



FireFly

METALS

Supplementary Prospectus

FireFly Metals Ltd
(ACN 110 336 733)

Important Information

This is a supplementary prospectus (**Supplementary Prospectus**) which supplements and is intended to be read with the prospectus dated 7 October 2024 (**Prospectus**) issued by FireFly Metals Ltd (ACN 110 336 733) (**Company**).

This Supplementary Prospectus is dated 24 October 2024 and was lodged with ASIC on that date.

ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is any conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus, copies of which can be downloaded from <https://fireflymetals.com.au/asx-announcements/>.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

1. Purpose of this Supplementary Prospectus

Under the Prospectus, the Company reserved the right to increase acceptances under the SPP Offer in the event of oversubscriptions, subject to compliance with the ASX Listing Rules and Corporations Act. As at the date of this Supplementary Prospectus, and as a result of strong Shareholder interest in and support for the SPP Offer, the Company has received valid applications above the initial \$5,000,000 intended to be raised under the SPP Offer.

Accordingly, the Board has resolved to increase the maximum size of the SPP to \$8,000,000, up from the original target size of \$5,000,000. As a result, the number of SPP Shares offered under the SPP Offer to Eligible Shareholders has been increased from 5,263,158 SPP Shares to up to 8,421,690 SPP Shares.

By this Supplementary Prospectus, the Company makes the amendments to the Prospectus as set out in Section 3 below for the purpose of providing additional information to Shareholders in relation to the increase in SPP Shares offered pursuant to the SPP Offer under the Prospectus and the increase in the amount proposed to be raised under the SPP Offer.

The SPP Offer is inconsistent with the requirements of the ASIC Instrument. Accordingly, the issue of the SPP Shares under the SPP Offer is made pursuant to the Company's Listing Rule 7.1 placement capacity.

In order to ensure that this information is properly incorporated into the Prospectus, it must be lodged with ASIC and released to ASX. This Supplementary Prospectus has been drafted to comply with the relevant provisions of the Corporations Act.

2. No Investor Action Required

The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no additional investor action is required and no withdrawal rights will apply for the purposes of section 724 of the Corporations Act.

3. Amendments to the Prospectus

For the reasons set out in Section 1 above, by this Supplementary Prospectus, the following amendments are made to the Prospectus:

(a) **Cover page**

The first paragraph on the cover page is deleted and replaced with the following:

"This Prospectus is primarily being issued for the offer of up to 8,421,690 Shares at an issue price of \$0.95 per Share to Eligible Shareholders, to raise up to \$8,000,000 (before costs) (SPP Offer)."

(b) **Investment Overview**

The following sections of the Investment Overview in the Prospectus are deleted and replaced with the following:

Key Information	Further Information												
<p>SPP Offer</p> <p>The SPP Offer is an offer to each Eligible Shareholder to apply for a maximum of \$30,000 worth of SPP Shares at an issue price of \$0.95 per SPP Share to raise up to \$8,000,000 (before costs).</p> <p>Generally, an issue of securities under a security purchase plan that satisfies the requirements of the ASIC Instrument will fall within the exception stipulated by Listing Rule 7.2 Exception 5 and will not count towards an entity's Listing Rule 7.1 placement capacity. Given that the Company conducted another security purchase plan offer in the 12-month period prior to this SPP Offer, the Company is unable to rely on the relief granted pursuant to the ASIC Instrument and, as a result, fall within the terms of Listing Rule 7.2 Exception 5. Accordingly, the Company has agreed to issue the SPP Shares pursuant to its Listing Rule 7.1 placement capacity.</p>	Sections 1(b) and 2.1												
<p>Indicative Capital Structure</p> <p>The effect of the SPP Offer on the capital structure is set out below (assuming no other Securities are issued and no other existing Securities are exercised or converted):</p> <table><tr><th></th><th>Shares</th><th>Performance Rights</th></tr><tr><td>Existing Securities on issue</td><td>551,074,124</td><td>32,818,281</td></tr><tr><td>Maximum SPP Shares to be issued under SPP Offer</td><td>8,421,690</td><td>-</td></tr><tr><td>Total</td><td>559,495,814</td><td>32,818,281</td></tr></table> <p>Further details in respect of the Company's capital structure are set out in Section 3.1. The unaudited pro forma statement of financial position showing the effect of the SPP Offer is set out in Section 3.5.</p>		Shares	Performance Rights	Existing Securities on issue	551,074,124	32,818,281	Maximum SPP Shares to be issued under SPP Offer	8,421,690	-	Total	559,495,814	32,818,281	Section 3.1
	Shares	Performance Rights											
Existing Securities on issue	551,074,124	32,818,281											
Maximum SPP Shares to be issued under SPP Offer	8,421,690	-											
Total	559,495,814	32,818,281											
<p>Substantial Shareholders</p> <p>Based on available information as at the date of this Prospectus, the persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are as follows:</p> <table><tr><th>Substantial Shareholder</th><th>Shares</th><th>Voting power</th></tr><tr><td>BlackRock</td><td>79,827,452</td><td>14.49%</td></tr></table>	Substantial Shareholder	Shares	Voting power	BlackRock	79,827,452	14.49%	Section 6.7						
Substantial Shareholder	Shares	Voting power											
BlackRock	79,827,452	14.49%											

(c) **Background of the SPP Offer (refer Section 1 of the Prospectus)**

The following is added to the end of the first paragraph in Section 1 of the Prospectus:

“Following that announcement, the Company has decided to increase the maximum size of the SPP to \$8,000,000, up from the original target size of \$5,000,000. Accordingly, the aggregate amount proposed to be raised under the Capital Raising has increased to up to \$73,000,000 (before costs).”

(d) **SPP (refer Section 1(b) of the Prospectus)**

The reference to “\$5,000,000” in Section 1(b) of the Prospectus is deleted and replaced with “\$8,000,000”.

This Supplementary Prospectus is intended to be read with the original Prospectus dated 7 October 2024 issued by FireFly Metals Ltd (ACN 110 336 733).

(e) **SPP Offer (refer Section 2.1 of the Prospectus)**

The references to “\$5,000,000” throughout Section 2.1 of the Prospectus are deleted and replaced with “\$8,000,000”.

(f) **Capital structure on completion of the SPP Offer (refer Section 3.1 of the Prospectus)**

Section 3.1 of the Prospectus is deleted and replaced with the following:

“Assuming that no existing Performance Rights are converted into Shares, the effect of the SPP Offer on the Company’s issued capital as at the date of this Prospectus is as shown in the following table.

	Shares	Performance Rights
<i>Existing Securities on issue</i>	<i>551,074,124^{(1), (2)}</i>	<i>32,818,281^{(3), (4)}</i>
<i>Maximum SPP Shares to be issued under SPP Offer</i>	<i>8,421,690⁽⁵⁾</i>	<i>-</i>
Total	559,495,814⁽⁶⁾	32,818,281⁽⁷⁾

Notes:

- Includes 68,421,053 Placement Shares issued under the Placement on 3 October 2024.*
- Includes the following Shares subject to voluntary escrow:*
 - 666,667 Shares escrowed until 13 November 2024;*
 - 800,001 Shares escrowed until 22 December 2024;*
 - 1,133,334 Shares escrowed until 2 January 2025; and*
 - 441,176 Shares escrowed until 4 June 2025.*
- The Performance Rights on issue have expiry dates ranging between 14 April 2026 and 31 January 2029 and are subject to satisfaction of various vesting conditions.*
- 3,608,268 Performance Rights have vested following satisfaction of the relevant vesting conditions and may be converted into Shares in accordance with their terms and conditions.*
- Assumes the SPP Offer is fully subscribed and the Company does not increase acceptances in the event of oversubscriptions (the Company reserves the right to increase acceptances in the event of oversubscriptions pursuant to the SPP Offer (refer to Section 2.2), as such the number of SPP Shares issued may be more than the 8,421,690 Shares illustrated in the table).*
- In accordance with the terms of the Green Bay Subscription Agreement, at the 2024 AGM, the Company will be seeking Shareholder approval pursuant to Listing Rule 7.1 to issue such number of Shares equal to A\$7,500,000, determined by the VWAP of Shares over the last 10 trading days on which Shares traded prior to the issue date (**Deferred Consideration Shares**). The number of Deferred Consideration Shares to be issued is not fixed or subject to any floor price, therefore the Deferred Consideration Shares proposed to be issued are not included in the above table. If Shareholders do not approve the issue of the Deferred Consideration Shares at the 2024 AGM, the Company will pay the equivalent value of the Deferred Consideration Shares in cash.*

For further details regarding the Green Bay Subscription Agreement, refer to the Company’s Notice of General Meeting lodged with ASX on 11 September 2023.

This Supplementary Prospectus is intended to be read with the original Prospectus dated 7 October 2024 issued by FireFly Metals Ltd (ACN 110 336 733).

7. The Company is proposing to issue up to 5,560,249 Performance Rights (**LTI Performance Rights**) under its Employee Securities Incentive Plan to Executive Directors and senior management, subject to necessary shareholder approvals to be sought at the 2024 AGM. The LTI Performance Rights are not included in the above table. Further details regarding the LTI Performance Rights are set out in the Company's notice of annual general meeting lodged with ASX on 18 October 2024."

(g) **Proposed use of funds (refer Section 3.2 of the Prospectus)**

The table in Section 3.2 of the Prospectus is deleted and replaced with the following:

Proposed use	\$'000	%
<i>Advancing the exploration and development of the Green Bay Copper-Gold Project⁽¹⁾</i>	6,065	76
<i>General working capital⁽²⁾</i>	1,559	19
<i>Expenses of the SPP Offer⁽³⁾</i>	376	5
Total	8,000	100

(h) **Diluting effect of the SPP Offer (refer Section 3.4 of the Prospectus)**

Section 3.4 of the Prospectus is deleted and replaced with the following:

"On the assumption that:

- (a) *all of the SPP Shares offered under this Prospectus are issued; and*
- (b) *no other Securities are issued or exercised,*

the diluting effect on the percentage interest of existing Shareholders would be 1.51%."

(i) **Pro forma consolidated statement of financial position (refer Section 3.5 of the Prospectus)**

The table in Section 3.5 of the Prospectus is deleted and replaced with the following:

	30-Jun-24	Placement	SPP Offer	Pro Forma
	\$('000s)	\$('000s)	\$('000s)	\$('000s)
<i>Current assets</i>	45,969	61,680	7,624	115,273
<i>Non-current assets</i>	203,043	0	0	203,043
Total assets	249,012	61,680	7,624	318,316
<i>Current liabilities</i>	21,876	0	0	21,876
<i>Non-current liabilities</i>	21,404	0	0	21,404
Total liabilities	43,280	0	0	43,280
NET ASSETS	205,732	61,680	7,624	275,036

This Supplementary Prospectus is intended to be read with the original Prospectus dated 7 October 2024 issued by FireFly Metals Ltd (ACN 110 336 733).

	30-Jun-24	Placement	SPP Offer	Pro Forma
	\$('000s)	\$('000s)	\$('000s)	\$('000s)
<i>Net Issued Capital</i>	250,992	61,680	7,624	320,296
<i>Reserves</i>	(2,707)	0	0	(2,707)
<i>Accumulated losses</i>	(64,200)	0	0	(64,200)
<i>Non-controlling interest</i>	21,647	0	0	21,647
TOTAL EQUITY	205,732	61,680	7,624	275,036

(j) **Basis of Preparation (refer Section 3.6 of the Prospectus)**

Paragraphs (b) and (c) in Section 3.6 of the Prospectus are deleted and replaced with the following respectively:

- “(b) *the SPP Offer is fully subscribed and \$8,000,000 (before costs) is raised (the Board reserves the right to accept oversubscriptions, further details in respect of which are set out in Section 2.2); and*
- (c) *the estimated expenses of the SPP Offer of \$376,000 (excluding GST) are recognised in net issued capital.”*

(k) **Copies of documents (refer Section 6.2 of the Prospectus)**

The table in Section 6.2(b) of the Prospectus is updated to include the following additional announcements that have been released by the Company since 7 October 2024:

Date lodged	Subject of Announcement
23 October 2024	Application for quotation of securities - FFM
18 October 2024	Notice of Annual General Meeting/Proxy Form/Notice of Access
15 October 2024	Application for quotation of securities - FFM
14 October 2024	Application for quotation of securities - FFM
8 October 2024	Letter to Eligible Shareholders - Share Purchase Plan
8 October 2024	SPP Prospectus

(l) **Market price of Shares (refer Section 6.5 of the Prospectus)**

The final paragraph in Section 6.5 of the Prospectus is deleted and replaced with the following:

“The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$1.060 per Share on 23 October 2024.”

(m) **Substantial Shareholders (refer Section 6.7 of the Prospectus)**

The table in Section 6.7 of the Prospectus is deleted and replaced with the following:

This Supplementary Prospectus is intended to be read with the original Prospectus dated 7 October 2024 issued by FireFly Metals Ltd (ACN 110 336 733).

Substantial Shareholder	Number of Shares	Voting power⁽¹⁾
<i>BlackRock</i>	79,827,452 ⁽²⁾	14.49%

Notes:

1. *Based on 551,074,124 Shares on issue at the date of this Prospectus.*
2. *Based on BlackRock's Form 604 dated 22 August 2024 and includes 10,921,517 Placement Shares issued to BlackRock on 3 October 2024.*

(n) Security holdings (refer Section 6.8(a) of the Prospectus)

Notes 1 and 6 of the table in Section 6.8(a) of the Prospectus are deleted and replaced with the following:

1. *Based on 551,074,124 Shares on issue at the date of this Prospectus.*
6. *The Company is proposing, subject to Shareholder approval pursuant to Listing Rule 10.14 and section 208 of the Corporations Act at the 2024 AGM, to issue up to a total of 2,849,491 LTI Performance Rights under its Employee Securities Incentive Plan to Mr Parsons and Mr Naylor (or their respective nominees). The LTI Performance Rights are not included in the above table. Further details regarding the LTI Performance Rights are set out in the Company's notice of annual general meeting lodged with ASX on 18 October 2024."*

(o) Remuneration of Directors (refer Section 6.8(b) of the Prospectus)

The final sentence in the first paragraph of Section 6.8(b) of the Prospectus is deleted and replaced with the following:

"At the 2024 AGM, the Company will be seeking the approval of Shareholders pursuant to Listing Rule 10.17 and article 7.8(a) of the Constitution to increase this total aggregate fixed sum to \$750,000 (further details are set out in the Company's notice of annual general meeting lodged with ASX on 18 October 2024)."

(p) Expenses of SPP Offer (refer Section 6.11 of the Prospectus)

The table in Section 6.11 of the Prospectus is deleted and replaced with the following:

Expense	\$
<i>ASIC lodgement fee</i>	4,008
<i>ASX quotation fees</i>	22,119
<i>Legal and preparation expenses</i>	42,250
<i>Shareholder engagement services, share registry, printing, mailing and other expenses</i>	307,623
Total	376,000

(q) **Definitions (refer Section 8 of Prospectus)**

The definitions of "SPP Offer" and "SPP Shares" in Section 8 of the Prospectus are deleted and replaced with the following:

"SPP Offer means the offer to Eligible Shareholders of up to 8,421,690 SPP Shares, to raise up to \$8,000,000 (before costs).

SPP Shares means up to 8,421,690 Shares offered under the SPP Offer at an issue price of \$0.95 per Share."

4. Consents

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

5. Authorisation

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with ASIC and has not withdrawn that consent.

This Supplementary Prospectus is signed for and on behalf of the Company by:



Michael Naylor
Executive Director

Dated: 24 October 2024