

First month of gold production and update on activities

Firefinch Limited (ASX: FFX) (**Firefinch** or the **Company**) is pleased to announce that the Morila mine has completed its first month of production under Firefinch ownership. In November, Morila treated 544,714 tonnes of tailings at a grade of 0.46g/t gold and produced 4,130 ounces of gold at a recovery of 51%. All-in Cost is approximately US\$1,000 to \$1,100 per ounce of gold (refer ASX release dated 26 November 2020).

The tailings treatment operations are forecast to produce 4,000 to 4,100 ounces of gold in December and 10,000 to 10,500 ounces of gold in Q1 2021 (refer ASX Release dated 7 September 2020).

Aircore drilling to delineate additional mineralised tailings has been completed and modest extensions to the tailings Resource are expected. The drilling results are currently being modelled and the production plan will be updated.

The Company is applying cash flow from the tailings operations to fund capital works and studies to enable the re-start of open pit mining at Morila. These activities include:

- **Mine planning:** Developing a mine plan and schedule for the Morila satellite pits and tender for mining contractors.
- **Tailings and water management:** Reconfiguring the tailings storage facility to cease depositing tailings in the Morila pit and deposit tailings within the existing tailings storage facility footprint and dewatering of the Morila pit.
- **Plant:** Refurbishment of the processing plant.
- **Satellite Drilling:** Drilling at satellite pits to improve confidence and potentially increase resources.
- **Potential new ore feed:** Evaluating stockpiles and potential remnant shallow mineralisation adjacent to the Morila pit evident from new data.
- **Exploration Drilling:** Aircore drilling of targets on the Morila lease and on the adjacent Massigui Project.

Since assuming ownership of the mine, Firefinch has accessed additional drilling and grade control data for the main Morila deposit and low-grade stockpiles. This data is being verified and incorporated into an updated Mineral Resource Estimate for the Morila deposit, now expected in early 2021. The basis of the new Resource is extensive 3D modelling at a lower cut-off grade than previously applied (0.4g/t vs 1g/t gold). For reference, the current Inferred Mineral Resource Estimate for the Morila deposit is 32 million tonnes at 1.26g/t gold for 1.3 million ounces of contained gold (refer ASX Release dated 31 August 2020).

Executive Chairman of Firefinch, Dr Alistair Cowden, commented:

“We are delighted that Morila has transitioned to Firefinch ownership without incident, the tailings operations are robust and producing good cashflow to fund plant refurbishment and other activities. We hope to update the market on definitive milestones on the path to resume open pit mining in coming months.”

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ABOUT FIREFINCH

Firefinch, formerly Mali Lithium, has been an active gold explorer in Mali, Africa's third largest gold producer, since 2011. In November 2020 the Company acquired an 80% interest in the Morila Gold Mine. The State of Mali owns 20%. Morila is an operating gold mine and has a 4.5 million tonnes per annum processing plant and all infrastructure required for a remote mine site. The hard rock open pit Inferred Mineral Resource at Morila is 1.3 million ounces of gold and there is standout potential to materially increase those resources.

Morila has produced over 7.4 million ounces of gold from open pit mining and processing of stockpiles and tailings over 20 years of Barrick/AngloGold ownership. Hydraulic mining and processing of tailings is providing immediate modest cashflow and the Company plans to increase gold production via open pit mining from Morila, its satellite pits and the Company's Koting discovery on its adjacent Massigui Project. The Measured Mineral Resource for tailings is 4.8Mt at 0.5g/t gold for 76,000 ounces of contained gold.

Exploration will focus on growing the Morila resource, defining resources at the Morila satellite pits and the Koting discovery and testing multiple high value targets on the 685km² of combined tenure.

A Definitive Feasibility Study was completed on the Goulamina Lithium deposit in October 2020 and reported a Measured, Indicated and Inferred Resource Estimate of 109 million tonnes at 1.45% Li₂O with 1.57 million tonnes of contained Li₂O.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources at Goulamina and Morila and the production estimates for Goulamina. The Company also confirms that all material assumptions and parameters underpinning the Mineral Resource estimates and production estimates continue to apply and have not materially changed. Please refer to ASX Announcements of 8th July 2020 and 20 October 2020 (Goulamina), 31 August 2020 (Morila) and 7th September 2020 (Morila Tailings).