

25 February 2021

Dear Shareholder,

FIRST AU LIMITED – OPTIONS RIGHTS ISSUE

First Au Limited [ASX:FAU] (**FAU** or the **Company**) announced to ASX on 8 February 2021 that it will be conducting a non-renounceable pro-rata rights issue offer of 4 new options for every 5 shares held at the Record Date at an issue price of \$0.005 (0.5 cents) per new option to raise approximately \$2.45 million before costs (**Rights Issue**).

New options are to have an exercise price of \$0.028 (2.8 cents), expiry date of 1 July 2023 and will, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company.

The Rights Issue offer is only made to holders of ordinary shares in the Company who have a registered address in Australia or New Zealand as at 7:00pm (AEDT) on 23 February 2021 (**Record Date**) (**Eligible Shareholders**).

The Company is conducting the Rights Issue pursuant to a prospectus that the Company released to ASX on 18 February 2021 (**Prospectus**).

In the event that, following the close of the Rights Issue, a shortfall of new options remain (**Shortfall Securities**), the Directors reserve the right to place Shortfall Securities as described in the Prospectus.

The Company will use the proceeds of the Rights Issue as set out in the Prospectus released to ASX. Further details of the Rights Issue are set out in the Prospectus and Appendix 3B released to ASX.

In accordance ASX Listing Rule 7.7.1(b), FAU hereby advises that it will not be offering new options under the Rights Issue to you. You will not be receiving a copy of the Prospectus and the entitlement and acceptance form and new options under the Rights Issue will not be offered or made available to you.

If you have any questions please do not hesitate to contact the Company on +61 3 9817 0700.

Yours sincerely,



Bryan Frost
Executive Chairman, Managing Director