Annual Report

FOR THE YEAR ENDED

31 December 2024

Corporate directory

DIRECTORS

Mr Brett Fraser	*Executive Chairman*
Mr Mark Hepburn	*Non-Executive Director*
Mr Matthew Mitchell	*Non-Executive Director*

COMPANY SECRETARY

Mr Stuart Usher

REGISTERED ADDRESS AND PRINCIPAL PLACE OF BUSINESS

Level 1, 247 Oxford Street, Leederville WA 6007

SHARE REGISTRY

Computershare Investor Services Pty Limited

Address	Level 17, 221 St Georges Terrace, Perth WA 6000
Telephone	1300 850 505 (investors within Australia)
	+61 (0)3 9415 4000
Email	web.queries@computershare.com.au
Website	www.investorcentre.com

AUDITORS

PricewaterhouseCoopers

Address	Brookfield Place, Level 15, 125 St Georges Terrace, Perth WA 6000

Contents

Directors' report

The Directors present their report together with the financial statements for Firefinch Limited (ABN: 11 113 931 105) (**Firefinch** or **the Company**) and its subsidiaries (**the Group**) for the year ended 31 December 2024.

1. DIRECTORS

The following persons were directors of the Company during the year and up to the date of this report.

- ☐ Brett Fraser — *Executive Chairman*
- ☐ Mark Hepburn — *Non-Executive Director*
- ☐ Bradley Gordon — *Non-Executive Director (resigned 30 June 2025)*
- ☐ Mr Matthew Mitchell — *Non-Executive Director (appointed 30 October 2024)*

(collectively **the Directors** or **the Board**)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. For additional information of Directors including details of the qualifications of Directors please refer to paragraph 6 *Information relating to the directors* of this Directors' Report.

2. COMPANY SECRETARY

The following person held the position of Company Secretary at the end of the financial year:

☐ **Stuart Douglas Usher**

Qualifications	• B.Bus, CPA, Grad Dip CSP, MBA, FGIA, ACIS
Experience	• Mr Usher is a CPA and Chartered Company Secretary with over 30 years of extensive experience in the management and corporate affairs of public listed companies. He holds an MBA from the University of Western Australia and has extensive experience across many industries focusing on corporate and financial management, strategy and planning, mergers and acquisitions, and investor relations and corporate governance.

3. PRINCIPAL ACTIVITIES

During the year the principal activities of the Group consisted of corporate operations to progress resolution of the Morila SA divestment and maintain the value of Shareholder interests.

4. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the financial year ended 31 December 2024 other than disclosed elsewhere in this Annual Report.

5. OPERATING AND FINANCIAL REVIEW

5.1. REVIEW OF OPERATIONS

a. Morila Gold project

In May 2024, the Company announced that it has entered into a memorandum of understanding (**MOU**) with the Government of Mali, which settles all disputed matters and will facilitate the Government acquiring the Morila Gold Mine for US$1, with the transfer of all shares in Morila SA to the Government or its nominee and all mining titles held by subsidiaries in Mali for US$1 to a government company (**SOREM Mali SA**).

During the year, the Company continued finalising the share transfer and loan assignment agreement with SOREM Mali SA. In the course of operating the Morila Mine, Morila SA had received financial support from Firefinch in the form of a loan of US$102.67 million, and further financial support from Morila Limited in the form of a loan of US$22.69 million (**Assigned Loans**). The Morila SA Sale involves Firefinch assigning the Assigned Loans to SOREM Mali SA and in doing so removes the right of Firefinch and Morila Limited to receive the benefit of those Assigned Loans. Subsequent to balance date, the Company completed this process, as detailed in paragraph 5.4.a below.

Firefinch holds its investment in the Morila Gold Project at $nil (31 December 2023: $nil).

b. Deed of Covenant and Release with Leo Lithium

On 7 May 2024, Leo Lithium, Ganfeng, and Firefinch entered into a deed of Covenant and Release whereby Firefinch agreed to make a $11.5 million contribution to Leo Lithium. The deed includes an unconditional release by Firefinch in favour of Leo Lithium and its associates from all claims in relation to the Demerger Deed signed 29 April 2022.

5.2. FINANCIAL REVIEW

The Group made a profit after tax for the year of $14.47 million (2023: $1.68 million loss) from continuing operations and a net cash out-flow from operating activities $13.16 million (2023: $4.38 million out-flow).

At the end of the year, the Group had cash and cash equivalents of $20.33 million (2023: $33.46 million) and a working capital working capital of $18.90 million (2023: $31.92 million working capital). The net assets of the Group have increased from 31 December 2023 by $$14.22 million to $123.44 million at 31 December 2024 (2023: $109.23 million).

The following table represents the Group's performance over the past five years:

	2024	2023	2022	2021	2020
Profit or (loss) for the year attributable to owners of the Company ($)	14,472,461	(1,682,352)	308,881,578	(43,952,826)	1,043,816
Basic earnings per share (cents)	1.22	(0.14)	(4.33)	(1.29)	0.03
Dividend payments ($)	Nil	Nil	Nil	Nil	Nil
Net asset	123,442,451	109,226,231	N/A	N/A	N/A
Share price ($)	0.20(1)	0.20(1)	0.20(1)	0.865	0.175
Increase/(decrease) in share price (%)	-	-	(192.49)	394.29	212.50

(1) The share price is as the last day of trading, 29 June 2022. The Company remained suspended from quotation until being removed from the Australian Securities Exchange (ASX) on 1 July 2024.

a. NON-GOING CONCERN BASIS OF PREPARATION

In May 2024, Firefinch entered into a memorandum of understanding (**MoU**) with the Government of Mali, which settled all disputed matters and will facilitate the Government of Mali acquiring the Morila Gold Mine for US$1, with the transfer of all shares in Morila SA to the Government of Mali or its nominee. The MoU also dealt with the sale of all mining titles held by subsidiaries in Mali for USD$1 to a government company (**SOREM Mali SA**).

As detailed in paragraph 5.1.a, during the year, the Company continued finalising the share transfer and loan assignment agreement with Sorem Mali SA. The MoU and subsequent agreements with the Government of Mali have been critical in allowing the Company to progress its plan to return value to shareholders through the distribution of the remaining available assets and, as disclosed in in paragraph 5.4.a below, the Company completed the sale of Morila SA in January 2025.

The Company continues with the process of obtaining a class ruling from the Australian Taxation Office (**ATO**) on the tax treatment on the return of assets to Firefinch shareholders. Subject to the outcome of the class ruling and shareholder approval, the Company may then be in a position to distribute remaining assets to shareholders.

The availability of remaining cash to distribute to shareholders will be determined following satisfaction of any tax liabilities and the cost of dealing with and arguing any claims against Firefinch, (see note 22 *Contingencies*), and accounting for remaining corporate operating costs.

As soon as practicable, and following approval and completion of relevant processes, which includes obtaining relevant ATO rulings, it is Firefinch's current intention to convene a general meeting of shareholders to seek approval for the distribution to Firefinch shareholders of the remaining cash reserves. The Board is committed to its endeavours to return assets to shareholders, and this is the most realistic outcome for the Group at the time of this report.

Accordingly, the Board has determined that it is more appropriate that the consolidated financial statements be prepared on the basis that the Group is not a going concern for financial reporting purposes. Non-financial assets have been written down to the lower of their carrying amounts and their net realisable values. Net realisable value is the estimated selling price the entity expects to obtain under the circumstances less the estimated costs necessary to make the sale.

Non-current assets and non-current liabilities have been reclassified to current where they are expected to be realised or settled within the next twelve months from the reporting date. No additional liabilities have been recognised as a result of the decision made by the Company. The comparative period is presented on the same basis.

For further information, refer to note 1 *Basis of preparation* to the financial statements, together with the auditor's report.

5.3. CORPORATE

a. Dividends

There were no dividends paid or recommended during the year ended 31 December 2024.

b. Issue of securities

During the year, the Company issued no shares.

c. **Deed of Covenant and Release with Leo Lithium**

On 7 May 2024, Leo Lithium, Ganfeng, and Firefinch entered into a deed of Covenant and Release whereby the Company has agreed to make a $11.5 million contribution to Leo Lithium. The deed includes an unconditional release by Firefinch Limited in favour of Leo Lithium and its associates from all claims in relation to the Demerger Deed signed 29 April 2022.

d. **Memorandum of Understanding (MoU) signed with the Mali Government**

On 8 May 2024, the Company announced that Firefinch, Leo Lithium Limited, Ganfeng, and the Government of Mali had signed an MoU to settle all disputed matters. The MoU provides for the settlement of the Government's claims against Firefinch Limited and Leo Lithium whereby:

- Ganfeng on behalf of Leo Lithium has made payment to the Government of US$60 million in the name of and on behalf of Leo Lithium and Firefinch to, among other things, settle all disputes with the Government concerning Morila SA;
- Firefinch has agreed to transfer its shares together with the Assigned loans in Morila SA to the Government or its nominee for USD$1 and all mining titles held by its subsidiaries in Mali for USD$1 to SOREM Mali SA.

e. **Withdrawal of Arbitration Notice**

Previously, the Company announced that it had received a Notice of Arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law (**Arbitration Notice**) from Entreprise Générale Traoré et Frères SARL (**EGTF**). The Arbitration Notice was in connection with Morila SA's purported failure to pay amounts under certain outstanding invoices to EGTF further to a mining services contract between EGTF and Morila SA dated 2021. EGTF claimed an amount of no less than XAF 12,838,591,019 ($31,853,880).

Subsequently, in November 2024, this arbitration claim was withdrawn by EGTF, a claim Firefinch considered to be without merit.

f. **Leo Lithium Limited suspension**

On 17 July 2023, Leo Lithium entered a trading halt. Upon reinstatement to quotation on 9 September 2023 the company share price fell sharply, closing at $0.505, prior to again entering a trading halt on 15 September 2023. Leo Lithium remains suspended on the ASX and is continuing to resolve outstanding matters with the ASX with the objective of returning to quotation on the ASX. Refer to note 11 *Financial assets at fair value through profit or loss* for details of Firefinch shareholding.

g. **Removal from ASX**

On 1 July 2024, the Company was removed from the Official List of the ASX.

h. **Approval of settlement agreement**

At the AGM held on 30 October 2024, shareholders approved a Settlement Agreement for the disposal of Firefinch's 80% interest in Société des Mines de Morila SA (**Morila SA**) to the Republic of Mali, including the assignment of related debts and transfer of exploration permits. In additional Mr Brett Fraser was re-elected as a Director, and Matthew Mitchell was appointed as a Director.

i. **Leo Lithium Limited – Sale of 40% interest**

In December 2024, Leo Lithium Limited, in which Firefinch holds a 17.61% stake, completed the sale of its 40% interest in the Goulamina Lithium Project to Ganfeng, receiving US$116.3 million.

j. **Submission of a Class Ruling**

In December 2024, the Company made a Submission for a Class Ruling to the Australian Taxation Office (**ATO**) regarding the tax treatment of potential shareholder distributions.

5.4. MATTERS SUBSEQUENT TO BALANCE DATE

a. **Completion of Morila SA sale and Dividend Received**

In January 2025, Firefinch announced the completion of the sale of its 80% interest in Morila SA to the Republic of Mali. The transaction included the assignment of debts and the transfer of all remaining exploration permits. Additionally, Firefinch received a dividend of $36 million from Leo Lithium Limited.

b. **Disposal of Malian Subsidiaries**

On 28 March 2025, the Group entered into four separate share transfer agreements with Gooddoor Services SARL, a Malian entity, relating to the disposal of its 100% equity interest in the following Malian subsidiaries:

- Birimian Gold Mali SARL
- Finkola SARL
- Sudquest SARL
- Timbuktu Resources SARL

Each shareholding was transferred for a nominal cash consideration of USD 1,000 per entity. The total consideration received across all four entities was USD 4,000.

Under the terms of each agreement:

- The Group fully transferred legal and beneficial ownership of the shares to Gooddoor Services SARL on the date of signing.
- The buyer and relevant companies agreed to waive any future legal, administrative, or arbitral claims against the Group and its directors, officers, or shareholders.
- The transfers are governed by Malian law and subject to the jurisdiction of the Commercial Court of Bamako.

c. Wind-Up of Morila Limited

On 1 April 2025, Firefinch Limited resolved to commence a summary winding-up of its wholly owned subsidiary, Morila Limited (registered in Jersey, No. 74837), pursuant to the Companies (Jersey) Law 1991. The Directors declared the company solvent and capable of discharging its liabilities in full. The wind-up was completed on 27 May 2025.

d. Resignation of Non-Executive Director

On 30 June 2025, Mr Brad Gordon resigned as a non-executive director of the Company.

5.5. BUSINESS RISKS

Exposure To Economic, Environmental and Social Sustainability Risks

The Group has potentially material exposure to economic, environmental, social and governance risks, including changes in community expectations, and environmental, social and governance legislation (including, for example, those matters related to climate change). The Group contracts suitable personnel where required to assist with the management of its exposure to these risks. The Group's approach to risk management is discussed in more detail in the Group's Corporate Governance Statement and Risk Management Policy which can be found on the Group's website.

5.6. FUTURE DEVELOPMENTS, PROSPECTS, AND BUSINESS STRATEGIES

The Company is focused on winding up its affairs and returning value to shareholders. A second Class Ruling request was submitted to the ATO in May 2025 to confirm the tax treatment of proposed cash distributions following the receipt of Tranche 1 funds from Leo Lithium Limited (**LLL**). A determination is pending.

Due to adverse tax implications arising from Firefinch's sub-20.1% holding in LLL, an in-specie distribution of LLL shares is not currently considered tax-effective. Instead, the Board intends to distribute cash from LLL dividends to shareholders.

Should LLL recommence ASX trading or make a further distribution (Tranche 2), Firefinch will reassess the most efficient return of value. The Board confirms it is not pursuing new projects and remains committed to completing the wind-up of the Company.

There are no other likely developments of which the Directors are aware which could be expected to significantly affect the results of the Group's operations in subsequent financial years not otherwise disclosed in the Review of Operations or the Matters Subsequent to Balance Date sections of the Directors' Report.

5.7. ENVIRONMENTAL REGULATIONS

The Group holds various permits issued by the relevant mining and environmental protection authorities that regulate its exploration and mining activities in Mali. These permits include requirements, limitations and prohibitions on exploration and mining activities in the interest of environmental protection. The holder of such permits must therefore adhere to the various conditions which regulate environmental rehabilitation of areas disturbed during the course of the Group's exploration and exploitation activities.

Since 3 November 2022, the Company has not had active operational engagement over the Morila Gold Mine, with production ceasing in December 2023. As a result of this, Firefinch has ceased to receive reliable information regarding production and operations at the Morila Gold Mine and therefore Firefinch is unable to ascertain whether there is continued compliance with environmental laws from Morila during the period.

6. INFORMATION RELATING TO THE DIRECTORS

☐ **Mr Brett Fraser**	• Executive Chairman	*(Appointed 31 August 2023)*
	Non-Executive Chairman	*(Appointed 11 July 2020 – 31 August 2023)*
	Non-Executive Director	*(Appointed 11 November 2020 – 10 July 2022)*

Qualifications and experience • Mr Fraser is an experienced ASX director, currently holding a position as Director of central-west African iron ore company, Sundance Resources Limited. Mr Fraser's deep knowledge (acquired over 36 years' corporate finance experience) is a great asset to the Company, particularly regarding business acquisitions, business strategy and restructuring, and corporate governance. Mr Fraser is a Fellow of CPA Australia, a Fellow of Financial Services Institute of Australasia, and a Fellow of the Governance Institute of Australia. He holds a Bachelor of Business (Accounting) and a Graduate Diploma in Finance (SIA).

Interest in Company equity • 536,206 Ordinary shares

Directorships held in other listed entities during the prior three years • Sundance Resources Limited *(10 March 2018 – present)*

☐ **Mr Mark Hepburn**	• Non-Executive Director	*(Appointed 14 November 2018)*

Qualifications and experience • Mr Hepburn is a Corporate and Financial Markets Executive with over 28 years' experience in a range of management and board positions for Institutional Stockbroking and Derivatives Trading desks for major Financial Institutions.

His career has included roles in Sydney with Deutsche Bank and Macquarie Bank, managing global derivatives distribution sales teams. Mr Hepburn has worked as an Executive Director of a leading Perth stockbroking firm during which time he was involved in numerous fund-raising transactions for ASX listed industrial and resource companies. Mr Hepburn was also Managing Director of his own Corporate Advisory firm which specialised in executing corporate and equity transactions for ASX listed resources companies.

His experience also includes working as a corporate executive within mining companies and he has been a member of the Australian Institute of Company Directors since 2008.

Interest in Company equity • 1,500,000 Ordinary shares

Directorships held in other listed entities during the prior three years prior	• Castile Resources Limited	*(29 November 2019 – present)*
	Leo Lithium Limited	*(21 April 2022 – 15 November 2022)*

☐ **Mr Bradley Gordon**	• Non-executive Director	*(Appointed 6 April 2021, resigned 30 June 2025)*

Qualifications and experience • Mr Gordon is a seasoned resource industry executive with 30 years' experience in the gold, copper and mineral sands industries. Mr Gordon has deep operational and gold industry experience, both in large scale open pit mining and underground operations.

Mr Gordon has significant African experience, particularly as CEO of Acacia Mining. Mr Gordon was CEO of Intrepid Mines for five years during which its market capitalisation increased to A$1.4 billion through a series of corporate deals with the value primarily driven by the discovery and development of the world-class Tujuh Bukit gold-copper-silver project in Indonesia. He was CEO of Emperor Mines in Fiji and Managing Director of Placer Dome Asia Pacific. He has supervised operations at mines such as Porgera in PNG, Kanowna Belle, Paddington and Kundana all in Western Australia.

Mr Gordon holds a Mining Engineering degree from the Western Australia School of Mines (Curtin University) and an Executive MBA from INSEAD, France.

Interest in Company equity • 78,947 Ordinary shares

Directorships held in other listed entities during the prior three years prior	• Savannah Goldfields Limited	*(13 December 2020 – present)*
	Clara Resources Australia Ltd	*(17 May 2021 – present)*
	Aus Tin Mining Limited	*(17 May 2021 – 31 October 2023)*
	Laneway Resources Limited	*(11 December 2020 – 31 October 2023)*

☐ **Mr Matthew Mitchell** • Non-executive Director *(Appointed 30 October 2024)*

Experience • Mr Mitchell brings 19 years' experience in a range of management, transformation, and advisory roles across the energy, defence, finance, technology, government, and not-for-profit sectors.

Mr Mitchell is currently Managing Director of a consultancy and a Non-Executive Director of an aged care provider. He previously served as an elected member in local government.

Mr Mitchell is a Fellow of the Governor's Leadership Foundation and a Member of the Australian Institute of Company Directors. He holds an MBA, a Bachelor of Arts in Politics and International Studies, and a Bachelor of Computer Science, all from the University of Adelaide..

Interest in Company equity • 251,891 Ordinary shares

Directorships held in other listed entities during the prior three years prior • None

7. MEETINGS OF DIRECTORS AND COMMITTEES

During the financial year, eight meetings of Directors were held. Attendances by each Director during the year are stated in the following table.

<table>
<tr><th rowspan="2"></th><th colspan="2">DIRECTORS' MEETINGS</th><th colspan="2">REMUNERATION AND NOMINATION COMMITTEE</th><th colspan="2">FINANCE AND OPERATIONS COMMITTEE</th><th colspan="2">AUDIT COMMITTEE</th></tr>
<tr><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th></tr>
<tr><td>Brett Fraser</td><td>8</td><td>8</td><td colspan="6" rowspan="4">At the date of this report, the Audit and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.</td></tr>
<tr><td>Mark Hepburn</td><td>8</td><td>8</td></tr>
<tr><td>Brad Gordon</td><td>8</td><td>8</td></tr>
<tr><td>Matthew Mitchell</td><td>3</td><td>3</td></tr>
</table>

8. INDEMNIFYING OFFICERS OR AUDITOR

8.1. INDEMNIFICATION

The Company has executed agreements with the Directors and Officers of the Company indemnifying them against all losses or liabilities incurred by each Director or Officer in their capacity as Directors or Officer of a Group Company to the extent permitted by the Corporation Act 2001. The indemnification specifically excludes wilful acts of negligence.

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been an auditor of the Company

8.2. INSURANCE PREMIUMS

The Company has paid premiums to insure each of the current and former Directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

The contract of insurance prohibits disclosure of any further details of the nature of liability and the amount of the premium.

The Company has not given any further indemnity or entered into any other agreements to indemnify or pay or agreed to pay insurance premiums.

9. OPTIONS

9.1. UNISSUED SHARES UNDER OPTION

At the date of this report, the Company had no unissued ordinary shares under option (listed or unlisted).

9.2. SHARES ISSUED ON EXERCISE OF OPTIONS OR VESTING OF RIGHTS

No shares have been issued by the Company during the financial year as a result of the exercise of options (2023: nil).

10. NON-AUDIT SERVICES

During the year, PricewaterhouseCoopers (**PwC**), the Company's and Group's auditor provided no non-audit services (2023: $20,400), in addition to their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at note 18 *Auditor's Remuneration* on page 25.

Where non-audit services are provided by PwC, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001* (Cth). These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

11. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of Firefinch, or to intervene in any proceedings to which Firefinch is a party, for the purpose of taking responsibility on behalf of Firefinch for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of Firefinch with leave of the Court under section 237 of the *Corporations Act 2001* (Cth).

12. CORPORATE GOVERNANCE STATEMENT

The ASX Corporate Governance Council (**CGC**) has developed corporate governance principles and recommendations for listed entities. ASX listing rule 4.10.3 requires that listed entities disclose the extent to which they have followed the CGC's recommendations and, where a recommendation has not been followed, the reasons why. Firefinch has continued to follow the guidance of the CGC, despite delisting from the ASX on 1 July 2024.

Firefinch's corporate governance statement can be found on the Company's website at the following link:

https://firefinchltd.com/corporate-governance/

13. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 31 December 2024 has been received and can be found on page 8 of the annual report.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors made pursuant to section 298(2) of the *Corporations Act 2001* (Cth).

B Fraser.

BRETT FRASER

Executive Chairman

Dated this Thursday, 24 July 2025

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Auditor's Independence Declaration

As lead auditor for the audit of Firefinch Limited for the year ended 31 December 2024, I declare that 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 audit; and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Firefinch Limited and the entities it controlled during the period.

Helen Bathurst

Helen Bathurst
Partner
PricewaterhouseCoopers

Perth
24 July 2025

PricewaterhouseCoopers, ABN 52 780 433 757
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T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Note	2024 $	2023 $
Continuing operations			
Revenue		-	-
Cost of sales		-	-
Gross profit		-	**-**
Interest income	4	1,317,842	1,506,405
Gain or (loss) on disposal of assets		-	(167,387)
Corporate and other expenses	5	(1,978,701)	(5,633,423)
Depreciation		(2,530)	(64,172)
Director fees		(215,149)	(528,816)
Employee salaries and other employment related costs		(109,500)	(508,652)
Share-based payments		-	1,021,822
Foreign exchange gain or (loss)		253,103	(170,313)
Fair value (loss) or gain on investment	11.1	(1,985,798)	4,218,831
Legal settlements	6	(12,074,124)	-
Net (loss) or profit before tax		**(14,794,857)**	**(325,705)**
Income tax benefit or (expense)	7.1	29,267,318	(1,356,647)
Net profit or (loss) from continuing operations for the year		**14,472,461**	**(1,682,352)**
Profit or (loss) for the year is attributable to owners of Firefinch Limited		**14,472,461**	**(1,682,352)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operations		(256,241)	59,886
Total comprehensive income is attributable to owners of Firefinch Limited		**14,216,220**	**(1,622,466)**
Earnings per share from continuing operations:			
Basic earnings per share (cents per share)	8.4	1.22	(0.14)
Diluted earnings per share (cents per share)	8.4	1.22	(0.14)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 31 December 2024

	Note	2024 $	2023 $
Current assets			
Cash and cash equivalents	9	20,325,569	33,456,049
Trade and other receivables	10.1	872,046	1,060,560
Total current assets		**21,197,615**	**34,516,609**
Non-current assets			
Property, plant, and equipment		-	2,530
Financial assets at fair value through profit or loss	11.1	104,539,681	106,525,479
Other receivables	10.2	-	41,341
Total non-current assets		**104,539,681**	**106,569,350**
Total assets		**125,737,296**	**141,085,959**
Current liabilities			
Trade and other payables	12	2,294,845	2,592,410
Total current liabilities		**2,294,845**	**2,592,410**
Non- current liabilities			
Deferred tax liability	7.3	-	**29,267,318**
Total non-current liabilities		**-**	**29,267,318**
Total liabilities		**2,294,845**	**31,859,728**
Net assets		**123,442,451**	**109,226,231**
Equity			
Issued capital	13	303,823,417	303,823,417
Reserves	15	(1,377,718)	5,511,800
Accumulated losses		(179,003,248)	(200,108,986)
Total equity		**123,442,451**	**109,226,231**

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 31 December 2024

		Issued Capital $	Accumulated Profit/(Loss) $	Other Reserves $	Share-based Payment Reserve $	Total $
Balance at 1 January 2023		303,823,417	(198,426,634)	(1,181,363)	7,655,099	111,870,519
Loss for the year		-	(1,682,352)	-	-	(1,682,352)
Other comprehensive income for year		-	-	59,886	-	59,886
Total comprehensive income for the year		**-**	**(1,682,352)**	**59,886**	**-**	**(1,622,466)**
Transaction with owners, directly in equity:						
Share-based payments		-	-	-	(1,021,822)	(1,021,822)
Balance at 31 December 2023		**303,823,417**	**(200,108,986)**	**(1,121,477)**	**6,633,277**	**109,226,231**
Balance at 1 January 2024		303,823,417	(200,108,986)	(1,121,477)	6,633,277	109,226,231
Profit for the year		-	14,472,461	-	-	14,472,461
Other comprehensive income for the year		-	-	(256,241)	-	(256,241)
Total comprehensive income for the year		**-**	**14,472,461**	**(256,241)**	**-**	**14,216,220**
Transaction with owners, directly in equity:						
Shares issued during year (net of costs)		-	-	-	-	-
Transfers to / (from) reserve	15	-	6,633,277	-	(6,633,277)	-
Balance at 31 December 2024		**303,823,417**	**(179,003,248)**	**(1,377,718)**	**-**	**123,442,451**

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 31 December 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Payments to suppliers and employees		(3,063,436)	(5,730,229)
Legal settlement paid	6	(11,500,000)	-
Interest paid		-	-
Interest received		1,403,616	1,345,431
Net cash flow from operating activities	20.1	**(13,159,820)**	**(4,384,798)**
Cash flows from investing activities			
Net cash flow from investing activities		**-**	**-**
Cash flows from financing activities			
Proceeds from issue of shares		-	-
Return of rental bond, net of bonds paid		29,340	-
Lease payments		-	(84,768)
Net cash flow from financing activities		**29,340**	**(84,768)**
Net (decrease)/increase in cash held		(13,130,480)	(4,469,566)
Cash and cash equivalents at the beginning of the year		33,456,049	37,946,133
Change in foreign currency held		-	(20,518)
Cash and cash equivalents at the end of the year	9	20,325,569	33,456,049

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

1 BASIS OF PREPARATION

1.1 Reporting Entity

Firefinch Limited (**Firefinch** or the **Company**) is a public company limited by shares, domiciled and incorporated in Australia. These are the consolidated financial statements and notes of Firefinch and controlled entities (collectively the **Group**). The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. The Group is a for-profit entity.

The separate financial statements of Firefinch, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001* (Cth).

1.2 Basis of accounting

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

The financial statements were authorised for issue on 24 July 2025 by the Board of Directors of the Company.

1.3 Historical cost convention

The financial statements have been prepared under the historical cost convention, except for financial instruments and share based payments, which have been measured at fair value.

1.4 Non-going concern basis of preparation

In May 2024, Firefinch entered into a memorandum of understanding (**MoU**) with the Government of Mali, which settled all disputed matters and will facilitate the Government of Mali acquiring the Morila Gold Mine for US$1, with the transfer of all shares in Morila SA to the Government of Mali or its nominee. The MoU also dealt with the sale of all mining titles held by subsidiaries in Mali for USD$1 to a government company (**SOREM Mali SA**).

During the year, the Company continued finalising the share transfer and loan assignment agreement with Sorem Mali SA. In the course of operating the Morila Mine, Morila SA had received financial support from Firefinch in the form of a loan of US$102,668,563, and from Morila Limited (Jersey Subsidiary of Firefinch Limited) in the form of a loan of US$22,691,081 (**Assigned Loans**). The Morila SA Sale involves Firefinch assigning the Assigned Loans to SOREM Mali SA and in doing so removes the right of Firefinch and Morila Limited to receive the benefit of those Assigned Loans.

The MoU and subsequent agreements with the Government of Mali have been critical in allowing the Company to progress its plan to return value to shareholders through the distribution of the remaining available assets and, as disclosed in in note 23.1 *Completion of Morila SA Sale and Dividend Received*, the Company completed the sale of Morila SA in January 2025.

The Company continues with the process of obtaining a class ruling from the Australian Taxation Office (**ATO**) on the tax treatment on the return of assets to Firefinch shareholders. Subject to the outcome of the class ruling and shareholder approval, the Company may then be in a position to distribute remaining assets to shareholders.

The availability of remaining cash to distribute to shareholders will be determined following satisfaction of any tax liabilities and the cost of dealing with and arguing any claims against Firefinch, (see note 22 *Contingencies*), and accounting for remaining corporate operating costs.

As soon as practicable, and following approval and completion of relevant processes, which includes obtaining relevant ATO rulings, it is Firefinch's current intention to convene a general meeting of shareholders to seek approval for the distribution to Firefinch shareholders of the remaining cash reserves. The Board is committed to its endeavours to return assets to shareholders, and this is the most realistic outcome for the Group at the time of this report.

Accordingly, the Board has determined that it is more appropriate that the consolidated financial statements be prepared on the basis that the Group is not a going concern for financial reporting purposes. Non-financial assets have been written down to the lower of their carrying amounts and their net realisable values. Net realisable value is the estimated selling price the entity expects to obtain under the circumstances less the estimated costs necessary to make the sale.

Non-current assets and non-current liabilities have been reclassified to current where they are expected to be realised or settled within the next twelve months from the reporting date. No additional liabilities have been recognised as a result of the decision made by the Company. The comparative period is presented on the same basis.

1 BASIS OF PREPARATION (cont.)

1.5 Comparative figures

Where required by AASBs comparative figures have been adjusted to conform to changes in presentation in the current year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

1.6 New and Amended Standards Adopted by the Group

The Group has consistently applied the accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 January 2024 but determined that their application to the financial statements is either not relevant or not material.

1.7 Material accounting estimates and judgements

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

These estimates and judgements are disclosed within each relevant note.

2 PRINCIPLES OF CONSOLIDATION

2.1 Subsidiaries

The Group financial statements consolidate those of the Company and all its subsidiaries. The Company controls a subsidiary if it is exposed or has rights to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the activities of the subsidiary.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

2.2 Functional and presentation currency

Items included in the financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates, the *functional currency*. The functional currency of Firefinch Limited is Australian dollars.

The financial report is presented in Australian dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

2.3 Group companies and foreign operations

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the reporting date;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

2 PRINCIPLES OF CONSOLIDATION (cont.)

On consolidation, foreign exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recorded in a reserve in equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the consolidated statement of profit or loss and other comprehensive income, as part of the gain or loss on sale where applicable.

3 SEGMENT INFORMATION

3.1 Description of segments

The operating segments are based on the reports reviewed by the chief operating decision makers and Board of Directors that are used to make strategic decisions. The Group reports on a business segment basis as its risks and rates of return are different for each of the various business segments in which it operates, and this is the format of the information provided to the executive management team and Board of Directors.

The Group operated in one segment in both 2024 and 2023 being *Corporate*. The segment information is prepared in conformity with the Group's accounting policies. The Group comprises the following main segments:

Corporate	*Investing activities and corporate management.*

3.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the executive management team and Board of Directors of the parent entity.

3.3 Segment information

The Group had only one segment, being *Corporate*.

4 INTEREST INCOME

	2024 $	2023 $
Interest income	1,317,842	1,506,405
	1,317,842	**1,506,405**

4.1 Recognition and measurement

Interest revenue is recognised on accrual basis using actual interest received and the accrual of unpaid interest using Term Deposit interest rates applicable at the balance date

5 CORPORATE AND OTHER EXPENSES

	2024 $	2023 $
Consultancy services	673,536	1,248,782
Insurances	558,778	659,424
Travel	-	79,202
Employee related costs	-	14,690
Administrative expenses	746,387	3,631,325
	1,978,701	**5,633,423**

6 LEGAL SETTLEMENT EXPENSE

On 7 May 2024, Leo Lithium, Ganfeng, and Firefinch entered into a deed of Covenant and Release whereby Firefinch agreed to make a $11,500,000 contribution to Leo Lithium. The deed includes an unconditional release by Firefinch Limited in favour of Leo Lithium and its associates from all claims in relation to the Demerger Deed signed 29 April 2022. This included the forgiveness of $574,124 of reimbursements receivable from Leo Lithium, resulting in a total settlement expense of $12,074,724.

7 INCOME TAX

		2024 $	2023 $
7.1	Reconciliation of income tax expense to prima facie tax payable		
	The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
	Accounting loss before tax	(14,794,857)	(325,705)
	Prima facie tax on operating loss at 30% (2023 loss: 30%)	(4,438,457)	(97,712)
	Add / (less) tax effect of:		
	☐ Permanent expenses	3,624,980	2,396,631
	☐ Movement in temporary tax expenses / (benefits) - Australia	408,972	(112,161)
	☐ Tax losses not recognised – foreign operations	(71,474)	-
	☐ Tax losses utilised and not previously recognised - Australian	475,979	(830,111)
	☐ Recognition of previously unrecognised DTA to offset DTL	(29,267,318)	-
	Income tax (benefit) / expense attributable to operating profit or loss	**(29,267,318)**	**1,356,647**
7.2	Current tax liabilities		
	Provision for income tax	-	-
7.3	Deferred tax assets/(liabilities)		
	Investments	(30,803,754)	(31,399,494)
	Foreign exchange	(370,636)	-
	Offset of deferred tax assets	31,174,390	2,132,176
Net deferred tax assets/(liabilities)		-	**(29,267,318)**

7.4 Tax losses and deductible temporary differences

Deferred tax assets unrecognised as at 31 December 2024 amount to $34,277,442 (31 December 2023: $62,730,155) with the majority of the temporary differences relating to *intercompany loans* and *Australian income tax / capital losses* carried forward.

Total carried forward Australian tax losses of $20,250,026 at 31 December 2024 (31 December 2023: $18,718,968) are available for offset against future assessable income, provided the relevant loss recoupment rules are satisfied. The deductible temporary differences and tax losses do not expire under current tax legislation.

In respect of all deferred tax assets (apart from Loans and capital losses made during the 31 December 2024 year), the amounts have not been recognised because it is not probable that future taxable profit will be available against which the Company can utilise the benefits thereof.

Regarding the Loans deferred tax asset: the assets value exceeds the deferred tax liability from Investments. A deferred tax asset has not been recognised in relation to the Loans in excess of the deferred tax liability recorded against FFX's investment in Leo Lithium Limited, as it is not clear whether FFX will incur any capital gains in future income years.

7.5 Recognition and measurement

The income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on a basis of the tax laws enacted or substantively enacted at the end of the year in the countries where the Company's subsidiaries and associated operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

7 INCOME TAX (cont.)

7.6 Material judgements and estimates

Judgement is required in determining whether deferred tax assets are recognised in the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future years allowing to utilise the recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future years.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date in the countries where the Group's subsidiaries operate and generate taxable income.

Deferred income tax is provided for on all temporary differences at balance date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. No deferred income tax will be recognised from the initial recognition of goodwill or of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. No deferred income tax will be recognised in respect of temporary differences associated with investments in subsidiaries if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the near future.

8 EARNINGS PER SHARE (EPS)

		Note	2024 $	2023 $
8.1	**Reconciliation of earnings to profit or loss**			
	Profit or (loss) for the year		14,472,461	(1,682,352)
	Profit used in the calculation of basic and diluted EPS		14,472,461	(1,682,352)

		Note	2024 No.	2023 No.
8.2	**Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS**		1,182,846,577	1,182,948,903
	Weighted average number of dilutive equity instruments outstanding	8.5	-	-
8.3	**Weighted average number of ordinary shares outstanding during the year used in calculation of diluted EPS**		1,182,846,577	1,182,948,903

		Note	2024 ¢	**2023 ¢**
8.4	**Earnings per share**			
	Basic EPS (cents per share)		1.22	(0.14)
	Diluted EPS (cents per share)	8.5	1.22	(0.14)

8.5 As at 31 December 2024, the Group has no unissued shares under options (31 December 2023: none) and no performance rights on issued (31 December 2023: none) and considered to be dilutive. The Group does not report diluted earnings per share on losses generated by the Group. The Group's unissued shares under option and performance shares were anti-dilutive in 2024.

8.6 Recognition and measurement

Basic earnings per share is calculated by dividing the net result attributable to owners of the parent, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus element.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of ordinary shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

9 CASH AND CASH EQUIVALENTS

	Note	2024 $	2023 $
Cash at bank and in hand	9.1.1	2,096,905	1,456,049
Deposits at call		18,228,664	32,000,000
		20,325,569	**33,456,049**

9.1.1 Cash at bank earns interest at floating rates based on daily bank deposit rates.

9.1.2 Deposits at call are at floating interest rates over the year, varying between 1.25% p.a. (short-term) and 5.11% (longer) p.a. (2022: 5.06% p.a. and 5.11% p.a.) on Australian currency. The simple average rate for the year was 4.10%.

9.2 Recognition and measurement

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions with an original maturity not exceeding three months, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. If greater than three months, principal amounts can be redeemed in full, with interest payable at the same cash rate from inception as per the agreement with each bank.

10 TRADE AND OTHER RECEIVABLES

	Note	2024 $	2023 $
10.1 Current			
Prepayments – Insurance		561,865	277,950
GST receivable		224,321	48,853
Reimbursement receivable from Leo Lithium Limited	6	-	574,124
Other receivables		73,860	159,633
Security deposits		12,000	-
		872,046	**1,060,560**
10.2 Non-current			
Security deposits		-	41,341
		-	41,341

10.3 Recognition and measurement

10.3.1 *Trade and other receivables*

Trade receivables are realisable initially at fair value and subsequently measured at amortised cost less expected credit losses Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate their fair value. The carrying amount of the long-term receivable deposits is assumed to approximate fair value as the security deposits have a market-based interest rate.

The group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

10.3.2 *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the year-end which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group classifies its equity investment in Leo Lithium Limited (**LLL**) as financial assets at fair value through profit or loss (**FVPL**).

The fair value of equity investments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk. These represent Level One inputs in the fair value hierarchy prescribed under Accounting Standards.

LLL entered a trading halt on 15 September 2023, a voluntary suspension on 19 September 2023 and has been suspended from trading by the ASX since 3 October 2023, and remains suspended at the date of this report. The last traded market price of LLL was $0.505 on 14 September 2023.

Given the suspension of LLL from trading and the absence of a quoted market price, the Group's valuation of financial assets at FVPL incorporates both Level 2 and Level 3 inputs under the fair value hierarchy. Observable market-based inputs such as the Secured Overnight Financing Rate (**SOFR)**(interest rate) and AUD:USD foreign exchange rate were used in the valuation model (Level 2), alongside unobservable inputs such as forecast distributions, transaction-specific costs, and notional tax assumptions (Level 3). As a result, the fair value measurement as at 31 December 2024 continues to be categorised as Level 3, consistent with the prior year (31 December 2023: Level 3)..

11.1 Reconciliation of fair value of investment

	Note	2024 $	2023 $
Opening Balance		106,525,479	102,306,648
Mark-to-market gain at the end of the period	11.2.1	(1,985,798)	4,218,831
Fair value of the investment		**104,539,681**	**106,525,479**

11.2 Recognition and measurement

The Group's other financial assets are presented at FVPL. Fair value gains and losses are recognised in the profit or loss.

11.2.1 *Fair Value Measurements*

The Group holds an equity investment in LLL, valued at $104.5 million as at 31 December 2024. The valuation is based on Firefinch Limited's holding of 210.9 million shares and an assessed fair value per share of $0.4556.

Leo Lithium has been suspended from trading on the ASX since 3 October 2023 and, per the ASX announcement dated 5 April 2024, may delist in September 2025 should it not acquire a suitable asset and seek re-quotation of its securities. The last traded price was $0.505 on 14 September 2023. Due to the suspension and the lack of an active market, the valuation is classified within the fair value hierarchy as a mix of:

- ☐ Level 2 inputs (e.g. observable market-based rates like SOFR and AUD:USD FX)
- ☐ Level 3 inputs (e.g. forecast distributions, tax assumptions)

As a result, the fair value measurement at 31 December 2024 is categorised as Level 3, with consideration of Level 2 inputs where observable.

The Group has adopted a policy of assessing fair value hierarchy transfers as at the end of each reporting period, in accordance with AASB 13.95.

a. Valuation methodology

The fair value was estimated using a discounted cash flow (DCF) technique. The model reflects the present value of expected cash distributions and associated flows, adjusted for tax, FX, and administrative considerations. A change in methodology was applied during the year, with a shift from reliance on market prices (prior to suspension) to a DCF model using both observable and unobservable inputs. This change is disclosed in accordance with AASB 13.93(d).

b. Key valuation inputs and assumptions

Assumption	Input	Fair Value Hierarchy
Expected distributions	Total AUD 0.23 per share (AUD 0.1269 and AUD 0.1041)	Level 3
Discount rate	6.37% (SOFR 4.37% + 2.00% margin)	Level 2
Forecast period	216 days (26 Nov 2024 – 30 Jun 2025)	Level 3
AUD:USD exchange rate	0.6282	Level 2
Capital gains tax provision	US$44.7 million (approx. AUD 67.4 million)	Level 3
General expenses and interest	As determined via internal forecasts and modelling	Level 3

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (cont.)

11.3 Sensitivity analysis and measurement

The valuation is sensitive to changes in key unobservable inputs:

- a ± 10% change in expected distributions would result in a fair value movement of approximately ± $10.5 million;
- a ± 1% change in the discount rate would alter the valuation by approximately ± $2.0 million.

As a result of revised assumptions and economic inputs, a fair value decrease of $1.986 million has been recognised in profit or loss for the year ended 31 December 2024.

12 TRADE AND OTHER PAYABLES

	Note	2024 $	2023 $
12.1 Current			
Trade payables and accruals	12.1.1	2,164,140	2,383,696
Former director's cash settlement	12.1.2	100,000	-
Other liabilities	12.1.3	30,705	208,714
		2,294,845	**2,592,410**

12.1.1 Trade and other creditors are non-interest bearing and are normally settled on 30-day terms.

12.1.2 In respect to an Amendment Agreement, Firefinch was required to pay a former director a cash bonus (less any applicable tax and deductions), following completion of the sale of 100% of the shares in Morila Limited to a third party. Due to the circumstances that brought about the sale, both parties agreed to the settlement of $100,000, in lieu of the bonuses due under the Amendment Agreement.

12.1.3 Other liabilities include withholding taxes, payroll related taxes and contributions payable to the government agencies.

12.2 Recognition and measurement

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year that are outstanding. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

13 FINANCIAL RISK MANAGEMENT

Set out below is an overview of financial instruments held by the Group as at 31 December 2024 and 31 December 2023.

	Interest bearing $	Non-Interest bearing $	2024 Total $	Interest bearing $	Non-Interest Bearing $	2023 Total $
Financial Assets						
Cash and cash equivalents	20,325,569	-	20,325,569	33,456,049	-	33,456,049
Trade and other receivables	12,000	860,046	872,046	41,341	1,060,560	1,101,901
Financial assets	-	104,539,681	104,539,681	-	106,525,479	106,525,479
Total Financial Assets	**20,337,569**	**105,399,727**	**125,737,296**	**33,497,390**	**107,586,039**	**141,083,429**
Financial Liabilities at amortised cost						
Trade and other payables	-	2,294,845	2,294,845	-	2,592,410	2,592,410
Total Financial Liabilities	-	2,294,845	2,294,845	-	2,592,410	2,592,410
Net Financial Assets / (Liabilities)	**20,337,569**	**103,104,882**	**123,442,451**	**33,497,390**	**104,993,629**	**138,491,019**

13 FINANCIAL RISK MANAGEMENT (cont.)

13.1 Specific Financial Risk Exposures and Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and equity price risk. The Group therefore has an overall risk management program that focuses on the unpredictability of financial and precious metal commodity markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group uses different methods to measure different types of risk to which it is exposed including sensitivity analysis in the case of interest rate, foreign exchange and other price risks and aging analysis for credit risk. Risk management is carried out by the board of directors with assistance from suitably qualified external and internal advisors as required. The Board provides written principles for overall risk management and further policies will evolve commensurate with the evolution and growth of the Group.

13.1.1 *Interest rate risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Group's exposure to market risk for changes to interest rates relates primarily to its earnings on cash and term deposits and borrowings.

Based on the financial assets and liabilities held at reporting date, with all other variables assumed to be held constant, the table below sets out the notional effect on consolidated profit or loss after tax for the year and on equity at 31 December 2024 under varying hypothetical changes in prevailing interest rates.

A general change in interest rates would be expected to have the following impact on earnings.	Profit $	Equity $
Year ended 31 December 2024		
±100 basis points change in interest rate	± 203,376	± 203,376
Year ended 31 December 2023		
±100 basis points change in interest rates	± 334,974	± 334,974

13.1.2 *Credit Risk*

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted under a financial instrument resulting in a financial loss to the Group and arises from deposits with banks and financial institutions, favourable derivative financial instruments as well as credit exposures to customers including outstanding receivables and committed transactions. The Group measures credit risk on a fair value basis. The Group does not have any significant credit risk exposure to a single counterparty or any Group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk without taking account of the fair value of any collateral or other security obtained.

	2024 $	2023 $
Financial Assets		
□ Cash and cash equivalents	20,325,569	33,456,049
□ Trade and other receivables	872,046	1,060,560
□ Non-current receivables	-	41,341
Total Financial Assets	**21,197,615**	**34,557,950**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings as follows:

	2024 $	2023 $
Financial Assets		
□ Westpac Bank (A-1+ to AA-)[(i)]	20,337,569	33,497,390
□ Unrated	860,046	1,060,560
Total Financial Assets	**21,197,615**	**34,557,950**

(i) Represents the long-term credit rating of Westpac Banking Corporation as at 7 May 2025

13 FINANCIAL RISK MANAGEMENT (cont.)

13.1.3 *Liquidity risk*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, that as far as possible, it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. As at 31 December 2024, the Group had sufficient cash reserves to meet its requirements. The financial liabilities of the Group at reporting date were trade and other payables incurred in the normal course of the business. The trade and other payable were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

	Within 1 Year		Greater Than 1 Year		Total	
	2024 $	2023 $	2024 $	2023 $	2024 $	2023 $
Financial liabilities due for payment						
□ Trade and other payables	2,294,845	2,592,410	-	-	2,294,845	2,592,410
Total contractual outflows	2,294,845	2,592,410	-	-	2,294,845	2,592,410
Financial assets						
□ Cash and cash equivalents	20,325,569	33,456,049	-	-	20,325,569	33,456,049
□ Trade and other receivables	872,046	1,060,560	-	41,341	872,046	1,101,901
Total anticipated inflows	21,197,615	34,516,609	-	41,341	21,197,615	34,557,950
Net in-flow on financial instruments	18,902,770	31,924,199	-	41,341	18,902,770	31,965,540

13.2 Fair value estimation

The fair value of financial assets and financial liabilities held by the Group must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their fair value.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

Financial instruments whose carrying values is equivalent to fair value due to their nature include:

- Cash and cash equivalents;
- Trade and other receivables; and
- Trade and other payables

13.3 Capital management

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses. Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures and general administrative outgoings. Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements.

The working capital position of the Group was as follows:	Note	2024 $	2023 $
Cash and cash equivalents	9	20,325,569	33,456,049
Trade and other receivables	10.1	872,046	1,060,560
Trade and other payables	12	(2,294,845)	(2,592,410)
Working capital position		18,902,770	31,924,199

14 ISSUED CAPITAL

14.1 Issued and paid-up share capital

	2024 $	2023 $
1,182,846,577 (2023: 1,182,846,577) ordinary shares fully paid	**303,823,417**	**303,823,417**

14.2 Movement in ordinary shares

	Note	2024 No.	2023 No.	2024 $	2023 $
Balance at the beginning of the period		**1,182,846,577**	**1,181,243,221**	**303,823,417**	**303,823,417**
Shares issued during the period:					
Conversion of performance rights	14.2.1	-	1,603,356	-	-
Balance at the end of the period		**1,182,846,577**	**1,182,846,577**	**303,823,417**	**303,823,417**

14.2.1 Conversion of 1,603,356 Performance rights to 1,603,356 fully paid ordinary shares announced in February 2023.

14.3 Movements in performance right / share rights

	Note	2024 No.	2023 No.
At beginning of the period		-	**5,088,600**
Rights forfeited	14.3.1	-	(4,588,600)
Rights issued	14.3.2	-	1,103,356
Rights converted to shares	14.3.2	-	(1,603,356)
Balance at the end of the period		**-**	**-**

14.3.1 During the 2023-year 4,588,600 performance rights expired without vesting

14.3.2 1,103,356 share rights were issued to employees on 14 February 2023 under the Awards Plan. They vested and were exercised on the day of issue along with 500,000 pre-existing rights

14.4 Recognition and measurement

Ordinary shares are classified as equity and incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. If the Company reacquires its own equity instruments for the purpose of reducing its issued capital, for example as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of tax) is recognised directly in equity.

15 RESERVES

	2024 $	2023 $
Foreign currency translation reserve	(1,377,718)	(1,121,477)
Share-based payments reserve	-	6,633,277
	(1,377,718)	5,511,800

15 RESERVES (cont.)

15.1 Movement in share-based payments reserve

	2024 $	2023 $
Balance at beginning of the period	**6,633,277**	**7,655,099**
Vesting expense of performance / share rights issued during the period	-	104,488
Vesting expense of prior periods' performance / share rights	-	837,810
Forfeited performance / share rights during the period	-	(1,964,120)
Transfer historic reserve to accumulated losses	(6,633,277)	-
Movement for the period	(6,633,277)	(1,021,822)
Balance at the end of the period	-	6,633,277

15.2 Recognition and measurement

15.2.1 *Share-based payments*

The share-based payments reserve is used to record the fair value of options, performance rights and share rights issued to employees and consultants but not exercised. The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they were granted. The fair value of equity instruments granted is determined using Black-Scholes method or Monte Carlo simulation model and recognised over the vesting period.

15.2.2 *Foreign currency translation reserve*

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity along with the Company's movement in its associate's foreign currency translation reserve.

16 INTERESTS IN SUBSIDIARIES

16.1 Information about principal subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

	Jurisdiction of Incorporation	2024 %	2023 %
☐ Birimian Gold (Mali) Pty Limited	Australia	100	100
☐ Birimian Gold Mali SARL	Mali	100	100
☐ Birimian Gold Liberia Inc	Liberia	100	100
☐ Sudquest SARL	Mali	100	100
☐ Finkola SA	Mali	100	100
☐ Timbuktu Resources SARL	Mali	100	100
☐ Firefinch Services Pty Ltd	Australia	100	100
☐ Morila Limited	Jersey	100	100

a. Firefinch retains an 80% interest in Société des Mines de Morila SA. However, the Company lost control over Morila SA, as a result of ceasing to provide it funding, and it was deconsolidated at 3 November 2022.

17 PARENT ENTITY DISCLOSURES

The Firefinch is the ultimate Australian parent entity and ultimate parent of the Group.

The Firefinch Ltd did not enter into any trading transactions with any related party during the year.

17.1 Financial Position of Firefinch Limited

	2024 $	2023 $
Current assets	21,197,643	34,516,609
Non-current assets	104,539,681	106,525,479
Total assets	125,737,324	141,042,088
Current liabilities	308,945	624,478
Non-current liabilities	-	29,267,318
Total liabilities	308,945	29,891,796
Net assets	125,428,379	111,150,292
Equity		
Issued capital	303,823,417	303,823,417
Reserves	1,284,864	7,918,137
Accumulated losses	(179,679,902)	(200,591,264)
Total equity	125,428,379	111,150,290

17.2 Financial performance of Firefinch Limited

	2024 $	2023 $
Profit or (loss) for the year	14,278,089	(4,164,624)
Other comprehensive income	-	-
Total comprehensive income	14,278,089	(4,164,624)

17.3 Contractual commitments

The parent company has no capital commitments at 2024 (2023: $nil). The Group's commitments are disclosed in note 21 *Commitments.*

17.4 Contingent liabilities and guarantees

There are no guarantees entered into by Firefinch for the debts of its subsidiaries as at 2024 (2023: none). The Group's contingencies are disclosed in note 22 *Contingencies*

17.5 Recognition and measurement

The financial information for the parent entity, Firefinch Limited has been prepared on the same basis as the consolidated financial statements, except as set out below.

17.5.1 *Investments in subsidiaries, associates and joint venture entities*

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Firefinch Limited. Dividends from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments. No dividends were received in 2024 (2023: nil).

18 AUDITOR'S REMUNERATION

	2024 $	2023 $
Remuneration of the auditor for:		
☐ Auditing or reviewing the financial reports:		
o PwC Australia	209,244	275,400
☐ Non-audit services provided by a related practice of the Auditor	-	20,400
	209,244	295,800

19 RELATED PARTY TRANSACTIONS

19.1 KEY MANAGEMENT PERSONNEL COMPENSATION (KMP)

19.1.1 *The names and positions of KMP*

- ☐ Brett Fraser *Executive Chairman*
- ☐ Mark Hepburn *Non-Executive Director*
- ☐ Bradley Gordon *Non-Executive Director*
- ☐ Matthew Mitchell *Non-Executive Director*
- ☐ Former KMP included in current and comparative information:
  - o Scott Lowe *Managing Director (resigned 31 August 2023)*

19.1.2 *Detailed KMP compensation*

2024 – Group

KMP	Short-term benefits *(Salary, fees, and leave; Profit share & bonuses; Non-monetary; Other)* $	Post-employment benefits *(Superannuation)* $	Long-term benefits $	Termination benefits $	Equity-settled share-based payments *(Shares; Options; Performance Rights)* $	Total $
Executive Directors						
Brett Fraser[(i)]	80,000	9,000	-	-	-	89,000
Mark Hepburn	60,000	6,750	-	-	-	66,750
Brad Gordon	60,000	6,750	-	-	-	66,750
Matthew Mitchell[(ii)]	-	-	-	-	-	-
	200,000	22,500	-	-	-	222,500

2023 – Group

KMP	Short-term benefits *(Salary, fees, and leave; Profit share & bonuses; Non-monetary; Other)* $	Post-employment benefits *(Superannuation)* $	Long-term benefits Other $	Termination benefits $	Equity-settled share-based payments *(Shares; Options; Performance Rights)* $	Total $
Executive Directors						
Brett Fraser[(i)]	100,805	10,584	-	-	206,642	318,031
Mark Hepburn	72,292	7,591	-	-	-	79,883
Brad Gordon	72,292	7,591	-	-	206,642	286,525
Former Director						
Scott Lowe[(iii)]	313,150	34,743		373,103		720,996
	558,539	60,509	-	373,103	413,284	1,405,435

[(i)] Mr Fraser received consulting fees separately disclosed ins 19.2 *Other related party transactions* below.

[(ii)] Mr Mitchell has elected not to receive directors fee as part of his appointment to the Board.

[(iii)] Mr Lowe resigned as managing director 31 August 2023.

19.2 Other related party transactions

Other than disclosed below and in note 19.1 *Key management personnel compensation* there have been no other related party transactions.

Related party	Relationship to Firefinch	Nature of transactions	2024 $	2023 $
ACN 101754116 Pty Ltd and Wolfstar Corporate Management Pty Ltd	Companies controlled by Mr Brett Fraser	Corporate consultancy fees	234,000	20,000
Mr Scott Lowe	Former KMP	Cash settlement. Refer note 12.1.2	100,000	-

20 CASH FLOW INFORMATION

	Note	2024 $	2023 $
20.1 Reconciliation of cash flow from operations to loss after income tax			
Profit or (loss) after income tax		14,472,461	(1,682,352)
☐ *Cash flows excluded from loss attributable to operating activities*		-	-
☐ *Non-cash flows in loss from ordinary activities:*			
o Depreciation and amortisation		2,530	64,172
o Share-based payments expense		-	(1,021,822)
o Foreign exchange (gain) or loss		(256,241)	170,313
o Fair value (gain) or loss on investment		1,985,798	(4,218,831)
o (Gain) or loss on disposal of assets		-	167,387
☐ *Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:*			
o (Increase) or decrease in trade and other receivables		200,514	1,562,890
o Increase or (decrease) in trade and other payables		(297,564)	(745,355)
o Increase or (decrease) in provisions		-	(37,847)
o Increase or (decrease) in deferred tax liability		(29,267,318)	1,356,647
Cash flow from operations		(13,159,820)	(4,384,798)

21 COMMITMENTS

21.1 Exploration commitments

With respect to the Group's exploration tenements in Mali, the Group is subject to minim expenditure requirements. In assessing subsequent renewal applications, the mining authorities review actual expenditure against previous expenditure. These amounts do not become legal obligations of the Group and actual expenditure does vary depending on the outcome of the actual activities.

	2024 $	2023 $
Within one year	433,456	433,456
After one year but not more than five years	-	-
	433,456	**433,456**

This value represents the Group's exploration commitment under the current Mining Act. The proposed new mining act would require annual expenditure commitments of $2,126,402 should it become Law by Presidential Decree.

As disclosed in note 23.2 *Disposal of Malian Subsidiaries*, the Group disposed of its Milian subsidiaries. As a result of this disposal, the Group removed any future obligations to spending in respected to the exploration commitments, subsequent to 28 March 2025. The Malian companies continue carry the commitments but no longer form part of the Group after this date.

22 CONTINGENCIES

22.1 Capital Gains Tax

Under the Malian Mining Code, the Government has the right to collect tax on a direct or indirect change in control of tenements in Mali. The in-specie distribution of shares by Firefinch may give rise to a change in control by a foreign entity that could result in a capital gain for Firefinch. Under the Demerger Deed, Leo Lithium has indemnified Firefinch for any loss or damage (including tax liabilities) incurred in connection with the Demerger and the reorganisation of assets and liabilities required to implement the Goulamina Joint Venture, and any other loss or damage incurred by Firefinch (including tax liabilities) relating to the Leo Lithium business. As a result of this indemnification, Leo Lithium would be obligated to reimburse any capital gains tax liability incurred by Firefinch. However, on 7 May 2024, Firefinch, Leo Lithium and Ganfeng entered into a Deed of Covenant and release whereby Firefinch has agreed to unconditionally release Leo Lithium and its associates from all claims in relation to the Demerger Deed.

22.2 Legal Contingencies

Previously, the Company announced that it had received a Notice of Arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law (**Arbitration Notice**) from Entreprise Générale Traoré et Frères SARL (**EGTF**). The Arbitration Notice was in connection with Morila SA's purported failure to pay amounts under certain outstanding invoices to EGTF further to a mining services contract between EGTF and Morila SA dated 2021. EGTF claimed an amount of no less than XAF 12,838,591,019 ($31,853,880) which the Company intends to vigorously defend.

Subsequently, in November 2024, this arbitration claim was withdrawn by EGTF, a claim Firefinch considered to be without merit.

23 EVENTS SUBSEQUENT TO REPORTING DATE

23.1 Completion of Morila SA Sale and Dividend Received

In January 2025, Firefinch announced the completion of the sale of its 80% interest in Morila SA to the Republic of Mali. The transaction included the assignment of debts and the transfer of all remaining exploration permits. Additionally, Firefinch received a dividend of $36 million from Leo Lithium Limited.

23.2 Disposal of Malian Subsidiaries

On 28 March 2025, the Group entered into four separate share transfer agreements with Gooddoor Services SARL, a Malian entity, relating to the disposal of its 100% equity interest in the following Malian subsidiaries:

- Birimian Gold Mali SARL
- Finkola SARL
- Sudquest SARL
- Timbuktu Resources SARL

Each shareholding was transferred for a nominal cash consideration of USD 1,000 per entity. The total consideration received across all four entities was USD 4,000.

Under the terms of each agreement:

- The Group fully transferred legal and beneficial ownership of the shares to Gooddoor Services SARL on the date of signing.
- The buyer and relevant companies agreed to waive any future legal, administrative, or arbitral claims against the Group and its directors, officers, or shareholders.
- The transfers are governed by Malian law and subject to the jurisdiction of the Commercial Court of Bamako.

23.3 Wind-Up of Morila Limited

On 1 April 2025, Firefinch Limited resolved to commence a summary winding-up of its wholly owned subsidiary, Morila Limited (registered in Jersey, No. 74837), pursuant to the Companies (Jersey) Law 1991. The Directors declared the company solvent and capable of discharging its liabilities in full. The wind-up was completed on 27 May 2025.

Consolidated Entity Disclosure Statement

Entity name	Ownership interest 2024	Type of Entity	Trustee, partner, or participant in a joint venture	Country of incorporation	Australian resident for tax purposes	Foreign jurisdiction(s) of foreign residents
☐ Firefinch Limited	Parent	Body corporate	N/A	Australia	Australian	N/A
☐ Birimian Gold (Mali) Pty Limited	100	Body corporate	N/A	Australia	Australian	N/A
☐ Birimian Gold Mali SARL	100	Body corporate	N/A	Mali	Foreign	Mali
☐ Birimian Gold Liberia Inc	100	Body corporate	N/A	Liberia	Foreign	Liberia
☐ Finkola SARL	100	Body corporate	N/A	Mali	Foreign	Mali
☐ Sudquest SARL	100	Body corporate	N/A	Mali	Foreign	Mali
☐ Timbuktu Resources SARL	100	Body corporate	N/A	Mali	Foreign	Mali
☐ Firefinch Services Pty Ltd	100	Body corporate	N/A	Australia	Australian	N/A
☐ Morila Limited	100	Body corporate	N/A	Jersey	Australian	N/A

The Company has not formed a tax consolidated group with any wholly-owned Australian subsidiary

Basis of preparation

This Consolidated Entity Disclosure Statement (**CEDS**) has been prepared in accordance with the *Corporations Act 2001* (Cth). It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295(3A) of the *Corporation Acts 2001* (Cth) defines tax residency as having the meaning in the *Income Tax Assessment Act 1997.* The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of "Australian resident" and "foreign resident" in the *Income Tax Assessment Act 1997* are mutually exclusive. This means that if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of disclosure in the CEDS.

In determining tax residency, the consolidated entity has applied the following interpretation:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Directors' declaration

The Directors of the Company declare that in the Directors' opinion:

1. The attached financial statements and notes, as set out on pages 9 to 28, are in accordance with the *Corporations Act 2001* (Cth) including:
   (a) complying with Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements; and
   (b) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial year ended on that date
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1.2 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001* (Cth);

The Consolidation Entity Disclosure Statement on page 29 is true and correct as at 31 December 2024.

This declaration is signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001* (Cth).

On behalf of the Directors

BRETT FRASER
Executive Chairman
Dated this Thursday, 24 July 2025

Independent auditor's report

To the members of Firefinch Limited

Our opinion

In our opinion:

The accompanying financial report of Firefinch Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 31 December 2024
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 31 December 2024
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Emphasis of matter - going concern no longer appropriate

We draw attention to Note 1.4 in the financial report, which comments on the directors' intention, post completion of the transfer of shares in its former subsidiary, Société des Mines de Morila, to return remaining assets to shareholders when practicable. As a result, the financial report has been prepared on a liquidation basis and not on a going concern basis. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/apzlwn0y/ar3_2024.pdf. This description forms part of our auditor's report.

pwc

PricewaterhouseCoopers

PricewaterhouseCoopers

Helen Bathurst

Helen Bathurst
Partner

Perth
24 July 2025