science and Resources (DISR) in its December 2025 Quarterly Report, total estimated global gold mined in 2025 was approximately 3,358 t. Despite China leading global gold production, Australia, Russia and South Africa hold the largest known gold reserves, and collectively account for approximately 48% of global gold reserves.

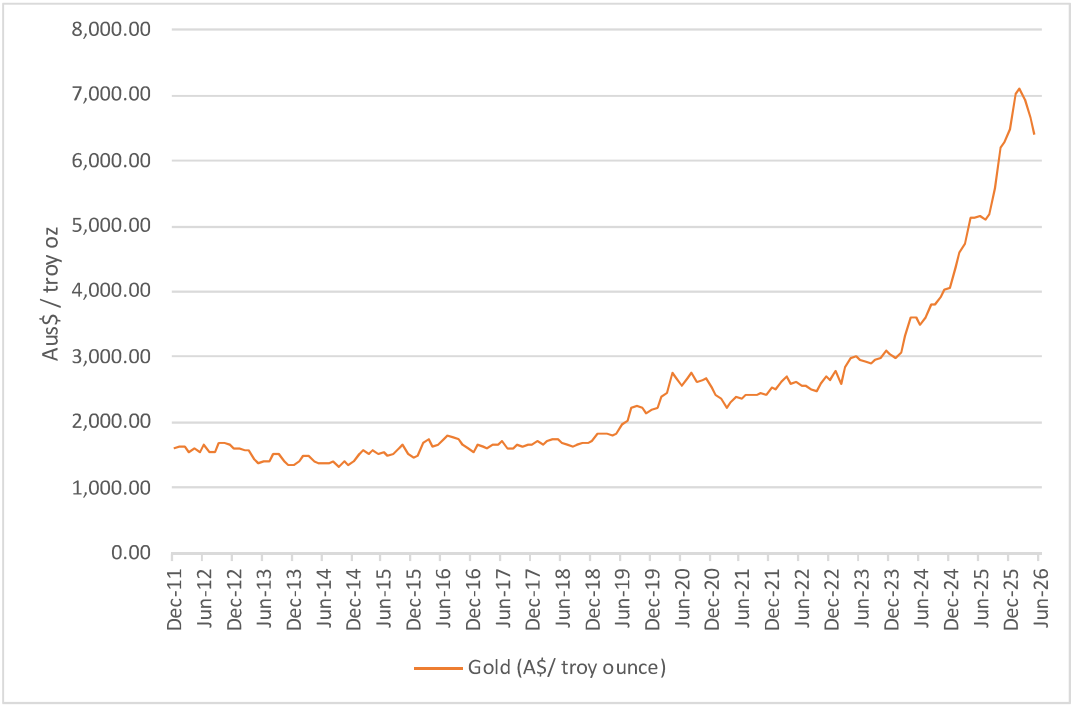
DISR state that purchases of gold by the official sector are high by historical standards at around 200 t per year. Economic and geopolitical uncertainty typically lift gold reserves. Uncertainty relating to global trade actions and foreign policy, combined with ongoing conflict and the imposition of sanctions against Russia, has bolstered the demand for gold to be held in reserves.

In 2026, gold has continued to trend higher, breaching US$5,500/oz in late January 2026 but has since fallen back to around US$5,100/oz level. The gold price in Australian dollars terms exceeded the A$7,800/oz level in late January but has decreased to around A$6,400/oz level (Figure 5.1).

DISR expects the gold price is likely to fall to around A$5,000/oz over the remainder of 2026 and expected to average around A$4,600/oz in 2027. For valuation purposes, SRK adopted the 30-day average to 31 May 2026 gold price of A$6,382/oz.

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Figure 5.1: Gold price in A$/oz



Source: S&P Capital IQ Pro

5.2 Copper markets and pricing

Copper prices have surged to record levels in 2026, peaking near US$14,700/t in June and with LME cash prices around US$13,370–13,716/t in early June, about 28% above a year earlier (Figure 5.2). Gains reflect US trade policy uncertainty, tight mine and concentrate supply, and strong demand from AI infrastructure, grids and electrification. Forecasts remain elevated but varied: Deutsche Bank expects US$12,125/t on average in 2026, while Goldman Sachs projects US$10,000–11,000/t in H1 and US$15,000/t by 2035.

World refined copper demand was about 27 Mt in 2024, with China around 58% of consumption. ICSG expects global demand growth of about 3% in 2025 and 2.1% in 2026. China's growth is set to slow from 3.3% to 1% as property and industrial activity weaken, while demand accelerates in the US, India and wider Asia. Longer term, global demand is expected to grow 2.2–2.5% annually, reaching roughly 33 Mt by 2035, led by electric vehicles, renewables, grids and data centres.

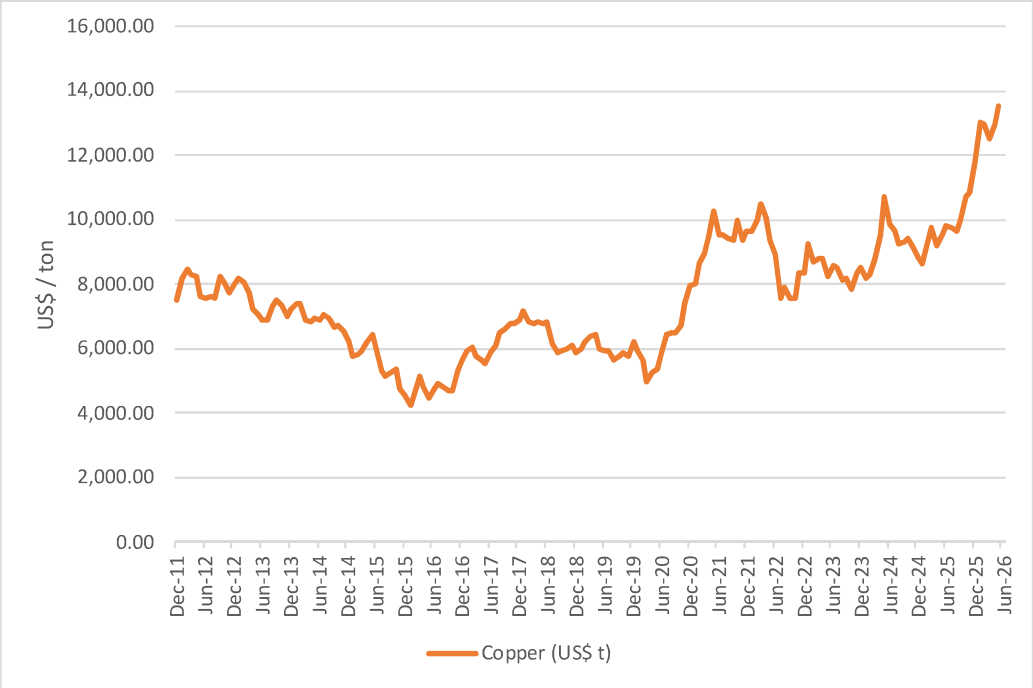
US demand is supported by reshoring, grid modernisation and data centre construction, but tariffs are a major risk. The 2025 Section 232 tariffs on semi-finished copper excluded cathodes, concentrates and raw copper, pending a Commerce review due 30 June 2026. Potential refined copper tariffs from 2027–28 have encouraged arbitrage flows into the US, tightening availability elsewhere.

Supply is shifting from surplus to deficit. ICSG projects a 178,000 t surplus in 2025, moving to a 150,000 t deficit in 2026; J.P. Morgan estimates 330,000 t. Refined production growth is slowing sharply amid tight concentrate markets, falling ore grades, long permitting timelines and near-zero or negative treatment charges. Deficits are expected to widen after 2027.

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AI (artificial intelligence) is now material: each gigawatt of data centre capacity uses about 5,500 t of copper, and 2026 demand could approach 475,000 t. High prices are also encouraging aluminium substitution and copper thrifting, though copper's conductivity, durability and recyclability limit displacement in critical applications.

Figure 5.2: Copper price in US$/t



Source: Modified from Trading Economics

5.3 Previous valuations

The VALMIN Code (2015) stipulates that an Independent Valuation Report should reference any other recent valuations or Expert Reports conducted on the mineral assets being evaluated.

After due inquiry of FEG, SRK is not aware of any previous publicly disclosed valuations prepared in accordance with the VALMIN Code (2015) relating to the Company's mineral assets.

5.4 Previous transactions

Acquisition of PT Iriana Mutiara Idenburg (9 October 2024)

On 15 July 2024, FEG announced that it had entered a binding term sheet with PT Iriana Mutiara Idenburg for the acquisition of up to a 100% interest in the Idenburg gold project, a single CoW with an area of approximately 95,280 ha (952.8 km^2), located in Papua Province of Indonesia. The consideration for the initial 51% ownership interest is A$12.15 M comprised A$400,000 cash payment, the issue of 2.5 million shares or A$250,000 worth of shares (whichever is greater), issue A$6.5 million worth of shares and incur A$5.0 million in capital expenditure. On 9 October 2024, the Conditional Share Purchase Agreement was executed.

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As outlined in ASX announcements dated 15 July 2024 titled "Binding term sheet signed to acquire Advanced high grade Idenburg gold project", at the time of the July 2024 binding term sheet, and 15 August 2024, titled "Idenburg commences maiden JORC Resource", at the time of the October 2024 transaction, Idenburg had an exploration target of 5.7–38.1 Mt grading 1.0–6.1 g/t Au for approximately 189–7,259 koz of contained gold. Adopting the midpoint of this range of contained ounces implies a multiple of A$9.8/oz gold in situ (raw) or A$17.4/oz gold in situ (normalised).

In considering the multiple to be adopted in the current market, SRK notes that the prevailing market is likely to apply a higher implied multiple to Idenburg than derived from the 2024 transactions, given:

- FEG's announcement of maiden Inferred Mineral Resource of 540 koz of contained gold at 4.1 g/t Au on 14 November 2024 using an inverse distance weighting method for Sua and Mafi and a weighted average approach for Bermol.
- FEG's announcement of an updated Inferred Mineral Resource of 780 koz of contained gold at 3.1 g/t Au at a cut-off grade of 0.1 g/t Au (with no metal equivalencies applied) on 5 May 2026 using an inverse distance weighting method for Sua and North Bermol and a weighted average approach for Bermol and Mafi.
- Ongoing resource definition and extension drilling across a range of targets and deposits.
- The commencement of the Idenburg scoping study by independent mining consultants Mining One as announced by FEG in May 2026. SRK understands that this 2026 scoping study is nearing completion.
- FEG's March 2026 Quarterly report which notes that initial metallurgical testwork has been completed demonstrating high gold recoveries[1].
- The granting of key environmental approvals (*Upaya Pengelolaan Lingkungan - Upaya Pemantuan Lingkungan* or UKL-UPL) as announced by FEG on 17 March 2026.

On this basis, SRK considers the 2024 transactions provide a floor to the likely multiples which would be adopted within the prevailing market.

Acquisition of Reedy Creek Project (26 February 2024)

In February 2024, FEG entered into an Earn-in Agreement to acquire a 90% interest in the Reedy Creek project from Ellenkay Gold Pty Ltd. Under the terms of the agreement, FEG was deemed to have fully acquired the 90% interest without any specified annual or staged expenditure obligations. The vendor retains a free-carry to completion of a Feasibility Study, at which point the vendor may elect to take a 2% net smelter royalty and FEG's interest in the Reedy Creek project will increase to 100%. At the time of the transaction, the Reedy Creek project comprised EPM 28601, covering approximately 38.4 km^2 in the Drummond Basin region of Central Queensland, directly adjoining FEG's Hill 212 and Blue Grass Creek tenements and forming part of a combined contiguous project area of approximately 8,000 ha.

[1] FEG cautioned that these results were preliminary in nature and based on limited composite samples. Further testwork is required to further confirm processing routes, recoveries and reagent consumption assumptions

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As no upfront cash, share consideration or expenditure commitment was disclosed, and no resource or exploration target was stated for Reedy Creek, an implied valuation multiple cannot be estimated.

Acquisition of Hill 212 Gold Project (1 November 2021)

In November 2021, FEG, through its wholly owned subsidiary Far East Gold (212) Pty Ltd, entered into an Earn-in Agreement to acquire up to a 90% interest in the Hill 212 Gold Project from Ellenkay Gold Pty Ltd. The project comprises EPM 26217, expiring 21 November 2026. Stage 1 and 2 provide FEG with a 49% interest for a consideration of A$500,000, plus the issue of A$400,000 in FEG shares if FEG listed on the ASX within 36 months. Vendors are free-carried through to completion of a Feasibility Study, after which they may elect to convert their interest into a 2% NSR, increasing FEG's interest to 100%. As outlined in the prospectus document dated 17 November 2021, at the time of the transaction, the Hill 212 project covers an area of 19.2km^2, which implies a multiple of A$95,660/km^2.

Acquisition of Blue Grass Creek Gold Project (1 November 2021)

In November 2021, FEG, through its wholly owned subsidiary Far East Gold (BGC) Pty Ltd, entered into an Earn-in Agreement to acquire up to a 90% interest in the Blue Grass Creek gold project from Ellenkay Gold Pty Ltd. The project comprises EPM 27794, expiring 25 August 2026. Stage 1 and 2 provide FEG with a 49% interest for a consideration of A$88,000 expenditure commitments and the issue of A$100,000 in FEG shares if FEG listed on the ASX within 36 months. Vendors are free-carried through to completion of a Feasibility Study, after which they may elect to convert their interest into a 2% NSR, increasing FEG's interest to 100%. As outlined in the prospectus document dated 17 November 2021, at the time of the transaction, the Blue Grass Creek project covers an area of 22.4 km^2, which implies a multiple of A$17,130/km^2.

Acquisition of Mount Clark West Copper Gold Project (1 November 2021)

In November 2021, FEG, through its wholly owned subsidiary Far East Gold (MCW) Pty Ltd, entered into an Earn-in Agreement to acquire up to a 90% interest in the Mount Clark West Copper Gold Project from Ellenkay Gold Pty Ltd. The project comprises EPM 26008, expiring 9 February 2026. Stage 1 and 2 provide FEG with a 49% interest for a consideration of A$410,000 expenditure commitments and the issue of A$100,000 in FEG shares if FEG listed on the ASX within 36 months. Vendors are free-carried through to completion of a Feasibility Study, after which they may elect to convert their interest into a 2% NSR, increasing FEG's interest to 100%. As outlined in the prospectus document dated 17 November 2021, at the time of the transaction, the Mount Clark West project covers an area of 19.17 km^2, which implies a multiple of A$54,290/km^2.

Acquisition of Woyla Copper Gold Project (10 June 2021)

In June 2021, FEG entered into a Conditional Share Purchase Agreement to acquire an 80% economic interest in the Woyla Copper-Gold Project by acquiring 100% of Woyla Aceh Ltd, which owns 80% of PT Woyla Aceh Minerals, the tenement holder. Stage 1 provides FEG with a 51.2% indirect interest for consideration of A$250,000 exclusivity, A$500,000 cash and either A$4.0 million project expenditure within 24 months or A$3.0 million in FEG shares on listing. Stage 2 is achieved on completion of a DFS including a JORC Code Mineral Resource estimate, after which vendors may retain a carried interest or convert to a 2% NSR, increasing FEG's interest to 100%. Additional consideration includes 10.0 million FEG shares on defining a 1.0 Moz JORC Code gold

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Mineral Resource. At the time of the transaction, the project was held under a 6th Generation CoW dated 17 March 1997, which was in voluntary suspension pending environmental and land use permits. No Mineral Resource, Ore Reserve or exploration target was disclosed, so an implied resource-based valuation multiple cannot be calculated. As outlined in the prospectus document dated 17 November 2021, at the time of the transaction, the Woyla project covers an area of 242.6 km^2, which implies a multiple of A$30,190/$km^2$.

Acquisition of Trenggalek Copper Gold Project (May 2021)

In May 2021, FEG entered into a Conditional Share Purchase Agreement to acquire a 100% economic interest in the Trenggalek Copper Gold Project by acquiring PT Sumber Abadi Nusantara, which owns 99.99% of PT Sumber Nusantara Mineral, the tenement holder. The project is held under an Operation and Production IUP dated June 2019. Stage 1 provides FEG with a 60% economic interest for consideration comprising a A$100,000 exclusivity payment, A$250,000 cash payment, payment of approximately A$1.0 million in outstanding mining fees, and assumption of day-to-day management of PT SMN. Stage 2 provides FEG with a 100% economic interest for payment of agreed liabilities capped at A$500,000 and a A$1.15 million vendor payment upon Ministerial Approval. As outlined in the prospectus document dated 17 November 2021, at the time of the transaction, the Trenggalek project covers an area of 128 km^2, which implies a multiple of A$17,580/$km^2$.

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6 Valuation

The objective of this section is to provide LEA with SRK's opinion regarding the market value of FEG's mineral assets.

The term 'mineral asset' as defined by VALMIN Code (2015) refers to all property including but not limited to:

- tangible property
- intellectual property
- mining and exploration tenure
- other rights held or acquired in connection with the exploration, development of and production from those tenures.

In valuing the mineral assets, SRK has relied on information provided by FEG, as well as information sourced from the public domain, SRK's internal databases and SRK's subscription databases.

6.1 Valuation approaches

The VALMIN Code (2015) outlines three generally accepted valuation approaches:

1. Market Approach
1. Income Approach
2. Cost Approach.

The Market Approach is based primarily on the principle of substitution and is also called the Sales Comparison Approach. The mineral asset being valued is compared with the transaction value of similar mineral assets under similar time and circumstances on an open market (Section 8.2.a, VALMIN Code 2015). Methods include comparable transactions, metal transaction ratio, and option or farm-in agreement terms analysis.

The Income Approach is based on the principle of anticipation of economic benefits and includes all methods that are based on the anticipated benefits of the potential income or cashflow generation of the mineral asset (Section 8.2.b, VALMIN Code 2015). Valuation methods that follow this approach include discounted cashflow modelling, Monte Carlo analysis, option pricing and probabilistic methods.

The Cost Approach is based on the principle of cost contribution to value, with the costs incurred providing the basis of analysis (Section 8.2.c, VALMIN Code 2015). Methods include the appraised value method and multiples of exploration expenditure, where expenditures are analysed for their contribution to the exploration potential of the mineral asset.

The applicability of the various valuation approaches and methods varies depending on the stage of exploration or development of the mineral asset and hence the amount and quality of the information available on the mineral potential of the assets.

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Most mineral assets can be classified as:

- **Exploration project**: Properties where mineralisation may or may not have been identified, but where a Mineral Resource has not been identified.
- **Advanced exploration project**: Properties where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the resource category.
- **Pre-development project**: Properties where Mineral Resources have been identified and their extent estimated (possibly incompletely) but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further Valuation, Technical Assessment, delineation or advanced exploration is being undertaken.
- **Development project**: Properties for which a decision has been made to proceed with construction and/or production, but which are not yet commissioned or are not yet operating at design levels.
- **Operating mines**: Mineral properties, particularly mines and processing plants that have been commissioned and are in production.

Table 6.1 presents the various valuation approaches for the valuation of mineral assets at the various stages of exploration and development.

Table 6.1: Suggested valuation approaches according to development status

Valuation approach	Pre-development projects	Development projects	Production projects
Market	Yes	Yes	Yes
Income	In some cases	Yes	Yes
Cost	In some cases	No	No

Source: VALMIN Code (2015).

The market approach to valuation can be used for the valuation of mineral assets regardless of development status but is typically applied as a primary approach for exploration to development projects.

An income-based method such as a discounted cashflow model is commonly adopted for assessing the value of a tenure containing a deposit where an Ore Reserve has been produced following an appropriate level of technical studies and in accordance with accepted technical guidelines such as the JORC Code (2012). However, an income-based method is not considered an appropriate method for deposits or mineral tenures that are less advanced, i.e. where there is no declared Ore Reserve and supporting mining and related technical studies.

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The use of cost-based methods, such as considering suitable multiples of exploration expenditure, is best suited to exploration projects, before Mineral Resources are reliably estimated. Within the valuation hierarchy, cost-based methods of valuation are considered less suitable than market-based methods of valuation.

In general, these methods are accepted analytical valuation approaches that are in common use for determining the Market Value of mineral assets, using market-derived data.

6.2 Basis of valuation

The basis of this valuation is a Market Value.

The 'Market Value' is defined in the VALMIN Code (2015) as, in respect of a mineral asset, '*the amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion*.' The term Market Value has the same intended meaning and context as the International Valuation Standards Committee term of the same name. This has the same meaning as Fair Value in RG111.

6.3 Valuation methods

Valuation methods are, in general, subsets of valuation approaches and, for example, the income-based approach comprises several methods. Furthermore, some methods can be considered primary methods for valuation, while others are secondary methods or rule-of-thumb methods, considered suitable only to benchmark valuations completed using primary methods.

Methods traditionally used to value exploration properties include:

- multiples of exploration expenditure (expenditure based)
- JV terms method (expenditure based)
- geoscientific ratings methods (e.g. Kilburn – area based)
- comparable transactions method (market based)
- metal transaction ratio analysis (ratio of the transaction value to the gross dollar metal content, expressed as a percentage – market based)
- yardstick/rule-of-thumb method (e.g. A$/resource or production unit, percentage of an in situ value)
- geological risk method.

In summary, the recognised valuation methods are designed to provide an estimate of the mineral asset or project value in each of the various categories of development. In some instances, a particular mineral asset or project may comprise assets that logically fall under more than one of the previously discussed development categories.

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In providing its valuation of the subject tenements as at the valuation date, SRK has considered various valuation methods relative to the principles of the VALMIN Code (2015). The valuation method applied depends on the relative maturity of assessment for each asset, as well as the amount of available data supporting the mineral assets.

Based on its review of the subject tenements, SRK considers the Idenburg and Wonogiri projects to be at the advanced exploration stage with Mineral Resources. All other mineral assets are at an early to advanced stage of exploration. Therefore, for the Idenburg and Wonogiri projects, SRK has elected to use comparable transactions analysis as its primary valuation method. As a crosscheck, SRK adopted the yardstick method of valuation.

For the Exploration Potential assets, SRK chose to employ comparable transactions analysis as the primary valuation method. The values determined using this method were crosschecked against values determined using the geoscientific rating method.

Table 6.2 summarises the valuation methods adopted for each of the mineral assets.

Table 6.2: SRK's adopted valuation methods

Project	Development stage	Description	Valuation methods
Wonogiri	Advanced-stage exploration	Mineral Resources	Market: Comparable transactions Cost: Yardstick
Idenburg	Advanced-stage exploration	Mineral Resources	Market: Comparable transactions Cost: Yardstick
Woyla	Advanced-stage exploration	Exploration Potential	Market: Comparable transactions Cost: Geoscientific rating
Trenggalek	Advanced-stage exploration	Exploration Potential	Market: Comparable transactions Cost: Geoscientific rating
Blue Hill Creek	Early-stage exploration	Exploration Potential	Market: Comparable transactions Cost: Geoscientific rating
Mount Clark West	Advanced-stage exploration	Exploration Potential	Market: Comparable transactions Cost: Geoscientific rating

Source: SRK analysis, 2026, sorted by order of value on 100% basis, highest to lowest

The valuation performed on Mineral Resources and exploration potentials are on 100% basis, followed by applying FEG's current beneficial ownership interests to obtain the Net Attributable Value. SRK is informed that FEG's current beneficial ownership interests across its project portfolio range from 51% to 100%. It holds a 51% beneficial interest in the Woyla copper-gold project in Aceh, Indonesia. The Company holds 100% beneficial ownership of the Trenggalek copper-gold project in East Java and the Wonogiri copper-gold project in Central Java. For the Idenburg gold project in Papua and Papua Pegunungan, the Company will hold a 51% beneficial interest upon issuing the final consideration shares to the vendor, increasing to 80% upon completion of an Indonesian Government feasibility study. In Australia, the Company holds a 90% beneficial interest in both the Mount Clark West copper-gold project in Queensland and the Blue Hill Creek gold project in Queensland.

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6.4 Mineral Resources

In this section, SRK has valued the mineral resources associated with the Idenburg and Wonogiri projects.

6.4.1 Project Mineral Resources

Based on its review of FEG's supplied resource models and exploration datasets, the Mineral Resources of the projects are presented below. SRK has reviewed the reasonableness of these Mineral Resource estimates (Table 6.3).

Table 6.3: Mineral Resources contained gold estimate

Project	Measured contained gold (oz)	Indicated contained gold (oz)	Inferred contained gold (oz)	Total contained gold (oz)
Idenburg			780,000	780,000
Wonogiri	419,000	40,000	72,000	531,000
Total	**419,000**	**40,000**	**852,000**	**1,311,000**

Sources: FEG, SRK analysis (2026)

Notes: For Wonogiri, see Section 3.4, Table 3.5 for further details on the reported Mineral Resources. SRK has used a cut-off grade of 0.2 g/t AuEq for valuation purposes.

6.4.2 Comparable transactions analysis

For its evaluation of the Mineral Resources as outlined in Table 6.3, SRK compiled gold resource transactions using its internal databases, as well as the S&P Capital IQ Pro subscription database. The raw data relied on for the resource valuation are presented in Appendix A (Comparable market transactions).

SRK considers the initial dataset obtained for gold related mineral assets/project transactions between 2021 and 2026 in Indonesia was insufficient to perform a resource-based valuation. Therefore, SRK has expanded the scope of transactions with a longer look-back window and neighbouring countries with similar country risk factors and geology to obtain a meaningful dataset, including the following Southeast Asian countries: Papua New Guinea, Indonesia, Philippines, Fiji, Vanuatu and Cambodia. SRK considers the initial dataset obtained for gold-related mineral assets/project transactions between 2021 and 2026 in Indonesia was insufficient to perform a resource-based valuation. SRK compiled the relevant data and reviewed transactions involving gold projects in Southeast Asia (at various development stages) that occurred between 2017 and 2026. SRK identified 11 transactions that it considered sufficiently relevant and for which sufficient information was available to calculate a resource multiple. The transactions are listed in Appendix A and include possible outliers that included premiums and discounts for various reasons for consideration in this analysis. The statistics are summarised in Table 6.4.

The implied transaction multiple for resources was then expressed in A$/oz terms. This implied multiple was calculated using the transaction value (at the implied 100% acquisition cost) and the total contained Mineral Resources supporting the transaction. Given the gold price volatility and future price uncertainty, SRK elected to use the 30-day average to 31 May 2026 Australian dollar gold price of A$6,383/oz to normalise the implied multiples and inform its market analysis. The gold price assumed at the transaction date is the monthly average for the month that the transaction was announced.

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Importantly, while transaction multiples are widely used in valuation, they rely on the assumption that the reported Mineral Resources have been appropriately reported and can be taken at face value. The method assumes that differences in reporting regimes, between different Competent Persons, Mineral Resource classification, metal recovery and adopted cut-off grades (which may change between assets and/or companies) do not materially influence the implied multiple. The method implicitly assumes total recoverability of all metal tonnes/ounces, as reliable and accurate data are not disclosed or available around the time of most transactions or for all companies. Importantly, SRK's implied value calculations are for the purposes of its valuation and do not attempt to estimate or reflect the metal likely to be recovered as required under the JORC Code (2012).

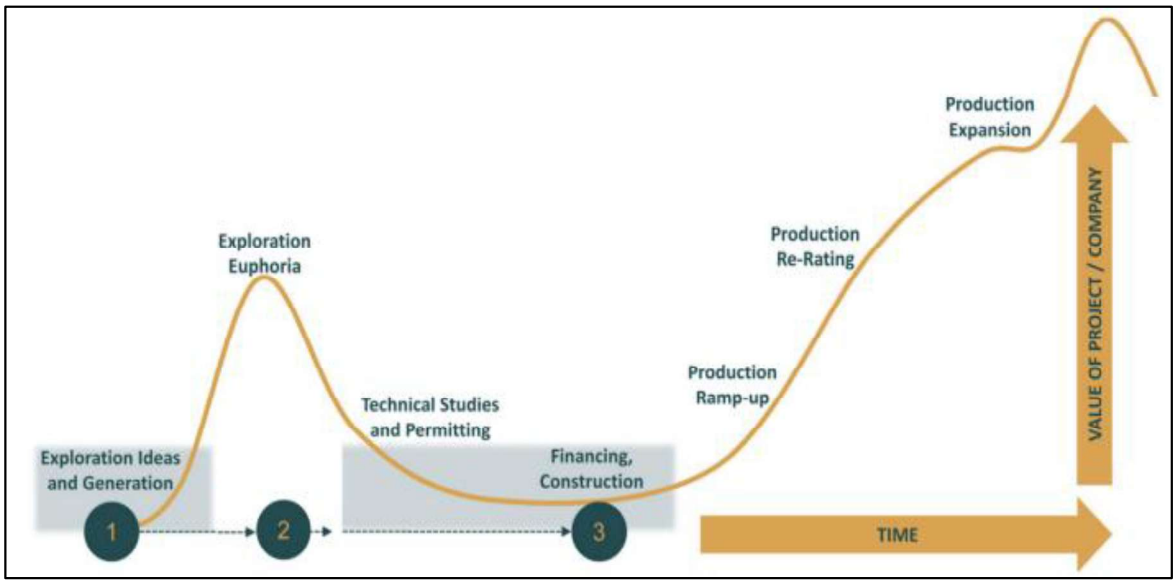
SRK notes that there is a clear relationship between the development stage of the assets that host defined Mineral Resources and their implied multiples with the average and median values increasing in line with development stages.

When considering the average normalised multiples for Southeast Asia only, SRK notes its analysis implies the following normalised transaction multiples (Table 6.4):

- projects in Pre-feasibility/Scoping: A$90/oz
- projects in Feasibility/care and maintenance: A$110/oz
- operating mines A$725/oz.

The value price curve identified by this metric is in alignment with prevailing theory on value through a mining project's life cycle (Figure 6.1).

Figure 6.1: Project value curve



Source: SRK

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Table 6.4: Resource-based transaction multiple analysis – Southeast Asia

	Statistic	Resource multiple – raw (A$/oz)	Resource multiple – normalised (A$/oz)
All	Count	11	11
	Minimum	1.87	7.23
	Median	46.63	107.52
	Average	69.57	215.96
	Maximum	234.64	924.01
	Weighted average	95.42	331.56
	25th percentile	16.09	31.64
	75th percentile	94.93	241.23
Pre-feasibility/Scoping	Count	3	3
	Minimum	5.06	15.20
	Median	18.71	72.07
	Average	24.00	89.66
	Maximum	48.22	181.70
	Weighted average	22.63	84.28
	25th percentile	11.88	43.63
	75th percentile	33.46	126.88
Feasibility	Count	6	6
	Minimum	1.87	7.23
	Median	35.71	70.01
	Average	46.10	110.08
	Maximum	97.64	246.97
	Weighted average	51.00	118.23
	25th percentile	16.30	31.20
	75th percentile	80.83	203.50
Operating mines	Count	2	2
	Minimum	181.99	522.10
	Median	208.32	723.05
	Average	208.32	723.05
	Maximum	234.64	924.01
	Weighted average	228.60	877.89
	25th percentile	195.15	622.57
	75th percentile	221.48	823.53

Source: SRK analysis, 2026

In considering an appropriate value range for valuation purposes, SRK has further considered the two transactions relating to the Pani IUP gold project joint venture (Pani IUP JV or Pani Gold Project) interest.

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The Pani project is situated in the Pohuwatu Regency, Gorontalo Province in North Sulawesi. Exploration activity at Pani project began in 1997, following its Measured, Indicated and Inferred Mineral Resources announcement in December 2014. Technical work on the project accelerated since December 2017 following settlement of a multi-year-long ownership dispute.

In February 2018, Lion Selection Group Limited agreed to pay a sum of A$16.5 M in the form of 35.75 million Lion shares and 23.83 million options (exercisable at A$0.50/share; 2-years expiry), plus A$0.2 M towards transaction costs and up to US$1 M interim JV funding to acquire One Asia Resources Limited's 33.3% Pani IUP JV. Based on the Mineral Resource estimate (of 2,370,000 oz contained gold) at the time of the transaction, the implied normalised multiple is A$72/oz (A$19/oz on a raw basis). SRK notes that as at the Valuation Date, the option had expired and had not been exercised, and the reassessed consideration of the transaction is A$14.7 M (A$44.14/oz on 100% basis).

In November 2018, PT Merdeka Coper Gold Tbk acquired 66.7% of the Pani IUP JV interest for consideration of US$55 M (approximately A$75.9 M) (A$113.8 M on 100% basis). Adopting the Measured, Indicated and Inferred Mineral Resource estimate summarised in the December 2014 announcement, the transaction implies a multiple of A$48.2/oz gold in situ (raw) or A$181.7/oz gold in situ (normalised).

Based on the project stage and resource classification (i.e. Measured, Indicated and Inferred) of the Pani Gold Project, SRK considers the implied normalised multiple of A$182/oz (rounding up) provides a likely cap to the multiples which would be adopted by the prevailing market when considering the Idenburg project.

The 2018 Pani IUP JV transactions recorded the increase in resource multiples as the project advanced from Pre-feasibility/Scoping stage towards the Feasibility stage, as well as reflecting both minority discount/control premium for the respective interests acquired.

While SRK considers the Pani transactions to be instructive for valuation purposes, the variance in the implied multiples of this transaction and transaction dataset is large. SRK therefore considers these provide 'bookends' to the likely value range which may be adopted by the market. The statistics of the full dataset are therefore considered as listed in Table 6.4.

Based on its assessment of the available technical data and the multiples set out in Table 6.4, SRK has adopted a resource multiple range of between of A$76/oz and A$114/oz for its valuation of FEG's Mineral Resources in Idenburg. This multiple is subjective and reflects the Inferred Mineral Resource classification (versus Measured, Indicated and Inferred at Pani) for Idenburg and the development status (scoping versus starting feasibility). In assigning this multiple, SRK is also cognisant that over the recent past, FEG has since acquisition:

- Announced a maiden Inferred Mineral Resource of 540 koz of contained gold in November 2024, which was then further updated to an Inferred Mineral Resource of 780 koz of contained gold in May 2026.
- Conducted ongoing resource definition and extension drilling across a range of targets and deposits.
- Completed initial metallurgical testwork demonstrating high gold recoveries, albeit that further testwork is required to confirm processing routes, recoveries and reagent consumption assumptions.

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- Commenced a scoping study which is now nearing completion.
- Received key environmental approvals and permits.

In the case of the Wonogiri project, FEG has advanced the project through extensive drilling and resource definition and initial metallurgical studies. While a scoping-level study was commenced in 2022, no formal technoeconomic studies have been publicly reported (albeit that various internal estimates have been developed). Furthermore, the permitting at Wonogiri has not as advanced as at Idenburg.

From a comparables perspective, SRK notes the gold grade (0.44 g/t AuEq at Wonogiri versus 0.82 g/t Au at Pani at a 0.2g/t Au cut-off grade), scale (1.15 Moz at Wonogiri versus 2.37 Moz at Pani, both with Measured, Indicated and Inferred classifications and project stage (internal scoping/updating scoping at Wonogiri versus starting feasibility at Pani). On this basis SRK has subjectively selected progressive multiples lowered according to the confidence level of resources classification, i.e. for Measured Resources A$100/oz and A$125/oz, Indicated Resources between A$80/oz and A$100/oz, and Inferred Mineral Resources between A$64/oz and A$80/oz. These multiples are informed by the 75th percentile (upper bound) less 20% to form the lower bound.

For the purpose of this valuation, gold equivalent was calculated by SRK based on average 30-day metal prices as at 31 May 2026 (A$6,383/oz Au, A$78/oz Ag, A$18,845/t Cu, A$1,991/t Pb, A$3,482/t Zn). A 100% processing recovery was also assumed for valuation purposes (to ensure comparability with other third-party projects for which disclosure of likely metal recovery may be limited).

Based on its comparable transactions analysis, SRK considers the implied value of FEG's Mineral Resources lies in the range of A$154.1 M to A$207.5 M, on a 100% basis (Table 6.5).

Importantly, in light of the transaction data available, SRK considers its adopted multiples are inclusive of value attributable to the exploration potential over the explored areas at Idenburg (stated by FEG as comprising 30% of the tenure) and at Wonogiri.

The value of the exploration potential of the remaining unexplored portions (70%) at Idenburg has been assessed in the following section.

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Table 6.5: Comparable transactions analysis of Mineral Resources

Prospect	Tenement	Au Resources (koz)	Ag Resources (koz)	Cu Resources (lb '000)	Cu Resources (t)	Pb Resources (lb '000)	Zn Resources (lb '000)	Total AuEq resources (koz)	Multiple Low (A$/oz)	Multiple High (A$/oz)	Low (A$'000)	High (A$'000)
Sua	Idenburg	514	89	1793	814	71	881	517	76	114	39,264	58,896
North Bermol	Idenburg	22	23	183	83	46	106	22	76	114	1,693	2,540
Bermol	Idenburg	228	125	1274	578	47	130	230	76	114	17,461	26,191
Mafi	Idenburg	16	284	204	93	5102	2105	18	76	114	1,331	1,997
Subtotal	**Idenburg**	**780**	**521**	**3,454**	**1,567**	**5,266**	**3,222**	**786**			**59,749**	**89,623**
Mineral Resource Status												
Measured	Wonogiri	479			32,385			534	100	125	53,448	66,810
Indicated	Wonogiri	55			2,772			57	80	100	4,595	5,743
Inferred	Wonogiri	457			51201			567	64	80	36,338	45,361
Subtotal	**Wonogiri**	**992**			**86,358**			**1,159**			**94,331**	**117,914**
Total		**1,772**			**87,925**			**1,945**			**154,080**	**207,538**

Source: SRK analysis, 2026

Notes: Gold equivalent (AuEq) was based on metal prices of A$6,383/oz Au, A$78/oz Ag, A$18,845/t Cu, A$1,991/t Pb, A$3,482/t Zn

Wonogiri is based on the defined resource at 0.2 g/t Au cut-of grade.

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6.4.3 Industry yardstick

To verify the values derived from the comparable transactions method, SRK has employed the industry yardstick method as a crosscheck. The industry yardstick method involves applying a percentage of the spot commodity price to the quoted Mineral Resource. This approach is typically used as a secondary method to crosscheck the primary valuation method.

Based on SRK's experience, the following ratios were used for the industry yardstick valuation:

- Measured Mineral Resources 2.0% to 5.0% of the spot price
- Indicated Mineral Resources 1.0% to 2.0% of the spot price
- Inferred Mineral Resources 0.5% to 1.0% of the spot price
- Exploration Target 0.1% to 0.5% of the spot price.

SRK has adopted the 30-day average spot gold price of A$6,383/oz (to 31 May 2026) for this analysis. The implied value range multiplies using the industry yardstick factors are summarised in Table 6.6.

Table 6.6: Industry yardstick factors value range

Resource	Percentage of the spot price	Value range	
		Low (A$/oz gold)	High (A$/oz gold)
Measured	2.0% to 5.0%	127.66	319.15
Indicated	1.0% to 2.0%	63.83	127.66
Inferred	0.5% to 1.0%	31.91	63.83
Target	0.1% to 0.5%	6.38	31.91

Source: SRK analysis, 2026

Using the industry yardstick assumptions and the 30-day average spot price as at 31 May 2026, SRK's industry yardstick valuation range for the Mineral Resources held by FEG fall within the range from A$115.1 M to A$264.3 M on a 100% basis.

Table 6.7: Yardstick valuation of Mineral Resources

Project	Idenburg	Wonogiri	Total	Yardstick multiple (A$/oz)		Implied Yardstick Value (A$'000)	
				Low	High	Low	High
Measured (AuEq oz)		534,483	534,483	128	319	68,231	170,579
Indicated (AuEq oz)		57,434	57,434	64	128	3,666	7,332
Inferred (AuEq oz)	786,169	567,006	1,353,176	32	64	43,186	86,372
Total	**786,169**	**1,158,924,**	**1,945,094**			**115,084**	**264,283**

Source: SRK analysis, 2026

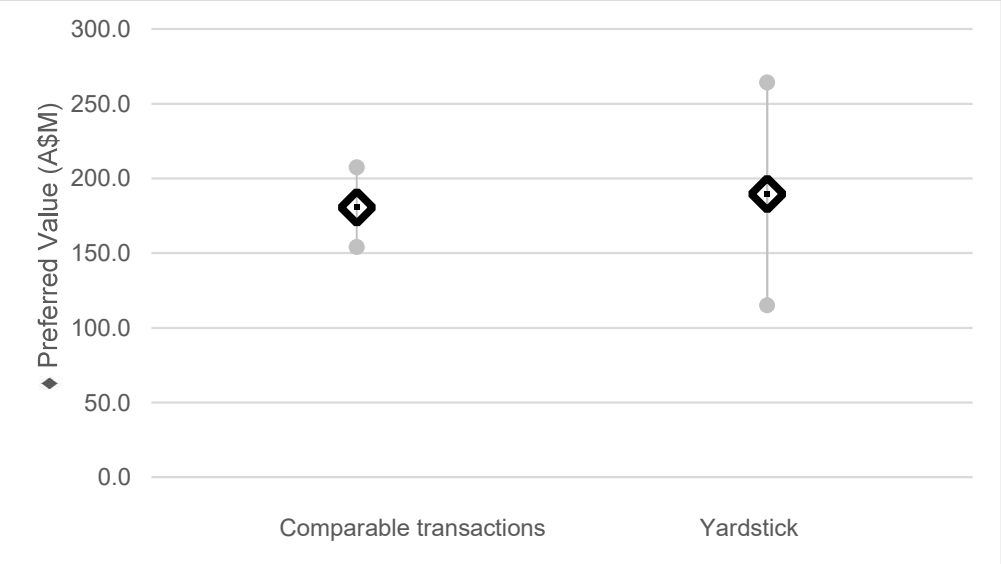
Notes: Gold equivalent (AuEq) was based on metal prices of A$6,383/oz Au, A$78/oz Ag, A$18,845/t Cu, A$1,991/t Pb, A$3,482/t Zn.

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6.4.4 Valuation summary of Mineral Resources

Figure 6.2 shows the outcome of the two different valuation methods for the defined Mineral Resources held by FEG. The comparable transactions analysis is well aligned with the values implied by the industry yardstick method. While the industry yardstick method takes into consideration the different confidence levels of Mineral Resource estimation and the state of the gold market, it does not consider other aspects such as different stages of project development, infrastructure and types of mineralisation. In this regard, SRK consider the market transaction analysis to be the preferred valuation method, while the yardstick is used as a crosscheck as to reasonableness.

Figure 6.2: Summary of valuation methods of total 100% value – Mineral Resources



Source: SRK analysis, 2026

Based on this analysis, in SRK's opinion the market is likely to pay in the range from A$154.1 M to A$207.5 M (Table 6.8) on a 100% basis. In selecting its preferred value, SRK has adopted the average of the value range at A$180.8 M as it has not preference towards either end of the value range.

Table 6.8: Summary of Market Value – Mineral Resources

Method	Low (A$ M)	High (A$ M)	Preferred (A$ M)
Comparable transactions	154.1	207.5	180.8
Yardstick	115.1	264.3	189.7
Average	**134.6**	**235.9**	**185.3**
Selected Market Value	**154.1**	**207.5**	**180.8**

Source: SRK analysis, 2026

The selected range of values has encapsulated the upside potential of the known prospective areas within the mineral tenures where defined Mineral Resources were reported at Idenburg and Wonogiri.

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6.5 Exploration potential

6.5.1 Introduction

In addition to its assessment of the Mineral Resources, SRK has also considered the value associated with FEG's regional exploration tenements on 100% basis.

An area-based comparable transactions analysis of Australian and Southeast Asia gold projects at the early to advanced stage exploration stage (i.e. without defined Mineral Resources) has been conducted to determine the values of the exploration potential. As a further crosscheck, SRK has also considered the geoscientific rating valuation method.

6.5.2 Comparable transactions analysis

SRK has also reviewed transactions involving early to advanced stage gold exploration projects in Queensland and Indonesia (i.e. those without defined gold Mineral Resources). In Australia, SRK has identified and compiled data and statistics for 17 transactions occurring between June 2021 and 2026 for which sufficient information was available to calculate an area-based multiple (i.e. A$/km^2 or A$/ha).

To mitigate against the limited number of comparable transactions within Indonesia, SRK has expanded its dataset to include countries with similar geopolitical risk factors, including the following Southeast Asian countries: Cambodia, Papua New Guinea, Indonesia, Philippines, Fiji, Vanuatu and Cambodia, as well as a longer look-back window between 2016 and 2026. Following the addition of these other jurisdictions, SRK has identified and compiled data and statistics for 11 transactions occurring between June 2016 and 2026 for which sufficient information was available to calculate an area-based multiple (i.e. A$/km^2 or A$/ha).

The transactions are listed in Appendix A and include possible outliers that could include premiums or discounts for various reasons. The statistics are summarised in Table 6.9.

SRK has expressed the area-based transaction multiple in A$/km² terms. The value has been calculated using the transaction value (at the implied 100% acquisition cost) and the total area of the project tenure acquired at the time of the transaction. Given the gold price volatility and future price uncertainty, SRK elected to use the 30-day average Australian dollar gold price to 31 May 2026 of A$6,383/oz to normalise the implied multiples and inform its market analysis. The gold price assumed at the transaction date is the monthly average for the month that the transaction was announced.

SRK has performed the comparative transactions analysis on exploration licences (ELs and EPMs) only.

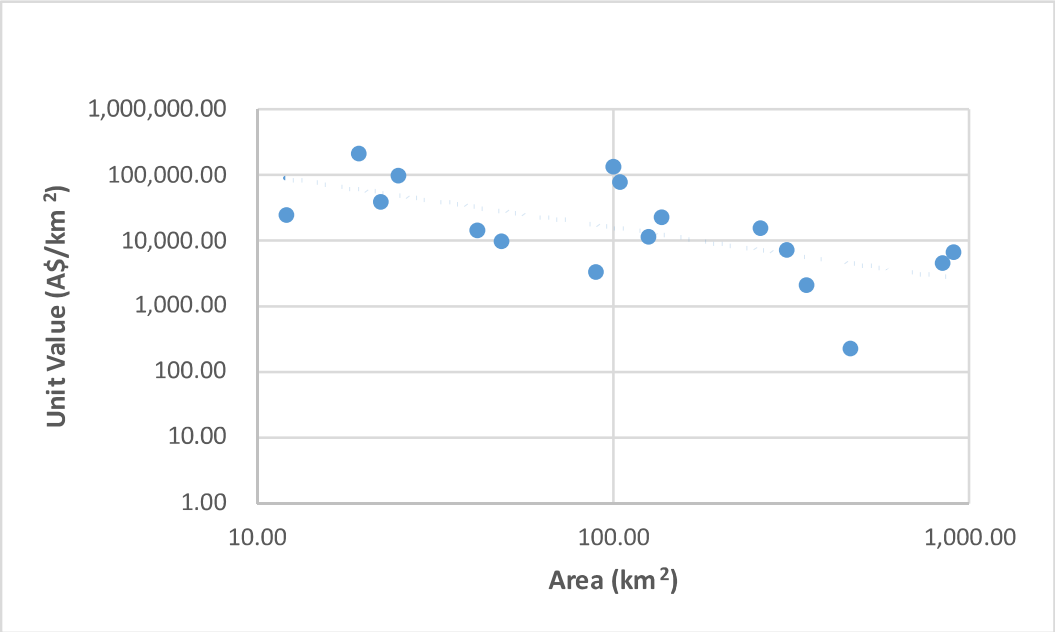
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Table 6.9: Area-based transaction multiple analysis

	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
Gold – Queensland projects with tenures conveying right to explore only		
Count	17	17
Minimum	134	238
Median	7,596	15,235
Average	18,912	41,914
Maximum	95,663	226,443
Weighted average	6,697	13,794
25th percentile	2,835	6,923
75th percentile	20,833	40,544
Gold – Southeast Asia projects in Early - Advanced Exploration stage		
Count	11	11
Minimum	42	78
Median	15,466	28,176
Average	24,211	43,659
Maximum	142,302	208,378
Weighted average	14,076	30,271
25th percentile	5,285	7,959
75th percentile	20,032	50,449

Source: SRK analysis, 2026

Figure 6.3: Area-based resource multiples – Queensland

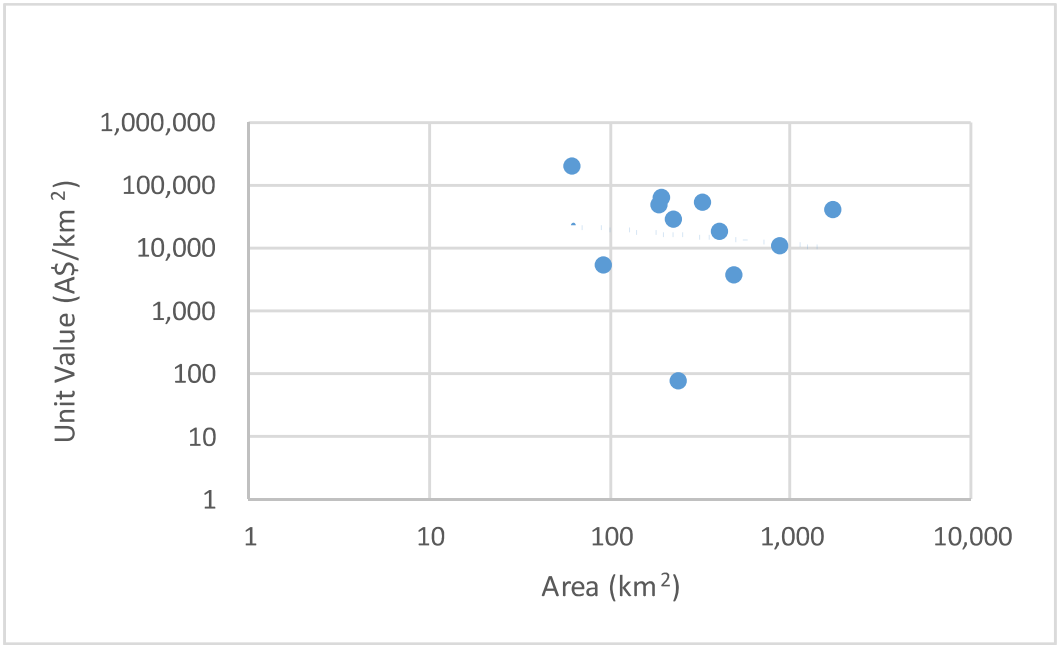


Source: SRK analysis, 2026

Note: Log scales have been applied to the X and Y axes.

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Figure 6.4: Area-based resource multiples – Southeast Asia



Source: SRK analysis, 2026

Note: Log scales have been applied to the X and Y axes.

Based on its review of the available technical information, SRK has assessed the value of the regional exploration holdings for FEG's Indonesian and Queensland assets. All values were estimated on a 100% equity basis. SRK's adopted ranges for the tenure based on the exploration tenures, as the projects range from early to advanced stage exploration.

For valuation purposes, SRK has adopted a ±25% range around key intervals within the comparable dataset (normalised) for both Queensland and SE Asia.

For example:

- for Blue Hill Creek (rounded), A$41,900/km^2 ±25% or A$31,400/km^2 to A$52,400/km^2, based on the average (normalised) of the Queensland dataset
- for Mount Clark West (rounded), A$70,400/km^2 ±25% or A$52,800/km^2 to A$88,000/km^2, based on the 80th percentile (normalised) of the Queensland dataset
- for both Woyla and Trenggalek (rounded), A$50,500/km^2 ±25% or A$37,900/km^2 to A$63,100/km^2 based on the 75th percentile (normalised) of the SE Asia dataset

Importantly, for the Idenburg project, FEG has previously disclosed that only 30% of the total area has been explored and that the remaining 70% of the tenure area remains unexplored. On this basis, SRK has elected to include a component attributable to the 70% of the area at Idenburg which remains unexplored. In doing so, SRK considers the multiple to be applied should be less than that at FEG's other Indonesian projects, which have been subject to extensive previous exploration activities, including metallurgical testwork and internal estimates. On this basis, SRK has applied a multiple between A$21,200/km^2 and A$35,300/km^2, which is subjectively assigned based on median of the SE Asian dataset. Table 6.10 outlines SRK's opinion regarding the 100% market value of the exploration potential within mineral tenures using the comparable transactions method.

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Based on this analysis, SRK considers the current market is likely to pay between A$3.4 M and A$5.7 M for the Queensland assets, and between A$28.2 M and A$46.9 M for the Indonesian assets comprising the Idenburg (under-explored areas), Woyla and Trenggalek assets.

In aggregate, SRK considers the comparable market method indicates a value between A$31.6 M and A$52.6 M for the 100% interest in the exploration potential of FEG's tenures.

Table 6.10: Comparable transactions exploration potential valuation

Permit no.	Area (km^2)	Multiple low (A$/$km^2$)	Multiple high (A$/$km^2$)	Low (A$M)	High (A$M)
Blue Hill Creek					
EPM26217	19.13	31,400	52,400	0.6	1.0
EPM27794	22.33	31,400	52,400	0.7	1.2
EPM28601	38.27	31,400	52,400	1.2	2.0
Subtotal Blue Hill Creek				**2.5**	**4.2**
Mount Clark West					
EPM26008	19.17	52,800	88,000	0.9	1.5
Subtotal Mount Clark West				**0.9**	**1.5**
Subtotal – Queensland				**3.4**	**5.7**
Idenburg (under-explored areas)[2]					
458.K/30/DJB/2017[1]	666.96	21,200	35,300	14.1	23.5
Subtotal Idenburg Project				**14.1**	**23.5**
Woyla					
177.K/30/DJB/2018	242.60	37,900	63,100	9.2	15.3
Subtotal Woyla Project				**9.2**	**15.3**
Trenggalek Project					
P2T/57/15.02/VI/2019	128.13	37,900	63,100	4.9	8.1
Subtotal Trenggalek Project				**4.9**	**8.1**
Subtotal – Indonesia				**28.2**	**46.9**
Total				**31.6**	**52.6**

Source: SRK analysis, 2026

Notes:

[1] Tenures with application pending have been subject to a 10% discount to reflect uncertainty in timing and conditions of grant.

[2] Idenburg CoW covers 95,280 ha (952.8 km^2).

[3] ASX 14 November 2024, "*Previous exploration focused on only about 30% of the total CoW area and most of the property remains vastly under-explored…*"; i.e. under-explored area is 70% of the Idenburg CoW, at approximately 666.96 km^2.

[4] As noted previously, SRK consider its adopted resource multiples are inclusive of value attributable to the exploration potential over the explored areas at Idenburg (stated by FEG as comprising 30% of the tenure) and at Wonogiri. The values attributed to Idenburg in the table above therefore reflect the value associated with the unexplored portions of the Idenburg tenure (70% of total tenure area).

[5] No value has been attributed to Wonogiri in the table above to avoid double counting.

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6.5.3 Geoscientific rating

As a crosscheck to the values implied by the market multiples, SRK has also considered the geoscientific rating method, a cost-based approach. The geoscientific rating or modified Kilburn method of valuation attempts to quantify the relevant technical aspects of a property through appropriate multipliers (factors) applied to an appropriate base (or intrinsic) value and is considered to be a cost-based method of valuation. The intrinsic value is referred to as the base acquisition cost (BAC), which represents the '*average cost to identify, apply for and retain a base unit of area of title*' for 1 year on average.

Multipliers are considered for off-property aspects, on-property aspects, anomaly aspects, and geology aspects. These multipliers are applied sequentially to the BAC to estimate the Technical Value for each tenement. A further market factor is then considered to derive a Market Value.

A BAC for an EPM in **Queensland** of **A$475/km^2 (A$4.75/ha)** has been assumed in this valuation, which incorporates annual rental, administration and application fees in addition to nominal indicative minimum expenditure on acquisition and costs of identification (Table 6.11).

Table 6.11: Underlying assumption for base acquisition cost – Queensland

Metric	Unit	Value
Average licence size	km^2	205
Application fee	A$	1,042
Annual rent based on average size *	A$ per permit	
Expenditure commitments based on average size/sub-blocks	A$	85,417
Cost of identification, legal costs and negotiations and compensation agreements	A$	10,000
Community and cultural consultation and engagement	A$	1,000
Total cost – BAC	A$	97,459
BAC of average exploration licence	A$/km^2	475
BAC of average exploration licence	**A$/ha**	**4.75**

Notes: Rent waived until 2028 to encourage sector growth

For **Indonesia**, a BAC of **A$16/ha** has been assumed in this valuation, which incorporates annual rental, and administration and application fees in addition to nominal indicative costs.

- Given the BAC assesses the exploration potential of an area, the minimum form of tenure required is an Exploration IUP.
- Under Indonesian mineral legislation, an Exploration IUP is valid for a maximum of 4 years prior to the area having to be reduced. This tenure may be extended for further periods of up to 4 years before it must either be relinquished or converted to a Production IUP or Special Production Operation IUP, retain an area of not exceeding 25,000 ha. It is assumed that the average age of an Exploration IUP in Indonesia is 4 years.
- Under existing legislation, the following tariffs are payable;
  - One-off government service fee between IDR2,500,000 and IDR35,00,000 (Indonesian rupiah) per WIUP based on area brackets from ≤10 ha to >1,000 to 5,000 ha
  - IDR200,000 per 15 minutes for inquiry into mining area information

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  - Depending on the acreage, IDR5,000,000 to 30,000,000 per WIUP for area reservation and printing of rock mineral WUIP map
  - Depending on the size and type, IDR1,000,000 to IDR3,000,000 per sheet for service for the printing on a mining area information map
  - Dead rent for IUP and IUPK for metal mineral exploration – IDR30,000 per hectare per annum
  - Dead rent for IUP and IUPK for metal production operation – IDR60,000 per hectare per annum
- Based on these costs, the assumed one-off issuance cost is A$5,267 per IUP
- The assumed holding costs include a dead rent assumption of A$286/km^2 per annum.

Altogether these assumptions provide for an assumed BAC for an average Exploration IUP of A$1602/km^2 (A$16/ha), which is considered broadly comparable. SRK's analysis is relatively high level and likely to be somewhat conservative.

In converting its implied technical values to a market value, SRK considers that market participants would apply a premium to the technical value given the current market sentiment and recent gold price performance. SRK has therefore applied a 25% premium.

The geoscientific rating criteria are presented in Table 6.12.

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Table 6.12: Modified property rating criteria

Rating	Off-property factor	On-property factor	Anomaly factor	Geological factor
0.1			No mineralisation identified – area sterilised	Unfavourable geological setting
0.5	Unfavourable district/basin	Unfavourable area	Extensive previous exploration provided poor results	Poor geological setting
0.9			Poor results to date	Generally favourable geological setting, under cover or complexly deformed or metamorphosed
1.0	No known mineralisation in district	No known mineralisation on lease	No targets outlined	Generally favourable geological setting
1.5	Minor workings	Minor workings or mineralised zones exposed	Target identified, initial indications positive	
2.0	Several old workings in district	Several old workings or exploration targets identified		Multiple exploration models being applied simultaneously
2.5			Significant grade intercepts evident but not linked on cross sections or long sections	Well-defined exploration model applied to new areas
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production		Significant mineralised zones exposed in prospective host rock
3.5			Several economic grade intercepts on adjacent sections	
4.0	Along strike from a major deposit	Major mine with significant historical production		Well-understood exploration model, with valid targets in structurally complex area, or under cover
5.0	Along strike for a world-class deposit			Well-understood exploration model, with valid targets in well understood stratigraphy
6.0				Advanced exploration model constrained by known and well-understood mineralisation
10.0		World-class mine		

Source: Modified after Xstract, 2009 and Agricola Mining Consultants, 2011

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Using the geoscientific rating method, SRK considers the exploration potential of FEG's remaining projects resides between A$15.0 M and A$39.1 M for 100% basis as summarised in Table 6.13. SRK's workings are presented in Appendix B.

Table 6.13: Geoscientific rating exploration potential valuation summary (100% basis)

Permit no.	Area (km^2)	Low (A$)	High (A$)
Blue Hill Creek Project			
EPM26217	19.13	52,000	164,000
EPM27794	22.33	81,000	160,000
EPM28601	38.27	104,000	215,000
Subtotal Blue Hill Creek Project		**236,000**	**730,000**
Mount Clark West Project			
EPM26008	19.12	193,000	460,000
Subtotal Mount Clark West Project		**193,000**	**460,000**
Idenburg (under-explored areas)[2]			
458.K/30/DJB/2017[1]	666.96	2,970,000	8,910,000
Subtotal Idenburg		**2,970,000**	**8,910,000**
Woyla			
177.K/30/DJB/2018	242.60	6,833,000	17,493,000
Subtotal Woyla		**6,833,000**	**17,493,000**
Trenggalek			
P2T/57/15.02/VI/2019	128.13	4,812,000	11,549,000
Subtotal Trenggalek		**4,812,000**	**11,549,000**
Total		**15,044,000**	**39,142,000**

Source: SRK analysis, 2026

1 Idenburg CoW covers 95,280 ha (952.8 km^2)

2 ASX 14 November 2024, "*Previous exploration focused on only about 30% of the total CoW area and most of the property remains vastly under-explored…*"; i.e. under-explored area is 70% of the Idenburg CoW, at approximately 666.96 km^2.

6.5.4 Valuation summary of exploration potential

In estimating the value of the exploration potential of the mineral tenures outside the defined Mineral Resource areas (Section 6.4.4 and Table 6.10), SRK has considered the values implied by comparable transactions and geoscientific rating methods.

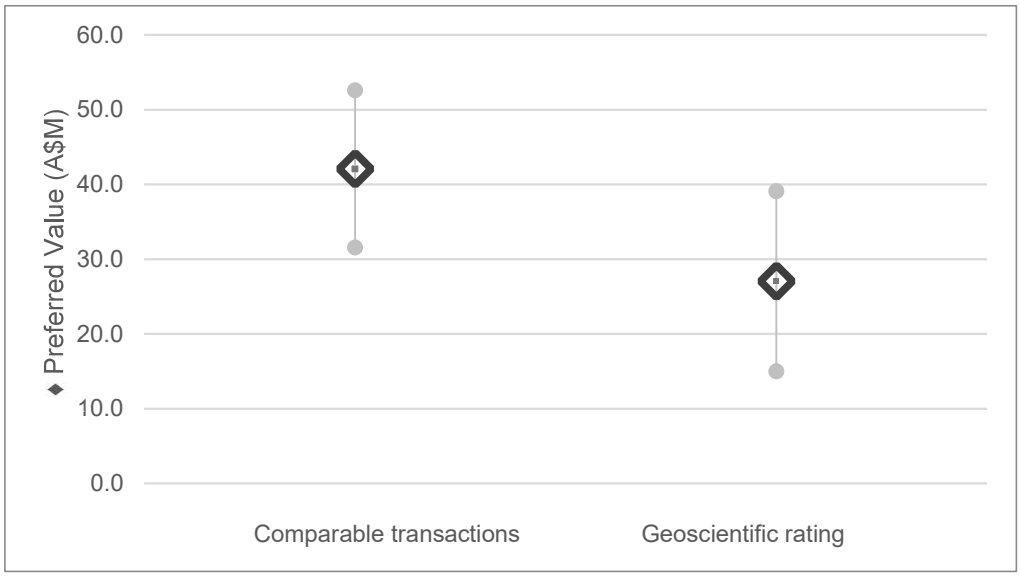
The geoscientific rating is a cost-based method which does not directly reference the vagaries of the market, while the comparable transactions method is a market-based approach and thus accounts for market conditions.

While each of these methods has its merits, SRK has elected to select the values implied by the comparable transactions method as representative of the overall Market Value of these assets, with the values implied by geoscientific rating only as a crosscheck.

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SRK therefore considers the Market Value of a 100% interest in FEG's exploration potential resides between A$31.6 M and A$52.6 M, with a preferred value of A$42.1 M (Table 6.14). In selecting its preferred value, SRK has adopted the midpoint of its value range as it has no preference towards either end of the range.

Figure 6.5: Exploration potential value range of valuation methods



Source: SRK analysis (2026)

Table 6.14: Summary of Market Value – exploration potential

Method	Low (A$ M)	High (A$ M)	Preferred (A$ M)
Comparable transactions	**31.6**	**52.6**	**42.1**
Geoscientific rating	15.0	39.1	27.1
Average	**23.3**	**48.9**	**34.6**
Total selected Market Value	**31.6**	**52.6**	**42.1**

Source: SRK

Notes: Table subject to rounding.

As noted previously, SRK consider its adopted resource multiples are inclusive of value attributable to the exploration potential over the explored areas at Idenburg (stated by FEG as comprising 30% of the tenure) and at Wonogiri. The value attributed to Idenburg in the table above therefore reflects the value associated with the unexplored portions of the Idenburg tenure (70% of total tenure area).

No value has been attributed to Wonogiri in the table above to avoid double counting.

6.6 Valuation summary

Based on its technical assessment presented in the earlier sections of this Report, SRK has completed a valuation of FEG's mineral assets on a 100% basis in accordance with its mandate.

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SRK recognises that the Indonesia projects possess unique challenges, geopolitical risks, regulatory and permitting transparency and risks, as well as adoption of lower accuracy modelling methods, hiatus in exploration activities in certain projects. By contrast, the Australian projects are at an earlier stage of assessment than the Indonesian counterparts but in a Tier 1 jurisdiction. SRK has taken these factors into consideration in assessing its adopted range of implied multiples.

SRK has elected to adopt the values implied by the comparable transactions analysis to inform its valuation range for the defined Mineral Resources and used the industry yardsticks as a crosscheck (Table 6.15).

In estimating the value of the exploration potential of the mineral tenures outside the defined Mineral Resource areas, SRK has again adopted the values implied by comparable transactions analysis and used the geoscientific rating method as a crosscheck.

In considering the overall value, SRK has adopted the midpoint of the value range as its preferred value given it has no preference towards either end of its valuation range.

Based on its analysis, SRK considers the Market Value of FEG's mineral assets resides between A$185.7 M and A$260.1 M, with a preferred valuation of A$222.9 M (Table 6.15), on a 100% basis. The Net Attributable Market Value of FEG's mineral assets based on the supplied current beneficial ownership interest resides between A$144.6 M and A$196.6 M, with a preferred valuation of A$170.6 M.

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Table 6.15: Summary of Market Value – all Mineral Assets

Preferred Valuation Method	Type	Province, Country	Project	Attributable percentage	Value – Net Attributable (A$ M)			Value - 100% basis (A$ M)		
					Low	High	Preferred	Low	High	Preferred
Comparable Transactions – Resource based	Mineral Resource	Papua, Indonesia	Idenburg	51%	30.5	45.7	38.1	59.7	89.6	74.7
		Central Java, Indonesia	Wonogiri	100%	94.3	117.9	106.1	94.3	117.9	106.1
Subtotal					**124.8**	**163.6**	**144.2**	**154.1**	**207.5**	**180.8**
Comparable Transactions – Area-based	Exploration Potential	Queensland, Australia	Blue Hill Creek	90%	2.3	3.8	3.0	2.5	4.2	3.4
		Queensland, Australia	Mount Clark West	90%	0.8	1.4	1.1	0.9	1.5	1.2
		Papua, Indonesia	Idenburg (unexplored areas)	51%	7.2	12.0	9.6	14.1	23.5	18.8
		Aceh, Indonesia	Woyla	51%	4.7	7.8	6.2	9.2	15.3	12.3
		East Java, Indonesia	Trenggalek	100%	4.9	8.1	6.5	4.9	8.1	6.5
Subtotal					**19.8**	**33.0**	**26.4**	**31.6**	**52.6**	**42.1**
Total					**144.6**	**196.6**	**170.6**	**185.7**	**260.1**	**222.9**

Note: Any discrepancies between values in the tables are due to rounding.

As noted previously, SRK considers its adopted resource multiples are inclusive of value attributable to the exploration potential over the explored areas at Idenburg (stated by FEG as comprising 30% of the tenure) and at Wonogiri. The values attributed to Idenburg in the table above therefore reflect the values associated with the unexplored portions of the Idenburg tenure (70% of total tenure area).

No value has been attributed to Wonogiri in the exploration potential section of the table above to avoid double counting.

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6.7 Discussion on SRK's valuation range

In assigning its valuation range and preferred value, SRK is mindful that the valuation range is also indicative of the uncertainty associated with exploration assets.

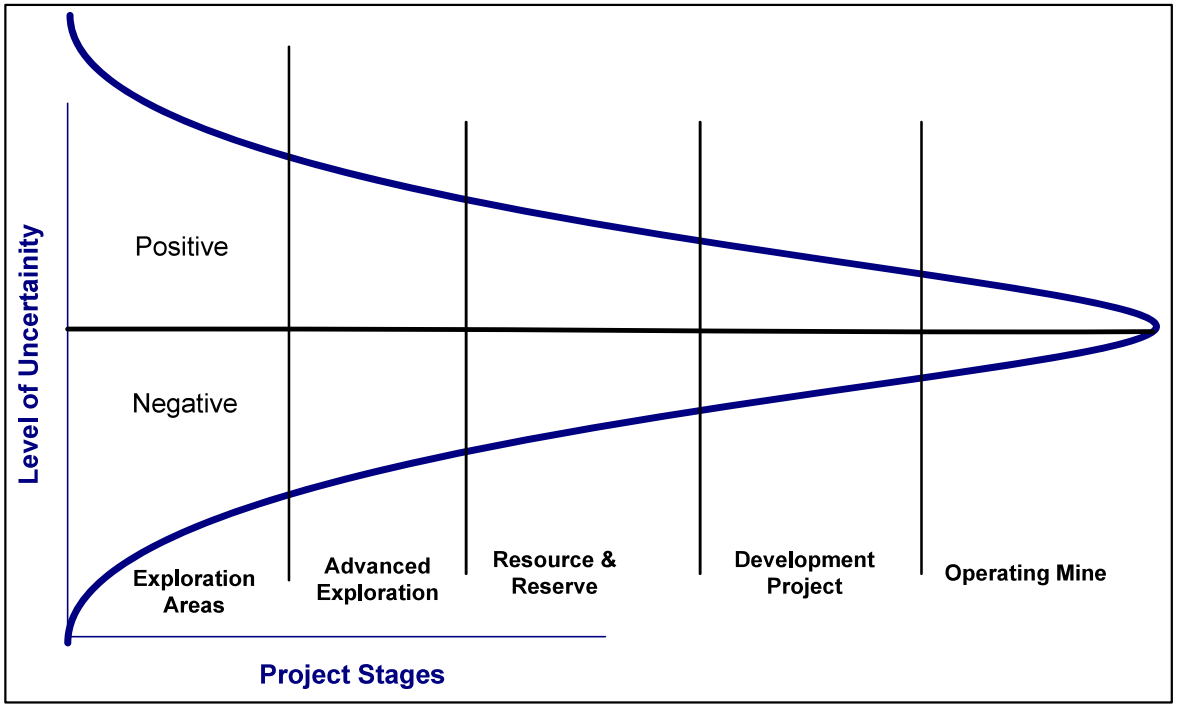
The range in value is driven by the confidence limits placed around the size and quality of the metal occurrences assumed to occur within each project area. Typically, this means that as exploration progresses and a prospect moves from an early to advanced stage exploration prospect, through Inferred, Indicated or Measured Mineral Resource categories to Ore Reserve status, there is greater confidence around the likely size and quality of the contained gold and the potential to extract it profitably. Table 6.16 presents a general guide of the confidence in targets, resource and reserve estimates, and hence value, referred to in the mining industry (Bouchard, 2001; Snowden et al., 2002; Mackenzie et al., 2007; Macfarlane, 2007).

Table 6.16: General guide regarding confidence for target and resource/reserve estimates

Classification	Estimate range (90% confidence limit)
Proven/Probable Ore Reserves	±5% to ±10%
Measured Mineral Resources	±10% to ±20%
Indicated Mineral Resources	±30% to ±50%
Inferred Mineral Resources	±50% to ±100%
Exploration Target	±100%

This level of uncertainty with advancing project stages is shown graphically in Figure 6.6.

Figure 6.6: Uncertainty by advancing exploration stage



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Estimated confidence of plus or minus 60–100% or more is not uncommon for exploration areas and is within acceptable bounds given the level of uncertainty associated with early-stage exploration assets. By applying narrower confidence ranges, one is implying a greater degree of certainty regarding these assets than may be the case.

Most tenements held by FEG are exploration assets in the early to advanced stages of exploration or technical assessment. As a result, there are significant uncertainties regarding their attributes – this results in a wide valuation range. Where possible, SRK has endeavoured to narrow its valuation range. In recognising this wide range, SRK has also indicated a preferred value.

6.8 Valuation risks

SRK is conscious of the risks associated with valuing exploration to production stage assets, which impacts on the valuation range. In defining its valuation range, SRK notes that there are always inherent risks involved when deriving any arm's length valuation for exploration properties, given the level of uncertainty present for each of the variables that impact on prospects and their valuation. These factors can ultimately result in significant differences in valuations over time.

The key risks include but are not limited to the following:

- information and data
- exploration and resource
- mining and production
- environmental
- economic
- financing.

6.8.1 Information and data risk

The preparation of technical assessment and valuation reports in accordance with the VALMIN Code requirements involves the compilation of data from both private and public sources. It is important to understand the risks associated with such information and the associated uncertainties. Uncertainties may include that material information may not have been identified, reliance on historical information, timely release of exploration data, lack of disclosure, transposition or compilation errors and the confidential nature of certain information.

6.8.2 Exploration and resource risk

The business of gold exploration, project development and production are by nature, high risk. The exploration potential of tenements where resources are not yet defined may vary considerably as further exploration is undertaken. Industry-wide exploration success rates indicate that it is possible no economically viable mineralisation may be located or delineated within any of the project tenures, beyond that currently known. Furthermore, even if significant mineralisation does exist within the project, it may not be either identified or developed due to a variety of factors including those outside of the control of the company.

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The exploration for and production of metals deposits involves various operating hazards, including, but not limited to, adverse weather conditions, shortages, delays in the availability of drilling rigs, or other critical equipment or personnel.

Ore Reserves and Mineral Resources prepared under the JORC Code are best estimates based on individual judgement and reliance on knowledge and experience using industry standards and the available database. Based on SRK's review of the available information, these estimates appear reasonable at this time. However, this may change over time as more information comes to hand.

6.8.3 Mining and production risk

Forecasting cashflows for these assets are less certain and therefore riskier than for gold projects in production, development or with a feasibility study completed.

The successful development of a mining operation is dependent on geological interpretation to define mineable blocks and an appropriate schedule to meet expected sales volumes. Actual precious metals mined may be different in quality and tonnage that estimates, and the overburden ratios and geological mining conditions anticipated may prove to be different. Operating costs can be adversely affected by disruptions due to geological conditions, equipment failure or industrial disputes. Development of a new mining operation is often dependent on the provision of rail for transport and port facilities for international shipping, while an adequate supply of water is also important.

6.8.4 Environmental risk

Environmental conditions will be attached to future mining and exploration tenements, which, if not deemed compliant by the relevant authorities, could result in the forfeiture of these rights.

Successful project development requires widespread consultation and negotiation with a variety of stakeholders, as well as an evaluation of ESG considerations. As projects advance, these interactions may become more complex and are required to be evaluated and integrated into successive techno-economic studies, during which potential flaws may be uncovered and derail the development process.

Substantial costs can be encountered for environmental rehabilitation, damage, control, and losses, which can vary over the life of the mining operation. Conditions attached to the mining and exploration rights may also vary over the life of the project and in response to any change in the size or type of operation that cannot be anticipated at this time.

6.8.5 Economic risk

The mining industry is highly dependent on the global geopolitical and economic environment. Factors such as access to market, commodity prices, inflation, interest rates, technological advances and investor sentiment all have a bearing on the development of a mineral project. Many of these factors are outside the control of the proponent and are broader societal issues, but nonetheless present both risk and opportunity to a mineral developer.

6.8.6 Financing risk

Further funds may be required to further explore and develop the projects. Failure to obtain sufficient financing for the projects may result in a delay or indefinite postponement of exploration and development on the properties or even a loss of a property interest. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the company.

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Closure

This report, Independent Specialist Report – Mineral Assets of Far East Gold Limited, was prepared by



Gavin Chan
Principal Consultant

and reviewed by



Jeames McKibben
Corporate Consultant

All data used as source material plus the text, tables, figures, and attachments of this document have been reviewed and prepared in accordance with generally accepted professional engineering and environmental practices.

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Appendix A Comparable market transactions

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Resource multiples – Comparable transactions – Southeast Asia

Announcement date	Project	Purchaser	Vendor	Consideration (A$ M)	Equity acquired (%)	Resource Acquired Au only (Moz)	Resource transaction multiple (raw) (A$/oz)	Resource transaction multiple (normalised) (A$/oz)
30-Apr-2020	Awak Mas	PT Indika Energy Tbk	Vista Gold Corp.	23.77	25%	2.04	46.63	107.52
20-May-2025	Misima Project	Ok Tedi Mining Limited	Kingston Resources Limited (ASX: KSN)	95.00	100%	3.83	24.78	30.77
27-Oct-2020	Wonogiri project	Far East Gold Ltd	Alpha HPA Ltd	3.47	45%	0.57	13.47	32.50
30-Dec-2021	Pani COW project	PT Merdeka Copper Gold Tbk	Pt Andalan Bersama Investma	112.05	50%	2.29	97.64	246.97
31-Jan-2022	Pani IUP project	Andalan International Pte Ltd and PT Merdeka Copper Gold Tbk	Lion Selection Group Limited	72.47	33%	2.36	92.23	235.49
05-Sep-2017	West Lombok property	PT Ancora Indonesia Resources Tbk	Southern Arc Minerals Inc.	2.51	90%	1.49	1.87	7.23
31-Jan-2020	Gosowong mine	PT Indotan Halmahera Bangkit	Newcrest Mining Ltd	131.07	75%	0.96	181.99	522.10
08-Aug-2018	Martabe gold mine	PT United Tractors Tbk	Investor group	1,651.22	95%	7.41	234.64	924.01
05-Nov-2018	Pani IUP project	PT Merdeka Copper Gold Tbk	Provident Capital Partners Pte	75.89	67%	2.36	48.22	181.70
02-Feb-2018	Pani IUP gold project	Lion Selection Group Limited	One Asia Resources Ltd	14.70	33%	2.36	18.71	72.07
12-Nov-2019	Misima project	Kingston Resources Limited	ENEOS Holdings, Inc.	2.80	19%	2.91	5.06	15.20

Area based – Comparable transactions – Queensland

Announcement date	Project	Purchaser	Vendor	Consideration (A$ M)	Equity acquired (%)	Area (km²)	Area multiple (raw) (A$/km²)	Area multiple (normalised) (A$/km²)
11-Jan-2022	Mount Turner project	First Au Limited	Essex Minerals Inc.	2.68	51%	100.00	52,549.0	133,980.3
01-Sep-2022	Georgetown, Perpendicular Peak & Fiery Creek	Emu NL	Rugby Resources Ltd	0.75	50%	850.00	1,764.7	4,540.8
07-Jul-2025	EPM26368	NewPeak Metals Limited	Investor Group	0.25	100%	12.00	20,833.3	26,157.6
27-Jan-2022	Titan project	Queensland Gold Hills Corp.	Pvt investor – Warwick Anderson	0.12	100%	90.00	1,303.1	3,322.5
05-Apr-2023	Blue Mountain project	Lux Exploration Pty Limited	Panther Metals PLC	0.37	30%	25.00	49,418.5	105,239.4
26-Apr-2022	Two projects	Meryllion Resources Corp.	Essex Minerals Inc.	0.82	25%	104.00	31,547.5	77,848.7
27-May-2025	Sybil epithermal gold project	Sunshine Metals Limited	Undisclosed	1.23	100%	125.36	9,771.9	12,085.1
07-Feb-2024	Specimen Hill project	Amerod Resources Pty Limited	Tectonic Gold Plc	1.00	51%	258.13	7,596.1	15,704.4
25-Mar-2022	Hill 212 project	Far East Gold Limited	Ellenkay Gold Pty Ltd.	0.90	49%	19.20	95,663.3	226,443.1
26-Aug-2024	Triumph gold project	Dart Exploration (Qld) Pty Ltd	Sunshine Metals Limited	2.00	100%	137.60	14,534.9	24,342.4
18-Nov-2021	Ravenswood project	Ballymore Resources Ltd	ActivEX Ltd	0.43	49%	309.57	2,834.7	7,480.5
30-Jun-2021	EPM17850	GBM Resources Ltd	Native Mineral Resources	0.24	100%	41.60	5,649.0	15,235.2
25-Mar-2022	Blue Grass Creek project	Far East Gold Limited	Ellenkay Gold Pty Ltd	0.19	49%	22.40	17,128.3	40,544.1
28-Nov-2023	Four new licences	Trigg Minerals Limited	Boadicea Resources Ltd	0.32	90%	351.70	1,011.0	2,074.8
21-Dec-2021	Etheridge project	Rubix Resources Ltd	Undisclosed seller	0.20	100%	48.70	4,106.8	10,373.3
25-Jul-2024	EPM26317 and EPM27252	Emx Broken Hill Pty Ltd	Many Peaks Minerals Limited	0.05	80%	466.06	134.1	237.5
18-Aug-2025	St George project	Pacgold Limited	Hardrock Mineral Exploration Pty Ltd	2.61	51%	905.00	5,654.9	6,923.2

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Area based – Comparable transactions – Southeast Asia

Announcement date	Project	Purchaser	Vendor	Consideration (A$ M)	Equity acquired (%)	Area (km²)	Area multiple (raw) (A$/km²)	Area multiple (normalised) (A$/km²)
13-Jul-2017	Koan Neak	Emerald Resources NL	Mekong Minerals Limited	2.56	70%	189.0	19,380.9	48,809.3
19-Oct-2022	Two exploration licences	Renaissance Minerals (Cambodia) Limited	Antrong Metals Co., Ltd.	3.75	80%	400.0	11,706.7	18,238.8
14-Dec-2025	East Normanby project	Taruga Minerals Limited (ASX: TAR)	Exploration & Management Consultants Pty Ltd and Metal Mining PNG Pty Ltd	3.10	100%	491.0	6,315.5	3,949.4
17-Apr-2020	Comval and Batoto projects	Gold Valley Holdings Pty Ltd	Rizal Resources Corporation	8.80	100%	61.8	142,301.6	208,378.4
10-Mar-2021	Two projects	Alice Queen Limited	Undisclosed seller	0.01	100%	235.8	42.4	77.6
10-Dec-2020	Santo 1 project	New Talisman Gold Mines Limited	Canterbury Resources Limited	0.30	100%	92.7	3,236.6	5,203.7
13-Jul-2017	Four licences	Emerald Resources NL	Mekong Minerals Limited	2.56	70%	861.0	4,254.3	10,714.2
19-Sep-2018	Banlung property	Hommy 5 Resources Inc.	Angkor Resources Corp.	1.04	20%	195.0	26,711.5	64,919.9
13-Jan-2020	Oyadao North licence	Hommy Oyadao Inc.	Angkor Resources Corp.	0.69	20%	222.0	15,465.7	28,176.4
18-Jul-2017	EL2306 (Abundance Valley)	Gold Mountain Limited	Khor Eng Hock & Sons (PNG) Limited	4.75	70%	328.0	20,683.4	52,089.6
26-Feb-2018	Tore project	Kalia Limited	Global Resources Investment Trust Plc	5.73	21%	1,704.0	16,223.5	39,695.5

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Appendix B Geoscientific rating valuation

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Blue Hill Creek

Tenement	Area (km^2)	BAC (A/km^2$)	Interest	Off-property		On-property		Geology		Anomaly		Market Factor	Application	Market Value – 100% basis (A$)		
														Low	High	Midpoint
EPM26217	19.13	475	90%	1.5	2	1.5	2	1.5	2	1.5	2	1.25	1	52,000	164,000	108,000
EPM27794	22.33	475	90%	2	2.5	1.5	2	1.5	2	1.5	2	1.25	1	81,000	239,000	160,000
EPM28601	38.27	475	90%	1.5	2	1	1.5	1.5	2	1.5	2	1.25	1	104,000	327,000	215,000
Total														**236,000**	**730,000**	**483,000**

Mount Clark West

Tenement	Area (km^2)	BAC (A/km^2$)	Interest	Off-property		On-property		Geology		Anomaly		Market Factor	Application	Market Value – 100% basis (A$)		
														Low	High	Midpoint
EPM26008	19.12	475	90%	2	2.5	1.5	2	2	2.5	3.5	4	1.25	0.9	193,000	460,000	326,000
Total														**193,000**	**460,000**	**326,000**

Indonesia

Tenement	Area (km^2)	BAC (A/km^2$)	Interest	Off-property		On-property		Geology		Anomaly		Market Factor	Application	Market Value – 100% basis (A$)		
														Low	High	Midpoint
Idenburg (under-explored areas)[1, 2]	666.96	1,603	51%	2	2.5	1.5	2	2.5	3	1	1.5	1.25	1	2,970,000	8,910,000	5,940,000
Woyla 177.K/30/DJB/2018	242.60	1,603	51%	1.5	2	1.5	2	2.5	3	2.5	3	1.25	1	6,833,000	17,493,000	12,163,000
Trenggalek P2T/57/15.02/VI/2019	128.13	1,603	100%	2	2.5	1.5	2	2.5	3	2.5	3	1.25	1	4,812,000	11,549,000	8,181,000
Total														**14,616,000**	**37,953,000**	**26,284,000**

Notes:

[1] Idenburg CoW covers 95,280 ha (952.8 km^2)

[2] ASX 14 November 2024, "*Previous exploration focused on only about 30% of the total CoW area and most of the property remains vastly under-explored…*"; i.e. under-explored area is 70% of the Idenburg CoW, at approximately 666.96 km^2