



ACN 118 522 124

Notice of General Meeting

The General Meeting of the Company will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 30 July 2020 at 3.00 pm (WST).

DUE TO THE ONGOING COVID-19 PANDEMIC, THE COMPANY IS TAKING PRECAUTIONS TO FACILITATE AN IN-PERSON MEETING IN ACCORDANCE WITH COVID-19 RESTRICTIONS. IF THE SITUATION IN RELATION TO COVID-19 CHANGES IN A WAY AFFECTING THE ABILITY TO FACILITATE AN IN-PERSON MEETING AS CURRENTLY PROPOSED, THE COMPANY WILL PROVIDE A FURTHER UPDATE AHEAD OF THE MEETING BY WAY OF AN ANNOUNCEMENT ON THE ASX MARKET ANNOUNCEMENTS PLATFORM.

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on (08) 6389 2688.

Shareholders are urged to vote by lodging the proxy form attached to the Notice

Firefly Resources Limited
ACN 118 522 124
(Company)

Notice of General Meeting

Notice is hereby given that the general meeting of Shareholders of Firefly Resources Limited will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 30 July 2020 at 3.00 pm (WST) (**Meeting**).

Due to the ongoing COVID-19 pandemic and strict limitations on physical attendance, the Company has taken steps to ensure attendance in person is in adherence to COVID-19 protocols. If the situation in relation to COVID-19 were to change in a way that affects the Company's ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform. Please refer to the Explanatory Memorandum attached to the Notice for further details.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday, 28 July 2020 at 5.00 pm (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

1 Resolution 1 – Approval to issue Consideration Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 97,000,000 Consideration Shares to the Vendors (or their respective nominees), on the terms and conditions in the Explanatory Memorandum.'

2 Resolution 2 - Approval to issue Performance Rights

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 22,999,998 Performance Rights, to the Vendors (or their respective nominees), on the terms and conditions in the Explanatory Memorandum.'

3 **Resolution 3 - Approval to issue Placement Shares**

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the following issues of Placement Shares at \$0.03 per Share:

- (a) 38,333,334 Placement Shares to the Vendors (or their respective nominees);
- (b) 1,666,667 Placement Shares to Mr Mike Buys (or nominee); and
- (c) 1,666,667 Placement Shares to Mr Faris Cassim (or nominee),

on the terms and conditions in the Explanatory Memorandum.'

4 **Resolution 4 - Ratification of issue of Exclusivity Shares**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 833,333 Shares to the Vendors (or their respective nominees) on the terms and conditions in the Explanatory Memorandum.'

5 **Resolution 5 - Approval to issue Placement Shares to Michael Edwards**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 1,666,667 Non-Vendor Placement Shares to Mr Michael Edwards (or his nominees) on the terms and conditions in the Explanatory Memorandum.'

6 **Resolution 6 – Approval to issue Remuneration Shares to Michael Edwards**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,666,667 Remuneration Shares in lieu of up to \$50,000 of director's fees payable to Mr Michael Edwards (or his nominees) on the terms and conditions in the Explanatory Memorandum.'

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) Resolutions 1, 2 and 3(a) by or on behalf of the Vendors (or their respective nominees) and any person who will obtain a material benefit as a result of, the

proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates;

- (b) Resolutions 3(b) and 3(c) by or on behalf of Mr Mike Buys and Mr Faris Cassim respectively (or their respective nominees) and any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates;
- (c) Resolution 4, by or on behalf of the Vendors (or their respective nominees) who participated in the issue of the Shares or is a counterparty to the agreement being approved, or any of their respective associates; and
- (d) Resolutions 5 and 6, by Mr Michael Edwards who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a Shareholder), or any of his respective associates.

However, this does not apply to a vote cast in favour of a Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibitions

Resolutions 5 and 6: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (a) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

BY ORDER OF THE BOARD



John Hutton
Non-Executive Chair
Firefly Resources Limited
Dated: 30 June 2020

Firefly Resources Limited
ACN 118 522 124
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 30 July 2020 at 3.00 pm (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Background to the Acquisition of Aurum Minerals Pty Ltd
Section 4	Resolution 1 – Approval to issue Consideration Shares
Section 5	Resolution 2 - Approval to issue Performance Rights
Section 6	Resolution 3 - Approval to issue Placement Shares
Section 7	Resolution 4 - Ratification of issue of Exclusivity Shares
Section 8	Resolution 5 - Approval to issue Placement Shares to Michael Edwards
Section 9	Resolution 6 – Approval to issue Remuneration Shares to Michael Edwards
Schedule 1	Definitions
Schedule 2	Tenements - Details and Holders
Schedule 3	Terms and Conditions of the Performance Rights

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 **Impact of COVID-19 on the Meeting**

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19.

Based on the best information available to the Board at the time of the Notice, the Board considers it will be in a position to hold an 'in-person' meeting to provide Shareholders with a reasonable opportunity to participate in and vote at the Meeting, while complying with the COVID-19 restrictions regarding gatherings. The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.

2.2 **Voting in person**

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the Meeting in accordance with COVID-19 protocols and government advice.

The Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Meeting. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.

2.3 **Voting by Proxy**

Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

Proxy Forms can be lodged:

Online:	https://investor.automic.com.au/#/loginsah
By mail:	Share Registry – Automic Group Pty Ltd, GPO Box 5193, Sydney NSW 2001
By fax:	+61 2 8583 3040
By email:	meetings@automicgroup.com.au

2.4 **Chair's voting intentions**

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolutions 5 and 6 by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

3. Background to the Acquisition of Aurum Minerals Pty Ltd

3.1 General

On 24 June 2020, the Company announced it had entered into a binding terms sheet (**Terms Sheet**) with Aurum Minerals Pty Ltd (ACN 128 307 246) (**Aurum**) and each of the shareholders of Aurum (**Vendors**), to acquire 100% of the issued capital of Aurum (**Acquisition**).

The subsidiaries of Aurum, Yalgoo Exploration Pty Ltd and Mining and Metallurgy Process Solutions Pty Ltd (**Subsidiary Companies**), are the holders of the Yalgoo Gold Project (**Project**) comprised of the tenements set out in Schedule 2 (**Tenements**), located within the Yalgoo Greenstone Belt, Western Australia.

Upon completion of the Terms Sheet, the Company will acquire a 100% interest in the Project.

The Company is engaged in the exploration of high-grade gold resources. The Company considers the Acquisition to be complementary to the Company's existing operation, being the:

- (a) Forrestania Gold Project, located in the in the Forrestania Greenstone Belt in Western Australia; and
- (b) Paterson Copper-Gold Project, located in the Paterson Province in north-western Western Australia.

3.2 Summary of key terms of the Terms Sheet

(a) Consideration

The consideration payable by the Company to the Vendors (or their respective nominees) for the Acquisition is the issue of the following Securities:

- (i) 97,000,000 Shares at a deemed issue price of \$0.03 each, upon the satisfaction of the Conditions Precedent (**Consideration Shares**); and
- (ii) up to a total of 22,999,998 Performance Rights upon the satisfaction of the Conditions Precedent, which are to be issued in three separate tranches of 7,666,666 Performance Rights and upon the achievement of the following milestones:
 - (A) **Tranche A Milestone** (7,666,666 Performance Rights) will be completed upon announcement by the Company of a New Resource (or multiple New Resources in aggregate) of greater than 100,000oz (2.073Mt @ 1.5g/t gold and gold Equivalent) reported in accordance with JORC 2012 on any one or more of the Tenements, within 5 years from the date of issue;

- (B) **Tranche B Milestone** (7,666,666 Performance Rights) will be completed upon announcement by the Company of a New Resource (or multiple New Resources in aggregate) of greater than 200,000oz (2.073Mt @ 1.5g/t gold and gold Equivalent) reported in accordance with JORC 2012 on any one or more of the Tenements, within 5 years from the date of issue; and
- (C) **Tranche C Milestone** (7,666,666 Performance Rights) will be completed upon the Company mining greater than 50kt from below 12m from surface (with a minimum gold grade of >1.0g/t equivalent), on any one or more of the Tenements, within 5 years from the date of issue.

The issue of the Consideration Shares (Resolution 1) and Performance Rights (Resolution 2) is subject to the Company obtaining the Shareholder approvals set out in this Notice.

In part consideration for the exclusivity granted to the Company in respect of the Tenements, the Company will issue a total of 833,333 Exclusivity Shares to the Vendors using the Company's placement capacity under Listing Rule 7.1. The Company is seeking Shareholder approval to ratify the issue of the Exclusivity Shares pursuant to Resolution 4.

(b) Conditions Precedent

Completion of the Acquisition (**Completion**) is subject to the satisfaction (or waiver) of conditions precedent, including the following material outstanding conditions precedent:

- (i) the Company obtaining Shareholder approval for the completion of a placement to all or some of the Vendors (or their nominees) of a total of 38,333,334 Shares at an issue price of \$0.03 each to raise an aggregate total of \$1,150,000 (**Placement**);
- (ii) third party consents;
- (iii) the Company obtaining the release of any Encumbrance on the Company Shares to the satisfaction of the Company acting reasonably;
- (iv) ministerial consent under the *Mining Act 1978 (WA)* for the transfer of the Tenements; and
- (v) the Company obtaining all necessary Shareholder approvals under the Corporations Act, Listing Rules or otherwise in connection with the Acquisition, including for the issue of the Consideration Shares and Performance Rights;

(collectively, the **Conditions Precedent**).

If any of the Conditions Precedent are not satisfied (or waived in accordance with the Terms Sheet) on or before 5.00pm (WST) on 15 August 2020 (or such other date as agreed by the Company or the Vendors), the Company or the Vendors may terminate the Terms Sheet by notice in writing to the other party.

The parties will act reasonably to extend the satisfaction dates of any conditions precedent as necessary to accommodate delays experienced in the course of the Acquisition. Completion of the Acquisition is due to occur on the date that is five Business Days after the satisfaction (or waiver) of the Conditions Precedent, or such other date as may be agreed by the Company and Vendors.

(c) Capital Raising

The Terms Sheet contemplates that the Vendors will make a strategic investment in the Company by way of a placement of 38,333,334 Shares at an issue price of \$0.03 each to raise approximately \$1,150,000 (before costs) (**Vendor Placement Shares**). In addition to the Vendor Placement, Firefly will undertake a capital raising of a further \$1,177,862 (before costs), comprising of:

- (i) a Placement of 5,000,000 Shares at an issue price of \$0.03 each to raise approximately \$150,000 (before costs) (**Non-Vendor Placement Shares**); and
- (ii) a non-renounceable entitlement offer (3 for 7 offer) to raise up to approximately \$1,027,862 (before costs) on the same terms as the Placement (**Entitlement Offer**).

Collectively, the Non-Vendor Placement Shares and Vendor Placement Shares are referred to as the **Placement Shares**.

(d) Royalty Deed and Tribute Mining Agreement

Under the Terms Sheet, the parties will negotiate the following documents:

- (i) Royalty Deed: the Vendors will be granted a royalty of 1.25% (**Royalty Percentage**) of the net smelter return in respect of any mineral product extracted and sold from each of the Tenements, provided that the Royalty Percentage in respect of any Tenement will be adjusted so that, when combined with any other royalties applicable to the Tenement, the cumulative royalty percentage applicable to the Tenement does not exceed 1.25%; and
- (ii) Tribute Mining Agreement: the Vendors will be granted the right to mine the Melville laterite resource, which falls within the Tenements, subject to the terms and conditions set out in the Terms Sheet.

(e) Other terms and conditions

The Terms Sheet contains additional provisions, representation and warranties considered standard for agreements of this nature.

3.3 Proposed capital structure

The pro forma capital structure at completion of the Acquisition is set out below:

	Shares	Options ¹	Performance Rights
Existing	79,944,854	17,974,995	-
Exclusivity Shares (Resolution 4) ²	833,333	-	-
Consideration Shares (Resolution 1) ³	97,000,000	-	-
Non-Vendor Placement Shares (Resolutions 3(b), 3(c) and 5) ³	5,000,000	-	-
Vendor Placement Shares (Resolution 3(a)) ³	38,333,334	-	-
Rights Issue ⁵	34,262,080	-	-
Performance Rights (Resolution 2) ^{3,4}	-	-	22,999,998
TOTAL⁴	255,373,601	17,974,995	22,999,998

Notes:

1. 17,974,995 unquoted options comprising:
 - a. 1,874,996 unquoted options exercisable at \$1.20 on or before 15 April 2021;
 - b. 399,999 unquoted options exercisable at \$0.60 on or before 31 March 2022;
 - c. 5,000,000 unquoted options exercisable at \$0.10 on or before 30 September 2022;
 - d. 5,000,000 unquoted options exercisable at \$0.125 on or before 30 September 2022;
 - e. 2,850,000 unquoted options exercisable at \$0.12 on or before 31 December 2021; and
 - f. 2,850,000 unquoted options exercisable at \$0.14 on or before 31 December 2022.
2. The Exclusivity Shares will be issued under the Company's existing 15% placement capacity following execution of the Terms Sheet.
3. The Consideration Shares, Performance Rights and Placement Shares are subject to Shareholder approval.
4. The Performance Rights is to be issued in three separate tranches of 7,666,666 Performance Rights each and will vest upon the completion of the applicable milestone for each tranche as set out in Schedule 3.
5. Refer to Section 3.2(c)(ii) for details of the proposed Entitlement Offer.

3.4 Proposed Use of Funds

The Company intends to spend funds raised from the issue of the Placement Shares and Rights Issue as follows:

Use	Placement Shares (Resolutions 3 and 5)	Rights Issue	Total
Existing Projects	\$260,000	\$200,000	\$460,000
The Project	\$700,000	\$550,000	\$1,250,000
Working Capital	\$340,000	\$277,862	\$617,862
Total	\$1,300,000	\$1,027,862	\$2,327,862

The above table is an estimate based on the intentions of the Directors at the date of the Notice and is subject to change.

4. Resolution 1 – Approval to issue Consideration Shares

4.1 General

Refer to Section 3 for details regarding the acquisition of Aurum.

Resolution 1 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Consideration Shares to the Vendors (or their respective nominees).

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

4.2 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The proposed issue of Consideration Shares does not fit within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

The effect of Resolution 1 will be to allow the Company to issue the Consideration Shares during the period of 3 months after the Meeting or a longer period, if allowed by ASX, without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 1 is passed, the Company will be able to issue the Consideration Shares and proceed to completion of the Acquisition. In addition, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to proceed to issue the Consideration Shares and the Company will not acquire Aurum and the Project under the current terms of the Terms Sheet.

4.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Consideration Shares:

- (a) the Consideration Shares will be issued to the Vendors (or their respective nominees) (as listed in Schedule 2) none of whom is a Material Investor or related party of the Company;
- (b) a maximum of 97,000,000 Shares are to be issued as Consideration Shares;
- (c) the Consideration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (d) the Consideration Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and will occur on the same date;
- (e) the Consideration Shares will be issued for nil cash consideration as part consideration for the Acquisition;
- (f) no funds will be raised from the Consideration Shares as they will be issued for nil cash consideration;
- (g) a summary of the material terms of the Terms Sheet is set out in Section 3.2; and
- (h) a voting exclusion statement is included in the Notice.

5. **Resolution 2 - Approval to issue Performance Rights**

5.1 **General**

Resolution 2 seeks Shareholder approval for the issue of up to 22,999,998 Performance Rights to the Vendors (or their nominees), which are to be issued in three separate tranches of 7,666,666 Performance Rights.

The Performance Rights will be subject to the terms and conditions set out in Schedule 3 and vest as follows:

- (a) **Tranche A Milestone** (7,666,666 Performance Rights): will be completed upon announcement by the Company of a New Resource (or multiple New Resources in aggregate) of greater than 100,000oz (2.073Mt @ 1.5g/t gold and gold Equivalent) reported in accordance with JORC 2012 on any one or more of the Tenements, within 5 years from the date of issue;

- (a) **Tranche B Milestone** (7,666,666 Performance Rights): will be completed upon announcement by the Company of a New Resource (or multiple New Resources in aggregate) of greater than 200,000oz (2.073Mt @ 1.5g/t gold and gold Equivalent) reported in accordance with JORC 2012 on any one or more of the Tenements within 5 years from the date of issue; and
- (b) **Tranche C Milestone** (7,666,666 Performance Rights): will be completed upon the Company mining greater than 50kt from below 12m from surface (with a minimum gold grade of >1.0g/t Equivalent), on any one or more of the Tenements, within 5 years from the date of issue.

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

5.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

The proposed issue of Performance Rights does not fit within any of the exceptions to Listing Rule 7.1 and accordingly, the Company proposes to seek the approval of Shareholders under Listing Rule 7.1.

The effect of Resolution 2 will be to allow the Company to issue the Performance Rights during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 2 is passed, the Company will be able to issue the Performance Rights and, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will be unable to complete the Conditions Precedent to the Acquisition and the Acquisition will not be able to proceed on the terms set out in Section 3.2 of this Notice.

5.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Performance Rights:

- (a) the Performance Rights will be issued to the Vendors (or their respective nominees) none of whom is a Material Investor or related party of the Company
- (b) a maximum of 22,999,998 Performance Rights are to be issued in three separate tranches of 7,666,666 each;
- (c) the Performance Rights will be subject to the vesting conditions set out in above in Section 5.1 and the terms and conditions set out in Schedule 3;
- (d) the Performance Rights will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and will occur on the same date;
- (e) the Performance Rights will be issued for nil cash consideration as part consideration for the Acquisition;

- (f) no funds will be raised from the Performance Rights as they will be issued for nil cash consideration;
- (g) a summary of the material terms of the Terms Sheet is set out in Section 3.2; and
- (h) a voting exclusion statement is included in the Notice.

6. Resolution 3 - Approval to issue Placement Shares

6.1 General

Refer to Section 3.2(c) for details regarding the Placement and the proposed issue of the Placement Shares.

Each of the Resolutions which form part of Resolution 3 seeks the approval of Shareholders pursuant to Listing Rule 7.1 for the issue of up to 41,666,668 Placement Shares, issued at \$0.03 each as follows:

- (a) 38,333,334 Vendor Placement Shares to the Vendors (or their respective nominees);
- (b) 1,666,667 Non-Vendor Placement Shares to Mr Mike Buys; and
- (c) 1,666,667 Non-Vendor Placement Shares to Mr Faris Cassim.

The Company does not currently have sufficient placement capacity under Listing Rules 7.1 or 7.1A to issue the Placement Shares under the Placement.

Each of the resolutions which forms part of Resolution 3 seeks the approval of Shareholders pursuant to Listing Rule 7.1 for the issue of up to 41,666,668 Placement Shares to the Vendors, Mr Buys and Mr Cassim (or their respective nominees). The Company is also separately seeking Shareholder approval under Resolution 5 for Mr Michael Edwards, a Director of the Company, to participate in the Placement.

Each of the resolutions which forms part of Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of each of the resolutions which forms part of Resolution 3.

6.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

The proposed issue of the Placement Shares does not fall within any of these exceptions and the Company seeks the approval of the Company's Shareholders under Listing Rule 7.1.

The effect of each of the resolutions which forms part of Resolution 3 will be to allow the Company to issue the Placement Shares during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If each of the resolutions which forms part of Resolution 3 are passed, the Company will be able to proceed with the issue of the Placement Shares to the Vendors, Mr Buys and Mr Cassim. In addition, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If each of the resolutions which forms part of Resolution 3 are not passed, the Company will not be able to proceed with the issue of the Placement Shares under the current terms of the Placement and the Company will be required to renegotiate the terms of the Placement with the Vendors, Mr Buys and Mr Cassim.

6.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Placement Shares:

- (a) the:
 - (i) Non-Vendor Placement Shares will be issued to:
 - (A) Mr Mike Buys (or nominee), who is a shareholder of the Company but is not a related party of the Company; and
 - (B) Mr Faris Cassim (or nominee) who is a shareholder of the Company but is not a related party of the Company; and
 - (ii) Vendor Placement Shares will be issued to the Vendors (or their respective nominees), none of whom is a Material Investor;
- (b) a maximum of 41,666,668 Shares are to be issued as Placement Shares as follows:
 - (i) 3,333,334 Shares will be issued as Non-Vendor Placement Shares; and
 - (ii) 38,333,334 Shares will be issued as Vendor Placement Shares;
- (c) the Placement Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (d) the Placement Shares will be issued no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and will occur on the same date;
- (e) the Placement Shares will be issued at \$0.03 per Share;
- (f) the Company intends to use the funds raised from the issue of the Placement Shares to explore and develop the Project, maintain the Company's existing projects, and to provide the Company with working capital as set out in Section 3.4;
- (g) the issue of the Vendor Placement Shares is a Condition Precedent to the Acquisition. A summary of the material terms of the Terms Sheet is set out in Section 3.2;
- (h) the Company does not have a subscription agreement in place with Messrs Buys and Cassim in respect of the issue of the Non-Vendor Placement Shares; and
- (i) a voting exclusion statement is included in the Notice.

7. Resolution 4 - Ratification of issue of Exclusivity Shares

7.1 General

Refer to Section 3 for further details regarding the acquisition of Aurum.

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Exclusivity Shares.

Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 4.

7.2 Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is contained in Section 4.2 above.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue or agreement to issue securities made pursuant to Listing Rule 7.1 (and provided that the previous issue or agreement to issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The issue of Exclusivity Shares does not fit within any of the exceptions, and as they have not yet been approved by the Company's Shareholders, they effectively use up part of the aggregate 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

The effect of Shareholders passing Resolution 4 will be to restore the Company's ability to issue further Equity Securities, to the extent of 833,333 Equity Securities, during the next 12 months without the requirement to obtain prior Shareholder approval.

If Resolution 4 is not passed, the Exclusivity Shares issued to the Vendor (or its nominees) will be included in the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue or agree to issue without Shareholder approval over the 12 month period following the date of issue of such Shares.

7.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification:

- (a) the Exclusivity Shares will be issued to the Vendors (or their respective nominees), none of whom is a Material Investor or related party of the Company;
- (b) a total of 833,333 Exclusivity Shares will be issued on or around 6 July 2020;
- (c) the Exclusivity Shares are fully paid ordinary shares in the capital of the Company, having the same terms and conditions as the Company's existing Shares;
- (d) the Exclusivity Shares will be issued at a deemed issue price of A\$0.03 per Share;

- (e) no funds will be raised from the issue of the Exclusivity Shares as they were issued for nil cash consideration pursuant to the Terms Sheet. See Section 3 for further details regarding the Acquisition; and
- (f) a voting exclusion statement is included in the Notice.

8. Resolution 5 - Approval to issue Placement Shares to Michael Edwards

8.1 General

Refer to Section 3.2(c) for details regarding the Placement and the proposed issue of the Placement Shares.

Resolution 5 seeks the approval of Shareholders pursuant to Listing Rule 10.11 for the issue of up to 1,666,667 Non-Vendor Placement Shares to Mr Michael Edwards, at an issue price of \$0.03 each.

Mr Edwards wishes to participate in the Placement, subject to Shareholder approval being obtained.

Resolution 5 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 5.

The Board (other than Mr Edwards who has a material personal interest in the outcome of the Resolution) recommends that Shareholders vote in favour of Resolution 5.

8.2 Listing Rule 10.11

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

If Resolution 5 is passed, the Company will be able to proceed with the issue of up to 1,666,667 Non-Vendor Placement Shares to Mr Edwards.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of up to 1,666,667 Non-Vendor Placement Shares to Mr Edwards.

Mr Edwards is a related party of the Company by virtue of his position as a Director. As the issue of Shares to Mr Edwards (or his nominees) involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies.

The issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholder under Listing Rule 10.11.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of the Shares will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

8.3 **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Securities:

- (a) a maximum of 1,666,667 Non-Vendor Placement Shares will be issued to Mr Edwards (or his nominees), whom is a Director of the Company;
- (b) pursuant to Listing Rule 10.11.1, Mr Edwards is a related party by virtue of being a Director;
- (c) the Non-Vendor Placement Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Non-Vendor Placement Shares will be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and will occur on the same date;
- (e) the issue price will be \$0.03 per Share, being the same as all other Shares issued under the Placement;
- (f) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in Section 6.3(f);
- (g) the Non-Vendor Placement Shares to Mr Edwards are not being issued under an agreement; and
- (h) a voting exclusion statement is included in the Notice.

8.4 **Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitute the giving of a financial benefit and Mr Edwards is a related parties of the Company by virtue of being a Director.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the Shares will be issued to Mr Edwards on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

9. **Resolution 6 – Approval to issue Remuneration Shares to Michael Edwards**

The Board has agreed, subject to obtaining Shareholder approval, to issue a total of 1,666,667 Remuneration Shares to Mr Edwards (or his nominees) as part of his remuneration as a Director of the Company in lieu of up to \$50,000 of director fees payable.

The Remuneration Shares provide an incentive component to Mr Edward's remuneration package, and his interests with those of Shareholders. The Board considers that the number of Remuneration Shares to be granted to Mr Edward is commensurate with his value to the Company and is an appropriate method to provide cost effective remuneration.

The Remuneration Shares will be issued for nil cash consideration, with a deemed issue price of \$0.03 each.

Resolution 6 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 6.

9.1 **Listing Rule 10.11**

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

Mr Edwards is a related party of the Company by virtue of his position as a Director. As the issue of Remuneration Shares to Mr Edwards (or his nominees) involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Remuneration Shares will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of up to 1,666,667 Remuneration Shares to Mr Edwards (or his nominees).

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of up to 1,666,667 Remuneration Shares to Mr Edwards (or his nominees) and will consider an alternative and appropriate method to remunerate Mr Edwards for his services provided to the Company. As at the date of this Meeting, the Board has not resolved or agreed on an alternative method to remunerate Mr Edwards in the event Resolution 6 is not passed.

9.2 **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Remuneration Shares:

- (a) a maximum of 1,666,667 Remuneration Shares will be issued to Mr Edwards (and/or his nominees), a Director of the Company;

- (b) pursuant to Listing Rule 10.11.1, Mr Edwards is a related party by virtue of being a Director;
- (c) the Remuneration Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Remuneration Shares will be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and will occur on the same date;
- (e) the Remuneration Shares will be issued for nil cash consideration and the Shares will be issued at a deemed issue price of \$0.03 as they will be issued as part of Mr Edward's remuneration package. Therefore no funds will be raised as a result of the issue;
- (f) Mr Edward's current remuneration package consists of a gross base salary of \$21,900 per annum (inclusive of statutory superannuation); and
- (g) a voting exclusion statement is included in the Notice.

9.3 **Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Remuneration Shares as the agreement to grant the Remuneration Shares, reached as part of the remuneration package for Mr Edwards is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ or A\$	means Australian Dollars.
Acquisition	has the meaning given in Section 3.1.
Aurum	means Aurum Minerals Pty Ltd (ACN 128 307 246).
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Closely Related Party	means: <ul style="list-style-type: none">(a) a spouse or child of the member; or(b) has the meaning given in section 9 of the Corporations Act.
Company	means Firefly Resources Limited ACN 118 522 124.
Consideration Shares	means up to 97,000,000 Shares to be issued to the Vendor (or its nominees) pursuant to the Terms Sheet which is the subject of Resolution 1.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Encumbrance	means any royalty, mortgage, lien, charge, pledge, caveat, contract, assignment by way of security, security interest, title retention, preferential right or trust arrangement, claim, covenant, lease, pre-emptive right or any other right, interest, claim or demand of any third party or any agreement or arrangement having the same effect.
Equity Security	has the same meaning as in the Listing Rules.
Equivalent	has the meaning given by paragraph 50 of the JORC Code 2012.
Exclusivity Shares	means up to 833,333 Shares to be issued at \$0.03 each to the Vendors under the Placement, which is the subject of Resolution 4.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a

consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules	means the listing rules of ASX.
Material Investor	means, in relation to the Company: <ul style="list-style-type: none">(a) a related party;(b) a member of Key Management Personnel;(c) a substantial Shareholder;(d) an adviser; or(e) an associate, of the above who will receive securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.
Meeting	has the meaning given in the introductory paragraph of the Notice.
New Resource	means a resource not including the aggregate 153,000 ounces in resource estimates in the Company's announcement dated 24 June 2020.
Non-Vendor Placement Shares	means up to 5,000,000 Shares to be issued at \$0.03 each to Mr Buys, Mr Cassim and Mr Edwards under the Placement, which are the subject of Resolutions 3(b), 3(c) and 5.
Notice	means this notice of general meeting.
Option	means an option to acquire a Share.
Performance Rights	means up to 22,999,998 performance rights to be issued to the Vendors on the terms and conditions set out in Schedule 3, which is the subject of Resolution 2.
Placement	has the meaning given in Section 5.
Placement Shares	means the Non-Vendor Placement Shares and Vendor Placement Shares.
Proxy Form	means the proxy form attached to the Notice.
Remuneration Shares	means up to 1,666,667 Shares in lieu of up to \$50,000 of director's fees payable to Mr Michael Edwards (or his nominees, which is the subject of Resolution 6.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.

Securities	means any Equity Securities of the Company (including Shares and/or Options).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Subsidiary Companies	means Yalgoo Exploration Pty Ltd (ACN 166 570 869) and Mining and Metallurgy Process Solutions Pty Ltd (ACN 169 234 431).
Terms Sheet	means the binding terms sheet agreement entered into between the Company and the Vendors on 23 June 2020 for the acquisition of 100% of Aurum's issued share capital.
Tenement	means those tenements listed as such in Part B of Schedule 2 and includes any extension, renewal, variation, conversion, amalgamation, replacement or substitution of those tenements, and any tenement applied for or granted in substitution, conversion or retention for the Tenements whether in whole or in part and any application for, or interest in any of the foregoing which confer, or will confer like rights.
Trading Day	has the meaning given in the Listing Rules.
Transferring Tenement	means E59/2230, E59/2252, E59/2284, E59/2295, E59/2363, E59/2364 and P59/2138 and includes any extension, renewal, variation, conversion, amalgamation, replacement or substitution of those tenements, and any tenement applied for or granted in substitution, conversion or retention for the Tenements whether in whole or in part and any application for, or interest in any of the foregoing which confer, or will confer like rights.
Transferring Tenement Holders	means Peter Gianni, Jessica May Cooke and Croft Mining Pty Ltd.
Vendors	means the Shareholders of Aurum as listed in Schedule 2.
Vendor Placement Shares	means up to 38,333,334 Shares to be issued at \$0.03 each to the Vendors under the Placement, which is the subject of Resolution 3(a).
WST	means Western Standard Time being the time in Perth, Western Australia.

Schedule 2 Tenements - Details and Holders

1. Part A - Shareholders of Aurum

The shareholders of Aurum are comprised of:

	Vendor	Number of Company Shares held (fully paid ordinary shares)
1.	ASHLEY JON PATTISON of 13 ROSSER STREET, COTTESLOE WA 6011	1
2.	NICHOLAS YOUNG of 108 OUTRAM STREET, WEST PERTH WA 6005	65,000
3.	THOMAS JAMES LOH of 7 GREENHAM STREET, COTTESLOE WA 6011	83,300
4.	ADAM WEBB WARE of UNIT 2, 24 AVONMORE TERRACE, COTTESLOE WA 6011	120,000
5.	DUNCAN THAIN CRAIB of PO BOX 106, MOSMAN PARK WA 6912	200,000
6.	RJ CONSOLIDATED PTY LTD (ACN: 129929282) of 155 CROSBY ROAD, HAMILTON QLD 4007	230,000
7.	PINVESTMENT PTY LTD (ACN: 608854806) of UNIT 28, 589 STIRLING HIGHWAY, COTTESLOE WA 6011	230,000
8.	PETER GIANNI of 11 PURNA PLACE, HANNANS WA 6430	243,000
9.	STEVEN PARNELL of LEVEL 3, 46-50 KINGS PARK ROAD, WEST PERTH WA 6005	250,000
10.	MICHAEL ROBERT GILL of 16 FIRST AVENUE, MOUNT LAWLEY WA 6050	312,000
11.	MAHALO ENTERPRISES PTY LTD (ACN: 610645246) of PO BOX 5, MOSMAN PARK WA 6912	430,000
12.	CROFT MINING PTY LTD (ACN: 161622402) of 120 LISSADELL STREET, FLOREAT WA 6014	450,000
13.	ALITIME NOMINEES PTY LTD (ACN: 158130468) of PO BOX 8292, SOUTH PERTH WA 6151	500,000
14.	CELTIC CAPITAL PTY LTD (ACN: 120688262) of PO BOX Z5467, ST GEORGES TERRACE, PERTH WA 6831	500,000
15.	DC AND PC HOLDINGS PTY LTD (ACN: 623024751) of 137 STONEHAM ROAD, ATTADALE WA 6156	587,001
16.	NEW DISCOVERY PTY LTD (ACN: 159939518) of 16 VIEW STREET, PEPPERMINT GROVE WA 6011	666,666

17.	CHAHEN PTY LTD (ACN: 164129588) of 28 PALM AVENUE, ASCOT QLD 4007	670,000
18.	KONKERA PTY LTD (ACN: 151079597) of PO BOX 1311, SUBIACO WA 6904	1,000,000
19.	SISU INVESTMENTS PTY LTD (ACN: 074343178) of C/- DKP & CO, SUITE 2, LEVEL 6 520 COLLINS STREET, MELBOURNE VIC 3000	1,000,000
20.	TRISTAR NOMINEES PTY. LTD. (ACN: 129667965) of 13 ROSSER STREET, COTTESLOE WA 6011	1,869,566
21.	ROBERT ANDREW JEWSON of UNIT 1, 1 COOLGARDIE STREET, WEST PERTH WA 6005	2,947,234
22.	KEVIN PUIL of 13 ROSSER STREET, COTTESLOE WA 6011	3,036,233

2. Part B - Tenement Holders

The details of the Tenements and the Tenements Holders are as follows:

Tenement	Legal Tenement Holder (100%)	Beneficial Tenement Holder (100%)
E59/2077	Yalgoo	Yalgoo
E59/2140	Yalgoo	Yalgoo
E59/2230	Gianni, Peter Romeo	Yalgoo
E59/2252	Croft Mining Pty Ltd	Yalgoo
E59/2284	Gianni, Peter Romeo	Yalgoo
E59/2295	Croft Mining Pty Ltd	Yalgoo
E59/2363	Cooke, Jessica May	Yalgoo
E59/2364	Croft Mining Pty Ltd	Yalgoo
P59/2040	MMPS	MMPS
P59/2042	MMPS	MMPS
P59/2138	Cooke, Jessica May	Yalgoo

Schedule 3 Terms and Conditions of the Performance Rights

The following terms and conditions apply to the Performance Rights of the Company:

1. Entitlement

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

2. Vesting Conditions

Subject to these terms and conditions, the vesting of a Performance Right subject to the satisfaction of the relevant milestones specified below (each referred to as a **Milestone**):

Tranche	Applicable Milestone	Expiry Date	Number of Performance Rights to be issued upon
1	'Tranche A Milestone' will be completed upon announcement by the Company of a New Resource (or multiple New Resources in aggregate) of greater than 100,000oz (2.073Mt @ 1.5g/t gold and gold Equivalent) reported in accordance with JORC 2012 on any one or more of the Tenements	5 years from the date of issue	7,666,666
2	'Tranche B Milestone' will be completed upon announcement by the Company of a New Resource (or multiple New Resources in aggregate) of greater than 200,000oz (2.073Mt @ 1.5g/t gold and gold Equivalent) JORC 2012 on any one or more of the Tenements	5 years from the date of issue	7,666,666
3	'Tranche C Milestone' will be completed upon the Company mining greater than 50kt from below 12m from surface (with a minimum gold grade of >1.0g/t Equivalent), on any one or more of the Tenements	5 years from the date of issue	7,666,666

Notes to the above table:

1. Equivalent has the meaning given in the JORC Code 2012, as updated from time to time.
2. New Resource means a resource not including the aggregate 153,000 ounces in resource estimates in the Company's announcement dated 24 June 2020.

3. **Change of Control**

Upon:

- (a) a takeover bid under Chapter 6 of the Corporations Act having:
 - (i) been made in respect of the Company;
 - (ii) received acceptances for not less than 50.1% of the Company's shares on issue; and
 - (iii) been declared unconditional by the bidder; or
- (b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent the Performance Rights have not vested due to satisfaction of the Vesting Condition, the Performance Rights automatically vest to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue in the Company at that time. Performance Rights that are not vested and converted into Shares will continue to be held by the holder on the same terms and conditions.

4. **Expiry of Performance Rights**

A Performance Right will lapse upon the relevant Milestone becoming incapable of satisfaction on or before the date that is 5 years from the date of issue.

5. **Shares Issued on Exercise**

Shares issued on the exercise of a Performance Rights rank equally with the then Shares of the Company.

6. **No cash consideration**

The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the issue of Shares after vesting.

7. **Timing of issue of Shares**

- (a) As soon as practicable after the satisfaction of a Performance Right Milestone, the Company shall give written notice to the holder that the relevant Milestone has been satisfied.

- (b) As soon as practicable after the later of the following:
 - (i) the Company receives a Notice of Exercise or the Performance Rights; and
 - (ii) excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceasing to be excluded information,the Company will:
 - (i) issue the Shares pursuant to the exercise of the Performance Rights;
 - (ii) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (iii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights.

8. Quotation

The Company will not apply for quotation of the Performance Rights on ASX.

9. Transferability of Performance Rights

The Performance Rights are not transferable.

10. Participation in New Issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.

11. Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the holders of Performance Rights will be varied in accordance with the Listing Rules.

12. Voting rights

A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.

13. Dividend rights

A Performance Right does not entitle the Holder to any dividends.

14. Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

15. Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.



FIREFLY RESOURCES LIMITED | ACN 118 522 124

GM Registration Card

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Vote by Proxy: FFR

Your proxy voting instruction must be received by **3.00pm (WST) on Tuesday, 28 July 2020**, being not later than **48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



