

FIRST AU LIMITED

[ACN 000 332 918]

NOTICE OF GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

TIME: 11am (Melbourne time)

DATE: Thursday 7 November 2019

PLACE: at the offices of McBain McCartin & Co
Level 1 / 123 Whitehorse Road
Balwyn, Victoria, Australia 3135

FIRST AU LIMITED
ACN 000 332 918
NOTICE OF GENERAL MEETING

Notice is given that a General Meeting (the **Meeting**) of First AU Limited (the **Company** or **FAU**) will be held at the office of McBain McCartin & Co, Level 1, 123 Whitehorse Road, Balwyn, Victoria on Thursday 7 November 2019 at 11am (Melbourne time).

Further details in respect of each of the Resolutions proposed in this Notice of General Meeting (**Notice**) are set out in the Explanatory Memorandum (**Memorandum**) accompanying this Notice. The details of the Resolutions contained in the Memorandum should be read together with, and form part of, this Notice.

GENERAL BUSINESS

RESOLUTION 1: RATIFICATION OF A PRIOR ISSUE OF SHARES

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue of 37,100,000 fully paid ordinary shares at an issue price of \$0.025 (2.5 cents) per share to unrelated sophisticated, professional and other exempt investors, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion

The Company will disregard votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any associates of that person.

However, the Company need not disregard a vote if it is cast by:

- *a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.*

RESOLUTION 2: APPROVAL FOR ISSUE OF SHARES

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 22,900,000 fully paid ordinary shares at an issue price of \$0.025 (2.5 cents) per share to unrelated sophisticated, professional and other exempt investors, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion

The Company will disregard votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of that person.

However, the Company need not disregard a vote if it is cast by:

- *a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.*

RESOLUTION 3: APPROVAL FOR ISSUE OF OPTIONS

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 90,000,000 listed options (each with an exercise price of \$0.06 (6 cents), expiring 15 December 2020 and, upon exercise, entitling the holder to one fully paid ordinary share in the Company) to unrelated sophisticated, professional and other exempt investors, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion

The Company will disregard votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of that person.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

RESOLUTION 4A: RATIFICATION OF A PRIOR ISSUE OF SHARES

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue of 1,000,000 fully paid ordinary shares at a deemed issue price of \$0.02 (2 cents) per share to Integrated Corporate Solutions Pty Ltd, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion

The Company will disregard votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any associates of that person.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

RESOLUTION 4B: RATIFICATION OF A PRIOR ISSUE OF OPTIONS

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue of 1,000,000 listed options (each with an exercise price of \$0.06 (6 cents), expiring 15 December 2020 and, upon exercise, entitling the holder to one fully paid ordinary share in the Company) to Integrated Corporate Solutions Pty Ltd, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion

The Company will disregard votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any associates of that person.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

RESOLUTION 5: APPROVAL FOR ADOPTION OF INCENTIVE PLAN

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.2 Exception 9(b), and for all other purposes including sections 259B and 260C of the Corporations Act 2001 (Cth), approval is given for the Company to adopt an employee incentive scheme, being the First Au Employee Security Ownership Plan, as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a director of the Company (except one who is eligible to participate in any employee incentive scheme in relation to the Company) or any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Voting Prohibition

Other than as set out below, a vote on Resolution 5 must not be cast as proxy by:

- *a member of the Key Management Personnel, details of whose remuneration are included in the 2018 Remuneration Report; or*
- *a closely related party of such member,*

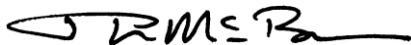
*a person described above being a **Restricted Voter**.*

A Restricted Voter may cast a vote on any or all of Resolution 5 as a proxy if either:

- *the Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or*
- *the Restricted Voter is the Chair and the written appointment of the Chair as proxy:*
 - (i) *does not specify the way the proxy is to vote on this Resolution; and*
 - (ii) *expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.*

Dated: 2 October 2019

By the order of the Board



David McBain
Company Secretary
First Au Ltd

The accompanying Memorandum and the Proxy and Voting Instructions form part of this Notice.

PROXY AND VOTING INSTRUCTIONS

Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- one proxy if the member is only entitled to one vote; and
- one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged with the Company's share registry not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy.

How the Chair will vote undirected proxies

Except where prohibited to do so, the Chair of the meeting will vote undirected proxies on, and in favour of, all of the proposed Resolutions.

If you appoint the Chair of the Meeting as your proxy (or if the Chair is appointed by default) and you do not direct the Chair how to vote on any of Resolution 5, your shares will be voted in favour of those Resolutions even they are connected directly or indirectly with the remuneration of the key management personnel of the Company, even the Chair.

Restricted Voters

Key management personnel identified in the Remuneration Report for the year ended 31 December 2018 (which formed part of the 2018 Annual Report) and their closely related parties as defined in the Corporations Act 2001 (Cth), which includes specified family members, dependents and companies they control, are "Restricted Voters".

Restricted Voters will not be able to vote undirected proxies they hold on Resolution 5, provided however that the Chair may vote undirected proxies as set out in these Proxy and Voting Instructions.

Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Corporate representatives are requested to bring appropriate evidence of appointment as a representative. Attorneys are requested to bring the original or a certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required for corporate representatives and attorneys.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at **7pm Melbourne, Victoria time on Tuesday 5 November 2019** are entitled to attend and vote at the Meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

FIRST AU LIMITED
ACN 000 332 918
(the **Company** or **FAU**)

EXTRAORDINARY GENERAL MEETING
EXPLANATORY MEMORANDUM

This Explanatory Memorandum (**Memorandum**) accompanies and forms part of the Company's Notice of General Meeting (**Notice**) for the General Meeting (**Meeting**) to be held at the office of McBain McCartin & Co, Level 1, 123 Whitehorse Road, Balwyn, Victoria on Thursday 7 November 2019 at 11am (Melbourne time). The Notice incorporates, and should be read together, with this Memorandum.

BACKGROUND TO RESOLUTIONS 1 TO 3 INCLUSIVE

On 13 August 2019, the Company announced that it had received commitments for a placement of an aggregate of 60,000,000 fully paid ordinary shares in the Company (**Placement Shares**) at an issue price of \$0.025 (2.5 cents) per Placement Share to raise \$1.5 million before costs (**Placement**).

As set out in that announcement, every two Placement Shares were to be accompanied by one free-attaching listed option (**Placement Option**), each with an exercise price of \$0.06 (6 cents), expiry date of 15 December 2020 and, upon exercise, entitling the holder to one fully paid ordinary share in the Company. Placement Options will have the same terms as, and rank equally with, the existing class of listed options of the Company.

On 11 September 2019, the Company announced that it had varied the terms of the Placement such that every two Placement Shares issued under the Placement are now to be accompanied by three free-attaching Placement Options. The other terms of the Placement remain unchanged from those previously announced.

The Placement was arranged through Peregrine Corporate Limited (**Peregrine**).

The Placement was proposed to be conducted across two tranches as follows:

- the first tranche of 37,100,000 Placement Shares were issued on 23 August 2019 without shareholder approval using the Company's existing placement capacity under ASX Listing Rule 7.1. Ratification of the prior issue of these Placement Shares is sought under Resolution 1 of the Notice; and
- the second tranche of 22,900,000 Placement Shares, the issue of which are subject to shareholder approval which is sought under Resolution 2 of the Notice.

The issue of all 90,000,000 Placement Options is subject to shareholder approval which is sought under Resolution 3 of the Notice.

All recipients and proposed recipients of Placement Shares and Placement Options are unrelated professional, sophisticated and other exempt investors who were arranged to participate in the Placement through Peregrine.

RESOLUTION 1: RATIFICATION OF A PRIOR ISSUE OF SHARES

Resolution 1 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 37,100,000 Placement Shares at an issue price of \$0.025 (2.5 cents) per Placement Share on 23 August 2019. An Appendix 3B with respect to the issue of these Placement Shares was announced to ASX on that date.

The 37,100,000 Placement Shares the subject of Resolution 1 were issued without shareholder approval under ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the share capital of the Company at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX

Listing Rule 7.1. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- (a) The total number of securities issued was 37,100,000 Placement Shares.
- (b) The price at which the Placement Shares were issued was \$0.025 (2.5 cents) each.
- (c) The Placement Shares have the same terms and rights as, and rank equally with, the Company's existing listed fully paid ordinary shares.
- (d) The Placement Shares were issued to professional, sophisticated and other exempt investors who were arranged to participate in the Placement by Peregrine. None of the recipients of the Placement Shares were related parties of the Company.
- (e) Funds raised from the issue of these Placement Shares have been, or will be, applied to fund ongoing resource and infill drilling and metallurgical test work at the Company's 100% owned Gimlet Gold Project, near Kalgoorlie in Western Australia.
- (f) A voting exclusion is contained in the Notice accompanying this Memorandum.
- (g) The Directors unanimously recommend shareholders vote in favour of this Resolution 1.

RESOLUTION 2: APPROVAL TO ISSUE SHARES

Resolution 2 seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to 22,900,000 Placement Shares at an issue price of \$0.025 (2.5 cents) per Placement Share. The Placement Shares the subject of Resolution 2 represent the second tranche of the Placement as described above.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the company's issued share capital at the commencement of that 12 month period. One circumstance where an issue is not taken into account in the calculation of the 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

ASX Listing Rule 7.3 requires that the meeting document concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must contain the following information:

- (a) The maximum number of securities to be issued under the approval sought through Resolution 2 is 22,900,000 Placement Shares.
- (b) The Company proposes issuing the Placement Shares the subject of Resolution 2 shortly after the Meeting and in any event no later than 3 months after the date of the Meeting.
- (c) The Placement Shares will be issued at an issue price of \$0.025 (2.5 cents) per Placement Share.
- (d) The Placement Shares will be issued to professional, sophisticated and other exempt investors who were arranged to participate in the Placement by Peregrine. None of the recipients of the Placement Shares will be related parties of the Company.
- (e) The Placement Shares will have the same terms and rights as, and rank equally with, the Company's existing listed fully paid ordinary shares.
- (f) Funds raised from the issue of these Placement Shares will be applied to fund ongoing resource and infill drilling and metallurgical test work at the Company's 100% owned Gimlet Gold Project, near Kalgoorlie in Western Australia.
- (g) A voting exclusion is contained in the Notice accompanying this Memorandum.

- (h) The Directors unanimously recommend shareholders vote in favour of this Resolution 2.

RESOLUTION 3: APPROVAL TO ISSUE OPTIONS

Resolution 3 seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to 90,000,000 free-attaching Placement Options (each with an exercise price of \$0.06 (6 cents), expiry date of 15 December 2020 and, upon exercise, entitling the holder to one fully paid ordinary share in the Company).

Placement Options are being issued as free-attaching to Placement Shares on the basis of three Placement Option for every two Placement Shares issued under the Placement. Placement Options will have the same terms as, and rank equally with, the existing class of listed options of the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the company's issued share capital at the commencement of that 12 month period. One circumstance where an issue is not taken into account in the calculation of the 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

ASX Listing Rule 7.3 requires that the meeting document concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must contain the following information:

- (a) The maximum number of securities to be issued under the approval sought through Resolution 3 is 90,000,000 Placement Options.
- (b) The Company proposes issuing the Placement Options the subject of Resolution 3 shortly after the Meeting and in any event no later than 3 months after the date of the Meeting.
- (c) The Placement Options will be issued to professional, sophisticated and other exempt investors who subscribed for and were issued Placement Shares under the Placement. None of the recipients of Placement Options will be related parties of the Company. The Placement Options will be issued as free-attaching to Placement Shares on the basis of three Placement Options for every two Placement Shares issued under the Placement.
- (d) The Placement Options will have the same terms and rights as, and rank equally with, the Company's existing listed options (being an exercise price of \$0.06 (6 cents), expiry date of 15 December 2020 and, upon exercise, entitling the holder to one fully paid ordinary share in the Company). Shares issued upon exercise of Placement Options (if any) will have the same terms and rights as, and rank equally with, the Company's existing listed fully paid ordinary shares.
- (e) No funds will be raised from issue of the Placement Options. Funds raised upon exercise of a Placement Option (if any) will be applied to meeting the working capital requirements of the Company at the time of exercise.
- (f) A voting exclusion is contained in the Notice accompanying this Memorandum.
- (g) The Directors unanimously recommend shareholders vote in favour of this Resolution 3.

RESOLUTION 4A: RATIFICATION OF A PRIOR ISSUE OF SHARES

Resolution 4A seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 1,000,000 fully paid ordinary shares at a deemed issue price of \$0.02 (2 cents) per share to Integrated Corporate Solutions Pty Ltd, who is not, and was not at the time of issue, a related party of the Company.

The shares the subject of Resolution 4A were issued in lieu of cash payment as consideration for advisory services relating to development and production of gold projects in Western Australia. These shares were issued on 25 March 2019 and an Appendix 3B with respect to the issue of these shares was announced to ASX on that date.

The 1,000,000 shares the subject of Resolution 4A were issued without shareholder approval under ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion

to equity, if the number of those securities exceeds 15% of the share capital of the Company at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- (a) The total number of securities issued was 1,000,000 fully paid ordinary shares in the Company.
- (b) The price at which the shares were issued at a deemed issue price of \$0.02 (2 cents) each.
- (c) The shares had the same terms and rights as, and rank equally with, the Company's existing listed fully paid ordinary shares.
- (d) The shares were issued to Integrated Corporate Solutions Pty Ltd, who is not, and was not at the time of issue, a related party of the Company.
- (e) No funds were raised from the issue of the shares. The shares were issued in lieu of cash payment as consideration for advisory services relating to development and production of gold projects in Western Australia.
- (f) A voting exclusion is contained in the Notice accompanying this Memorandum.
- (g) The Directors unanimously recommend shareholders vote in favour of this Resolution 4A.

RESOLUTION 4B: RATIFICATION OF A PRIOR ISSUE OF OPTIONS

Resolution 4B seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 1,000,000 listed options (each with an exercise price of \$0.06 (6 cents), expiry date of 15 December 2020 and, upon exercise, entitling the holder to one fully paid ordinary share in the Company) to Integrated Corporate Solutions Pty Ltd, who is not, and was not at the time of issue, a related party of the Company.

The options the subject of Resolution 4B were issued as free-attaching to shares issued in lieu of cash payment in consideration for advisory services relating to development and production of gold projects in Western Australia. Shareholder ratification for the prior issue of shares is sought under Resolution 4A.

The options were issued on 25 March 2019 and an Appendix 3B with respect to the issue of these shares was announced to ASX on that date.

The 1,000,000 options the subject of Resolution 4B were issued without shareholder approval under ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the share capital of the Company at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- (a) The total number of securities issued was 1,000,000 listed options.
- (b) The options had no issue price and were issued as free-attaching to shares on a one for one basis.

- (c) The options have the same terms and rights as, and rank equally with, the Company's existing listed options (being an exercise price of \$0.06 (6 cents), expiry date of 15 December 2020 and, upon exercise, entitling the holder to one fully paid ordinary share in the Company). Shares issued upon exercise of an option (if any) will have the same terms and rights as, and rank equally with, the Company's existing listed fully paid ordinary shares.
- (d) The options were issued to Integrated Corporate Solutions Pty Ltd, who is not, and was not at the time of issue, a related party of the Company.
- (e) No funds were raised from issue of the options. Funds raised upon exercise of an option (if any) will be applied to meeting the working capital requirements of the Company at the time of exercise.
- (f) A voting exclusion is contained in the Notice accompanying this Memorandum.
- (g) The Directors unanimously recommend shareholders vote in favour of this Resolution 4B.

RESOLUTION 5: ADOPTION OF EMPLOYEE INCENTIVE SCHEME

Resolution 5 seeks shareholder approval for adoption of an employee incentive scheme (**Plan**) to enable eligible directors (including executive and non-executive directors of the Company and its subsidiaries), officers, employees and consultants to receive shares, options to acquire shares or other securities or interests such as performance rights.

No directors or their associates can or will participate in the Plan or receive any shares, options or other securities or interests such as performance rights unless and until further shareholder approval of specific issues to them is obtained.

The terms of the Plan are summarised as Annexure A.

The objectives of the Plan are to:

- provide participants (eligible persons within the meaning of the Plan) with an additional incentive to work to improve performance of the Company;
- attract and retain eligible persons essential for the continued growth and development of the Company;
- to promote and foster loyalty and support amongst eligible persons for the benefit of the Company; and
- to enhance the relationship between the Company and eligible persons for the long-term mutual benefit of all parties.

Regulation Requirements – ASX Listing Rules Chapter 7

ASX Listing Rule 7.1 requires that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.2 Exception 9 provides an exception to ASX Listing Rule 7.1 for securities issued under an employee incentive scheme within 3 years of shareholder approval of the scheme. The Company therefore seeks approval of the Plan under ASX Listing Rule 7.2 Exception 9 so that issues of securities under the Plan does not impede the capacity of the Company to issue up to a further 15% of its capital without shareholder approval.

No securities have been issued under the Plan. The Company may in future issue additional securities pursuant to the Plan. Any issue or agreement to issue securities under the Plan will be announced to ASX.

Regulatory Requirements – ASX Listing Rules Chapter 10

ASX Listing Rule 10.14 provides an entity must not permit a director or an associate of a director to acquire securities under an employee incentive scheme, such as the Plan, without the approval of ordinary shareholders. The Company does not propose issuing any securities under the Plan to any director or their associates at this time.

No issues of securities under the Plan will be made to directors or their associates unless and until further shareholder approval for that specific issue is obtained. Any additional director (or a nominee or associate) who becomes entitled to participate in the Plan will not participate in the Plan until shareholder approval is obtained under Listing Rule 10.14.

Corporations Act

Approval is also sought through Resolution 5 for the purposes of sections 259B and 260C of the Corporations Act 2001 (Cth).

The Plan provides that the Company may provide financial assistance (in the form of an interest free, limited recourse loan) to participants to fund the acquisition price of shares issued under the Plan, further details of which are set out in summary in Annexure A. Under section 260C(4) of the Corporations Act, a company may financially assist a person to acquire shares if the financial assistance is given under an employee share scheme that is approved by shareholders at a general meeting. Resolution 5 seeks approval of the Plan for the purposes of section 260C(4) of the Corporations Act.

The Plan also provides for the Company to take security over shares issued under the Plan to secure loan repayment obligations and places restrictions on transfer and voting which may constitute taking security over its own shares. Section 259B(1) of the Corporations Act provides that a company must not take security over shares in itself except as permitted by the Corporations Act. Section 259B(2) provides that the Company may take security over shares in itself under an employee share scheme that has been approved by shareholders at a general meeting. Resolution 5 seeks approval of the Plan for the purposes of section 259B(2) of the Corporations Act.

A copy of the Plan is available for review by shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to shareholders upon request to the Company Secretary +61 3 9817 0700.

A voting exclusion statement as set out in the Notice applies to this Resolution 5.

Note: unless otherwise specified all monetary amounts are expressed in Australian dollars.

ANNEXURE A
SUMMARY OF EMPLOYEE SECURITY OWNERSHIP PLAN

The Company is seeking shareholder approval for adoption of the Employee Security Ownership Plan (“**Plan**”).

As at the date of this Notice, no securities have been offered or issued under the Plan. Any issues of securities or agreements to issue securities under the Plan will be announced to ASX.

The Plan provides for shares, options or other securities or interests (including performance rights) to be issued to eligible persons. The purpose of the Plan is to:

- (a) provide eligible persons with an additional incentive to work to improve the performance of the Company;
- (b) attract and retain eligible persons essential for the continued growth and development of the Company;
- (c) to promote and foster loyalty and support amongst eligible persons for the benefit of the Company; and
- (d) to enhance the relationship between the Company and eligible persons for the long-term mutual benefit of all parties.

Eligible persons are directors, officers and employees of, or consultants to, the Company or an associated body corporate and, in the case of consultants, may include bodies corporate. Participants in the Plan, the number, type and terms of any securities offered or issue, and the terms of any invitation, offer or issue are determined by the Board with the advice of the remuneration committee, if any.

Directors and related parties of the Company may only participate in the Plan if prior shareholder approval is obtained in accordance with the ASX Listing Rules.

Shares issued on exercise of an option or exercise or conversion of an interest issued under the Plan, and options or other interests which have been converted or cancelled or which have lapsed are not counted in determining the number of securities issued under the Plan.

The Directors may make loans to eligible persons to assist acquiring or for the purpose of acquiring securities under the Plan, subject to compliance with the Corporations Act and ASX Listing Rules.

The Board is to administer the terms of the Plan, including but not limited to determining the terms of securities issued, adoption of rules subordinate to the Plan for the administration of the Plan and the suspension or termination of the Plan.

The Plan is to be interpreted and applied in accordance with and subject to the ASX Listing Rules.



First Au Limited

ACN 000 332 918

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www.linkmarketservices.com.au



BY MAIL

First Au Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of First Au Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY



the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy



or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **11:00am (Melbourne time) on Thursday, 7 November 2019 at the offices of McBain McCartin & Co, Level 1/123 Whitehorse Road, Balwyn, Victoria 3135 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 5, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

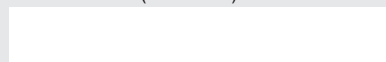
		For	Against	Abstain*			For	Against	Abstain*
1	RATIFICATION OF A PRIOR ISSUE OF SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4B	RATIFICATION OF A PRIOR ISSUE OF OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	APPROVAL FOR ISSUE OF SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5	APPROVAL FOR ADOPTION OF INCENTIVE PLAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	APPROVAL FOR ISSUE OF OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
4A	RATIFICATION OF A PRIOR ISSUE OF SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

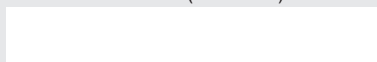
SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)



Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)



Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)



Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

FAU PRX1902C



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Melbourne time) on Tuesday, 5 November 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



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delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**