



ASX Announcement and Media Release

29 January, 2019

Quarterly Activities Report

Highlights

- 2900m RC drilling program during Quarter confirms significant gold mineralisation at Gimlet
- Gimlet mineralisation extends over 400m strike length and is open along strike and down dip
- Drilling planned for next Quarter to test extension of existing mineralisation at Gimlet
- Pilbara projects sampling and data compilation progressing, with planned field program for next Quarter

Review of Operations

During the December Quarter, First Au's ("the Company") focus was on the maiden reverse circulation (RC) drilling program at its 100% owned Gimlet Gold Project near Kalgoorlie, (Figure 1) which successfully identified mineralisation over 400m of strike length (*refer ASX release dated 14 December, 2018*). This mineralisation remains open to the north and at depth. Both lode and supergene-style gold mineralisation are evident. The 2901m RC program followed up the outstanding results from First Au's recent aircore program, which returned strong intersections, including 3m at 462 g/t Au from 52m (*refer ASX release dated 8 November, 2018*).

Gimlet Gold Project (100% owned)

The FAU 100% owned Gimlet Project occurs 15 km NW of Kalgoorlie, Western Australia. The tenement (EL26/174) occupies 9.6 km² in area and adjoins the tenements of Intermin Resources (ASX: IRC), containing the Teal, Jacques Find and Peyes gold deposits (289,000 oz Au). 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 (Figure 1). The geology in the tenement is prospective for gold, dominated by metamorphosed felsic and intermediate volcanic rocks of the White Flag and Black Flag Formations of the Kalgoorlie Terrane, Yilgarn Craton. This Archaean geology is overlain by Cainozoic sediments, including some areas covered with salt lakes which have previously inhibited the effectiveness of some of the historic exploration. First Au recently completed its maiden aircore program, returning strong intersections including 3m at 462 g/t Au from 52m (*refer ASX release dated 8 November 2018*).

During the Quarter, nineteen angled RC holes were drilled to depths of 116m to 212m to target mineralisation below and along strike from that intersected in previous aircore drilling (*refer ASX release dated 14 December, 2018*). Drill plan with results are presented in Figure 2, which demonstrates mineralisation over a 400m strike length. The middle and northern drill sections are seen in Figures 3 and 4, which demonstrate mineralisation; as 1) a supergene blanket within the saprolite clays; 2) a supergene-

enriched shear zone at the fresh rock / oxide interface; and 3) shear-hosted in fresh felsic to intermediate volcanic rock, containing disseminated and stringer sulphides, with quartz vein material. The fresh mineralised zone often shows a broader halo of disseminated pyrite containing lower grade mineralisation (~ 10 - 500 ppb Au). Note, true mineralised widths are still to be determined with further drilling.

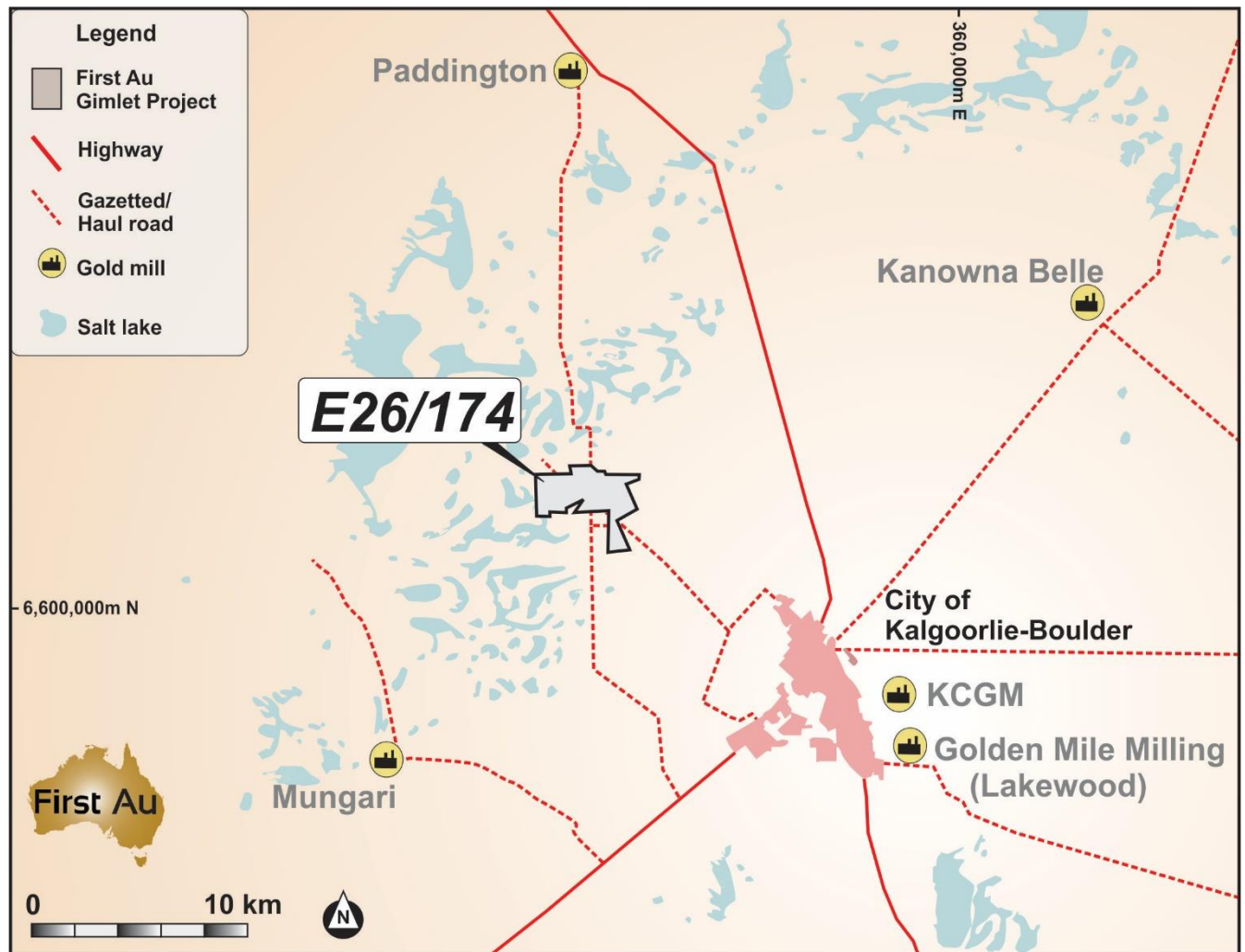


Figure 1: Location map of the Gimlet Project

Best intersections as follows:

Drillhole 18GRC016 – **13m @ 8.2 g/t Au** from 67m (*including 2m @ 16.1 g/t Au from 69 m & 1m @ 40 g/t Au from 77m*)

Drillhole 18GRC017 – **31m @ 2.1 g/t Au** from 48m (*including 1m @ 22 g/t Au from 69 m*)

Drillhole 18GRC002 – **15m @ 3.4 g/t Au** from 64m (*including 3m @ 9.7 g/t Au from 66 m*)

Drillhole 18GRC007 – **21m @ 2.5 g/t Au** from 138m (*including 2m @ 12.8 g/t Au from 148m & 2m @ 5.8 g/t Au from 157m*)

Drillhole 18GRC006 – **9m @ 3.5 g/t Au** from 43m

Drillhole 18GRC019 – **5m @ 7.8 g/t Au** from 63m (*including 3m @ 11.5 g/t Au from 63m*)

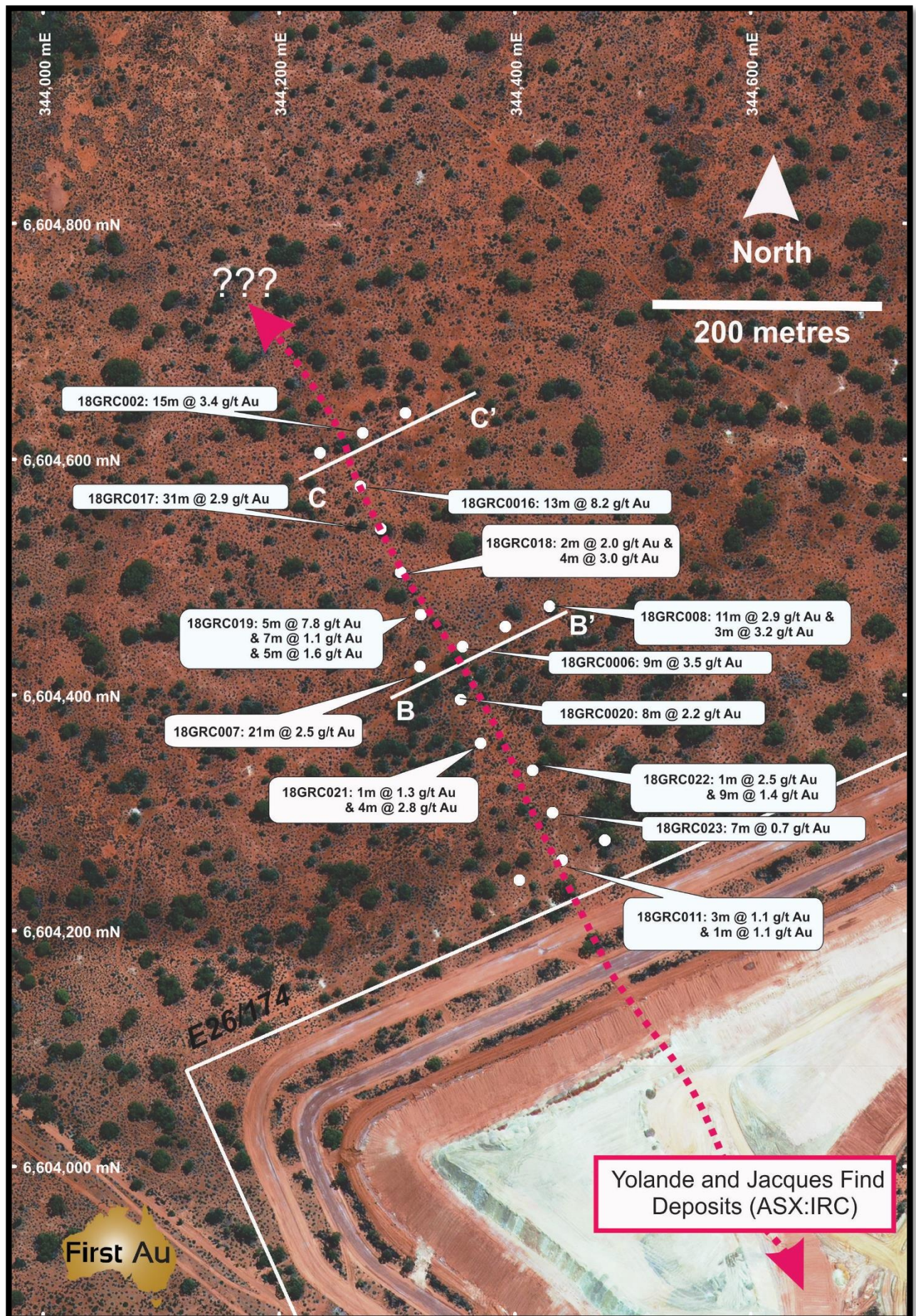


Figure 2: Recent RC drill plan of the Gimlet Project EL26/174, highlighting recent gold intersection

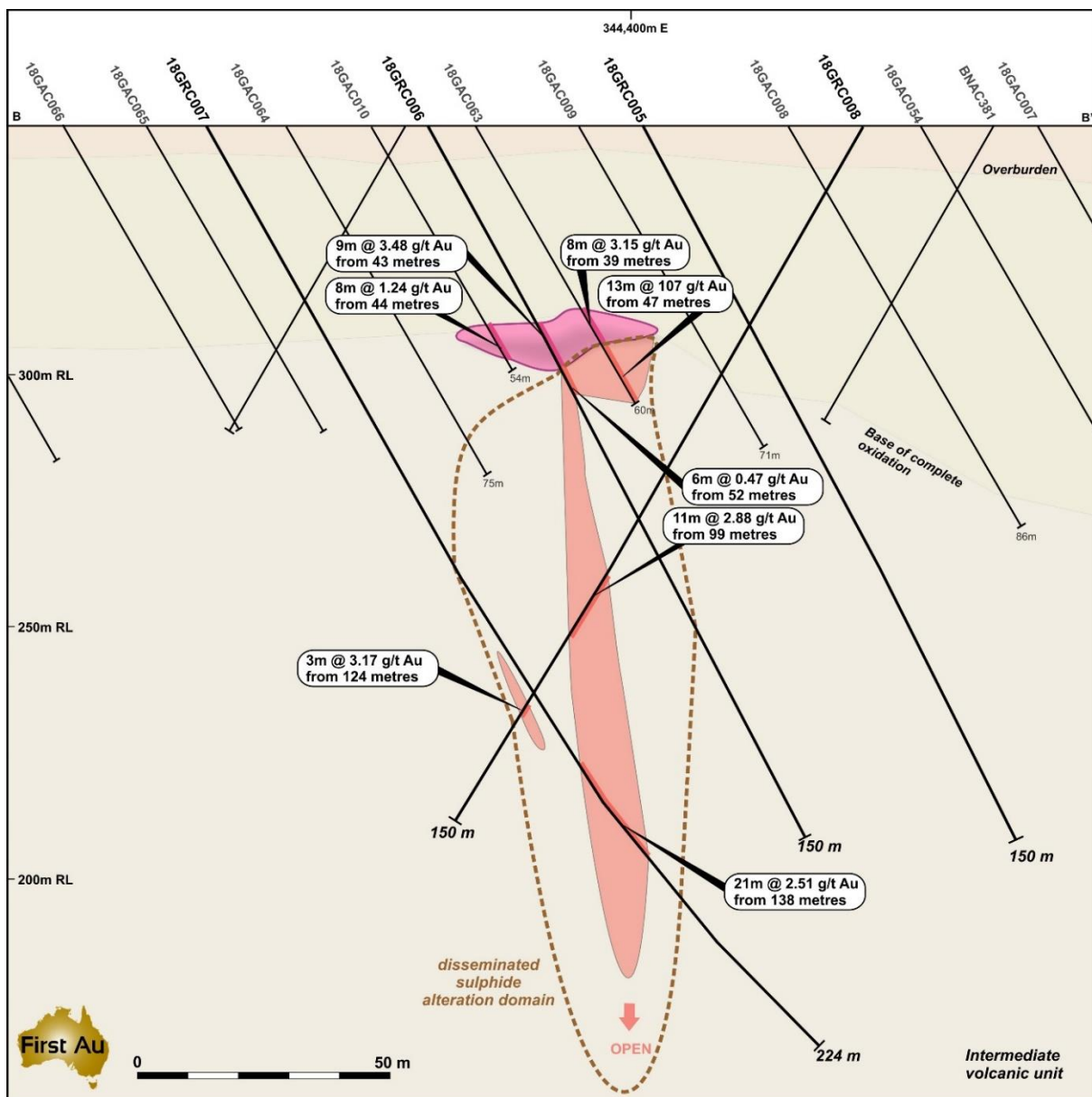


Figure 3: Cross section at the Gimlet, highlighting recent gold intersection (See section line B-B' in Figure 2)

Mineralisation is interpreted to be related to an NNW-SSE near vertical structure observed in the geophysics and the geological logging in the drilling. This structure appears to persist south of the Gimlet tenement, into the Intermin Resources' tenements (ASX: IRC), following a trend containing the Teal West Prospect, and Yolande and Jacques Find Deposits (Figure 2).

Proposed upcoming exploration at Gimlet:

- RC drill program will commence in the next Quarter, to test the northern extent of mineralisation identified from the recent RC drilling
- After a successful orientation soil survey using Ionic Leach analysis (ALS) sampled over existing mineralisation identified in drilling during the reporting period, a sampling program was initiated in January to test identified structural targets within the tenement
- Baseline metallurgical study of mineralised material sampled from RC drill chips has commenced to better understand potential milling options if the project is to proceed to a mining stage

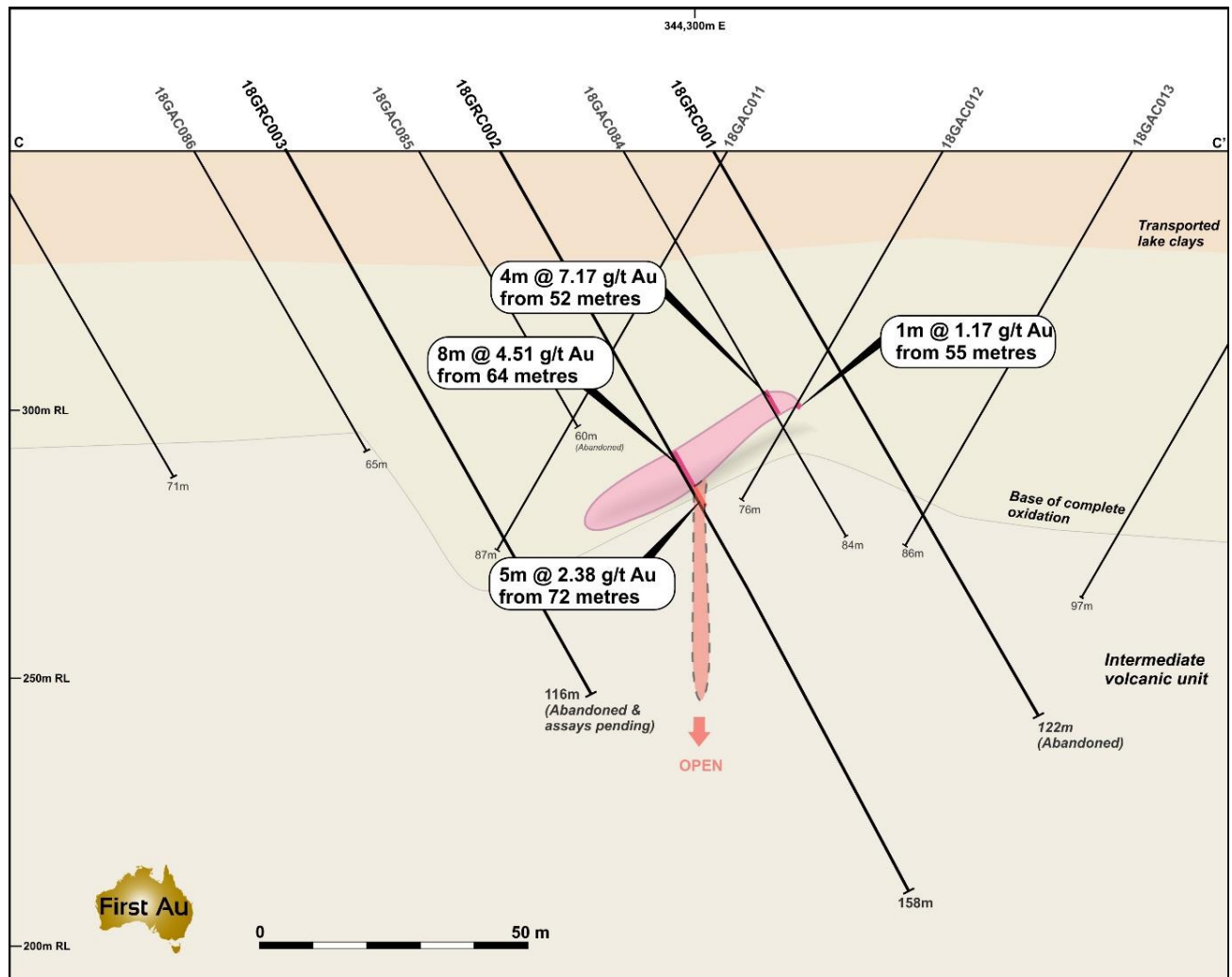


Figure 4: Drilling cross section (see line C-C' from Figure 1) showing significant drill intersections¹

¹ Aircore drillholes 18GAC084 and 18AC012 intersections previously reported in ASX announcement 10 September 2018 & 8 November 2018

PILBARA PROJECTS

Emu Creek Project (earning up to 70%)

The Emu Creek tenements cover 120km² and are located 23km northwest of Nullagine, within the Pilbara region of WA (Figure 5). The project is 25km north of Novo Resources' (NVO.V CN) Beaton's Creek conglomerate gold deposit (658,000 oz. @ 2.7 g/t Au). The Emu Creek Project also contains similar unexplored Archaean conglomerates, but has had limited gold exploration.

In addition, previously unrecorded hydrothermal cells (volcanic vents) have been identified from hyperspectral data by the Company, providing potential for either volcanic massive sulphide (VMS) or epithermal Cu-Au mineralization within the Archaean volcanic / sedimentary succession. A VTEM survey completed over the same area has defined 8 conductor anomalies (as reported in ASX announcement dated 2 July, 2018). Some of these anomalies were visited in the field in 2018 and remain unexplained, but several are yet to be visited due to remote access. In addition, historic stream sediment data has been interrogated, with additional anomalies identified in terrane similarly difficult to access.

Proposed upcoming exploration for the upcoming Pilbara field season includes:

- Helicopter assisted field assessment of VTEM, surface geochemical and hyperspectral anomalies
- The prospective Hardey Formation conglomerates to be tested with surface sampling
- Accumulation of targets for a planned drilling program at the end of the 2019 field season

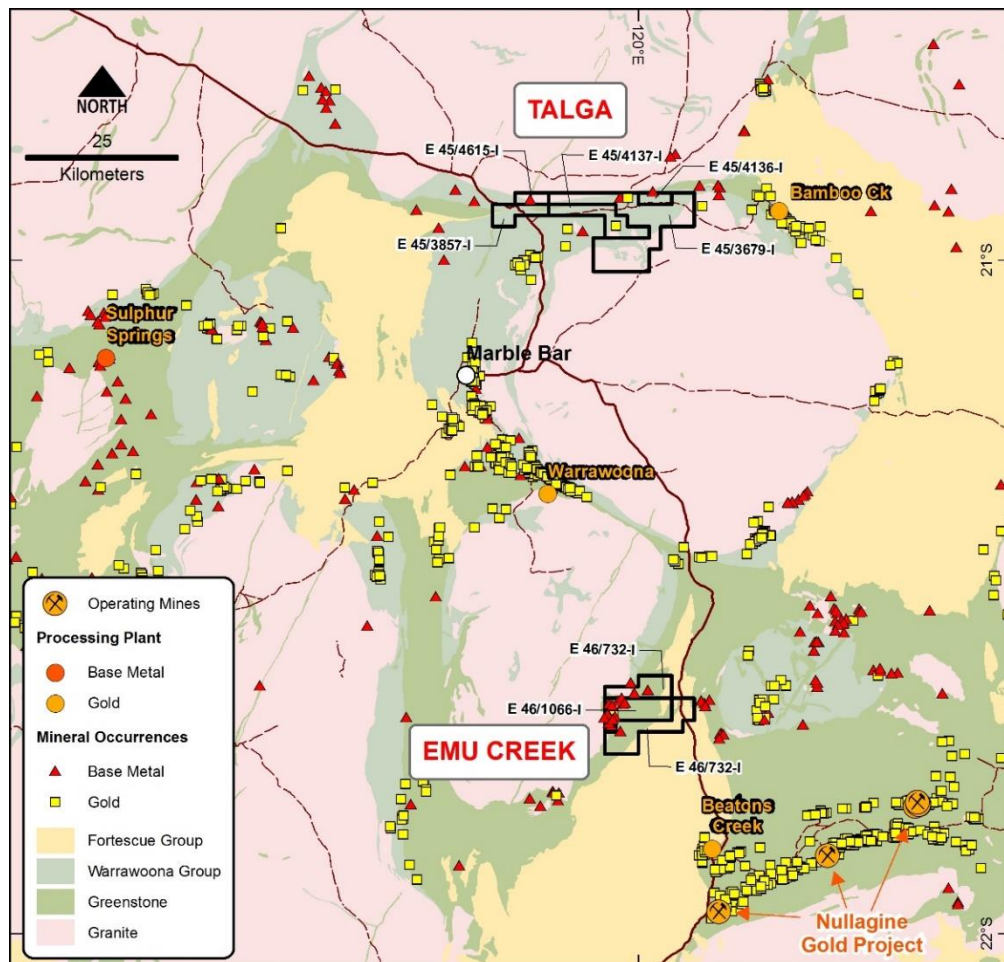


Figure 5: Location of Emu Creek and Talga Projects, Pilbara region

Talga Project (100% owned)

The Talga tenements cover 208 km² and are located 35km northeast of Marble Bar, within the Pilbara region of WA (Figure 5). The project is along strike from the Bamboo Creek Mining Centre (mined 779,350 T @ 8.15 g/t Au from 1897-1995). Talga is prospective for Archaean shear-hosted gold, with the primary target being the Razorback Prospect and geochemical / structural targets in the surrounding area. Other targets within the tenement package include VMS-style Cu-Au mineralisation identified along an E-W structural trend with associated gossanous exposures, in the north of the project (which includes the Cord Prospect), and lithium prospective pegmatites identified in the southern portion of the project. In 2018, the Company completed a high resolution aeromagnetic and radiometric survey over the entire Talga Project, which has been used to better define the structural geology of the project.

Previous work on the Razorback Prospect has included rock chip sampling of sheared Banded Iron Formations (BIF), with rock chip assays up to 12.9 g/t Au, as well as numerous gold nuggets (*ASX announcement dated 17*

July, 2018). Previous soils and rock chips have identified ~ 3km strike length of Au anomalism, of which ~ 700m has been tested with drilling. An orientation soil program was completed during the Quarter, however the results are still being interpreted, with field checking required and some infill sampling required, which will be done once the Pilbara field season begins.

Proposed upcoming exploration program includes:

- The recent soil sampling and traversing program during the past Quarter requires field checking, mapping and further sampling to better define the targets.
- Drill holes will be planned for the 2019 field season and will follow up historical intercepts including 16m @ 1.99 g/t Au and several other narrower, but higher grade, near surface intercepts. (ASX announcement dated 17 July, 2018, Competent Person, Brian Richardson also footnote 1, below). A secondary drilling target at Razorback is positioned along a poorly exposed BIF unit that runs parallel and just to the north of the prominent Razorback Ridge. This unit outcrops only at the small Talga King historic workings, where sampling of sulphidic BIF in the mullock returned an assay of 28 g/t Au (ASX announcement dated 17 July, 2018, Competent Person, Brian Richardson also footnote 1, below). This area appears to be untested by historic drilling.

1. Refer Prospectus dated and released 6 April, 2018 and Independent Geologist's Report of Mineral Assets of Public Holdings (Australia) Limited. Author: Neil Leggo for and on behalf of Ravensgate Mineral Consultants.

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 Dr Gavin England, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geosciences. Dr England is a consultant to First Au Limited. Dr England 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'. Dr England consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.