

4 April 2024

Damian Dinelli
Senior Adviser, Listings Compliance
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

By email: ListingsCompliancePerth@asx.com.au
Copy: damian.dinelli@asx.com.au

Dear Damian

FireFly Metals Ltd (**FFM** or the **Company**) refers to ASX's letter dated 28 March 2024 (**ASX Letter**) and responds as follows, using capitalised terms as defined in the ASX Letter.

1. Please explain how the information regarding the Placement appeared in the Article before the release of the Prospectus and the Announcement on MAP.

We confirm that FFM was not involved in any way in the preparation of the Australian Financial Review (**AFR**) article under the headline "*Canadian gold play FireFly in \$52m cash call*" (the **Article**). The Article did not have the approval of FFM, nor that of the joint lead managers, co-managers or FFM's investor relations advisers (together, **Advisers**).

The Article was published without the knowledge of FFM. FFM confirms that it had no communications with the AFR or the journalists in connection with the Article.

During the preparation for the Placement, FFM took reasonable precautions to prevent the premature dissemination of sensitive information and placed the Company in a trading halt on Tuesday, 26 March 2024.

On 26 March 2024, during the trading halt, FFM was required to lodge a cleansing prospectus, which set out the information that FFM considered to be material in relation to the Placement as at the date of the Prospectus, being the intended quantum and pricing of the Placement. At the time of the release of the Prospectus, FFM was still receiving bids under the Placement.

Over the course of the trading halt period, FFM received bids and finalised allocations under the Placement, which was the subject of the Announcement on the ASX on Thursday, 28 March 2024.

FFM has made appropriate inquiries with its directors, regarding the queries contained in the ASX Letter and they have all confirmed that they have had no communications with the AFR, or the journalists in connection with the Article. FFM has also made appropriate inquiries with the Advisers. These parties confirmed that they are not aware of any communications with the AFR, or the journalists in connection with the Article, in relation to the Placement.

Accordingly, FFM is not aware of how the information in the Announcement appeared in the Article.

2. What arrangements does FFM have in place to ensure compliance with Listing Rule 15.7?

FFM has a continuous disclosure policy in place which sets out procedures and measures which are designed to ensure that FFM complies with its continuous disclosure obligations (**Continuous Disclosure Policy**). In particular, under the Continuous Disclosure Policy, FFM must not provide information to the media that contains material or market sensitive information until FFM has given that information to ASX and received an acknowledgement that ASX has released it to the market. FFM's policy, as made clear in its Continuous Disclosure Policy, is that the only officer authorised to speak on behalf of FFM on market disclosure issues is the Managing Director or, where appropriate, the Chair.

As noted in the response to query 1 above, neither FFM or its directors had communications with the AFR and the relevant journalists in connection with the Article prior to the release of either the Prospectus or the Announcement to ASX.

FFM is committed to full compliance with its continuous disclosure obligations (and enforcement of the procedures and measures set out in its Continuous Disclosure Policy) and takes its continuous disclosure obligations seriously.

The mandate with FFM's joint lead managers contained confidentiality provisions which required the joint lead managers to maintain confidentiality of the information.

3. If the current arrangements are inadequate or not being enforced, what additional steps does FFM intend to take to ensure compliance with Listing Rule 15.7?

FFM considers that its current arrangements are adequate and are being enforced appropriately.

4. Please confirm that FFM's responses to the above have been authorised and approved under its published Continuous Disclosure Policy or otherwise by its board or an officer of FFM with delegated authority from the board to respond to ASX on disclosure matters.

FFM confirms that the above responses have been authorised and approved in accordance with its published Continuous Disclosure Policy and by FFM's board of directors.

Yours sincerely,



Maddison Cramer
Joint Company Secretary
FireFly Metals Ltd



28 March 2024

Reference: 91636

Ms Maddison Cramer
Company Secretary
FireFly Metals Ltd

By email

Dear Ms Cramer

FireFly Metals Ltd ('FFM'): Announcement in media before ASX – Breach

ASX refers to the following:

- A. The Trading Halt market announcement released to the ASX Market Announcements Platform ('MAP') at 06:23AM AWST on Tuesday, 26 March 2024 pursuant to which FFM's securities were placed into a trading halt pending the release of an announcement regarding a capital raising.
- B. The article appearing on the Australian Financial Review's ('AFR') website on Tuesday, 26 March 2024 at 8:28AM AWST under the headline "*Canadian gold play FireFly in \$52 cash call*" (the 'Article') which included, among other things, the following statements:

"Gold and copper explorer FireFly Metals was fronting investors with a \$52 million equity raise on Tuesday morning.

The term sheet, seen by Street Talk, shows the raise was structured as a three-part flow-through placement with shares priced at a 10per cent discount to the last traded price of 68¢. The offer price was 4.8 per cent lower than FireFly's 10-day volume-weighted average price.

The \$247 million market cap company will use the proceeds to develop its Green Bay copper-gold project, for exploration, and for a new port access agreement that was announced to the market on Tuesday. Sources said a large global institution has come in for 9.9 per cent of the raise. Sources said a large global institution has come in for 9.9 per cent of the raise.

Canaccord Genuity is the global co-ordinator on the raise. It's working with Bank of Montreal as joint lead managers and book runners. Brokers Argonaut, Euroz Hartleys, and Shaw and Partners are acting as co-managers...

Final bids were due 4pm on Tuesday with trading expected to resume on Thursday."

- C. FFM's announcement entitled "*Prospectus*" released to MAP at 11:59AM AWST on Tuesday, 26 March 2024 ('Prospectus'), in which FFM disclosed at Section 5.4 that FFM was in the process of undertaking a capital raising to raise up to approximately AUD\$52,000,000 (before costs) at an intended proposed issue price of \$0.61 per placement share.
- D. FFM's announcement entitled "*Highly successful A\$52m raise to accelerate resource growth*" released to MAP at 6:48AM AWST today, 28 March 2024 ('Announcement'), in which FFM disclosed, amongst other things, that
 - (i) FFM had received firm commitments to raise AUD\$52,200,000 (before costs) at an average issue price of AUD\$0.64 per share via a placement to institutional, professional and sophisticated investors ('Placement');
 - (ii) Funds raised under the Placement 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”;

(iii) Canaccord Genuity acted as Global Coordinator, Joint Lead Manager and Joint Bookrunner, alongside BMO Nesbitt Burns Inc. acting as Joint Lead Manager and Joint Bookrunner to the Placement. Euroz Hartleys Limited, Argonaut Securities Pty Ltd and Shaw and Partners Limited acted as Co-Managers to the Placement; and

(iv) The Placement will be completed in three parts comprising:

- Approximately AUD\$6,700,000 via a charity flow-through placement to Canadian investors at AUD\$0.7503 per share;
- Approximately AUD\$6,700,000 via a traditional flow-through placement to a Canadian investor at AUD\$0.748 per share; and
- Approximately AUD\$38,700,000 via a two-tranche institutional placement at AUD\$0.61 per share, being a 4.8% discount to the 10-day volume weighted average price of FFM’s securities as at Monday, 25 March 2024.

E. Listing Rule 3.1, which states:

“Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities, the entity must immediately tell ASX that information”

F. Listing Rule 15.7 which states:

“An entity must not release information that is for release to the market to any person until it has given the information to ASX and has received an acknowledgment that ASX has released information to the market.”

Listing Rule 15.7 requires that a listed entity not release information which is for release to the market to any person (including the media, even on an embargoed basis) until it has given the information to ASX and received an acknowledgement that ASX has released it to the market.

As the Article appeared on the AFR website prior to the Prospectus or Announcement being submitted to ASX for release on MAP, it appears that FFM may have breached Listing Rules 3.1 and 15.7.

Request for information

Having regard to the above, ASX asks FFM to respond separately to each of the following questions and requests for information:

1. Please explain how the material information regarding the Placement appeared in the Article before the release of the Prospectus and the Announcement on MAP.
2. What arrangements does FFM have in place to ensure compliance with Listing Rule 15.7?
3. If the current arrangements are inadequate or not being enforced, what additional steps does FFM intend to take to ensure compliance with Listing Rule 15.7?
4. Please confirm that FFM’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of FFM with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00PM AWST Thursday, 4 April 2024**.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Compliance with the Listing Rules

ASX reminds FFM of its contract to comply with the Listing Rules. Please note that ASX is required to record details of breaches of the Listing Rules by listed entities as part of its reporting obligations.

In the circumstances, ASX considers it appropriate that FFM reviews its compliance arrangements to ensure it does not continue to breach the Listing Rules.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours sincerely

ASX Compliance