



ASX: FG1

ABN 82 644 122 216

CAPITAL STRUCTURE

Share Price: **A\$0.145**

Cash (30/9/22): **A\$3.8M**

Debt: **Nil**

Ordinary Shares: **96.1M**

Market Cap: **A\$13.9M**

Options: **3.4M**

Performance Rights: **4.2M**

BOARD OF DIRECTORS

Clive Duncan

Non-Executive Chair

Sam Garrett

Technical Director

John Forwood

Non-Executive Director

CHIEF EXECUTIVE OFFICER

Neil Marston

COMPANY SECRETARY

Mathew Watkins

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Flynn Gold to Raise up to \$6.1 million via Institutional Placement & Entitlement Offer

Highlights

- Up to \$6.1 million equity raising comprising a:
 - \$1.3 million institutional placement; and
 - 1 for 2 non-renounceable entitlement offer to raise up to \$4.8 million (before costs)
- Commitments received for a successful institutional placement raising approximately \$1.325 million
- Entitlement Offer has been partially underwritten to \$2.4m
- Proceeds of the equity raising will be applied to:
 - accelerate exploration and drilling at Trafalgar and elsewhere on the Company's Northeast Tasmania gold assets
 - early exploration on WA lithium-gold assets
 - M&A opportunities
 - general working capital
- Shares to be issued under the Placement and Entitlement Offer at \$0.10 per share.

Flynn Gold Limited ("**FG1**" or "**Flynn Gold**") (ASX: FG1) is pleased to announce that it is conducting a capital raising to raise up to approximately \$6.1 million by way of a \$1.3 million placement ("**Placement**") followed by a non-renounceable entitlement offer ("**Entitlement Offer**") which is to be partially underwritten by Henslow Pty Ltd to approximately \$2.4 million to raise up to a further \$4.8 million (collectively the "**Capital Raising**").

The Company advises that Henslow Pty Ltd (Lead Manager) has been appointed as Lead Manager to the Capital Raising and to partially underwrite the Entitlement Offer. Taylor Collison Limited will act as co-lead manager.

The Placement and Entitlement Offer will be undertaken at an issue price of \$0.10 (10 cents) per share. The issue price of \$0.10 cents per share represents a discount of 35.2% to the Company's 15-day VWAP of \$0.154 cents as of 12 December 2022. New shares issued under the Placement and Entitlement Offer will rank equally with the shares already on issue and the Company will apply to the ASX for quotation of the new shares.

Commenting on the raising, Neil Marston, CEO of Flynn Gold said: *"It is pleasing to note the strong support Flynn Gold has received as part of this offering. I thank investors who have participated in the Placement and the Lead Managers for their support, and we are pleased to provide all existing shareholders with the same opportunity. The funds raised will enable the Company to accelerate drilling and exploration activities at its Trafalgar discovery, where high-grade gold intersections have been recently announced, and to advance exploration on its WA lithium-gold assets."*

Placement

The Lead Manager has received binding commitments to raise approximately \$1.326 million capital through the issue of 13,262,487 new fully paid ordinary shares in the Company to new and existing sophisticated and professional investors under section 708 of the Corporations Act 2001 (Cth). The new shares will be issued as a single tranche at \$0.10 (10 cents) per new share using the Company's existing placement capacity under ASX Listing Rule 7.1. The Company will apply for quotation for the new shares (subject to the conditions of the ASX Listing Rules).

Entitlement Offer

The Company is also undertaking a 1 for 2 non-renounceable entitlement offer to raise up to \$4.8 million at the same issue price as the placement. The Entitlement Offer is partially underwritten by Henslow to \$2.4 million. The underwriting terms and conditions will be summarised in the offer booklet. Key terms are also referred to in the Appendix 3B lodged in conjunction with this announcement.

Mr Colin Bourke and/or his associated entities, being the Company's largest shareholder group, has agreed to sub-underwrite \$1.0 million of the underwritten amount under the Entitlement Offer in by committing to take up part of their entitlements. No fees, commissions or other consideration will be paid to Mr Bourke or his associates or other existing shareholders who sub-underwrite the Entitlement Offer.

Under the Entitlement Offer eligible shareholders will be given the opportunity to subscribe for one (1) new fully paid ordinary share for every two (2) existing fully paid ordinary shares held at the record date at an issue price of \$0.10 (10 cents) per share. Eligible shareholders who accept their entitlements in full may also apply for additional shares from the shortfall remaining after acceptances, if any.

The Entitlement Offer will result in the issue of up to approximately 48,041,624 shares to raise approximately up to approximately \$4.8 million (before costs).

The Entitlement Offer will be offered to all shareholders with registered addresses in Australia and New Zealand who hold shares as at 7.00pm (AEDT) on the record date being Thursday, 22 December 2022.

The Entitlement Offer is proposed to be made pursuant to an offer booklet in accordance with section 708AA of the Corporations Act which is proposed to be released to ASX separately and dispatched on or about 29 December 2022.

Eligible shareholders who apply for their Entitlement in full may apply for additional shares under the shortfall remaining after acceptances and the underwritten amount, if any. If eligible shareholders subscribe for more shares than are available under the shortfall, the Company will apply a scale-back procedure (which will be set out in full in the offer booklet for the Entitlement Offer) to ensure a fair allocation of the shortfall. The Company reserves the right, in consultation with Henlow, to seek to place the shortfall from the Entitlement Offer (after acceptance), if any at a price no lower than the offer price within three months of the closing date of the Entitlement Offer.

Use of Funds

The funds raised under the Placement and Entitlement Offer will be used to further exploration and drilling at Trafalgar and elsewhere on the Company's Northeast Tasmanian gold assets, early exploration on WA lithium-gold assets, M&A opportunities and general working capital.

The Company recently announced¹ high-grade gold mineralisation from the on-going drilling program at the Trafalgar discovery. Trafalgar is located within the Golden Ridge project where the Company is exploring a gold mineralised corridor extending over an 8km long granodiorite-metasediment contact zone.

Drilling has successfully intersected high-grade gold over an open strike length of 200m and to depths of up to 400m from surface (open), confirming a significant new gold discovery at Trafalgar. The gold-bearing vein zones at Trafalgar remain open along strike and at depth, and funds raised will be applied to accelerate infill and extensional drilling.

Placement and Entitlement Offer Timetable

The intended timetable for the Placement and Entitlement Offer ("NERO") is as follows:

Event	Date
Announcement of Placement and NREO	Prior to market open Thursday, 15 December 2022
Lodge ASX Appendix 3B for Placement and NREO	Prior to market open Thursday, 15 December 2022
Lodge s 708AA(2)(f) NREO and Offer Booklet	Prior to market open Monday, 19 December 2022
"Ex" date	Wednesday, 21 December 2022
Record date	Thursday, 22 December 2022
Placement Settlement Date	Thursday, 22 December 2022
Issue of shares under Placement	Friday, 23 December 2022
Despatch of Offer Documents	Thursday, 29 December 2022
NREO Opening Date	Thursday, 29 December 2022

¹ See FG1 ASX Announcement dated 12 December 2022 for full details

Last day to extend NREO Closing Date	Thursday, 12 January 2023
NREO Closing Date	5.00pm, Tuesday 17 January 2023
Shares quoted on deferred settlement basis	Wednesday, 18 January 2023
Announcement of results of NREO	Friday, 20 January 2023
Issue shares and lodge ASX Appendix 2A for NREO	Prior to 12.00pm Tuesday, 24 January 2023
Shares commence trading on a regular basis	Wednesday, 25 January 2023

**The above timetable is indicative only and subject to change. The quotation of new shares is subject to ASX approval. Subject to the ASX Listing Rules and Corporations Act and other applicable laws, the Company reserves the right to vary these dates, without notice. Any extension of the Entitlement Offer will have a consequential effect on the issue date of the new shares.*

Additional information

Further details of the capital raising are set out in the Investor Presentation to be provided to the ASX. The Investor Presentation contains important information, including key risks and offer restrictions.

Approved by the Board of Flynn Gold Limited.

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About Flynn Gold

Flynn Gold is an Australian mineral exploration company with a portfolio of exploration projects in Tasmania and WA. The Company has eight 100% owned tenements located in northeast Tasmania and has established a portfolio of gold-lithium exploration assets in the Pilbara and Yilgarn regions of Western Australia. The Company also has prospective tin projects within its northeast Tasmania gold project, as well as two zinc-silver tenements on Tasmania's mineral-rich west coast.

For further information regarding Flynn Gold please visit the ASX platform (ASX: FG1) or the Company's website www.flynngold.com.au.