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## **First Tranche of Equity (US\$39M) Received From Ganfeng**

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Firefinch Limited (**ASX: FFX**) (**Firefinch** or **the Company**) is pleased to provide an update on Leo Lithium Limited (**Leo**) and the Goulamina Lithium Project (**Goulamina** or the **Project**).

Jiangxi Ganfeng Lithium Co. Ltd. (**Ganfeng**) and Firefinch have formed an incorporated Joint Venture (**JV**) to develop Goulamina. The JV is subject to various conditions precedent and on satisfaction, Ganfeng will contribute US\$130 million in cash to the JV and will arrange up to US\$64 million in debt.

Following receipt of Chinese regulatory approvals, and on advice of non-objection from the Government of Mali, the first tranche of equity (US\$39m) has been deposited by Ganfeng into an escrow account, in line with the conditions of the subscription agreement between the parties. Once a restructure of the Company's corporate structure has been completed in order to separate its lithium activities from its gold activities, the Project Exploitation Licence will be transferred to the JV company, and the cash will be released from escrow. That transfer is expected to be completed in early 2022.

As previously announced (on 20<sup>th</sup> October 2021), the Company is currently completing a Definitive Feasibility Study update (**Updated DFS**), which will consider a Stage 2 expansion involving a 75% increase in production capacity from 2.3 million to 4 million tonnes per annum. Such an expansion would see spodumene concentrate production increasing from 450,000 tonnes per annum in line with the planned throughput upgrade, placing Goulamina among the largest producers globally.

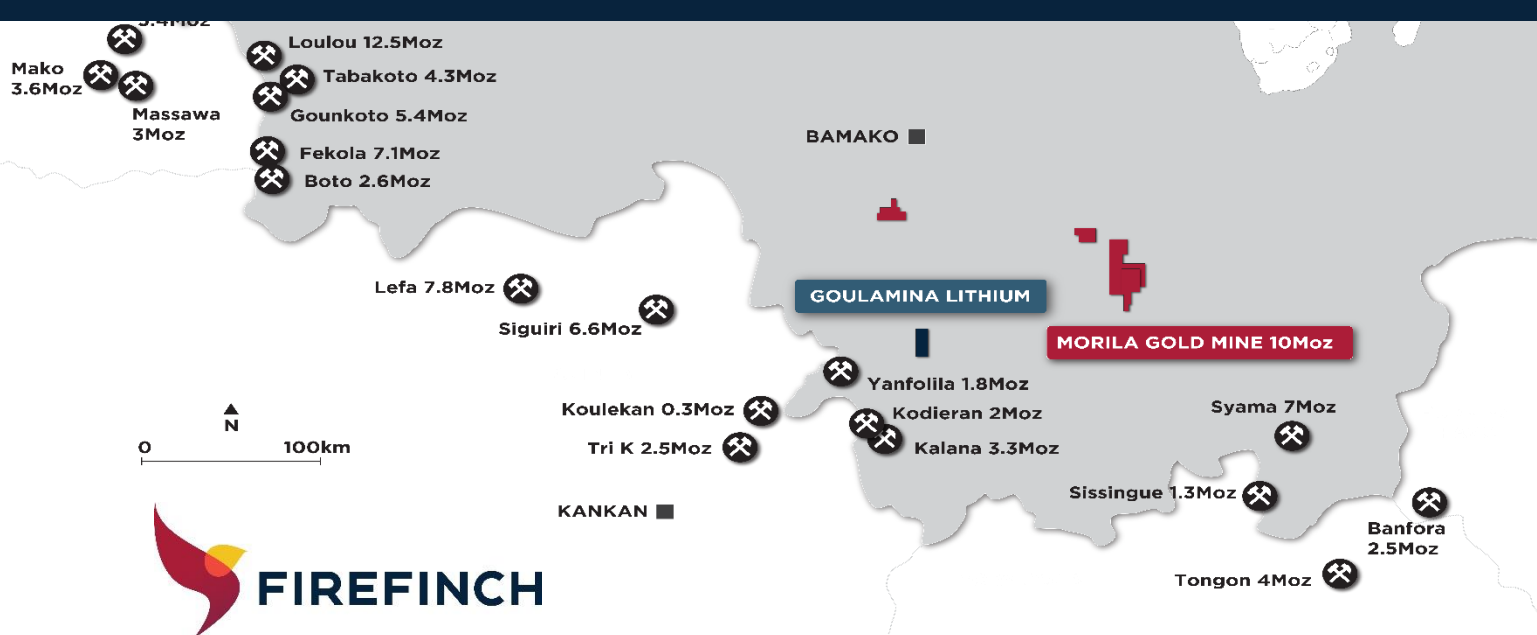
The Company advises that completion of the Updated DFS, and a final investment decision for Goulamina, remain on track for late 2021.

This announcement has been approved for release to the ASX by the Board.

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Firefinch (ASX: FFX) is a Mali focussed gold miner and lithium developer. Firefinch has an 80% interest in the Morila Gold Mine (**Morila**) and it currently owns 100% of the Goulamina Lithium Project (**Goulamina**).

Goulamina is one of the world’s largest undeveloped high quality spodumene deposits. In partnership with Ganfeng, Firefinch will bring the project into production. A 50/50 incorporated joint venture has been established, with Ganfeng contributing US\$194 million in development funding, comprising US\$130 million in equity funding and US\$40-64 million in debt funding. All permits are in place and the Definitive Feasibility Study confirmed Goulamina as a long life, large scale and low-cost open pit project expected to produce 436ktpa of spodumene concentrate at an average cash cost of US\$281/t. An initial mine life of 23 years is underpinned by a high grade, low impurity Ore Reserve of 52Mt at 1.51% Li<sub>2</sub>O for 0.79Mt contained Li<sub>2</sub>O comprising 8.1 million tonnes of Proven Ore Reserves at 1.55% Li<sub>2</sub>O and 44.0 million tonnes of Probable Ore Reserves at 1.50% Li<sub>2</sub>O. Goulamina has a Mineral Resource of 109Mt at 1.45% Li<sub>2</sub>O for 1.57Mt contained Li<sub>2</sub>O comprising 8.4 million tonnes at 1.57% Li<sub>2</sub>O in the Measured category, 56.2 million tonnes at 1.48% Li<sub>2</sub>O in the Indicated category and 43.9 million tonnes at 1.45% Li<sub>2</sub>O in the Inferred category. The Company is in the process of demerging Goulamina into a new ASX listed entity, Leo Lithium.

The Morila Gold Mine is one of the world’s great open pit gold mines, having produced over 7.5Moz of gold since 2000 at grades that were among the highest in the world, earning it the moniker “Morila the Gorilla”. Firefinch acquired Morila for just US\$28.9m in late 2020 with the strategic intent to rapidly increase production; initially targeting 70-90kozpa of gold from a combination of satellite pits, stocks and tailings, and thereafter growing production to 150-200kozpa of gold by mining the Morila Superpit. Morila’s current Global Resource is 2.43 million ounces of gold (Measured: 1.73Mt at 0.5g/t gold for 0.03Moz, Indicated: 26.7Mt at 1.49g/t gold for 1.28Moz and Inferred: 22.1Mt at 1.58g/t gold for 1.12Moz). However, Morila’s geological limits have not been tested. Exploration is therefore a major focus at the existing deposits and multiple targets on the 685km<sup>2</sup> of surrounding tenure.

Firefinch is a responsible miner. We support positive social and economic change through contributing to the communities in which we operate. We seek to buy local, employ local and back local socio-economic initiatives, whilst operating in a manner that safeguards the environment and places our team’s safety and wellbeing as our first priority.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources at Goulamina and Morila and the production estimates for Goulamina. The Company also confirms that all material assumptions and parameters underpinning the Mineral Resource estimates and production estimates continue to apply and have not materially changed. Please refer to ASX Announcements of 8th July 2020 and 20th October 2020 (Goulamina), 8th February 2021 (Morila Resource), 7th September 2020 and 28th April 2021 (Morila Tailings), 24th November 2020, 3rd May 2021 and 10<sup>th</sup> August 2021 (N’Tiola, Viper, Domba, Koting, Morila Pit 5), and 5th May 2021, 6th July 2021 and 29th July 2021 (Morila Gold Production, Ore Reserves and Production Targets).