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First Au Limited

(ASX: FAU)

30 October, 2020

Quarterly Activities Report

for the 3 Months Ended 30 September, 2020

Highlights

- **Haunted Stream Victoria exploration license granted (EL 006816), exploration activities underway**
- **Acquisition of an 80% interest in the Snowstorm Gold Project, East Gippsland, Victoria**
- **Diamond drilling completed at Gimlet, assay results pending. Further drilling planned for November**
- **IP Survey commenced at Talga Project, east Pilbara**
- **Successful completion of $ 1.55 million private placement**

Review of Operations

On 25 September 2020, First AU Limited ("First AU" or "the Company") announced that exploration license EL 006816, centered on the historic Haunted Stream gold workings, had been granted. This was the final condition for First Au to acquire its 80.0% interest in Victoria Goldfields Pty Ltd ("VicGold") and triggered the allotment of 20 million ordinary shares in the Company to the VicGold vendors. First Au has immediately commenced field activities with a view of generating drill targets. The Company also entered an option providing for the potential acquisition of an 85.0% interest (diluting to 80.0%) in granted exploration license EL 5505 and prospecting application PL 007319 ("Snowstorm Project") (refer ASX release dated 9 July 2020). The Snowstorm Project is located 15kms (30 minutes' drive) directly north of Haunted Stream. It has the same Ordovician-aged rocks as Haunted Stream, has historically yielded high-grade gold results and exhibiting similarities to the same gold targets as the Victorian Gold Project. Snowstorm contains Ordovician sediments (same as Haunted Stream), free gold and sulphide lodes and is "structurally controlled" with walk up drill targets once mapping is completed. Conditions to the option taking effect include EL 5505 being renewed for a further term of not less than 3 years and PL 007319 being granted.

The Company also drilled during the reporting period, 3 diamond holes at Gimlet (total 763m), with commencement announced on the 24th August 2020. Structural and alteration mapping was completed on the core material, prior to assaying, with results still pending. Further RC and diamond drilling will commence at the Gimlet Project area in November.

On 19 October 2020, the Company announced that it had commenced an Induced Polarization (IP) survey at its 100% owned Razorback gold project in the east Pilbara. The objective of the survey is to map the disseminated sulphides, potentially associated with gold mineralization in the host rocks at depths of > 100m.

On 15 July 2020, The Company announced that its Share Purchase Plan closed 11 times oversubscribed with applications totaling $3,033,500.

On 1 October 2020, the Company announced that it had completed private placement to existing and new sophisticated and professional investors to raise $1,553,400 through the issue of 103,560,000

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ordinary fully paid shares at a subscription price of $ 0.015 (1.5 cents per share) (refer ASX release dated 1 October 2020).

Victorian Gold Projects:

Haunted Stream Gold Project (80% interest)

The Project comprises 1 Granted Exploration License (EL 006816) and 4 Exploration License Applications (EL 006975, EL 006976, EL 006977 and EL 005422) in East Gippsland, Victoria, located around the towns of Bruthen, Swifts Creek and Dargo (Figures 1 and 2). The Project presents an opportunity for FAU to establish a stake in the highly prospective Eastern Goldfields of Victorian. The Haunted Stream area (EL 006816) shows potential for significant high-gold continuity, indicated from historic workings and rock chip sampling for over 8 Km strike length. Historic mine records dating back as far as the 1880's from Victorian Government show ore being extracted at above 1 ounce per tonne (e.g. Exhibition Mine reported production at over 5 oz Au per tonne) (refer ASX release dated 3 June 2020). The total application area of over ~ 2,250 km^2, would subject to full grant, make FAU one of the significant leaseholders in Eastern Victoria.

The Haunted Stream area contains significant historic workings that have had limited to no drilling to effectively test their depth extents. In addition to the historic workings, there occur untested, prospective, saddle-reef style zones and numerous under-explored mafic intrusive dykes associated within the system presenting new and immediate high-grade Central Victoria-style orogenic targets, as well as Walhalla and Morning Star analogue exploration opportunities. The gold fertility of the tenement package is also further evident in the long history of alluvial mining in the area.

Field activities are underway with the view to delineate targets for possible drilling.

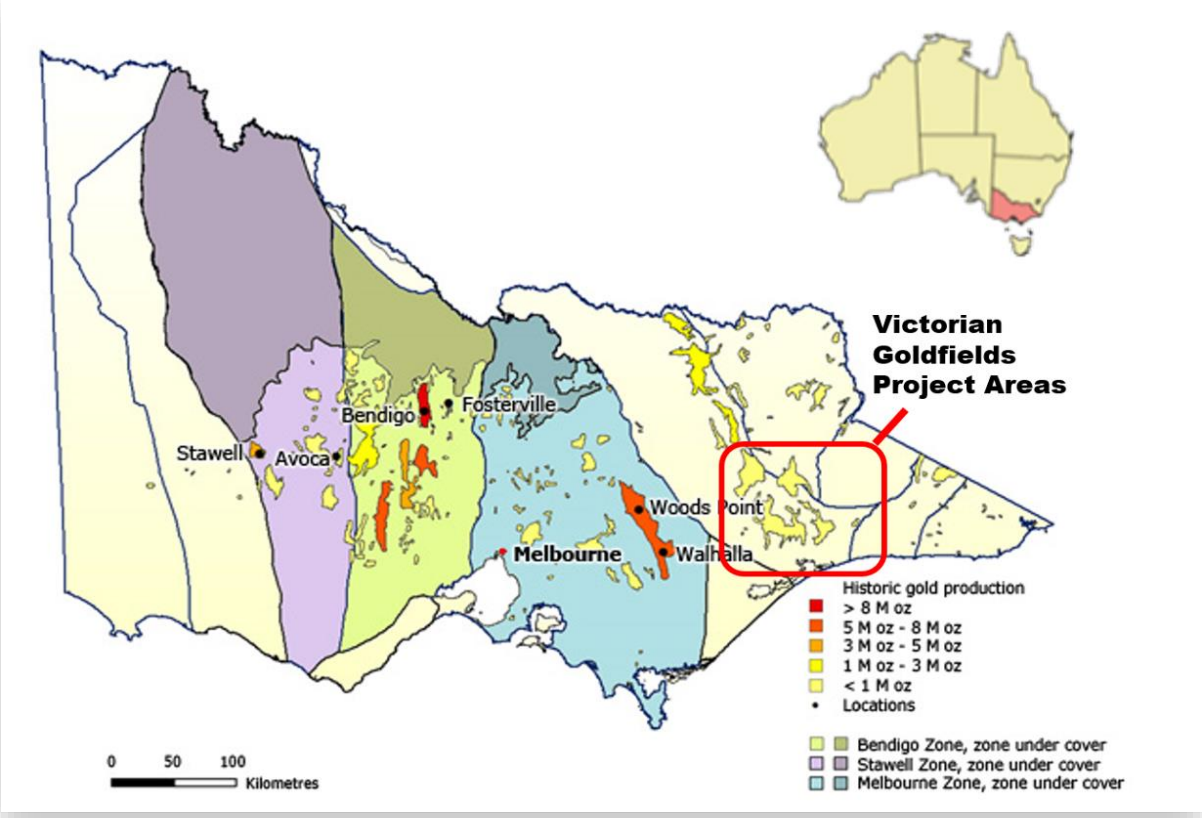


Figure 1. Location map of the Victorian Goldfields Project, Gippsland Victoria

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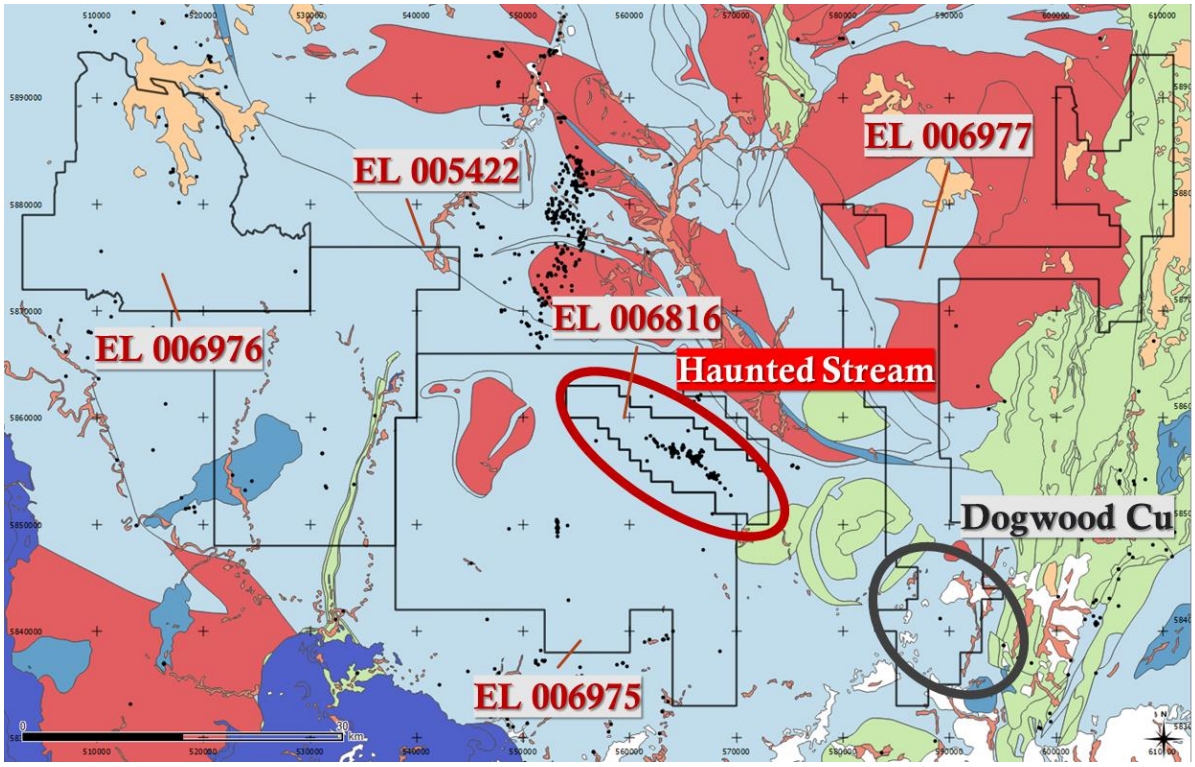


Figure 2. Outline of the tenement applications, showing main project focus of Haunted Stream Au and Dogwood Cu-Au Porphyry, East Gippsland. Black dots indicate historic gold workings (Coordinates in MGA94 zone 55)

Snowstorm Gold Project (80% interest)

On 9 July 2020 First Au announced that it had entered into an option agreement with Mines of Stirling Pty Ltd ("Stirling" or "the Vendors") to acquire an 85% interest (diluting to 80.0%) in granted exploration license EL 5505 and prospecting license application PL 007319 ("Snowstorm Project") (Refer Figure 4 below), located in East Gippsland, Victoria.

The Snowstorm Project is located approximately 15 kms (30 minutes' drive) directly north of the VicGold Haunted Stream Project. It has the same Ordovician-aged rocks as Haunted Stream, has historically yielded high-grade gold results and exhibiting similarities to the same gold targets as the Victorian Gold Project. Snowstorm contains Ordovician sediments (same as Haunted Stream), free gold and sulphide lodes and is "structurally controlled" with walk up drill targets once mapping is completed. Numerous mafic dykes are observed in the area and importantly, occur immediately adjacent to mineralised quartz reefs.

The main targets identified to date include a series of fault hosted lodes occurring sub-parallel to bedding trending NW-SE. FAU has further identified a series of cross-structures that bear striking similarity to those of Haunted Stream, supporting the hypothesis that the Snowstorm Project area is highly fertile for auriferous deposits and reflects similar structural controls to those observed at Haunted Stream. Like Haunted Stream, Snowstorm offers the potential for near term, drill ready targets for First Au to pursue. Substantial work will begin at Snowstorm once the tenure is granted and the deal is executed.

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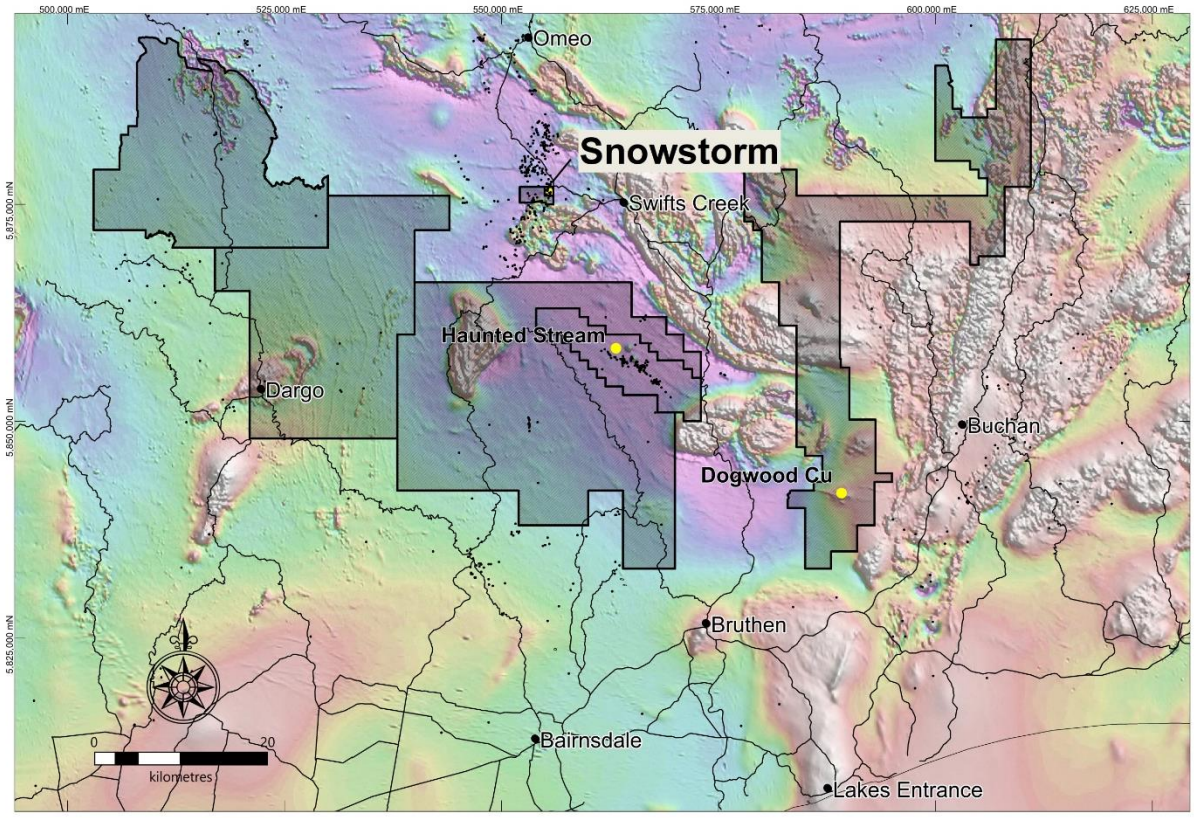


Figure 3. TMI magnetic image with the VicGold Tenement application area, including the new Snowstorm Project location. (Co-ords MGA94, Zone 55)

Gimlet Gold Project (100% owned)

The FAU 100% owned Gimlet Project occurs 15 km NW of Kalgoorlie, Western Australia (Figure 5). The tenements (EL26/174 and application M26/849) occupies 9.6 km^2 in area and adjoins the tenements of Horizon Minerals Limited (ASX: HZR) in the south, containing the Teal, Jacques Find and Peyes gold deposits (289,000 oz Au). Drilling in 2018 and 2019 by FAU produced a 69,000 Oz Au Inferred Resource at Gimlet (*refer ASX release dated 7th May 201*9). It is also within close trucking distance of five gold mills within the Kalgoorlie area, with several offering the toll treatment of ore to third parties. The geology in the tenement is prospective for gold, dominated by metamorphosed felsic and intermediate volcanic rocks and sediments of the White Flag and Black Flag Formations, Ora Banda Domain in the Kalgoorlie Terrane of the Yilgarn Craton. FAU also has additional tenure (*see Figure 4*), including the White Flag Prospect area (*refer ASX release dated 9th July 201*9), which FAU has an option agreement for 80% ownership.

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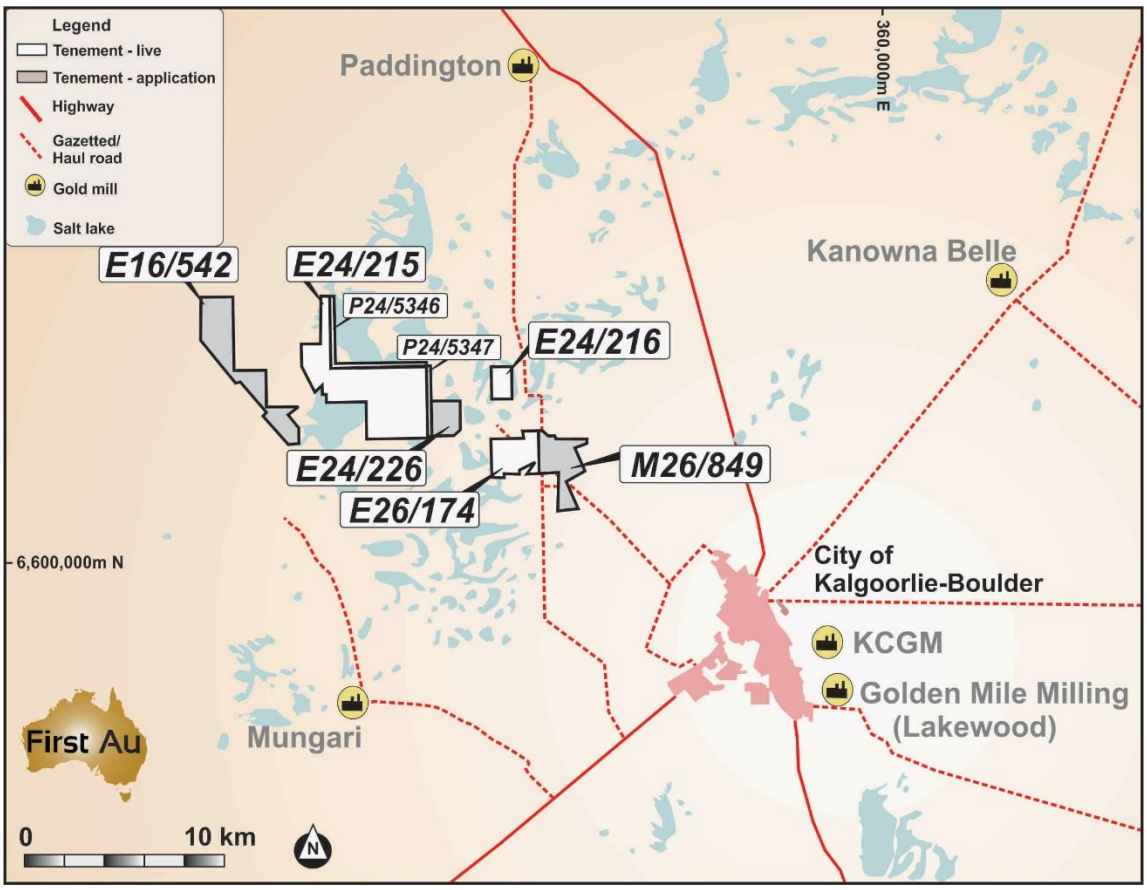


Figure 4. Tenement location map, Kalgoorlie area including Gimlet (E26/174 and M26/849) and White Flag (E24/215) prosect areas. *(Co-ords MGA94, Zone 51)*

FAU commenced a diamond drilling program at the Gimlet Gold Prospect during the Quarter. This program consisted of 3 diamond holes (763m in total) to test plunge extent below the current envelop of gold mineralisation and potential new parallel lode positions. A fourth planned diamond hole was not drilled and will now instead be a RC drillhole in the coming program. The core material was firstly used for alteration and structural mapping by geological consulting company "Model Earth" to integrate into a new critical mineralisation study on the project area, to develop new targets. This work was delayed due to availability of specialised personnel due to COVID restrictions and therefore has delayed the overall results. Samples are currently being assayed, with results pending.

Further programs are planned for November, to test new target areas, which include those identified from recent IP (induced Polarisation) and SAM (Sub Audio Magnetics) geophysical surveys completed FAU over the project. In addition, information gained from this diamond program will assist in the planned deep diamond hole (>500m depth) at Gimlet, co-funded by the West Australian Government Exploration Incentive Scheme (EIS) (*refer to ASX release dated 27 November 2019).*

East Pilbara Projects

First Au's East Pilbara projects comprise the Talga and the Tambina gold and/or gold and base metals projects. All tenements are in good standing. No field work was conducted during the period, with activities restricted to planning for the new IP survey at the Razorback gold project, ,statutory reporting, data compilation and assessment, including a review and re-evaluation of the Cord VMS prospect area at Talga. This review has elevated its prospectivity, with a work program being formulated.

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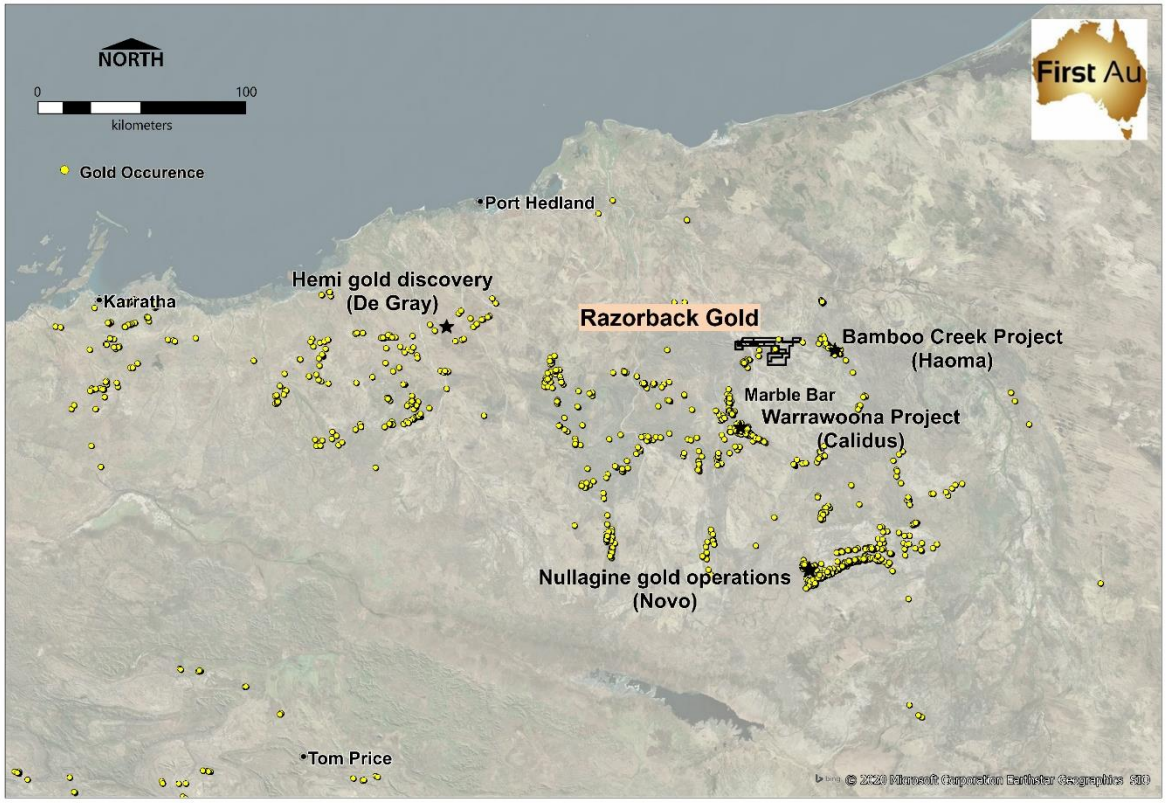


Figure 5. Location of the Razorback Gold prospect, also showing significant gold projects within the Pilbara

On 19 October 2020, the Company announced that it had commenced an Induced Polarization (IP) survey at the Razorback gold prospect which forms part of the Talga project, near Marble Bar. The objective of the survey is to map the disseminated sulphides potentially associated with gold mineralization in the host rocks at depths of > 100m. The survey will be ~ 3 km of strike length and will include areas where historic shallow drilling has intersected > 1 g/t Au mineralization in the oxide, as well mineralization observed in in rock chip samples and gold in soil anomalism (Figure 6). The results of this survey are anticipated within the next month and could provide new drilling targets either down plunge of existing drilling or along strike.

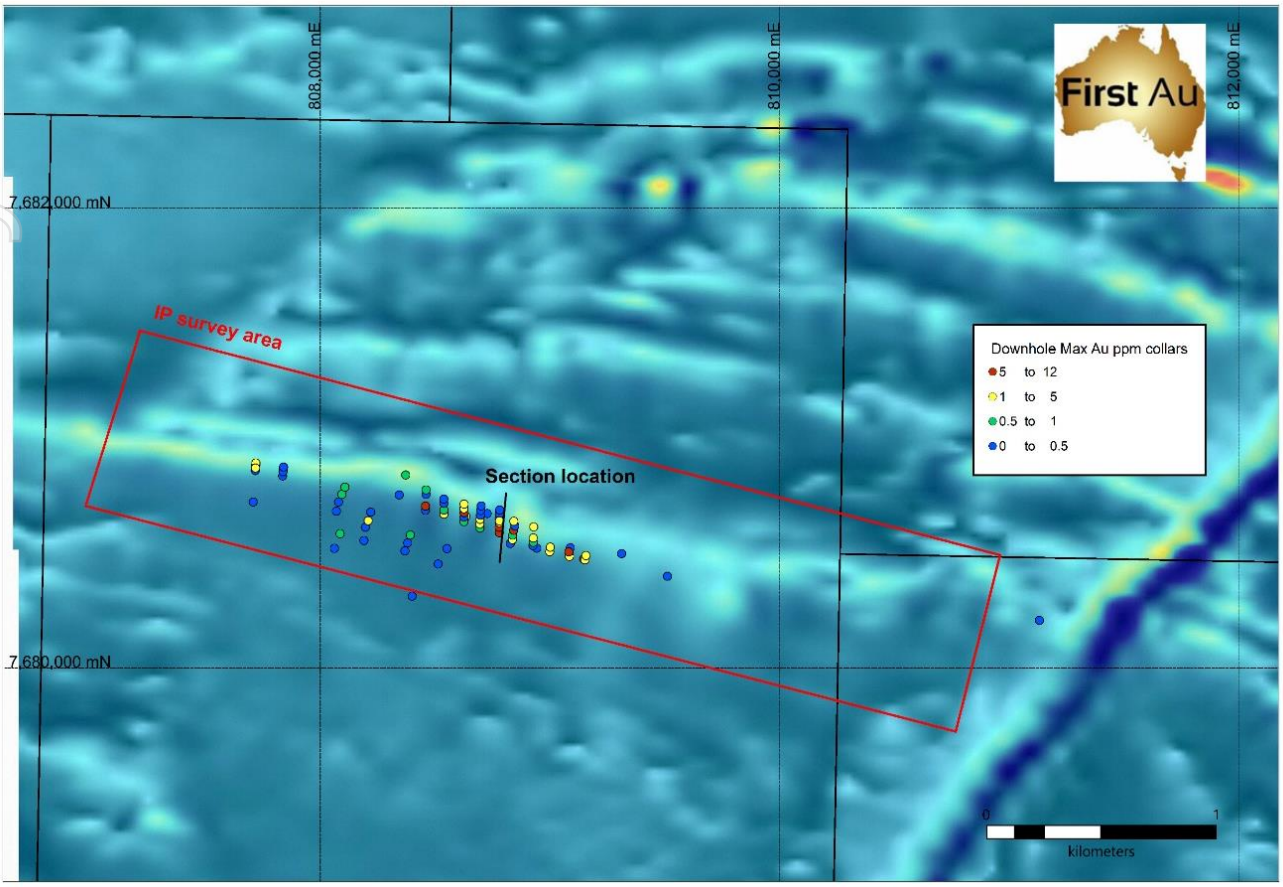


Figure 6. TMI 1VD RTP Image showing bottom of drill hole maximum gold values, as well as outline of proposed IP survey. *(Co-ords MGA94, Zone 50)*

Financing and Corporate Activities

On 15 September 2020, the Company announced that had completed a Share Purchase Plan ("SPP"). The SPP was announced on 11 June 2020 to raise up to $280,000 through the allotments of up to 28 million shares at a subscription price of $ 0.01 (1 cent) per share. The SPP closed on 13 July 2020 having received applications for a total of $3,033,500, 11 times over the amount sought and resulting in a scale back of 89%.

On 1 October 2020, the Company announced that it had completed private placement to existing and new sophisticated and professional investors of $1,553,400 through the issue of 103,560,000 0rdinary fully paid shares at a subscription price of $ 0.015 (1.5 cents per share).

0n 10 October 2020, the Company announced the Appointment of Dr Gavin England as the new Technical Director to the Board. Dr England has acted as Chief Consulting geologist for the past two years.

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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 2020:

Note: payments to Directors, CEO and for consulting services were reduced by half for the quarter ended 30 June 2020. The reduction together with the normal fee was paid during the quarter ended 30 September 2020

Comprising:

Directors Services: $93,750
CEO Services: $45,000
Consulting services by a Director on normal commercial terms: $50,000
Legal services provided by a legal firm of which a Director is a Partner. Services provided on normal commercial terms $58,960

Authorised by:



Bryan Frost
Executive Chairman

About First Au: First Au is an advanced gold and base metals exploration company listed on the Australian Securities Exchange (ASX: FAU) and is pursuing a well-funded and aggressive exploration program at its 100% owned Gimlet Gold Project near Kalgoorlie and its Talga and Tambina Projects in the Eastern Pilbara region of Western Australia. First Au recently acquired majority interests in a number of prospective gold projects in the Eastern Goldfields of Victoria and has commenced exploration activities.

For enquiries in relation to this announcement please contact:

Richard Revelins, Executive Director:	rrevelins@firstau.com	+1-310-405-4475
Bryan Frost, Executive Chairman:	bfrost@firstau.com	+61-418-898-885
Dr Gavin England, Technical Director:	gavin@claregeo.com.au	+61-403-531-832

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Dr Gavin England, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geosciences. Dr England is a consultant to First Au Limited ("FAU**"). Dr England declares in accordance with the transparency principles of the JORC Code that he has a personal financial interest in the transaction referred to in this Public Report in that he controls G L England Pty Ltd an entity which owns 5% of the issued shares of Victorian Goldfields Pty Ltd. Dr England has also been appointed to the board of directors of FAU as Technical Director**. Dr England has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australian Code for Reporting of Exploration

Results, Mineral Resources and Ore Reserves. Dr England has consented to the inclusion in this Public Report of the matters based on his information in the form and context in which it appears.

The information in this ASX Release that relates to Exploration Results is extracted from the following reports which are all available at www.asx.com.au.

- *7th May 2019, Maiden JORC Resource at Gimlet, Dr Gavin England, Competent Person*
- *9th Jul, 2020, First Au to Expand Victorian Gold Interests*
- *25th September 2020, Haunted Stream Victorian Gold Exploration License Granted*
- *19th October 2020, IP Survey Underway at Pilbara Gold Project*

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context of the respective competent persons' findings in relation to the reports presented have not been materially modified from the original market announcements.

Interests in Mining Tenements:
Quarter ended 30 September 2020

Tenements	Location	Held at end of quarter	Acquired during the quarter	Disposed during the quarter
E26/174	Gimlet	100%	-	-
M26/849	Kalgoorlie Region	100%	-	-
P24/5346	Western Australia	100%	-	-
P24/5347		100%	-	-
E45/3679	Talga	100%	-	-
E45/3857	Pilbara Region	100%	-	-
E45/4615	Western Australia	100%	-	-
E45/4137		100%	-	-
E45/5571		100%	-	-
E45/5595		100%	-	-
E45/5596		100%	-	-
M45/990	Tambina	20%	-	-
M45/991	Pilbara Region	20%	-	-
M45/988	Western Australia	20%	-	-
E16/542	White Flag	100%	-	-
E24/216	Kalgoorlie Region	100%	-	-
E24/226	Western Australia	100%	E24/226	-
			-	-
E24/215		Option to acquire up to 85% interest		
EL6816	VicGold Project – Haunted Stream - Victoria	80% Interest	EL6816	-

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