SUPPLEMENTARY TARGET'S STATEMENT

ISSUED BY
FAR EAST GOLD LTD
ACN 639 887 219

FAR EAST
GOLD

This Supplementary Target's Statement supplements, and is to be read together with, the Target's Statement dated 25 June 2026 issued by Far East Gold Ltd in respect of 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 recommends that you:

REJECT the Offer from Xingye

The Independent Expert reconfirms its opinion that the Offer is **not fair** and **not reasonable**

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.

Key Dates

Announcement of Offer	27 May 2026
Date of Bidder's Statement	27 May 2026
Date of the Target's Statement	25 June 2026
Offer opened	11 June 2026
Date of First Supplementary Bidder's Statement	30 June 2026
Date of Second Supplementary Bidder's Statement	9 July 2026
Date of this Supplementary Target's Statement	14 July 2026
Offer closes (unless extended or withdrawn)*	7.00pm on 29 July 2026

*This date is subject to change.

The Independent Board Committee recommends that you REJECT the Offer. To REJECT the Offer, DO NOTHING and TAKE NO ACTION.

Important notices

Nature of this document

This document is given by Far East Gold Ltd ACN 639 887 219 (**FEG**) under Part 6.5 Division 4 of the Corporations Act and is the first supplementary target's statement (**Supplementary Target's Statement**) to the Target's Statement dated 25 June 2026 (**Target's Statement**) issued by FEG and lodged with ASIC on 25 June 2026, in relation to the unsolicited off-market takeover bid by Xingye Gold (Hong Kong) Mining Company Limited (**Xingye**). This Supplementary Target's Statement supplements, and is to be read together with the Target's Statement.

You should read both the Target's Statement and this Supplementary Target's Statement in its entirety before making a decision as to whether or not to accept the Offer for your FEG Shares.

If you have recently sold all of your FEG Shares, please disregard this document.

Interpretation

Unless the context otherwise requires, capitalised terms and certain abbreviations used but not defined in this Supplementary Target's Statement have the meanings given to them in section 9.1 of the Target's Statement. The interpretation rules set out in section 9.2 of the Target's Statement also apply to this Supplementary Target's Statement. This Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement.

All references to times in this Supplementary Target's Statement are references to time in Sydney, unless otherwise stated.

ASIC and ASX disclaimer

A copy of this Supplementary Target's Statement was lodged with ASIC and given to ASX on 14 July 2026. None of ASIC, ASX or any of their respective officers takes any responsibility for the content of this Supplementary Target's Statement or content of the Target's Statement.

Enquiries

If you have any enquiries in relation to the Offer or this Supplementary 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.

Further information relating to the Offer can be obtained from FEG's website at: https://fareast.gold/home

Reasons why you should REJECT the Offer and Conditional Offer

The Independent Board Committee has carefully considered the Offer and Conditional Offer and recommends to Shareholders to **REJECT** the Offer and Conditional Offer for the following reasons:

1.	The Offer and the Conditional Offer Price materially undervalues FEG and remains below the Independent Expert's valuation	Refer to **section 1.1**
2.	The Independent Expert, LEA, reconfirms opinion that the Xingye Offer is neither fair nor reasonable	Refer to **section 1.2**
3.	FEG's Shareholders, who as at the date of this Supplementary Target's Statement held in aggregate approximately 22.77% of FEG Shares[1], do not intend to accept the Offer at the Offer Price	Refer to **section 1.3**
4.	The Offer remains 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.	The Independent Board Committee has concerns with the First Supplementary Bidder's Statement and the Second Supplementary Bidder's Statement	Refer to **section 1.5**

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

You should read both this Supplementary Target's Statement and the Target's Statement in their entirety for further information on the reasons why the Independent Board Committee unanimously recommend that Shareholders should **REJECT** the Offer.

[1] Note this aggregate number includes the FEG Shares owned or controlled by the Shareholders listed in the table at **section 1.3** of this Supplementary Target's Statement and the members of the Independent Board Committee.

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Letter from the Independent Board Committee to FEG's Shareholders

The Independent Board Committee unanimously continues to recommend that Shareholders **REJECT** Xingye's Offer and **TAKE NO ACTION**.

This Supplementary Target's Statement has been prepared in response to the first supplementary bidder's statement released by Xingye on 30 June 2026 (**First Supplementary Bidder's Statement**) and the second supplementary bidder's statement released by Xingye on 9 July 2026 (**Second Supplementary Bidder's Statement**).

Xingye has stated that it will increase the Offer Price to $0.15 cash per FEG Share (**Conditional Offer Price**) and declare the Offer unconditional if, by 7:00pm (Sydney time) on 21 July 2026, Xingye and its Associates obtain a Relevant Interest in more than 50% (by number) of all FEG Shares on a fully diluted basis (**Conditional Offer**), Shareholders should note that there is no guarantee that this condition will be satisfied and therefore no guarantee that the Offer Price will be increased. **As at the date of this Supplementary Target's Statement, the Offer Price remains at A$0.13 per FEG Share**.

The Independent Board Committee continues to believe that both the existing Offer and the Conditional Offer materially undervalue FEG and are opportunistic attempts to acquire control of FEG before the value of its portfolio is appropriately recognised.

The Independent Expert, Lonergan Edwards & Associates Limited (**LEA**), has reviewed Xingye's supplementary disclosure and has reconfirmed its opinion that the Offer is neither fair nor reasonable. LEA continues to assess the value of FEG Shares at A$0.324 to A$0.444 per FEG Share (on a 100% controlling interest basis), meaning the Conditional Offer Price of A$0.15 per FEG Share remains at a substantial discount to LEA's assessed value.

The Independent Board Committee is also concerned that a number of statements made by Xingye selectively present information, mischaracterise the status of several of FEG's projects and approvals, and seek to undermine the conclusions reached independently by LEA without providing equivalent independent technical evidence.

FEG's portfolio remains at an important stage of development. Over recent months FEG has continued to advance its Indonesian and Australian assets through permitting, technical studies, resource development and project de-risking. The Independent Board Committee believes Xingye's Offer attempts to acquire control before these initiatives and their associated value have had the opportunity to be fully reflected in the market and the FEG Share Price.

FEG also confirms that it continues to receive interest from third parties. As previously disclosed, a number of parties have entered into confidentiality agreements and are undertaking due diligence on FEG and its assets. While there can be no certainty that any alternative transaction will emerge, the existence of ongoing confidential discussions demonstrates that strategic interest in FEG extends beyond Xingye.

Shareholders should carefully read this Supplementary Target's Statement, together with the Target's Statement and the attached Supplementary Independent Expert's Report, before making any decision.

The Independent Board Committee continues to unanimously recommend that Shareholders:

REJECT THE OFFER. DO NOTHING AND TAKE NO ACTION.

On behalf of the Independent Board Committee of FEG, I thank you in anticipation for 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 Response to First Supplementary Bidder's Statement and Second Supplementary Bidder's Statement

FEG notes Xingye's First Supplementary Bidder's Statement and Second Supplementary Bidder's Statement.

As outlined in the Bidder's Statement, Xingye's Offer is for $0.13 cash per FEG Share (**Offer**).

Xingye has declared in its Second Supplementary Bidder's Statement that, subject to Xingye and its Associates obtaining a Relevant Interest in more than 50% (by number) of all FEG Shares on a fully diluted basis by 7:00pm (Sydney time) on 21 July 2026, Xingye will increase the Offer Price to $0.15 cash per FEG Share (**Conditional Offer Price**) and declare the Offer unconditional (**Conditional Offer**).

Xingye must give its Notice of Status of Conditions one week prior to the close of the Offer or Conditional Offer, which will allow FEG Shareholders to make a more informed assessment of the Offer and Conditional Offer at that time. Xingye's Offer closes at 7:00pm on 29 July 2026 (unless extended or withdrawn).

REJECT the Offer which remains too low and opportunistic

The Independent Board Committee continues to recommend that you **REJECT** the Offer and the Conditional Offer for the reasons set out in section 1 of the Target's Statement and **sections 1.1 to 1.5** of this Supplementary Target's Statement.

To **REJECT** the Offer, simply **IGNORE** all documents sent by Xingye.

1.1 The Offer and the Conditional Offer Price materially undervalue FEG and remain below the Independent Expert's valuation

As set out in the Target's Statement and this Supplementary Target's Statement, the Independent Expert concluded that:

- the Offer is neither fair nor reasonable; and
- the control valuation for FEG Shares is A$0.324 - A$0.444 per FEG Share.

The Independent Board Committee continues to consider that the Offer and the Conditional Offer Price materially undervalues FEG.

The **Offer Price is at a discount of 59.9% - 70.7% below** the Independent Expert's assessed value of FEG Shares and the **Conditional Offer Price is at a discount of 53.7% - 66.2% below** the Independent Expert's assessed value of FEG Shares.

1.2 The Independent Expert, LEA, reconfirms opinion that the Offer is neither fair nor reasonable

The First Supplementary Bidder's Statement has attempted to attack selected aspects of the Independent Expert's analysis. The Independent Expert's Report is attached to the Target's Statement.

Having considered the Conditional Offer and the matters raised by Xingye in the First Supplementary Bidder's Statement and the Second Supplementary Bidder's Statement, Lonergan Edwards & Associates Limited (**LEA**), being the Independent Expert, has prepared a supplementary Independent Expert's Report dated 14 July 2026 (**Supplementary Independent Expert's Report**). The Independent Expert does not consider it necessary to alter their opinion as set out in the Independent Expert Report and consider that the Offer is neither fair nor reasonable to FEG Shareholders. A copy of the

Supplementary Independent Expert's Report is attached to this Supplementary Target's Statement.

1.3 FEG's Shareholders, who at the date of this Supplementary Target's Statement hold or control approximately 22.77%[4] of FEG, intend to REJECT the Offer at the Offer Price

The following Shareholders have each confirmed to the Independent Board Committee that they do not intend on accepting the Offer at the Offer Price in respect of the FEG Shares they respectively own or control:

Rejecting Shareholder	Number of FEG Shares held as at the date of this Supplementary Target's Statement	% of shareholding as at the date of this Supplementary Target's Statement[5]	Intention in relation to Offer
Peng Lim Oon[6]	12,000,000	2.89%	**REJECT**
Adi Wijoyo[6]	4,000,000	0.96%	**REJECT**
Mr Kenneth Joseph Hall <Hall Park A/C>[6]	11,000,000	2.64%	**REJECT**
Russel L Leary ATF RL & BJ Leary Pension Fund[7]	3,315,235	0.79%	**REJECT**
Michaelangelo Francisco Moran	3,000,000	0.72%	**REJECT**
Superfly Pty Ltd <Superfly SMSF A/C>	2,641,243	0.63%	**REJECT**
Aussie Kiss Pty Ltd	2,260,000	0.54%	**REJECT**
Ferguson Corporation Pty Ltd <Ferguson's Furniture S/F A/C>	2,013,018	0.48%	**REJECT**
Rolo Equities Pty Limited	2,000,000	0.48%	**REJECT**
Longbeach Investment Fund Pty Ltd <Smits Family A/C>	1,516,444	0.36%	**REJECT**
Michael Eddy Smits & Kylie Smits <Longbeach Super Fund A/C>	440,000	0.11%	**REJECT**

[4] Note this aggregate number includes the FEG Shares owned or controlled by the Shareholders listed in the table at **section 1.3** of this Supplementary Target's Statement and the members of the Independent Board Committee.
[5] Note holdings have been rounded up to the nearest 2 decimal point.
[6] As detailed in section 1.3 of the Target's Statement, FEG received confirmations from these three Shareholders, Alpha HPA Limited (who as at the Last Practicable Date, held 17,125,000 FEG Shares (4.11%)), Penataran Investments PTE Ltd and Penataran Holdings PTE Ltd (both held by HSBC Custody Nominees (Australia) Limited <GSCO CUSTOMERS A/C> (who at the Last Practicable Date, held 7,750,573 FEG Shares (1.86%)), (together the 'Rejecting Shareholders'), who, at the Last Practicable Date intended on rejecting the Offer. All Rejecting Shareholders gave and did not, before the date of the Target's Statement, withdraw their consent for the inclusion of the statements of intention made by them and references to those statements in the form and context in which they are included in the Target's Statement.
[7] Held by BNP Paribas Nominees Pty Ltd <IB AU NOMS Retail Client>.

Kizoz Pty Ltd <Super Fund A/C>	1,309,670	0.31%	**REJECT**
Shell Cove Capital Management Limited <Shell Cove Futures A/C>	485,176	0.12%	**REJECT**
Peter Bethune & Diana Bethune <The Bethune Super Fund A/C>	1,550,000	0.37%	**REJECT**
Garth Hay	1,205,718	0.29%	**REJECT**
Equity Trustees Superannuation Limited <AMG – Garth Hay A/C>	267,500	0.06%	**REJECT**
TOTAL:	**49,004,004**	**11.75%**	**REJECT**

In addition to the above Shareholders, the members of the Independent Board Committee, who own or control 11.02% of FEG Shares, intend to **REJECT** the Offer at the Offer Price in respect of any FEG Shares they own or control.

As at the date of this Supplementary Target's Statement, FEG has not had sufficient time to obtain from the above Shareholders further intention statements in relation to the Conditional Offer announced 9 July 2026. However, each member of the Independent Board Committee intends to **REJECT** the Conditional Offer in respect of any FEG Shares they own or control.

Each of the above Shareholders have given and have not, before the date of this Supplementary Target's Statement, withdrawn their consent for the inclusion of the statements of intention made by them and references to those statements in the form and context in which they are included in this Supplementary Target's Statement.

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

The Offer remains 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 the Second Supplementary Bidder's Statement, Xingye has advised that only if its Relevant Interest increases to greater than 50% (in number) of all FEG Shares on a fully diluted basis will it declare the Offer unconditional. **Notwithstanding this, Xingye has not addressed how it will deal with required regulatory approvals from Chinese Regulatory Authority.**

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 and Conditional Offer consideration (and will be 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 the Target's Statement.

1.5 **The Independent Board Committee's concerns with the First Supplementary Bidder's Statement and the Second Supplementary Bidder's Statement**

The Independent Board Committee considers that several disclosures in the First Supplementary Bidder's Statement and Second Supplementary Bidder's Statement are inaccurate, incomplete, misleading or deceptive, or otherwise fail to fairly represent FEG's position. FEG has written to Xingye to request that Xingye withdraw or clarify such statements or provide a technical independent analysis to support certain statements.

A summary of FEG's material concerns with several disclosures made in the First Supplementary Bidder's Statement and the Second Supplementary Bidder's Statement are set out below.

(a) **Wonogiri Copper Gold Project – legal status of the Wonogiri Mining Licence (sections 1.1(a)(i), 2.1 and 4.1(a)(i) of the First Supplementary Bidder's Statement and section 3(a)(i) of the Second Supplementary Bidder's Statement)**

The First Supplementary Bidder's Statement and the Second Supplementary Bidder's Statement assert that the Wonogiri Mining Licence was revoked more than four years ago. The First Supplementary Bidder's Statement further asserts that FEG has made "various failed attempts" at reinstatement, and that FEG's rights appear to have been "permanently lost". This characterisation does not fairly present the actual position.

Based on legal advice obtained from multiple law firms, a letter from Indonesia's Director General of Mineral and Coal (**DGMC**), and further correspondence and engagement with the Indonesian Government, FEG's position is that the revocation of the Wonogiri Mining Licence was made in administrative error and that FEG's underlying rights and interest in the Wonogiri Copper Gold Project have remained enforceable notwithstanding that administrative action.

The description of FEG's conduct as "multiple attempts at reinstatement" mischaracterises FEG's position in both the First Supplementary Bidder's Statement and the Second Supplementary Bidder's Statement. FEG is pursuing multiple avenues in parallel to correct and rectify the administrative record, rather than making sequential and unsuccessful attempts to recover rights that have been lost.

The fact that PTAPM is not currently recorded on Indonesian mining licence registers as holding the Wonogiri Mining Licence reflects precisely the administrative record that FEG is seeking to correct (as detailed above). It is not evidence that FEG's rights have been permanently lost, and Xingye's statement to that effect is a conclusion advanced by Xingye, not an established fact, particularly given the legal advice received by FEG.

The references to the absence of a current environmental approval or forestry licence for the Wonogiri Copper Gold Project are, in FEG's view, irrelevant and overstated, as approvals of that kind are not required at the current stage of the project. FEG considers that Xingye has bundled separate and unrelated matters with the licence issue in order to present the Wonogiri Copper Gold Project as unrecoverable.

(b) **Wonogiri Copper Gold Project – economic viability and LEA's valuation (sections 1.1(a)(ii), 2.2, 2.3 and 2.4 of the First Supplementary Bidder's Statement)**

The First Supplementary Bidder's Statement asserts, as a matter of fact rather than opinion, that the Wonogiri Copper Gold Project "is not economically viable". Xingye does not disclose any technical independent analysis to support that conclusion. FEG does not accept that the project has been shown to be uneconomic.

The Wonogiri Copper Gold Project was the subject of a 2016 scoping study by Augur Resources in relation to the Randu Kuning deposit, which supported the potential development of the project. FEG did not complete the revised 2022 scoping study referred to in the First Supplementary Bidder's Statement, and there were accordingly no final results available to disclose. The suggestion that FEG withheld results because the project was uneconomic is factually incorrect.

LEA was aware of the status of the Wonogiri Mining Licence and formed its own independent view, including as to the appropriate discount to apply. FEG does not accept that LEA's 25% discount was unjustified, or that Xingye has identified any proper basis for asserting that LEA erred. Xingye's alternative valuation, which attributes no value at all to the Wonogiri Copper Gold Project, rests entirely on Xingye's own disputed assumptions addressed above.

There is no contradiction between the Idenburg Gold Project being described as FEG's current flagship asset and the Wonogiri Copper Gold Project retaining material value. "Flagship" refers to current strategic and capital allocation priority, not to the exclusion of value in FEG's other assets. It was LEA, not FEG, that independently attributed value to the Wonogiri Copper Gold Project in the Independent Expert's Report.

(c) **Woyla Copper Gold Project (sections 1.1(b)(i) and 3.1 of the First Supplementary Bidder's Statement and section 3(a)(ii) of the Second Supplementary Bidder's Statement)**

FEG does not accept that there is uncertainty as to whether the Indonesian Government recognises PTWAM's rights under the Woyla CoW. The Woyla CoW remains valid for the balance of its 30-year operation period. PTWAM lodged a valid application to extend the exploration period before it expired, and that application remains under consideration. The fact that the extension has not yet been approved does not mean that the Indonesian Government does not recognise PTWAM's rights.

FEG is not aware of any notice, decision or action of the Indonesian Government calling into question PTWAM's rights under the Woyla CoW. The references to the mining licence database and the expired forestry licence conflate separate administrative and operational matters with the validity of, and recognition of PTWAM's rights under, the Woyla CoW itself. On this basis, FEG does not accept that LEA erred in declining to apply a discount, or that LEA failed to independently and adequately consider this issue.

(d) **Trenggalek Copper Gold Project (sections 1.1(b)(ii) and 3.2 of the First Supplementary Bidder's Statement)**

FEG does not accept that there is material uncertainty as to whether PT Sumber Mineral Nusantara (**PTSMN**) will be able to extend the Trenggalek IUP OP beyond June 2029. Trenggalek is held under an operation and production permit. FEG is not aware of any notice, decision or action of the Indonesian Government indicating that the Trenggalek IUP cannot or will not be extended. The fact that the permit has an expiry date and will, in the ordinary course, require extension does not of itself establish a material risk, nor a proper basis for LEA to have applied a discount.

(e) **Blue Hill Creek Gold Project — EPM 28601 (sections 1.1(b)(iii) and 3.3 of the First Supplementary Bidder's Statement)**

The statement that FEG "does not hold any interest" in EPM 28601 is misleading and should be removed by Xingye. EPM 28601 is one of three exploration permits comprising the Blue Hill Creek Project. FEG acquired a 90% interest in all three EPMs from Ellenkay Gold Pty Ltd, with Ellenkay retaining the remaining 10%. The fact that the Queensland Government register has not yet been updated to reflect that acquisition in respect of EPM 28601 does not mean FEG does not legally hold its 90% interest — it is an administrative registration matter, not a substantive title issue, and FEG does not accept that LEA ought to have applied a further discount on this account.

(f) **Alleged errors in LEA's assessment of reasonableness (sections 1.2, 1.2(a) and 1.2(b) of the First Supplementary Bidder's Statement)**

FEG does not accept that LEA's conclusion that the Offer is not reasonable is the product of any error. The propositions advanced by Xingye in support of that assertion depend entirely on Xingye's own disputed assumptions concerning the Wonogiri Copper Gold Project, the Woyla Copper Gold Project, the Trenggalek Copper Gold Project and the Blue Hill Creek Gold Project addressed above. Disagreement with LEA's independent valuation conclusions does not establish that LEA failed to adequately consider relevant factors.

FEG rejects the characterisation of its conduct as a "chronic and ongoing failure" to properly inform the market. That characterisation is inflammatory, prejudicial and unsupported, and depends on the same disputed assumptions concerning the Wonogiri Mining Licence and FEG's other projects addressed above. FEG does not accept that the market for FEG Shares prior to the announcement of the Offer was misinformed or false.

(g) **Statement regarding third party interest in FEG (sections 1.2(c) and 1.2(d) of the First Supplementary Bidder's Statement and section 1 of the Second Supplementary Bidder's Statement)**

FEG's statement that it has attracted substantial interest from international mining companies, strategic investors and financial groups, and that multiple parties have entered into confidentiality agreements and are progressing due diligence, is true and is not misleading. That statement does not represent that a competing proposal has been made or will emerge. FEG is not required to disclose the identity of interested parties, the nature of their interest, or the substance of confidential and incomplete negotiations.

FEG does not accept that Xingye's voting power of 33.79% is, of itself, sufficient to preclude a competing proposal by way of scheme of arrangement or otherwise. A scheme is not the only form a competing proposal can take and Xingye's Relevant Interests do not preclude:

- a proposal for the acquisition of, or investment in, one or more of FEG's Projects or subsidiaries;
- a strategic investment, joint venture or farm-in arrangement at the asset or company level; or
- a takeover bid at a price superior to the Offer, which Shareholders would be free to accept.

Xingye's assertion that the likelihood of a competing proposal is "very low" is speculative, self-serving and should not be relied upon by FEG Shareholders as an accurate assessment of that likelihood.

(h) **FEG's cash position and funding (sections 1.2(e) and 4.1(c) of the First Supplementary Bidder's Statement and section 3(b) of the Second Supplementary Bidder's Statement)**

FEG has not stated that its cash and cash equivalents are expected to be fully depleted by 23 July 2026. That is Xingye's own calculation or assumption and should not be presented to FEG Shareholders as an established fact.

LEA had regard to FEG's disclosed cash position, quarterly cash flow reports and financial statements in preparing the Independent Expert's Report, and FEG does not accept that LEA failed to have regard to FEG's funding position. FEG has disclosed its funding position appropriately. No specific capital raising transaction has been finalised or become disclosable, and the absence of any further announcement does not, of itself, reflect a continuous disclosure failure or a failure by FEG's management to take timely and adequate steps to secure funding.

(i) **Development status of FEG's Projects (section 1.2(f) of the First Supplementary Bidder's Statement)**

FEG does not accept the characterisation of its projects as "stalled and stagnant". FEG is a junior exploration and development company with a portfolio of Indonesian and Australian projects at different stages of exploration, permitting and pre-development. Development timing for resource projects of this kind depends on drilling results, resource definition, technical studies, permitting, funding and regulatory processes, and is not, in itself, evidence of failure. The Trenggalek Copper Gold Project is held under an IUP OP which is an operation and production permit and which was issued upon FEG's acquisition of that project, contrary to the suggestion that no project has advanced past exploration.

(j) **General allegations concerning FEG's management and directors (sections 1.3 and 4.1 of the First Supplementary Bidder's Statement and section 3(c) of the Second Supplementary Bidder's Statement)**

FEG rejects the suggestion that its management and directors cannot be trusted to safeguard and promote the interests of FEG Shareholders. Those allegations rest on Xingye's selective and, in FEG's view, incorrect characterisation of the matters addressed in this Supplementary Target's Statement.

(k) **Continuous disclosure allegations (section 4.1(a)(i)–(iii) of the First Supplementary Bidder's Statement and section 3(c) of the Second Supplementary Bidder's Statement)**

FEG does not accept that it was required to disclose the Wonogiri administrative action in the manner suggested by Xingye, for the reasons given above concerning FEG's legal position on the Wonogiri Mining Licence.

Mr Werner's interest in Alpha HPA Limited was disclosed in FEG's prospectus dated 1 December 2021, and FEG does not accept that the existence of that disclosed interest supports any implication of impropriety or improper benefit.

As stated above at **section 1.5(b)** of this Supplementary Target's Statement, FEG did not complete the revised 2022 scoping study for the Wonogiri Copper Gold Project referred to in the First Supplementary Bidder's Statement. There were accordingly no final results to disclose, and it is incorrect to suggest that FEG withheld completed results.

The expiry of the Woyla conditional sale and purchase agreement (**Woyla CSPA**) did not affect FEG's existing 51% ownership interest in the Woyla Copper Gold Project. The Woyla CSPA concerned a potential pathway to increase FEG's interest to 80%, subject to further feasibility work that FEG had not announced as having commenced. FEG does not accept that the expiry of that pathway was a disclosable loss of an existing project interest.

(l) **Project approvals (section 4.1(b) of the First Supplementary Bidder's Statement and section 3(c) of the Second Supplementary Bidder's Statement)**

FEG does not accept that there is uncertainty, of the kind or degree suggested by Xingye, as to whether FEG holds or can retain the approvals necessary to continue exploration activities at the Wonogiri Copper Gold Project, the Woyla Copper Gold Project, the Trenggalek Copper Gold Project and the Blue Hill Creek Project, for the reasons given in relation to each project in **sections 1.5(a) – 1.5(e)** (inclusive) of this Supplementary Target's Statement.

(m) **Takeovers law compliance (section 4.1(d) of the First Supplementary Bidder's Statement and section 3(c) of the Second Supplementary Bidder's Statement)**

FEG does not accept that the technical matters raised in paragraph 4.1(d) of the First Supplementary Bidder's Statement raise concerns about FEG's compliance and management's commitment to protecting the interests of FEG Shareholders, these statements are not accepted and should be withdrawn.

(n) **Market price of FEG Shares (section 1.3(b) and 4.2 of the First Supplementary Bidder's Statement)**

FEG does not accept the description of the market price for FEG Shares prior to the announcement of the Offer as "rapidly declining", nor the implication that any price movement was caused by management or disclosure failures. Mr Werner acquired FEG Shares at $0.136 per share in August 2024 by participating in an FEG placement. Xingye's subsequent subscription at $0.20 per share in 2024 and 2025 was a strategic, premium price agreed by Xingye under the Placement Agreement, and does not reflect the prevailing market price for FEG Shares at that time. Measured against the August 2024 placement price, the movement in FEG's share price over the following period does not support Xingye's characterisation and such statements should be withdrawn by Xingye.

(o) **Mr Werner's FEG Share transactions (section 1.3(c) and 4.3 of the First Supplementary Bidder's Statement and section 3(c) of the Second Supplementary Bidder's Statement)**

The First Supplementary Bidder's Statement asserts that Mr Werner procured the disposal of 147,058 FEG Shares by Bellambi Enterprises Limited (**Bellambi**) (an entity controlled by Mr Werner) on 22 August 2024 following the purported revocation of the Wonogiri Mining Licence. This statement is misleading because it implies that the disposal was done in response to the purported revocation of the licence. FEG notes:

- the off-market sale of 147,058 FEG Shares related to a scrip payment by Mr Werner as a means of payment for services rendered to him on a personal matter and was not connected to the Wonogiri Mining Licence in any way; and
- only 5 days after the disposal on 22 August 2024, Bellambi purchased 147,058 FEG Shares under a Share Purchase Plan which is also shown in the Change of Directors Interest Notice lodged by FEG on ASX on 28

August 2024 (referenced by Xingye in footnote 10 of its First Supplementary Bidder's Statement).

The 10 April 2025 disposal of FEG Shares by Bellambi resulted from a margin call and was not a voluntary disposal procured by Mr Werner in response to project developments, as the First Supplementary Bidder's Statement implies.

The First Supplementary Bidder's Statement selectively omits that Mr Werner has subsequently participated in FEG placements to acquire further FEG Shares including 1,838,235 FEG Shares acquired at $0.136/share pursuant to a placement approved by FEG Shareholders at an EGM held 29 November 2024. FEG considers this section of the First Supplementary Bidder's Statement to be materially misleading and prejudicial to Mr Werner as it appears to have been drafted intentionally to mislead investors into believing that Mr Werner was disposing of his investment in response to the purported revocation of the Wonogiri Mining Licence and the expiry of the Woyla CSPA (a position which is grossly inconsistent with the purchase of additional securities by Mr Werner after these events).

2 Additional information

2.1 Changes to the Independent Board Committee

As of the date of this Supplementary Target's Statement, the Independent Board Committee comprises of directors Mr Justin Werner, Mr Shane Menere, Mr Christopher Atkinson and Mr Paul Walker. Any reference to the Independent Board Committee in this document is a reference to the aforementioned directors.

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 for this reason, has not joined the Independent Board Committee and has abstained from making a recommendation in relation to the Unsolicited Offer in the Target's Statement and this Supplementary Target's Statement.

On 7 July 2026, Mr Michael Thirnbeck resigned from the Independent Board Committee and informed the Independent Board Committee on 11 July 2026 that he has changed his recommendation in relation to the Offer and now recommends that Shareholders accept the Offer. His reasonings are set out in his email to the Independent Board Committee on 11 July 2026, detailed below:

Dear Fellow Directors,

I write to formally advise that I have reconsidered my position regarding the off-market takeover bid by Xingye Gold (Hong Kong) Mining Company Limited (“Xingye”) and have determined that I now recommend that Far East Gold Ltd shareholders accept Xingye’s offer.

As the Board is aware, I was originally appointed as a director following the nomination of Ms Wendy Yap, who on 7 July 2026 accepted her entire shareholding interest of 16.19% into Xingye’s offer. While I acknowledge that this circumstance may give rise to a perception of conflict, I have carefully considered my position and am satisfied that I remain capable of exercising independent judgment and fulfilling my duties as a director in accordance with the Corporations Act and my fiduciary obligations to FEG and its shareholders.

In reaching this revised recommendation, I have had regard to my more than 30 years of experience as a geologist, my direct involvement with the Woyla and Idenburg Projects, *and my service as a director of FEG for more than four years. Having considered all relevant matters presently available to me, I believe it is appropriate that shareholders be informed of my revised assessment of the offer and the reasons supporting that assessment.*

1. Funding and Execution Risk

Notwithstanding FEG's current cash position, I remain concerned regarding FEG's ability to secure the substantial capital required to advance its key projects and execute its broader growth strategy. To date, no strategic funding partner has been secured and, to my knowledge, there has been limited evidence of substantive engagement with a funding source capable of supporting FEG's anticipated capital requirements. This creates material funding and execution risk for shareholders.

2. Asset Portfolio Risk

While Idenburg remains FEG's principal strategic asset, I have increasing concerns regarding the broader asset portfolio. In particular, there remains limited clarity regarding the status, timing and future development pathway of the Wonogiri licence. The ongoing uncertainty surrounding the advancement of this project and the pathway to value realisation, in my view, increases the overall risk profile of FEG's asset base and highlights the need for greater transparency regarding its future direction.

3. Increased Likelihood of Offer Success

Xingye currently holds approximately 34% of FEG's issued shares and has publicly stated that it will increase the offer consideration to A$0.15 per share and declare the offer unconditional if it acquires a relevant interest exceeding 50% of FEG on a fully diluted basis by 21 July 2026. In my opinion, these circumstances materially increase the likelihood of the offer succeeding and provide shareholders with a credible opportunity to realise value at the increased offer price.

Having regard to the matters set out above, I have formed the view that acceptance of Xingye's offer is in the best interests of shareholders.

Yours faithfully

Michael Thirnbeck
Director
Far East Gold Ltd

The Independent Board Committee notes Mr Thirnbeck's revised recommendation and makes the following observations:

- as at the date of this Supplementary Target's Statement, Mr Thirnbeck has not informed the Independent Board Committee that his intention as stated in the Target's Statement to **REJECT** the Offer in respect of the 173,234 FEG Shares (approximately 0.04% of FEG Shares) he holds has changed nor has Mr Thirnbeck advised the Independent Board Committee that he has accepted the Offer in respect of the 173,234 FEG Shares he holds despite his recommendation for Shareholders to accept the Offer;
- Mr Thirnbeck resigned from the Independent Board Committee on 7 July 2026 and provided his revised recommendation on 11 July 2026, before the Supplementary Independent Expert's Report was available. The Independent Expert has since considered the matters raised in Xingye's First Supplementary Bidder's Statements and Second Supplementary Bidder's Statement and reconfirmed its opinion that the Offer is neither fair nor reasonable;

- as Mr Thirnbeck acknowledges in his letter, he was originally appointed to the FEG Board following his nomination by Eloquent Enterprises Limited – a FEG Shareholder which has since accepted the Offer in relation to its entire 16.19% holding in FEG. Shareholders may wish to take those circumstances into account in weighing Mr Thirnbeck's revised recommendation;
- the funding and portfolio matters raised by Mr Thirnbeck are addressed in section 1.5 of this Supplementary Target's Statement. The Independent Board Committee does not accept that those funding and portfolio matters support acceptance of an Offer at a price materially below the Independent Expert's assessed value of FEG Shares; and
- each member of the Independent Board Committee has considered Mr Thirnbeck's stated reasons and unanimously reconfirms its recommendation that Shareholders **REJECT** the Offer and the Conditional Offer.

Ms Monique Tang, the Non-Independent Director, did not give a recommendation in relation to the Offer in the Target's Statement and may not give a recommendation due to a conflict of interest as Ms Tang is Xingye's designated nominee director of FEG.

The members of the Independent Board Committee, who recommend to reject the Offer, collectively hold or control 45,975,786 FEG Shares (approximately 11.02% of FEG Shares). As at the date of this Supplementary Target's Statement, the remaining three Directors collectively hold or control 173,234 FEG Shares[8] (approximately 0.04% of FEG Shares), with two of those Directors (Mr Hastings and Ms Tang) holding no FEG Shares.

2.2 Date of the Supplementary Target's Statement

This Supplementary Target's Statement is dated 14 July 2026, which is the date on which it was lodged with ASIC and provided to ASX.

2.3 Director interests and dealings

As at the date of this Supplementary Target's Statement, Mr Justin Hastings had no Relevant Interest in FEG securities.

2.4 Consent to inclusion of a statement

LEA (being the Independent Expert) and each member of the Independent Board Committee, have each given and have not, before the lodgement of this Supplementary Target's Statement with ASIC, withdrawn their written consent to the inclusion of the respective statements made by them in this Supplementary Target's Statement in the form and context in which the statements are included.

2.5 FEG Shareholders to seek independent advice

FEG encourages Shareholders to read the Target's Statement (including the Independent Expert's Report) and this Supplementary Target's Statement in full and consider the Offer having regard to your personal circumstances. Shareholders should also seek any independent financial, legal, tax or other professional advice that you require before taking any action in respect of the Offer.

3 Glossary and interpretation

Unless the context otherwise requires, capitalised terms and certain abbreviations used but not defined in this Supplementary Target's Statement have the meanings given to them in section 9.1 of the Target's Statement. The interpretation rules set out in section 9.2 of the

[8] Held by Michael Thirnbeck in his personal capacity.

Target's Statement also apply to this Supplementary Target's Statement. This Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement.

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

(a) **Conditional Offer** has the meaning given to it in **section 1** of this Supplementary Target's Statement.

(b) **Conditional Offer Price** has the meaning given to it in **section 1** of this Supplementary Target's Statement.

(c) **First Supplementary Bidder's Statement** means the first supplementary bidder's statement released by Xingye on 30 June 2026.

(d) **Independent Board Committee** means the independent board committee, being the committee established by the FEG Board and comprising of the directors Justin Werner, Shane Menere, Christopher David Atkinson and Paul Thomas Walker.

(e) **IUP OP** has the meaning given in section 5.2(c) of the Target's Statement.

(f) **Second Supplementary Bidder's Statement** means the second supplementary bidder's statement released by Xingye on 9 July 2026.

(g) **Supplementary Independent Expert's Report** means the supplementary report prepared by the Independent Expert, as set out in the attachment to this Supplementary Target's Statement.

(h) **Supplementary Target's Statement** means this document (including its attachment).

(i) **Notice of Status of Conditions** has the meaning given in section 4.3(a) of the Target's Statement.

4 Authorisation

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

14 July 2026

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

Mr Justin Werner
Non-Executive Chairman

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

14 July 2026

Subject: Takeover offer for Far East Gold Limited

Dear Independent Board Committee

Introduction

1 Lonergan Edwards and Associates Limited (LEA) prepared an independent expert's report (IER) dated 25 June 2026 in relation to the off-market takeover offer from Xingye Gold (Hong Kong) Mining Company Limited (Xingye) 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). The full report was included as Attachment A to the Target's Statement dated 25 June 2026 sent by FEG to its shareholders. In this IER LEA stated that:

"LEA has concluded that the Offer is not fair nor reasonable to FEG Non-Associated Shareholders.[1]"

2 On 30 June 2026, Xingye released a First Supplementary Bidder's Statement that raised a number of points in relation to the IER. FEG's Independent Board Committee has requested that LEA consider the points raised by Xingye and review its opinion in light of the points raised. A copy of this Supplementary IER will accompany the Supplementary Target's Statement to be sent to FEG shareholders.

3 On 8 July 2026, Xingye announced that it had acquired relevant interests in additional shares in FEG due to acceptances under its Offer, potentially increasing its holding to some 33.79% of the outstanding shares on issue. This would be a material change in Xingye's shareholding, and we have therefore also considered whether our opinion should be revised due to this change.

1 FEG Non-Associated Shareholders are the FEG shareholders not associated with Xingye.

4 On 9 July 2026, Xingye released a Second Supplementary Bidder's Statement which revised its Offer as follows:

(a) if Xingye[2] obtains relevant interests in more than 50% (by number) of all FEG shares on a fully diluted basis by 7:00pm on 21 July 2026, it will increase the Offer price to $0.15 per FEG share and declare the Offer unconditional

(b) the Offer has been extended until 7:00pm on 29 July 2026.

5 We have therefore reviewed our opinion in light of the change in the Offer terms.

6 We have provided our comments in response to the points raised in the First Supplementary Bidder's Statement in paragraphs 12 to 43 below.

Impact on opinion

7 Having regard to the points raised in the First Supplementary Bidder's Statement, **we do not consider it necessary to alter our opinion as set out in our IER**.

8 Having regard to the increased relevant interest of Xingye and the revised (conditional) Offer price, neither of these have any effect on our assessed fair value of the FEG shares and therefore **our opinion that the Offer is "not fair" is unchanged**, since the revised price of $0.15 per share is still significantly below the low end of our valuation range (which is $0.324 to $0.444 per FEG share).

9 However, the assessment of "reasonableness" is impacted both by the increase in Xingye's relevant interest as discussed in paragraphs 44 to 45 below and by the revised Offer terms as discussed in paragraphs 46 to 49 below.

10 Xingye's increased relevant interest and increased conditional Offer price both strengthen the arguments in favour of accepting the Offer, **however on balance we still consider that the Offer is "not reasonable"**.

11 However, if Xingye does achieve the 50% relevant interest threshold by 21 July 2026 and declare its offer unconditional at $0.15 per share, then we would need to review our opinion on reasonableness.

Points raised in First Supplementary Bidder's Statement

12 In the First Supplementary Bidder's Statement, Xingye raised a number of points in relation to LEA's IER which we have itemised and commented on below.

Wonogiri

13 Xingye has stated that LEA's valuation of Wonogiri is erroneous based on:

"(a) The Wonogiri Mining Licence was revoked and has not been reinstated for more than four years despite multiple attempts by FEG

(b) the Wonogiri Copper Gold Project is not economically viable."

2 Including its associates.

LEA's response to the above is set out below.

Revocation of Wonogiri licence

14 The revocation of the Wonogiri mining licence introduces an additional degree of uncertainty, and this has been expressly recognised in our valuation. In particular, our valuation does not assume that the tenure position is equivalent to that of a fully secure mining licence. Rather, a specific discount has been applied to the value otherwise attributable to the Wonogiri project to reflect the increased tenure risk associated with the ongoing reinstatement process.

15 In our opinion, the appropriate question is therefore not whether uncertainty exists, but whether the adopted discount appropriately reflects that uncertainty. The existence of uncertainty does not necessarily imply that the project has no value or that its value should be wholly discounted.

16 In forming our assessment, we considered that:

(a) FEG has obtained legal advice from multiple law firms supporting its view that the licence revocation was made in error

(b) FEG has received correspondence from Indonesia's Director General of Mineral and Coal indicating that the revocation was made in error

(c) FEG continues to pursue administrative avenues in relation to reinstatement of the licence; and

(d) the ultimate outcome, timing and conditions of any reinstatement remain uncertain.

17 Having regard to the above, we considered it inappropriate to either ignore the tenure uncertainty or assume that the project has no value. Rather, our valuation reflects both the potential value of the underlying mineral asset and the increased risk associated with the current tenure position through the application of a specific discount.

18 Whilst the magnitude of any discount necessarily involves the exercise of professional judgement, Xingye has not provided any independent valuation analysis or other objective evidence demonstrating that the discount adopted is inappropriate or that a materially different adjustment should be applied. Xingye's contention that the project should effectively be assigned no value assumes, without supporting evidence, that the tenure issues are incapable of resolution. Such an assumption is itself speculative and is not supported by the information presently available.

19 From a valuation perspective, assets subject to regulatory, permitting or tenure uncertainty are not ordinarily assigned either their full value or a nil value solely because the relevant approval has not yet been obtained or reinstated. Rather, valuation practice generally reflects the uncertainty about the different outcomes by applying an appropriate adjustment for the relevant risk. The treatment we adopted for the Wonogiri project is consistent with this approach.

Economic viability of Wonogiri

20 Xinge's comment that "*the Wonogiri Copper Gold Project is not economically viable*" is incorrectly based on a number of assertions or opinions, without any technical basis for its conclusion:

(a) "small-scale deposit" – the Bidder's Statement characterises the Wonogiri project as being too small to support an economic mining operation. However, this is a subjective characterisation rather than an evidence-based technical conclusion, as the size of a mineral resource, in isolation, is not determinative of economic value or mine feasibility. The economic viability of a mining project depends on a range of interrelated technical and economic factors, including ore grade, metallurgical recoveries, strip ratio, mining and processing costs, capital expenditure, commodity prices, mine design, permitting and the overall mine plan. Accordingly, resource tonnage alone is not an appropriate basis on which to assess the economic viability of a mining project.

    The Wonogiri project has a reported Mineral Resource of approximately 81.6 Mt (at a 0.2 g/t AuEq cut-off), containing approximately 996 koz of gold and 190 Mlb of copper. Industry evidence demonstrates that numerous operating and historically profitable open-pit gold-copper mines have been successfully developed with Mineral Resource inventories materially smaller than the Wonogiri Mineral Resource. Consequently, the assertion that the Wonogiri project is uneconomic because its Mineral Resource is too small is not supported by accepted mining industry practice or by comparable operating mines

(b) "high strip ratio" – a strip ratio of approximately 3:1 is not, of itself, indicative of an uneconomic open-pit operation. Numerous profitable copper and gold mines operate successfully with strip ratios materially higher than this. Whether a particular strip ratio is economic depends on a range of project-specific factors, including mining and processing costs, metallurgical recoveries, commodity prices, pit optimisation, geotechnical considerations and capital requirements. Xingye has not provided any technical analysis or economic assessment demonstrating that the reported strip ratio would render the project uneconomic. Further, a scoping study completed in 2016, when gold prices were significantly below current levels, supported the potential development of the project, suggesting that the strip ratio was not considered an impediment to development at that time

(c) "low grade of recoverable metals" and that "the project at best would be breakeven" which is based on "the costs of developing comparable deposits in Indonesia" – mining projects are inherently project-specific and possess their own idiosyncratic characteristics, including capital and operating costs, metallurgical recoveries, mine design, pit optimisation assumptions and strip ratios etc. Without providing the assumptions or analysis underpinning its conclusions, Xingye's assertions are speculative and cannot be independently assessed. Further:

    (i) gold prices are currently very high when compared to historical levels, while copper prices remain well above their long-term historical averages. Higher realised commodity prices can materially enhance project economics and may significantly improve project viability

    (ii) the outcomes of mining studies are highly sensitive to relatively small changes in key assumptions, including commodity prices, metallurgical recoveries, operating costs and costs, and optimisation parameters. Accordingly, broad conclusions regarding economic viability cannot reasonably be drawn without a detailed technical and financial assessment

(iii) the grades quoted represent average resource grades across the deposit. In practice, mine plans commonly target higher-grade starter pits or higher-grade zones during the initial stages of production to improve project cash flow and economics. Consequently, average resource grade alone is not an appropriate indicator of project profitability or economic viability.

Accordingly, without disclosing the technical assumptions, mine planning parameters and economic analysis supporting its conclusions, Xingye's statements regarding the economic viability of the Wonogiri project appear to be assertions rather than substantiated technical conclusions

(d) "severe social and land access issues" – social licence, land access and stakeholder engagement are common considerations for mining projects globally, including in Indonesia, and are typically addressed through community consultation, land acquisition, compensation and, where necessary, resettlement processes as part of the project development cycle. While these matters may increase project complexity, development timeframes and costs, they do not by themselves preclude the development of a mining project. Similarly, illegal mining occurs at numerous mineral projects throughout Indonesia (and other mining jurisdictions) and, while it may require appropriate management and engagement strategies, does not prevent future commercial mining operations.

Further, we note that the Wonogiri project contains a JORC compliant Mineral Resource Estimate. Under the JORC Code, a Mineral Resource may only be reported where the Competent Person considers that there are reasonable prospects for eventual economic extraction of the mineralisation. In forming that opinion, the Competent Person is required to have regard to a range of modifying considerations, including legal, environmental, social and permitting matters, to the extent that they are relevant. While the existence of a JORC Mineral Resource does not demonstrate that the project is currently economically viable or that development will ultimately proceed, it does indicate that, at the time of reporting, the Competent Person did not consider the identified social and land access issues to preclude the reasonable prospects of eventual economic extraction. Accordingly, Xingye's assertion that an open-pit mining approach is "almost impossible to implement" appears inconsistent with the basis upon which the JORC Mineral Resource has been reported and is not supported by any independent technical evidence demonstrating that the project fails the "reasonable prospects for eventual economic extraction" criterion.

We also understand that SRK's valuation of the Wonogiri project considered the project's social and land access characteristics commensurate with the level of technical study completed to date. Consequently, these matters have already been reflected in the assessed value of the project and should not be regarded as incremental valuation discounts.

Woyla

21 Xingye claims that:

"there is material uncertainty about whether the Indonesian Government recognises PTWAM's rights under the Woyla CoW, and LEA should have applied an appropriate discount to the value of the Woyla Copper Gold Project."

In response we note the following.

22 Xingye does not establish that the Woyla CoW is invalid or that PTWAM has lost its rights under the Woyla CoW. Rather, the matters identified by Xingye appear to relate principally to the administrative status of the exploration period, extension process, supporting guarantees and ancillary forestry approvals.

23 In this regard we note that the Woyla CoW is a long-term mining tenure that, under its terms, provides for a 30-year operating period commencing upon the start of production (subject to the applicable regulatory framework), rather than expiring a fixed number of years after it was originally granted. Accordingly, issues concerning the exploration period or its extension should not necessarily be conflated with the overall duration of the CoW.

Trenggalek

24 Xingye claims that:

"there is uncertainty about whether PTSMN will be able to extend the Trenggalek IUP beyond June 2029, and LEA should have applied an appropriate discount to the value of the Trenggalek Copper Gold Project to reflect this."

In response we note the following.

25 Xingye notes that PTSMN has held the Trenggalek IUP since June 2019 without commencing production and that the previous Forestry Area Lease Licence expired on 2 November 2018. Xingye suggests that these matters create material uncertainty regarding the future extension or continuation of the Trenggalek IUP as the IUP expires on 14 June 2029.

26 In our view, these matters do not, by themselves, demonstrate that the Trenggalek IUP is at risk of cancellation or non-renewal, nor do they establish that Trenggalek has diminished value.

27 Firstly, the absence of production is not unusual for a project at the exploration or development stage. Many mineral projects remain in exploration, resource definition, feasibility assessment, permitting or financing phases for extended periods before commercial production commences. Accordingly, the fact that production has not commenced since the grant of the IUP is not, in isolation, evidence that the project cannot or will not be developed.

28 Secondly, the expiry of the previous Forestry Area Lease Licence should be distinguished from the validity of the underlying mining tenure. The expiry of a forestry approval does not necessarily invalidate the underlying mining tenure, and such approvals may generally be renewed, extended or re-issued, subject to the applicable regulatory approval processes.

29 These matters do not support a conclusion that the Trenggalek IUP will not be extended or that the Trenggalek project has materially diminished in value. Rather, these risks are matters that would ordinarily be considered within the overall valuation assessment, having regard to the stage of development and the regulatory environment applicable to mining projects in Indonesia.

EPM 28601

30 Xingye states that:

"Searches of the Queensland Resource Authority Public Reports indicate that Ellenkay Gold Pty Ltd (Ellenkay) holds a 100% interest in EPM 28601 and that FEG does not hold any interest in that EPM …

… It follows that there is uncertainty as to whether FEG legally holds a 90% interest in EPM 28601, and consequently LEA should have applied an appropriate discount to the value of the Blue Hill Creek Gold Project."

In response we note the following.

31 EPM 28601 is one of three EPMs comprising the Blue Hill Creek project, which were purchased from Ellenkay Gold Pty Ltd. The fact that FEG's 90% interest in EPM 28601 has not yet been registered does not support a conclusion that FEG has no interest in the Blue Hill Creek project. In our view, Xingye has identified an outstanding legal registration step, not evidence that FEG's economic interest in Blue Hill Creek is invalid or incapable of completion.

Xingye's other comments

32 Xingye has stated that:

"LEA has failed to adequately consider the following factors in its assessment of the reasonableness of the Offer:

(e) (FEG's near-term capital requirements); and

(f) (FEG's stalled and stagnant Projects)"

In response we note the following.

FEG's near term capital requirements

33 We do not agree with Xingye's assertion that LEA failed to adequately consider FEG's near-term capital requirements in assessing the reasonableness of the Offer.

34 As set out in paragraphs 168 and 169 of our IER, we expressly considered FEG's limited cash resources, the estimated costs associated with responding to the Offer, and the likelihood that FEG would require additional funding in the short term if the Offer is unsuccessful and no alternative proposal emerges. We also identified a range of potential funding alternatives available to FEG, including equity raisings, debt funding and asset sales, and recognised that uncertainty surrounding any future funding creates additional risk for minority shareholders.

35 Accordingly, the matters raised by Xingye were expressly recognised and taken into account in LEA's assessment of the reasonableness of the Offer.

36 We also note that Xingye's assertion that FEG's cash would be fully depleted by 23 July 2026 appears to be an estimate rather than an independently verified fact. Actual cash utilisation depends on the timing and quantum of operating expenditure, exploration activities, transaction costs and any financing initiatives undertaken by FEG. Consequently, this estimate should be treated with appropriate caution.

Status of FEG's projects

37 We do not agree with Xingye's assertion that FEG's projects are "stalled and stagnant" or that this supports the conclusion that the Offer is reasonable.

38 The assessment of the Offer is based on the value of FEG as at the valuation date, taking into account the characteristics, risks and stage of development of each of its projects. The fact that the projects remain at an exploration or evaluation stage is an inherent characteristic of the Company and has been reflected in the valuation methodologies adopted by LEA and its technical specialist.

39 Exploration and resource development are inherently long-term activities, with the progression from exploration through resource definition, feasibility studies, permitting, financing and ultimately production commonly taking many years, and in many cases more than a decade. The value of exploration companies is generally derived from the quality of their mineral interests, exploration success and future development potential, rather than whether a project has already entered production.

40 Accordingly, the absence of a project progressing to development or production since FEG's listing in March 2022 does not, in itself, demonstrate that the projects have failed to create value or that the Offer should be regarded as reasonable. During this period, FEG has continued to undertake exploration and technical work across its project portfolio, including drilling, resource definition and technical studies.

41 Xingye's characterisation of FEG's projects as "stalled and stagnant" is not supported when considering the Company's activities since listing. In particular, FEG has significantly advanced the Idenburg project, which was acquired pursuant to a term sheet executed in July 2024. At the time of the acquisition, the project had no JORC-compliant Mineral Resource Estimate and was essentially an exploration asset. Since then, FEG has completed exploration programmes that resulted in the announcement of an initial JORC-compliant Mineral Resource Estimate of approximately 540,000 ounces of gold in November 2024, which was subsequently increased to approximately 780,000 ounces in May 2026. This represents a material advancement in the technical maturity and value proposition of the project over a relatively short period and demonstrates FEG's ability to create value through exploration and resource definition.

42 Further, as noted in our IER, 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). Accordingly, Xingye's broad assertion that FEG's projects have remained "stalled and stagnant" since listing is, in our view, an overstatement and does not appropriately reflect the progress made across the Company's project portfolio.

43 Accordingly, we do not consider that the fact that FEG's projects remain in the exploration or evaluation phase provides a basis for concluding that the Offer is reasonable or that LEA's conclusion is erroneous.

Acceptances under the Offer

44 As announced on 8 July 2026, Xingye has acquired relevant interests in additional shares in FEG, due to acceptances under its Offer, potentially increasing its holding to some 33.8% of outstanding shares[3]. These acceptances were almost entirely by Eloquent Enterprises Limited, the second largest shareholder in FEG (with 16.2% of FEG shares) and the holder of 49% of the Idenburg and Woyla projects.

45 This potential increased level of shareholding by Xingye has significant implications for FEG Non-Associated Shareholders, as:

(a) the likelihood of a competing control proposal has diminished materially, since no alternative bidder could obtain full control (even through a scheme of arrangement) without the agreement of Xingye and it would be significantly harder for an alternative bidder to increase its shareholding to above 50% (unless Xingye was a seller under the alternative offer)

(b) although Xingye does not presently hold majority ownership, a shareholding of 33.79% is capable of conferring significant influence over the Company and (in the absence of other large shareholders) is often sufficient to enable effective control for many purposes. The practical extent of Xingye's increased influence over the outcome of shareholder resolutions (such as the election and removal of directors and other ordinary resolutions requiring shareholder approval) is uncertain, as it will depend on the reaction and attitude of other shareholders

(c) it is possible that the ability of current FEG management to enter into agreements with external parties to sell assets (or interests in assets) will be affected (particularly for transactions needing shareholder approval), since potential counterparties would reasonably need to consider the implications of Xingye's potential increased shareholding on future decision making in FEG

(d) shareholders representing 16.2% of the outstanding shares (almost entirely represented by Eloquent Enterprises Limited) have accepted the Offer, increasing the likelihood that other shareholders may also accept the Offer, which may mean that Xingye reaches the 50% threshold.

Revised Offer terms

46 Xingye has conditionally revised the Offer, stating that if there are sufficient acceptances by 21 July 2026 to provide a relevant interest in over 50% of FEG shares on a fully diluted basis, then it will make the Offer unconditional and increase the price to $0.15 per FEG share. It has also extended the period of the Offer until 29 July 2026.

47 While $0.15 per share represents an increase over the prior conditional Offer price of $0.13 per share, it:

(a) only represents a premium of some 23% over the 3-month volume weighted average price prior to the bid of some $0.122 per share

(b) remains substantially below the low end of our assessed (100% control) valuation range of $0.324 to $0.444 per FEG share.

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3 The shares will only be acquired by Xingye if the Offer is declared unconditional, which would require that Xingye either meet or waive the existing conditions (e.g. condition for the relevant interest to exceed 50% of FEG shares).

48 **Accordingly, in our opinion the Offer remains "not fair".**

49 Consideration of reasonableness requires considering both the revised Offer terms and the effects of the acceptances under the Offer.

Assessment of reasonableness

50 Given the conditional nature of Xingye's Offer, it is appropriate to consider the Offer as it currently stands, that is, at a price of $0.13 per share. We note that Xingye could declare its Offer unconditional without increasing the price, if it does not reach the 50% threshold that will trigger its increased $0.15 per share price. Shareholders accepting the Offer now might therefore only receive $0.13 per FEG share.

51 The acceptances already received by Xingye (and thus its potentially increased shareholding) strengthen the reasons for accepting the Offer, as discussed in paragraphs 44 to 45 above.

52 However, in our opinion, there are still a number of reasons for FEG Non-Associated Shareholders not to accept the Offer, which are set out in our IER, including in particular:

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

(b) FEG shares continue to trade on market above the current $0.13 per share Offer price.

53 On balance, we still consider that there are not sufficient reasons for FEG Non-Associated Shareholders to accept the Offer. **It therefore is still our opinion that the Offer is "not reasonable"**.

54 If Xingye reaches the 50% relevant interest threshold and declare its Offer unconditional at $0.15 per share, then we would need to review our assessment of reasonableness at that time, noting in particular that the disadvantages associated with being a minority shareholder under Xingye, discussed in paragraphs 161 to 163 of our IER, would then have become a certainty rather than just being a possibility.

Other matters

55 This letter should be read in conjunction with our full IER dated 25 June 2026 included as Attachment A to the Target's Statement dated 25 June 2026 sent by FEG to its shareholders. In particular, all limitations, disclaimers and declarations set out in that IER apply in full to this letter.

56 This letter 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.

57 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.

Yours faithfully

Jorge Resende	Martin Hall
Authorised Representative	Authorised Representative