

Letter from the Chairman

Dear Shareholder,

Felix Gold Limited – Share Purchase Plan – Offer of up to A\$30,000 New Shares

On behalf of the Board, I am pleased to offer you the opportunity to participate in the Share Purchase Plan (SPP) recently announced by Felix Gold Limited (FXG or the Company).

Having calculated an Exploration Target of 1.1Moz to 3.6Moz gold at the NW Array Target at the Treasure Creek project, we have now completed the RC drilling program at the Southern Zone with results surpassing our expectations. It is also pleasing to note the emergence of high-grade stibnite (antimony) zones which can potentially add significant value to a gold resource. Our focus is now firmly set on delivering a JORC Maiden Resource Estimate for the NW Array Southern Zone in Q4 of this year.

Delivering this would represent a major milestone for Felix in firming up the commercial viability of the Treasure Creek project. Our proximity to the Fort Knox mine, operated by Kinross, represents a tangible opportunity for Felix to fast track low-capex production of a substantial gold resource.

Share Purchase Plan

The SPP is targeting to raise up to A\$3 million however the Company reserves the right to raise more or less than this amount in its absolute discretion. The Board also reserves the right to close the SPP early or extend the SPP at its absolute discretion.

The SPP provides Eligible Shareholders with an opportunity to subscribe for up to A\$30,000 of additional fully paid ordinary shares in the capital of the Company without having to pay brokerage or transaction costs.

The A\$0.08 issue price of shares issued under the SPP represents a 15.4% discount to the 5-day volume weighted average price (VWAP) of shares traded over the five days prior to the close of trading on 25 August 2023 (being the last trading day prior to the announcement of the SPP).

The Company reserves the right to work with the Lead Manager to place any shortfall of new shares not subscribed for under the SPP by eligible shareholders, to new investors via a follow-on placement, up to the Company's placement capacity.

Use of funds

Funds raised from the SPP are targeted be used to progress exploration at the NW Array Target in Treasure Creek, to deliver a JORC-compliant Maiden Resource Estimate at the NW Array Southern Zone, further testing of the high grade stibnite (antimony) zones as well as ongoing operating expenses and the costs of the offer.

Participation in SPP

The SPP is offered to Shareholders who are on the Company register at 7pm (AEST) on 25th August 2023 (**Record Date**) as holding Shares and whose registered address is recorded as being in Australia or New Zealand (**Eligible Shareholders**).

The SPP provides Eligible Shareholders with the opportunity to increase smaller holdings into larger and more financially viable parcels and expand shareholdings without having to pay brokerage or transaction costs.

The SPP opened on Monday 28th August 2023 and is scheduled to close at 5pm (AEST) on Wednesday 13th September 2023. Shares under the SPP are expected to be issued on Wednesday 20th September 2023.

If you wish to participate in the SPP, please request your personalised application form once available from the below link:

<https://felixgold.investorportal.com.au/felix-gold-request-share-purchase-plan/>

Please follow the instructions on the application form and ensure payment is received by the Company no later than 5pm (AEST) on Wednesday 13th September 2023.

Participation in the SPP is entirely voluntary. All shares issued under the SPP will rank equally with existing Shares and will carry the same voting rights and entitlement to receive distributions. No brokerage, commissions or other transaction costs will apply to purchases under the SPP.

The SPP offer is non-renounceable. Accordingly, Eligible Shareholders cannot transfer to other parties their right to subscribe for Shares pursuant to the SPP.

Join a shareholder briefing

CEO and Managing Director of Felix Gold, Anthony Reilly, will be holding a number of live and online shareholder briefings in the coming weeks, where he will provide a company update and discuss the Share Purchase Plan, use of funds and how shareholders can participate.

Register for a session or request a recording at the link below:

<https://felixgold.investorportal.com.au/shareholder-briefing-spp/>

Questions and further information

Full details of the SPP are set out in the Terms and Conditions which are available on the Company's SPP Offer webpage. You should read the Terms and Conditions before making a decision regarding your participation in the SPP. Contact your professional adviser if you are uncertain as to what action you should take.

Should you have any questions in relation to the SPP please contact the Lead Manager of this Offer, Reach, by phoning 1300 805 795 or via email at advisers@reachmarkets.com.au

On behalf of the Board, I would like to thank you for your support of Felix Gold. I invite you to consider this opportunity to increase your investment in the Company and continue your support during this exciting period.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "R Beevor".

Ronnie Beevor
Chairman
Felix Gold Limited

Felix Gold Limited

ACN 645 790 281

Share Purchase Plan - Terms and Conditions

28 August 2023

Offer

Felix Gold Limited ACN **645 790 281 (Company)** is offering Eligible Shareholders the opportunity to purchase up to A\$30,000 of fully paid ordinary shares in the capital of the Company (**Shares**) by way of a share purchase plan (**SPP**), without incurring brokerage.

The price per Share under the SPP (**SPP Price**) being offered is A\$0.08. The SPP Price represents a 15.4% discount to the Company's 5-day volume weighted average price of Shares traded in the ordinary course on ASX prior to the close of trading on 25 August 2023.

The Company has engaged Reach Corporate Pty Ltd ACN 638 960 540 (**Reach**) as the **Lead Manager** on this Offer. Please contact Reach should you have any questions in relation to this Offer.

Phone: 1300 80 57 95

Email: investors@reachmarkets.com.au

The SPP is being conducted under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**).

Eligibility

Eligible Shareholders are shareholders who are recorded in the Company's register of members as at 7pm (AEST) on Friday 25 August 2023 (**Record Date**) as being holders of Shares and whose registered address is recorded as being in Australia or New Zealand and who are not (and are not acting for the account or benefit of) a US Person (**US Person**) as defined in Regulation S under the US Securities Act of 1933, as amended (**U.S. Securities Act**) (**Eligible Shareholders**).

The Company has determined that it is impractical for the SPP to be offered to a shareholder whose address on the register of members is a country outside of Australia or New Zealand.

Participation in the SPP by acceptance of the offer:

- (a) is optional for Eligible Shareholders; and
- (b) is subject to these Terms and Conditions.

Shareholders may request an electronic copy of their personalised share purchase plan application form from the following link:

<https://felixgold.investorportal.com.au/felix-gold-request-share-purchase-plan/>

Subscription

The ASIC Instrument prohibits the Company issuing Shares in accordance with this SPP if the aggregate subscription amount to be paid by an Eligible Shareholder, together with the aggregate amount paid for any other Shares applied for by that Eligible Shareholder or which a custodian has been instructed to acquire under the SPP on their behalf, or any similar arrangement operated by the Company in the 12 months before the date the application is made, exceeds A\$30,000.

Eligible Shareholders may subscribe for any one of the following parcels (subject to any scale back described below):

	Subscription Amount	Shares to be allotted calculated at the SPP Price
Minimum application	A\$5,000	62,500
	A\$10,000	125,000
	A\$15,000	187,500
	A\$20,000	250,000
	A\$25,000	312,500
Maximum application	A\$30,000	375,000

No Eligible Shareholder may be issued Shares if the aggregate application price for those Shares, together with the aggregate amount paid for any other Shares applied for by that Eligible Shareholder or which a custodian has been instructed to acquire under the SPP on behalf of the Eligible Shareholder, or any similar arrangement operated by the Company in the 12 months before the date the application is made, exceeds A\$30,000. Any applications from Eligible Shareholders which results in this limit being exceeded will be rounded down. Any surplus funds will be returned to such Eligible Shareholders without interest.

The Company may choose to accept applications outside the prescribed parcel sizes at their absolute discretion.

Participation in this SPP must not cause any Eligible Shareholder to exceed 19.99% holding in the Company, any such applications will be scaled back at the Company's discretion.

Important dates

The timetable below is indicative only and subject to change. The Company reserves the right to alter the dates at its discretion and without prior notice, subject to ASX Listing Rules and the *Corporations Act 2001*.

Record Date	Friday 25 August 2023 at 7pm (AEST)
Announcement of SPP & SPP Offer Opens	Monday 28 August 2023
Dispatch of Booklet	Tuesday 29 August 2023
Closing Date for applications	Wednesday 13 September 2023 at 5pm (AEST)
Results of SPP Announced (and notice of scale backs, if any)	Monday 18 September 2023
Issue of SPP shares	Wednesday 20 September 2023
Dispatch of Holding Statements	Thursday 21 September 2023

Offers non-renounceable

Offers made under the SPP are non-renounceable. Eligible Shareholders cannot transfer their right to other parties to subscribe for Shares under the SPP. Acquisition by an Eligible Shareholder of additional Shares or a new separate holding of Shares before the Closing Date will not give rise to any additional right to subscribe for Shares under this SPP offer.

Single Eligible Shareholders

Eligible Shareholders that receive more than one offer under the SPP, for example due to multiple registered holdings, may only apply for an aggregate of up to A\$30,000 worth of Shares (one maximum parcel).

Joint Eligible Shareholders

Eligible Shareholders that are recorded on the Share register with one or more other persons as the joint holder of Shares are considered to have a single registered holding for the purpose of the SPP and certifications or representations given by a joint holder are taken to have been given by all joint holders. If the same joint holders receive more than one offer under the SPP due to multiple holdings, the joint holders may only apply for an aggregate of up to A\$30,000 worth of Shares (one maximum parcel).

Custodians, trustees and nominees

A custodian, trustee or nominee (as defined in the ASIC Instrument) (**Custodian**) who holds Shares on behalf of one or more persons who were resident in Australia or New Zealand on the Record Date (**Participating Beneficiary**), may apply for up to a maximum of A\$30,000 worth of Shares for each Participating Beneficiary, subject to providing notice in writing to the Company (by way of Custodian Certificate) certifying the following:

- (a) that either or both of the following apply (as applicable):
 - (i) that on the Record Date, the Custodian held Shares on behalf of one or more Participating Beneficiaries that are not custodians;
 - (ii) that on the Record Date another Custodian (**Downstream Custodian**) held beneficial interests in Shares on behalf of one or more other persons (each a Participating Beneficiary), and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian;
- (b) that each Participating Beneficiary has subsequently instructed the Custodian or the Downstream Custodian (as applicable) to apply for Shares on their behalf under the SPP;
- (c) the number of Participating Beneficiaries;
- (d) the name and address of each Participating Beneficiary;
- (e) the number of Shares that the Custodian holds on behalf of each Participating Beneficiary;
- (f) the number or dollar amount of Shares which each Participating Beneficiary has instructed the Custodian or the Downstream Custodian (as applicable) to apply for on their behalf;
- (g) that there are no Participating Beneficiaries in respect of which the total of the application price exceeds A\$30,000 worth of Shares, calculated by reference to Shares applied for by the Custodian on behalf of each Participating Beneficiary under:
 - (iii) the SPP; and
 - (iv) any other Shares issued to the Custodian as custodian in the 12 months before the Custodian's

application under an arrangement similar to the SPP,

in each case, as a result of an instruction given by the Participating Beneficiary to the Custodian, either directly or indirectly through another Custodian, to apply for Shares on their behalf;

- (h) that a copy of these Terms and Conditions was given to each Participating Beneficiary;
- (i) where Shares are held by the Custodian on behalf of the Participating Beneficiary indirectly, through one or more Custodians who hold beneficial interests in the Shares held by it in relation to each Participating Beneficiary (**Interposed Custodians**), the name and address of each Interposed Custodian; and
- (j) any such additional or varied information as might be required under any more specific ASIC relief that might be granted to the Company in relation to the SPP.

The offer under this SPP is made to the Custodian as the registered holder, not to the beneficiaries directly.

If the Shares are held as a trustee or nominee for another person, but that person does not satisfy the definition of a Custodian in the ASIC Instrument, that holder cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings apply.

Custodians requiring a Custodian Certificate or further information on how to apply, should contact the Company's share registry, Automic, on 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia) or the Lead Manager, Reach, on 1300 80 57 95 or investors@reachmarkets.com.au

Overseas shareholders

This SPP does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The SPP is not being extended to, and Shares will not be allotted to, Shareholders with a registered address which is outside Australia or New Zealand.

The Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions in the United States, and may not be offered, sold or delivered, directly or indirectly, in or to persons in, the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Shareholders who have beneficiaries that are not resident in Australia or New Zealand should consult their professional advisors to determine whether any government or other consents are required or whether formalities need to be observed to allow them to accept their entitlement.

Agreement

Eligible Shareholders may only acquire up to a maximum of A\$30,000 of Shares under an SPP or similar plan in any 12-month period (as prescribed by the ASIC Instrument).

By making payment via Electronic Funds Transfer or BPay®, the Eligible Shareholder represents and certifies:

- (a) the aggregate of the application price paid for:
 - (i) the Shares the subject of the payment; and

- (ii) any other Shares applied for or which a Custodian has been instructed to acquire under the SPP, or any similar arrangement operated by the Company in the 12 months before the date of application,

does not exceed A\$30,000 (except when applying as a Custodian for one or more beneficiaries);

- (b) to the extent its application exceeds the amount referred to in paragraph (a) above, it authorises the Company (and its officers and agents) to treat its application as being for such lesser amount of Shares as is permitted by the ASIC Instrument;
- (c) it is, and each person on whose account or benefit it is acting is, a holder of Shares and eligible to participate in the SPP;
- (d) it agrees generally to otherwise be bound by these Terms and Conditions and the terms set out on the application form;
- (e) that all details and statements in its application form are true and complete and not misleading;
- (f) its application is irrevocable and unconditional;
- (g) it is in compliance with all relevant laws and regulations;
- (h) it has not, and agrees that it will not, send any materials relating to the SPP to any person in the United States or any other country outside Australia and New Zealand; and
- (i) it acknowledges that the Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (j) it is not a “designated person” or “designated entity” (or other like term) for the purpose of any domestic or international law or regulation implementing United Nations sanctions;
- (k) it authorises the Company to place its name on the register of members in respect of the Shares which are issued to the Eligible Shareholder under the SPP offer and agrees to be bound by the constitution of the Company.

The Company reserves the right and in certain circumstances may be required by the ASIC Instrument or other conditions, to read down, or reject, any application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these Terms and Conditions or any statute, law, regulation, statutory instrument or the ASX Listing Rules.

Acceptance

Payment may be made via Electronic Funds Transfer or Bpay®, in accordance with the instructions on the application form. Applications will only be open for acceptance on and from 28 August 2023 (**Opening Date**).

To be valid, payment must be received by the Company before 5pm (AEST) on 13 September 2023 (**Closing Date**). Applications received after that time will not be accepted.

Shareholders may request for an electronic copy of their personalised share purchase plan application form from the following link:

<https://felixgold.investorportal.com.au/felix-gold-request-share-purchase-plan/>

An application form does not need to be returned if payment is made via Electronic Funds Transfer or Bpay®. Payment by Electronic Funds Transfer or Bpay® will be deemed to constitute an application (and the Eligible Shareholder will be taken to make the acknowledgements, certifications and representations described in these Terms and Conditions). Eligible Shareholders must follow the instructions as set out on the personalised application form when making payment. Failure to do so may result in an Eligible Shareholder's funds not being allocated to their application and any Shares applied for subsequently not being issued.

Once an application is received, the application and associated payment under the SPP may not be withdrawn and the interest (if any) accruing on the application money will accrue and be payable to the Company. Receipts for payment will not be issued.

The Company will refund application monies received from ineligible shareholders, subject to compliance with its legal obligations.

Calculation of number of Shares to be issued

In the absence of scale back, and subject to an application not being read down, or rejected, due to an Eligible Shareholder's application exceeding the A\$30,000 maximum limit provided for by the ASIC Instrument, the number of Shares to be issued will be calculated by dividing the application money received via Electronic Funds Transfer or Bpay® by the issue price of Shares under the SPP, then rounding up to the nearest whole Share.

If there is a scale back, the number of Shares issued will be calculated by dividing the value of the parcel of Shares allocated to the Eligible Shareholder by the SPP Price.

When determining the amount (if any) by which to scale back an application, the Company may take into account a number of factors, including any ‘gaming’ by Eligible Shareholders, the size of an applicant's shareholding, the extent to which Eligible Shareholders have sold or bought additional Shares after the Record Date and the date an application was made. Subject to the above, the Company will endeavour to apply any scale-back on the basis of Eligible Shareholders shareholding on the Closing Date of the SPP.

Scale back

The Company is targeting to raise A\$3,000,000 under the SPP, however the Company reserves absolute discretion regarding the final amount raised under the SPP.

If total demand for the SPP exceeds A\$3,000,000, the Company reserves the right to close the SPP early and / or scale back applications (or to increase the amount raised) in its absolute and sole discretion (subject to the maximum amount permitted under the ASX Listing Rules). If the Company scales back applications, Eligible Shareholders may receive less than the number of Shares applied for. If a scale back produces a fractional number

of Shares when applied to an applicant's parcel, the number of Shares to be allotted will be rounded up to the nearest whole number of Shares.

If the Company undertakes a scale back, Eligible Shareholders will receive the number of Shares determined by the Company in its absolute discretion which may be less than the parcel of Shares which was applied for. In this case, the difference between the application money received and the number of Shares allocated to the Eligible Shareholder multiplied by the issue price, may be refunded by direct credit (to a nominated account if recorded on the Company's share register) or cheque, in Australian currency, as soon as practicable without interest.

Price risk

The price of Shares on the ASX may rise or fall between the date of the SPP, the date of acceptance under SPP and the date when Shares are issued to under the SPP Offer. This means that the price Eligible Shareholders may pay per Share pursuant to this SPP may be either higher or lower than the Company's share price at the time of the offer or at the time the Shares are issued under the SPP.

Issue of Shares

Shares issued under the SPP will rank equally in all respects with all other fully paid ordinary shares in the Company on the date of issue.

Costs of participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and issue of Shares under, the SPP.

Lead Manager Engagement

The Company has appointed Reach Corporate Pty Ltd as Lead Manager (Lead Manager) and have been engaged by the Company to manage this Offer and ongoing investor communication. The Lead Manager will receive fees from the Company based on the participation in this Offer.

Allotment and quotation dates

Shares are expected to be allotted under the SPP on 20 September 2023 (**Share Issue Date**) and the Company will apply for these Shares to be listed for quotation on ASX on or about the same date.

The Company expects to dispatch a holding statement or confirmation advice in respect of the Shares allotted under the SPP on or about 21 September 2023. Eligible Shareholders should confirm their holding before trading in any Shares that they believe have been allotted to them under the SPP.

Underwriting

The SPP is not underwritten at the time the offer is made. However, the Company reserves the right to subsequently put in place an underwriting for the whole or part of the A\$3,000,000 sought to be raised through the SPP, depending on the appetite of the underwriter(s) and the proposed commercial terms. Any underwriting would be under the Company's ASX Listing Rule 7.1 capacity.

General

The Company may determine, in any manner it thinks fit, any disputes or anomalies which arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any Eligible Shareholder or application for Shares. The decision of the Company will

be conclusive and binding on all persons to whom the determination relates.

The Company reserves the right to waive compliance with any provision of these Terms and Conditions, to amend or vary these Terms and Conditions and to suspend or terminate the SPP at any time.

Any amendment, variation, suspension or termination will be binding on all Eligible Shareholders even where Eligible Shareholders are not notified of that event.

If an application form is incomplete, contains errors or is otherwise invalid or defective, the Company may, in its sole discretion, accept, reject, correct or amend the application, issue such number of Shares to the applicant shareholder as it considers appropriate, refund the application money, or take any combination of these actions. Any refund will be paid to the applicant shareholder shortly after the close of the SPP. The Company's rights and discretions under the SPP may be exercised by the Company's directors or any delegate of the Company's directors. To the extent permitted by any applicable law, the Company is not liable for any exercise of its discretions under the SPP.

None of the Company nor its related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers guarantees the performance of the Company.

Please contact the Company Secretary for the Company's privacy policy.

The Lead Manager's Privacy Policy can be accessed: <https://reachmarkets.com.au/privacy-reach/>

The Lead Manager's Financial Services Guide (FSG) can be accessed: <https://reachmarkets.com.au/financial-services-guide>

This offer is governed by the law of Queensland, Australia. By accepting the offer the Eligible Shareholder submits to the non-exclusive jurisdiction of the courts of Queensland, Australia.

ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547

This offer of Shares under the SPP is made in accordance with the requirements of the ASIC Instrument. The ASIC Instrument grants relief from the requirement to prepare a prospectus for the offer of Shares under the SPP.

Financial Markets Conduct (Incidental Offers) Exemption Notice

The Shares offered pursuant to the SPP are being offered in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*.

Independent financial and taxation advice

The offer under this SPP is not a recommendation to purchase Shares or a recommendation that the Shares are suitable for Eligible Shareholders and has been prepared without taking into account Eligible Shareholders' investment objectives, financial situation or particular needs. The Company recommends that Eligible Shareholders seek independent financial and taxation advice before participating in the SPP.

Questions

Any questions in respect of the SPP should be directed to the Lead Manager on this Offer, Reach;
Phone: 1300 80 57 95
Email: Investors@reachmarkets.com.au