

7 June 2019

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Dear Option holder

EXERCISE PRICE OF LISTED OPTIONS (ASX CODE: FGROC)

This letter is to notify you of the impending increase in the exercise price of your FGROC listed options (**Options**) in First Graphene Limited (**Company**). Each Option is exercisable into one fully paid ordinary share in the capital of the Company at the exercise price of \$0.15 per Option if exercised on or before 8 August 2019.

Under the terms and conditions of the Options, the exercise price will increase to:

- (a) \$0.20 per Option if exercised after 8 August 2019 but on or before 8 August 2020; and
- (b) \$0.25 per Option, if exercised after 8 August 2020 but on or before 8 August 2021.

In the event you should want to exercise your Options before the exercise price increase on 9 August 2019, we have attached a personalised exercise form, with instructions on how to proceed to exercise the Options. The exercise form will only be effective when the Company has received the full amount of the exercise price.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding this letter and the respective dates of those sales were:

Highest	\$0.30	4 June 2019
Lowest	\$0.16	13 March 2019
Last	\$0.25	7 June 2019

The highest, lowest and last market sale prices of the Options on ASX during the three months immediately preceding this letter and the respective dates of those sales were:

Highest	\$0.12	4 June 2019
Lowest	\$0.045	5 April 2019
Last	\$0.10	7 June 2019

Should you have any questions please contact the Company on 1300 660 448 or by email at nerida.schmidt@firstgraphene.com.au.

Your sincerely



Peter R Youd
Executive Director
Chief Financial Officer & Company Secretary

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

SRN/HIN: [HolderNumber]

Security Code: FGROC

Number of Options held: [FGROCHolding]

Option Expiry Date: 08/08/2021

Exercise Price: \$0.15 – Exercise before 08/08/2019

NOTICE OF EXERCISE OF OPTIONS

I/we hereby exercise the following number of options and make payment in Australian currency for the amount payable. Please allot me/us Ordinary Shares calculated on the basis of one Ordinary Share for every one Option which I/we exercise.

I/We agree to accept such Shares subject to the Constitution of First Graphene Limited.

1. Number of Options Exercised

(Enter all or part of FGROC options)

, ,

Total payment required

(multiply box 1 by \$0.15 per option)

A\$, , .

2. Payment: You can pay either by BPAY, EFT or cheque

Option A – BPAY



Bill Code: 275529

Ref No: [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

Option B – EFT

The unique reference number which has been assigned to your Application is:

FGR[HolderNumber]

Funds are to be deposited directly to following bank account:

Account name: Automic Pty Ltd

Account BSB: 036-022

Account number: 252991

Swift Code: WPACAU2S

IMPORTANT: *You must quote your unique reference number as your payment reference/description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and shares subsequently not issued.

Note: You do not need to return this form if you have made payment via BPAY® or EFT*. Your BPAY® reference number will process your payment to your options exercise electronically.

Option C – Cheque

- Make your cheque payable to "First Graphene Limited"
- Return your cheque together with this signed and completed 'Notice of Exercise of Options' to Automic, GPO Box 5193, Sydney NSW 2001

3. Contact details

Telephone Number

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Contact Name (PLEASE PRINT)

Email Address

SUPPORT YOUR COMPANY: By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).

4. Please sign below and return the form to Automic

Securityholder 1

Sole Director and Company Secretary

Securityholder 2

Director / Company Secretary

Securityholder 3

Director / Company Secretary