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THE STATE OF THE MARKETS

-Status of the Micro/Small Cap Energy Capital Markets

Offering Summary	
Issuer:	Far East Energy Corp
Symbol:	FEEC
Exchange:	OTCBB
Market Cap:	\$86,904,006
Shares Offered:	11,655,116
Offering Price:	0.26*
Amount Raised:	\$5,011,700

*Inferred Price Deducting Warrant Value

FAR EAST ENERGY CORPORATION COMPLETES A REGISTERED DIRECT OFFERING VALUED AT \$5 MILLION

Recent Transaction Announcement

HOUSTON, March 9 /PRNewswire-FirstCall/ -- Far East Energy Corporation (OTC Bulletin Board:FEEC.ob - News) announced today that it has entered into definitive agreements with certain institutional investors (the "Investors") to sell in a registered direct offering an aggregate of approximately 11.66 million shares of its common stock at a price of \$0.43 per share for aggregate gross proceeds of \$5.01 million.

In addition, Far East will, at closing, issue to the Investors warrants, which will become exercisable after closing for a period of 5 years and will provide the holders the right to purchase up to an additional 4.66 million shares in the aggregate at an exercise price of \$0.80 per share. If fully exercised for cash, the warrants would result in additional gross proceeds to the company of approximately \$3.73 million.

Economic Environment	
Measurement	Unit
Crude Oil	\$81.49
Natural Gas	\$4.52
12 Mo. Future Oil	\$85.20
12 Mo. Future Gas	\$6.04
Dow Jones	10,564
NASDAQ	2,341

March 9, 2010

Headquartered in Houston, Texas, Far East Energy is an independent energy company engaged in the exploration of some of the largest coalbed methane (CBM) projects in China through its agreements with ConocoPhillips and China United Coalbed Methane Company.

The following table outlines Far East Energy's stock characteristics prior to the announcement of this transaction based upon the inferred offering price:

Far East Energy Corp - Offering Price 0.26*					
Measurement	1 Day	10 Day	15 Day	20 Day	30 Day
Avg Price Previous to Transaction	\$ 0.50	\$ 0.48	\$ 0.48	\$ 0.48	\$ 0.49
Avg Daily Volume Previous to Transaction	1,305,294	278,745	224,163	200,013	196,976
Percentage Discount to the Market	48.0%	45.4%	46.0%	45.7%	46.6%

*Using Inferred Offering Price Deducting Value of Included Warrants

Below are the cumulative mean (average) and median discounts to the previous day's closing price of the issuing company in sampled day increments with the aforementioned transaction included:

CKCC Peer Running Avg % Discount to Market*					
Measurement	1 Day	10 Day	15 Day	20 Day	30 Day
Far East Energy Corp's % Discount to Market**	48.0%	45.4%	46.0%	45.7%	46.6%
Peer Transaction Mean % Discount	20.5%	20.8%	20.5%	19.7%	18.6%
Peer Transaction Median % Discount	8.5%	4.6%	6.6%	8.1%	8.2%
Far East Energy Corp's Difference to Mean	27.5%	24.7%	25.5%	26.0%	28.0%
Far East Energy Corp's Difference to Median	39.5%	40.8%	39.3%	37.6%	38.4%

*Previous Closing Price to Announced Transaction

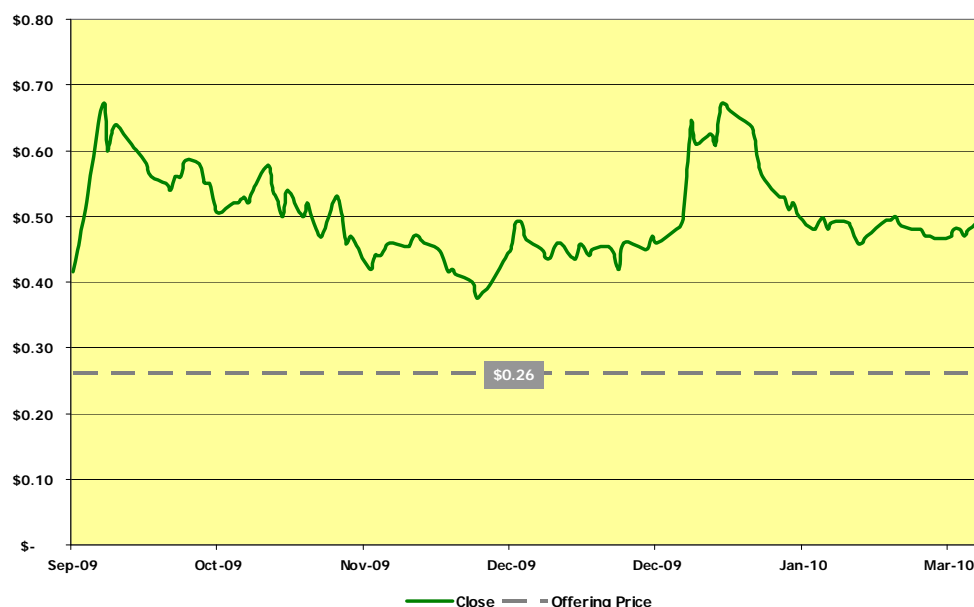
**Using Inferred Offering Price Deducting Value of Included Warrants

The table above compares the 10 most recent transactions to the recent offering completed by Far East Energy. To account for the 40% warrant coverage of warrants issued, an inferred offering price was calculated utilizing Black-Scholes. The warrants equated to a net value of \$0.17. With the unit being offered at \$0.43, the inferred offering price for the stock is \$0.26.

The Company's offering priced, on average, at a steep discount (46.3%) to the noted closing prices over a 30 day span. The offering priced on average 26.3 percentage points worse than recent peer transactions which averaged a 20.0% discount over the thirty day range. The post transaction announcement trading session (3/9/2010) closing at \$0.445 (down 11%) with the subsequent three trading days dipping to \$0.40 or 20% off the cumulative sessions to the previous day's close.

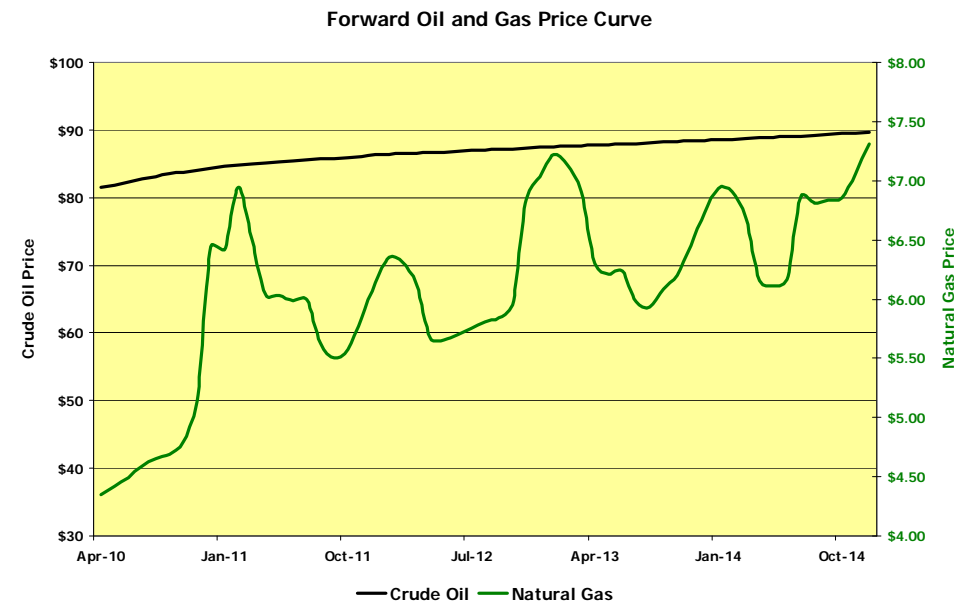
A very similar structure and thus market response compared to the preceding offerings completed by Pacific Asia Petroleum, Far East Energy found itself in a situation where it needed to tap the equity markets in order to fund continuing operations and thus may have had to accept less money at a dilutive price. Since this is essentially the same shape and form as the previous two transactions done by Pacific Asia Petroleum, we reiterate that based on transactions that fit this mold, the investors of this issue are likely more interested in the financial mechanisms of the unit rather than the inherent underlying value of the Company.

6 Month Stock Performance Chart
Stock Price vs. Offering Price



C. K. Cooper's purpose for this analysis is to provide a snapshot of the current capital markets, demonstrating the current possibilities and arena for a similar company. We track every transaction in a specific peer group, defined by the following guidelines: oil and gas focused, micro and small cap companies from \$50 million to \$1.5 billion market capitalization, domestically based, developed and/or developable tangible assets, fundamentally strong and scalable organization, and common transactions structured under agreeable terms. The 10 most current transactions used for comparative purposes are shown below.

For informative purposes, the graph charts the NYMEX oil and gas future price curve at the date of this publication:



Issuer	Symbol	Exchange	Date	\$ Raised	Offering Px	% Discount to Market				
						1 Day	10 Day	15 Day	20 Day	30 Day
Houston American Energy**	HUSA	NASDAQ	11/27/2009	\$ 13,525,200	\$ 4.68	-5.4%	-2.0%	-4.7%	-7.4%	-6.3%
U.S. Energy Corp**	USEG	NASDAQ	11/30/2009	\$ 26,250,000	\$ 5.25	11.6%	14.6%	15.6%	14.9%	14.3%
¹ Hyperdynamics Corp**	HDY	NYSE-AMEX	12/2/2009	\$ 6,500,000	\$ 0.51	48.0%	51.2%	52.2%	53.8%	57.9%
American Oil & Gas Inc. **	AEZ	NYSE-AMEX	12/18/2009	\$ 31,500,000	\$ 3.50	15.9%	4.5%	0.7%	-4.4%	-11.9%
Berry Petroleum**	BRY	NYSE	1/11/2010	\$ 234,000,000	\$ 29.25	5.3%	3.7%	3.0%	1.0%	-1.6%
Rex Energy Corp**	REXX	NASDAQ	1/12/2010	\$ 73,500,000	\$ 12.25	1.2%	4.8%	3.3%	0.6%	-6.8%
Concho Resources**	CXO	NYSE	1/25/2010	\$ 198,787,500	\$ 42.75	3.0%	3.9%	5.3%	5.5%	4.6%
Endeavour International*	END	NYSE-AMEX	2/4/2010	\$ 21,112,001	\$ 0.90	0.0%	3.7%	8.0%	10.7%	11.8%
¹ Pacific Asia Petroleum**	PAP	NYSE-AMEX	2/10/2010	\$ 20,000,000	\$ 1.89	57.5%	57.5%	56.3%	56.3%	57.4%
¹ Pacific Asia Petroleum**	PAP	NYSE-AMEX	3/2/2010	\$ 17,500,000	\$ 1.42	68.1%	65.6%	65.4%	66.0%	66.2%
¹ Far East Energy Corp**	FEEC	OTCBB	3/9/2010	\$ 5,011,700	\$ 0.26	48.0%	45.4%	46.0%	45.7%	46.6%
Mean				\$ 64,267,470		20.5%	20.8%	20.5%	19.7%	18.6%
Median				\$ 23,681,001		8.5%	4.6%	6.6%	8.1%	8.2%

*PIPE

**Public Offering

¹ Inferred Offering Price Based on Warrant Coverage