FireFly METALS

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INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Corporate Directory

FireFly Metals Ltd
ACN 110 336 733
ABN 96 110 336 733

Managing Director
Stephen Parsons

Executive Director
Michael Naylor

Non-Executive Chairman
Kevin Tomlinson

Non-Executive Director
Jessie Liu-Ernsting
Renée Roberts

Chief Executive Officer
Darren Cooke

Company Secretary
Maddison Cramer (Resigned 15 January 2025)
Laura Noonan-Crowe (Appointed 15 January 2025)

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W: www.fireflymetals.com.au

Securities Exchange Listing
ASX Code: FFM
TSX Code: FFM

Share Registry
Computershare Investor Services Pty Limited
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Perth WA 6000
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T: +61 3 9415 4000 (International)
W: www.computershare.com.au
Investor Centre: www.investorcentre.com

Legal Advisor
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Central Park
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Perth WA 6000

Auditor
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11 Mounts Bay Road
Perth WA 6000

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DIRECTORS' REPORT

The Directors of FireFly Metals Ltd (**FireFly** or the **Company**) and its controlled entities (collectively, the **Group**) present their half year report together with the interim financial statements of the Group for the half year period ended 31 December 2024.

Board of Directors

The Directors of the Company in office during the half year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Kevin Tomlinson	Non-Executive Chairman
Stephen Parsons	Managing Director
Michael Naylor	Executive Director
Jessie Liu-Ernsting	Non-Executive Director
Renée Roberts	Non-Executive Director (appointed 23 July 2024)

About FireFly Metals Ltd

FireFly Metals Ltd (ASX:FFM) (TSX: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 the JORC Code (2012 Edition) and NI 43-101 of **24.4Mt of measured and indicated resources at 1.9% for 460Kt CuEq and 34.5Mt of inferred resources at 2% for 690Kt 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 130,000m 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 500km^2 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 SEDAR+ at www.sedarplus.ca, the ASX platform (ASX:FFM) or the Company's website www.fireflymetals.com.au.

Principal Activities

The principal activities of the Company during the period consisted of mineral exploration and evaluation at the Green Bay Copper-Gold Project in Newfoundland and Labrador, Canada, the Pickle Crow Gold Project in Ontario, Canada and the Limestone Well Vanadium-Titanium Project in Western Australia.

Review of Operations

Green Bay Project Resource Update

On 29 October 2024, FireFly announced that the Mineral Resource Estimate at its Green Bay Copper-Gold Project in Newfoundland, Canada had increased significantly since the previous estimate as a result of the Company's investment in exploration development and drilling.

The Mineral Resource Estimate comprises 24.4Mt of Measured and Indicated Resources at 1.9% for 460Kt CuEq and 34.5Mt of Inferred Resources at 2% for 690Kt CuEq.

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The Mineral Resource Estimate consists of two components, namely the Ming Mine containing 21.5Mt @ 1.8% for 393kt CuEq (1.6% Cu & 0.3g/t Au) of Measured and Indicated Resources and 28.4Mt @ 2.0% for 576kt CuEq (1.7% Cu & 0.4g/t Au) of Inferred Resources and the Little Deer deposit containing 2.9Mt of Measured and Indicated Resources at 2.3% for 65Kt CuEq and 6.2Mt of Inferred Resources at 1.8% for 114Kt CuEq. Both have been prepared in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**), Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects (**NI 43-101**) and estimated by external independent consulting groups.

All Mineral Resource growth was attributable to the Ming Mine, with no additional Mineral Resource growth drilling completed at the Little Deer deposit.

The increase in the Mineral Resource Estimate has been driven primarily by the successful growth strategy implemented by FireFly since it acquired the Green Bay Project in October 2023. Over 1,400m of underground development has been mined at Green Bay's Ming Mine to position the drill rigs to effectively test down-plunge extensions of the high-grade volcanogenic massive sulphide (**VMS**) mineralisation and broad footwall copper stringer zone (**FWZ**). Up to four rigs have been operating and approximately 50,000m of diamond drilling completed.

This exploration drilling has successfully demonstrated that the Mineral Resource Estimate at the Ming Mine extends over considerable distances, now reaching a strike length of approximately 2.1km. Both the high-grade massive sulphide zones and broad footwall stringer zones remain open, with downhole geophysical surveys indicating probable extensions to the mineralisation.

Green Bay Copper-Gold Project Mineral Resources

Table 1: Ming Mineral Resource Estimate

	TONNES	COPPER		GOLD		SILVER		CUEQ
	(MT)	GRADE (%)	METAL ('000 T)	GRADE (G/T)	METAL ('000 OZ)	GRADE (G/T)	METAL ('000 OZ)	GRADE (%)
Measured	4.7	1.7	80	0.3	40	2.3	340	1.9
Indicated	16.8	1.6	270	0.3	150	2.4	1,300	1.8
TOTAL M&I	**21.5**	**1.6**	**340**	**0.3**	**190**	**2.4**	**1,600**	**1.8**
Inferred	**28.4**	**1.7**	**480**	**0.4**	**340**	**3.3**	**3,000**	**2.0**

Table 2: Little Deer Mineral Resource Estimate

	TONNES	COPPER		GOLD		SILVER		CUEQ
	(MT)	GRADE (%)	METAL ('000 T)	GRADE (G/T)	METAL ('000 OZ)	GRADE (G/T)	METAL ('000 OZ)	GRADE (%)
Measured	-	-	-	-	-	-	-	-
Indicated	2.9	2.1	62	0.1	9	3.4	320	2.3
TOTAL M&I	**2.9**	**2.1**	**62**	**0.1**	**9**	**3.4**	**320**	**2.3**
Inferred	**6.2**	**1.8**	**110**	**0.1**	**10**	**2.2**	**430**	**1.8**

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Table 3: GREEN BAY TOTAL MINERAL RESOURCES ESTIMATE

	TONNES	COPPER		GOLD		SILVER		CUEQ
	(MT)	GRADE (%)	METAL ('000 T)	GRADE (G/T)	METAL ('000 OZ)	GRADE (G/T)	METAL ('000 OZ)	GRADE (%)
Measured	4.7	1.7	80	0.3	45	2.3	340	1.9
Indicated	19.7	1.7	330	0.2	154	2.6	1,600	1.9
TOTAL M&I	**24.4**	**1.7**	**400**	**0.3**	**199**	**2.5**	**2,000**	**1.9**
Inferred	**34.6**	**1.7**	**600**	**0.3**	**348**	**3.1**	**3,400**	**2.0**

1. Mineral Resources for the Green Bay Copper-Gold project, incorporating the Ming Mine and Little Deer Complex, are reported in accordance with the JORC Code and NI 43-101.
2. Mineral Resources have been reported at a 1.0% copper cut-off grade.
3. Metal equivalents for the Mineral Resource Estimate has been calculated at a copper price of US$8,750/t, gold price of US$2,500/oz and silver price of US$25/oz. Metallurgical recoveries have been set at 95% for copper and 85% for both gold and silver. Copper equivalent (CuEq) was calculated based on the formula: CuEq(%) = Cu(%) + (Au(g/t) x 0.82190) + (Ag(g/t) x 0.00822).
4. Totals may vary due to rounding.

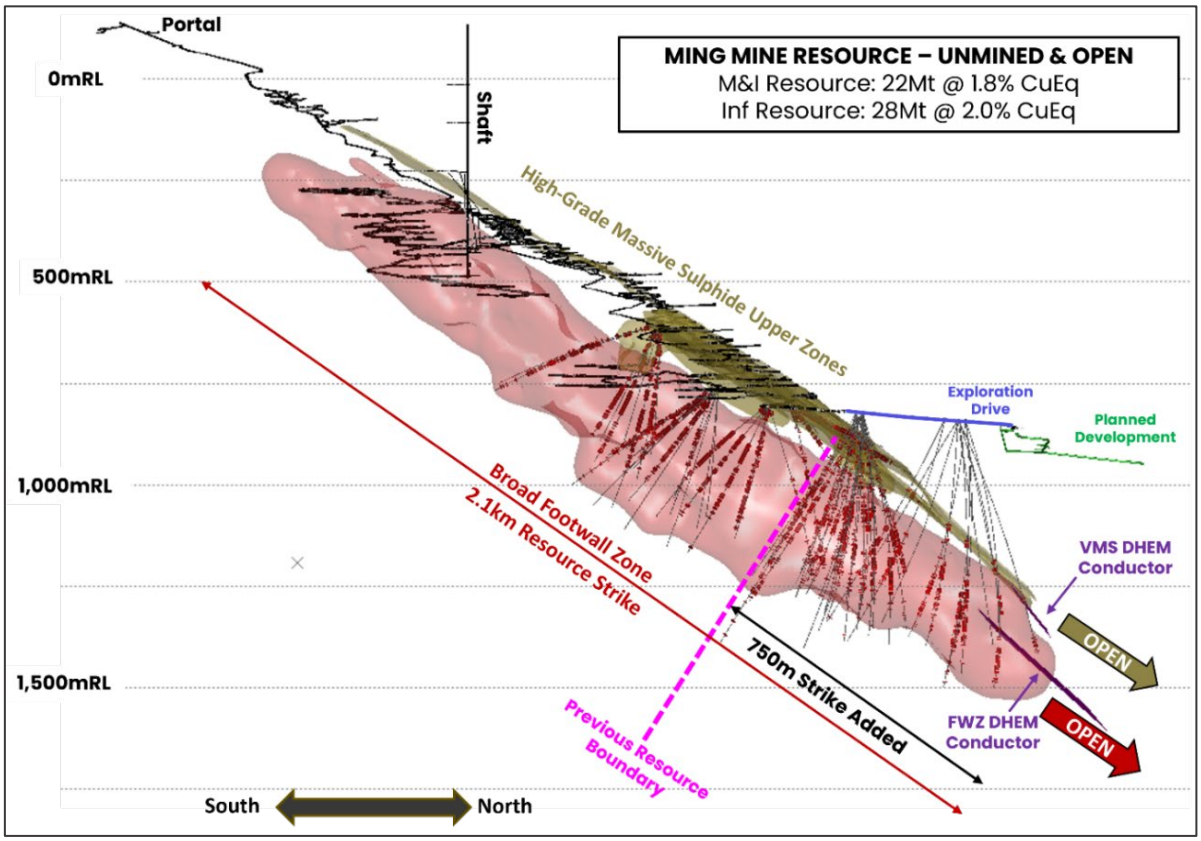


Figure 1: Long section of Ming Mine resource extent and drilling completed by FireFly in 2023-2024 *to inform the estimate. The resource remains open and recent geophysical DHEM conductors indicate the mineralisation continues down plunge. Red wireframes denote footwall stringer zone mineralisation and gold wireframes are the upper high-grade copper-gold volcanogenic massive sulphide (VMS) lodes. Red on the drillholes are assays >0.5% copper.*

For further information regarding the Mineral Resource Estimate update, please refer to FireFly ASX announcement dated 29 October 2024.

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Drilling Activities

Four underground rigs continued to operate during the half year ended 31 December 2024, with most of the drilling focusing on Mineral Resource extensions from Phase 1 of the exploration drill drive developed by FireFly. These results were used to inform the October 2024 Mineral Resource Estimate.

Drilling at the margins of the current Mineral Resource show the development of a strong copper-rich footwall zone directly beneath the upper VMS lenses. In other parts of the deposit the separation of the VMS and FWZ can exceed 50 metres. **Their convergence has resulted in thick and consistent high-grade copper and gold intersections which are amongst the best mineralised results returned from the deposit to date.** Highlights include 86.3m @ 3.7% CuEq (~true thickness) made up of two separate VMS intersections of 15.5m @ 4.6% CuEq and 9.9m @ 5.8% CuEq above a thick FWZ mineralised zone with a core of 27.6m @ 5.3% CuEq. For further information, refer to ASX announcement on 10 December 2024.

Both the high-grade massive sulphide zones and broad footwall stringer zones remain open, with downhole geophysical surveys indicating probable extensions to the mineralisation.

Four drill rigs are currently operating underground, with the focus split between both extension/exploration (two rigs) and Mineral Resource conversion drilling (two rigs).

Drilling results reported on 3 October and 10 December 2024 were received after the data cutoff for the Mineral Resource Estimate update reported on 29 October 2024.

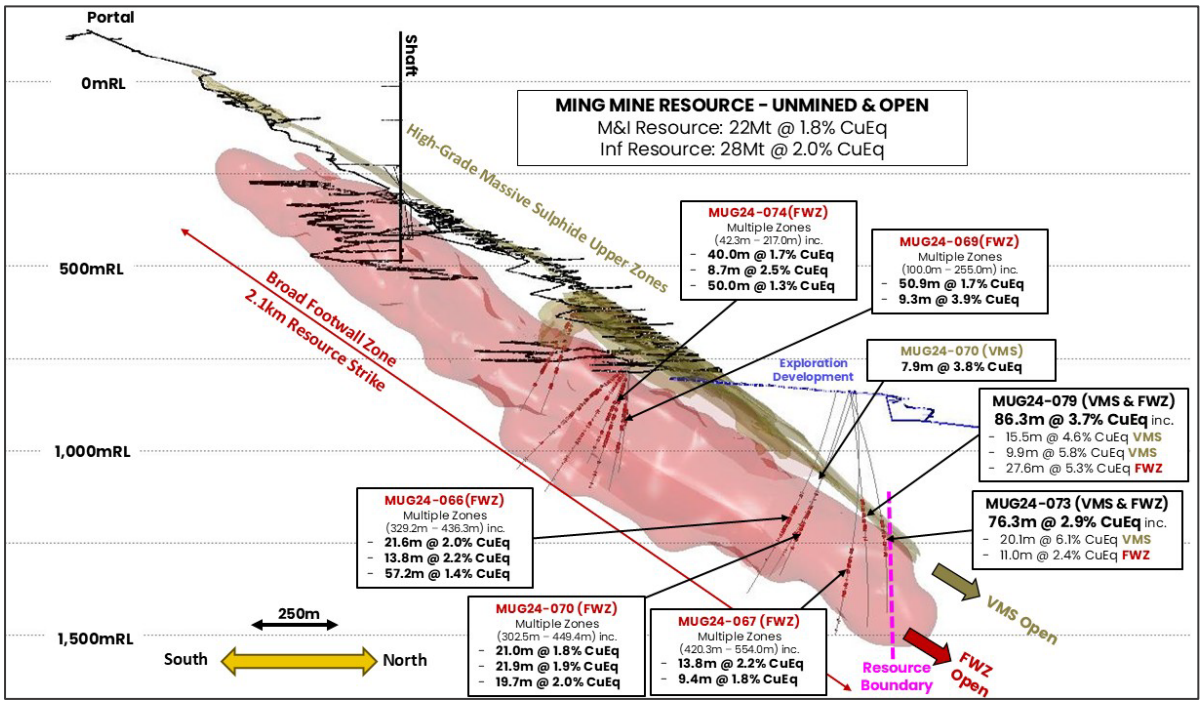


Figure 2: Long Section through the Green Bay Ming underground mine *showing the location of the Company's drill results announced in the Company's ASX Announcement dated 10 December 2024. These holes intersected both high-grade VMS zones and the broad Footwall Zone. Drillhole assays >0.5% copper are shown in red.*

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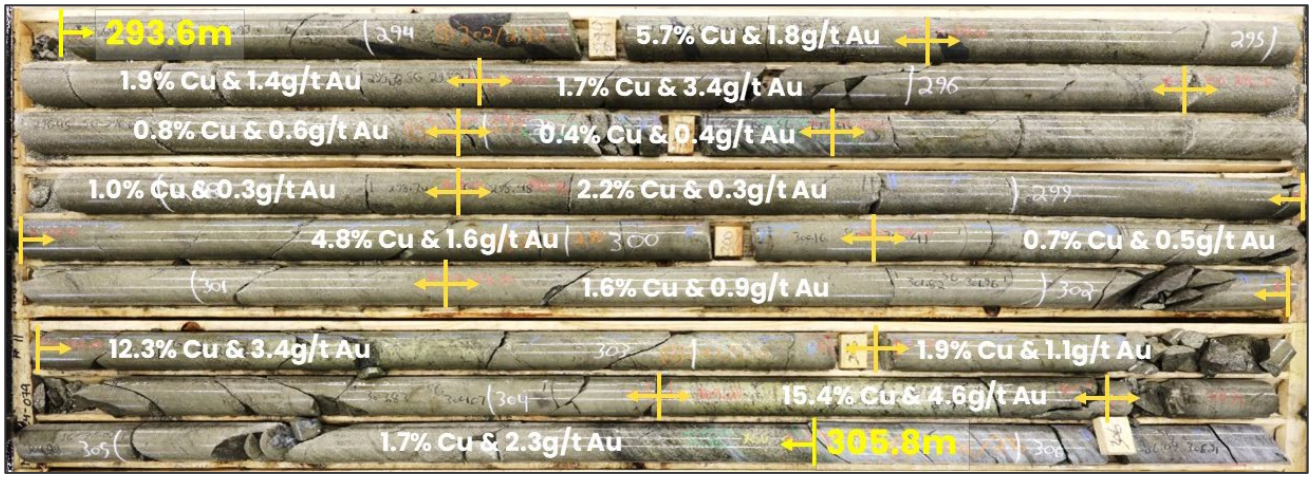


Figure 3: Core photograph of a portion of the upper massive sulphide zone in hole MUG24-079 that graded 15.5m @ 4.6% CuEq (3.0% Cu & 1.4g/t Au). *Copper and gold assays for individual samples are shown. See Figure 2 for location of the intersection.*

Green Bay Regional

On 4 November 2024, FireFly announced it had signed a binding agreement to acquire the Tilt Cove copper-gold exploration tenure in Newfoundland from Signal Gold Inc (TSX-V: SGNL) (**Signal Gold**).

The transaction strengthens the Company's regional land holding by adding a further 115km^2 of exploration tenure that is continuous to the emerging world-class Green Bay Copper-Gold Project. The 54% increase in land holding has resulted in the Green Bay Copper-Gold Project growing to a total area of ~326Km^2.

The Tilt Cove property is highly prospective for volcanogenic massive sulphide (VMS) deposits similar to FireFly's rapidly growing Ming Mine. The project also contains high-grade orogenic-style gold mineralisation.

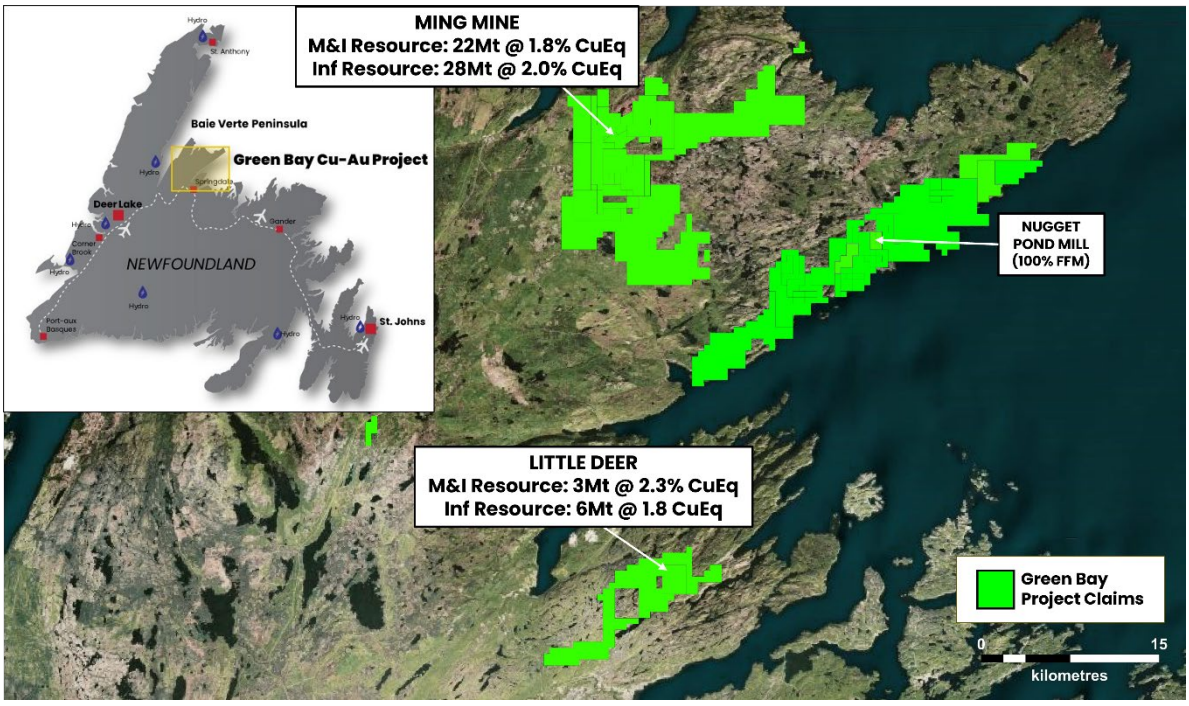


Figure 4: FireFly tenure in Newfoundland, Canada including the acquired Tilt Cove Project.

A key target within the acquisition area is the namesake Tilt Cove copper-gold VMS deposit, which was one of the world's largest copper mines in the late 19th century. A total of ~170,000t of copper and 50,000oz of gold was mined between 1864 and 1917, with operations briefly resuming between 1957 and 1967. [1]

Forward Work Plans

FireFly will continue to accelerate a multi-path approach to long-term sustained growth at the Green Bay Copper-Gold Project, consisting of:

- Mineral Resource Growth and In-Mine Exploration at Ming Mine;
- Project Development; and
- Regional Exploration (near mine, regional).

Resource Growth and In-Mine Exploration

The Company will continue with its strategy of Resource growth at Ming Mine with exploration development continuing to position drill rigs to deliver further Resource growth during 2025.

Four drill rigs remain underground at the Ming Mine to ensure the growth objectives are delivered. To December 2024, ~50,000m of the planned 130,000m drill program has been completed. The remainder of the underground drill program for 2024-2025 has three clear strategic components:

- **Mineral Resource extension:** Test the down-plunge continuation of both the high-grade copper-gold VMS zones as well as the broad footwall copper stringer zone: ~35,000m of drilling (**Figure 5**);
- **Infill drilling:** Convert Inferred areas of the Resource to Indicated for inclusion in future mining studies: ~35,000m of drilling; and
- **Discovery drilling:** Drilling to explore for parallel high-grade VMS lodes and additional broad footwall stringer-style mineralisation and possible high grade 'feeder' zone style mineralisation within 600m of the underground infrastructure: ~10,000m of drilling.

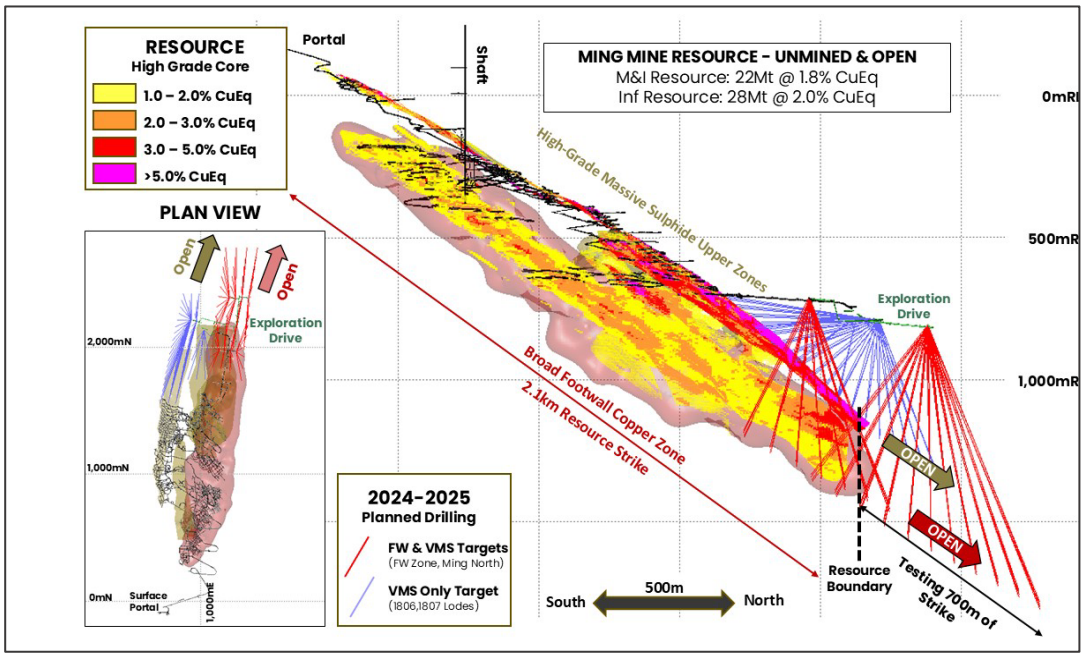


Figure 5: Planned 2024-2025 Resource extensions drilling at the Ming Mine. *The objective of this drilling is to add additional high-grade VMS as well as broad footwall stringer extensions to the Resource. Note that new discovery drilling and infill drilling is not shown on this image, only extension drilling.*

[1] Source: Midat.org, https://www.mindat.org/loc-25258.html

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Project Development

Work on engineering studies continues to evaluate various scenarios for an up-scaled restart to operations, which will incorporate the expected 2025 Mineral Resource updates once finalised. Following the success of the drilling programs to date the Company intends to complete the next phase of growth drilling before delineating the size of any future potentially upscaled mining operation, to avoid unduly limiting the scale of such operations.

Regional Exploration

During the half year, works completed include regional geophysical surveys (VTEM, gravity), surface prospecting and target generation. Regional exploration will accelerate in the first calendar quarter of 2025, with surface drilling to commence in February 2025. Drilling will initially focus on the historical mines within 5km of the Ming Mine that contain unmined intersections such as 25.0m @ 4.1% CuEq (4.7g/t gold and 0.23% copper)[2]. Data compilation for the newly acquired Tilt Cove property is in progress with numerous copper and gold targets for exploration.

Key regional activities planned for coming quarters include:

- Target generation work and data compilation
- Surface drill testing of high-priority exploration prospects
- Surface geochemical sampling and mapping
- Additional ground-based infill geophysics as required.

Pickle Crow Gold Project

No field activities were undertaken by the Company at the Pickle Crow Gold Project during the half year due to the team's focus on the development and exploration activities at the Green Bay Copper-Gold Project.

The Company has initiated a strategic review with respect to the Company's 70% interest in the high-grade Pickle Crow Gold Project (**Strategic Review**). The objective of the Strategic Review is to evaluate options to maximise value for shareholders whilst also allowing the Company to focus on progressing the Green Bay Copper-Gold Project. Investors are cautioned that there is no guarantee that the Strategic Review will result in the divestment of all or any part of the Company's interest in the Pickle Crow Gold Project and the Company will otherwise keep the market updated in accordance with its continuous disclosure obligations.

Corporate

TSX Listing

On 16 December 2024, FireFly commenced trading on the Toronto Stock Exchange (**TSX**) under the symbol FFM. This listing is in addition to FFM's primary Australian Securities Exchange (**ASX**) Listing.

Firefly, which already has two Board members located in Toronto, believes the TSX listing will assist the Company to significantly increase its profile in the North American Investment community and attract local exploration and development talent.

[2] Refer to ASX announcement dated 22 August 2024 for further details on historical drill results and regional targets at the Green Bay Copper-Gold Project.

Performance and Position

The Group's cash and cash equivalents as at 31 December 2024 were $76.0 million (30 June 2024: $37.8 million).

The Group's consolidated loss after income tax for the six months ended 31 December 2024 was $5.7 million (2023: $15.5 million). The loss included the following items:

- Employee benefits expense of $1.6 million (2023: $1.0 million).
- Share based payment expenses of $2.8 million (2023: $8.4 million). A one-off issue of incentive performance rights valued at $5.0 million was expensed immediately in October 2023.
- Other mill and mine costs of $1.2 million (2023: $0.3 million).

At 31 December 2024, the Group's total assets were $312.0 million (30 June 2024: $232.5 million).

Capital Raisings

On 26 September 2024, the Company raised $65 million (before costs) at an issue price of A$0.95 per fully paid ordinary share (**Share**) through a single-tranche institutional share placement (**Placement**).

On 25 October 2024, the Company also successfully completed the Share Purchase Plan (**SPP**) which was increased to $8.0 million after overwhelming demand. The combined funds raised under the Placement (refer ASX announcement dated 26 September 2024) and SPP totalled $73.0 million (before costs). The proceeds are being used to underpin the next phase of Resource growth, discovery and development at the Green Bay Copper-Gold Project in Canada.

Board and Management Updates

Board

On 23 July 2024, the Company further diversified its Board expertise through appointing highly experienced financial executive Renée Roberts as a Non-Executive Director. Ms Roberts has previously held C-Suite roles at large corporations including National Australia Bank, QBE, Bank of New Zealand and the Australian Prudential Regulatory Authority.

Ms Roberts has considerable experience in risk management, financial services, governance, regulation, transformation, technology and digitisation, business growth and efficiency, strategic leadership, operations, strategy development and execution.

Management

With the acceleration of the Company's regional discovery program, FireFly has appointed highly regarded Newfoundland geologist, Mr Crispin Pike, to the position of Vice President – Exploration. Mr Pike is a specialist in base metal and gold exploration, who has previously held senior positions with Vale Exploration, the Geological Survey of Newfoundland and Labrador, and was more recently Vice President of Exploration for Matador Mining / AuMEGA Metals Ltd (ASX: AAM).

On 18 December 2024, the Company announced appointment of highly experienced lawyer Laura Noonan-Crowe as General Counsel and Company Secretary, effective from 15 January 2025. Ms Noonan-Crowe has 17 years' experience in the resources industry and brings a wealth of knowledge in TSX compliance, corporate governance, and mining industry mergers and acquisitions.

Ms Maddison Cramer stepped down as FireFly Company Secretary on 15 January 2025.

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Events after the Reporting Date

There are no other matters or circumstances which have arisen since the end of the half year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 16, and forms part of this report.

This report is made in accordance with a resolution of the Directors.



Stephen Parsons
Managing Director
13 February 2025

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Compliance Statement

Mineral Resources Estimate – Green Bay Copper-Gold Project

The Mineral Resource Estimate for the Green Bay Copper-Gold Project referred to in this report and set out at Appendix A was first reported in the Company's ASX release dated 29 October 2024, titled "Resource increases 42% to 1.2Mt of contained metal at 2% Copper Eq" and is also set out in the Technical Reports for the Ming Copper Gold Mine and Little Deer Copper Project available on SEDAR+.

Mineral Resource Estimate – Pickle Crow Gold Project

The Mineral Resource Estimate for the Pickle Crow Gold Project referred to in this report 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".

Metal equivalents for Mineral Resource Estimates

Metal equivalents for the Mineral Resource Estimate mineralisation have been calculated at a copper price of US$8,750/t, gold price of US$2,500/oz and silver price of US$25/oz. Individual Resource grades for the metals are set out at Appendix A of this report. Copper equivalent was calculated based on the formula CuEq(%) = Cu(%) + (Au(g/t) x 0.82190) + (Ag(g/t) x 0.00822).

Metallurgical factors have been applied to the metal equivalent calculation. Copper recovery used was 95%. Historical production at the Ming Mine has a documented copper recovery of ~96%. Precious metal metallurgical recovery was assumed at 85% on the basis of historical recoveries achieved at the Ming Mine in addition to historical metallurgical test work to increase precious metal recoveries.

In the opinion of the Company, all elements included in the metal equivalent calculations have a reasonable potential to be sold and recovered based on current market conditions, metallurgical test work, the Company's operational experience and, where relevant, historical performance achieved at the Green Bay project whilst in operation.

Metal equivalents for Exploration Results

Metal equivalents for the exploration results have been calculated at a copper price of US$8,750/t, gold price of US$2,500/oz, silver price of US$25/oz and zinc price of US$2,500/t. Individual grades for the metals are set out in Appendix A.

Metallurgical factors have been applied to the metal equivalent calculation. Copper recovery used was 95%. Historical production at the Ming Mine has a documented copper recovery of ~96%. Precious metal metallurgical recovery was assumed at 85% based on historical recoveries achieved at the Ming Mine in addition to historical metallurgical test work to increase recoveries. Zinc recovery is applied at 50% based on historical processing and potential upgrades to the mineral processing facility.

In the opinion of the Company, all elements included in the metal equivalent calculation have a reasonable potential to be sold and recovered based on current market conditions, metallurgical test work, and the Company's operational experience.

Copper equivalent was calculated based on the formula CuEq(%) = Cu(%) + (Au(g/t) x 0.82190) + (Ag(g/t) x 0.00822) + (Zn(%) x 0.15038).

Exploration results

Previously reported exploration results at the Green Bay Project referred to in this report were first reported in accordance with ASX Listing Rule 5.7 in FireFly's ASX announcements dated 31 August 2023, 11 December 2023, 16 January 2024, 4 March 2024, 21 March 2024, 29 April 2024, 19 June 2024, 3 September 2024, 16 September 2024, 3 October 2024, 29 October 2024 and 10 December 2024.

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Original Announcements

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, in the case of Mineral Resources, all material assumptions and technical parameters underpinning the Mineral Resources Estimate 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' and Qualified Persons' findings are presented have not been materially modified from the original market announcements.

COMPETENT PERSON AND QUALIFIED PERSON STATEMENTS

All technical and scientific information in this announcement have been reviewed and approved by Group Chief Geologist, Mr Juan Gutierrez BSc, Geology (Masters), Geostatistics (Postgraduate Diploma), who is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Gutierrez is a Competent Person as defined in the JORC Code 2012 and a Qualified Person as defined in NI 43-101.

FORWARD LOOKING INFORMATION

This report 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. Forward-looking statements may be identified by the use of words such as "may", "might", "could", "would", "will", "expect", "intend", "believe", "forecast", "milestone", "objective", "predict", "plan", "scheduled", "estimate", "anticipate", "continue", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives.

Although the forward-looking statements contained in this report 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 and 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, which may include changes in commodity prices, foreign exchange fluctuations, economic, social and political conditions, and changes to applicable regulation.

The forward-looking statements and 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, officers, employees or contractors. The Company does not make any representations and provides no warranties concerning the accuracy of any forward-looking statements or projections, and disclaims any obligation to update or revise any forward looking statements or projections based on new information, future events or otherwise, except to the extent required by applicable laws.

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APPENDIX A

Green Bay Copper-Gold Project

Ming Mineral Resource Estimate

	TONNES	COPPER		GOLD		SILVER		CUEQ
	(MT)	GRADE (%)	METAL ('000 T)	GRADE (G/T)	METAL ('000 OZ)	GRADE (G/T)	METAL ('000 OZ)	GRADE (%)
Measured	4.7	1.7	80	0.3	40	2.3	340	1.9
Indicated	16.8	1.6	270	0.3	150	2.4	1,300	1.8
TOTAL M&I	**21.5**	**1.6**	**340**	**0.3**	**190**	**2.4**	**1,600**	**1.8**
Inferred	**28.4**	**1.7**	**480**	**0.4**	**340**	**3.3**	**3,000**	**2.0**

Little Deer Mineral Resource Estimate

	TONNES	COPPER		GOLD		SILVER		CUEQ
	(MT)	GRADE (%)	METAL ('000 T)	GRADE (G/T)	METAL ('000 OZ)	GRADE (G/T)	METAL ('000 OZ)	GRADE (%)
Measured	-	-	-	-	-	-	-	-
Indicated	2.9	2.1	62	0.1	9	3.4	320	2.3
TOTAL M&I	**2.9**	**2.1**	**62**	**0.1**	**9**	**3.4**	**320**	**2.3**
Inferred	**6.2**	**1.8**	**110**	**0.1**	**10**	**2.2**	**430**	**1.8**

GREEN BAY TOTAL MINERAL RESOURCES ESTIMATE

	TONNES	COPPER		GOLD		SILVER		CUEQ
	(MT)	GRADE (%)	METAL ('000 T)	GRADE (G/T)	METAL ('000 OZ)	GRADE (G/T)	METAL ('000 OZ)	GRADE (%)
Measured	4.7	1.7	80	0.3	45	2.3	340	1.9
Indicated	19.7	1.7	330	0.2	154	2.6	1,600	1.9
TOTAL M&I	**24.4**	**1.7**	**400**	**0.3**	**199**	**2.5**	**2,000**	**1.9**
Inferred	**34.6**	**1.7**	**600**	**0.3**	**348**	**3.1**	**3,400**	**2.0**

1. FireFly Metals Ltd Resources for the Green Bay Copper-Gold project, incorporating the Ming Mine and Little Deer Complex, are reported in accordance with the JORC Code (2012 Edition) and NI 43-101 of the Canadian Securities Administrators.
2. Mineral resources have been reported at a 1.0% copper cut-off grade.
3. Metal equivalents for the Resource Estimate has been calculated at a copper price of US$8,750/t, gold price of US$2,500/oz and silver price of US$25/oz. Metallurgical recoveries have been set at 95% for copper and 85% for both gold and silver. CuEq(%) = Cu(%) + (Au(g/t) x 0.82190) + (Ag(g/t) x 0.00822).
4. Totals may vary due to rounding.

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Auditor's independence declaration to the Directors of Firefly Metals Ltd

As lead auditor for the review of the interim financial report of Firefly Metals Ltd for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the half-year review;

b. No contraventions of any applicable code of professional conduct in relation to the half-year review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the half-year review.

This declaration is in respect of Firefly Metals Ltd and the entities it controlled during the financial period.

Ernst & Young

Darryn Hall
Partner
Perth
13 February 2025

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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and six month periods ended 31 December 2024

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 31 December 2024

	NOTE	QUARTER ENDED		HALF YEAR ENDED	
		31 DEC 24 A$'000	31 DEC 23 A$'000	31 DEC 24 A$'000	31 DEC 23 A$'000
Other Income	5	**2,012**	**115**	**2,865**	**225**
Expenses					
Accounting, audit and taxation services		(93)	(182)	(215)	(209)
Business development		(568)	(3,268)	(771)	(4,245)
Consultants and contractors		(186)	(228)	(377)	(362)
Depreciation and amortisation		(438)	(374)	(873)	(463)
Employee benefits		(815)	(568)	(1,639)	(952)
Foreign exchange loss		(17)	(79)	(60)	(26)
Listing and compliance		(85)	(107)	(117)	(227)
Other mill and mine costs		(661)	(252)	(1,226)	(252)
Share based payments		(1,546)	(8,219)	(2,755)	(8,430)
Travel and accommodation		(259)	(214)	(447)	(393)
Other expenses		(694)	(231)	(1,002)	(342)
Loss before income tax and net financing income for the period		**(3,350)**	**(13,607)**	**(6,617)**	**(15,676)**
Net financing income		769	169	886	161
Loss before income tax for the period		**(2,581)**	**(13,438)**	**(5,731)**	**(15,515)**
Income tax expense		-	-	-	-
Loss after income tax for the period		**(2,581)**	**(13,438)**	**(5,731)**	**(15,515)**
Loss for the period attributable to:					
Non-controlling interest		-	(1)	-	(1)
Equity holders of the Company		(2,581)	(13,437)	(5,731)	(15,514)
Loss after income tax for the period		**(2,581)**	**(13,438)**	**(5,731)**	**(15,515)**
Other comprehensive gain/(loss)					
Items that may be reclassified to profit or loss in subsequent periods					
Translation of foreign operations		9,903	(4,967)	4,550	(4,968)
Total comprehensive gain/(loss)		**7,322**	**(18,405)**	**(1,181)**	**(20,483)**
Total comprehensive gain/(loss) attributable to:					
Non-controlling interest		1,120	(453)	551	(553)
Equity holders of the Company		6,202	(17,952)	(1,732)	(19,930)
Total comprehensive gain/(loss) for the period, net of tax		**7,322**	**(18,405)**	**(1,181)**	**(20,483)**
Basic and diluted loss per share (cents per share)		(0.46)	(4.16)	(1.10)	(6.29)

The above statement should be read in conjunction with the accompanying notes

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	NOTE	31 DEC 24 A$'000	30 JUN 24 RESTATED* A$'000
ASSETS			
Current assets			
Cash and cash equivalents		76,024	37,818
Financial assets at fair value through profit or loss		3,518	2,865
Other receivables	6	4,683	2,847
Inventory		641	650
Other assets		2,030	1,789
Total current assets		**86,896**	**45,969**
Non-current assets			
Plant and equipment		21,269	21,350
Right-of-use assets		2,285	2,061
Exploration and evaluation assets	7	196,240	157,855
Restricted cash		5,325	5,216
Total non-current assets		**225,119**	**186,482**
Total assets		**312,015**	**232,451**
LIABILITIES			
Current liabilities			
Trade and other payables		5,636	3,965
Lease liabilities		1,075	636
Other current liabilities	8	16,030	17,035
Provisions		323	240
Total current liabilities		**23,064**	**21,876**
Non-current liabilities			
Lease liabilities		1,211	1,367
Provisions	9	9,494	4,889
Total non-current liabilities		**10,705**	**6,256**
Total liabilities		**33,769**	**28,132**
Net assets		**278,246**	**204,319**
EQUITY			
Share capital	10	325,823	250,992
Reserves		1,542	(2,707)
Accumulated losses		(71,344)	(65,613)
Total equity attributable to owners of FireFly		**256,021**	**182,672**
Non-controlling interest (**NCI**)		22,225	21,647
Total equity		**278,246**	**204,319**

The above statement should be read in conjunction with the accompanying notes.

** Refer to Note 12 for details regarding a restatement as a result of a business combination measurement period adjustment.*

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2024

	ATTRIBUTABLE TO OWNERS OF FIREFLY					
	CONTRIBUTED EQUITY A$'000	RESERVES A$'000	ACCUMULATED LOSSES A$'000	TOTAL A$'000	NCI A$'000	TOTAL EQUITY A$'000
Balance at 1 July 2024 (Restated *)	250,992	(2,707)	(65,613)	182,672	21,647	204,319
Loss for the period	-	-	(5,731)	(5,731)	-	(5,731)
Other comprehensive income	-	3,999	-	3,999	551	4,550
Total comprehensive income/(loss) for the period	**-**	**3,999**	**(5,731)**	**(1,732)**	**551**	**(1,181)**
Transactions with owners						
Shares issued (net of transaction costs)	72,268	-	-	72,268	-	72,268
Proceeds from exercise of options	220	-	-	220	-	220
Transfer of reserve on exercise of incentive securities	2,343	(2,478)	-	(135)	-	(135)
Share-based payment expense	-	2,755	-	2,755	-	2,755
Non-controlling interest	-	(27)	-	(27)	27	-
Balance at 31 December 2024	**325,823**	**1,542**	**(71,344)**	**256,021**	**22,225**	**278,246**
Balance at 1 July 2023	100,284	1,059	(41,750)	59,593	21,935	81,528
Loss for the period	-	-	(15,514)	(15,514)	(1)	(15,515)
Other comprehensive loss	-	(4,416)	-	(4,416)	(552)	(4,968)
Total comprehensive loss for the period	**-**	**(4,416)**	**(15,514)**	**(19,930)**	**(553)**	**(20,483)**
Transactions with owners						
Shares issued (net of transaction costs)	58,008	-	-	58,008	-	58,008
Proceeds from exercise of options	-	1,270	-	1,270	-	1,270
Transfer of reserve on exercise of options	2,872	(2,872)	-	-	-	-
Transfer of reserve on issue of STI shares	17	(17)	-	-	-	-
Shares issued for the acquisition of the Green Bay Project	15,000	-	-	15,000	-	15,000
Reclass of non-controlling interest transactions	-	4,128	-	4,128	(4,128)	-
Share-based payment expense	-	8,430	-	8,430	-	8,430
Balance at 31 December 2023	**176,181**	**7,582**	**(57,264)**	**126,499**	**17,254**	**143,753**

The above statement should be read in conjunction with the accompanying notes.

** Refer to Note 12 for details regarding a restatement as a result of a business combination measurement period adjustment*

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CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

For the period ended 31 December 2024

	NOTE	QUARTER ENDED 31 DEC 24 A$'000	QUARTER ENDED 31 DEC 23 A$'000	HALF YEAR ENDED 31 DEC 24 A$'000	HALF YEAR ENDED 31 DEC 23 A$'000
OPERATING ACTIVITIES					
Payments to suppliers and employees		(5,155)	(5,146)	(6,263)	(7,243)
Interest received		602	239	1,025	270
Rental income		100	208	197	208
Other income		84	127	152	127
Net cash used in operating activities		**(4,369)**	**(4,572)**	**(4,889)**	**(6,638)**
INVESTING ACTIVITIES					
Payments for plant and equipment		(234)	(36)	(441)	(56)
Payments for exploration and evaluation capitalised		(12,143)	(5,167)	(24,103)	(7,162)
Payments to acquire the Tilt Cove Project		(769)	-	(769)	-
Payments to acquire the Green Bay Project		-	(30,844)	-	(34,344)
Net cash used in investing activities		**(13,146)**	**(36,047)**	**(25,313)**	**(41,562)**
FINANCING ACTIVITIES					
Proceeds from issue of shares	10	73,000	51,303	73,000	60,000
Capital raising costs for issue of shares	10	(3,676)	(1,658)	(3,676)	(1,990)
Proceeds from exercise of options	10	-	1,270	220	1,270
Principal elements of lease payments		(453)	(199)	(1,123)	(199)
Interest payments		(49)	(76)	(98)	(76)
Net cash from financing activities		**68,822**	**50,640**	**68,323**	**59,005**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**51,307**	**10,021**	**38,121**	**10,805**
Cash and cash equivalents at the beginning of the period		24,819	6,825	37,818	6,016
Effect of movements in exchange rates on cash held		(102)	(75)	85	(50)
Cash and cash equivalents at the end of the period		**76,024**	**16,771**	**76,024**	**16,771**

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The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the period ended 31 December 2024

1. Corporate Information

The condensed consolidated interim financial statements (**Interim Financial Statements**) of FireFly Metals Ltd (**FireFly** or **Company**) and its subsidiaries (collectively, the **Group**) for the quarter and half year ended 31 December 2024, were authorised for issue in accordance with a resolution of the Directors on 13 February 2025.

FireFly is a for-profit company, limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange and, from 16 December 2024, the Toronto Stock Exchange.

The Group's principal activities for the half year ended 31 December 2024 consisted of exploration and evaluation at the Green Bay Copper-Gold Project in Newfoundland and Labrador, Canada, the Pickle Crow Gold Project in Ontario, Canada and the Limestone Well Vanadium-Titanium Project in Western Australia.

2. Basis of Preparation and Accounting Policies

a) Statement of Compliance

The Interim Financial Statements for the three and six month periods ended 31 December 2024 have been prepared in accordance with Australian Accounting Standards Board (**AASB**) AASB 134 *Interim Financial Reporting* / International Accounting Standards (**IAS**) 34 *Interim Financial Reporting* and the *Corporations Act 2001.*

The Interim Financial Statements do not include all the information and disclosures normally included in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 30 June 2024. The Group's annual consolidated financial statements for the year ended 30 June 2024 and other information pertaining to the Company are available on SEDAR+ at www.sedarplus.ca, the ASX at www.asx.com.au and the Company's website at www.fireflymetals.com.au.

b) Going concern

The directors believe it is appropriate to prepare the Interim Financial Statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 31 December 2024, the Group had current assets of $86,896,000 (30 June 2024: $45,969,000), including cash and cash equivalents of $76,024,000 (30 June 2024: $37,818,000), and current liabilities of $23,064,000 (30 June 2024: $21,876,000).

Management has prepared cash flow forecasts for the next twelve months which contemplate future capital raisings or other transactions for the delivery of exploration projects as currently forecast. Based on these forecasts and funding requirements, the Directors anticipate the Group will be able to meet its commitments and pay its debts as and when they fall due, while meeting its objectives of rapidly exploring its projects as forecast.

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The Directors are satisfied that there is a reasonable basis to conclude that the Group has options available to manage liquidity, including one or a combination of, a placement of shares, rights issues, joint venture arrangements, sale of certain assets or a change in the Company's expenditure profile and thus it is appropriate to prepare the Interim Financial Statements on a going concern basis.

In the event that all of the funding options available to the Group don't transpire and there is no change to the forecasted spending pattern, there may be material uncertainty about whether it would be able to continue as a going concern and, therefore, realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the financial report. The Interim Financial Statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

c) Functional and presentation currency

The Interim Financial Statements are presented in Australian dollars (**AUD**), which is FireFly's functional and presentation currency. The functional currency of the Group 's significant foreign operations is Canadian dollars (**CAD**).

d) Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars.

e) Significant Accounting Policies

The accounting policies applied in these Interim Financial Statements are consistent with those applied by the Group in the 30 June 2024 annual consolidated financial statements, except as disclosed in Note 2(f).

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2024 interim reporting period and have not been applied in these Interim Financial Statements.

Certain comparative results and balances have been reclassified for consistency with the current period allocations.

f) New and Amended Standards Adopted by the Group

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period and were relevant to the Group. The adoption of the new and amended accounting standards and interpretations had no material impact on the Group. Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early.

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3. Critical Accounting Estimates and Judgements

When preparing the Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the Interim Financial Statements, are the same as those disclosed in the Group's last annual financial statements for the year ended 30 June 2024.

Refer to Note 9 for details of a revision to the Company's rehabilitation provision estimate during the interim period as a result of new information from an updated Rehabilitation and Closure Plan for the Green Bay Copper-Gold Project.

Refer to Note 12 for details of the final fair values of the assets acquired and liabilities and contingent liabilities assumed, and measurement period adjustments recognised, in the Group's acquisition of the Green Bay Copper-Gold Project.

4. Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Executive Team (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is organised into three operating segments based on the Group's exploration and evaluation project geographic locations as follows:

- Copper and Gold in Newfoundland and Labrador, Canada - Green Bay, Gold Hunter and Tilt Cove Projects (**Green Bay**)
- Gold in Ontario, Canada - Pickle Crow Project (**Pickle Crow**)
- Vanadium in Western Australia - Limestone Well Project (**Limestone Well**)

Unallocated items are those that are not directly attributed to the activities of an operating segment. Balances and results attributable to the acquisition or financing of the group's projects, including transaction costs from business combinations, deferred consideration balances and associated discount unwinding, financial assets at fair value through profit or loss and the associated fair value gain or loss, are included as unallocated.

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	GREEN BAY A$'000	PICKLE CROW A$'000	LIMESTONE WELL A$'000	UNALLOCATED A$'000	TOTAL A$'000
Loss after income tax					
Three months ended 31 December 2024	**(1,001)**	**(106)**	**-**	**(1,474)**	**(2,581)**
Three months ended 31 December 2023	(1,022)	(71)	-	(12,345)	(13,438)
Six months ended 31 December 2024	**(1,851)**	**(206)**	**-**	**(3,674)**	**(5,731)**
Six months ended 31 December 2023	(1,022)	(121)	-	(14,372)	(15,515)
31 December 2024					
Segment assets	152,006	77,412	983	81,614	312,015
Segment liabilities	13,836	594	-	19,339	33,769
30 June 2024 (Restated *)					
Segment assets	118,696	75,373	915	37,467	232,451
Segment liabilities	9,704	856	-	17,572	28,132

** Refer to Note 12 for details regarding a restatement as a result of a business combination measurement period adjustment.*

5. Other Income

	QUARTER ENDED		HALF YEAR ENDED	
	31 DEC 24	31 DEC 23	31 DEC 24	31 DEC 23
	A$'000	A$'000	A$'000	A$'000
Rental income	100	95	197	205
Net fair value gains on financial assets at fair value through profit or loss	997	-	653	-
Flow-through share premium income	384	-	1,319	-
Gain on disposal of assets	360	-	360	-
Other income	171	20	336	20
Total other income	**2,012**	**115**	**2,865**	**225**

Flow-Through Shares

Flow-through shares may be issued for Canadian projects to finance a portion of an exploration or evaluation program and development expenditure. A flow-through share agreement transfers the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company divides the flow-through share into: i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognised as a liability, and ii) issued capital.

Share capital for shares issued is recognised at fair value with the residual value, or flow-through share premium, recognised as current flow-through share premium liabilities. At initial recognition the sale of tax deductions is deferred and presented as other liabilities in the balance sheet as the entity has not yet fulfilled its obligations to pass on the tax deductions to the investor. Upon expenditure being incurred, the Company derecognises the liability and the premium is recognised as other income.

During the year ended 30 June 2024, FireFly recognised a flow-through share premium liability of $2,509,000. During the three and six-month periods ended 31 December 2024, as FireFly has incurred expenditure related to the flow-through shares, the Company has derecognised the proportionate liability

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and recognised the premium as other income. The flow-through share premium liability included in other current liabilities (refer Note 8) has reduced by $1,319,000 at 31 December 2024 to $1,190,000.

6. Other Receivables

	31 DEC 24 A$'000	30 JUN 24 A$'000
Other receivables	589	125
Accrued interest	586	141
Net goods and services taxation receivable [1]	3,508	2,581
Total other receivables	**4,683**	**2,847**

[1] Net goods and services taxation receivable is primarily comprised of refunds due from the Canada Revenue Agency.

7. Exploration and Evaluation Assets

BY AREA OF INTEREST	31 DEC 24 A$'000	30 JUN 24 RESTATED* A$'000
Limestone Well	983	915
Pickle Crow	76,660	74,320
Green Bay	90,039	58,479
Gold Hunter	25,107	24,141
Tilt Cove	3,451	-
Carrying amount at the end of the period	**196,240**	**157,855**

** Refer to Note 12 for details regarding a restatement as a result of a business combination measurement period adjustment.*

A summary of the movements in exploration and evaluation assets during the interim financial period is set out below:

	31 DEC 24 A$'000
Carrying amount at the beginning of the period	157,855
Acquisition of Tilt Cove project[1]	3,440
Capitalised expenditure at cost	26,457
Adjustment to rehabilitation provision (refer to Note 9)	4,287
Foreign currency translation	4,201
Carrying amount at the end of period	**196,240**

[1] Pursuant to an agreement dated 1 November 2024, FireFly entered into an agreement to acquire 115 square kilometres of exploration tenure in Newfoundland, Canada from Signal Gold Inc (**Signal Gold**) through the purchase of 100% of Tilt Cove Gold Corp, a wholly-owned subsidiary of Signal Gold. The acquisition area is strategically located in relation to the Group's Green Bay Copper-Gold Project. The consideration included C$0.57 million in cash and the issue of 2,317,869 FireFly shares as shown in Note 10. An additional payment of C$1 million, payable at the Company's election in cash or shares, is contingent upon the Company defining a mineral resource of at least 500,000 ounces of AuEq at a minimum grade of 1g/t and has been determined to have nil fair value at the date of acquisition.

As the transaction is for the acquisition of mining rights only, without any business processes or outputs applied, nor any reserves or resources recognised, this was not considered a business combination in accordance with AASB 3 *Business Combinations*. It has been accounted for as an asset acquisition with the costs of acquisition of rights to explore, including transaction costs relating to the acquisition, being capitalised as an exploration and evaluation asset.

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8. Other Current Liabilities

	31 DEC 24 A$'000	30 JUN 24 A$'000
Deferred consideration	14,840	14,526
Flow-through share premium liability (refer to Note 5)	1,190	2,509
Carrying amount at the end of the period	**16,030**	**17,035**

9. Non-Current Provisions

REHABILITATION PROVISION	31 DEC 24 A$'000	30 JUN 24 A$'000
Carrying amount at the start of the period	4,889	579
Additions through business combinations	-	4,024
Net increase in obligations	4,287	-
Unwinding of discount	116	516
Translation differences	202	(230)
Carrying amount at the end of the period	**9,494**	**4,889**

The provision for rehabilitation relates to the Company's Green Bay Copper-Gold and Pickle Crow Gold projects. At 31 December 2024, the balance of the rehabilitation provision attributable to Green Bay was $8,924,000 (30 June 2024: $4,331,000) and to Pickle Crow was $570,000 (30 June 2024: $558,000).

During the period, following the Company's acquisition of the Green Bay Copper-Gold Project in the previous financial year, an updated Rehabilitation and Closure Plan for the Green Bay Copper-Gold Project has been prepared. The net present value of the resulting increase in the estimated costs of the rehabilitation activities of $4,287,000, which includes the impact of a change in the discount rate applied, is reflected in the rehabilitation provision at 31 December 2024.

The discount rate used in the calculation of the provision at 31 December 2024 was 4.86% (30 June 2024: 4.61%).

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10. Share Capital

On 7 December 2023, FireFly completed the consolidation of its issued capital on a 15 to 1 basis. The following note is prepared on a post-consolidated basis.

	31 DEC 2024 # OF SHARES	30 JUN 2024 # OF SHARES	31 DEC 2024 A$'000	30 JUN 2024 A$'000
Fully paid ordinary Shares	563,826,922	480,707,962	325,823	250,992

Movements in share capital during the current and prior half year periods are shown below:

	# OF SHARES	A$'000
At 30 June 2023	**154,189,087**	**100,284**
Shares issued	160,000,025	60,000
Shares issued as part of acquisition of Rambler Metals and Mining Canada Limited and 1948565 Ontario Inc.	40,000,000	15,000
Proceeds from exercise of options	7,333,335	1,270
Transfer of reserve on exercise of options	-	1,602
Issue of short-term incentive shares	36,929	17
Rounding from 15:1 consolidation	1,531	-
Transaction costs	-	(1,992)
At 31 December 2023	**361,560,907**	**176,181**
At 30 June 2024	**480,707,962**	**250,992**
Issue of Placement Shares	68,421,053	65,000
Issue of SPP Shares	8,421,690	8,000
Issue of consideration Shares to Signal Gold	2,317,869	2,944
Issue of shares and transfer of reserve on conversion of Performance Rights	2,491,681	2,112
Proceeds from exercise of options	1,466,667	220
Transfer of reserve on exercise of options	-	231
Transaction costs	-	(3,676)
At 31 December 2024	**563,826,922**	**325,823**

Subsequent to the end of the period, 840,000 performance rights were converted into 840,000 shares.

11. Incentive Securities

Options

During the period ended 31 December 2024, 1,466,667 (31 December 2023: 7,333,335) options were exercised into 1,466,667 (31 December 2023: 7,333,335) ordinary shares, with proceeds from exercise of $220,000 (31 December 2023: $1,270,000) received.

As at 31 December 2024, no options remain outstanding.

Performance Rights

Set out below is a summary of performance rights over ordinary shares granted under the Equity Incentive Plan and the Employee Securities Incentive Plan for nil cash consideration and with nil exercise prices. The summary below is presented on a post-consolidation basis.

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	31 DEC 24 NUMBER	31 DEC 23 NUMBER
Outstanding at the beginning of the period – 1 July	**33,413,619**	**2,932,076**
Issued [2]	5,414,401	17,160,000
Converted [1]	(2,620,938)	-
Lapsed/expired	-	-
Outstanding at the end of the period – 31 December	**36,207,082**	**20,092,076**

[1] The number of performance rights converted differs from the number of shares issued on conversion of performance rights as shown in Note 10 due to a net settlement facility.

[2]On 23 December 2024, the Company issued the following performance rights to Directors and key management personnel:

PERFORMANCE RIGHTS CATEGORY	NUMBER ISSUED
Director Project incentive	2,452,315
Director Long Term Incentive	397,176
Executive Project incentive	2,226,886
Executive Long Term Incentive	338,024
Total	**5,414,401**

Vesting of the performance rights is subject to both a 30 June 2027 retention condition and satisfaction of either a project-based or shareholder return vesting condition. Issue of the Director performance rights was approved by shareholders at the Company's Annual General Meeting on 19 November 2024. The total fair value of the performance rights granted during the period of $5,998,000 is being recognised over the later of the service period or vesting period.

12. Business Combinations

On 19 October 2023, FireFly acquired 100% of the voting shares, and took control of, Rambler Metals and Mining Canada Limited and 1948565 Ontario Inc. for total consideration equal to $65,110,000 ($64,328,000 at fair value), reflective of a combination of cash and shares.

Provisional values of the identifiable assets and liabilities were disclosed in FY24. In accordance with the requirements of AASB 3, the provisional accounting was finalised in the current period at the conclusion of the 12-month period since acquisition with the most up-to-date information available to determine fair value that existed at acquisition date. A summary of the final fair values of identifiable net assets is provided below.

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	FINAL FAIR VALUE A$'000
Cash and cash equivalents	766
Other receivables and other assets	718
Inventories	763
Property, plant and equipment	23,340
Right-of-use assets	53
Exploration and evaluation assets	38,981
Restricted cash	5,130
Goodwill	-
Trade payables	(1,303)
Annual leave provision	(55)
Lease liability	(41)
Reclamation and closure liability	(4,024)
Acquisition date fair value of the total consideration transferred	**64,328**

Measurement period adjustments

As at 31 October 2024, the following measurement period adjustments have been made to the provisional values of assets and liabilities at acquisition that were disclosed in the Company's 30 June 2024 annual report:

- The value of exploration and evaluation assets has decreased by $17,391,000 following further assessment of the project as a whole and in light of other adjustments in the determination of fair values;
- The deferred tax liability has decreased by $17,391,000 following more up-to-date information regarding the tax credits available and application of the relevant requirements in determining tax obligations arising from the acquisition of the entities post-administration; and
- Upon finalisation of the valuation of non-current assets with reference to market determined valuation multiples and discounted cashflow analysis, the Group determined a project fair value which did not give rise to either goodwill or a discount on acquisition.

$1,413,000 tax benefit recognised in the financial year ended 30 June 2024 has been reversed as a result of the measurement period adjustments, resulting in restatement of accumulated losses at 30 June 2024 from $64,200,000 to $65,613,000.

The measurement period adjustments have had no impact on the profit or loss or cashflows for the periods ended 31 December 2023 or 2024.

13. Contingent Liabilities

There are no material contingent liabilities as at 31 December 2024 (30 June 2024: none).

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14. Commitments

The Group has the following commitments for capital expenditure:

	31 DEC 24 A$'000
Total minimum expenditure requirements to retain tenure to mining tenements for the next three years	
Within one year	748
One to three years	1,678
	2,426

Mining Tenements

In order to maintain current rights of tenure to mining tenements, the Group will be required to perform exploration work to meet the minimum expenditure requirements. This expenditure will only be incurred should the Group retain its existing level of interest in its various exploration areas and provided access to mining tenements is not restricted. These obligations will be fulfilled in the normal course of operations, which may include exploration and evaluation activities.

Flow Through Shares

As at 31 December 2024, the Company is required to spend C$5,733,000 of qualifying exploration expenditures by 31 December 2025 to satisfy the remaining flow-through share premium liability of $1,190,000.

15. Events After the Reporting Date

Other than as disclosed, there are no matters or circumstances which have arisen since the end of the half year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

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DIRECTORS' DECLARATION

For the half year ended 31 December 2024

In accordance with a resolution of the directors of FireFly Metals Ltd, I state that in the opinion of the directors:

a) the Interim Financial Statements and notes of the Company and its subsidiaries (collectively the "Group") are in accordance with the *Corporations Act 2001* (Cth), including:

   i. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and

   ii. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* (Cth) and other mandatory professional reporting requirements; and

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable subject to the matters set out in Note 2(b) to the financial report.

On behalf of the board



Stephen Parsons
Managing Director
13 February 2025

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Independent auditor's review report to the members of Firefly Metals Ltd

Conclusion

We have reviewed the accompanying half-year financial report of Firefly Metals Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 2 (b) in the half-year financial report which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Darryn Hall
Partner
Perth
13 February 2025

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