

FIRST AU LIMITED
ACN 000 332 918
NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting (“**Meeting**”) of the shareholders of First Au Limited [ACN 000 332 918] (“**the Company**”) will be held by virtual technology on Tuesday 15 September 2020 at 11am (Melbourne time).

IMPACTS OF COVID-19 ON THE MEETING

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19, in particular in Victoria. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Board at the time of the Notice, the Company intends to conduct the Meeting virtually via Zoom.

Shareholders are strongly encouraged to vote by lodging a directed proxy appointing the Chair as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice being 11am (AEST) on Sunday 13 September 2020. Instructions for lodging proxies are included on your personalised proxy form.

Arrangements for attendance by Zoom, with the ability to ask questions, can be made by contacting David McBain, the Company Secretary, by email at dmcbain@firstau.com at least two business days before the meeting. Arrangements will be made for direct voting by way of a poll on Resolutions at the virtual Meeting by shareholders, proxies, corporate representatives and holders of powers of attorney.

In addition, the Company is happy to accept and answer questions submitted at least two business days prior to the Meeting by email to dmcbain@firstau.com. The Company reserves the right to not respond to any unreasonable and/or offensive questions at its discretion.

Because the conditions and potential restrictions and other requirements for meetings relating to COVID-19 are rapidly changing, if it becomes necessary or appropriate to make alternative arrangements to those set out in this Notice of General Meeting the Company will announce the alternative arrangements to ASX. Shareholders are encouraged to check for announcements at the ASX website www.asx.com.au, search code “FAU”.

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 Resolutions contained in the Memorandum should be read together with, and form part of, this Notice.

AGENDA

RESOLUTION 1: RATIFICATION OF PRIOR ISSUE OF SHARES

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue of 74,700,000 fully paid ordinary shares at an issue price of \$0.01 (1 cent) per share to unrelated sophisticated and professional investors as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion Statement

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

However, this does not apply to a vote cast in favour of this Resolution by:

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or*
- *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*

- *a holder acting solely as nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

RESOLUTION 2A: APPROVAL FOR ISSUE OF SHARES – VICGOLD VENDORS

To consider and, if thought fit, to 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 an aggregate of 20,000,000 fully paid ordinary shares to the vendors of Victorian Goldfields Pty Ltd (and/or their respective nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement for Resolution 2A is set out below.

RESOLUTION 2B: APPROVAL FOR ISSUE OF MILESTONE ONE SHARES – VICGOLD VENDORS

To consider and, if thought fit, to 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 an aggregate of 25,000,000 fully paid ordinary shares to the vendors of Victorian Goldfields Pty Ltd (and/or their respective nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement for Resolution 2B is set out below.

RESOLUTION 2C: APPROVAL FOR ISSUE OF MILESTONE TWO SHARES – VICGOLD VENDORS

To consider and, if thought fit, to 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 an aggregate of 5,000,000 fully paid ordinary shares to the vendors of Victorian Goldfields Pty Ltd (and/or their respective nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement for Resolution 2C is set out below.

RESOLUTION 2D: APPROVAL FOR ISSUE OF MILESTONE THREE SHARES – VICGOLD VENDORS

To consider and, if thought fit, to 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 an aggregate of 10,000,000 fully paid ordinary shares to the vendors of Victorian Goldfields Pty Ltd (and/or their respective nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement for Resolution 2D is set out below.

RESOLUTION 2E: APPROVAL FOR ISSUE OF MILESTONE FOUR SHARES – VICGOLD VENDORS

To consider and, if thought fit, to 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 an aggregate of 10,000,000 fully paid ordinary shares to the vendors of Victorian Goldfields Pty Ltd

(and/or their respective nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement for Resolution 2E is set out below.

RESOLUTION 2F: APPROVAL FOR ISSUE OF MILESTONE FIVE SHARES – VICGOLD VENDORS

To consider and, if thought fit, to 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 an aggregate of 10,000,000 fully paid ordinary shares to the vendors of Victorian Goldfields Pty Ltd (and/or their respective nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement for Resolution 2F is set out below.

Voting Exclusion Statement – Resolutions 2A to 2F

The Company will disregard any votes cast in favour of Resolutions 2A to 2F respectively 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 Company) under Resolutions 2A to 2F respectively and any of their associates.

However, this does not apply to a vote cast in favour of Resolutions 2A to 2F respectively by:

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or*
- *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely as nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

RESOLUTION 3A: APPROVAL FOR ISSUE OF OPTIONS – BRYAN FROST

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

“That, for the purposes of ASX Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, approval is given for the Company to issue an aggregate of 11,000,000 options to Bryan Frost (and/or his nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement and proxy voting prohibition for Resolution 3A is set out below.

RESOLUTION 3B: APPROVAL FOR ISSUE OF OPTIONS – RICHARD REVELINS

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

“That, for the purposes of ASX Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, approval is given for the Company to issue an aggregate of 6,000,000 options to Richard Revelins (and/or his nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement and proxy voting prohibition for Resolution 3B is set out below.

RESOLUTION 3C: APPROVAL FOR ISSUE OF OPTIONS – MICHAEL QUINERT

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

“That, for the purposes of ASX Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, approval is given for the Company to issue an aggregate of 6,000,000 options to Michael Quinert (and/or his nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement and proxy voting prohibition for Resolution 3C is set out below.

RESOLUTION 3D: APPROVAL FOR ISSUE OF OPTIONS – DAMON O’MEARA

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

“That, for the purposes of ASX Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, approval is given for the Company to issue an aggregate of 3,000,000 options to Damon O’Meara (and/or his nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

A voting exclusion statement and proxy voting prohibition for Resolution 3D is set out below.

Voting Exclusion Statement – Resolutions 3A to 3D

The Company will disregard any votes cast in favour of Resolutions 3A to 3D respectively by or on behalf of the person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) under Resolutions 3A to 3D respectively and any of their associates.

However, this does not apply to a vote cast in favour of Resolutions 3A to 3D respectively by:

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or*
- *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely as nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Voting Prohibition – Resolutions 3A to 3D

*Other than as set out below, a vote on Resolutions 3A to 3D respectively must not be cast as proxy by a member of the key management personnel of the Company, details of whose remuneration are included in the 2020 Remuneration Report or a closely related party of such member (**Restricted Voter**).*

A Restricted Voter may cast a vote on Resolutions 3A to 3D respectively 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:*
 - *does not specify the way the proxy is to vote on this resolution; and*
 - *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.*

RESOLUTION 4: APPROVAL FOR ISSUE OF OPTIONS – DAVID MCBAIN

To consider and, if thought fit, to 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 3,000,000 options to David McBain (and/or his nominee(s)) as described in the Memorandum which accompanied and formed part of this Notice.”

Voting Exclusion Statement – Resolutions 4

The Company will disregard any votes cast in favour of Resolution 4 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 Company) and any of their associates.

However, this does not apply to a vote cast in favour of Resolution 4 respectively by:

- *a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or*
- *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or*
- *a holder acting solely as nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
 - *the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

OTHER BUSINESS

To consider any other business that may be brought before the Meeting in accordance with the Constitution of the Company and the Corporations Act.

By the order of the Board



Bryan Frost
Executive Chairman & Managing Director

Dated: 10 August 2020

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

PROXY AND VOTING INSTRUCTIONS

<p>Proxy Instructions</p> <p>A member who is entitled to vote at a meeting may appoint:</p> <ul style="list-style-type: none">• 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. <p>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.</p> <p>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.</p> <p>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.</p>	<p>The proxy may, but need not, be a member of the Company.</p> <p>A proxy form is attached to this Notice.</p> <p>If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy.</p> <p>Corporate Representatives</p> <p>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.</p> <p>Voting Entitlement</p> <p>For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 11am (Melbourne time) on 13 September 2020 are entitled to attend and vote at the virtual meeting. Further details are set out on the front cover of the Notice.</p> <p>On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.</p> <p>How the Chair Will Vote Undirected Proxies</p> <p>Subject to any restrictions set out in the Notice, the Chair of the Meeting will vote undirected proxies in favour of all of the proposed Resolutions.</p>
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**FIRST AU LIMITED
ACN 000 332 918
("the Company")
GENERAL MEETING
EXPLANATORY MEMORANDUM**

This Memorandum has been prepared for the information of members of First Au Limited (ACN 000 332 918) (the "**Company**") in connection with the business to be conducted at a General Meeting ("**Meeting**") of Shareholders of the Company to be held by virtual technology on Tuesday 15 September 2020 at 11am (Melbourne time).

Please refer to the note on the front cover of the Notice of General Meeting regarding COVID-19 related restrictions, lodging proxies and/or attending the Meeting by Zoom.

Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions set out therein to vote before the Meeting.

This Memorandum should be read in conjunction with, and forms part of, the accompanying Notice.

ORDINARY BUSINESS

Background to Resolution 1

On 11 June 2020, the Company announced that it had successfully received commitments to raise up to \$747,000 before costs via a share placement to existing and new sophisticated and professional investors of 74,700,000 fully paid ordinary FAU shares (**Placement Shares**) at \$0.01 (1 cent) per Placement Share (**Placement**).

The Placement Shares were issued on 12 June 2020 and the Company released an Appendix 2A to ASX on that date. 44,818,000 of the Placement Shares were issued under the placement capacity available to the Company under ASX Listing Rule 7.1 and 29,882,000 of the Placement Shares were issued under the placement capacity available to the Company under ASX Listing Rule 7.1A.

As set out in the announcement released to ASX on 11 June 2020, the recipients of Placement Shares comprised unrelated sophisticated and professional investors who are clients of stockbroking firms who supported the Company's activities or who the Company has identified as part of its investor relations program.

The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of the 74,700,000 Placement Shares under Resolution 1.

Background to Resolutions 2A to 2F

On 3 June 2020, the Company announced that it had entered into a binding terms sheet (**Terms Sheet**) to acquire 80% of the issued capital of Victorian Goldfields Pty Ltd [ACN 632 935 052] (**VicGold**) from the shareholders of VicGold (**VicGold Vendors**). VicGold holds (either itself or via a subsidiary) applications making up the Victorian Goldfields Project (**Project**). The Company may acquire the remaining 20% of the issued capital of VicGold pursuant to an option that may be exercised upon a decision to mine at the Project.

The acquisition by the Company of 80% of the issued capital of VicGold, with an option in respect of the remaining 20% of the issued capital of VicGold, is referred to herein as the **Transaction**. Further details of the Transaction and the Project are set out in the announcement released to ASX on 3 June 2020.

On 17 July 2020, the Company announced that it had completed due diligence in respects of the Transaction and entered into formal documentation with the VicGold Vendors. A summary of the formal share sale agreement is set out in Annexure A.

Following consultation with ASX, the Company has agreed with the VicGold Vendors to vary the milestones to be achieved for the issue of the Milestone Share (defined below) component of the aggregate consideration under the Transaction.

The aggregate consideration payable by the Company to the VicGold Vendors under the Transaction comprises:

- \$75,000 as reimbursement for expenditure incurred by the VicGold Vendors in connection with the lodgement and prosecution of the applications forming the Project;
- 20,000,000 fully paid ordinary shares at a deemed issue price of \$0.01 (1 cent) per share upon completion of the Transaction (**Consideration Shares**), which are the subject of Resolution 2A;
- 25,000,000 fully paid ordinary shares, to be issued upon the grant of exploration licenses in respect of all of applications EL 006975, EL 006976 and EL 006977 on or before the date that is five (5) years from completion of the Transaction (**Milestone One Shares**), which are the subject of Resolution 2B;
- 5,000,000 fully paid ordinary shares, to be issued upon the grant of an exploration license in respect of application EL 005422 on or before the date that is five (5) years from completion of the Transaction (**Milestone Two Shares**), which are the subject of Resolution 2C;
- 10,000,000 fully paid ordinary shares, to be issued upon the delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 3.110Mt at a grade not less than a minimum of 1 g/t for at least 100,000 ounces of gold on the Project on or before the date that is five (5) years from completion of the Transaction (**Milestone Three Shares**), which are the subject of Resolution 2D;
- 10,000,000 fully paid ordinary shares, to be issued upon the delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 7.775Mt at a grade not less than a minimum of 1 g/t for at least 250,000 ounces of gold on the Project on or before the date that is five (5) years from completion of the Transaction (**Milestone Four Shares**), which are the subject of Resolution 2E; and
- 10,000,000 fully paid ordinary shares, to be issued upon the delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 15.551Mt at a grade not less than a minimum of 1 g/t for at least 500,000 ounces of gold on the Project on or before the date that is five (5) years from completion of the Transaction (**Milestone Five Shares**), which are the subject of Resolution 2F.

The five respective tranches of shares to be issued upon satisfaction of respective milestones as set out above are described collectively as **Milestone Shares** in this Memorandum. The Company is seeking shareholder approval for the issue of the Consideration Shares and Milestone Shares under Resolutions 2A to 2F.

The issue of the Consideration Shares and Milestone Shares is not subject to shareholder approval. If shareholders do not approve Resolutions 2A to 2F (or any of them), the Company may seek to issue the relevant securities using its existing placement capacity under ASX Listing Rule 7.1 at the time of issue.

The Company has applied for and been granted waiver from ASX Listing Rule 7.3.4 with respect to the timing of issue of the Consideration Shares and Milestone Shares. ASX has also confirmed that the milestones to be achieved for the issue of the Milestone Shares are appropriate and equitable in accordance with ASX Listing Rule 6.1. Full details of the waiver and confirmation provided by ASX are set out on pages 12 and 13.

Impact of the Transaction on the capital structure of FAU

The below table shows the impact of the issue of the Consideration Shares only on the capital structure of FAU (all percentages rounded to 2 decimal places):

	Number	% of total
Existing ordinary shares	401,524,637	95.26%
Consideration Shares	20,000,000	4.74%
Total	421,524,637	100%

The below table shows the impact of the issue of the Consideration Shares and all of the tranches of Milestone Shares in aggregate on the capital structure of FAU (all percentages rounded to 2 decimal places):

	Number	% of total
Existing ordinary shares	401,524,637	83.39%
Consideration Shares	20,000,000	4.15%
Milestone Shares	60,000,000	12.46%
Total	481,524,637	100%
Total VicGold Vendors' interest	80,000,000	16.61%

If some, but not all, of the Milestone Shares are issued then the percentage interest of the VicGold Vendors in the shares of the Company will be between the percentages set out in the above tables.

Additional information – VicGold Vendors

As set out in the announcement on 3 June 2020, the Company proposes appointing Dr Gavin England, as nominee of VicGold, as a Director on and from completion of the Transaction. GL England Pty Ltd (**GL England**), an entity associated with Dr England, is a VicGold Vendor that holds 25% of the issued capital of VicGold and accordingly GL England and/or its nominee(s) will receive 25% of the Consideration Shares and Milestone Shares issued by the Company.

As also set out in the announcements on 3 June 2020, the Company has appointed Mr Ian Neilson as a consultant. Mylonite Pty Ltd (**Mylonite**), an entity associated with Mr Neilson, is a VicGold Vendor that holds 50% of the issued capital of VicGold and accordingly Mylonite and/or its nominee(s) will receive 50% of the Consideration Shares and Milestone Shares issued by the Company.

Further details are set out below.

Resolution 1 – Ratification of prior issue of shares

Resolution 1 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 74,700,000 Placement Shares at an issue price of \$0.01 (1 cent) per Placement Share to unrelated sophisticated and professional investors who are clients of stockbroking firms who supported the Company's activities or who the Company has identified as part of its investor relations program, raising \$747,000 before costs.

The Placement Shares were issued on 12 June 2020 and an Appendix 2A was released to ASX on that date. The Placement Shares were issued without shareholder approval under ASX Listing Rules 7.1 and 7.1A.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions including ASX Listing Rule 7.1A, 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. The Company obtained shareholder approval under ASX Listing Rule 7.1A to issue equity securities under the additional 10% placement capacity at its Annual General Meeting on 28 May 2020.

44,818,000 of the Placement Shares were issued under the placement capacity available to the Company under ASX Listing Rule 7.1 and 29,882,000 of the Placement Shares were issued under the placement capacity available to the Company under ASX Listing Rule 7.1A.

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

If shareholders pass Resolution 1, the issued Placement Shares will be treated as not having used placement capacity of the Company under the ASX Listing Rules and the Company will be able to issue equity securities using the refreshed placement capacity without shareholder approval. If shareholders do not pass Resolution 1 the Placement Shares will continue to use the placement capacity that is available to the Company under the ASX Listing Rules.

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

- The Placement Shares were issued to unrelated sophisticated and professional investors who are clients of stockbroking firms who supported the Company's activities or who the Company has identified as part of its investor relations program.
- The total number of securities issued was 74,700,000 fully paid ordinary shares (**Placement Shares**).
- Placement Shares have the same terms and rights as, and will rank equally with, the Company's other fully paid ordinary shares.
- Placement Shares were issued on 12 June 2020 and an Appendix 2A was released to ASX on that date.
- \$747,000 before costs was raised from the issue of the Placement Shares. Funds raised have been, or will be, predominantly applied towards further exploration work at the Company's flagship Gimlet Gold Project near Kalgoorlie, costs associated with the proposed acquisition of an 80% interest in VicGold and for general working capital purposes.
- A voting exclusion for Resolution 1 is contained in the Notice accompanying this Memorandum.

Director recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 1.

Resolutions 2A to 2F – Approval for issue of Consideration Shares and Milestone Shares

Resolutions 2A to 2F seek shareholder approvals for the purposes of ASX Listing Rule 7.1 to issue the Consideration Shares and Milestone Shares to the VicGold Vendors as consideration for the Transaction. Further details of the Transaction and the Project are set out in the announcement released to ASX on 3 June 2020.

The number of shares and milestone for the issue of such shares is set out in the table below:

#	Definition	Number of shares	To be issued upon
2A	Consideration Shares	20,000,000	Completion of the Transaction.
2B	Milestone One Shares	25,000,000	The grant of exploration licences in respect of all of applications EL 006976, EL 006977 and EL 5422 on or before the date that is five (5) years from completion of the Transaction.
2C	Milestone Two Shares	5,000,000	The grant of an exploration license in respect of application and EL 5422 on or before the date that is five (5) years from completion of the Transaction.
2D	Milestone Three Shares	10,000,000	The delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 3.110Mt at a grade not less than a minimum of 1 g/t for at least 100,000 ounces of gold on the Project on or before the date that is five (5) years from completion of the Transaction.
2E	Milestone Four Shares	10,000,000	The delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 7.775Mt at a grade not less than a minimum of 1 g/t for at least 250,000 ounces of gold on the Project on or before the date that is five (5) years from completion of the Transaction.
2F	Milestone Five Shares	10,000,000	The delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 15.551Mt at a grade not less than a minimum of 1 g/t for at least 500,000 ounces of gold on the Project on or before the date that is five (5) years from completion of the Transaction.
	Total	80,000,000	-

The Consideration Shares are to be issued at a deemed issue price of \$0.01 (1 cent) per share. The Consideration Shares and Milestone Shares are proposed to be issued to the VicGold Vendors as consideration for the acquisition of 80% of the issued capital of VicGold, with the option in respect of the remaining 20% of the issued capital of VicGold, in accordance with the terms of the Transaction.

A summary of the sale agreement entered into with the VicGold Vendors is set out in Annexure A.

Further details with respect to the milestones applicable for the issue of the Milestone Shares are set out throughout this Memorandum and notably on pages 8 and 11.

For the avoidance of doubt, the issue of the Consideration Shares and Milestone Shares is not subject to shareholder approval. If shareholders do not approve Resolutions 2A to 2F (or any of them), the Company may

seek to issue the relevant securities using its existing placement capacity under ASX Listing Rule 7.1 at the time of issue.

The Company notes that:

- Gavin England and GL England are related parties of the Company. GL England holds 25% of the issued capital of VicGold and accordingly GL England and/or its nominee(s) will receive 25% of the Consideration Shares and Milestone Shares issued by the Company. Further details of the relationship between the Company and Dr England and GL England is set out below; and
- Ian Neilson is a consultant to the Company and Mylonite is a corporate entity associated with him. Mylonite holds 50% of the issued capital of VicGold and accordingly Mylonite and/or its nominee(s) will receive 50% of the Consideration Shares and Milestone Shares issued by the Company.

Waiver of ASX Listing Rule 7.3.4 and confirmation of ASX Listing Rule 6.1

The Company has sought and obtained a waiver from ASX of ASX Listing Rule 7.3.4 to allow the shareholder approval for the issue of the Consideration Shares and Milestone Share to apply for longer than three months after the date of the Meeting and in any event in accordance with the timeframes as set out below:

- **Consideration Shares:** to be issued upon the earlier of EL 006816 being granted or 12 months from the date of the Meeting;
- **Milestone One Shares:** to be issued upon the earlier of the grant of exploration licenses in respect of all of applications EL 006976, EL 006977 and EL 5422 or the date that is five (5) years from completion of the Transaction;
- **Milestone Two Shares:** to be issued upon the earlier of the grant of an exploration license in respect of application EL 005422 or the date that is five (5) years from completion of the Transaction;
- **Milestone Three Shares:** to be issued upon the earlier of delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 3.110Mt at a grade not less than a minimum of 1 g/t for at least 100,000 ounces of gold on the Project or the date that is five (5) years from completion of the Transaction;
- **Milestone Three Shares:** to be issued upon the earlier of delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 7.775Mt at a grade not less than a minimum of 1 g/t for at least 250,000 ounces of gold on the Project or the date that is five (5) years from completion of the Transaction; and
- **Milestone Five Shares:** to be issued upon the earlier of delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 15.551Mt at a grade not less than a minimum of 1 g/t for at least 500,000 ounces of gold on the Project or the date that is five (5) years from completion of the Transaction.

In addition, ASX confirmed that the milestones to be achieved for the issue of the Milestone Shares are appropriate and equitable in accordance with ASX Listing Rule 6.1.

As conditions of the grant of the waiver, the Company must, in addition to inclusion of specific matters set out in this Notice and accompanying Memorandum, ensure that:

- For any annual reporting period during which any of the Consideration Shares and Milestone Shares have been issued, the Company's annual report sets out in detail the number of Consideration Shares and Milestone Shares issued in that annual reporting period; and
- In any half year or quarterly report for a period during which any of the Consideration Shares and Milestone Shares have been issued, the Company must include a summary statement of the number of Consideration Shares and Milestone Shares issued during the reporting period.

ASX Listing Rule 10.12 Exception 12 and Chapter 2E of the Corporations Act

As noted above, GL England, an entity associated with Dr England who is proposed to be appointed as a Director on and from Completion and therefore a related party of the Company, holds 25% of the issued capital of VicGold and accordingly is proposed to receive (either itself or via its nominee(s)) 25% of the Consideration Shares and Milestone Shares (if any) issued by the Company under the Transaction.

Having regard to the above, the Company believes or has reasonable grounds to believe that Dr England will become a director of the Company in future and accordingly Dr England and GL England are considered to be related parties of the Company under the ASX Listing Rules and the section 228(6) of the Corporations Act.

The proposed issue of Consideration Shares and Milestone Shares (if any) to GL England (and/or its nominee(s)) is within ASX Listing Rule 10.12 Exception 12 on the basis that the issue is under a transaction between the Company and Dr England who would not otherwise be a related party but for the fact they believe, or have reasonable ground to believe, they are likely to become a related party in future because of the transaction. As shareholder approval is not required for the purposes of Chapter 10 of the ASX Listing Rules the Company seeks shareholder approval to issue the Consideration Shares and Milestone Shares to GL England (and/or its nominee(s)) as part of the aggregate approvals sought under Resolution 2A to 2F.

With respect to the Corporations Act, section 208 provides that, subject to certain exceptions, a public company must not give a financial benefit to a related party without the approval of the company's members (shareholders). The issue of the Consideration Shares and Milestone Shares (if any) to GL England and/or its nominee(s) constitutes the giving of a financial benefit under section 229.

Section 210 of the Corporations Act provides an exception to the requirement to obtain shareholder approval for the giving of a financial benefit to a related party where the benefit is given on terms that would be reasonable if the company and the related party were dealing on arms' length or on terms less favourable to the related party than terms that would be reasonable if the company and the related party were dealing on arms' length terms.

The Directors have formed the view that the terms of the Transaction are reasonable or less favourable to GL England than terms that would be reasonable in circumstances if the Company and GL England were dealing on arms' length terms. The Directors have formed this view having regard to the following:

- (a) Dr England and GL England are not related to the Company or any Directors other than by application of section 228(6) of the Corporations Act which arose solely due to VicGold nominating Dr England to join the Board of the Company as a Director on and from completion of the Transaction.
- (b) The parties were free from any undue influence, control or pressure and each has had the opportunity to seek and obtain independent advice with respect to the Transaction.
- (c) The terms of the Transaction are a result of arms' length, robust negotiations between the Company and VicGold.
- (d) Dr England has not been, and will not prior to completion of the Transaction be, involved in any Board meetings of the Company.
- (e) Dr England, although being a 25% shareholder and director of VicGold, does not control VicGold.
- (f) GL England (and/or its nominee(s)) is receiving Consideration Shares and Milestone Shares (if any) in the same proportions and on the same terms as the other VicGold Vendors, all of whom are unrelated to the Company.

Having regard to the above, the existing Directors of the Company consider that the issue of Consideration Shares and Milestone Shares to GL England (and/or its nominee(s)) is reasonable and on terms that would be (and in this case have been) offered to parties at arms' length from the Company having regard to the purpose of the issue and falls within the exception set out in section 210 of the Corporations Act.

ASX Listing Rules 7.1 and 7.3

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

If shareholders approve Resolutions 2A to 2F, the Company will be able to issue the Consideration Shares and Milestone Shares without using its available placement capacity under ASX Listing Rule 7.1. The issue of the Consideration Shares and Milestone Shares will also increase the Company's capacity to issue equity securities under ASX Listing Rule 7.1 (and, subject to the relevant shareholder approval being held at the time, ASX Listing Rule 7.1A). If shareholders do not pass Resolution 2A to 2F then the Company may issue the Consideration Shares and Milestone Shares using its available placement capacity under ASX Listing Rule 7.1 at the time of issue.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3 in respect of Resolutions 2A to 2F:

- Consideration Shares and Milestone Shares will be issued to the VicGold Vendors.
- The maximum number of securities to be issued under Resolutions 2A to 2F is an aggregate of 80,000,000 fully paid ordinary shares subject to the occurrence of specific events as set out in the table below:

#	Definition	Number of shares	To be issued upon
2A	Consideration Shares	20,000,000	Completion of the Transaction.
2B	Milestone One Shares	25,000,000	The grant of exploration licences in respect of all of applications EL 006976, EL 006977 and EL 5422 on or before the date that is five (5) years from completion of the Transaction.
2C	Milestone Two Shares	5,000,000	The grant of an exploration license in respect of application and EL 5422 on or before the date that is five (5) years from completion of the Transaction.
2D	Milestone Three Shares	10,000,000	The delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 3.110Mt at a grade not less than a minimum of 1 g/t for at least 100,000 ounces of gold on the Project on or before the date that is five (5) years from completion of the Transaction.
2E	Milestone Four Shares	10,000,000	The delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 7.775Mt at a grade not less than a minimum of 1 g/t for at least 250,000 ounces of gold on the Project on or before the date that is five (5) years from completion of the Transaction.
2F	Milestone Five Shares	10,000,000	The delineation by the Company on the Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of 15.551Mt at a grade not less than a minimum of 1 g/t for at least 500,000 ounces of gold on the Project on or before

			the date that is five (5) years from completion of the Transaction.
	Total	80,000,000	-

As noted above, GL England, an entity associated with Dr England who is proposed to be appointed as a Director on and from Completion and therefore a related party of the Company, holds 25% of the issued capital of VicGold and accordingly is proposed to receive (either itself or via its nominee(s)) 25% of the Consideration Shares and Milestone Shares (if any) issued by the Company under the Transaction. Further details are set out above.

- Consideration Shares and Milestone Shares will have the same terms and rights as, and will rank equally with, the Company's other fully paid ordinary shares.
- The Company has sought and obtained a waiver from ASX of ASX Listing Rule 7.3.4 to allow the Consideration Shares and Milestone Shares to be issued more than three months after the date of the Meeting. Full details including relevant timeframes are set out in pages 12 and 13.
- The Consideration Shares are being issued at a deemed issue price of \$0.01 (1 cent) each upon completion of the Transaction. The Milestone Shares do not have a deemed issue price and will only be issued upon satisfaction of the applicable milestone on or before the date that is five (5) years from completion of the Transaction.
- No funds will be raised from the issue of Consideration Shares and Milestone Shares. The Consideration Shares and Milestone Shares (if any) are being issued to the VicGold Vendors as consideration under the terms of the Transaction.
- The Consideration Shares and Milestone Shares (if any) are to be issued under the share sale agreement which is summarised in Annexure A.
- A voting exclusion for Resolutions 2A to 2F is contained in the Notice accompanying this Memorandum.

Director recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolutions 2A to 2F.

Resolutions 3A to 3D – Approval for the issue of options

Resolutions 3A and 3D seek shareholder approval for the issue of aggregate of 26,000,000 unlisted options to related parties of the Company (and/or their nominee(s)) as set out below. The options will vest in four separate tranches with various exercise prices, all options expire 3 years from the issue date.

The proposed recipient, number of unlisted options they are to receive, exercise price and vesting details of the options are set out in the table below:

#	RECIPIENT*	Exercise: 0.03 Vest: 18 months from the issue date	Exercise: 0.03 Vest: 24 months from the issue date	Exercise: 0.035 Vest: 30 months from the issue date	Exercise: 0.035 Vest: 30 days prior to the expiry date	TOTAL
3A	Bryan Frost	2,750,000	2,750,000	2,750,000	2,750,000	11,000,000
3B	Richard Revelins	1,500,000	1,500,000	1,500,000	1,500,000	6,000,000
3C	Michael Quinert	1,500,000	1,500,000	1,500,000	1,500,000	6,000,000
3D	Damon O'Meara	750,000	750,000	750,000	750,000	3,000,000
TOTAL		6,500,000	6,500,000	6,500,000	6,500,000	26,000,000

**options may be issued to nominee(s) as advised to the Company*

The full terms of the options other than the exercise price, vesting conditions and expiry date are set out in Annexure B.

ASX Listing Rules

ASX Listing Rule 10.11 requires a company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the company. For the purpose of Listing Rule 10.11, a related party includes a director of the company, an entity over which a Director has control and an entity which ASX believes, or has reasonable grounds to believe, is likely to become a related party of the company in the future.

Shareholder approval is being sought under Listing Rule 10.11 for each of Resolutions 3A to 3D inclusive and as such approval is not required under ASX Listing Rule 7.1.

If shareholders pass Resolutions 3A to 3D inclusive the Company will be able to issue the options the subject of Resolutions 3A to 3D. If the options the subject of Resolutions 3A to 3D convert to ordinary shares, the Company's capacity to issue equity securities under ASX Listing Rule 7.1 (and, subject to the relevant shareholder approval being held at the time, ASX Listing Rule 7.1A) will be increased.

If shareholders do not pass any of Resolutions 3A to 3D then the Company will not be able to issue the options the subject of Resolutions 3A to 3D. If shareholders only pass some, but not all, of Resolutions 3A to 3D then the Company will only be able to issue those options for which shareholder approval is obtained.

ASX Listing Rule 10.13 requires the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 10.11 must include specific information which is set out below with respect to Resolutions 3A to 3D:

- The proposed recipients, number of unlisted options they are to receive, exercise price and vesting dates of the options are set out in the table above.
- Each of the proposed recipients are Directors of the Company and are therefore related parties for the purposes of ASX Listing Rule 10.11.1.
- The exercise price and vesting dates of the options are as set out in the table above, all options expire three years from the issue date. The options otherwise have terms as set out in Annexure B.

- The Company intends to issue the options shortly following the Meeting and in any case within one month of the date of the Meeting.
- No funds will be raised from the issue of the options. Funds raised upon exercise of the options (if any) will be used to meet the working capital requirements of the Company at the time of exercise.
- Details of the remuneration package of each of Bryan Frost, Richard Revelins, Michael Quinert and Damon O'Meara are as set out below:
 - (i) Bryan Frost: \$20,833 per month for acting as Executive Chairman and Managing Director of the Company.
 - (ii) Richard Revelins: \$13,333 per month for acting as an Executive Director and consultant to the Company.
 - (iii) Michael Quinert: \$3,333 per month for acting as Non-Executive Director of the Company.
 - (iv) Damon O'Meara: \$3,333 per month for acting as Non-Executive Director of the Company.
- A voting exclusion for Resolutions 3A to 3D is contained in the Notice.

Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a "financial benefit" to a "related party" unless one of the exceptions to the section apply or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Each of the proposed recipients of the options under Resolutions 3A to 3D inclusive are related parties of the Company as defined under the Corporations Act.

Section 211 of the Corporations Act provides that one of the exceptions to the requirement to obtain shareholder approval for giving a financial benefit to a related party is where the benefit is given to the related party as an officer of the Company and to give the remuneration would be reasonable given:

- (a) the circumstances of the Company; and
- (b) the related party's circumstances (including the responsibilities involved in the office or employment).

The Company considers the proposed issue is reasonable remuneration and, as such, fall within the exception set out in section 211 of the Corporations Act.

In reaching this view, the Company has considered the respective positions and responsibilities of each of the Directors, the Company's reliance on a limited number of personnel, the need for the Company to effectively incentivise each of the Directors while aligning the incentive with increasing shareholder value, the desirability of preserving cash resources within the Company, and the terms of the options. The Company considers that the issue of the options is an effective tool which preserves the cash reserves of the Company whilst providing valuable consideration for the Directors.

Notwithstanding the above, and although no Director participated in the decision making process in respect of options proposed to be issued to them, the Directors acknowledge that Resolutions 3A to 3D separately relate to each of them. Accordingly, Directors propose that Resolutions 3A to 3D each also be put to shareholders for the purposes of section 195(4) of the Corporations Act such that shareholders determine whether the named related parties will be issued the options as set out in the table on page 16 of this Memorandum.

If Resolutions 3A to 3D are passed and the options, the related parties noted in the table on page 16 of this Memorandum will be issued the options set out in the table on page 16 of this Memorandum.

Director recommendation

As Resolutions 3A to 3D relate to the issue of options to each of the Directors separately, the Directors do not make any recommendation with respect to resolutions 3A to 3D.

Resolution 4 – Approval for issue of options

Resolution 4 seeks approval for the purposes of ASX Listing Rule 7.1 for the issue of up to 3,000,000 options to David McBain, the Company's secretary (and/or his nominee(s)). The options will vest in four separate tranches with various exercise prices as set out in the table below. All options expire three years from the issue date.

#	RECIPIENT*	Exercise: 0.03 Vest: 18 months from the issue date	Exercise: 0.03 Vest: 24 months from the issue date	Exercise: 0.035 Vest: 30 months from the issue date	Exercise: 0.035 Vest: 30 days prior to the expiry date	TOTAL
4	David McBain	750,000	750,000	750,000	750,000	3,000,000

**options may be issued to nominee(s) as advised to the Company*

The full terms of the options other than the exercise price, vesting conditions and expiry date are set out in Annexure B.

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

If shareholders approve Resolution 4, the Company will be able to issue the options the subject of Resolution 4 without using its existing placement capacity under ASX Listing Rule 7.1. If the options the subject of resolution 4 convert to ordinary shares, the Company's capacity to issue equity securities under ASX Listing Rule 7.1 (and, subject to the relevant shareholder approval being held at the time, ASX Listing Rule 7.1A) will be increased. If shareholders do not pass Resolution 4, the Company may still issue the options the subject of Resolution 4 however such issue will use the placement capacity available to the Company under ASX Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- The securities the subject of Resolution 4 are to be issued to Mr David McBain (and/or his nominee(s)) who is not related parties of the Company.
- The maximum number of securities to be issued under the approval sought under Resolution 4 is 3,000,000 options. The options vest in four separate tranches of with various exercise prices as set out in the table above, all with an expiry dates 3 years from the issue date.
- The exercise price, vesting conditions of the options are as set out in the table above, all options expire 3 years from the issue date. The options otherwise have terms as set out in Annexure B.
- The Company intends to issue the options shortly following the Meeting and in any event no later than three months after the date of the Meeting.
- No amount is payable for the issue of options.
- No funds will be raised from the issue of the options the subject of Resolution 4. Funds raised upon the exercise of options (if any) will be applied to meet working capital requirements of the Company at the time of exercise.
- A voting exclusion for Resolution 4 is contained in the Notice accompanying this Memorandum.

Director recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 4.

Note: references in the Notice and the Memorandum to "\$" are to Australian currency.

**ANNEXURE A
SUMMARY OF SHARE SALE AGREEMENT**

FAU has entered a binding share sale agreement with the VicGold Vendors, Mr Ian Neilson, VicGold and Jacquian Pty Ltd (a subsidiary of Vic Gold) on 17 July 2020, which replaced the Terms Sheet. A summary of the key commercial terms of the share sale agreement is set out below:

1. Consideration

FAU has agreed to acquire 80% of the issued share capital of VicGold. The consideration for the acquisition is payable as follows:

- a) 20,000,000 FAU shares at a deemed price of 1 cent per share issued on completion of the proposed transaction (i.e. on satisfaction of the conditions precedents refer 2. below) ("**Completion**");
- b) Up to a further 60,000,000 Milestone Shares issued on the terms set out in the Explanatory Memorandum.
- c) In addition, FAU shall pay the Vendors at completion the total sum of \$75,000 representing an agreement payment by FAU in recognition of expenditures incurred and efforts undertaken in connection with the Project.

2. Conditions

Completion of the acquisition is conditional upon each of the following being satisfied or waived by FAU by 31 December 2020 or such other date as agreed between the parties (note this summary below omits conditions which are already satisfied):

- i) The granting of the EL 006816 (Haunted Stream application area) and that none of the other four exploration licenses or applications outlined are withdrawn or revoked by the relevant statutory authority prior to Completion.
- ii) Any required regulatory consent including shareholder approvals for the issue of the Consideration Shares and the Milestone Shares (being the approvals to be sought at the Meeting).
- iii) No material adverse event prior to Completion.
- iv) FAU obtaining certain confirmations from Jacquian Pty Ltd, Mr Neilson and certain VicGold Vendors in relation to the application made in respect of EL 006816.

3. Remaining 20%

Upon a Decision to Mine being made, FAU has the right to acquire all the remaining shares in VicGold (being the remaining 20%) at fair market value.

4. Minimum Expenditure

Following Completion FAU must spend a minimum of \$500,000 on exploration activities in respect of EL 006816 within 12 months of Completion. FAU must spend a minimum of a further \$1,000,000 in exploration on the Project within 24 months of Completion. The failure to meet these requirements will result in an obligation for FAU to transfer the shares held by it in VicGold to the VicGold Vendors for nominal consideration.

Otherwise, the agreement contains terms which are similar to like agreements including warranties and indemnities, rights of first refusal in respect of the VicGold Vendors remaining VicGold shares, provisions in relation to default and confidentiality.

ANNEXURE B
TERMS OF OPTIONS

Options have exercise prices and expiry dates as set out in the tables on pages 15 to 17 of the Memorandum and otherwise have terms set out below:

- Each option (**Option**) entitles the holder to acquire one ordinary fully paid share (**Share**) in the capital of the Company.
- The exercise price is a price to exercise each Option as set out in the Memorandum to which these terms are Annexed.
- The vesting conditions applicable to the Options are set out in the Memorandum to which these terms are Annexed. Any unvested Options will lapse if, prior to vesting, the Holder (or in the case of a nominee Holder the individual who nominated the Holder) ceases to be an employee, consultant, director or officer of the Company (**eligible person**) (other than retirement as a director by rotation in accordance with the ASX Listing Rules and Corporations Act 2001 (Cth)).
- If the Holder (or in the case of a nominee Holder the individual who nominated the Holder) ceases to be an eligible person, vested options will be subject to clause 11 of the Company's Employee Share Plan (as if those terms were incorporated into these the Option terms).
- The options are not transferred, assigned or otherwise dealt with except under the above bullet point or in accordance with clause 10 of the Company's Employee Share Option Plan (and those terms are hereby incorporated into these Option terms).
- The Options expire at 5pm (Melbourne time) on the date which is three years from the issue date. The Options, once vested, can be exercised by completing an option exercise form and delivering it together with the payment for the number of Shares in respect of which the options are exercised to the Company's share registry.
- Any Option that has not been exercised prior to the expiry date automatically lapses.
- Holders shall not be entitled to exercise their Options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- The exercise price is payable in full on exercise.
- Where an Option holder determines to exercise some, but not all, of their held Options, the total aggregate amount payable to exercise the Options must be a minimum of \$1,000.
- All Shares issued upon exercise of Options will rank pari passu in all respects with, and will have the same terms as, the Company's then issued ordinary fully paid shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of Options, subject to any restriction obligations imposed by ASX. The Options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant Options.
- There are no participation rights or entitlements inherent in the Options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the Option. The Company will send notices to option holders at least five (5) business days prior to the record date (or such shorter period as allowed by the ASX Listing Rules) applying to offers of securities made to shareholders during the currency of the Options.
- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry date, the number of Options or the exercise price of the options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.

- Shares issued upon the exercise of Options will be fully paid ordinary shares and will have the same voting and other rights as the existing shares of the Company.

IMPACT OF COVID-19

At the date of the Notice, due to restrictions as a result of COVID-19, the Company will not be convening the Meeting physically. While the situation remains volatile and uncertain, based on the information available to the Board at the time of the Notice, the Company intends to conduct the Meeting virtually as set out in the Notice. Please see the accompanying Notice for more information including how to register to attend the Meeting.

LODGE YOUR VOTE



ONLINE

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

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **11:00am (AEST) on Sunday, 13 September 2020**, 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. **Shareholders are strongly encouraged to lodge their directed proxies appointing the Chair as early as possible and in any event prior to the cut-off of proxy voting as set out in the Notice (being 11:00am, 13 September 2020).**

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).

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 Resolutions are 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:

- 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
- 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.

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 (AEST) on Tuesday, 15 September 2020 virtually by Zoom (the Meeting)** and at any postponement or adjournment of the Meeting. **Please refer to the Notice for details as to how to register to attend the virtual meeting.**

Important for Resolutions 3A, 3B, 3C and 3D: 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 Resolutions 3A, 3B, 3C and 3D, even though the Resolutions are 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 Prior Issue Of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3B Approval For Issue Of Options – Richard Revelins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2A Approval For Issue Of Shares – VicGold Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3C Approval For Issue Of Options – Michael Quinert	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2B Approval For Issue Of Milestone One Shares – VicGold Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3D Approval For Issue Of Options – Damon O'Meara	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2C Approval For Issue Of Milestone Two Shares – VicGold Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4 Approval For Issue Of Options – David McBain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2D Approval For Issue Of Milestone Three Shares – VicGold Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
2E Approval For Issue Of Milestone Four Shares – VicGold Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
2F Approval For Issue Of Milestone Five Shares – VicGold Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3A Approval For Issue Of Options – Bryan Frost	<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).