

March 28, 2024

ASX Announcement

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Green Bay Copper-Gold Project, Canada

FireFly to accelerate resource growth following highly successful A\$52m raising

Capital raising priced at an average of 64c (equal to 10-day VWAP) after allowing for Canadian flow-through provisions

Key Points

- **FireFly has received firm commitments totalling A\$52m via a charity flow-through offering, traditional flow-through offering, and two-tranche institutional placement**
- **The proceeds will be used to accelerate drilling at Green Bay, including the addition of a third rig with the aim of rapidly growing the Resource**

FireFly Metals Ltd (ASX: FFM) is pleased to announce a highly successful share placement through which the Company will raise A\$52.2 million (before costs).

Up to approximately 81.5 million fully paid ordinary shares at an average price of A\$0.64 per share (**New Shares**) will be issued to institutional, professional and sophisticated investors under the capital raising (**Equity Raising**).

The proceeds will be used to accelerate drilling and rapid Resource growth at FireFly's Green Bay project.

FireFly Managing Director Steve Parsons said: *"We decided to raise such a substantial sum in light of the exceptional drilling results we have been generating and the increasingly obvious scope to grow the resource quickly by extending the known mineralisation and testing the compelling targets nearby.*

"The result is a game-changing event for FireFly. We are now fully funded for the next 18 months, during which time we will have two underground rigs and one surface rig working flat out to grow the resource.

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"We are delighted to welcome leading Australian and overseas institutions as shareholders of FireFly and also thank our existing shareholders for their support and look forward to having them join us on our journey as we unlock the immense value of what is clearly an exceptional copper asset in a tier-one location".

The Equity Raising will be completed in three parts, comprising:

- ~A\$6.7 million charity flow-through placement to Canadian investors priced at A\$0.7503 per New Share, which represents a 10.3% premium to FireFly's last closing price on Monday, 25 March 2024, and a 23.0% premium to the Institutional Placement bookbuild price of A\$0.61 per New Share (**Charity Flow-Through Placement**), the proceeds of which will be used to fund development expenditures;
- ~A\$6.7 million traditional flow-through placement to a Canadian investor priced at A\$0.748 per New Share (**Offer Price**), which represents a 10.0% premium to Firefly's last closing price and a 22.6% premium to the Offer Price (**Traditional Flow-Through Placement**), the proceeds of which will be used to fund exploration expenditures; and
- ~A\$38.7 million two-tranche institutional placement at the Offer Price of A\$0.61 per New Share, which represents a 10.3% discount to the last closing price and a 4.8% discount to the 10-day volume weighted average price up to and including Monday, 25 March 2024 (**Institutional Placement**).

Equity Raising Details

Charity Flow-Through Placement

The Company has received firm commitments under the Charity Flow-Through Placement to raise approximately C\$6.0 million (~A\$6.7 million) through the issue of 9,009,010 New Shares at an issue price of approximately A\$0.7503 per New Share (**Flow-Through Shares**) to be issued as Canadian "flow-through shares", which provide tax incentives to those investors for certain development expenditures that qualify under the *Income Tax Act* (Canada).

Pursuant to a block trade agreement between PearTree, Canaccord Genuity (Australia) Limited (**Canaccord Genuity**) and BMO Nesbitt Burns Inc. (**BMO**), Canaccord Genuity and BMO will facilitate the secondary sale of the Flow-Through Shares acquired by PearTree clients under the Charity Flow-Through Placement to sophisticated and professional investors by way of a block trade at the Offer Price.

The tax benefits associated with the Flow-Through Shares are available only to the initial investors (who are Canadian residents) and not to any other person who acquires the Flow-Through Shares through the on-sale or transfer of those Flow-Through Shares. The Flow-Through Shares will be issued under the Company's existing placement capacity under Listing Rule 7.1.

Settlement of the Shares under the Charity Flow-Through Placement is expected to occur on 9 April 2024 (followed by the block trade). The Flow-Through Shares will rank equally with the Company's existing shares on issue.

A transaction specific prospectus under section 713 of the *Corporations Act 2001* (Cth) will be issued in connection with the New Shares to facilitate any secondary trading of the New Shares.

The Charity Flow-Through Placement has been facilitated by securities dealer, Peartree, who will not receive any fees or commission from the Company for its role with respect to any of the Charity Flow-Through Placement proceeds.

Traditional Flow-Through Placement

The Company has received firm commitments under the Traditional Flow-Through Placement to raise approximately C\$6.0 million (~A\$6.7 million) through the issue of 9,019,893 New Shares at an issue price of A\$0.7480 per New Share (**Traditional FT Shares**) to be issued as Canadian "flow-through shares", which provide tax incentives to those investors for certain exploration expenditures that qualify under the *Income Tax Act* (Canada).

The Traditional FT Shares will be purchased by a Canadian investor who is not a related party of the Company. The issue price represents a 10.0% premium to the last closing price of A\$0.68 on Monday, 25 March 2024.

The Traditional FT Shares will be issued under the Company's existing placement capacity under Listing Rule 7.1. Settlement of the Traditional FT Shares is expected to occur on 8 April 2024 and the Traditional FT Shares will rank equally with the Company's existing shares on issue.

Institutional Placement

The Company has received firm commitments from sophisticated and professional investors under the Institutional Placement to raise approximately A\$38.7 million (before costs) through the issue of 63,423,848 New Shares at an issue price of A\$0.61 per New Share (**Placement Shares**).

The Institutional Placement consists of:

- 39,271,097 New Shares to be issued under FireFly's Listing Rule 7.1 and 7.1A placement capacity to raise approximately A\$24.0 million (before costs), comprising:
 - 3,001,827 New Shares to be issued under Listing Rule 7.1; and
 - 36,269,270 New Shares to be issued under Listing Rule 7.1A; and(together, the **T1 Placement Shares**); and

- 24,152,751 New Shares to be issued to institutional investors to raise approximately A\$14.7 million (before costs), subject to receipt of shareholder approval at a general meeting expected to be held in early-mid May 2024 (**T2 Placement Shares**).

Settlement of the T1 Placement Shares is expected to occur on or around Monday, 8 April 2024.

Use of Funds

Funds raised from the Capital Raising will be used for phase two of the development drill drive (1,200m extension) at the Green Bay Copper Gold Mine; step-out Resource growth and discovery exploration at the Green Bay Copper Gold Mine; placement into Maritime Resources Corp (deep water Port Access); upscaled engineering studies; costs of the Equity Raising; and working capital. The drill program will grow from the original planned 40,000m to an expanded 100,000m of drilling that will underpin additional Resource growth at the Green Bay Copper-Gold Project.

Advisers

Canaccord Genuity acted as Global Coordinator, Joint Lead Manager and Joint Bookrunner, alongside BMO acting as Joint Lead Manager and Joint Bookrunner to the Equity Raising. Euroz Hartleys Limited, Argonaut Securities Pty Ltd and Shaw and Partners Limited acted as Co-Managers to the Equity Raising.

Hamilton Locke acted as legal advisor to the Company.

Indicative Timetable

Key Event	Date
Trading halt lifted and trading resumes	Thursday, 28 March 2024
DvP Settlement for New Shares issued under the Traditional Flow-Through Placement and T1 Placement Shares under the Institutional Placement	Monday, 8 April 2024
DvP Settlement, allotment and commencement of trading of New Shares issued under the Charity Flow-Through Placement	Tuesday, 9 April 2024
Allotment and commencement of trading of the T1 Placement Shares and New Shares issued under the Traditional Flow-Through Placement	Tuesday, 9 April 2024
General Meeting to approve the issue of T2 Placement Shares under the Institutional Placement	Early-mid May 2024
DvP Settlement for the T2 Placement Shares	T+2 days following the General Meeting

The above timetable is indicative only and subject to change. The Company reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the Listing Rules and other applicable laws.

This announcement has been authorised by the Board of Directors.

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ABOUT FIREFLY METALS

FireFly Metals Ltd (formerly AuTECO Minerals Ltd) (ASX:FFM) is an emerging copper-gold company focused on advancing the high-grade Green Bay Copper-Gold project in Newfoundland, Canada. The **Green Bay Copper-Gold Project** currently hosts a mineral resource prepared in accordance with Canadian NI 43-101 of **39.2Mt at 2.1% for 811,000t CuEq**. The Company has a clear strategy to rapidly grow the copper-gold resource to demonstrate a globally significant copper-gold asset. FireFly has commenced a 40,000m diamond drilling program.

FireFly holds a 70% interest in the high-grade **Pickle Crow Gold Project** in Ontario. The current Inferred Resource stands at **11.9Mt at 7.2g/t for 2.8Moz gold**, with exceptional discovery potential on the 500km² tenement holding.

The Company also holds a 90% interest in the **Limestone Well Vanadium-Titanium Project** in Western Australia.

For further information regarding FireFly Metals Ltd please visit the ASX platform (ASX:FFM) or the Company's website www.fireflymetals.com.au

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COMPLIANCE STATEMENTS

The Company first announced the foreign estimate of mineralisation for the Green Bay Project on 31 August 2023. The Company confirms that the supporting information included in the announcement of 31 August 2023 continues to apply and has not materially changed.

Metal equivalents for the foreign estimate of mineralisation and drilling at the Green Bay Project have been calculated at a copper price of US\$8,300/t, gold price of US\$2,000/oz, silver price of US\$25/oz and zinc price of \$2,500/t. Individual grades for the metals are set out at Appendix A of this announcement. Copper equivalent was calculated based on the formula $CuEq (\%) = Cu(\%) + (Au (g/t) \times 0.77472) + (Ag (g/t) \times 0.00968) + (Zn (\%) \times 0.3012)$. No metallurgical recovery factors have been applied to the in-situ resource nor drill hole results. It is the Company's view that all elements in the copper equivalent calculation have a reasonable potential to be recovered and sold.

The Mineral Resource Estimate for the Pickle Crow Project referred to in this announcement was first reported in the Company's ASX release dated 4 May 2023, titled "High-Grade Inferred Gold Resource Grows to 2.8Moz at 7.2g/t".

FireFly confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that all material assumptions and technical parameters underpinning the estimates in the original announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

FORWARD LOOKING INFORMATION

This announcement may contain certain forward-looking statements and projections, including statements regarding FireFly's plans, forecasts and projections with respect to its mineral properties and programs. Although the forward-looking statements contained in this release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of the Company. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved. For example, there can be no assurance that FireFly will be able to confirm the presence of Mineral Resources or Ore Reserves, that FireFly's plans for development of its mineral properties will proceed, that any mineralisation will prove to be economic, or that a mine will be successfully developed on any of FireFly's mineral properties. The performance of FireFly may be influenced by a number of factors which are outside the control of the Company, its directors, staff or contractors. The Company does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws.

APPENDIX A – Green Bay Copper–Gold Project Mineral Resources

Ming Deposit as at 31 March 2022

	MEASURED			INDICATED			INFERRED			TOTAL RESOURCE		
	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal
Copper	8.4Mt	1.71%	144kt	15.3Mt	1.85%	284kt	6.4Mt	1.86%	120kt	30.2Mt	1.81%	547kt
Gold		0.5g/t	124koz		0.3g/t	148koz		0.4g/t	79koz		0.4g/t	351koz
Silver		3.6g/t	962koz		2.4g/t	1,164koz		2.6g/t	537koz		2.7g/t	2,664koz

Little Deer Complex (Little Deer & Whalesback Mine) as at 31 December 2021

	MEASURED			INDICATED			INFERRED			TOTAL RESOURCE		
	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal
Copper	-	-	-	2.9Mt	2.13%	62kt	6.2Mt	1.78%	110kt	9.1Mt	1.90%	172kt
Gold	-	-	-		0.1g/t	9koz		0.1g/t	10koz		0.1	19koz
Silver	-	-	-		3.4g/t	318koz		2.2g/t	430koz		2.6	748koz

TOTAL MINERAL RESOURCES

	MEASURED			INDICATED			INFERRED			TOTAL RESOURCE		
	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal
Copper	8.4Mt	1.71%	144kt	18.2Mt	1.89%	345kt	12.6Mt	1.82%	230kt	39.2Mt	1.83%	718kt
Gold		0.5g/t	124koz		0.3g/t	157koz		0.2g/t	88koz		0.3	370koz
Silver		3.6g/t	962koz		2.5g/t	1,482koz		2.4g/t	968koz		2.7	3,413koz

1. FireFly Metals Ltd cautions that mineral resources for the Green Bay Copper–Gold project, incorporating the Ming Deposit and Little Deer Complex, are not reported in accordance with the JORC Code (2012 Edition resources have been prepared in accordance with Canadian National Instrument 43-101. A competent person has not done sufficient work to classify the foreign estimates in accordance with the JORC Code (2012 Edition) and it is uncertain that following evaluation and or further exploration that a foreign estimate will be able to be reported in according with the JORC Code. Please refer to ASX announcement dated 31 August 2023 for additional technical information relating to the foreign estimate.
2. Mineral resources have been reported at a 1.0% copper cut-off grade.