

First Au Limited
(ASX: FAU)



22 October 2021

Dear Shareholder,

GENERAL MEETING – COVID-19 ARRANGEMENTS

First Au Limited (“the Company”) advises that a General Meeting of the shareholders of the Company is scheduled to be held by technology on 1 December 2021 at 12:00pm (AEDT) (“the Meeting”).

In accordance with the temporary modifications to the Corporations Act under the Treasury Laws Amendment (2021 Measures No.1) Bill, hard copies of the Notice of the Meeting are not being mailed to shareholders. The Notice of the Meeting can be viewed, accessed and downloaded at <https://www.firstau.com/investors/> or via the following direct link to the ASX announcements platform of the Company: <https://www2.asx.com.au/markets/trade-our-cash-market/announcements.fau>

Shareholders are strongly encouraged to vote by lodging a directed proxy appointing the Chairman before 12:00pm (AEDT) on Monday, 29 November 2021. A personalised proxy form is enclosed. Proxies can be lodged in accordance with the instructions in the personalised proxy form enclosed with this letter.

Arrangements for attendance by Zoom, with the ability to vote on and poll and ask questions, can be made by contacting the Company by email to info@firstau.com before the Meeting. Arrangements will be made for direct voting by shareholders, proxies, corporate representatives and 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 info@firstau.com.

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 www2.asx.com.au, search code “FAU”.

The Company thanks shareholders for their ongoing support.

Bryan Frost
Executive Chairman & Managing Director

First Au Limited ACN 000 332 918

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FIRST AU LIMITED
ACN 000 332 918
NOTICE OF GENERAL MEETING

Notice is hereby given that the 2021 General Meeting (“**Meeting**”) of the shareholders of First Au Limited [ACN 000 332 918] (“**the Company**”) will be held by virtual technology on 1 December 2021 at 12:00pm (AEDT).

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. 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 being 12:00pm (AEDT) on 29 November 2021. 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 the Company by email at info@firstau.com at least two business days before the meeting. Arrangements will be made for direct voting by way of a poll on the 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 info@firstau.com.

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, the Company will announce the alternative arrangements to ASX. Shareholders are encouraged to check for announcements at the ASX website www2.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 1A: RATIFICATION OF A 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 153,657,186 fully paid ordinary shares at an issue price of \$0.012 (1.2 cents) 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 Resolution 1A by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved and any of their associates.

However, this does not apply to a vote cast in favour of Resolution 1A 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 1B: APPROVAL TO ISSUE OPTIONS

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, shareholders approve the issue of 76,828,593 options (each with an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company) 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 Resolution 1B 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 1B 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 2: APPROVAL TO ISSUE OPTIONS – EVERBLU CAPITAL PTY LTD

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, shareholders approve the issue of 35,000,000 options (each with an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company) to EverBlu Capital Pty Ltd (and/or its nominee(s)) 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 Resolution 2 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 2 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 3: APPROVAL TO ISSUE OPTIONS

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, shareholders approve the issue of up to 18,750,000 options (each with an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company) to participants in the proposed Share Purchase Plan of the Company 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 Resolution 3 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 3 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: 22 October 2021

The accompanying Proxy Instructions and Memorandum 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 Chairman of the Meeting as your proxy.

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 Chairman of the Meeting) a natural person to act as its representative at any general meeting.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 7:00pm (AEDT) on 29 November 2021 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.

How the Chairman Will Vote Undirected Proxies

Subject to the restrictions as set out in the Notice, the Chairman of the Meeting will vote undirected proxies in favour of all of the proposed Resolutions.

**FIRST AU LIMITED
ACN 000 332 918
NOTICE OF 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 the 2021 General Meeting ("**Meeting**") of Shareholders of the Company to be held by virtual technology on 1 December 2021 at 12:00pm (AEDT).

Please refer to the note on the front cover of the Notice 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.

BUSINESS

BACKGROUND TO RESOLUTIONS 1A TO 3

Placement

As announced on 13 October 2021, the Company received firm commitments for a placement of 153,657,186 fully paid ordinary shares (**Placement Shares**) at an issue price of \$0.012 (1.2 cents) per Placement Share to raise approximately \$1.84 million before costs (**Placement**). The Placement Shares were issued on 18 October 2021 and an Appendix 2A was released to ASX on 19 October 2021.

Every two Placement Shares are proposed to be accompanied by one free-attaching option (**Placement Option**) with the same terms as the existing quoted options (FAUOA) of the Company, being an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and, upon exercise, entitling the holder to one fully paid ordinary share in the capital of the Company. The issue of the Placement Options is subject to shareholder approval.

The participants in the Placement are unrelated sophisticated and professional investors who were identified by the Company or who were clients of, or identified by, EverBlu Capital Pty Ltd (**EverBlu**), who acted as the Lead Manager of the Placement. The Company agreed to pay a fee of 6% of funds raised by EverBlu and issue EverBlu (and/or its nominee(s)) 35,000,000 options (**Broker Options**) with the same terms as the Placement Options for EverBlu acting as lead manager of the Placement. The issue of Broker Options is subject to shareholder approval.

The full terms of the Placement Options and Broker Options are set out in Annexure A.

Share Purchase Plan

As also announced on 13 October 2021, the Company proposes conducting a Share Purchase Plan (**SPP**) to shareholders whose registered addresses were in Australia or New Zealand as at 7pm (AEDT) on 12 October 2021 to each apply for up to \$30,000 of new fully paid ordinary shares (**SPP Shares**) at an issue price of \$0.012 (1.2 cents) per SPP Share to raise up to \$450,000 (maximum 37,500,000 SPP Shares) before costs.

Every two SPP Shares are proposed to be accompanied by one free-attaching option (**SPP Option**) with the same terms as the Placement Options. The issue of the SPP Options is subject to shareholder approval. Further details of the SPP will be contained in a prospectus of the Company. Full terms of the SPP Options are set out in Annexure A.

Use of funds

Funds raised are proposed to be applied towards the following:

- a diamond drilling and exploration program targeting extensions of historical high-grade workings at the Ernestine Prospect;

- diamond drilling program at Dogwood;
- Initial exploration for IOCG potential at Mabel Creek: gravity survey, soil sampling, drill target generation; and
- general working capital requirements including the costs of the Placement and SPP.

Resolutions

The Company seeks shareholder approval for the following Resolutions:

- Resolution 1A: The Company seeks shareholder approval for the purposes of Listing Rule 7.4 for the ratification of the prior issue of 153,657,186 Placement Shares on 18 October 2021.
- Resolution 1B: The Company seeks shareholder approval for the purposes of Listing Rule 7.1 to issue 76,828,593 free-attaching Placement Options to the Placement Shares issued on 18 October 2021.
- Resolution 2: The Company seeks shareholder approval for the purposes of Listing Rule 7.1 to issue 35,000,000 Broker Options to EverBlu (and/or its nominee(s)) as part of the fee payable by the Company to EverBlu for acting as the lead manager of the Placement.
- Resolution 3: The Company seeks shareholder approval for the purposes of Listing Rule 7.1 to issue up to 18,750,000 free-attaching SPP Options to the SPP Shares to be issued by the Company under the SPP. As the SPP is yet to be completed, the number of SPP Shares and therefore SPP Options is not yet known. It is proposed that the SPP will be undertaken between the dates of the Notice and the Meeting.

RESOLUTION 1A – RATIFICATION OF A PRIOR ISSUE OF SHARES

Resolution 1A seeks shareholder approval for the purposes of Listing Rule 7.4 to ratify the prior issue of 153,657,186 Placement Shares at \$0.012 (1.2 cents) per Placement Share to unrelated sophisticated and professional investors who were identified by the Company or who were clients of, or identified by, EverBlu Capital Pty Ltd. The Placement Shares were issued on 18 October 2021 and an Appendix 2A was released to ASX on 19 October 2021.

The Placement Shares were issued without shareholder approval under Listing Rules 7.1 and 7.1A. Of the 182,000,000 Placement Shares, 92,194,311 of the Placement Shares were issued under the placement capacity available to the Company under Listing Rule 7.1 and 61,462,875 of the Placement Shares were issued under the placement capacity available to the Company under Listing Rule 7.1A.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions including 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 2021.

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 Listing Rule 7.1 and/or Listing Rule 7.1A (provided the previous issue did not breach Listing Rule 7.1 and/or 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 Listing Rule 7.1 and/or Listing Rule 7.1A. 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 and/or Listing Rule 7.1A.

If shareholders pass Resolution 1A, the Placement Shares will be treated as not having used the placement capacity of the Company under the 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 1A the Placement Shares will continue to use the placement capacity that is available to the Company under the Listing Rules.

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

- Placement Shares were issued to unrelated sophisticated and professional investors who were identified by the Company or were clients of, or identified by, EverBlu Capital Pty Ltd.
- The total number of securities issued was 153,657,186 fully paid ordinary shares (Placement Shares).
- The Placement Shares were issued at \$0.012 (1.2 cents) per Placement Share.
- 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 18 October 2021 and an Appendix 2A was released to ASX on 19 October 2021.
- \$1.84 million before costs was raised from the issue of the Placement Shares. Funds raised will be applied towards a diamond drilling and exploration program targeting extensions of historical high-grade workings at the Ernestine Prospect, diamond drilling program at Dogwood, Initial exploration for IOCG potential at Mabel Creek: gravity survey, soil sampling, drill target generation, and for general working capital requirements including the costs of the Placement and SPP.
- A voting exclusion for Resolution 1A is contained in the Notice accompanying this Memorandum.

Director recommendation

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

RESOLUTION 1B – APPROVAL TO ISSUE OPTIONS

Resolution 1B seeks shareholder approval for the purposes of Listing Rule 7.1 for the issue of 76,828,593 Placement Options to participants in the Placement on the basis of one Placement Option for every two Placement Shares issued on 18 October 2021).

Placement Options have the same terms as the existing quoted options (FAUOA) of the Company, being an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company. The full terms of Placement Options are set out in Annexure A.

The issue of the Placement Options is subject to shareholder approval.

Subject to meeting the requirement of ASX, the Company proposes seeking quotation (listing) of Placement Options.

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 1B, the Company will be able to issue the Placement Options. In addition, if the Placement Options are exercised into ordinary shares, the placement capacity of the Company to issue equity securities under Listing Rule 7.1 and, subject to the relevant shareholder approval being held at the time, Listing Rule 7.1A, will be increased. If shareholders do not approve Resolution 1B then the Placement Options will not be issued.

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

- The securities the subject of Resolution 1B are to be issued to participants in the Placement on the basis of one Placement Option for every two Placement Shares issued. The participants in the Placement were unrelated sophisticated and professional investors who were identified by the Company or were clients of, or identified by, EverBlu.

- 76,828,593 Placement Options are proposed to be issued under Resolution 1B.
- Placement Options have the same terms as the existing quoted options (FAUOA) of the Company, being an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company. The full terms of Placement Options are set out in Annexure A.
- The Company intends to issue the Placement 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 the Placement Options, which are being issued on the basis of one Placement Option for every two Placement Shares issued.
- No funds will be raised from the issue of the Placement Options the subject of Resolution 1B, which are being issued as free-attaching to Placement Shares as described above. Funds raised upon the exercise of Placement Options (if any) are anticipated to be used for meeting the working capital requirements of the Company at the time of exercise.
- A voting exclusion for Resolution 1B is contained in the Notice.

Director recommendation

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

RESOLUTION 2 – APPROVAL TO ISSUE OPTIONS – EVERBLU CAPITAL PTY LTD

Resolution 2 seeks shareholder approval for the purposes of Listing Rule 7.1 for the issue of 35,000,000 Broker Options to EverBlu Capital Pty Ltd (**EverBlu**) (and/or its nominee(s)), as part of the fee payable by the Company to EverBlu for acting as the lead manager of the Placement.

Broker Options have the same terms as the existing quoted options (FAUOA) of the Company, being an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company. The full terms of the Broker Options are set out in Annexure A.

The issue of the Broker Options is subject to receipt of shareholder approval.

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 2, the Company will be able to issue all of the Broker Options. In addition, if any of the Broker Options are exercised into ordinary shares, the placement capacity of the Company to issue equity securities under Listing Rule 7.1 and, subject to the relevant shareholder approval being held at the time, Listing Rule 7.1A, will be increased. If shareholders do not approve Resolution 2, then the Broker Options will not be able to be issued by the Company.

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

- The securities the subject of Resolution 2 are to be issued to EverBlu Capital Pty Ltd (and/or its nominee(s)).
- 35,000,000 Broker Options are proposed to be issued under Resolution 2.
- Broker Options have the same terms as the existing quoted options (FAUOA) of the Company, being an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company. The full terms of Broker Options are set out in Annexure A.

- The Company intends to issue the Broker 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 the Broker Options, which are being issued as part of the fee payable by the Company to EverBlu for acting as the lead manager of the Placement.
- No funds will be raised from the issue of the Broker Options, which are being issued as part of the fee payable by the Company to EverBlu for acting as the lead manager of the Placement. Funds raised upon the exercise of Broker Options (if any) are anticipated to be used for meeting the working capital requirements of the Company at the time of exercise.
- A voting exclusion for Resolution 2 is contained in the Notice.

Director recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 2.

RESOLUTION 3 – APPROVAL TO ISSUE OPTIONS

Resolution 3 seeks shareholder approval for the purposes of Listing Rule 7.1 for the issue of up to 18,750,000 SPP Options to eligible shareholders who participate in the SPP on the basis of one SPP Option for every two SPP Shares issued.

Shareholders who are eligible to participate in the SPP are those shareholders whose registered addresses are in Australia or New Zealand as at 7pm (AEDT) on 12 October 2021.

As the SPP is yet to be completed, the number of SPP Shares and therefore SPP Options is not yet known. It is proposed that the SPP will be undertaken between the dates of the Notice and the Meeting.

SPP Options have the same terms as the existing quoted options (FAUOA) of the Company, being an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company. The full terms of SPP Options are set out in Annexure A.

The issue of SPP Options is subject to shareholder approval.

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 3, the Company will be able to issue the SPP Options. In addition, if the SPP Options are exercised into ordinary shares, the placement capacity of the Company to issue equity securities under Listing Rule 7.1 and, subject to the relevant shareholder approval being held at the time, Listing Rule 7.1A, will be increased. If shareholders do not approve Resolution 3 then the SPP Options will not be issued.

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

- The securities the subject of Resolution 3 are to be issued to eligible shareholders who participate in the SPP on the basis of one free-attaching SPP Option for every two SPP Shares issued. Shareholders who are eligible to participate in the SPP are those shareholders whose registered addresses are in Australia or New Zealand as at 7pm (AEDT) on 12 October 2021.
- A maximum of 18,750,000 SPP Options are proposed to be issued under Resolution 3 if the maximum amount of \$450,000 is raised under the SPP (maximum of 37,500,000 SPP Shares). The actual number of SPP Options will be determined at completion of the SPP, with it being proposed that the SPP will be undertaken between the dates of the Notice and the Meeting.

- SPP Options have the same terms as the existing quoted options (FAUOA) of the Company, being an exercise price of \$0.02 (2 cents), expiry date of 1 July 2023 and which, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company. The full terms of SPP Options are set out in Annexure A.
- The Company intends to issue the SPP Options the subject of Resolution 3 shortly following the Meeting at or about completion of the SPP and in any event no later than three months after the date of the Meeting.
- No amount is payable for the issue of the SPP Options, which are being issued on the basis of one SPP Option for every two SPP Shares to be issued under the SPP.
- No funds will be raised from the issue of the SPP Options the subject of Resolution 3, which are being issued as free-attaching to SPP Shares as described above. Funds raised upon the exercise of SPP Options (if any) are anticipated to be used for meeting the working capital requirements of the Company at the time of exercise.
- A voting exclusion for Resolution 3 is contained in the Notice.

Director recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 3.

**ANNEXURE A
TERMS OF OPTIONS**

Note: Placement Options, Broker Options and SPP Options are referred to as "Options" in this Annexure A

The Options have the following terms:

- (a) Each Option entitles the holder to acquire one fully paid ordinary share (**Share**) in the capital of the Company. The Company proposes applying for official quotation (listing) of the Options.
- (b) The exercise price is \$0.02 (2 cents) (**Exercise Price**) per Option.
- (c) Each Option is exercisable at any time prior to 5:00pm Melbourne time on 1 July 2023 (**Expiry Date**).
- (d) Options may be exercised by providing written notice together with payment for the number of Shares in respect of which Options are exercised to the registered office of the Company.
- (e) Any Option that has not been exercised prior to the Expiry Date or cancelled in accordance with these terms shall automatically lapse.
- (f) An Option shall not be able to be exercised (and the Company will not be required to issue Shares upon such exercise) if it would be unlawful to do so.
- (g) The Exercise Price is payable in full upon exercise of Options.
- (h) 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.
- (i) All Shares issued upon exercise of Options will rank pari passu in all respect with, and have the same terms as, the Company's then issued fully paid ordinary 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 and the Company being listed on ASX at the relevant time. The Options will not give any right to participate in dividends until shares are issued pursuant to the terms of the relevant Options.
- (j) There are no participation rights or entitlements inherent in the Options. Option holders are not entitled to participate in new issues of securities offers to shareholders without first exercising the Option. Prior to the Expiry Date and if required by the Listing Rules, the Company will send notices to option holders in accordance with the time limits required by the Listing Rules in respect of offers of securities made to shareholders.
- (k) 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 Listing Rules applying to a reorganisation of capital at the time of the reconstruction.
- (l) Options will otherwise have the terms as required by ASX and the Listing Rules.

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
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: 1300 306 276 Overseas: +61 1300 306 276

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 and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name
Email

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 **12:00pm (AEDT) on Wednesday, 1 December 2021 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.**

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*
1a Ratification of a prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1b Approval to issue options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to issue options – Everblu Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

i * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf 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) <input type="text"/>	Joint Shareholder 2 (Individual) <input type="text"/>	Joint Shareholder 3 (Individual) <input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	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).



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.

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 virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of General 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 **12:00pm (AEDT) on Monday, 29 November 2021**, 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).



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

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions