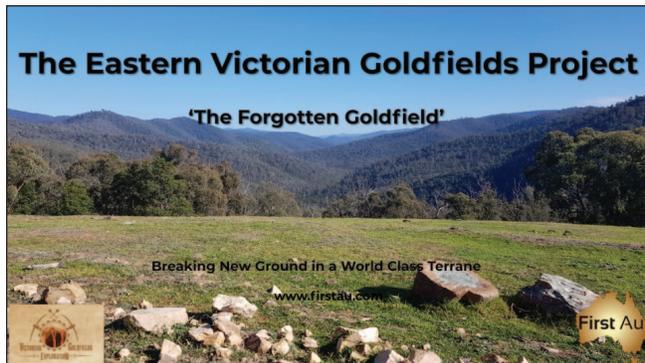


First Au Limited *Anatomy of a New Gold Discovery*



How do you find a gold mine? It might sound a little obvious, but how about going somewhere gold has already been discovered and mined and a lot of it. Junior Australian listed gold explorer First Au Limited (ASX: FAU) recently announced it had entered into an agreement to acquire an 80% interest Victorian Gold Pty Limited (“VicGold”) which holds applications making up the Victorian Goldfields Project, located in Eastern Goldfields of Victoria covering some 1,400 square miles.

Victoria’s first gold rush started in the Clunes Goldfield in July 1851, about 3 years after the California gold rush, and quickly spread to the Ballarat, Castlemaine and Bendigo areas. From 1851 to 1896 approximately **61 million ounces of gold** was mined in Victoria. As the surface alluvial gold ran out the miners were forced to venture underground. Historical alluvial and reef mining continued from 1860s to the 1890s until a combination of factors, including technical limitations at the time, air quality and water issues halted further production.

VicGold geologists were the first movers in the Eastern Goldfields to take advantage

of new Victorian Government Geological Survey data and together with their own studies identified geology, structure and gold events in the entire region as being prospective for structurally controlled “orogenic” gold systems, akin to the Fosterville and Bendigo style. The Fosterville Gold Mine, operated by Toronto Listed Kirkland Lake (TSX: KL), is one of the highest grade and most profitable gold mines in the world. The mine produced 619,000 ozs of gold during 2019 at a cash cost of \$119 per oz and an All In Sustaining Cost (AISC) of \$219 per oz. Fosterville has current gold resources reported of 2.1m ozs at a grade of 21.8 g/t.

Whilst the Victorian Gold Project is at a very early stage of exploration, the VicGold geological team is encouraged by historical reports which show multiple high-grade lodes which remain untested at depth. VicGold geologists have developed their “Orocline Gold Model” which asserts that the Eastern Goldfields region is believed to be an extension of the Fosterville/Bendigo zone, meaning that the geology and structure has been folded and bent in a particular direction so that the same body of rocks and geological sequence are observed throughout the Victorian Gold Project. This has now been confirmed by the Geological Survey of Victoria. Again, it should be emphasized that exploration has hardly scratched the surface and there has been very limited drilling and certainly none to any depth where this

style of ore body would expect to be encountered. VicGold’s “boots on ground” approach has identified many mafic intrusions which are visible in the old underground workings and consistently high-grade rock chips and intersections have been reported. This is the beginning of the adventure and only detailed exploration and drilling can confirm the if economic gold mineralization can be confirmed. Last year First Au announced its maiden, JORC defined gold resource at its flagship Gimlet Gold Project, near Kalgoorlie, western Australia of 642,000t @ 3.3 g/t Au for 69,000 ounces of gold. VicGold offers First Au a new foothold and extensive land position in yet another historically significant gold mining region. ■

Disclosure: Richard Revelins is an Executive Director and shareholder of First Au Limited

Please visit the company’s website for more information: www.firstau.com.au.

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