



Far East Gold completes oversubscribed raising

Far East Gold (FEG) Limited recently completed a AU\$5.5 million capital raising, company chairman Paul Walker announced today.

FEG was originally seeking to raise AU\$3m through the issue of 30,000,000 shares at an issue price of AU\$0.10 per share, to further advance their high-quality portfolio of highly prospective gold and copper projects in Indonesia and Australia.

Mr Walker said the success of the private placement is a positive endorsement of the quality of the company's portfolio.

"We believe the Woyla project a 24,260ha Contract of Work to be one of the most prospective undrilled projects in Indonesia as evidenced by the previous work completed by both Barrick and Newcrest," he said.

"The Trenggalek project is an advanced 29,969 ha IUP, previously explored by PT Aneka Tambang and more recently by ARC exploration in a JV with Anglo American. It is highly prospective for island arc-style epithermal and porphyry-related gold and base metal deposits.

"Previous exploration includes; 11,967 metres of drilling (80 holes) across multiple prospects, a 3,675km airborne magnetics and radiometrics survey, detailed geological mapping covering 70% of the IUP area, extensive stream sediment and soil sampling, surface geochemical analysis of over 10,500 soil samples and >5,000 rock samples, ground IP/resistivity and total spectral analysis on 2,994 outcrop and 345 float samples.

"The project contains multiple prospects with large alteration footprints which have yet to be drill tested, and are comparable in size to the high sulphidation footprint overlying the Tujuh Bukit deposit also in East Java," Mr Walker said.

"Our Wonogiri project is an advanced 1M oz sub outcropping gold rich porphyry which is still open at depth and to the east. With a combination of further metallurgical test work, drilling and geotechnical work we hope to be able to demonstrate that underground mining past the initial open pit limits may be possible. This could significantly expand the size and scale of the Wonogiri project representing the opportunity for near-term mine development and cash flow.

"Given our extensive in-country experience and track record of successful mine development we believe we have the right team to unlock the significant potential of our Indonesian portfolio," Mr Walker said.

Far East Gold's Australian assets are also highly prospective for epithermal gold and copper-gold porphyry deposits. The management team will look to build on initial scout drilling which returned promising indications for economic mineralisation of size.

"On behalf of the Board and Management of Far East Gold Ltd we would like to express our thanks to our investors for their support in this capital raise, which will allow us to further," Mr Walker said.

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