

22 December 2023

ASX Announcement

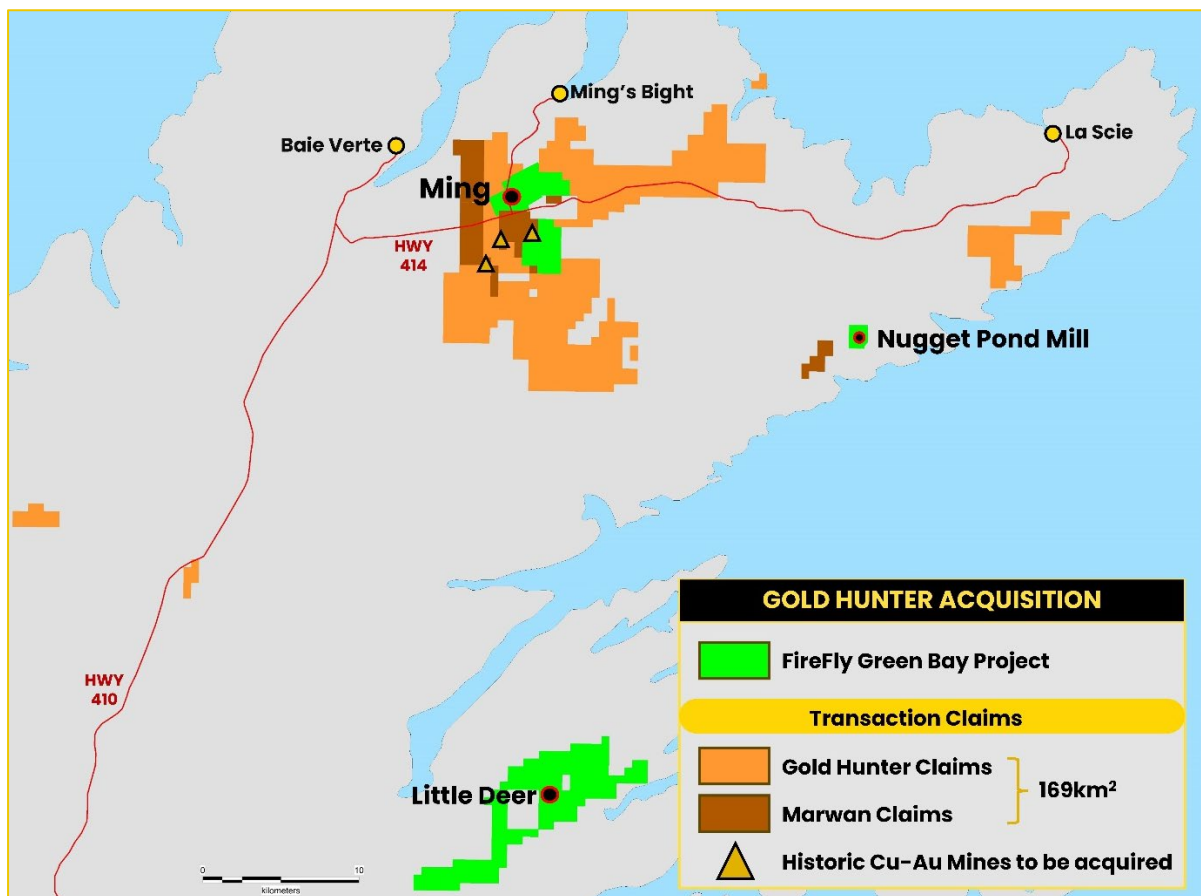
FireFly agrees to acquire additional ground at Green Bay Copper-Gold Project, Canada

FireFly Metals Ltd (ASX: FFM) (**FireFly** or the **Company**) is pleased to advise that it has agreed to acquire 169sqkm of additional ground adjacent to its Green Bay copper-gold project from Gold Hunter Resources Inc. (CNSX: HUNT) (**Gold Hunter**), (**Acquisition**).

The total purchase price is C\$15.5 million, comprising C\$500,000 in cash and C\$15 million in fully paid ordinary FireFly shares (**Shares**).

The Acquisition solidifies FireFly Metals as a dominant landholder in the highly prospective Baie Verte VMS mineral district of Newfoundland.

The transaction is subject to a number of conditions precedent, including Gold Hunter obtaining shareholder approval; noting the Gold Hunter board will unanimously recommend the transaction and will be voting their shares in favour of the transaction.



Location of the Acquisition claims relative to the FireFly Metals Green Bay copper-gold Project, Newfoundland & Labrador Province, Canada.

FireFly Metals Ltd (formerly AuTECO Minerals Ltd)

☎ +61 8 9220 9030

ACN 110 336 733

✉ info@fireflymetals.com.au

Principal & Registered Office:

🌐 www.fireflymetals.com.au

Level 2/8 Richardson Street West Perth WA 6005

Acquisition terms

1451366 B.C. Ltd., a wholly owned subsidiary of Gold Hunter, will own at the time of completion a 100% interest in the mineral claims comprising the Rambler and Tilt Cove projects (**Projects**) and the rights to acquire additional claims comprising the Marwan Project. The Company has entered a share purchase agreement with Gold Hunter for the sale and purchase of 100% of the issued capital of 1451366 B.C. Ltd to give effect to the proposed Acquisition (**SPA**). The option to acquire a 100% interest in the Marwan Project will be assigned to 1451366 B.C. Ltd. and amended such that the only remaining obligation to exercise the option is the payment of C\$500,000 in cash, which will be paid within 30 days of the completion of the Acquisition.

The material terms of the SPA are summarised below.

Consideration

The Company has agreed to purchase 100% of the issued capital of 1451366 B.C. Ltd., a wholly owned subsidiary of Gold Hunter, which at the time of completion will own 100% of the Projects and hold an option to acquire 100% of the Marwan Project in return for the following consideration payable on completion: 30,290,624 Shares, being C\$15,000,000 in fully paid ordinary shares at a deemed issue price equal to the 20-day volume weighted average price of the Company's Shares on the ASX (**Consideration Shares**). Contemporaneously with the completion of the SPA, the Company will also discharge an existing Gold Hunter liability of C\$1.5 million, which will be satisfied through the issue of Shares issued on the same terms as the Consideration Shares.

Conditions precedent

The Acquisition is subject to various conditions precedent (**Conditions Precedent**), including:

- (a) Gold Hunter obtaining the approval of its shareholders via a special resolution for the sale of all or substantially all of the undertaking of Gold Hunter pursuant to Section 301(1) of the *Business Corporations Act (British Columbia)* at a meeting to be convened as soon as reasonably practicable, and in any event on or before 15 March 2024, noting that the Gold Hunter board will unanimously recommend the transaction and will be voting their shares in favour of the transaction;
- (b) Gold Hunter amending and assigning its mineral property option agreement with Unity Resources Inc. and others (**Marwan Option**) to 1451366 B.C. Ltd;
- (c) Gold Hunter completing its internal reorganisation such that 1451366 B.C. Ltd. owns 100% of the Projects at completion and holds the rights to acquire the mineral claims the subject of the Marwan Option; and
- (d) Gold Hunter obtaining the approval of the Canadian Securities Exchange (CSE) with respect to the Acquisition.

The SPA otherwise contains terms and conditions considered standard for an agreement of this nature.

Further Information

All Shares will be issued using the Company's available placement capacity under Listing Rule 7.1.

Subject to satisfaction of the Conditions Precedent, Company expects the Acquisition to complete in February 2024.

The Company will use existing cash reserves to fund the exercise of the Marwan Option.

Canaccord Genuity Capital Markets acted as Financial Adviser to Firefly Metals Ltd for the Acquisition.

-ENDS-

This announcement has been approved for release by the Board of Directors.

ABOUT FIREFLY METALS

FireFly Metals Ltd (formerly AuTECO Minerals Ltd) (ASX:FFM) is an emerging copper-gold company focused on advancing the high-grade Green Bay Copper-Gold project in Newfoundland, Canada. The Company has a **strong cash position of A\$24M** (Sep 2023 Qtr) and a global institutional shareholder base.

The **Green Bay Copper-Gold Project** currently hosts a mineral resource prepared in accordance with Canadian NI 43-101 of **39.2Mt at 2.1% for 811,000t CuEq**.¹ The Company has a clear strategy to rapidly grow the copper-gold resource to demonstrate a globally significant copper-gold asset. FireFly has commenced a 40,000m diamond drilling program.

FireFly holds a 70% interest in the high-grade **Pickle Crow Gold Project** in Ontario. The current Inferred Resource stands at **11.9Mt at 7.2g/t for 2.8Moz gold**, with exceptional discovery potential on the 500km² tenement holding.

The Company also holds a 90% interest in the **Limestone Well Vanadium-Titanium Project** in Western Australia.

For further information regarding FireFly Metals Ltd please visit the ASX platform (ASX:AUT) or the Company's website www.fireflymetals.com.au

COMPLIANCE STATEMENTS

The Company first announced the foreign estimate for the Green Bay Project on 31 August 2023. The Company confirms that the supporting information included in the announcement of 31 August 2023 continues to apply and has not materially changed.

Metal equivalents have been calculated at a copper price of US\$8,300/t, gold price of US\$2,000/oz, silver price of US\$25/oz and zinc price of \$2,500/t. Individual grades for the metals are set out at Appendix A of this announcement. Copper equivalent was calculated based on the formula $CuEq (\%) = Cu(\%) + (Au (g/t) \times 0.77472) + (Ag (g/t) \times 0.00968) + (Zn (\%) \times 0.3012)$. No metallurgical recovery factors have been applied to the in-situ resource. It is the Company's view that all elements in the copper equivalent calculation have a reasonable potential to be recovered and sold.

The Mineral Resource Estimate for the Pickle Crow Project referred to in this announcement was first reported in the Company's ASX release dated 4 May 2023, titled "High-Grade Inferred Gold Resource Grows to 2.8Moz at 7.2g/t".

¹ The Company first announced the foreign estimate for the Green Bay Project on 31 August 2023. The foreign estimate is prepared in accordance with Canadian National Instrument 43-101 and has not been reported in accordance with JORC 2012. A competent person has not done sufficient work to classify the foreign estimates in accordance with the JORC Code and it is uncertain that following evaluation and or further exploration that a foreign estimate will be able to be reported in accordance with the JORC Code. Further information on the foreign estimate is set out in Appendix A.

FireFly confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that all material assumptions and technical parameters underpinning the estimates in the original announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

APPENDIX A – GREEN BAY COPPER-GOLD PROJECT MINERAL RESOURCES

GREEN BAY COPPER-GOLD PROJECT MINERAL RESOURCES

Ming Deposit as at 31 March 2022

	MEASURED			INDICATED			INFERRED			TOTAL RESOURCE		
	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal
Copper	8.4Mt	1.71%	144kt	15.3Mt	1.85%	284kt	6.4Mt	1.86%	120kt	30.2Mt	1.81%	547kt
Gold		0.5g/t	124koz		0.3g/t	148koz		0.4g/t	79koz		0.4g/t	351koz
Silver		3.6g/t	962koz		2.4g/t	1,164koz		2.6g/t	537koz		2.7g/t	2,664koz

Little Deer Complex (Little Deer & Whalesback Mine) as at 31 December 2021

	MEASURED			INDICATED			INFERRED			TOTAL RESOURCE		
	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal
Copper	-	-	-	2.9Mt	2.13%	62kt	6.2Mt	1.78%	110kt	9.1Mt	1.90%	172kt
Gold	-	-	-		0.1g/t	9koz		0.1g/t	10koz		0.1	19koz
Silver	-	-	-		3.4g/t	318koz		2.2g/t	430koz		2.6	748koz

TOTAL MINERAL RESOURCES

	MEASURED			INDICATED			INFERRED			TOTAL RESOURCE		
	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal	Tonnes	Grade	Metal
Copper	8.4Mt	1.71%	144kt	18.2Mt	1.89%	345kt	12.6Mt	1.82%	230kt	39.2Mt	1.83%	718kt
Gold		0.5g/t	124koz		0.3g/t	157koz		0.2g/t	88koz		0.3	370koz
Silver		3.6g/t	962koz		2.5g/t	1,482koz		2.4g/t	968koz		2.7	3,413koz

1. The Company first announced the foreign estimate for the Green Bay Project on 31 August 2023. The Company confirms that the supporting information included in the announcement of 31 August 2023 continues to apply and has not materially changed.
2. Metal equivalents calculated using a copper price of US\$8,295/t, gold price of US\$1,912/oz and a silver price of US\$22.59/oz. Copper equivalent was calculated based on the formula $CuEq(\%) = Cu(\%) + (0.74112 \times Au(g/t)) + (0.00876 \times Ag(g/t))$. No metallurgical recovery factors have been applied to the in-situ resource. It is the Company's view that all elements in the copper equivalent calculation have a reasonable potential to be recovered and sold.
3. FireFly Metals Ltd cautions that mineral resources for the Green Bay Copper-Gold project, incorporating the Ming Deposit and Little Deer Complex, are not reported in accordance with the JORC Code (2012 Edition). A Competent Person has not yet completed sufficient work to classify the resources as mineral resources that satisfy the guidelines provided in the JORC Code (2012 Edition).
4. All resources have been prepared in accordance with Canadian National Instrument 43-101. Please refer to ASX announcement dated 31 August 2023 for additional technical information relating to the foreign estimate.
5. A competent person has not done sufficient work to classify the foreign estimates in accordance with the JORC Code and it is uncertain that following evaluation and or further exploration that a foreign estimate will be able to be reported in according with the JORC Code.
6. Mineral resources have been reported at a 1.0% copper cut-off grade.