First Au Limited
(ASX: FAU)

Monday, 2 July 2018

Multiple conductors with VMS potential identified at Emu Creek Project in WA's Pilbara

Plus, geo-physics program underway at nearby Talga Gold Project

First Au (ASX: FAU) is pleased to announce that a geo-physical survey has identified eight conductors at its Emu Creek gold-base metals project in WA's Pilbara.

The conductors at Emu Creek, where First Au is earning a stake of up to 70 per cent from Atlas Iron (ASX: AGO) were outlined using a helicopter-borne (VTEM) electromagnetic geophysical survey

Four of these conductors are thought likely to be associated with volcanogenic massive sulphide (VMS) style copper-gold-lead-zinc mineralisation.

First Au will now undertake a field examination of the eight conductors to determine if their source can be identified in outcrop.

Those conductors deemed prospective will be traversed with moving-loop EM (MLEM) surveys to better define drilling targets.

The VTEM survey is the first geophysical survey to target massive sulphide mineralisation on the Emu Creek tenements.

The Emu Creek project is prospective for VMS mineralisation associated with rock units of the Archaean Kelly Greenstone Belt which underlays much of the project area. These rocks consist of a sequence of mafic and felsic volcanic rocks and numerous porphyry intrusive units.

Previous explorers of this area have noted that the volcanic and porphyry assemblage outcropping represents a former active, near-vent environment, suitable for hosting VMS mineralisation, with intense alteration of the volcanic units mapped over a wide area. A number of small copper mines have been worked in the past with numerous smaller copper occurrences mapped by various explorers.

Recent work has included acquisition and interpretation of hyperspectral and Landsat images of the entire project area. This outlined the location of large areas of minerals associated with hydrothermal alteration within the mafic and felsic rocks in the centre and south of the project. This mineral alteration is interpreted to indicate the former presence of two large hydrothermal cells which crosscut both the Euro Basalt and Wyman Formation volcanic units.

It is well documented in the geological literature that such hydrothermal cells are spatially associated with VMS deposits and vein-style deposits.

FAU's Emu Creek Project was a recent recipient of a $150,000 drilling grant from the Western Australian Government Exploration Incentive Scheme.

Note 1: VTEM (Versatile Time Domain Electromagnetic) is an airborne geophysical method designed to detect and measure the electrical conductance of material within the earth's surface. These types of conductors may include semi-massive to massive sulphide deposits, graphite occurrences and saline water bodies. VTEM measurements have a high signal to noise ratio due to low operating frequency. This enables penetration through conductive surface sediment and rock with depth penetrations of up to 300 meters.

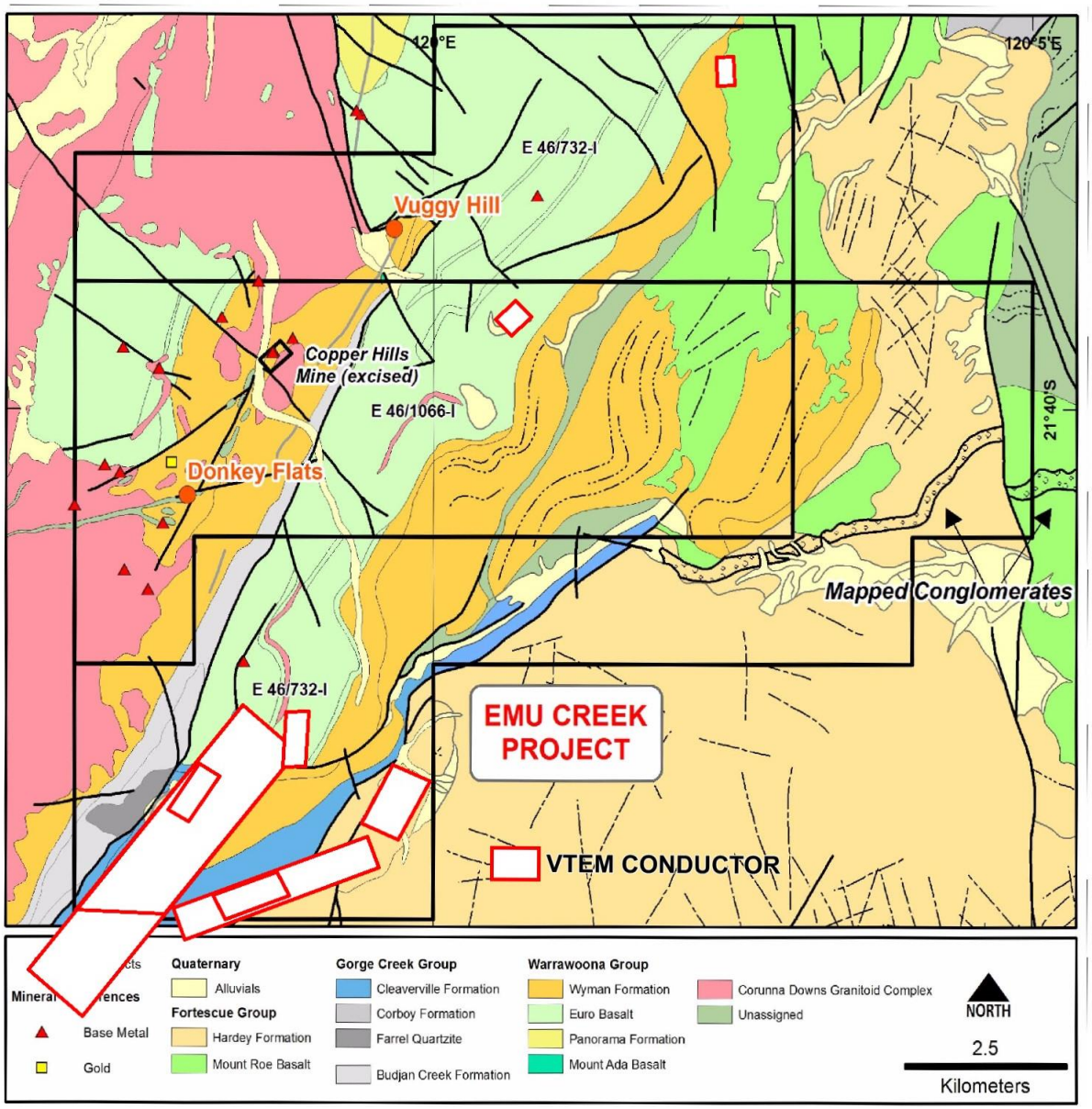

Figure 1

Talga Project

A detailed airmagnetic survey is currently underway over the entire Talga Project (100% owned by First Au), designed to locate prospective magnetic BIF and ultramafic units within the project. These units are closely related to known gold occurrences at Talga.

Targeted soil, rock and mapping programs will follow once the magnetic data is interpreted in early July to be followed by RC drilling of priority targets. The Talga Project is prospective for shear hosted gold mineralization, VMS style copper-gold, iron ore and lithium deposits and lies along strike from the Bamboo Creek Mining Centre.

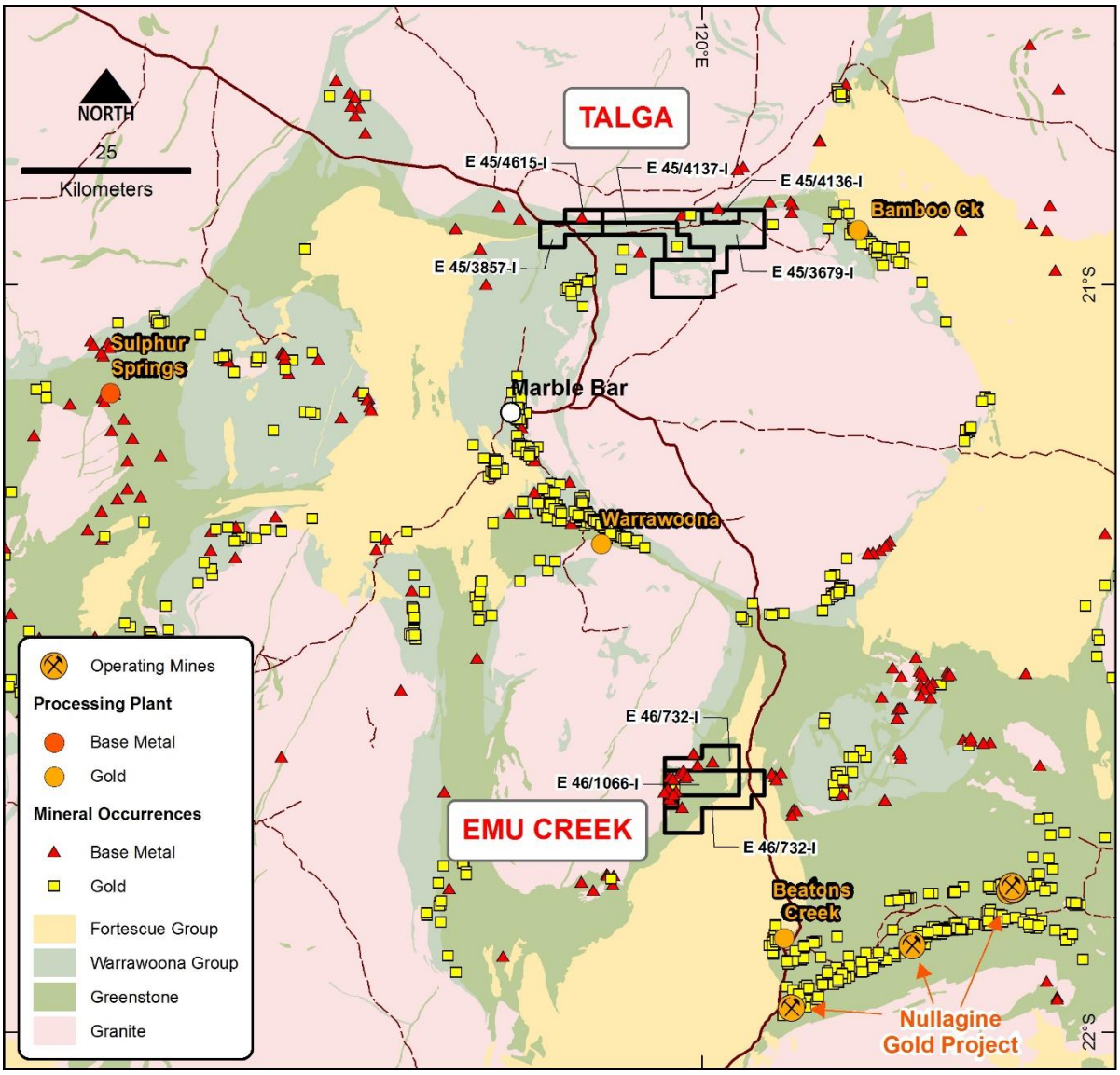

Figure 2

On Behalf of the Board

Bryan Frost
Executive Chairman

About First Au: First Au is an advanced gold and base metals exploration company listed on the Australian Securities Exchange (ASX: FAU) and is pursuing a well-funded and aggressive exploration program at its 100% owned Gimlet Gold project near Kalgoorlie and its Emu Creek and Talga Projects in the Eastern Pilbara region of Western Australia

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Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Brian Richardson, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Richardson is a consultant to First Au Limited. Mr Richardson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Richardson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 2

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all preceding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Not applicable, no sample assays reported.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Not applicable, no drilling has been carried out
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable, no drilling has been carried out
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Not applicable.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Not applicable
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Not applicable.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Not applicable.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Not applicable.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Not applicable.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Not applicable.
Sample security	• *The measures taken to ensure sample security.*	• Not applicable.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Not applicable.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Emu Creek project comprises granted tenements E46/732 and E46/1066. Great Sandy Pty Ltd has a Farm In agreement with the tenement holders, Atlas Iron. • The Talga project comprises 5 granted tenements E45/3679, E45/3857, E45/4136, E45/4137 and E45/4615. • First Au acquired 100% of Great Sandy's interest in all tenements upon listing on the ASX June 2018. • The tenements are all secure granted tenements with no known impediments to continuing exploration.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Past exploration in the region, mainly carried out in the search for gold and base metals has provided useful data. Together with government data provided by GSWA the information has allowed recognition of the projects mineral potential
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Emu Creek project is prospective for Volcanogenic Massive Sulphide (VMS) base metal mineralisation, shear and vein hosted gold mineralisation and gold mineralisation associated with conglomerates. • The Talga project is prospective for VMS base metal mineralisation and shear hosted gold mineralisation.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
		• Drilling has not been carried out.

Criteria	JORC Code explanation	Commentary
	○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Not applicable.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Not applicable.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	•
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The exploration reported herein is still at an early stage but results are consistent with geological and geophysical data and results from previous exploration in the district. Maps reflect GSWA mapping and the location of geophysical anomalies (VTEM) as presented by consulting geophysicist.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further more detailed mapping and follow up sampling is required together with other programs described in the report above.