ASX ANNOUNCEMENT

11 JULY 2022

FAR EAST GOLD

WONOGIRI PROJECT UPDATE:
EMISSION COMPLIANCE APPROVAL RECEIVED
EXCELLENT GRAVITY RECOVERABLE GOLD INDICATED

Far East Gold Limited (**FEG** or the **Company**) is pleased to announce further to our recent update on the porphyry sample metallurgical test work at the Wonogiri Copper Gold Project, more promising results have been returned from the epithermal sample metallurgical test work. Additionally, the Company is pleased to announce **receipt of the necessary environmental technical approval for air emissions** associated with development and operation of the proposed mine at the Wonogiri Project from the Indonesian Government's Ministry of Environment and Forestry (**MoEF**).

HIGHLIGHTS:

- On 23 June 2022, the Company's application for *Technical Approval for the Compliance of Emission Quality Standards* for the Wonogiri Copper Gold Project was formally approved. The approval was issued by the Director General for Environmental Pollution and Degradation Control within the MoEF.
- Approval of this permit application is acceptance by the MoEF of the Company's environmental management solutions for potential air emissions associated with the development and operation of the proposed mineral processing plant which includes a planned Carbon-in-Leach (**CIL**) processing mill operating at a rate of up to 1 million tonnes per year.
- **Receipt of the environmental technical approval is a significant milestone for advancing the Wonogiri Project's Randu Kuning (1.15M oz Au Eq) sub-outcropping porphyry deposit** through the remaining environment permitting process (AMDAL) that will then enable upgrade of the project's exploration permit (IUP Explorasi) to an operation and production permit (IUP OP) and allow development and operation of a copper and gold mine on the site.
- **Previous leaching test work on porphyry samples** found that **up to 51%** of the gold can be recovered by gravity concentrator and that **up to 85%** of the gold in the gravity tailings can be recovered. **Using CIL processing, the overall gold recoveries ranged from 90-91**%. The associated **silver recovery was up to 65%.**
- **Recent metallurgical test work on epithermal type quartz has shown high gold recoveries of 96%,** most being attributable to **high extraction rate gravity recoverable gold of 75%.** This indicates that most of the gold contained within epithermal type mineralization can be recovered efficiently which should consequently improve cash flows and lower operational cost due, in part, to less chemical reagent needed for the downstream processes which in turn supports FEG's environmental policies**. Indonesia is a low-cost production jurisdiction** which is demonstrated by the results of some of the world's largest gold and copper producers such as **Freeport and Newmont**, and when combined with the Wonogiri Project's high recoveries and efficient extraction, demonstrates Wonogiri to be a potentially **leading project for both production and ESG.**
- Results of both the epithermal and porphyry sample metallurgical test work will be included in the material being considered as part of the Scoping Study update for the Wonogiri Project that is currently being carried by Mining One Consultants. **The outcome of the updated Scoping Study is expected to be available for review by the Company in early August.**

TECHNICAL APPROVAL

On 18 January 2022, the Company made an application for Technical Approval for the Compliance of Emission Quality Standards for the Wonogiri Copper Gold Project. This application included technical studies for both air ambient baseline tests and the planned Gold-Room design and specification. To assist the company with the application FEG engaged the services of PT Mitra Adipranata as independent consultants and appointed an independent metallurgist to design the Gold-Room.

FEG's plan to manage the Company's potential air emissions at the Wonogiri Project's mine site includes:

- Ensuring all vehicles used on the project pass emission tests.
- Limiting the speed of the transport vehicles within the site to a maximum of 40 km/h;
- Ensuring all ground transportation used on the project complies with its maximum carrying capacity.
- Conducting periodic watering at the location of the mining product transportation routes, especially during the dry season, which will be adjusted for road conditions.
- Cleaning materials from project vehicles that could cause road fouling.
- Ensuring all heavy equipment used on the project pass emission tests.
- Installing safety fences at specific locations to protect adjacent areas; and
- Daily watering of the mine location for dust suppression.

Receipt of the technical approval for air emissions now means that **FEG has only one remaining technical approval required as part of the AMDAL process**, being the Toxic and Hazardous Waste Management Technical Approval, which is required for the Company to receive the AMDAL environmental approval.

The Company's application for the Toxic and Hazardous Waste Management Technical Approval is well advanced. FEG has completed the necessary geotechnical, hydrogeological and hydrology studies. Additionally, the TCLP testing, Filter testing, total pollutant concentration and radioactive contamination tests required for this final technical approval are all well progressed. As part of this process the Company is evaluating final proposals for the mine infrastructure and processing plant layouts as shown below in Figure 1.

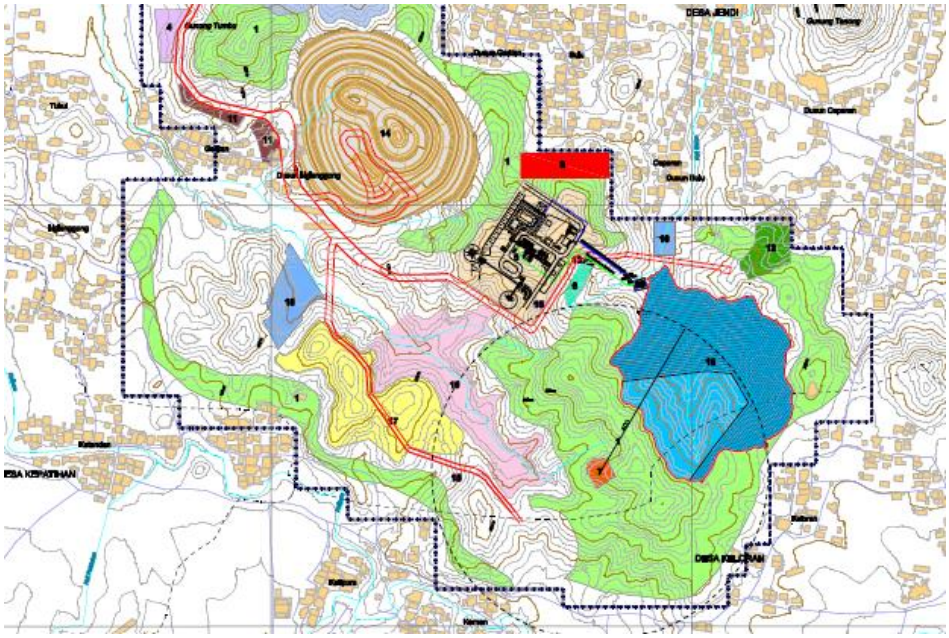

Figure 1 – Wonogiri Copper Gold Project proposed mine and processing plant layout

METALLURGICAL TEST WORK

A majority of the **21,771m of drilling completed to date on the Wonogiri Project** was focused on the Rundu Kuning sub-outcropping porphyry deposit which **remains open at depth**. Exploration of the Wonogiri Project's Rundu Kuning porphyry deposit has resulted in a JORC 2012 resource estimate of **1.15M oz Au Eq** that comprises:

- **996 thousand oz of gold** (53% measure & indicated); and
- **190 million pounds of copper** (43% measured & indicated).

Recent 3D inversion modelling of historical magnetic and Induced Polarization geophysical data by the Company supports additional drill-testing within the tenement of epithermal-type targets south of Randu Kuning. Figure 2 below shows the Jangglengan and Kepil epithermal prospect areas located between 500-1000m south of the Rundu Kuning deposit and Reduced to Pole (**RTP**) magnetic images of the main prospects in the Wonogiri tenement.

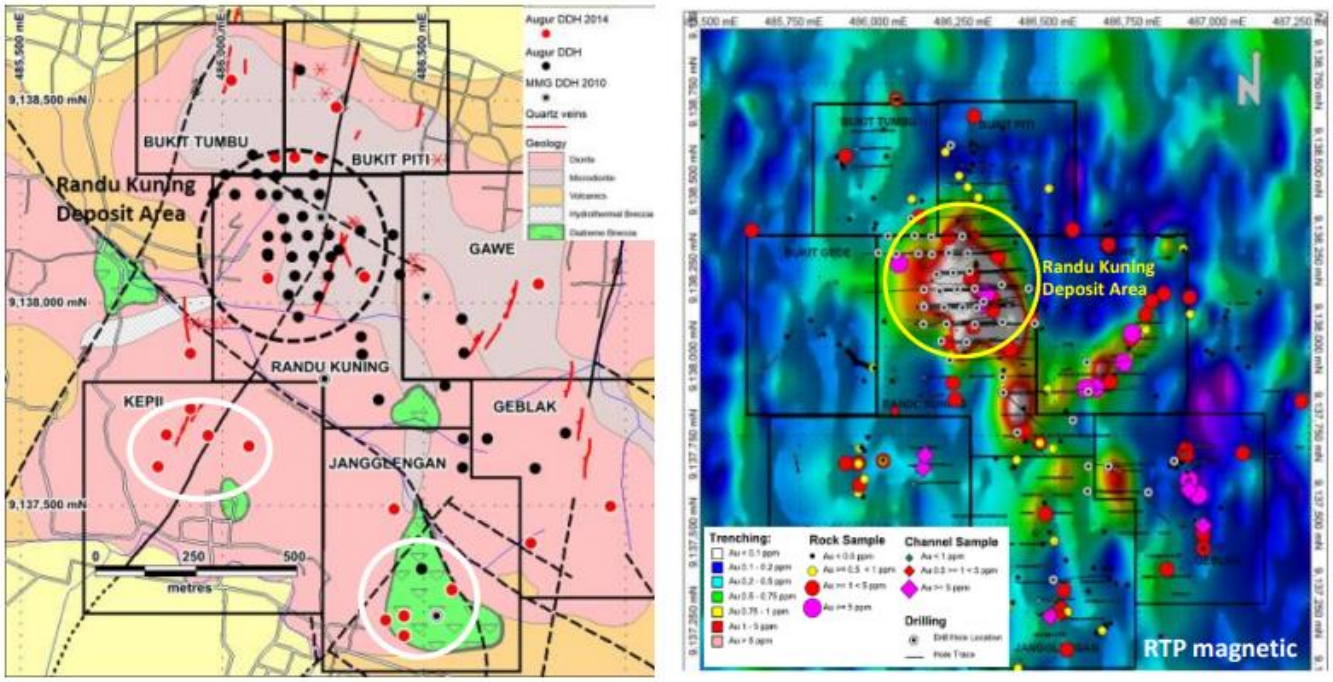

Figure 2 – Wonogiri Copper Gold Project porphyry and epithermal prospect areas

Initial scout drilling at the Jangglengan prospect intercepted **3m at 7.8 g/t Au**, 9 g/t Ag, 0.29% Cu and 0.38% Zn from 70m, including **1m at 15.9 g/t Au** and 20.7 g/t Ag; and a further **7m at 2.64 g/t Au** and 1.7 g/t Ag from 120m, including **1m of 14.8 g/t Au** and 4 g/t Ag.

Initial scout drilling at the Kepil prospect intercepted **36m** at **0.28% Cu** from 25m and 6m of 0.83 g/t Au from 36m that includes **2m of 1.1 g/t Au** from 38m. The bottom 2m of the last drillhole (WDD72) assayed **3.75 g/t Au & 24.2 ppm Ag from 148m.**

Epithermal Sample Gravity/CIL Test Work

The recent samples of epithermal type mineralization have now completed metallurgical testing – Sample CC001051 (high grade sample containing 10.4 g/t Au) and CC001051 (low grade sample containing 0.58 g/t Au).

Analyte : Analyte Name : Analysis Unit :	Au Gold ppm	Au Cyanide Extractable %	Ag Silver ppm	As Arsenic ppm	Cu Copper ppm	Zn Zinc ppm	C_TOT Total Carbon %	S_TOT Total Sulfur %
Sample Identification								
CC001051_HG	10.39	82	6.2	40	498	949	1.56	6.29
CC001052_HG	0.58	52	8.5	569	536	2431	0.75	3.80

Table 1 – Wonogiri Copper Gold Project - Epithermal Sample Head Grades

The head assays of the Wonogiri Project's epithermal type mineralisation samples are shown in Table 1 above. Key features of the samples of epithermal type mineralization as compared to previous samples of porphyry type mineralization are a much higher sulphide content, and higher zinc content. Sample C001052 also had elevated arsenic.

Gold leaching test work results on the Wonogiri samples of epithermal type mineralization using gravity concentrate production followed by CIL processing are summarized in Table 2 below.

SAMPLE	CC001051	CC001052
Head Grade		
Gold (g/t)	10.39	0.58
Silver (g/t)	6.2	8.5
Copper (g/t)	498	536
Zinc (g/t)	949	2431
Sulphur (%)	6.3	3.8
Gravity/CIL Leach Recoveries		
Gold		
Gravity	75.2%	33.3%
Leach	20.9%	32.8%
Overall	**96.0%**	**66.2%**
Silver		
Gravity	31.6%	22.8%
Leach	47.2%	48.9%
Overall	**78.8%**	**71.7%**
Reagent Usage		
Cyanide Usage (kg/t)	2.67	2.27
Lime Usage (kg/t)	0.48	0.45

Table 2 – Wonogiri Copper Gold Project - Epithermal Sample Gravity/CIL Test Work Results

The high-grade sample (CC001051) had high gold recoveries of 96%, most of which was due to a high gravity recoverable gold extraction of 75%. The corresponding overall silver recovery was 65% of which approximately half was due to gravity alone.

Comparison with Previous Test Work on Porphyry Type Mineralization

Previous leaching test work on Randu Kuning samples of porphyry type mineralization has found that between 35-51% of the gold can be recovered to a gravity concentrate, and that 83-85% of the gold in the gravity tailings can be recovered using conventional CIL cyanide leaching. The overall gold recoveries ranged from 90-91%. The associated silver recovery was 65%.

The current epithermal type mineralization sample cyanide leach tests on gravity tailings resulted in similar gold recoveries for the high-grade sample CC001051 (84%) and lower gold recoveries for the low-grade sample CC001052 (49%).

Further testing of fresh samples of epithermal type mineralization will be required to evaluate gravity/CIL recovery performance. The cyanide usage for porphyry type mineralization samples was about 1.4 kgs/tonne, which appears to be mostly due to copper that leach alongside with the gold. The epithermal cyanide usage on current samples is higher (2.3-2.7 kgs/tonne) due to the amount of cyanide soluble zinc in the ore. The zinc levels in the CIL leach and carbon loadings are higher than previous porphyry testing and contributed to the cyanide usage.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by FEG staff and approved by Michael C Corey, who is a Member of the Association of Professional Geoscientists of Ontario, Canada.

Michael Corey is employed by the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Michael Corey has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

The Randu Kuning resource summary used a gold equivalent [Au Eq] that was calculated from the gold and copper models. The Au Eq combines the gold and copper grades weighted by their respective recoveries and metal prices. The equation is: Au Eq = (Au g/t$40.204*85% + Cu ppm*$0.0055*85%) / ($40.20). At a 0.2 g/t Au Eq cut-off the resource is 81 million tonnes at 0.44g/t Au Eq, 0.38g/t Au and 0.11% Cu.*

ABOUT FAR EAST GOLD

Far East Gold Limited (**ASX:FEG**) is an ASX listed copper and gold exploration company with six advanced projects in Australia and Indonesia.

The Company's Wonogiri Copper Gold Project is a 3,928 ha IUP located in Central Java, Indonesia. The Company's near-term focus for the Wonogiri Project is to progress the AMDAL environmental permit and upgrade the current IUP Explorasi permit to an IUP OP (operation and production) mining licence that would thereby enable development and operation of a copper and gold mine on the site.

Release approved by the Company's board of directors.

FURTHER INFORMATION:

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

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