



Interim Report

FOR THE HALF-YEAR ENDED

30 JUNE 2025

Corporate directory

DIRECTORS

Mr Brett Fraser	<i>Executive Chairman</i>
Mr Mark Hepburn	<i>Non-Executive Director</i>
Mr Matthew Mitchell	<i>Non-Executive Director</i>

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	
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<i>Website</i>	www.investorcentre.com

AUDITORS

Hall Chadwick WA Audit Pty Ltd	
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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 2025.

1. DIRECTORS

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

- | | |
|--|---|
| ☐ Brett Fraser | <i>Executive Chairman</i> |
| ☐ Mark Hepburn | <i>Non-Executive Director</i> |
| ☐ Mr Matthew Mitchell | <i>Non-Executive Director</i> |
| ☐ Bradley Gordon | <i>Non-Executive Director (resigned 30 June 2025)</i> |

(collectively **the Board**)

2. PRINCIPAL ACTIVITIES

During the half-year, the Group's principal activities were limited to corporate operations, including completion of the Morila divestment, management of its investment in Leo Lithium, and progressing steps to return value to shareholders.

3. OPERATING AND FINANCIAL REVIEW

3.1. REVIEW OF OPERATIONS

a. Morila Gold project

In May 2024, the Company announced that it had entered into a memorandum of understanding (MOU) with the Government of Mali, settling all disputed matters and facilitating the transfer of ownership of the Morila Gold Mine. Under this arrangement, Firefinch agreed to transfer all shares in Morila SA to the Government of Mali or its nominee and to transfer all mining titles held by its Malian subsidiaries to a government-owned entity, SOREM Mali SA, for a nominal consideration of US\$1.

During the year ended 30 June 2025, the Company continued work to finalise this transaction. In the course of operating the Morila Mine, Morila SA had been supported financially by loans of US\$102.67 million from Firefinch and US\$22.69 million from Morila Limited (together, the "Assigned Loans"). Under the terms of the Morila SA Sale, Firefinch assigned these loans to SOREM Mali SA, thereby extinguishing any rights to repayment.

On 31 January 2025, the Company completed the sale of its indirect 80% interest in Morila SA to the Republic of Mali for US\$1, together with the assignment of the Assigned Loans. The sale also included completion of the transfer of all mining titles held in Mali. In parallel, the Company completed the sale of its remaining Malian subsidiaries to a local businessman for a collective consideration of US\$4,000. Importantly, all liabilities remained with the relevant subsidiaries, with no guarantee or indemnity provided by Firefinch.

b. Distribution of assets and ATO Rulings

As at 30 June 2025, Firefinch held a 17.51% shareholding in Leo Lithium. On 31 January 2025, Leo Lithium made its Tranche 1 distribution, from which Firefinch received \$36.28 million. Together with existing cash, this resulted in Firefinch holding total cash reserves of \$55.4 million as at 30 May 2025.

The Company has sought certainty from the Australian Taxation Office (ATO) regarding the appropriate tax treatment of distributions to its shareholders. An initial Class Ruling request was lodged in October 2024, with a second request submitted in May 2025 to reflect updated tax analysis following receipt of the Tranche 1 distribution and the publication of the Leo Lithium Class Ruling. Firefinch and its external tax advisors have provided financial modelling to support these applications, with a focus on maximising value to shareholders.

The Company intends to distribute the majority of its cash reserves to shareholders as soon as practicable following receipt of the ATO's determination. In addition, Firefinch will evaluate the timing and method for returning further value should Leo Lithium proceed with its Tranche 2 distribution, anticipated in the second half of 2025.

3.2. FINANCIAL REVIEW

The Group made a loss after tax for the half-year of \$2.53 million (30 June 2024: \$12.34 million loss) from continuing operations and a net cash out-flow from operating activities \$1.00 million (30 June 2024: \$0.34 million out-flow).

At the end of the half-year, the Group had cash and cash equivalents of \$55.62 million (31 December 2024: \$20.33 million) and working capital of \$122.29 million (31 December 2024: \$18.90 million working capital). The net assets of the Group have decreased from 31 December 2024 by \$1.15 million to \$122.29 million at 30 June 2025 (30 June 2024: \$123.44 million).

a. Non-Going Concern Basis of Preparation

On 31 January 2025, Firefinch completed the sale of its indirect 80% interest in Morila SA to the Republic of Mali for US\$1, including the assignment of loans totalling US\$125.36 million and the transfer of all mining titles held by its Malian subsidiaries. In parallel, the Company disposed of its remaining Malian subsidiaries to a local businessman for US\$4,000, with all liabilities remaining in those entities. These transactions marked the conclusion of Firefinch's operations in Mali and enabled the Company to focus exclusively on returning value to its shareholders.

Directors' report

During the half-year, the Company also received a distribution of \$36.28 million from its 17.51% shareholding in Leo Lithium Limited (Tranche 1 distribution), increasing its cash reserves to \$55.4 million at 30 May 2025. The Company has lodged a second Class Ruling request with the Australian Taxation Office (**ATO**) to determine the appropriate tax treatment of distributions to shareholders. The outcome of that ruling, together with satisfaction of tax liabilities, corporate costs and any contingent claims (see note 14 Contingencies), will determine the amount available for distribution.

It remains the Board's intention to convene a general meeting of shareholders, following receipt of the ATO's ruling, to approve the return of the Company's remaining assets. The Directors continue to believe that the orderly wind-up of Firefinch and return of value to shareholders represents the most realistic outcome for the Group.

Accordingly, the consolidated financial statements have been prepared on a non-going concern basis. Non-financial assets have been written down to the lower of carrying value and net realisable value, and non-current assets and liabilities have been reclassified as current where settlement is expected within twelve months. No additional liabilities have been recognised as a result of this decision. 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.

3.3. CORPORATE

a. **Dividends**

There were no dividends paid or recommended during the half-year ended 30 June 2025.

b. **Issue of securities**

During the half-year, the Company issued no shares.

c. **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.

d. **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.

e. **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.

f. **Resignation of Non-Executive Director**

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

Directors' report

3.4. MATTERS SUBSEQUENT TO BALANCE DATE

a. **Dividend and Return of Capital**

On 5 September 2025, the Company announced that the Board had resolved to return surplus cash to shareholders in two tranches:

- a special dividend of 2.25 cents per share (approximately \$26.5 million), paid on 26 September 2025; and
- a subsequent return of capital, approved by shareholder at a general meeting (**AGM**) on 27 October 2025, to be paid 12 business days following approval, comprising the following:
 - a capital return of up to \$17,492,259.35, which will be made to shareholders on a pro rata basis and which equates to approximately 1.48 cents per share;
 - a further capital return of up to \$3,016,464.06, which will be made to shareholders on a pro rata basis and which equates to approximately 0.255 cents per share.

The special dividend was unfranked and paid out of Conduit Foreign Income received from Leo Lithium Limited in January 2025. The Company has no franking credit balance.

An AGM was convened for 27 October 2025 and shareholders approved an additional capital return of \$20.5 million, with payment expected to be made on 11 November 2025.

The Australian Taxation Office has confirmed it has all information required to finalise a draft Class Ruling on the tax treatment of these distributions, which is expected to be released by mid-December 2025.

b. **Leo Lithium Limited – updated on 249F Meeting and Dividend Received**

On 10 September 2025, Firefinch Limited issued Section 203D notices to all directors of Leo Lithium Limited (Leo), in which Firefinch holds a 17.5% interest, and convened a shareholder meeting under Section 249F of the Corporations Act to remove all current directors and appoint new nominees.

On 11 September 2025, following these notices, Leo announced its intention to distribute a portion of its cash (being the Tranche 2 consideration of \$281.8 million) to shareholders via an unfranked dividend. Firefinch will receive 17.5% of this distribution and has committed to return any such proceeds to its own shareholders as soon as practicable after receipt.

On 3 October 2025, Leo announced that it would return all remaining funds, including Tranche 2 and approximately \$53 million of residual cash, to shareholders following receipt of Firefinch's Section 249F notice. As a result, Firefinch has withdrawn its 249F action, considering the outcome a successful resolution.

The Company expects to receive its 17.5% share of Leo's total cash distribution (approximately A\$330 million in aggregate to Leo shareholders) and intends to return the proceeds to Firefinch shareholders once received. Firefinch and its tax advisers are reviewing the ATO Class Ruling that will outline the tax treatment of Leo's capital return.

On 14 October 2025 the Company received a first tranche dividend from Leo of \$0.22 per share, amounting to \$46,407,139.

c. **Termination of Arbitration Proceedings – Entreprise Générale Traoré et Frères SARL (EGTF)**

On 26 September 2025, the Company announced that the arbitration proceedings brought by EGTF had been formally terminated. The sole arbitrator ordered EGTF to reimburse Firefinch €59,588 plus 8% interest per annum, covering legal fees and contributions to the arbitrator's fees. The Company is taking steps to recover these amounts without delay.

4. 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).

5. 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/>

Directors' report

6. 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 2025 has been received and can be found on page 5 of this report.

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

A handwritten signature in black ink, appearing to read 'B Fraser', with a stylized initial 'B'.

BRETT FRASER

Executive Chairman

Dated this Friday, 7 November 2025

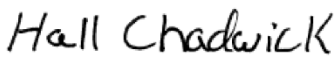
To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Firefinch Limited and the entities it controlled for the half year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,


HALL CHADWICK WA AUDIT PTY LTD


MARK DELAURENTIS CA
Director

Dated 7th day of November 2025
Perth, Western Australia

Condensed consolidated statement of profit or loss and other comprehensive income

For the half-year ended 30 June 2025

	Note	30-Jun-2025 \$	30-Jun-2024 \$
Discontinued operations			
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Dividends received	8.3.1	33,265,481	-
Interest income		993,119	751,157
Gain or (loss) on disposal of subsidiary	13.2.1	565,262	-
Fair value gain on investment	8.2	(36,258,643)	-
Foreign exchange gain or (loss)		12,355	37,032
Corporate and other expenses	5	(955,582)	(852,405)
Depreciation		-	(2,530)
Director fees		(116,667)	(174,934)
Other employment related costs		(34,783)	(21,411)
Legal settlements	5.1	-	(12,074,124)
Net (loss) or profit before tax		(2,529,458)	(12,337,215)
Income tax expense		-	-
Net (loss) or profit from continuing operations for the half-year		(2,529,458)	(12,337,215)
(Loss) or profit for the half-year is attributable to owners of Firefinch Limited		(2,529,458)	(12,337,215)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange difference on translation of foreign operations		-	(150,266)
Reclassification of cumulative FCTR on disposal of subsidiaries	13.2	1,377,718	-
Total comprehensive income is attributable to owners of Firefinch Limited		(1,151,740)	(12,487,481)
<i>Earnings per share from continuing operations:</i>			
Basic (loss) or profit per share (cents per share)		(0.21)	(1.06)
Diluted (loss) or profit per share (cents per share)		(0.21)	(1.06)

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 2025

	Note	30-Jun-2025 \$	31-Dec-2024 \$
Current assets			
Cash and cash equivalents	6	55,622,363	20,325,569
Trade and other receivables	7	1,709,892	872,046
Financial assets at fair value through profit or loss	8.1	65,264,574	-
Total current assets		122,596,829	21,197,615
Non-current assets			
Financial assets at fair value through profit or loss	8.1	-	104,539,681
Total non-current assets		-	104,539,681
Total assets		122,596,829	125,737,296
Current liabilities			
Trade and other payables	9	306,118	2,294,845
Total current liabilities		306,118	2,294,845
Total liabilities		306,118	2,294,845
Net assets		122,290,711	123,442,451
Equity			
Issued capital	10	303,823,417	303,823,417
Reserves	11	-	(1,377,718)
Accumulated losses		(181,532,706)	(179,003,248)
Total equity		122,290,711	123,442,451

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 2025

	Issued Capital \$	Accumulated Profit/(Loss) \$	Other Reserves \$	Share-based Payment Reserve \$	Total \$
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)
<i>Transaction with owners, directly in equity:</i>					
Transfer to/(from) reserves	-	6,633,277	-	(6,633,277)	-
Balance at 30 June 2024	303,823,417	(205,812,924)	(1,271,743)	-	96,738,750
Balance at 1 January 2025	303,823,417	(179,003,248)	(1,377,718)	-	123,442,451
Loss for the half-year	-	(2,529,458)	-	-	(2,529,458)
Other comprehensive income for the half-year	-	-	1,377,718	-	1,377,718
Total comprehensive income for the half-year	-	(2,529,458)	1,377,718	-	(1,151,740)
<i>Transaction with owners, directly in equity:</i>					
Balance at 30 June 2025	303,823,417	(181,532,706)	-	-	122,290,711

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 2025

	Note	30-Jun-2025 \$	30-Jun-2024 \$
<i>Cash flows from operating activities</i>			
Payments to suppliers and employees		(2,070,755)	(1,153,688)
Interest received		1,066,881	815,820
Net cash flow from operating activities		(1,003,874)	(337,868)
<i>Cash flows from investing activities</i>			
Dividends received from investments		33,265,481	-
Return of capital from investments		3,016,464	-
Proceeds on disposal of subsidiary	13.2.1	6,368	-
Net cash flow from investing activities		36,288,313	-
<i>Cash flows from financing activities</i>			
Net cash flow from financing activities		-	-
Net (decrease)/increase in cash held		35,284,439	(337,868)
Cash and cash equivalents at the beginning of the half-year		20,325,569	33,456,049
Change in foreign currency held		12,355	-
Cash and cash equivalents at the end of the half-year		55,622,363	33,118,181

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 2025

1 BASIS OF PREPARATION

This general purpose interim financial report for the half-year ended 30 June 2025 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 2024 and considered together with any public announcements made by Firefinch Limited during the half-year ended 30 June 2025 in accordance with the continuous disclosure obligations of the ASX Listing Rules.

The financial statements were authorised for issue on 7 November 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

On 31 January 2025, Firefinch completed the sale of its indirect 80% interest in Morila SA to the Republic of Mali for US\$1, including the assignment of loans totalling US\$125.36 million and the transfer of all mining titles held by its Malian subsidiaries. In parallel, the Company disposed of its remaining Malian subsidiaries to a local businessman for US\$4,000, with all liabilities remaining in those entities. These transactions marked the conclusion of Firefinch's operations in Mali and enabled the Company to focus exclusively on returning value to its shareholders.

During the half-year, the Company also received a distribution of \$36.28 million from its 17.51% shareholding in Leo Lithium Limited (Tranche 1 distribution), increasing its cash reserves to \$55.4 million at 30 May 2025. The Company has lodged a second Class Ruling request with the Australian Taxation Office (ATO) to determine the appropriate tax treatment of distributions to shareholders. The outcome of that ruling, together with satisfaction of tax liabilities, corporate costs and any contingent claims (see note 14 *Contingencies* for any contingencies), will determine the amount available for distribution.

It remains the Board's intention to convene a general meeting of shareholders, following receipt of the ATO's ruling, to approve the return of the Company's remaining assets. The Directors continue to believe that the orderly wind-up of Firefinch and return of value to shareholders represents the most realistic outcome for the Group.

Accordingly, the consolidated financial statements have been prepared on a non-going concern basis. Non-financial assets have been written down to the lower of carrying value and net realisable value, and non-current assets and liabilities have been reclassified as current where settlement is expected within twelve months. No additional liabilities have been recognised as a result of this decision. 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 reported amounts of assets, liabilities, income and expenses. These are based on historical experience and other reasonable factors. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis, with revisions recognised in the period of change and in future periods as applicable. Specific estimates and judgements are disclosed in the relevant notes.

2 PRINCIPLES OF CONSOLIDATION

2.1 Subsidiaries

The consolidated financial statements include the Company and its subsidiaries, being entities controlled by the Company. Control exists where the Company has power over an entity and exposure or rights to variable returns, and can use its power to affect those returns.

All intra-group transactions, balances, income and expenses are eliminated. Unrealised gains and losses on intra-group transactions are eliminated unless they indicate an impairment of the underlying asset. Subsidiaries' financial statements are adjusted, where necessary, to align with Group accounting policies.

Results of subsidiaries acquired or disposed of are included from the effective date of acquisition or up to the effective date of disposal.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2025

2.2 Functional and presentation currency

Each Group entity measures items in its financial statements using its functional currency — the primary economic environment in which it operates. The functional currency of the parent company, Firefinch Limited, is Australian dollars. The consolidated financial report is presented in Australian dollars.

Foreign currency transactions are translated at exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at year-end rates, with resulting exchange gains and losses recognised in profit or loss.

2.3 Group companies and foreign operations

For subsidiaries with a functional currency different from the presentation currency:

- assets and liabilities are translated at the closing rate at reporting date;
- income and expenses are translated at average rates (unless not a reasonable approximation, in which case transaction-date rates are used); and
- all exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from translation of net investments in foreign operations, and from related borrowings and hedges, are recognised in equity. On disposal of a foreign operation (or repayment of related borrowings), the proportionate share of accumulated differences is reclassified to profit or loss.

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

Operating segments are identified based on the internal reports reviewed by the Board of Directors and executive management, who are the Group's chief operating decision makers. Segments are reported on a business basis, reflecting differences in risks and returns across operations.

For the periods presented, the Group operated in one reportable segment — *Corporate*, which comprises investing activities and corporate management. Given the Group is in the process of winding up over several reporting periods, no other operating segments are expected.

4.2 Segment reporting

Segment disclosures are prepared in a manner consistent with internal management reporting and in accordance with the Group's accounting policies. The Board and executive management are responsible for resource allocation and performance assessment of the segment.

4.3 Segment information

The Group has only one reportable segment, being Corporate. Accordingly, the financial statements do not present disaggregated segment information.

5 CORPORATE AND OTHER EXPENSES

	30-Jun-2025	30-Jun-2024
	\$	\$
Consultancy services	315,327	331,363
Insurances	366,255	280,668
Interest expense	5,441	-
Administrative expenses	268,559	240,374
	955,582	852,405

5.1 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.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2025

6 CASH AND CASH EQUIVALENTS

	Note	30-Jun-2025 \$	31-Dec-2024 \$
Cash at bank and in hand	6.1.1	55,622,363	2,096,905
Deposits at call		-	18,228,664
		55,622,363	20,325,569

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

6.2 Recognition and measurement

Cash and cash equivalents comprise cash on hand, deposits at call, and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to cash and subject to insignificant risk of value changes. Bank overdrafts are included as borrowings. Deposits with maturities greater than three months are redeemable in full, with interest accruing at the agreed rate.

7 TRADE AND OTHER RECEIVABLES

	Note	30-Jun-2025 \$	31-Dec-2024 \$
7.1 Current			
Prepayments – Insurance		1,667,326	561,865
GST receivable		30,468	224,321
Other receivables		-	73,860
Security deposits		12,098	12,000
		1,709,892	872,046

7.3 Recognition and measurement

7.3.1 Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less expected credit losses (ECL). They are generally due within 30 days and classified as current unless settlement is expected beyond 12 months.

Given their short-term nature, carrying amounts approximate fair value. Long-term security deposits also approximate fair value as they bear market-based interest.

The Group applies the AASB 9 simplified approach, recognising lifetime ECL on all trade receivables and contract assets. Receivables are written off when recovery is not reasonably expected, e.g. when debtors fail to agree repayment terms or remain more than 120 days past due. Impairment losses are presented within operating profit, with subsequent recoveries credited to the same line.

7.3.2 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments not quoted in an active market. They are classified as current or non-current based on maturity and measured 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 Limited (LEO) 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 1 inputs in the fair value hierarchy prescribed under Accounting Standards.

LEO 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 LEO was \$0.505 on 14 September 2023.

Given the suspension of LEO 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 30 June 2025 continues to be categorised as Level 3, consistent with 31 December 2024 (Level 3).

On 31 January 2025, the Group received a dividend from LEO a dividend of \$33,265,481 and a return of capital of \$3,016,464.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2025

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

8.1 Reconciliation of fair value of investment

	Note	30-Jun-2025 \$	31-Dec-2024 \$
Current			
Financial assets at fair value through profit or loss	8.2	65,264,574	-
		65,264,574	-
Non-current			
Financial assets at fair value through profit or loss	8.2	-	104,539,681
		-	104,539,681

8.1.1 Classification as Current Asset

The investment has been classified as current at 30 June 2025 as it is expected to be realised within the next 12 months, consistent with accounting standard. The fair value is based on forecast distributions and returns expected to be received in the short term, and the Group no longer intends to hold the investment for the long term. In addition, the valuation model applied reflects a 12-month recovery horizon (refer note 8.3.1), supporting this reclassification.

8.2 Reconciliation of fair value of investment

	Note	30-Jun-2025 \$	31-Dec-2024 \$
Opening Balance		104,539,681	106,525,479
Return of capital	8.3.1	(3,016,464)	-
Mark-to-market gain at the end of the period	8.3.1	(36,258,643)	(1,985,798)
Fair value of the investment		65,264,574	104,539,681

8.3 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.

8.3.1 Fair Value Measurements

As at 30 June 2025, the Group's equity investment in Leo Lithium Limited (**LEO**) was valued at \$65.26 million. The valuation reflects the Group's holding of 210.9 million shares at an assessed fair value of \$0.31 per share, after recognising a dividend of \$0.1577 per share (\$33,265,481) and a return of capital of \$0.0143 per share (\$3,016,464) paid by LEO during the period.

LEO was suspended from trading on the ASX since 3 October 2023, and delisted in September 2025 as LEO terminated its process to acquire an asset from requotation. 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 30 June 2025 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 determined using a discounted cash flow (**DCF**) model reflecting the present value of forecast distributions, tax impacts, FX, and associated administrative costs. This is consistent with prior methodology applied post-suspension, as disclosed under AASB 13.93(d).

b. Key valuation inputs and assumptions

Assumption	Input	Fair Value Hierarchy
<i>Expected distributions</i>	AUD 0.31 per share	Level 3
<i>Discount rate</i>	Funds expected to be recovered within 12 months	Level 2
<i>Forecast period</i>	365 days	Level 3
<i>AUD:USD exchange rate</i>	USD 0.6282 to AUD 1	Level 2
<i>Capital gains tax provision</i>	Nil	Level 3
<i>General expenses and interest</i>	Per internal forecasts and modelling	Level 3

As a result of revised assumptions and economic inputs, a fair value decrease of \$36.259 million has been recognised in profit or loss for the half-year ended 30 June 2025.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2025

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

8.4 Sensitivity analysis and measurement

The valuation is sensitive to changes in key unobservable inputs:

- ☐ a $\pm 10\%$ change in expected distributions would result in a fair value movement of approximately $\pm \$5.89$ million;
- ☐ a $\pm 1\%$ change in the discount rate would alter the valuation by approximately $\pm \$0.65$ million.

9 TRADE AND OTHER PAYABLES

	Note	30-Jun-2025 \$	31-Dec-2024 \$
9.1 Current			
Trade payables and accruals	9.1.1	272,172	2,164,140
Former director's cash settlement	9.1.2	-	100,000
Other liabilities	9.1.3	33,946	30,705
		306,118	2,294,845

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

9.1.2 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.

9.1.3 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-2025 \$	31-Dec-2024 \$
1,182,846,577 (31-Dec-2024: 1,182,846,577) ordinary shares fully paid	303,823,417	303,823,417

10.2 Movement in ordinary shares

	Note	30-Jun-2025 No.	31-Dec-2024 No.	30-Jun-2025 \$	31-Dec-2024 \$
Balance at the beginning of the period		1,182,846,577	1,182,846,577	303,823,417	303,823,417
Shares issued during the period:		-	-	-	-
Balance at the end of the period		1,182,846,577	1,182,846,577	303,823,417	303,823,417

11 RESERVES

	30-Jun-2025 \$	31-Dec-2024 \$
Foreign currency translation reserve (FCTR)	-	(1,377,718)
Share-based payments reserve	-	-
	-	(1,377,718)

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2025

11 RESERVES (cont.)

11.1 Movement in share-based payments reserve

	30-Jun-2025 \$	31-Dec-2024 \$
Balance at beginning of the period	-	6,633,277
Transfer historic reserve to accumulated losses	-	(6,633,277)
Movement for the period	-	(6,633,277)
Balance at the end of the period	-	-

11.2 Movement in FCTR

	30-Jun-2025 \$	31-Dec-2024 \$
Balance at beginning of the period	(1,377,718)	(1,121,477)
Exchange difference on translation of foreign operations	-	(256,241)
Reclassification of cumulative FCTR on disposal of subsidiaries	1,377,718	-
Movement for the period	1,377,718	(256,241)
Balance at the end of the period	-	(1,377,718)

11.3 Recognition and measurement

11.3.1 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.

11.3.2 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 INTERESTS IN SUBSIDIARIES

12.1 Information about principal subsidiaries

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

	Note	Jurisdiction of Incorporation	30-Jun-2025 %	31-Dec-2024 %
☐ Birimian Gold (Mali) Pty Limited		Australia	100	100
☐ Birimian Gold Mali SARL	13.2	Mali	Nil	100
☐ Birimian Gold Liberia Inc		Liberia	100	100
☐ Sudquest SARL	13.2	Mali	Nil	100
☐ Finkola SA	13.2	Mali	Nil	100
☐ Timbuktu Resources SARL	13.2	Mali	Nil	100
☐ Firefinch Services Pty Ltd		Australia	100	100
☐ Morila Limited	13.1	Jersey	Nil	100

12.1.1 Completion of Morila SA Sale

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.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2025

13 Disposal of subsidiaries

13.1 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.

13.2 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 Malian subsidiaries: Birimian Gold Mali SARL (**BGMS**); Finkola SARL (**Finkola**); Sudquest SARL (**Sudquest**); and Timbuktu Resources SARL (**Timbuktu**).

Each shareholding was transferred for cash consideration of USD 1,000 per entity (total for all four entities was A\$6,360).

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.

Details of sale Malian subsidiaries are as follows:

13.2.1 Consideration	BGMS \$	Finkola \$	Sudquest \$	Timbuktu \$	Total \$
Cash payment, net of cash disposed	1,592	1,592	1,592	1,592	6,368
Net total cash flow disposal consideration	1,592	1,592	1,592	1,592	6,368
Less: Carrying amount of net deficiency sold	16,200,529	(18,074)	1,088,327	4,321,435	21,592,217
Net gain on sale of net assets disposed	16,202,121	(16,482)	1,089,919	4,323,027	21,598,585
Less: impairment of related Group assets					(19,655,605)
Reclassification of cumulative FCTR					(1,377,718)
Group gain on disposal of Malian subsidiaries					565,262
13.2.2 Carrying amounts of net asset as at the date of sale are as follow	BGMS \$	Finkola \$	Sudquest \$	Timbuktu \$	Total \$
Current assets	1,456,690	24,343	252	319,189	1,800,474
Non-current assets	853,048	-	-	369,117	1,222,165
Total assets	2,309,738	24,343	252	688,306	3,022,639
Current liabilities	1,955,805	-	168,403	1,739,392	3,863,600
Non-current liabilities	16,554,462	6,269	920,176	3,270,349	20,751,256
Total liabilities	18,510,267	6,269	1,088,579	5,009,741	24,614,856
Net assets sold	(16,200,529)	18,074	(1,088,327)	(4,321,435)	(21,592,217)

14 CONTINGENCIES

There are no contingent liabilities as at 30 June 2025.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2025

15 COMMITMENTS

15.1 Exploration commitments

With respect to the Group's former exploration tenements in Mali, the Group was 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-2025	31-Dec-2024
	\$	\$
Within one year	-	433,456
After one year but not more than five years	-	-
	-	433,456

As disclosed in note 13.2 *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 respect 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.

16 EVENTS SUBSEQUENT TO REPORTING DATE

16.1 Dividend and Return of Capital

On 5 September 2025, the Company announced that the Board had resolved to return surplus cash to shareholders in two tranches:

- a special dividend of 2.25 cents per share (approximately \$26.5 million), paid on 26 September 2025; and
- a subsequent return of capital, approved by shareholder at a general meeting (**AGM**) on 27 October 2025, to be paid 12 business days following approval, comprising the following:
 - a capital return of up to \$17,492,259.35, which will be made to shareholders on a pro rata basis and which equates to approximately 1.48 cents per share;
 - a further capital return of up to \$3,016,464.06, which will be made to shareholders on a pro rata basis and which equates to approximately 0.255 cents per share.

The special dividend was unfranked and paid out of Conduit Foreign Income received from Leo Lithium Limited in January 2025. The Company has no franking credit balance.

An AGM was convened for 27 October 2025 and shareholders approved an additional capital return of \$20.5 million, with payment expected to be made on 11 November 2025.

The Australian Taxation Office has confirmed it has all information required to finalise a draft Class Ruling on the tax treatment of these distributions, which is expected to be released by mid-December 2025.

16.2 Leo Lithium Limited – updated on 249F Meeting and Dividend Received

On 10 September 2025, Firefinch Limited issued Section 203D notices to all directors of Leo Lithium Limited (**Leo**), in which Firefinch holds a 17.5% interest, and convened a shareholder meeting under Section 249F of the Corporations Act to remove all current directors and appoint new nominees.

On 11 September 2025, following these notices, Leo announced its intention to distribute a portion of its cash (being the Tranche 2 consideration of ≈\$281.8 million) to shareholders via an unfranked dividend. Firefinch will receive 17.5% of this distribution and has committed to return any such proceeds to its own shareholders as soon as practicable after receipt.

On 3 October 2025, Leo announced that it would return all remaining funds, including Tranche 2 and approximately \$53 million of residual cash, to shareholders following receipt of Firefinch's Section 249F notice. As a result, Firefinch has withdrawn its 249F action, considering the outcome a successful resolution.

The Company expects to receive its 17.5% share of Leo's total cash distribution (approximately A\$330 million in aggregate to Leo shareholders) and intends to return the proceeds to Firefinch shareholders once received. Firefinch and its tax advisers are reviewing the ATO Class Ruling that will outline the tax treatment of Leo's capital return.

On 14 October 2025 the Company received a first tranche dividend from Leo of \$0.22 per share, amounting to \$46,407,139.

16.3 Termination of Arbitration Proceedings – Entreprise Générale Traoré et Frères SARL (EGTF)

On 26 September 2025, the Company announced that the arbitration proceedings brought by EGTF had been formally terminated. The sole arbitrator ordered EGTF to reimburse Firefinch €59,588 plus 8% interest per annum, covering legal fees and contributions to the arbitrator's fees. The Company is taking steps to recover these amounts without delay.

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 2025 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:

A handwritten signature in black ink, appearing to read 'B Fraser', with a stylized 'B' and a trailing flourish.

BRETT FRASER

Executive Chairman

Dated this Friday, 7 November 2025

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF FIREFINCH LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Firefinch Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 30 June 2025, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other 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 half-year financial report of Firefinch Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *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*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

Without qualifying our conclusion, we draw attention to Note 1.2 in the financial report, which indicates that the financial statements have been prepared on a non-going concern basis. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the 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 Consolidated Entity's financial position as at 30 June 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of 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.


HALL CHADWICK WA AUDIT PTY LTD


MARK DELAURENTIS CA
Director

Dated 7th day of November 2025
Perth, Western Australia

