

ASX ANNOUNCEMENT

23 October 2026



Far East Gold Signs Alliance MoU to Pursue Gold Production and Portfolio Funding

Far East Gold Limited (ASX: FEG) announces that on 22 October 2026 it signed a Memorandum of Understanding (MoU) with PT Puncakbaru Jayatama (PTPJ) to pursue the potential acquisition, development and operation of the Bengkulu Gold Project and funding opportunities across FEG's existing portfolio.

HIGHLIGHTS

- **Experienced operating partner:** Established in 1991, PTPJ brings more than 30 years of Indonesian exploration and mining experience, including its longstanding involvement in exploration and mining operations at Gosowong, one of Indonesia's major high-grade gold operations with reported cumulative production exceeding six million ounces.
- **Potential pathway to gold production:** Bengkulu's historical mining area, reported Production Operation licence status, existing pilot carbon-in-leach (CIL) plant and camp infrastructure provide a platform to assess a staged pathway to gold production.
- **Proposed controlling ownership:** FEG intends to negotiate a staged acquisition of a controlling interest in Bengkulu, with ownership and consideration linked to agreed development and operational milestones.
- **Portfolio-wide funding strategy:** The parties intend to combine FEG's existing asset portfolio, Bengkulu's potential production pathway and PTPJ's operating experience to attract strategic investment and project funding across FEG's portfolio.
- **Initial 90-day programme:** An indicative timetable to progress independent valuations, commercial terms, development planning, financing proposals and definitive documentation. PTPJ has agreed to deal exclusively with FEG in relation to Bengkulu during this period.

The MoU is principally non-binding. Acquisition terms and financing arrangements remain subject to due diligence, negotiation, definitive agreements and necessary approvals.



Combining Indonesian operating experience with FEG's portfolio

The proposed alliance combines FEG's existing exploration and development assets with PTPJ's technical and operating capabilities to assess a staged pathway to gold production at Bengkulu and pursue funding across the portfolio.

FEG's portfolio forms a substantial part of its contribution. Its interests include two projects held under Contracts of Work and Trenggalek, which holds an IUP at the Production Operation stage. These assets, together with Idenburg's development potential and the broader portfolio's exploration upside, will be reflected in the independent valuations and commercial terms to be negotiated.

PTPJ would coordinate engagement with the Bengkulu project and licence-holding entities and contribute technical expertise, operating relationships and access to prospective strategic and development partners.

FEG would lead transaction structuring, capital markets activities and integration with its existing portfolio.

Far East Gold Managing Director and Chief Executive Officer Shane Menere commented:

"This strategic alliance is an important step in building Far East Gold into a broader gold exploration, development and potentially producing business. We have assembled a portfolio of highly prospective assets in Indonesia and Australia, and our priority now is to translate that potential into tangible value through disciplined development, access to capital and the right operating partnerships.

I have known PTPJ President Director Daud Erikson Silitonga and members of his senior management team for many years, and we have developed a strong professional relationship built on mutual trust and respect. Pak Daud brings approximately 20 years of experience in exploration and brownfield project development, including a key role in discoveries at Gosowong. Our longstanding relationship reflects something I believe is fundamental to doing business successfully in Indonesia: trust, mutual respect and relationships built over time are invaluable assets that cannot simply be acquired, but must be earned.

PTPJ brings decades of Indonesian exploration, development and operating experience, including involvement at Gosowong, one of Indonesia's world-class gold operations. Bengkulu's mining history and existing infrastructure provide a foundation to assess a staged pathway towards production, and together we intend to bring the technical expertise, operating teams and development planning needed to turn that opportunity into an executable project.

In parallel, we will jointly pursue strategic investment and project funding options for Bengkulu and selected FEG assets. We have set a defined 90-day programme to advance the technical, commercial and financing arrangements, and our focus is on execution, responsible capital allocation and measurable progress for shareholders."



PT Puncakbaru Jayatama President Director Daud Erikson Silitonga commented:

“PTPJ brings more than three decades of Indonesian exploration and mining experience, including exploration, technical support and production with leading global operators. We see a strong opportunity to combine that practical experience with FEG’s portfolio and listed-company capabilities.

Our intention is to help establish the technical team, operating plan and funding pathways required to advance Bengkulu towards production, while working together to attract strategic investment into FEG projects. We plan to build a lasting relationship that translates our combined experience and industry connections into operating capability, disciplined project development and long-term value.”

Bengkulu Gold Project – potential pathway to production

The Bengkulu Gold Project is the principal development opportunity under the proposed alliance and has an established mining history. PTPJ has identified a northern open-pit prospect, a central historical mining area, reported Production Operation licence status, an existing pilot carbon-in-leach processing plant and associated camp infrastructure as a basis for assessing staged development.

These features will be assessed through due diligence covering project ownership, mineral tenure, permitting, geology, metallurgy, processing infrastructure, environmental and community matters, operating readiness and development economics.

The immediate objective is to establish the technical requirements, capital investment and approvals necessary to progress Bengkulu towards potential production. No production commencement date has been established.

Proposed staged acquisition

The MoU provides a framework for negotiating a Conditional Share Purchase Agreement under which FEG would seek to acquire a controlling interest in the company holding Bengkulu’s project licences. The proposed transaction envisages three stages:

1. **Initial acquisition:** completion of due diligence, independent valuations and agreement of commercial terms, followed by an initial acquisition subject to necessary approvals.
2. **Pilot commissioning:** potential increased ownership linked to agreed commissioning, plant performance and operational milestones.
3. **Commercial production and expansion:** further ownership participation potentially linked to sustained production, verified resource growth or an approved expansion programme.

The proposed structure is intended to align FEG’s ownership and investment commitments with the achievement of agreed development milestones. Final ownership percentages, consideration, expenditure commitments and completion dates remain subject to negotiation. Any proposed FEG share consideration would be informed by independent valuations and an agreed pricing methodology, subject to applicable approvals.



Figure 1: FEG and PTPJ representatives at PTPJ's offices. From left: Shane Menere (CEO of FEG), Daud Erikson Silitonga (President Director of PTPJ)

Initial 90-day implementation programme

FEG and PTPJ have established an indicative programme to progress the collaboration towards definitive commercial arrangements. A joint working group is envisaged to coordinate technical assessment, independent valuation, transaction structuring, development planning and financing discussions. Milestones are measured from the date the MoU takes effect:

Timing	Principal objectives
Within 30 days	Exchange technical and commercial information, appoint independent valuers and seek agreement on a transaction term sheet.
Within 60 days	Review initial due diligence findings and prepare preliminary development and funding plans.
Within 90 days	Seek agreement on definitive transaction documentation and implementation arrangements.

These milestones provide a framework against which progress can be assessed and reported to shareholders. The MoU has a six-month term and provides FEG with 90 days of project exclusivity, subject to its terms. All timeframes are indicative and remain subject to due diligence, negotiations and necessary approvals.



Funding strategy across the FEG portfolio

Securing development capital is a central objective of the proposed alliance. FEG and PTPJ intend to jointly prepare investment proposals for Bengkulu and existing FEG projects, supported by a coordinated programme of engagement with prospective strategic investors, financiers and development partners.

Potential funding structures include strategic equity investment, project-level financing, joint ventures, earn-in agreements and offtake-linked arrangements. These alternatives will be assessed against project capital requirements, funding costs, ownership retention and potential shareholder dilution.

As part of the initial 90-day programme, FEG intends to undertake a consolidated assessment of its anticipated capital requirements over the next 12–24 months, identifying priority development activities, associated funding needs and potential sources of capital. This assessment will form the basis of a coordinated financing strategy designed to advance selected projects while managing expenditure and protecting shareholder value.

The strategy will also consider introducing development partners at individual project level, potentially reducing the requirement for FEG to fund all exploration and development expenditure directly.

Over the longer term, should Bengkulu achieve profitable production, available operating cash flow could contribute to the development of FEG's broader portfolio, subject to project economics, financing obligations and ownership arrangements. Neither party has committed under the MoU to provide or procure funding.

Next steps

The immediate priorities are to progress Bengkulu due diligence, establish the commercial basis for the proposed acquisition and develop the associated project and portfolio funding plans. FEG will provide further market updates as material milestones are achieved, including progress on technical assessments, transaction negotiations, financing arrangements and definitive agreements.

The Company's strategic objective remains to advance its existing portfolio while evaluating opportunities to strengthen operating capabilities, secure development capital and establish a potential pathway towards gold production.

Status of the proposed transaction

The MoU is non-binding except for provisions relating to confidentiality and market communications, term and termination, costs and exclusivity. It does not transfer project interests, issue FEG shares or establish binding acquisition, expenditure or financing obligations.

Any transaction remains subject to satisfactory due diligence, independent valuations, agreement and execution of definitive documents by the relevant parties, and necessary board, shareholder, ASX and Indonesian regulatory approvals and third-party consents. There can be no assurance that definitive agreements will be executed, financing secured or production achieved.



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 Board 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>

COMPANY ENQUIRIES

Justin Werner
Chairman

e:justin.werner@fareast.gold

Shane Menere
Chief Executive Officer

e:shane.menere@fareast.gold

m: + 61 406 189 672
+ 62 811 860 8378

Tim Young
**Investor Relations &
Capital Markets**

[e: tim.young@fareast.gold](mailto:e:tim.young@fareast.gold)

m: + 61 484 247 771