



17 July 2020

First Au Completes Due Diligence on Victorian Gold Project

First Au Limited (“FAU” or “the Company”) announced today that it has successfully completed its due diligence investigations in respect to the proposed acquisition of Victorian Goldfields Pty Ltd (“VicGold”), the owner of the Victorian Gold Project, thereby satisfying a key condition precedent. Definitive documents in respect to the acquisition have been executed with completion conditional upon various matters including the Victorian Government issuing the exploration licence for the Haunted Stream Project (refer ASX release dated 3 June 2020).

Subject to completion of the transaction, by mutual agreement with the VicGold Vendors, the recently announced Snowstorm Project (EL 5505 and PL 007319) is to be incorporated into the Victorian Gold Project portfolio and, subject to approval of variation of the Resource based Milestone conditions (v, vi & vii below) by ASX, will trigger allotments of those Milestone Shares should milestones be achieved in respect to those leases.

First Au Executive Chairman Bryan Frost commented *“We are delighted to have successfully completed our due diligence investigations in respect to VicGold and to have executed the definitive agreements for the acquisition. From FAU’s perspective it is logical to include the Snowstorm leases into the Victorian Gold Project as it aligns the interests of all parties. Snowstorm lies approximately 15 kms to the north of VicGold’s Haunted Stream Project and is known to contain Ordovician sediments, free gold and sulphide lodes in a structurally controlled environment, just like Haunted Stream”*.

Under the agreement, First Au is required to issue the Vendors 10 million shares as initial consideration upon completion. Completion is subject to certain conditions including the granting of EL 006816 (Haunted Stream Application Area), shareholder approvals for the issue of the consideration shares and conditional upon none of the other four exploration licences or applications being withdrawn or revoked by the relevant statutory authority. Up to a further seventy million shares (Milestone Shares) are to be issued to the Vendors upon satisfaction of one or more of the following conditions:

- i) Ten million shares upon FAU’s total ground exploration expenditure on the Project reaching \$500,000
- ii) Ten million shares upon the granting of exploration licence applications: EL 005422, EL 006975, EL 006976 and EL 006977
- iii) Ten million shares upon FAU’s total ground expenditure on the Project reaching \$1,000,000
- iv) Ten million shares upon FAU’s total ground expenditure on the Project reaching \$2,000,000

- v) Ten million shares upon the independently verified inferred JORC resources of at least 3.11 mt @ 1 g/t Au for 100,000 ounces of gold
- vi) Ten million shares upon the independently verified inferred JORC resources of at least 7.775 mt @ 1 g/t Au for 250,000 ounces of gold
- vii) Ten million shares upon the independently verified inferred JORC resources of at least 15.551 mt @ 1 g/t Au for 500,000 ounces of gold

If one or more of the Milestones above has not been achieved within 5 years from the Completion Date then the obligation to issue those Milestone Shares will lapse and the relevant Milestone Shares shall not form part of the consideration. Further details regarding the transaction are contained in the 3 June 2020 release to the ASX.

Authorised by:



Bryan Frost
Executive Chairman

About First Au: First Au is an advanced gold and base metals exploration company listed on the Australian Securities Exchange (ASX: FAU) and is pursuing a well-funded and aggressive exploration program at its 100% owned Gimlet Gold project near Kalgoorlie and its Talga Projects in the Eastern Pilbara region of Western Australia. First Au has recently entered into agreements to provide the Company significant exposure to prospective projects located in the eastern goldfields of Victoria.

Enquiries in relation to this announcement please contact:

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