

Chairman's address to the Demerger Meeting of Shareholders

Good afternoon ladies and gentlemen, my name is Mike Edwards, Non-Executive Chairman, and I have been appointed to chair this meeting of Firefly shareholders.

I would like to begin by welcoming you to today's general meeting and thank you for your attendance.

Today, Firefly will be asked to vote on a proposed demerger of certain copper-gold and lithium assets which are proposed to be transferred to a newly incorporated public unlisted company called Firetail Resources Limited (**Firetail**). Firetail is presently a wholly-owned subsidiary of Firefly.

It is proposed that the demerger be effected by way of an equal capital reduction and pro rata in-specie distribution of 1 share in Firetail for approximately every 11.91 shares in Firefly held on the Record Date for the Demerger (expected to be 7.00pm WST on 9 November 2021).

Business of meeting

The purpose of the Demerger Meeting is to seek the agreement of Firefly shareholders to:

- dispose of a major asset, for the purposes of ASX Listing Rule 11.4 and for all other purposes (**Resolution 1**); and
- undertake the equal capital reduction and pro rata in-specie distribution of new Firetail Shares to Firefly shareholders, for the purposes of sections 256B and 256C of the Corporations Act and for all other purposes (**Resolution 2**).

The Resolutions are inter-conditional, meaning that both Resolution 1 and Resolution 2 must be passed in order for the Demerger to be approved.

It is past 2.30pm WST (being the scheduled start time for the meeting) and now time to commence the Demerger Meeting. I am advised that a quorum is present and I therefore declare the Demerger Meeting open.

Before I introduce your other Directors, I will outline the conduct of today's meeting.

I remind everyone that this is a shareholders' meeting and only shareholders, appointed proxies, corporate representatives and attorneys have the right to speak at the meeting. We have allowed advisers as visitors into the meeting.

Any comments, questions or matters raised for discussion during the meeting must be relevant to the business before the meeting.

Questions are to be directed to me as chair of the meeting. I will either deal with the question directly, or ask someone who is better placed to respond. We will do our best to answer any relevant question raised.

I would be grateful if you could all please check that your mobile phone is switched off or on silent, and note that the taking or recording of photographs, video or audio of the meeting or its proceedings (by whatever means) is not permitted.

Board and Company Secretaries

I would now like to introduce you to Mr Simon Lawson – Managing Director, Mr Ashley Pattison – Non-Executive Director and Mr Steven Wood and Ms Natalie Teo – Joint Company Secretaries. Mr Geoffrey Jones – Non-Executive Director, is an apology for this meeting.

Brief overview of the Demerger

In conjunction with the proposed Scheme, Firefly and Gascoyne are seeking to undertake a demerger of certain assets and lithium rights of Firefly, Gascoyne and certain subsidiaries into Firetail by way of a pro rata in-specie distribution of shares in Firetail to Firefly shareholders (**Demerger**).

Firetail was incorporated on 16 June 2021 for the sole purpose of spinning out the demerger assets. Firetail intends to apply for admission to the Official List of ASX after the implementation of the Demerger, however there can be no certainty as to the timing of when such application will be made or that any such application will be successful.

The assets to be transferred to Firetail by Firefly include the tenements of the Paterson Copper-Gold Project, the rights to consideration from the sale of the Forrestania Gold Project, the M59/358 Mining Lease and the lithium rights to certain tenements in the Yalgoo Gold Project. Gascoyne also intends to transfer lithium rights to certain tenements in the Dalgaranga Gold Project held by Gascoyne to Firetail.

Further information about the Demerger (including the demerger assets proposed to be transferred to Firetail) is set out in the Notice of Demerger Meeting, which is annexed at Annexure E of the Scheme Booklet.

If the Demerger is implemented, Firefly shareholders will receive 1 ordinary share in Firetail for approximately every 11.91 Firefly shares held by them on the Record Date for the Demerger (which as noted above is expected to be 7.00pm WST on 9 November 2021).

Firefly shareholders with a registered address outside Australia and New Zealand at the Record Date for the Demerger (which as noted previously, is anticipated to be 7.00pm WST on 9 November 2021) may elect to have their entitlement to new Firetail shares sold via a sale facility and receive the net sale cash proceeds instead.

The Board's recommendation

As set out in the Notice of Demerger Meeting (which is annexed at Annexure E of the Scheme Booklet), the Firefly Board has unanimously recommended that Firefly shareholders vote in favour of both Resolution 1 and Resolution 2.

The Notice of Demerger Meeting (including the explanatory statement) includes information regarding the reasons for the Board's recommendation, as well as disadvantages and key risk factors of the Demerger transaction.

Conditions

The Demerger Implementation Deed is subject to certain conditions, as outlined in section 3.9 of the Notice of Demerger Meeting (set out in full in Annexure E of the Scheme Booklet).

The Firefly Board is not currently aware of any reason as to why the remaining conditions will not be resolved prior to the deadline for satisfaction of those conditions.

Proxies

Firefly's share registry, Automic Group, have handled the proxy tabulation process for this meeting and have provided their formal report disclosing the proxy votes received.

Valid proxies for today's meeting have been received from 132 Firefly shareholders for a total of 154,825,402 Shares. The proxy numbers for each resolution will be shown on the screen behind me and as such, I won't read the numbers out as we deal with each item.

Where proxies have been nominated to be at the Chair's discretion, as advised in the Notice of Meeting, those votes will be cast in favour of each resolution.

Resolutions proposed to be agreed to

We will now commence the formal part of this meeting.

In the interests of time, the poll for both resolutions will be conducted immediately after both resolutions have been considered.

The purpose of this meeting is to consider and, if thought fit, to pass the following resolutions to approve the Demerger. The resolutions are as follows:

Resolution 1

"That, subject to and conditional on Resolution 2 being approved, for the purposes of ASX Listing Rule 11.4 and for all other purposes, approval is given for the transfer of the Firefly Demerger Assets to Firetail Resources Limited on the terms and conditions set out in the Explanatory Statement."

Voting Exclusions apply to Resolution 1 as mandated by the ASX Listing Rules and detailed in the Notice of Demerger Meeting.

Resolution 2

"That, subject to and conditional on Resolution 1 being passed and subject to and conditional on the In-specie Conditions being satisfied or waived in accordance with the Demerger Implementation Deed, for the purposes of sections 256B and 256C of the Corporations Act and for all other purposes:

- (a) the issued share capital of the Company be reduced on the Implementation Date by an amount equal to the market value of the In-specie Shares, with such amount being applied equally against each Firefly Share on issue on the In-specie Record Date; and*

(b) the reduction of capital be effected and satisfied by the Company making a pro rata distribution in specie of fully paid ordinary shares in Firetail Resources Limited to all eligible holders of ordinary shares in the Company at the In-specie Record Date,

and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

In order for Resolution 1 and Resolution 2 to be passed, it they must be agreed to by a majority in number of Firefly shareholders present and voting at the meeting (either in person or by proxy, attorney or, body corporate representative).

Authorised by the Board of Directors – Firefly Resources Limited