FIREFINCH

Interim Report

FOR THE HALF-YEAR ENDED

30 JUNE 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 half-year ended 30 June 2024.

1. DIRECTORS

The following persons were directors of the Company during the half-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 Board**)

2. PRINCIPAL ACTIVITIES

During the half-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.

3. FINANCIAL RESULT

The Group made a loss after tax for the half-year of $12.34 million (30 June 2023: $82.81 million profit) from continuing operations and a net cash out-flow from operating activities $0.34 million (30 June 2023: $3.31 million out-flow).

At the end of the half-year, the Group had cash and cash equivalents of $33.12 million (31 December 2023: $33.46 million) and working capital of $19.48 million (31 December 2023: $31.92 million working capital). The net assets of the Group have decreased from 31 December 2023 by $12.49 million to $96.74 million at 30 June 2024 (30 June 2023: $109.23 million).

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 half-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 from Morila Limited (Jersey Subsidiary of Firefinch 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.

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 6.6 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 a payment of the Firefinch contribution ($11.5 million) pursuant to the Tripartite Deed, satisfaction of any tax liabilities and the cost of dealing with and arguing any claims against Firefinch, (see note 12 *Contingencies*), including the Notice of Arbitration (subsequently withdrawn from as noted in paragraph 6.3 below), 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 review report.

5. REVIEW OF OPERATIONS

5.1. MORILA GOLD PROJECT

Since 3 November 2022, the Company has not had active operational engagement over the Morila Gold Mine.

On 8 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 half-year, Firefinch 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 6.6 below.

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

5.2. CORPORATE

a. Dividends

There were no dividends paid or recommended during the half-year ended 30 June 2024.

b. Issue of securities

During the half-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. Arbitration notice

On 27 May 2024, 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). As noted in paragraph 6.3 below, EGTF subsequently withdrew from the Arbitration.

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 8 *Financial assets at fair value through profit or loss* for details of Firefinch shareholding.

6. MATTERS SUBSEQUENT TO BALANCE DATE

6.1. REMOVAL FROM ASX

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

6.2. 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.

6.3. WITHDRAWAL OF ARBITRATION

In November 2024, Entreprise Générale Traoré et Frères SARL (**EGTF**) withdrew its arbitration claim against Firefinch, which had been initiated in May 2024, and Firefinch considered the claim to be without merit.

6.4. 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.

6.5. 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.

6.6. 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.

6.7. 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.

6.8. 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.

6.9. RESIGNATION OF NON-EXECUTIVE DIRECTOR

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

7. 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).

8. 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/

9. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 30 June 2024 has been received and can be found on page 5 of this report.

This report is made in accordance with a resolution of directors.

B Fraser.

BRETT FRASER
Executive Chairman
Dated this Thursday, 24 July 2025

Auditor's Independence Declaration

As lead auditor for the review of Firefinch Limited for the half-year ended 30 June 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 review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

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

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Condensed consolidated statement of profit or loss and other comprehensive income

For the half-year ended 30 June 2024

	Note	30-Jun-2024 $	30-Jun-2023 $
Continuing operations			
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Interest income		751,157	696,763
Gain or (loss) on disposal of assets		-	(167,387)
Corporate and other expenses	5	(852,405)	(2,763,796)
Depreciation		(2,530)	(62,816)
Director fees		(174,934)	(337,633)
Employee salaries and other employment related costs		(21,411)	(228,191)
Share-based payments		-	(606,309)
Foreign exchange gain or (loss)		37,032	(5,500)
Fair value gain on investment	8	-	123,400,803
Legal settlements	9.1.2	(12,074,124)	-
Net (loss) or profit before tax		**(12,337,215)**	**119,925,934**
Income tax expense		-	(37,111,238)
Net (loss) or profit from continuing operations for the half-year		**(12,337,215)**	**82,814,696**
(Loss) or profit for the half-year is attributable to owners of Firefinch Limited		**(12,337,215)**	**82,814,696**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operations		(150,266)	109,890
Total comprehensive income is attributable to owners of Firefinch Limited		**(12,487,481)**	**82,924,586**
Earnings per share from continuing operations:			
Basic (loss) or profit per share (cents per share)		(1.06)	7.02
Diluted (loss) or profit per share (cents per share)		(1.06)	7.02

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

Condensed consolidated statement of financial position

As at 30 June 2024

	Note	30-Jun-2024 $	31-Dec-2023 $
Current assets			
Cash and cash equivalents	6	33,118,181	33,456,049
Trade and other receivables	7	490,783	1,060,560
Total current assets		**33,608,964**	**34,516,609**
Non-current assets			
Property, plant, and equipment		-	2,530
Financial Assets at fair value through profit or loss	8	106,525,479	106,525,479
Other receivables	7	-	41,341
Total non-current assets		**106,525,479**	**106,569,350**
Total assets		**140,134,443**	**141,085,959**
Current liabilities			
Trade and other payables	9	14,128,375	2,592,410
Total current liabilities		**14,128,375**	**2,592,410**
Non- current liabilities			
Deferred tax liability		29,267,318	29,267,318
Total non-current liabilities		**29,267,318**	**29,267,318**
Total liabilities		**43,395,693**	**31,859,728**
Net assets		**96,738,750**	**109,226,231**
Equity			
Issued capital	10	303,823,417	303,823,417
Reserves	11	(1,271,743)	5,511,800
Accumulated losses		(205,812,924)	(200,108,986)
Total equity		**96,738,750**	**109,226,231**

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

Condensed consolidated statement of changes in equity

For the half-year ended 30 June 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
Profit for the half-year		-	82,814,696	-	-	82,814,696
Other comprehensive income for the half-year		-	-	109,890	-	109,890
Total comprehensive income for the half-year		**-**	**82,814,696**	**109,890**	**-**	**82,924,586**
Transaction with owners, directly in equity:						
Shares issued during half-year (net of costs)		-	-	-	-	-
Share-based payments		-	-	-	606,309	606,309
Balance at 30 June 2023		**303,823,417**	**(115,611,938)**	**(1,071,473)**	**8,261,408**	**195,401,414**
Balance at 1 January 2024		303,823,417	(200,108,986)	(1,121,477)	6,633,277	109,226,231
Loss for the half-year		-	(12,337,215)	-	-	(12,337,215)
Other comprehensive income for the half-year		-	-	(150,266)	-	(150,266)
Total comprehensive income for the half-year		**-**	**(12,337,215)**	**(150,266)**	**-**	**(12,487,481)**
Transaction with owners, directly in equity:						
Shares issued during half-year (net of costs)		-	-	-	-	-
Transfers to or (from) reserves	11	-	6,633,277	-	(6,633,277)	-
Balance at 30 June 2024		**303,823,417**	**(205,812,924)**	**(1,271,743)**	**-**	**96,738,750**

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

Condensed consolidated statement of cash flows

For the half-year ended 30 June 2024

	Note	30-Jun-2024 $	30-Jun-2023 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,153,688)	(3,985,177)
Taxes paid		-	-
Interest paid		-	-
Interest received		815,820	675,074
Net cash flow from operating activities		**(337,868)**	**(3,310,103)**
Cash flows from investing activities			
Net cash flow from investing activities		**-**	**-**
Cash flows from financing activities			
Net cash flow from financing activities		**-**	**-**
Net (decrease)/increase in cash held		(337,868)	(3,310,103)
Cash and cash equivalents at the beginning of the half-year		33,456,049	37,946,133
Change in foreign currency held		-	(6,283)
Cash and cash equivalents at the end of the half-year	6	33,118,181	34,629,747

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

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2024

1 BASIS OF PREPARATION

This general purpose interim financial report for the half-year ended 30 June 2024 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* (Cth) on a non-going concern basis.

The interim report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. It is recommended that the interim financial report be read in conjunction with the financial report for the year ended 31 December 2023 and considered together with any public announcements made by Firefinch Limited during the half-year ended 30 June 2024 in accordance with the continuous disclosure obligations of the ASX Listing Rules.

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

The nature of the operations and principal activities of the Group are described in the Directors' Report.

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. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

1.1 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.

1.2 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 half-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 14.6 *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 a payment of the Firefinch contribution (A$11,500,000) pursuant to the Tripartite Deed, satisfaction of any tax liabilities and the cost of dealing with and arguing any claims against Firefinch, (see note 12 *Contingencies*), including the Notice of Arbitration (subsequent withdrawn from as disclosed in note 14.3 *Withdrawal of Arbitration*), 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.

1.3 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.

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 NEW ACCOUNTING STANDARDS

3.1 New and amended standards adopted by the group

A number of amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

4 SEGMENT INFORMATION

4.1 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 periods reported, 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.*

4.2 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.

4.3 Segment information

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

5 CORPORATE AND OTHER EXPENSES

	30-Jun-2024 $	30-Jun-2023 $
Consultancy services	331,363	640,082
Insurances	280,668	330,198
Travel	-	57,898
Administrative expenses	240,374	1,735,618
	852,405	**2,763,796**

6 CASH AND CASH EQUIVALENTS

	Note	30-Jun-2024 $	31-Dec-2023 $
Cash at bank and in hand	6.1.1	2,118,181	1,456,049
Deposits at Call		31,000,000	32,000,000
		33,118,181	**33,456,049**

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

6.2 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.

7 TRADE AND OTHER RECEIVABLES

		Note	30-Jun-2024 $	31-Dec-2023 $
7.1	Current			
	Prepayments – Insurance		271,491	277,950
	GST receivable		82,980	48,853
	Reimbursement receivable from Leo Lithium Limited	9.1.2	-	574,124
	Security deposits		41,341	-
	Other receivables		94,971	159,633
			490,783	**1,060,560**
7.2	Non-current			
	Security deposits		-	41,341
			-	41,341

7.3 Recognition and measurement

7.3.1 *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.

7.3.2 *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.

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group classifies its equity investment in Leo Lithium 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 the accounting standards.

Leo Lithium 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. Leo Lithium remains suspended at the date of this report. The last traded market price of Leo Lithium was $0.505 on 14 September 2023.

Given the lack of observable market data relevant to the value of shares in Leo Lithium, the Company's valuation of financial assets at fair value through profit or loss is considered to be a level three measurement in the fair value hierarchy at 30 June 2024 (31 December 2023: level three).

8.1 Reconciliation of fair value of investment

	Note	30-Jun-2024 $	31-Dec-2023 $
Opening Balance		106,525,479	102,306,648
Mark-to-market gain at the end of the period	8.2.1	-	4,218,831
Fair value of the investment		**106,525,479**	**106,525,479**

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

8.2 Recognition and measurement

The group's other financial assets are presented at fair value through profit or loss (FVPL). Fair value gains and losses are recognised in the profit or loss.

8.2.1 *Fair value measurements*

The Company engaged an independent consulting firm to perform a valuation of its 17.61% equity interest in Leo Lithium required for financial reporting purposes. Discussions of valuation processes and results are held by the Board of Directors at least once every six months, in line with the Group's half-yearly reporting periods.

The Mineral Resource multiple method under the market approach has been used to value Leo Lithium's investment in its main asset, the Goulamina Lithium Project, translated to a value per share of Leo Lithium. The resulting fair value is estimated to range between $66.8 million and $137.4 million, (or between AUD 0.3165 and AUD 0.6516 per share). As a result, The Board have determined that the current carrying value of $106.5M is appropriate as the fair value of the investment.

9 TRADE AND OTHER PAYABLES

	Note	30-Jun-2024 $	31-Dec-2023 $
9.1 Current			
Trade payables and accruals	9.1.1	2,520,676	2,383,696
Legal settlement – cash component	9.1.2	11,500,000	-
Former director's cash settlement	9.1.3	100,000	-
Other liabilities	9.1.4	7,699	208,714
		14,128,375	**2,592,410**

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

9.1.2 On 7 May 2024, Leo Lithium, Ganfeng, and Firefinch entered into a deed of Covenant and Release whereby Firefinch has 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.

9.1.3 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.

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

9.2 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.

10 ISSUED CAPITAL

10.1 Issued and paid-up share capital

	30-Jun-2024 $	31-Dec-2023 $
1,182,846,577 (31-Dec-2023: 1,182,846,577) ordinary shares fully paid	**303,823,417**	**303,823,417**

10.2 Movement in ordinary shares

	Note	30-Jun-2024 No.	31-Dec-2023 No.	30-Jun-2024 $	31-Dec-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	10.2.1	-	1,603,356	-	-
Balance at the end of the period		**1,182,846,577**	**1,182,846,577**	**303,823,417**	**303,823,417**

10 ISSUED CAPITAL (cont.)

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

10.3 Movements in performance right / share rights

	Note	30-Jun-2024 No.	31-Dec-2023 No.
At beginning of the period		-	**5,088,600**
Rights forfeited	10.3.1	-	(4,588,600)
Rights issued	10.3.2	-	1,103,356
Rights converted to shares	10.3.2	-	(1,603,356)
Balance at the end of the period		-	-

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

10.3.2 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

10.4 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.

11 RESERVES

	30-Jun-2024 $	31-Dec-2023 $
Foreign currency translation reserve	(1,271,743)	(1,121,477)
Share-based payments reserve	-	6,633,277
	(1,271,743)	5,511,800

11.1 Movement in share-based payments reserve

	30-Jun-2024 $	31-Dec-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

11.2 Recognition and measurement

11.2.1 *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.

11.2.2 *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.

12 CONTINGENCIES

12.1 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.

12.2 Legal Contingencies

The Company announced on 27 May 2024 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 had claimed an amount of no less than XAF 12,838,591,019 ($31,853,880). However, as disclosed in paragraph 14.3 *Withdrawal of Arbitration*, EGTF withdrew from the Arbitration.

13 COMMITMENTS

13.1 Exploration commitments

With respect to the Group's exploration tenements in Mali, the Group is subject to minimum 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.

	30-Jun-2024 $	31-Dec-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 14.7 *Disposal of Malian Subsidiaries*, the Group disposed of its Malian 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.

14 EVENTS OCCURRING AFTER THE END OF YEAR DATE

14.1 Removal from ASX

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

14.2 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 Director.

14.3 Withdrawal of Arbitration

In November 2024, Entreprise Générale Traoré et Frères SARL (**EGTF**) withdrew its arbitration claim against Firefinch, which had been initiated in May 2024, a claim Firefinch considered the claim to be without merit.

14.4 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.

14 EVENTS OCCURRING AFTER THE END OF YEAR DATE (cont.)

14.5 Submission of a Class Ruling

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

14.6 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.

14.7 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.

14.8 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.

14.9 Resignation of non-executive director

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

Directors' declaration

In the Directors' opinion:

(a) the interim financial statements and notes set out on pages 6 to 17, are in accordance with the *Corporations Act 2001* (Cth) including:

   i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

   ii. giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the half year ended on that date.

(b) subject to the matters stated in note 1 *Basis of preparation*, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

B Fraser.

BRETT FRASER
Executive Chairman
Dated this Thursday, 24 July 2025

Independent auditor's review report to the members of Firefinch Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Firefinch Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the condensed consolidated statement of financial position as at 30 June 2024, the condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended on that date, selected explanatory notes and the directors' declaration.

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

1. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date

2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter - Non going concern basis

We draw attention to Note 1.2 in the half-year 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 half-year financial report has been prepared on a liquidation basis and not on a going concern basis. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year 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

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preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

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

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

PricewaterhouseCoopers

PricewaterhouseCoopers

Helen Bathurst

Helen Bathurst
Partner

Perth
24 July 2025