

13 October 2021

FAU Raises \$1.84 million from Share Placement to Fast-Track Exploration Activity at Victorian and Mabel Creek Projects, launches SPP

Highlights

- **First Au raises \$1.84m via a Placement to sophisticated and professional investors at \$0.012 per share**
- **Funds will be used to fast-track exploration at East Gippsland, Victoria Projects, with drilling planned for Dogwood and Haunted Stream**
- **Funds raised will also be allocated to commencing exploration at Mable Creek, South Australia**
- **EverBlu Capital acted as the Lead Manager**
- **The Company is also proposing to raise a further \$450,000 via a Share Purchase Plan to existing eligible shareholders**

First Au Limited (“First Au” & the “Company”) (ASX:FAU) is pleased to announce that it has received firm commitments for a share placement of 153,657,188 fully paid ordinary shares (“Placement Shares”) to unrelated sophisticated and professional investors at \$0.012 per Placement Share to raise \$1.84 million (before costs) (“Placement”).

The Placement Shares will be issued using the placement capacity available to the Company under ASX Listing Rules 7.1 and 7.1A. The \$0.012 (1.2 cents) issue price of Placement Shares is a 15.69% discount to the 15-trading day VWAP of FAU ordinary shares prior to the date of this announcement.

Every two Placement Shares are proposed to be accompanied by one free-attaching option (“Placement Option”) with the same terms as the existing quoted options (FAUOA) of the Company (\$0.02 exercise price and expiry date of 1 July 2023). The issue of the Placement Options are subject to shareholder approval.

EverBlu Capital Pty Ltd (“Everblu”) acted as the Lead Manager to the Placement.

The Company also proposes conducting a Share Purchase Plan (“SPP”) to allow existing eligible shareholders (refer below) to participate in this capital raising round. Under the SPP, eligible shareholders will each be able to apply for up to \$30,000 of new fully paid ordinary shares (“SPP Shares”) in the Company at \$0.012 per SPP Share. The SPP will seek to raise up to \$450,000 (before costs). Every two SPP Shares are proposed to be accompanied by one free-attaching option (“SPP Option”) with the same terms as the Placement Options. The issue of the SPP Options are subject to shareholder approval.

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The funds raised will fast-track exploration activities, primarily at FAU's priority projects in East Gippsland, Victoria and also the Mabel Creek Project in South Australia. In particular, funds raised are proposed to be applied towards the following:

- A diamond drilling and exploration program targeting extensions of historical high-grade workings at the Ernestine Prospect, 2,000m-2,500m. The Company has recently received approval for its Work Plan for a drilling permit and will now use the funds to progress the project to commence drilling in the first half of 2022;
- Diamond drilling program at Dogwood (East Gippsland, Victoria) 2,000m-2,500m. The Company anticipates that it will commence drilling of its Dogwood porphyry copper prospect in the first quarter of 2022;
- Initial exploration for IOCG potential at Mabel Creek: gravity survey, soil sampling, drill target generation. The Company will commence initial exploration works at Mabel Creek over the next few months; and
- General working capital requirements, including the costs of the Placement and the SPP.

First Au's Executive Chairman and Managing Director, Bryan Frost commented, *"These funds will allow exploration at our Victorian projects to accelerate progress over the next 6-12 months. In addition to the current drilling that is ongoing at Snowstorm Project in Victoria, this funding will let us move towards commencing drilling at the highly prospective Haunted Stream and Dogwood Projects early in 2022."*

Further information

Appendix 3B's for the securities under the Placement and SPP were released in conjunction with this announcement. The Placement Shares are anticipated to be issued on 18 October 2021 and an Appendix 2A will be released at the time of issue of the Placement Shares. A timetable for the issue of the SPP Shares will be contained in the SPP offer document that will be dispatched to eligible shareholders. The issue of the Placement Options and SPP Options are subject to shareholder approval.

The Company has agreed to pay a capital raising fee of 6% of funds raised by Everblu under the Placement.

Eligible shareholders under the SPP are those shareholders whose registered addresses are in Australia or New Zealand as at 7pm (AEDT) on 12 October 2021 ("Record Date"). Shareholders with a registered address outside Australia or New Zealand at the Record Date will not be eligible to participate in the SPP. If applications are received for more than the maximum under the SPP, the Company will scale back applications in accordance with the method that will be set out in the SPP offer document.

Authorised by:



Bryan Frost
Executive Chairman, Managing Director

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About First Au: First Au is an advanced gold and base metals exploration company listed on the Australian Securities Exchange (ASX: FAU), and is trading on the OTCQB market in the USA (OTCQB: FRSAF) and is pursuing a well-funded and aggressive exploration program at its 100% owned Gimlet Gold project near Kalgoorlie and Victorian Goldfields Project in East Gippsland.

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