

31 October 2022

## **Quarterly Activities Report for the 3 Months Ended 30 September 2022**

### **Highlights**

- **Dogwood assay results for two holes received with both intersecting broad zones of disseminated copper mineralisation <sup>1</sup>**
- **Dogwood hole 1 intersected extensive copper mineralisation from 41m, extending over 70m downhole <sup>1</sup>**
- **Hole 3 intersected extensive copper mineralisation from 180m, extending 32m downhole <sup>1</sup>**
- **FAU plans to examine the economic potential of Snowstorm through bulk sampling of underground material**
- **Face sampling of underground workings at Haunted Stream has returned assays up to 135 g/t Au<sup>2</sup>**
- **Placement raised \$900,000 (before costs) from professional, sophisticated, and institutional investors**
- **Talga Joint Venture and Farm-in Agreement between FAU and Octava Minerals Limited commenced with all conditions precedent of the agreement satisfied**

### **Review of Operations**

#### **Victoria Gold & Base Metals Projects**

Over the September Quarter FAU continued to make progress at its Victorian Gold (“VicGold”) project. The Company announced the initial assay results of a maiden diamond drilling program at Dogwood, producing encouraging results. Rock chip sample results from Haunted Stream and Snowstorm were announced, continuing to demonstrate the potential of the region. The Company also continued to make progress with its underground rehabilitation program at Haunted Stream to allow for future drilling, and also make progress with its permitting and approvals for proposed bulk sampling at the Snowstorm project.

#### ***Dogwood Project***

On 24 August 2022, FAU announced the assay results of its maiden drilling program of the Dogwood porphyry copper gold project. The initial assay results from two holes have highlighted broad zones of copper and gold mineralisation with a maximum Cu grade of > 0.8% and Au of 5.62 g/t<sup>1</sup>.

Hole 1 (DGWDDH001) (Figure 1) and hole 3 (DGWDDH003) (Figure 2) delivered highly encouraging results and demonstrate the prospectivity of the Dogwood project. Hole 1 intersected a 72.7m zone

of broadly disseminated Cu mineralisation of from 41m to 113.7m<sup>1</sup>, and Hole 3 intersected a 32m zone of broadly disseminated Cu mineralisation from 180.1m to 212.1m<sup>2</sup>. In addition to the broad zones of Cu mineralisation, drilling also intersected high-grade results of 0.5m @ 0.807% Cu from 100.7m in hole 1 and 0.3m @ 0.262% Cu, 5.62 g/t Au and 9.3 g/t Ag from 210.8m in hole 3<sup>1</sup>.

These initial results indicate that the Dogwood Porphyry Copper project has significant mineralisation potential consistent with a large hydrothermal system.



Figure 1: Porphyry intersected in DGWDDH001 from 88.9m to 110m displaying disseminated, fly-speck and veined chalcocite mineralisation.

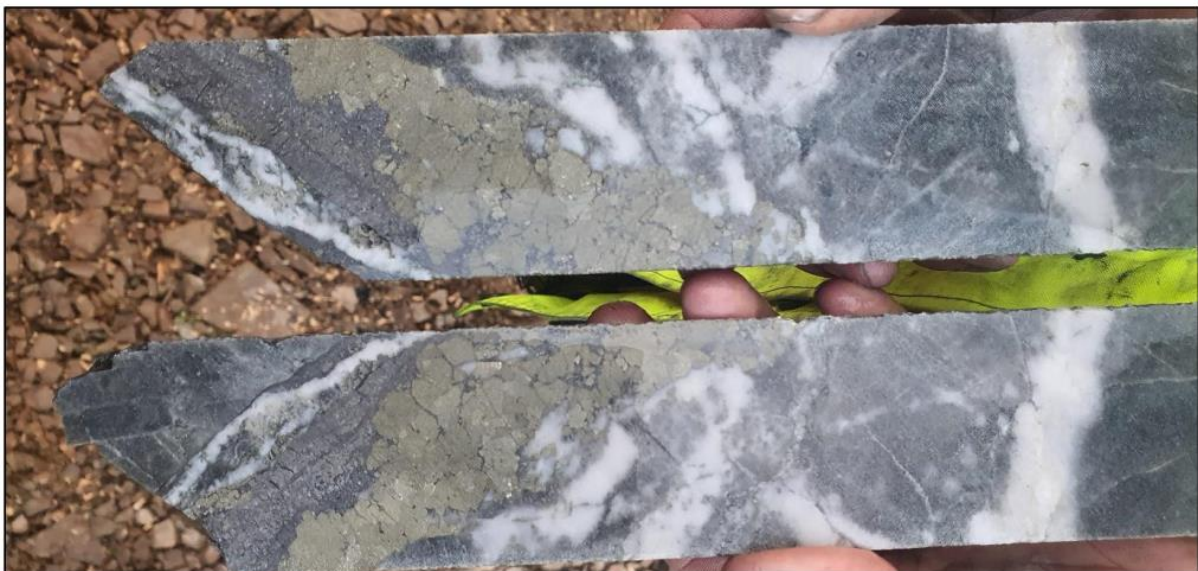


Figure 2: DGWDDH003 intersection @ 210.8m showing chalcopyrite veins overprinting arsenopyrite and quartz-carbonate veins recorded 5.62 g/t Au.

The drill logging has identified that the copper mineralisation envelope dips to the south, typically hosted in a porphyritic unit and occurs within sediments comprising quartz-rich wackes, shales, silts, conglomerate and appears to be associated with a unique suite of flow-banded rhyolite volcanics not previously recognised in the area.

The significance and presence of both conglomerates, felsic volcanics and porphyritic units and association with copper is more akin to other Silurian basins within the district rather than the older Ordovician Pinnak Sandstone sequence that Dogwood is currently associated with.

FAU's maiden drilling at the Dogwood project has introduced a new suite of geological units that have not been mapped in this region previously. Further work is required to establish the relevance, relationship and timing of these units within the district.

The results of further assays are pending.

### ***Haunted Stream Project***

On 18 July 2022, FAU announced results from a focussed face-sampling and surface sampling program in conjunction with structural mapping across underground development at Haunted Stream to refine its drill targets.

Face samples from the Ernestine and Lone Hand underground drives and open pits have yielded gold assays up to 135g/t Au<sup>2</sup> from Screen Fire Assaying. These high-grade face samples are highly encouraging in supporting the pursuit of testing the depth potential of the system down plunge and beyond the historic shallow mining depths (~100m depth). In addition to this, sampling also produced assays up to 19 g/t Au<sup>2</sup>. The locations of samples from Lone Hand are plotted on the survey plan above (Figure 3).

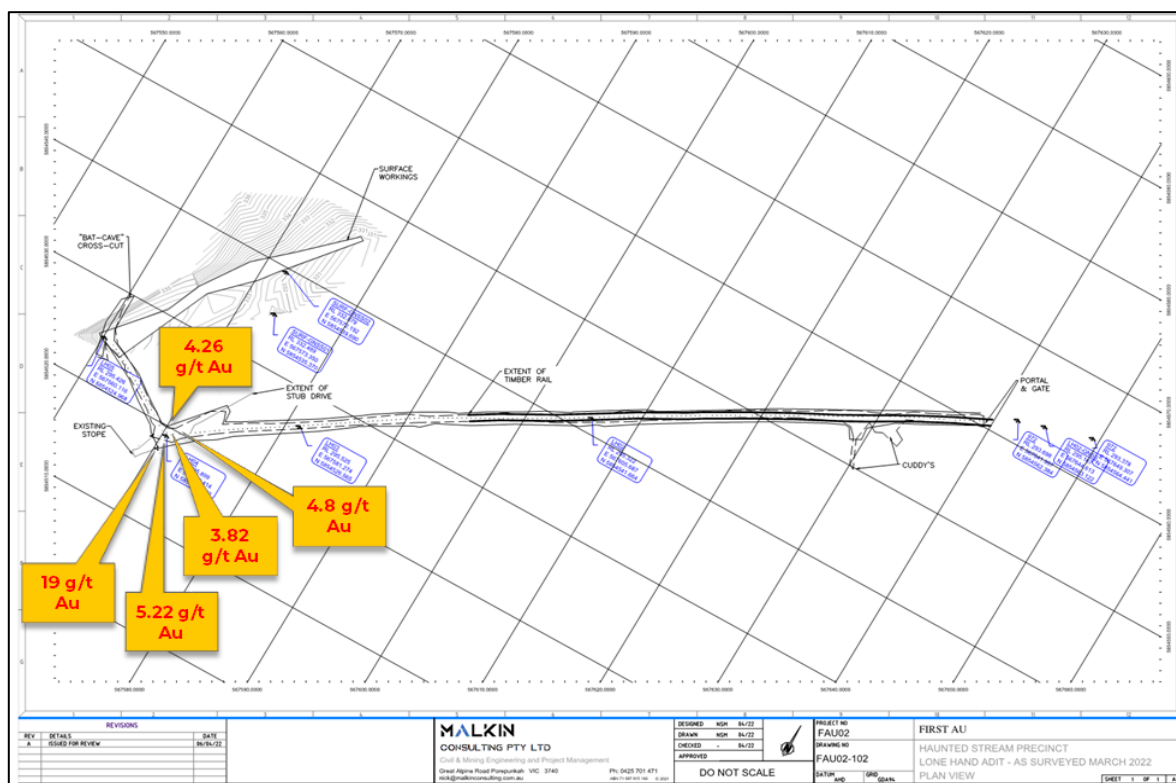


Figure 3: Survey plan of underground development and focus of face sampling across the stope at the southern end of the Lone Hand workings. All coordinates in MGA94 Zone 55.

The Haunted Stream project continues to demonstrate potential for significant high-grade gold mineralisation, indicated from sampling of historical workings and rock chip sampling.

The previously announced underground rehabilitation at Haunted Stream is ongoing. FAU has undertaken the underground rehabilitation works so that it can drill from optimal locations and provide the best chance of hitting identified targets. The works are expected to complete early in the



last quarter of 2022, once complete FAU will provide an update of when it expects drilling to commence.

### ***Snowstorm Project***

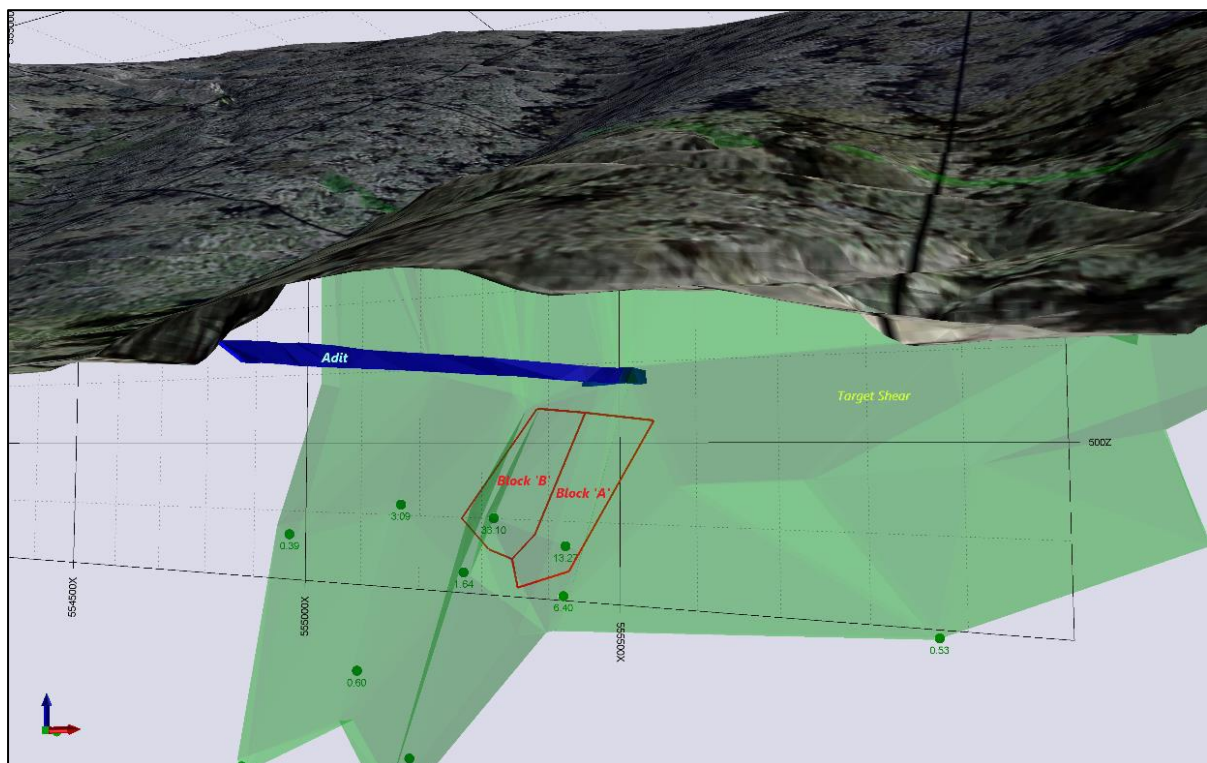
As previously announced, having demonstrated consistent results to date across two drill programs at Snowstorm, the next stage of exploration at this project is to develop a bulk sampling program. Preliminary polygonal mineralised 3D blocks have been defined using drill intersections along the targeted shear zone worked previously within the adit (Figure 4).

The underground bulk sampling proposal aims to determine a more detailed understanding of the geological controls, framework, and metallurgical characteristics of the ore, and will assist in establishing a more accurate assessment of the economic potential at Snowstorm.

During the quarter FAU has made further progress with its application to undertake the proposed bulk sample program. FAU held a site meeting at the proposed location with the relevant regulatory authorities, the site visit identified no major issues of concern. The Company is in the final stages of collecting the relevant data and reports required to submit its work plan to Earth Resources and Regulation and expects to do so in the final quarter of 2022.

The Snowstorm project is located on private property. FAU has discussed the proposed plan with the owners of the freehold who have approved for FAU to proceed with the planned bulk sample program.

The Company will provide further updates as it continues to progress its work plan.



*Figure 4: Preliminary polygonal 3D mineralised zones (red outlines) at Snowstorm underneath existing adit (blue)*

During the quarter FAU also announced sampling results from a sub-cropping quartz-sulphide reef taken during the previous drill program has returned gold assay results up to 74.54 g/t Au<sup>2</sup>. Rock chip VR50001 (74.54 g/t Au)<sup>2</sup> was sampled at a site that has not been drill tested and occurs between the currently identified lower and upper zones of the Snowstorm Project. The location of the high-grade

sample, occurring between currently identified auriferous reefs, presents a new and critical high-priority target for subsequent exploration (Figure 5).

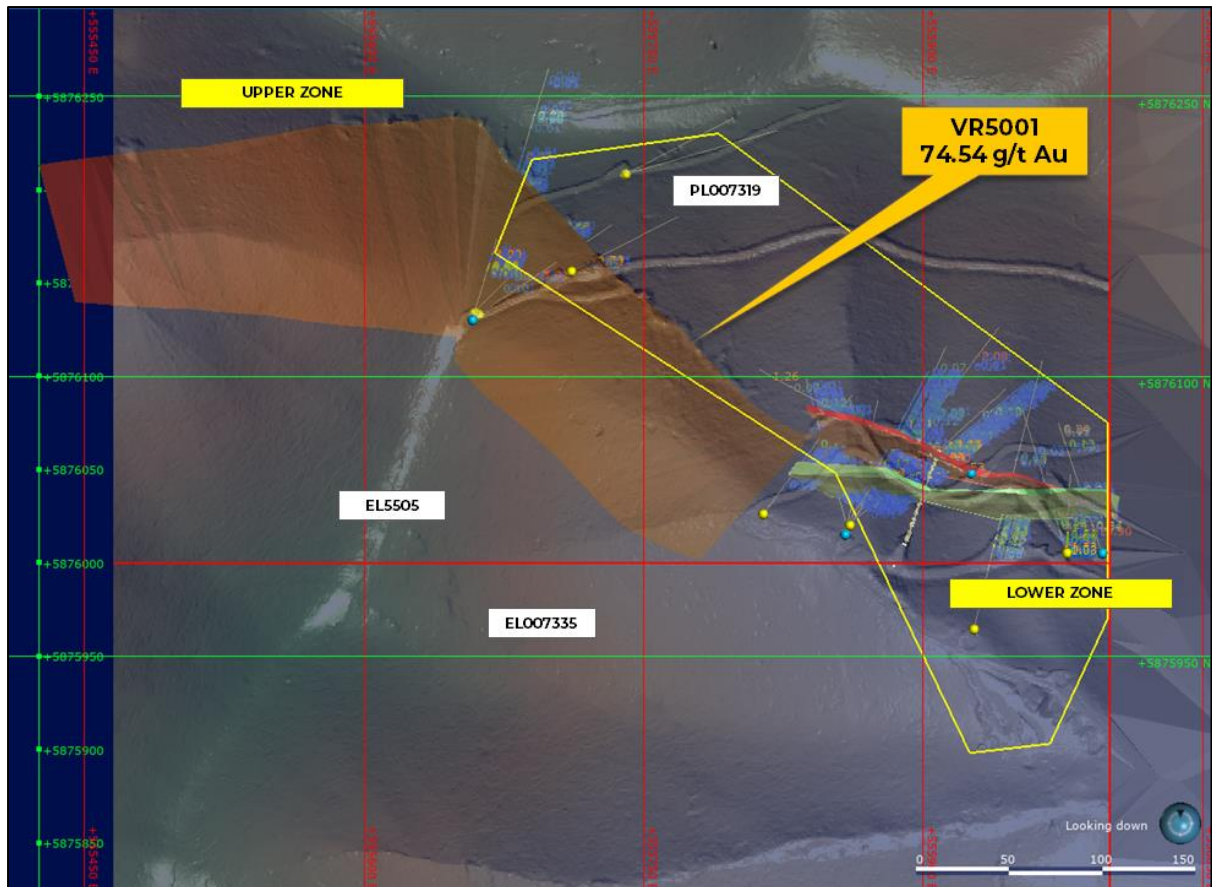


Figure 5: High-grade gold sample location VR5001 plotted against track, drilling, and historic rock-chip sampling overlain on the LIDAR 50cm contours. Note the historic workings identified. (Coordinate in MGA94 Zone 55).

### Mabel Creek, South Australia

During the quarter FAU commenced a further systematic and geophysical review of its Mabel Creek project, South Australia in conjunction with an XRF multi-element program on existing drill cuttings available in the South Australia core library.

FAU is currently assessing and undertaking a multi-element program on available drill cuttings at the South Australian Core Facility. The aim is to further evaluate potential outflow zones and identify associated pathfinder alteration cells to vector potential IOCG mineralisation sites. FAU Geologists have identified drillholes maintained in the South Australian Core Library which are currently being scanned by XRF (x-ray fluorescence) for pathfinder elements.



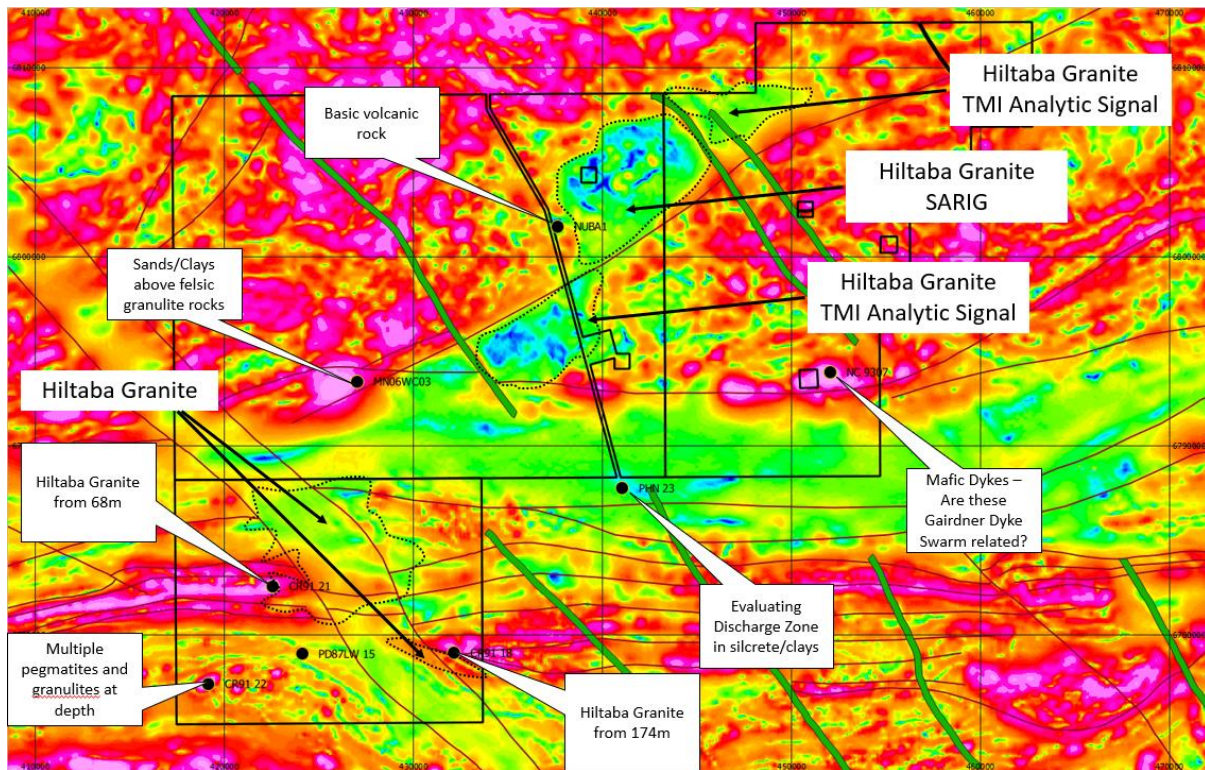


Figure 6: Location of historical drill holes overlayed on magnetics image.

FAU geologists are highly encouraged with the initial results and are continuing to assess and evaluate potential for IOCG & other style deposits within the Mabel Creek project area.

The new studies have highlighted a series of high-priority targets FAU Geologists will further assess and evaluate.

The Company also had further discussions with the relevant Native Title party and continues to make progress on this front. FAU remains on track to have the Native Title Agreement finalised by the end of the calendar year, allowing on ground exploration to commence.

### Gimlet Gold Project, Kalgoorlie

During the quarter FAU announced positive results from the metallurgical test work that was being undertaken on the Gimlet project to demonstrate it has economic potential. The test work has demonstrated high recovery rates from the treatment and processing of gold bearing materials from Gimlet. The testing that has been completed to date has demonstrated gold recovery rates of 87.99%.

The current phase of the Gimlet test work program was initiated to determine various metallurgical parameters relevant to gold extraction, and was a follow-up to previous test work carried out by IMO Metallurgy in July 2019. FAU engaged Upside Metallurgy to oversee the current phase of metallurgical test work conducted by ALS Metallurgy, to further explore suitable processing options for the Gimlet project.

The principal findings were<sup>3</sup>:

- Comminution test work showed that Gimlet is a relatively soft ore (13.3kWh/t) and has a very low Bond abrasion index (0.0129).
- The gold feed grade of the composite sample subjected to recovery testwork was 4.85g/t.
- Flotation of the ore produced a concentrate gold grade of 33.16g/t, with a stage recovery of 91.93%. Mass pull to the concentrate stream was 13.44%.

- The flotation tail stream, which was subject to gravity concentration and subsequent gravity tails leaching, contributed to 2.4% of overall recovery.
- The oxidative and subsequent cyanide leach stage recovery was 93.0%.
- The combined flotation, oxidative and cyanide leach recovery was 85.50%.
- The combined overall recovery (Flotation + Oxidative Leach + Flotation tailings cyanide leach) was 87.99%.
- The final tail grade achieved was 0.58g/t.

FAU has no further update on the Mining Lease application at this time, the process continues to be held up by competing Native Title claims. The Company is assessing its options in how it can assist in resolving this matter.

FAU is also continuing to explore options that will allow it to advance or monetise the Gimlet project, the Company will provide further when appropriate.

The Gimlet Gold Project (E26/174 & MA26/849) is strategically positioned 15km NW of Kalgoorlie, in an area rich in infrastructure and potential toll treatment options.

The project has a Mineral Resource Estimate (MRE) of an Inferred Resource of 1,166,000 tonnes at 3.2g/t Au for 120,000 ounces at a 1 g/t cut-off (see Table 1 below for full breakdown)<sup>4</sup>.

**Table 1: June 2021 MRE using 1 g/t Au cut-off**

| <b>June 2021 Inferred MRE</b> | <b>Tonnes</b>    | <b>Grade (g/t Au)</b> | <b>Ounces</b>  |
|-------------------------------|------------------|-----------------------|----------------|
| <i>Oxide</i>                  | 70,800           | 2.53                  | 5,800          |
| <i>Transitional</i>           | 93,400           | 3.21                  | 9,600          |
| <i>Fresh</i>                  | 1,001,700        | 3.24                  | 104,200        |
| <b>Total</b>                  | <b>1,165,900</b> | <b>3.19</b>           | <b>119,600</b> |

### **East Pilbara – Talga Project and Tambina Project**

On 14 September 2022, FAU announced that all conditions precedent for the Talga Joint Venture and Farm-in agreement with Octava Minerals Limited (“Octava”) had been satisfied, including Octava receiving confirmation from ASX that it will admit Octava to the Official List of ASX. Octava commenced trading on the ASX 16 September 2022.

Octava has made a cash payment to FAU for \$180,000 as reimbursement for prior expenditure per the terms of the agreement, for which Octava has obtained an unencumbered initial 10% interest in the Talga project. Following this, Octava will be able to earn up to an 80% interest in the Talga project by spending up to \$900,000 over a three-year period (see Notice of General Meeting dated 29 April 2022 for full details).

The completion of the transaction and commencement of the agreement will allow FAU to continue its focus, expenditure and efforts on the exploration of Victorian Goldfields Project (VicGold) located in the East Gippsland, Victoria and the Gimlet Gold Project (Gimlet) located near Kalgoorlie, Western Australia. FAU will retain a free carried interest in the Talga project, while having no expenditure commitments, allowing the Company to retain upside to any exploration success at the project.

During the quarter the Company incurred minimal expenditure to keep the tenement in good standing at the Talga Project. No field work was undertaken at the Tambina Project during the quarter.

## **Corporate Activities**

### ***Capital Raise***

On 21 July 2022, FAU announced that it had received firm commitments for a share placement of 112,500,000 fully paid ordinary shares at \$0.008 (0.8 cents) per Placement Share to raise \$900,000 before costs.

Every two Placement Shares was accompanied by one free-attaching unlisted option with an exercise price of \$0.013 (1.3 cents) and expiring on 31 December 2023.

Peak Asset Management acted as corporate advisor and lead manager of the Placement. The participants in the Placement are unrelated sophisticated, professional and other exempt investors who were clients of Peak Asset Management or were identified by the Company.

Funds raised under the Placement are proposed to be applied towards:

- Exploration works at Haunted Stream at the Victoria project, including an underground drill program
- LIDAR survey at further Victorian tenements
- Structural mapping across Victorian tenements
- Advancing Gimlet Gold project, Kalgoorlie, Western Australia
- Meeting working capital requirements (including costs of the Placement)

### ***Small Shareholder Sale Facility***

On 14 June 2022, FAU announced that it had established a small shareholding sale facility for shareholders whose holding of fully paid ordinary shares in the Company has a market value of less than \$500 as described below.

The Company established the Sale Facility for the following reasons:

- To give holders of a Small Parcel Holding the opportunity to sell their shareholding without incurring transaction costs which, in proportion to the value of their investment, may otherwise render a sale of this size unattractive or uneconomic; and
- To reduce the expense and administration involved in maintaining the share register of the Company. Based on the closing share price on 10 June 2022 (Record Date) (A\$0.012), the Company has 2,561 shareholders of which approximately 58.88% hold a Small Parcel Holding

The Sale Facility closed on 12 August 2022. Following closure, 3,151,337 shares from 1,406 holders were sold under the Sale Facility as a result of those holders not electing to retain their FAU shares. The funds for the sale have been provided to the share registry of FAU to be paid to holders who did not elect to retain their FAU shares.



Authorised for release by the Board:



**Bryan Frost**  
**Executive Chairman, Managing Director**

*About First Au: First Au is a gold and base metals exploration company listed on the Australian Securities Exchange (ASX: FAU) and is trading on the OTC market in the USA (OTC: FRSAF) and is pursuing exploration at its 100% owned Gimlet Gold project near Kalgoorlie, Victorian Goldfields Project in East Gippsland and Mabel Creek Project in South Australia.*

**Enquiries in relation to this announcement please contact:**

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*The information in this ASX Release that relates to Exploration Results and the Gimlet Mineral Resource is extracted from the following reports which are all available at [www2.asx.com.au](http://www2.asx.com.au).*

1. 24 August 2022, "Dogwood Drilling Assays Indicate Extensive Copper Mineralisation", Ian E Neilson, competent person.
2. 18 July 2022, "Drilling Complete at Dogwood, Face Samples at Haunted Stream up to 135 g/t Au", Ian E Neilson, competent person.
3. 22 August 2022, "Testing on Economic Potential of Gimlet Gold Project, Kalgoorlie", Mr Lee Richardson, competent person.
4. 23 June 2021, "JORC Resource Increases at Gimlet to Inferred Resources of 120,000 Ounces Au", Mr Andrew Bewsher and Dr Gavin England, competent persons.

*The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context of the respective competent persons' findings in relation to those reports have not been materially modified from the original market announcement.*

**Appendix A: Tenement Schedule - as at 30 September 2022**

| <b>Tenement #</b> | <b>Note</b> | <b>Tenement name</b>     | <b>Title Holder</b>          | <b>Tenement Ownership</b>    | <b>State</b> | <b>Acquired during the Quarter</b> | <b>Disposed during the Quarter</b> |
|-------------------|-------------|--------------------------|------------------------------|------------------------------|--------------|------------------------------------|------------------------------------|
| E26/174           | -           | Gimlet                   | FAU                          | FAU 100%                     | WA           | -                                  | -                                  |
| P24/5346          | -           | Gimlet                   | FAU                          | FAU 100%                     | WA           | -                                  | -                                  |
| P24/5347          | -           | Gimlet                   | FAU                          | FAU 100%                     | WA           | -                                  | -                                  |
| E45/3679          | 4           | Talga                    | FAU                          | OCT 10%<br>FAU 90%           | WA           | -                                  | 10% to OCT                         |
| E45/5595          | 4           | Razorback                | FAU                          | OCT 10%<br>FAU 90%           | WA           | -                                  | 10% to OCT                         |
| E45/5596          | 4           | Razorback                | FAU                          | OCT 10%<br>FAU 90%           | WA           | -                                  | 10% to OCT                         |
| E45/3857          | 4           | Talga                    | FAU                          | OCT 10%<br>FAU 90%           | WA           | -                                  | 10% to OCT                         |
| E45/4137          | 4           | Razorback                | FAU                          | OCT 10%<br>FAU 90%           | WA           | -                                  | 10% to OCT                         |
| E45/5571          | 4           | Talga Talga              | FAU                          | OCT 10%<br>FAU 90%           | WA           | -                                  | 10% to OCT                         |
| E24/216           | -           | White Flag               | FAU                          | FAU 100%                     | WA           | -                                  | -                                  |
| E24/226           | -           | White Flag               | FAU                          | FAU 100%                     | WA           | -                                  | -                                  |
| E16/542           | -           | White Flag               | FAU                          | FAU 100%                     | WA           | -                                  | -                                  |
| M45/990           | 1           | Tambina                  | Tambina Gold                 | FAU 20%,<br>Tambina Gold 80% | WA           | -                                  | -                                  |
| M45/991           | 1           | Tambina                  | Tambina Gold                 | FAU 20%,<br>Tambina Gold 80% | WA           | -                                  | -                                  |
| M45/988           | 1           | Tambina                  | Tambina Gold                 | FAU 20%,<br>Tambina Gold 80% | WA           | -                                  | -                                  |
| PL007319          | 2           | Snow Storm               | Mines of Stirling Pty Ltd    | Mines of Stirling 100%       | VIC          | -                                  | -                                  |
| EL5505            | 2           | Snow Storm               | Mines of Stirling Pty Ltd    | Mines of Stirling 100%       | VIC          | -                                  | -                                  |
| EL006816          | -           | Haunted Stream           | Jacquian Pty Ltd             | FAU 80%<br>Jacquian 20%      | VIC          | -                                  | -                                  |
| EL006975          | -           | Haunted Stream Extension | Victorian Goldfields Pty Ltd | FAU 80%<br>VicGold 20%       | VIC          | -                                  | -                                  |
| EL006976          | -           | Dargo High Plains        | Victorian Goldfields Pty Ltd | FAU 80%<br>VicGold 20%       | VIC          | -                                  | -                                  |
| EL006977          | -           | Dogwood                  | Victorian Goldfields Pty Ltd | FAU 80%<br>VicGold 20%       | VIC          | -                                  | -                                  |
| EL007335          | -           | Snowstorm Extension      | Victorian Goldfields Pty Ltd | FAU 80%<br>VicGold 20%       | VIC          | -                                  | -                                  |
| EL007442          | -           | Barmouth                 | Victorian Goldfields Pty Ltd | FAU 80%<br>VicGold 20%       | VIC          | -                                  | -                                  |
| EL007446          | -           | True Blue                | Victorian Goldfields Pty Ltd | FAU 80%<br>VicGold 20%       | VIC          | -                                  | -                                  |
| EL007473          | -           | Mount Jack               | Victorian Goldfields Pty Ltd | FAU 80%<br>VicGold 20%       | VIC          | -                                  | -                                  |

**Appendix A: Tenement Schedule - as at 30 September 2022 (Cont'd)**

| Tenement # | Note | Tenement name | Title Holder                 | Tenement Ownership     | State | Acquired during the Quarter | Disposed during the Quarter |
|------------|------|---------------|------------------------------|------------------------|-------|-----------------------------|-----------------------------|
| EL007474   | -    | Bendoc        | Victorian Goldfields Pty Ltd | FAU 80%<br>VicGold 20% | VIC   | -                           | -                           |
| EL5422     | 3    | Dargo         | Ian Alexander Rathjen        | Ian Alexander Rathjen  | VIC   | -                           | -                           |
| EL6619     | -    | Mabel Creek   | FAU                          | FAU 100%               | SA    | -                           | -                           |
| EL6620     | -    | Mabel Creek   | FAU                          | FAU 100%               | SA    | -                           | -                           |
| EL6627     | -    | Mabel Creek   | FAU                          | FAU 100%               | SA    | -                           | -                           |

**Note 1:** Refer Announcement to the ASX dated 13 March 2019. FAU acquired an initial 20% interest in Tambina's three mining leases on payment of \$60,000 and other conditions set out in the announcement that have now been satisfied. FAU has the exclusive right to earn up to a maximum aggregate 80% joint venture interest by sole funding joint venture expenditure up to \$500,000 within three years from the commencement date.

**Note 2:** Refer Announcement to the ASX dated 9 July 2020. FAU announced that it had entered into an option agreement with Mines of Stirling Pty Ltd to acquire an 85% interest (diluting to 80%) in granted exploration licence EL5505 and prospecting licence application PL007319 (Snowstorm project).

**Note 3:** Refer Announcement to the ASX dated 28 April 2022 relating to granting of EL5422. This Tenement is held on trust for FAU pending the transfer being able to occur in accordance with applicable law relating to transfer of a granted tenement in Victoria.

**Note 4:** OCT refers to Octava Minerals Ltd (ASX: OCT; 'Octava'). Refer Announcement to the ASX dated 14 September 2022: 'Talga Joint Venture and Farm-In Agreement with Octava Minerals Limited commences'. 'FAU has received a cash payment of \$180,000 with Octava receiving a 10% interest in the Talga project with an ability to earn up to 80%.'

**Appendix B: Financial Analysis of selected items within Appendix 5B**

Aggregate amount of payments to related parties and their associates included in item 6.1 of Appendix 5B for the quarter ended 30 September 2022:

Comprising:

|  | \$A'000 |
|--|---------|
| Directors Services   | 40      |
| Executive Chairman & Managing Director Services  | 63      |
| Legal services provided by a legal firm of which a Director is a Partner. Services provided on normal commercial terms | 12      |
| Appendix 5B – item 6.1 Total   | 115     |

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

FIRST AU LIMITED (ASX: FAU)

ABN

65 000 332 918

Quarter ended ("current quarter")

30 September 2022

| Consolidated statement of cash flows |  | Current quarter<br>\$A'000 | Year to date (9<br>months)<br>\$A'000 |
|--------------------------------------|--|----------------------------|---------------------------------------|
| <b>1.</b>                            | <b>Cash flows from operating activities</b>              |                            |                                       |
| 1.1                                  | Receipts from customers-share trading                    | 51                         | 464                                   |
| 1.2                                  | Payments for   |                            |                                       |
|                                      | (a) exploration & evaluation                             | (1,307)                    | (2,676)                               |
|                                      | (b) development  | -                          | -                                     |
|                                      | (c) production   | -                          | -                                     |
|                                      | (d) staff costs  | (29)                       | (139)                                 |
|                                      | (e) administration and corporate costs                   | (257)                      | (678)                                 |
| 1.3                                  | Dividends received (see note 3)                          | -                          | -                                     |
| 1.4                                  | Interest received  | -                          | -                                     |
| 1.5                                  | Interest and other costs of finance paid                 | -                          | -                                     |
| 1.6                                  | Income taxes paid  | -                          | -                                     |
| 1.7                                  | Government grants and tax incentives                     | -                          | -                                     |
| 1.8                                  | Other-GST Refund   | 120                        | 288                                   |
|                                      | Other-Payments-share trading                             | -                          | (270)                                 |
|                                      | Other-Reimbursement of expenses from Octava Minerals Ltd | 180                        | 180                                   |
| <b>1.9</b>                           | <b>Net cash from / (used in) operating activities</b>    | <b>(1,242)</b>             | <b>(2,831)</b>                        |

|           |   |   |      |
|-----------|---|---|------|
| <b>2.</b> | <b>Cash flows from investing activities</b> |   |      |
| 2.1       | Payments to acquire or for:                 |   |      |
|           | (a) entities                                | - | -    |
|           | (b) tenement: EL 5422                       | - | (25) |
|           | (c) property, plant and equipment           | - | -    |
|           | (d) exploration & evaluation                | - | -    |
|           | (e) investments                             | - | -    |



| <b>Consolidated statement of cash flows</b> |   | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (9<br/>months)<br/>\$A'000</b> |
|---|---|------------------------------------|--|
|   | (f) other non-current assets                          | -                                  | -  |
| 2.2   | Proceeds from the disposal of:                        |                                    |  |
|   | (a) entities  | -                                  | -  |
|   | (b) tenements   | -                                  | -  |
|   | (c) property, plant and equipment                     | -                                  | -  |
|   | (d) investments                                       | -                                  | -  |
|   | (e) other non-current assets                          | -                                  | -  |
| 2.3   | Cash flows from loans to other entities               | -                                  | -  |
| 2.4   | Dividends received (see note 3)                       | -                                  | -  |
| 2.5   | Other (provide details if material)                   | -                                  | -  |
| <b>2.6</b>                                  | <b>Net cash from / (used in) investing activities</b> | <b>-</b>                           | <b>(25)</b>                                    |

|             |   |            |            |
|-------------|---|------------|------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |            |            |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)                 | 900        | 900        |
|             | Proceeds from issue of options  | -          | -          |
| 3.2         | Proceeds from issue of convertible debt securities  | -          | -          |
| 3.3         | Proceeds from exercise of options   | -          | -          |
| 3.4         | Transaction costs related to issues of equity securities & options or convertible debt securities | (63)       | (63)       |
| 3.5         | Proceeds from borrowings (Insurance premium funding)  | 55         | 55         |
| 3.6         | Repayment of borrowings   | (6)        | (37)       |
| 3.7         | Transaction costs related to loans and borrowings   | -          | -          |
| 3.8         | Dividends paid  | -          | -          |
| 3.9         | Other (provide details if material)   | -          | -          |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>   | <b>886</b> | <b>855</b> |

|           |  |              |                |
|-----------|--|--------------|----------------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> | <b>(356)</b> | <b>(2,001)</b> |
| 4.1       | Cash and cash equivalents at beginning of period                             | 886          | 2,531          |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | (1,242)      | (2,831)        |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | -            | (25)           |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date (9<br>months)<br>\$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.4                                  | Net cash from / (used in) financing activities<br>(item 3.10 above) | 886                        | 855                                   |
| 4.5                                  | Effect of movement in exchange rates on<br>cash held                | -                          | -                                     |
| 4.6                                  | <b>Cash and cash equivalents at end of<br/>period</b>               | <b>530</b>                 | <b>530</b>                            |

| 5.  | Reconciliation of cash and cash<br>equivalents<br>at the end of the quarter (as shown in the<br>consolidated statement of cash flows) to the<br>related items in the accounts | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|-----|---|----------------------------|-----------------------------|
| 5.1 | Bank balances   | 530                        | 886                         |
| 5.2 | Call deposits   | -                          | -                           |
| 5.3 | Bank overdrafts   | -                          | -                           |
| 5.4 | Other (provide details)   | -                          | -                           |
| 5.5 | <b>Cash and cash equivalents at end of<br/>quarter (should equal item 4.6 above)</b>  | <b>530</b>                 | <b>886</b>                  |

| 6.  | Payments to related parties of the entity and their<br>associates                          | Current quarter<br>\$A'000 |
|---|--|----------------------------|
| 6.1   | Aggregate amount of payments to related parties and their<br>associates included in item 1 | 115                        |
| 6.2   | Aggregate amount of payments to related parties and their<br>associates included in item 2 | -                          |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> |  |                            |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

|           |   |   |  |
|-----------|---|---|--|
| <b>7.</b> | <b>Financing facilities</b><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>  | <b>Total facility amount at quarter end<br/>\$A'000</b> | <b>Amount drawn at quarter end<br/>\$A'000</b> |
| 7.1       | Loan facilities   | -   | -  |
| 7.2       | Credit standby arrangements   | -   | -  |
| 7.3       | Other (please specify)  | -   | -  |
| 7.4       | <b>Total financing facilities</b>   | -   | -  |
| 7.5       | <b>Unused financing facilities available at quarter end</b>   | Not Applicable  |  |
| 7.6       | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. |   |  |
|           |   |   |  |

|   |   |                |
|---|---|----------------|
| <b>8.</b>   | <b>Estimated cash available for future operating activities</b>   | <b>\$A'000</b> |
| 8.1   | Net cash from / (used in) operating activities (item 1.9)   | (1,242)        |
| 8.2   | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))  | -              |
| 8.3   | Total relevant outgoings (item 8.1 + item 8.2)  | (1,242)        |
| 8.4   | Cash and cash equivalents at quarter end (item 4.6)   | 530            |
| 8.5   | Unused finance facilities available at quarter end (item 7.5)   | -              |
| 8.6   | Total available funding (item 8.4 + item 8.5)   | 530            |
| 8.7   | <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>   | 0.43           |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>                 |   |                |
| 8.8   | If item 8.7 is less than 2 quarters, please provide answers to the following questions:   |                |
| 8.8.1   | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? |                |
| Answer: No. The Company will reduce the current level of net operating cash flows for the time being due to reduced level of cash at 30 September 2022. The level of net operating cash outflows will be contained within available cash resources. |   |                |

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: A General Meeting is being held on 31 October 2022 whereby the Company is seeking approval from Shareholders to refresh its capacity to make further issues without Shareholder approval under ASX Listing Rule 7.1 and / 7.1A. Following Shareholders approving further issues under these Listing Rules, FAU will be able to approach Shareholders and Sophisticated Investors to raise further cash to fund its operations. Directors have accrued director fees rather than paying these fees to preserve cash.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The entity will be able to continue its operations on a reduced level until further funds are raised. Planned business objectives will be scaled back and contained within available cash resources.

Following the holding of the General Meeting as noted in 8.8.2 and Shareholders approving further issues under these Listing Rules, FAU will be able to approach Shareholders and Sophisticated Investors to raise further cash to continue its operations and meet its business objectives.

The entity has successfully farmed out Talga tenements to reduce expenditure and recover some expenditure through reimbursement of \$180,000 from Octava Minerals Ltd (refer Announcement 14 September 2022).

The Board is reviewing options related to current projects.

In addition to the current cash at 30 September 2022 of \$530K, the entity holds listed securities with a current market value estimated at \$280K and therefore has other options for generating cash.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2022

## Authorised by the Board

(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.



**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

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3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.