



Interim Report

FOR THE HALF-YEAR ENDED

30 JUNE 2026

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 2, 228 Carr Place Leederville Western Australia 6007

SHARE REGISTRY

Computershare Investor Services Pty Limited

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AUDITORS

Hall Chadwick WA Audit Pty Ltd

<i>Address</i>	283 Rokeby Road Subiaco Western Australia 6008
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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 2026.

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*
- ☐ Matthew Mitchell *Non-Executive Director*

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

2. PRINCIPAL ACTIVITIES

During the half-year the principal activities of the Group consisted of corporate operations to progress the orderly wind-up of the Company and the return of surplus value to Shareholders, following completion of the Morila SA divestment in the prior period.

3. OPERATING AND FINANCIAL REVIEW

3.1. REVIEW OF OPERATIONS

a. Leo Lithium Limited (LEO) – dividends and distributions received

During the half-year, LEO completed the sale of all its assets, including its interest in the Goulamina Lithium Project in Mali, to its joint-venture partner Ganfeng. LEO was delisted from the ASX in September 2025 and, at a general meeting of its members held on 16 February 2026, resolved to be wound up, with Amanda Coneyworth and Martin Jones appointed as liquidators. Across a series of capital distributions concluding in February 2026, LEO returned a total of \$577.5 million (47.92 cents per share) to its shareholders. As a 17.51% shareholder, the Company received its proportionate share of those distributions, including a final distribution of \$7,011,963 on 13 February 2026, which fully realised the Company's investment in LEO.

b. ATO class ruling on shareholder distributions

During the prior financial year, the Company sought certainty from the Australian Taxation Office (**ATO**) regarding the tax treatment of distributions to shareholders.

On 26 November 2025, the ATO issued Class Ruling 2025/81, confirming the income tax treatment of the Company's special dividend and capital return distributions.

The Company lodged an Early Engagement request with the ATO in February 2026, seeking to confirm the tax treatment of the distribution of its remaining cash balances, including the allocation between return of capital and unfranked dividend. Following publication of LEO's Class Ruling on 13 May 2026, the Company lodged its own Class Ruling application with the ATO on 14 May 2026, and on 10 September 2026 the Company announced that the ATO had confirmed that it does not object to the Company distributing its remaining cash reserves to shareholders as a return of capital (refer to note 17.1). These steps follow receipt on 13 February 2026 of the final distribution of \$7,011,963 from LEO.

3.2. FINANCIAL REVIEW

The Group made a loss after tax for the half-year of \$11.01 million (30 June 2025: \$2.53 million loss) from continuing operations and a net cash in-flow from operating activities of \$0.96 million (30 June 2025: \$1.00 million out-flow).

At the end of the half-year, the Group had cash and cash equivalents of \$74.46 million (31 December 2025: \$66.49 million) and working capital of \$63.97 million (31 December 2025: \$74.98 million working capital). The net assets of the Group have decreased from 31 December 2025 by \$11.01 million to \$63.97 million at 30 June 2026 (31 December 2025: \$74.98 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. The Company also disposed of its remaining Malian subsidiaries for US\$4,000, with all liabilities remaining in those entities. These transactions concluded Firefinch's operations in Mali, enabling the Company to focus exclusively on returning value to shareholders.

During the 2025 year, the Company received distributions of \$94.08 million from its 17.51% shareholding in LEO and paid \$47.12 million to shareholders, ending the year with cash reserves of \$66.49 million. On 26 November 2025, the ATO issued CR 2025/81 confirming the tax treatment of those distributions.

Directors' report

During the current half-year, Firefinch received a further \$7,011,963 distribution from LEO (13 February 2026), following which LEO resolved to wind up. No distributions were paid to Firefinch shareholders during the half-year. On 10 September 2026, the Company announced that the ATO had confirmed that it does not object to the Company distributing its remaining cash reserves to shareholders as a return of capital, and had indicated that it will issue a Class Ruling confirming this treatment once the distribution has been made. Following payment of the income tax liability of \$10,442,168 recognised as at 30 June 2026 (refer to notes 8 and 17.1) and retention of an amount to fund an orderly liquidation, the remaining cash is intended to be returned to shareholders as a final return of capital, subject to shareholder approval at a forthcoming general meeting.

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 financial statements have been prepared on a non-going concern basis: non-financial assets are written down to the lower of carrying value and net realisable value, and non-current assets and liabilities are reclassified as current where settlement is expected within twelve months. No additional liabilities have been recognised as a result. The comparative period is presented on the same basis.

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

3.3. CORPORATE

a. Dividends and Returns of Capital

No dividends were paid or declared, and no returns of capital were made, during the half-year ended 30 June 2026.

On 4 February 2026 and revised on 7 July 2026, the Company announced a proposed capital return of up to \$73.5 million (approximately 6.21 cents per share), to be paid to shareholders on a pro rata basis in accordance with sections 256B and 256C of the *Corporations Act 2001* (Cth) and funded from surplus cash, including the final distribution received from LEO. On 10 September 2026, the Company announced that the ATO had confirmed that it does not object to the Company distributing its remaining cash reserves to shareholders as a return of capital, and that section 45B will not be applied to deem that distribution to be an unfranked dividend. The amount of the final capital return will reflect payment of the income tax liability of \$10,442,168 recognised as at 30 June 2026 (refer to notes 8 and 17.1) and retention of an amount to fund an orderly liquidation, and remains subject to shareholder approval at a forthcoming general meeting. The Company also intends to seek shareholder approval to commence a solvent members' voluntary liquidation of Firefinch.

Consistent with its stated objective of returning value to shareholders, the Company commenced returning surplus cash during the prior financial year.

3.4. MATTERS SUBSEQUENT TO BALANCE DATE

a. ATO engagement and proposed return of capital

On 10 September 2026, the Company announced that it had received confirmation from the ATO that it does not object to the Company distributing its remaining cash reserves to shareholders as a return of capital, and that section 45B will not be applied to deem that distribution to be an unfranked dividend. As a result, the conduit foreign income dividends received from Leo Lithium Limited will be assessable in the Company's 31 December 2025 income tax return, and an income tax liability and corresponding expense of \$10,442,168 has been recognised as at 30 June 2026 as an adjusting event under AASB 110. Following payment of that liability and retention of an amount to fund an orderly liquidation, the remaining cash is intended to be returned to shareholders as a capital return, subject to shareholder approval. Refer to note 17.1 for further information.

b. Notice of AGM and proposed return of capital

On 24 September 2026 the Company issued a Notice of Meeting (**NoM**) for a virtual AGM on 21 October 2026, seeking approval for an equal capital reduction of up to \$63.5 million (approximately 5.4 cents per share) with a record date 8 October 2026 and payment expected 22 October 2026. Refer to note 17.2 for further information.

c. Proposed bonus to Executive Chairman:

The Notice of Meeting also seeks shareholder approval for a one-off, discretionary \$250,000 cash bonus to Executive Chairman Brett Fraser, recognising his role in the Mali disposal, the EGTF arbitration outcome, and the LEO realisation/capital returns. Refer to note 17.3 for further information.

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).

Directors' report

5. CORPORATE GOVERNANCE STATEMENT

The ASX Corporate Governance Council (CGC) has developed corporate governance principles and recommendations for listed entities. Although Firefinch delisted from the ASX on 1 July 2024 and is no longer subject to ASX Listing Rule 4.10.3, the Company has continued to voluntarily follow the guidance of the CGC.

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

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

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 2026 has been received and can be found on page 4 of the half-year report.

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

A handwritten signature in black ink, appearing to read 'B Fraser'.

BRETT FRASER

Executive Chairman

Dated this Wednesday, 7 October 2026

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 2026, 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 this 7th day of October 2026
Perth, Western Australia

Condensed consolidated statement of profit or loss and other comprehensive income

For the half-year ended 30 June 2026

	Note	30-Jun-2026 \$	30-Jun-2025 \$
Continuing operations			
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Dividends received	5,10.2.1	1,418,308	33,265,481
Interest income		1,444,785	993,119
Fair value gain or (loss) on investment	10.1	(1,409,603)	(36,258,643)
Foreign exchange gain or (loss)		(7,543)	12,355
Gain or (loss) on disposal of subsidiary	19.2.1	-	565,262
Corporate and other expenses	6	(1,902,498)	(955,582)
Director fees		(112,000)	(116,667)
Other employment related costs		-	(34,783)
Net loss before tax		(568,551)	(2,529,458)
Income tax expense	8.1	(10,442,168)	-
Net loss from continuing operations for the half-year		(11,010,719)	(2,529,458)
Loss for the half-year is attributable to owners of Firefinch Limited		(11,010,719)	(2,529,458)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Reclassification of cumulative FCTR on disposal of subsidiaries	19.2.1	-	1,377,718
Total comprehensive income is attributable to owners of Firefinch Limited		(11,010,719)	(1,151,740)
<i>Earnings per share from continuing operations:</i>			
Basic and diluted earnings per share (cents per share)		(0.93)	(0.21)

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 2026

	Note	30-Jun-2026 \$	31-Dec-2025 \$
Current assets			
Cash and cash equivalents	7	74,458,661	66,493,312
Trade and other receivables	9.1	14,735	1,539,567
Financial assets at fair value through profit or loss	10.1	-	7,003,258
Total current assets		74,473,396	75,036,137
Total assets		74,473,396	75,036,137
Current liabilities			
Trade and other payables	11	65,658	59,848
Current tax liabilities	8.2	10,442,168	-
Total current liabilities		10,507,826	59,848
Non- current liabilities			
Total liabilities		10,507,826	59,848
Net assets		63,965,570	74,976,289
Equity			
Issued capital	12	283,314,704	283,314,704
Accumulated losses		(219,349,134)	(208,338,415)
Total equity		63,965,570	74,976,289

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 2026

	Note	Issued Capital \$	Accumulated Loss \$	Other Reserves \$	Total \$
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)
Transaction with owners, directly in equity:		-	-	-	-
Balance at 30 June 2025		303,823,417	(181,532,706)	-	122,290,711
Balance at 1 January 2026		283,314,704	(208,338,415)	-	74,976,289
Loss for the half-year		-	(11,010,719)	-	(11,010,719)
Other comprehensive income for the half-year		-	-	-	-
Total comprehensive income for the half-year		-	(11,010,719)	-	(11,010,719)
Transaction with owners, directly in equity:		-	-	-	-
Balance at 30 June 2026		283,314,704	(219,349,134)	-	63,965,570

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 2026

	Note	30-Jun-2026 \$	30-Jun-2025 \$
<i>Cash flows from operating activities</i>			
Payments to suppliers and employees		(483,856)	(2,070,755)
Interest received		1,444,785	1,066,881
Net cash flow from operating activities		960,929	(1,003,874)
<i>Cash flows from investing activities</i>			
Dividends received from investments		1,418,308	33,265,481
Return of capital from investments		5,593,655	3,016,464
Proceeds on disposal of subsidiary	19.2.1	-	6,368
Net cash flow from investing activities		7,011,963	36,288,313
<i>Cash flows from financing activities</i>			
Net cash flow from financing activities		-	-
Net increase in cash held		7,972,892	35,284,439
Cash and cash equivalents at the beginning of the half-year		66,493,312	20,325,569
Change in foreign currency held		(7,543)	12,355
Cash and cash equivalents at the end of the half-year	7	74,458,661	55,622,363

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 2026

1 BASIS OF PREPARATION

This general purpose interim financial report for the half-year ended 30 June 2026 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 2025 and considered together with any public announcements made by Firefinch Limited during the half-year ended 30 June 2026. The Company has been delisted from the ASX since 1 July 2024 and accordingly is not subject to the ASX Listing Rules' continuous disclosure obligations.

The financial statements were authorised for issue on 7 October 2026 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. The Company also disposed of its remaining Malian subsidiaries for US\$4,000, with all liabilities remaining in those entities. These transactions concluded Firefinch's operations in Mali, enabling the Company to focus exclusively on returning value to shareholders.

During the 2025 year, the Company received distributions of \$94.08 million from its 17.51% shareholding in LEO and paid \$47.12 million to shareholders, ending the year with cash reserves of \$66.49 million. On 26 November 2025, the ATO issued CR 2025/81 confirming the tax treatment of those distributions.

During the current half-year, Firefinch received a further \$7,011,963 distribution from LEO (13 February 2026), following which LEO resolved to wind up. No distributions were paid to Firefinch shareholders during the half-year. On 10 September 2026, the Company announced that the ATO had confirmed that it does not object to the Company distributing its remaining cash reserves to shareholders as a return of capital and had indicated that it will issue a Class Ruling confirming this treatment once the distribution has been made. Following payment of the income tax liability of \$10,442,168 recognised as at 30 June 2026 (refer to notes 8 and 17.1) and retention of an amount to fund an orderly liquidation, the remaining cash is intended to be returned to shareholders as a final return of capital, subject to shareholder approval at a forthcoming general meeting.

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 financial statements have been prepared on a non-going concern basis: non-financial assets are written down to the lower of carrying value and net realisable value, and non-current assets and liabilities are reclassified as current where settlement is expected within twelve months. No additional liabilities have been recognised as a result. 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 (see note 8.6).

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 2026

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 reported consistently with the internal reports reviewed by the chief operating decision makers (CODM).

The Group operated in one segment in both 2026 and 2025 being *Corporate*, related to investing activities and corporate management. The segment information is prepared in conformity with the Group's accounting policies.

The CODM, responsible for allocating resources and assessing segment performance, has been identified as the executive management team and Board of Directors of the parent entity.

5 DIVIDEND INCOME AND RETURNS OF CAPITAL RECEIVED

During the half-year ended 30 June 2026, the Group received a return of capital of \$5,593,655 (30 June 2025: \$3,016,464). A fully franked dividend of \$1,418,308 was recognised during the half-year ended 30 June 2026, (30 June 2025: \$33,265,481). Further details are disclosed in note 10.

Dividend income from equity investments is recognised in profit or loss when the Company's right to receive payment is established.

Returns of capital received from equity investments are recognised as a reduction in the carrying value of the investment to the extent they represent a recovery of the investment. Any excess over the carrying value of the investment is recognised in profit or loss.

6 CORPORATE AND OTHER EXPENSES

		30-Jun-2026	30-Jun-2025
		\$	\$
Consultancy services		200,490	315,327
Insurances	6.1.1	1,601,679	366,255
Interest expense		-	5,441
Administrative expenses		100,329	268,559
		1,902,498	955,582

- 6.1.1 Insurance expense for the half-year ended 30 June 2026 includes the full unwind of the Group's prepaid insurance balance. Consistent with the non-going concern basis of preparation, the prepaid insurance previously recognised as a current asset (refer note 9.1) was fully expensed during the period rather than amortised over the remaining policy term. This accounts for the increase in insurance expense compared with the prior corresponding period.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2026

7 CASH AND CASH EQUIVALENTS

	Note	30-Jun-2026 \$	31-Dec-2025 \$
Cash at bank and in hand	7.1.1	74,458,661	66,493,312
		74,458,661	66,493,312

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

7.2 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.

8 INCOME TAX

		30-Jun-2026 \$	30-Jun-2025 \$
8.1	Reconciliation of income tax expense to prima facie tax payable		
	<i>The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:</i>		
	Accounting loss before tax	(568,551)	(2,529,458)
	Prima facie tax on operating loss at 30% (2025 loss: 30%)	(170,565)	(758,837)
	Add / (less) tax effect of:		
	☐ Permanent differences	182,422	(11,054,163)
	☐ Movement in temporary tax expenses or (benefits) - Australia	(436,822)	11,748,588
	☐ Tax losses not recognised	-	64,412
	☐ Offset of franking credits	424,965	-
	☐ Under-provision of income tax in respect of the year ended 31 December 2025	10,442,168	-
	Income tax expense attributable to operating profit or loss	10,442,168	-

8.1.1 Relates to conduit foreign income dividends of approximately \$47 million received from Leo Lithium Limited during the year ended 31 December 2025, which the Company had treated as non-assessable on the basis it would distribute the amount to shareholders as conduit foreign income. As announced by the Company on 10 September 2026, the Australian Taxation Office (ATO) has confirmed that it does not object to the Company making its final distribution as a return of capital rather than a conduit foreign income dividend, and accordingly the dividend income is assessable in the Company's income tax return for the year ended 31 December 2025. Refer to note 17.1.

	Note	30-Jun-2026 \$	31-Dec-2025 \$
8.2	Current tax liabilities		
	Provision for income tax	17.1	10,442,168
			-
8.3	Deferred tax assets (DTA) /(liabilities)(DTL)		
	Investments	-	2,100,978
	Foreign exchange	-	3,707
	Offset of DTA	-	(2,104,685)
	Net deferred tax assets/(liabilities)	-	-

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2026

8 INCOME TAX (cont.)

8.4 Tax losses and deductible temporary differences

Deferred tax assets unrecognised as at 30 June 2026 amount to \$54,668,316 (31 December 2025: \$59,511,355) with the majority of the temporary differences relating to *intercompany loans* and *Australian income tax / capital losses* carried forward.

Total carried forward Australian tax losses of \$7,715,151 at 30 June 2026 (31 December 2025: \$18,883,163) are available for offset against future assessable income, provided the relevant loss recoupment rules are satisfied. The deductible temporary differences and tax losses do not expire under current tax legislation.

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

Regarding the *Loans* deferred tax asset: as the Group's investment in LEO has been fully realised, no deferred tax liability remains at 30 June 2026 against which the loans deferred tax asset can be offset (31 December 2025: \$2,100,978). Accordingly, no deferred tax asset has been recognised in relation to the loans, as it is not clear whether the Company will incur any capital gains in future income years.

8.5 Recognition and measurement

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

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

8.6 Material judgements and estimates

The income tax expense for the half-year includes an under-provision of \$10,442,168 in respect of the year ended 31 December 2025. Following the ATO's confirmation, announced by the Company on 10 September 2026, that it does not object to the Company's final distribution being made as a return of capital, the Company has determined that the conduit foreign income dividends received from LEO in 2025 are assessable (refer to notes 8.1.1 and 17.1).

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

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

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

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2026

9 TRADE AND OTHER RECEIVABLES

		30-Jun-2026 \$	31-Dec-2025 \$
9.1	Current		
	Prepayments – Insurance	6.1.1 -	1,529,479
	Net GST receivable / (payable)	2,637	(2,010)
	Security deposits	12,098	12,098
		14,735	1,539,567

9.2 Recognition and measurement

9.2.1 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently 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.

Carrying amounts approximate fair value given their short-term nature; long-term security deposits also approximate fair value as they bear market-based interest.

Under the AASB 9 simplified approach, lifetime ECL is recognised on all trade receivables and contract assets. Receivables are written off when recovery is not reasonably expected (e.g. debtors fail to agree repayment terms or are more than 120 days past due). Impairment losses, and any subsequent recoveries, are presented within operating profit.

9.2.2 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 based on the non-going concern basis of preparation.

Prepayments previously comprised insurance premiums paid in advance and recognised as a current asset. Following the Directors' decision to wind up the Group in the short term, and consistent with the non-going concern basis of preparation, the prepaid insurance balance was fully unwound and expensed during the half-year ended 30 June 2026. Accordingly, no prepaid insurance asset was recognised as at 30 June 2026 (31 December 2025: \$1,529,479).

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group held an equity investment in Leo Lithium Limited (LEO), classified as a financial asset at fair value through profit or loss (FVPL). The investment was fully realised during the half-year ended 30 June 2026 following receipt of the final distribution on 13 February 2026, and was derecognised as detailed below:

10.1 Reconciliation of fair value of investment

	Note	30-Jun-2026 \$	31-Dec-2025 \$
Opening Balance		7,003,258	104,539,681
Return of capital for the half-year (comparative: 30 June 2025)	10.2.1	(5,593,655)	(3,016,464)
Balance of return of capital at the end of the year, 31 December 2025		-	(9,914,253)
Mark-to-market loss at the end for the half-year (comparative: 30 June 2025)		(1,409,603)	(36,258,643)
Balance of mark-to-market gain at the end of the year, 31 December 2025		-	(48,347,063)
Excess distribution recognised over gain in profit and loss		-	-
Fair value of the investment at end of period		-	7,003,258

10.2 Recognition and measurement

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

10.2.1 Fair Value Measurements

During the 2026 half-year, LEO completed the sale of all of its assets, including its interest in the Goulamina Lithium Project in Mali, to its joint-venture partner Ganfeng. LEO was delisted from the ASX in September 2025 and, at a general meeting of its members held on 16 February 2026, resolved to be wound up, with Amanda Coneyworth and Martin Jones appointed as liquidators. Across a series of capital distributions concluding in February 2026, LEO returned a total of \$577.5 million (47.92 cents per share) to its shareholders. As a 17.51% shareholder, the Company received its proportionate share of those distributions, including a final distribution of \$7,011,963 on 13 February 2026, (being a return of capital of \$5,593,655 and a fully franked dividend of \$1,418,308) which fully realised the Company's investment in LEO.

Following receipt of the final distribution on 13 February 2026, the Group fully realised its investment in LEO and no balance is carried as at 30 June 2026 (December 2025: \$7.00 million).

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2026

11 TRADE AND OTHER PAYABLES

	Note	30-Jun-2026 \$	31-Dec-2025 \$
11.1 Current			
Trade payables and accruals	11.1.1	62,547	52,361
Other liabilities	11.1.2	3,111	7,487
		65,658	59,848

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

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

11.2 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.

12 ISSUED CAPITAL

12.1 Issued and paid-up share capital

	30-Jun-2026 \$	31-Dec-2025 \$
1,182,846,577 (2025: 1,182,846,577) ordinary shares fully paid	283,314,704	283,314,704

12.2 Movement in ordinary shares

	Note	30-Jun-2026 No.	31-Dec-2025 No.	30-Jun-2026 \$	31-Dec-2025 \$
Balance at the beginning of the period		1,182,846,577	1,182,846,577	283,314,704	303,823,417
<i>Shares issued during the period:</i>					
Returns of capital	14.2	-	-	-	(20,508,713)
Balance at the end of the period		1,182,846,577	1,182,846,577	283,314,704	283,314,704

13 RESERVES

13.1 Movement in Foreign currency translation reserve

	30-Jun-2026 \$	31-Dec-2025 \$
Balance at beginning of the period	-	(1,377,718)
Reclassification of cumulative FCTR on disposal of subsidiaries	-	1,377,718
Movement for the period	-	1,377,718
Balance at the end of the period	-	-

13.2 Recognition and measurement

13.2.1 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.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2026

14 DIVIDENDS AND RETURNS OF CAPITAL

		30-Jun-2026	31-Dec-2025
		\$	\$
Dividends paid	14.1	-	26,614,057
Returns of capital	14.2	-	20,508,713
		-	47,122,770

14.1 On 12 September 2025, the Company paid a special dividend sourced from the Conduit Foreign Income (CFI) unfranked dividend it received from LEO in January 2025. The dividend was unfranked and CFI in nature. The Company has a franking credit balance from dividends received of \$607,846.

14.2 Following shareholder approval on 27 October 2025, the Company completed an equal reduction of share capital under sections 256B and 256C of the Corporations Act 2001, paying 1.735 cents per share (1.48 plus 0.255 cents) to shareholders registered at 5:00pm (AWST) on 12 September 2025. No shares were cancelled.

The capital return reduces shareholders' cost base for tax purposes and may give rise to a capital gain where the cost base is less than the amount returned. On 10 September 2026, the Company announced that the ATO had confirmed that it does not object to the Company distributing its remaining cash reserves as a return of capital, and had indicated that it will issue a Class Ruling confirming this treatment once the distribution has been made (refer to note 17.1).

14.3 Recognition and measurement

14.3.1 Dividends and return of capital paid

Dividends and returns of capital are recognised as distributions to equity holders when declared by the Board and, where required, approved by shareholders — dividends as a liability at the date of declaration, and returns of capital as a reduction of issued capital when approved. Distributions declared after the reporting date are not recognised as liabilities at that date.

15 COMMITMENTS

15.1 Exploration commitments

As disclosed in note 19.2 *Disposal of Malian Subsidiaries*, the Group disposed of its Malian subsidiaries. As a result of this disposal, the Group removed any future obligation to spend in respect of the exploration commitments, subsequent to 28 March 2025. The Malian companies continue to carry the commitments but no longer form part of the Group after this date.

16 CONTINGENT ASSETS AND LIABILITIES

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 has engaged counsel to recover these amounts urgently.

There are no contingent liabilities as at 30 June 2026.

17 EVENTS SUBSEQUENT TO REPORTING DATE

17.1 ATO engagement and proposed return of capital

Leo Lithium Limited (Leo) issued dividends of approximately \$47 million to the Company in October and November 2025, which were declared as conduit foreign income. A company that receives a dividend declared as conduit foreign income is subject to tax on that dividend unless it passes the amount on to its own shareholders as a conduit foreign income dividend.

Through ongoing engagement with the Australian Taxation Office (ATO), the Company demonstrated that it was not able to pay a dividend to its shareholders and, on 10 September 2026, announced that it had received confirmation from the ATO that it does not object to the Company distributing its remaining cash reserves as a return of capital instead. The ATO has indicated that it will issue a Class Ruling confirming this treatment once the distribution has been made. The Company lodged its formal Class Ruling application on 14 May 2026. The ATO has also confirmed that the Commissioner of Taxation will not apply section 45B of the *Income Tax Assessment Act 1936* to deem the return of capital to be an unfranked dividend for taxation purposes.

As a result, the conduit foreign income dividends received from Leo will be treated as assessable income in the Company's 31 December 2025 income tax return. The resulting income tax liability of \$10,442,168 was paid to the ATO on 21 September 2026, following lodgement of that return.

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2026

17 EVENTS SUBSEQUENT TO REPORTING DATE (cont.)

17.1.1 Recognition and measurement

The Directors consider this to be an adjusting event after the reporting period in accordance with AASB 110 *Events after the Reporting Period*, on the basis that the underlying obligating circumstances, being receipt of conduit foreign income dividends without the practical ability to pass them on to shareholders as conduit foreign income, existed at and before 30 June 2026. The ATO confirmation announced by the Company on 10 September 2026 provides evidence of a liability that already existed at the reporting date rather than establishing a new obligation. Accordingly, an income tax liability and corresponding tax expense of \$10,442,168 have been recognised in these financial statements as at 30 June 2026.

Following payment of this tax liability, an amount will be withheld by the Company to fund its orderly liquidation, with the remaining cash to be distributed to all shareholders as a return of capital. The Company has engaged legal counsel and a tax advisor to prepare a Notice of Meeting seeking shareholder approval for the return of capital, which will be released to shareholders in due course.

17.2 Notice of Annual General Meeting and proposed return of capital

On 24 September 2026, the Company issued a Notice of Annual General Meeting (**NoM**), to be held virtually on 21 October 2026, seeking shareholder approval under sections 256B and 256C of the *Corporations Act 2001* (Cth) for an equal reduction of share capital of up to \$63.5 million (approximately 5.4 cents per share), to be paid to shareholders on a pro rata basis. No shares will be cancelled in connection with the return of capital. The record date is 8 October 2026 and payment is expected on or around 22 October 2026, subject to shareholder approval. The NoM was lodged with the ASIC prior to despatch to shareholders.

As at the date of the NoM, the Company held cash reserves of approximately \$64.3 million following payment of the income tax liability described above. The balance of cash remaining after the return of capital will be retained to fund the orderly winding up of the Company.

The proposed return of capital is a non-adjusting event after the reporting period, as it remains subject to shareholder approval, and no liability has been recognised at 30 June 2026. If approved and paid in full, issued capital will reduce from \$283,314,704 to \$219,814,704.

17.3 Proposed bonus payment to Executive Chairman

The NoM also seeks shareholder approval for a one-off, discretionary cash bonus of \$250,000 to Mr Brett Fraser, Executive Chairman, in recognition of his contribution to the disposal of the Company's former Mali operations, the resolution of related arbitration proceedings, the realisation of the Company's investment in LEO, and the associated returns of capital to shareholders. The Directors (other than Mr Fraser) consider the payment to be reasonable remuneration for the purposes of section 211 of the *Corporations Act 2001* (Cth), but have sought shareholder approval as a matter of good governance. If the resolution is not approved, the payment will not be made.

The proposed bonus is a non-adjusting event after the reporting period and no provision has been recognised at 30 June 2026.

18 INTERESTS IN SUBSIDIARIES

18.1 Information about principal subsidiaries

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

	Note	Jurisdiction of Incorporation	30-Jun-2026 %	31-Dec-2025 %
☐ Birimian Gold (Mali) Pty Limited		Australia	100	100
☐ Birimian Gold Liberia Inc		Liberia	100	100
☐ Firefinch Services Pty Ltd		Australia	100	100

Notes to the condensed consolidated financial statements

For the half-year ended 30 June 2026

19 DISPOSAL OF SUBSIDIARIES

There were no disposals or wind-ups of Group subsidiaries during the half-year ended 30 June 2026. The following comparative disclosures relate to transactions completed during the prior half-year.

19.1 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.

19.2 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\$6,368).

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 disclosed following.

19.2.1 <i>Consideration</i>	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
19.2.2 <i>Carrying amounts of net asset as at the date of sale were as follow</i>	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)

Directors' declaration

In the Directors' opinion:

- (a) the interim financial statements and notes set out on pages 5 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 2026 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'.

BRETT FRASER

Executive Chairman

Dated this Wednesday, 7 October 2026

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 2026, 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 the Consolidated Entity 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 2026 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. 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.

Emphasis of Matter Regarding Non-Going Concern Basis of Accounting

We draw attention to Note 1.2 in the financial report, which describes the directors' determination that the Consolidated Entity is no longer a going concern following the disposal of its interest in Morila SA and the intention to undertake an orderly wind-up of the Group and return capital to shareholders. Accordingly, the financial report has been prepared on a non-going concern basis of accounting. 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 2026 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 this 7th day of October 2026
Perth, Western Australia

