

First Au Limited
(ASX: FAU)



ASX Announcement
30 January 2023

Sale of Mabel Creek Project to Talisman Mining Limited

First Au Limited (ASX:FAU) (**FAU** or **the Company**) is pleased to announce that it has entered into a binding tenement sale agreement (**Agreement**) to sell tenements forming the Mabel Creek Project to Talisman Mining Limited (ASX:TLM) (**TLM**) for aggregate consideration comprising \$200,000 in cash and \$100,000 of TLM fully paid ordinary shares.

A summary of the material terms of the sale of the Mabel Creek Project is set out in Annexure A.

After completing an in-depth review of its existing assets, the Company has determined that Mabel Creek is not a priority project and that divesting the project will allow FAU to focus its resources on other assets.

The Company will retain exposure to any potential upside in Mabel Creek through a shareholding in TLM, which forms part of the consideration.

The Company will release progress updates on the sale as and when available.

Released with the authority of the Board.

About First Au: First Au is a gold and base metals exploration company listed on the Australian Securities Exchange (ASX:FAU) and is trading on the OTC market in the USA (OTC: FRSAF) and is pursuing exploration programs at its Victorian Goldfields Project in East Gippsland and the Gimlet Gold project near Kalgoorlie.

Enquiries in relation to this announcement please contact:

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Annexure A
Key Terms of The Agreement

In consideration for transfer of a 100% interest in Exploration Licenses EL6619, EL6620 and EL6627, TLM will:

- i. on execution of the Agreement, pay FAU \$100,000 in cash; and
- ii. within 5 business days of obtaining the necessary approval from the South Australian Department for Energy and Mining for the transfer of the Project Tenements (the Deferred Consideration Date):
 - a. pay FAU a further \$100,000 in cash; and
 - b. issue fully paid ordinary shares in TLM to the value of \$100,000, with the quantity being determined by an issue price equal to the greater of \$0.135 per share or the 5-day volume weighted average price (VWAP) traded on the ASX during the 5-trading day period ending the business day prior to the Deferred Consideration Date (see the attached Appendix 3B).

If the necessary approvals and registration of transfers in respect of a Project Tenement are not obtained within 4 months after the execution of the Agreement, either party may terminate the Agreement in respect of that tenement. In that case, the transfer of that Project Tenement will not occur, the balance of the consideration applicable to that Project Tenement will not be paid, and one-third of the initial cash payment is refundable to Talisman.