

## Exploration activities and COVID-19 update

- **Drill program planned to follow up high-priority gold targets at Crossroads and across the Kit Kat gold prospect area at the Forrestania Project, WA.**
- **Drilling will be initiated once permits are received and business conditions have normalised.**
- **Significant cost-cutting measures implemented across the Company in light of current challenging market conditions and the impact of the COVID-19 pandemic.**

Firefly Resources Ltd (**ASX: FFR; Firefly or the Company**) is pleased to provide an update on ongoing exploration activities at its 100%-owned **Forrestania Gold-Lithium Project** in Western Australia and to outline its response to the COVID-19 epidemic.

### Exploration Update – WA Projects

The Company completed two gold-focused Reverse Circulation (RC) drilling programs across three of its high-priority gold prospects in the latter part of 2019 (see ASX announcements released as MZN dated 28/10/19 and 04/12/19).

These programs delivered two new gold discoveries at the Gemcutter and Crossroads gold prospects, while also defining the lithological and structural setting of the Kit Kat gold prospect. The Company's first gold-focused drill program in the Kit Kat area represented a fundamentally important step in defining the path towards potential discovery opportunities just 3.5km along-strike from the 2km long Kat Gap gold trend being explored by Classic Minerals (ASX: CLZ) (see Figure 1).

The Company has progressed permitting for planned follow-up RC drilling of both the Crossroads gold discovery trend and the Kit Kat gold prospect target area and is currently awaiting a permit for clearance work for drill access from the WA Department of Mines Industry Resources and Safety (DMIRS).

In parallel with drill planning and permitting for the Forrestania Gold Project, Firefly has also been progressing Native Title discussions over its copper-gold tenement applications in the world-class Paterson Province of Western Australia.

The Paterson Copper-Gold Project contains some of the most exciting shallow high-grade copper-gold-molybdenum mineralisation seen in the area, with historical drilling at the Wanderer prospect revealing grades of up to 6.5% copper, 1.0g/t gold and 700ppm molybdenum less than 100m from surface (see ASX announcements released as MZN dated 05/01/18 and 12/02/19).

The Traditional Owners of the land on which the Paterson Copper-Gold prospect sits have been very helpful in negotiations with Firefly on the terms of a draft Native Title Agreement, and the Company is confident of being able to finalise an agreement in the near future.

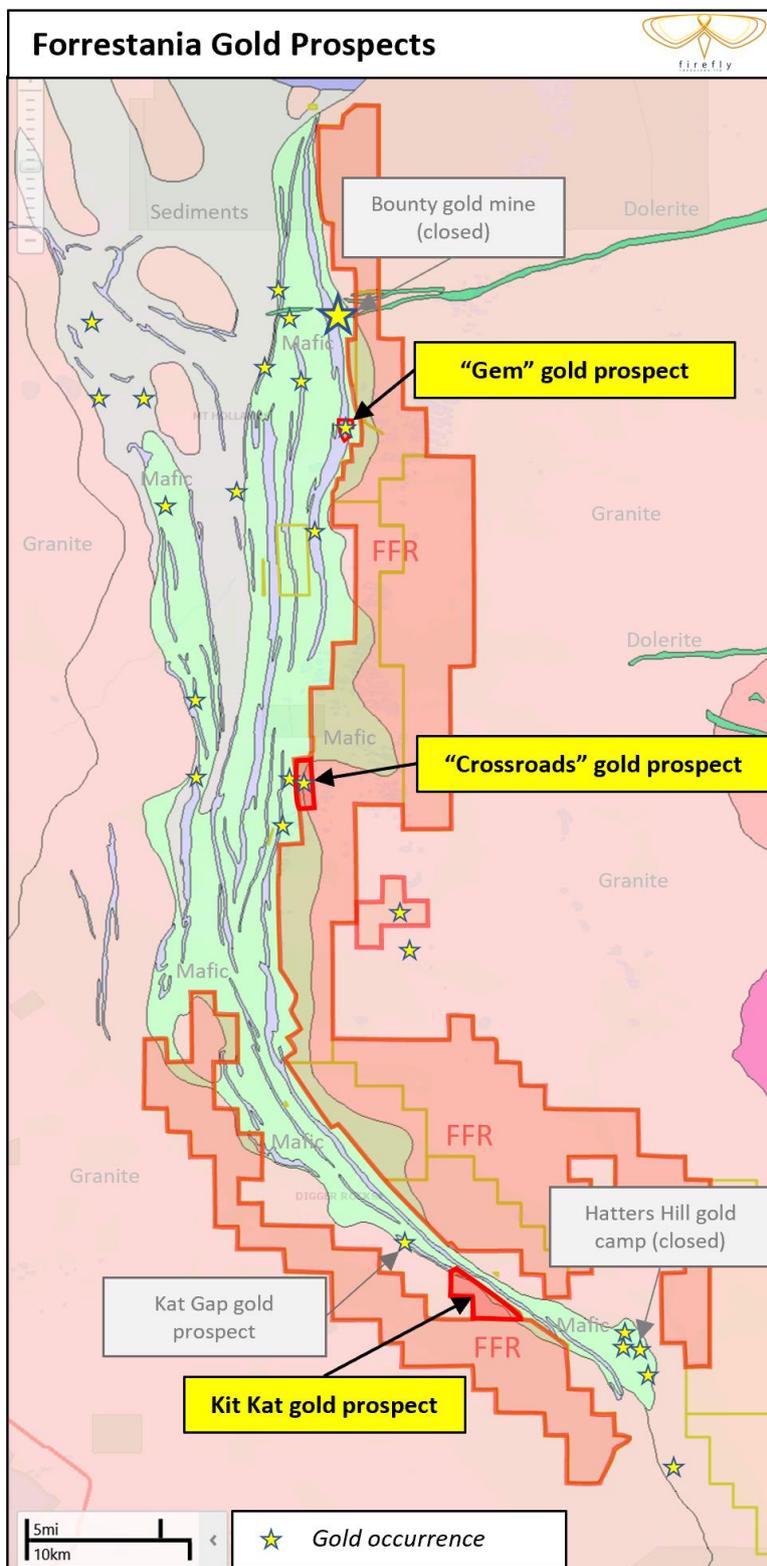


Figure 1. Forrestania Gold Prospects drilled during the September 2019 campaign.

The Company has also been evaluating a number of promising gold assets within the Forrestania region, as well as further afield. The Company's focus is on augmenting the greenfields gold prospectivity of Forrestania with a more advanced brownfields gold project in the future.

### **Coronavirus (COVID-19) Pandemic Update**

Firefly is proactively managing the impacts of the Coronavirus pandemic through the implementation of a number of measures aimed at ensuring the safety of its personnel and the public, as well as the conservation of funds, in light of current challenging market conditions.

Steps taken to restrict staff exposure include:

1. All staff are now working from home.
2. All management, administrative and accounts meetings are being conducted using teleconferencing.
3. All board meetings will be conducted using teleconferencing.

Steps taken to reduce expenditure include:

1. Further reductions in peripheral ground holdings at Forrestania to reduce tenement holding costs.
2. Recovery of funds through the sale of a work vehicle and additional surplus equipment.
3. Non-executive directors currently not receiving payments.
4. In-field exploration expenditure currently reduced to zero apart from permitting costs.

The measures implemented across the Company will ensure that all relevant activities can continue to allow Firefly to progress its current exploration and corporate activities with minimal impact to its staff and contractors and at the lowest possible cost. The Company will also draw on all available government assistance in Australia to support the business and welcomes the recently announced expenditure relief for explorers by the State government.

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