



## QUARTERLY ACTIVITIES REPORT

### FOR THE PERIOD ENDED 30 June 2021

#### Highlights

- Diamond drilling commenced at FG1's flagship Golden Ridge IRGS Project, Tasmania
- Gravity survey completed at Golden Ridge,
- A third Tasmanian Government 'EDGI' drill grant awarded for the Trafalgar prospect at Golden Ridge
- Review of tin exploration potential commenced at Cameron Tin Project, Tasmania

#### Corporate

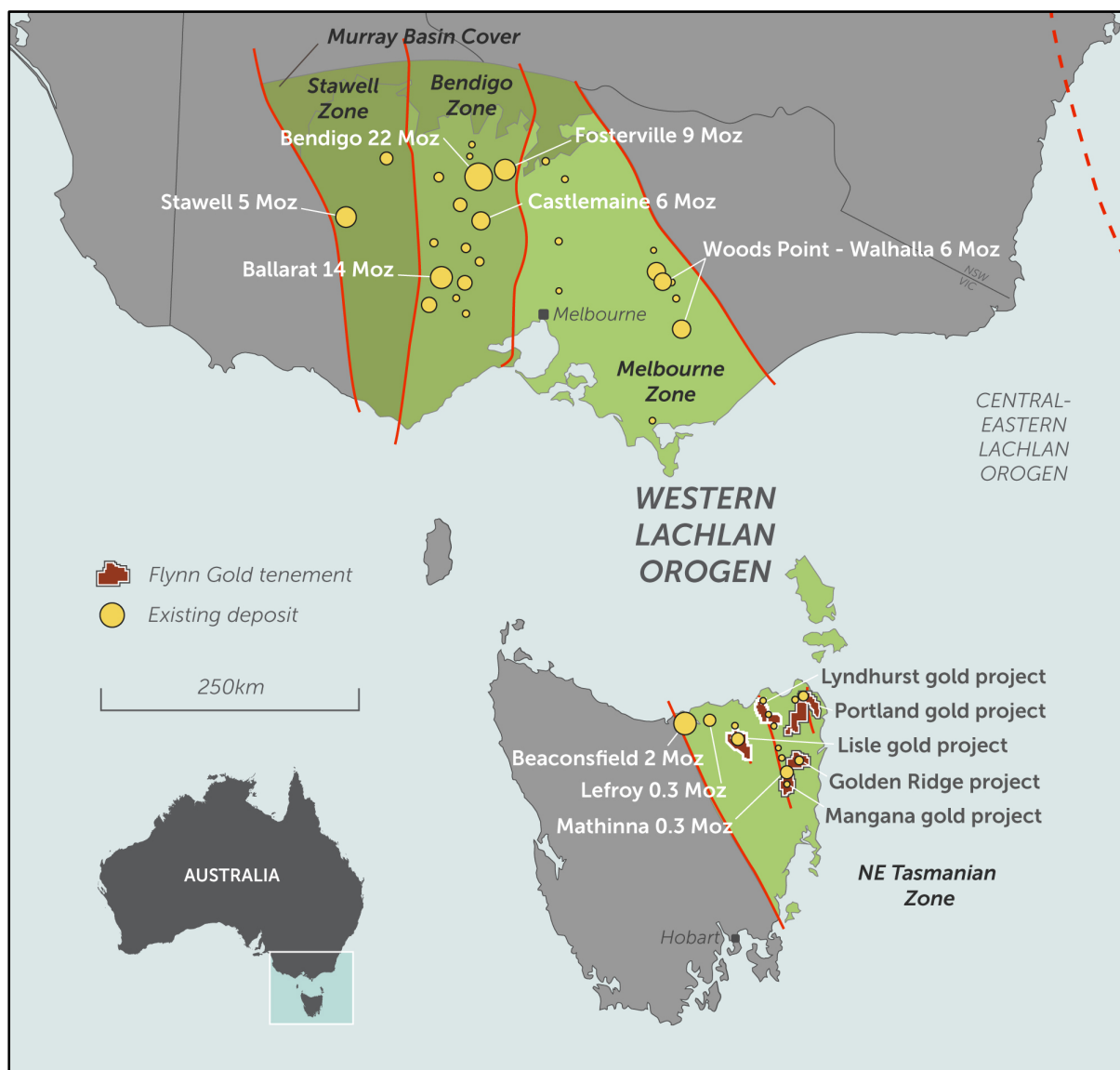
- Flynn Gold is an Australian-based mineral exploration company focused on two emerging gold camps - in northeast Tasmania and WA's Pilbara region
- Flynn Gold commenced trading on the ASX on 17 June 2021 with the code "FG1", following an oversubscribed Initial Public Offer (IPO) which successfully raised the maximum of \$10 million
- The Company is establishing its West Australian portfolio of gold exploration assets located in the Pilbara and Yilgarn regions.

Flynn Gold Limited (ASX: **FG1**, **Flynn** or **the Company**) is pleased to report on its activities for the quarter ending 30 June 2021.

On 17 June 2021, Flynn Gold commenced trading on the Australian Securities Exchange (**ASX**) following completion of an oversubscribed IPO, which raised the maximum amount of \$10 million through the issue of 50,000,000 shares at an issue price of \$0.20 per share.

**ASX: FG1**

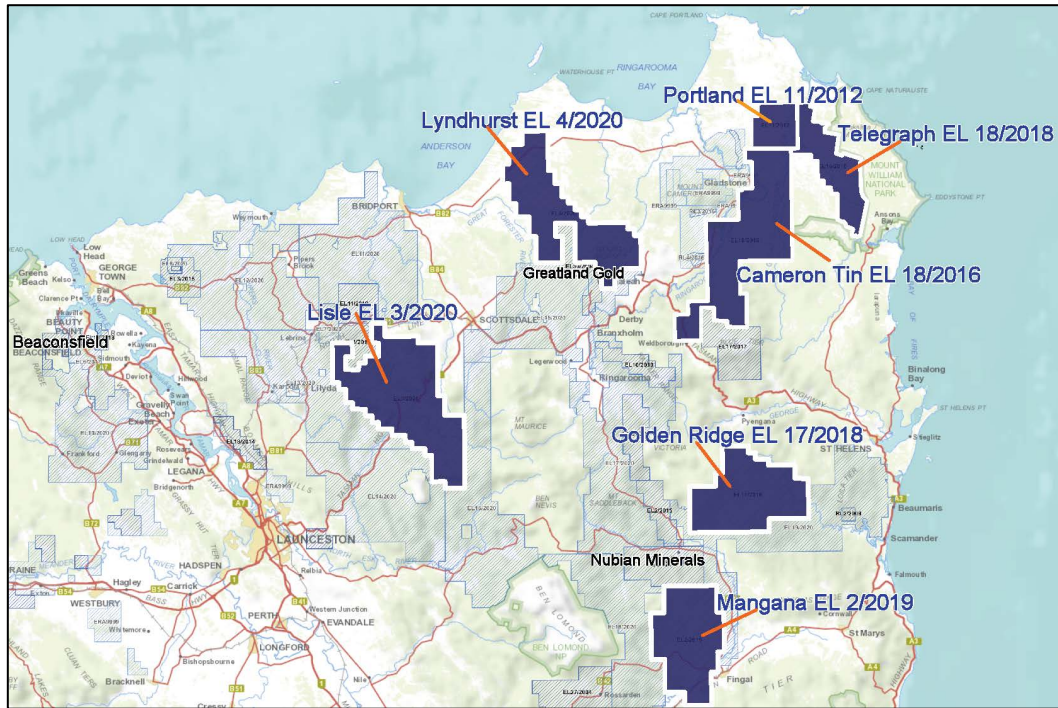
Flynn Gold is an Australian mineral exploration company with a portfolio of exploration projects in Tasmania and WA. The Company has seven 100% owned projects located in northeast Tasmania and is establishing a portfolio of gold exploration assets in the Pilbara and Yilgarn regions of Western Australia. 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.



**Figure 1.** North East Tasmania FG1 tenements showing known gold deposits and interpreted relationship to the Victorian Goldfields.

Funds raised from the IPO are being used to undertake a focused exploration program including substantial drilling of the Company's key project in northeast Tasmania (Golden Ridge), and for further sampling, geophysics and other surveys over the remainder of the portfolio.





**Figure 2: Location of Flynn Gold tenements in northeast Tasmania**

## Exploration Progress for the June 2021 Quarter

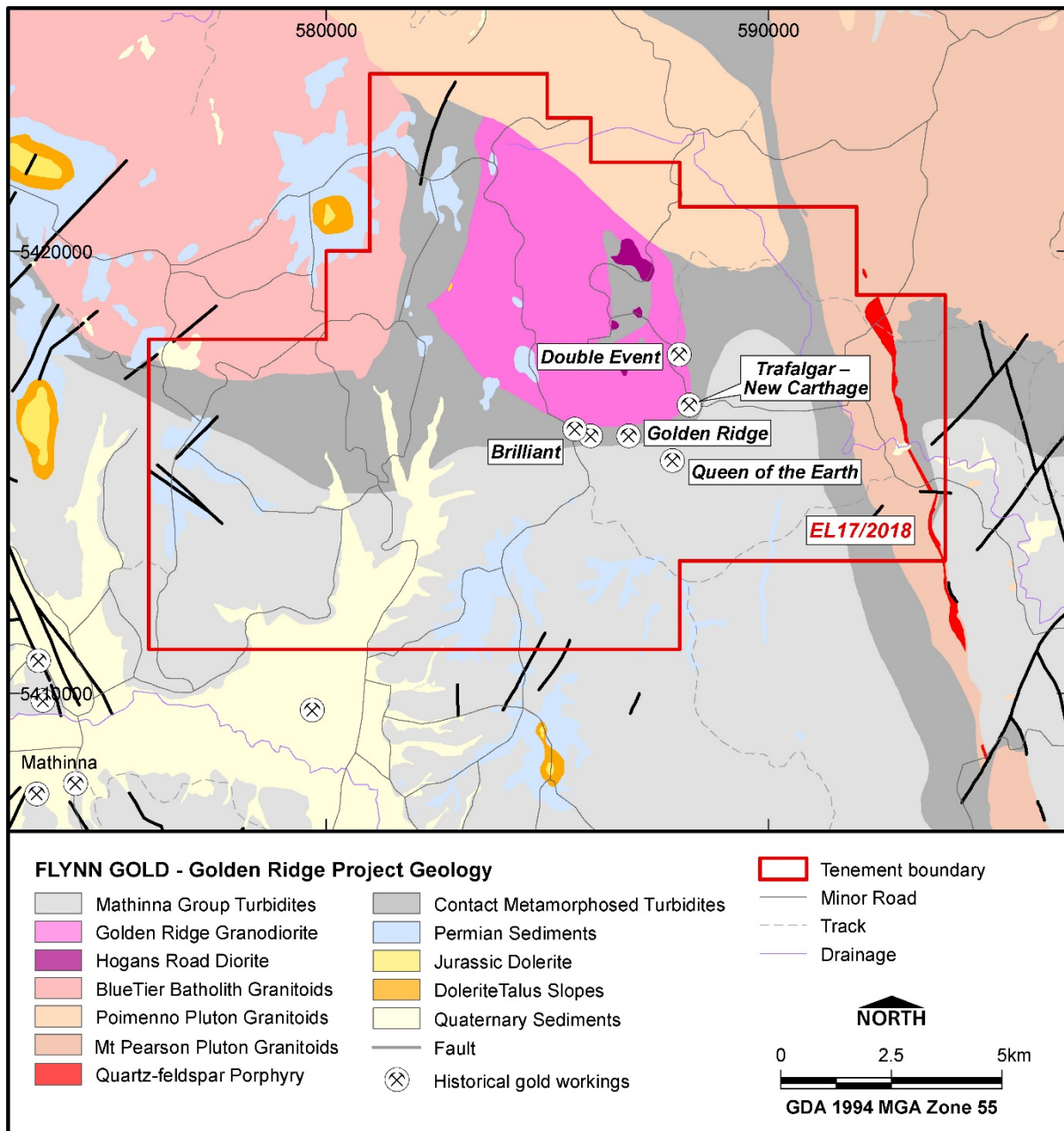
### Diamond Drilling Commenced at Brilliant Prospect (Golden Ridge)

The Company's immediate exploration focus is the Golden Ridge project where it is targeting potential Intrusive Related Gold System (**IRGS**) style mineralisation. The Golden Ridge Project is located 75 km east of Launceston in northeast Tasmania, under a single exploration licence, EL17/2018.

Gold mineralisation in the project area is hosted by quartz-sulphide veining developed within granodiorite (Trafalgar, Double Event prospects) and the enclosing hornfelsed turbiditic sediments (Brilliant, Golden Ridge, Queen of the Earth prospects). The gold is commonly associated with sulphides including arsenopyrite and lesser pyrite, with visible gold also occurring.

Since acquiring Golden Ridge in 2019, the Flynn Gold team has undertaken extensive data review and reconnaissance mapping and sampling programs over the tenement. Positive results from surface rock chip sampling have indicated that the gold mineralisation system at Golden Ridge is significantly more extensive than previously recognised and the Company has defined a number of prospects over an 8km long zone, which it plans to test (Figure 3).

Diamond drilling commenced in late April at the Brilliant prospect at Golden Ridge. The initial program is planned to comprise at least 4,100m.



**Figure 3: Golden Ridge geology and main prospects**

Historical trenching and drilling at the Brilliant prospect by Billiton Australia and MPI Gold Pty Ltd intersected gold mineralisation associated with sheeted quartz-sulphide veins over a zone up to 40m wide and to depths of over 200m but only tested a limited strike length of 100 - 150m. Significant mineralised intervals (0.3g/t Au cut-off) from the previous trenching and drilling at Brilliant include<sup>1</sup>:

- 34.5m at 1.30 g/t Au (Costean 3)
- 73m at 1.76 g/t Au from 107m (GRD003)

<sup>1</sup> FG1 Prospectus dated 30 March 2021 located on pages 34, 35, & 130, and significant Intercepts table in Appendices A-D In accordance with ASX Listing Rule 5.23.2 the Company confirms that it is not aware of any new information or data that materially affects the information included within the Prospectus dated 30 March 2021.

- 95m at 0.95g/t Au from 126m, and 4m at 20.04g/t Au from 236m (GRD006)
- 49m at 1.20 g/t Au from 68m (GRD002)
- 41m at 1.25g/t Au from 295m (GRD009)
- 31m at 1.52g/t Au from 200m, including 5m at 7.54 g/t Au from 201m (GRD010)
- 11m at 2.66 g/t Au from 22m (RCGR3)

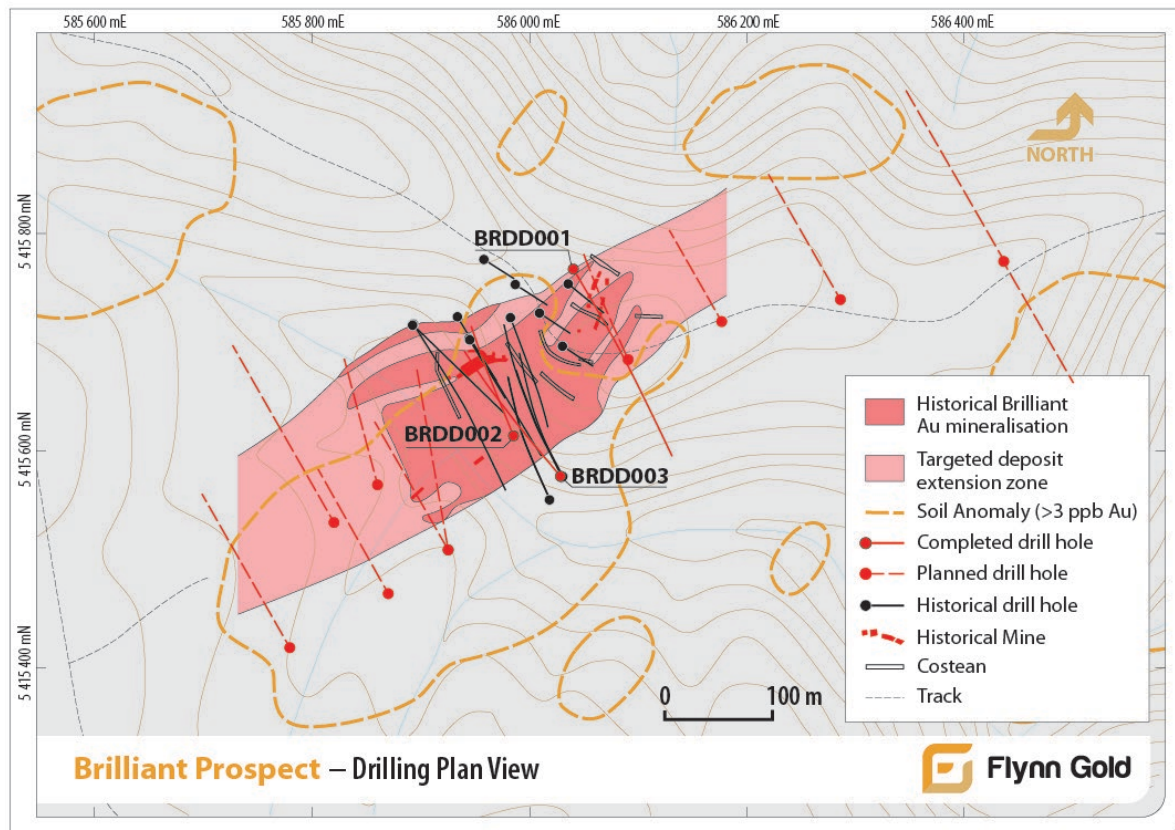
The Brilliant drilling program comprises both infill and step-out drill holes designed to confirm historical gold grades, test continuity of mineralisation, and test for along-strike extensions to known mineralisation. The first phase of the planned drilling at Brilliant is expected to comprise 16 drill holes totalling approximately 4,100m of diamond drilling (Figure 4).

Drilling to the end of June 2021 has been completed on two drill holes (BRDD-001 and 002) with drill hole BRDD-003 in progress. Details of the drilling are summarised in Table 1 below:

Hole ID	Azimuth	Dip	EOH Depth (m)	Samples Submitted
BRDD001	150	(62)	378.6	149
BRDD002	336	(58)	195.8	168
BRDD003	315	(65)	underway	-

**Table 1: Golden Ridge Diamond drilling completed in Q2 2021**

Core logging, processing and sampling is in progress with first assay results anticipated in coming weeks subject to completion of the logging and sampling, and the workloads at the assay laboratories.

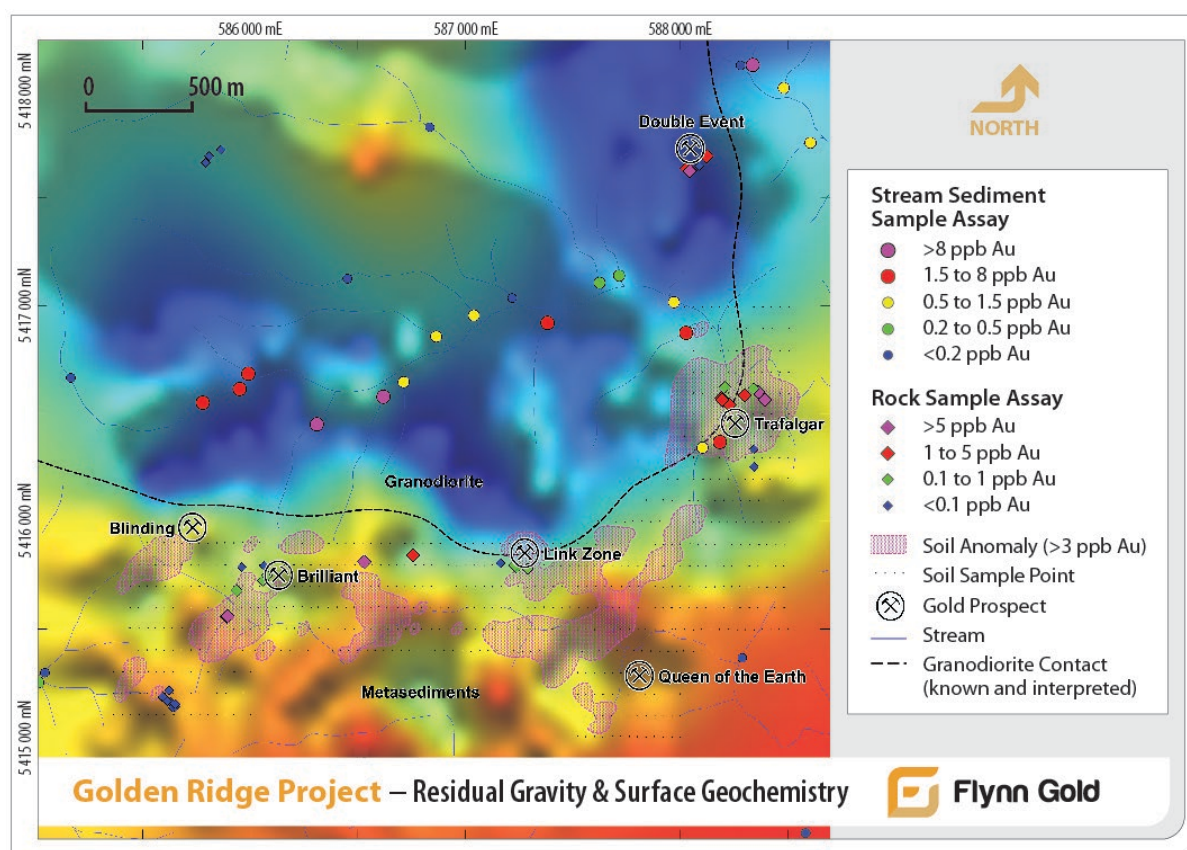


**Figure 4: Golden Ridge drillhole plan**



## Gravity Survey Completed at Golden Ridge

A detailed gravity survey over the Golden Ridge project grid was completed by Fender Geophysics to infill existing open-source regional gravity coverage and assist in the interpretation of the granodiorite-hornfels contact which is typically obscured by deep soil-scrub and vegetation cover. Granitic intrusive bodies characteristically have a lower gravity signature than the surrounding sediments, thus making the technique effective in mapping contact margins. A total of 341 gravity station readings were collected (Figure 5). The Company anticipates that the detailed gravity data, which is currently being processed and modelled, will provide improved mapping of the highly prospective intrusive-hornfels contact zone underlying Golden Ridge.



**Figure 5:** Preliminary bouguer gravity image for the Golden Ridge project showing interpreted granodiorite – Mathinna Beds contact with soil anomalies and surface sampling

## Tasmanian Government Drilling Grant, Trafalgar Prospect

The Company's application for a co-funded drilling program at the Trafalgar prospect, Golden Ridge with Mineral Resources Tasmania was successful. Flynn Gold was offered an Exploration Drilling Grant Initiative (**EDGI**) Program Grant to the value of up to \$50,000, for a proposed 600m diamond drill hole at the prospect.

The drillhole is planned to intersect the granodiorite-sediment contact below the only other previous diamond drillhole at the prospect. That historic hole (TFD001), which did not reach the sediment contact, intersected quartz veining in altered granodiorite, with a zone containing visible gold which assayed 5.0 m @ 12.56 g/t Au from 202 m, and a lower interval closer to the granite-hornfels contact of 6.0 m @ 1.68 g/t Au from 217.0m<sup>2</sup>. Unsourced portions of the altered granodiorite above the known gold mineralisation in TFD001 have since been sampled by Flynn Gold and submitted for assay with the aim of determining if the intrusive contains low level gold mineralisation over broader intervals. Assay results are anticipated in coming weeks.

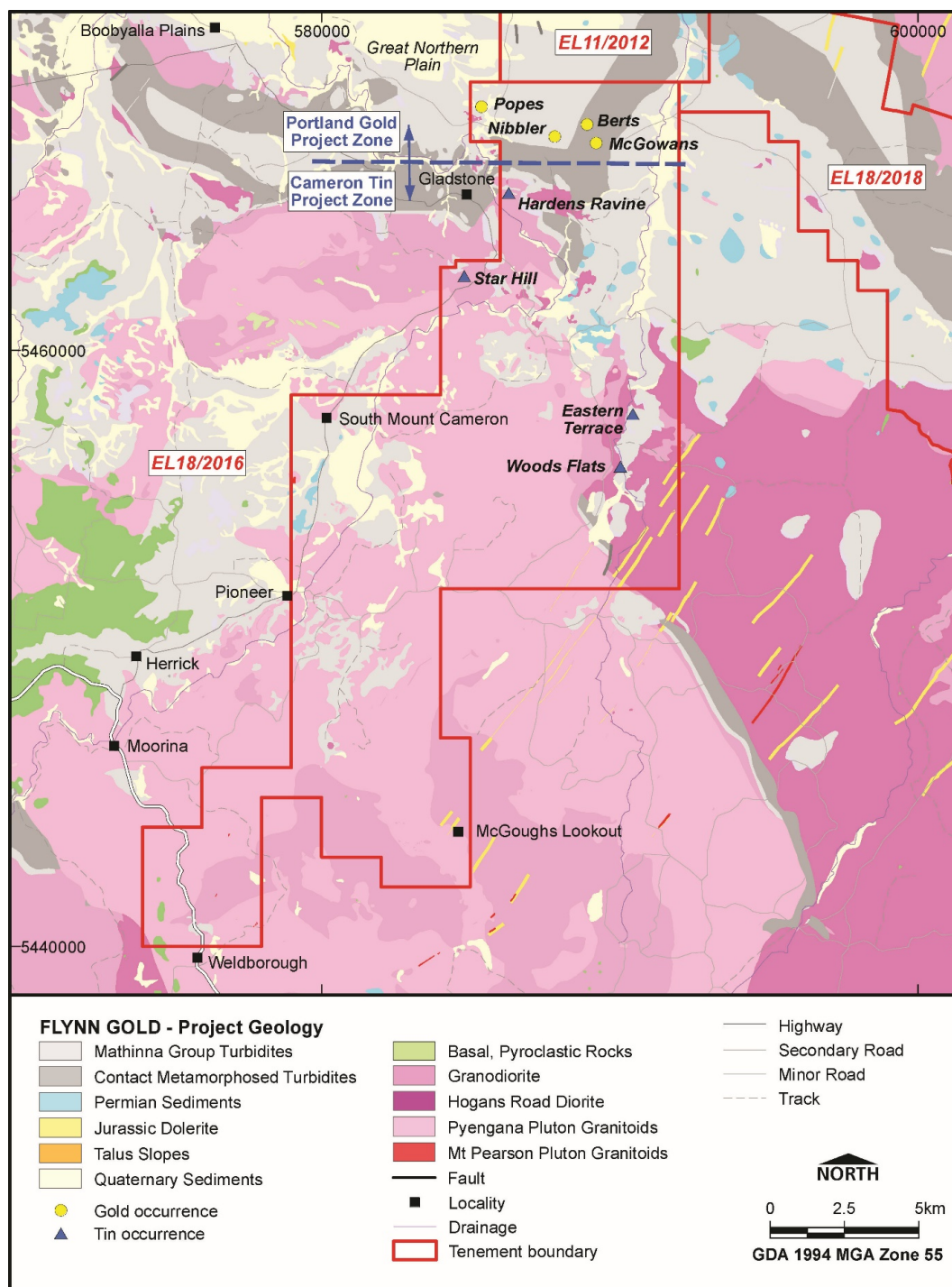
## **Review of Tin Exploration Potential at Cameron Tin Project Commenced**

The Gladstone area in northeast Tasmania was subject to historical alluvial tin mining from the late 1800s, and by the mid-1900s over 40,000 tonnes of alluvial tin concentrates had been produced. Flynn Gold holds the Cameron Tin project (EL 18/2016) in this area which also incorporates the southern extension of the Portland orogenic gold system (EL 11/2012). Tin mineralisation is associated with late Devonian granites which intrude the Mathinna Supergroup, the host to gold mineralisation (Figure 6).

Flynn Gold has commenced a review of the tin exploration potential within its Cameron Tin Project which has seen historical tin exploration and mining. Flynn Gold's predecessor completed limited tin exploration in the area, including reconnaissance sampling at Star Hill and soil surveys at Hardens Ravine which returned encouraging results with sheeted quartz-tin-tungsten veining identified at Star Hill and tin-tungsten bearing greisen mineralisation at Hardens Ravine. Follow up reconnaissance mapping and sampling was recently commenced by Flynn Gold with initial assays anticipated to be received in the coming quarter.

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<sup>2</sup> FG1 Prospectus dated 30 March 2021 located on pages 36 and 134-135, and Appendices A-D In accordance with ASX Listing Rule 5.23.2 the Company confirms that it is not aware of any new information or data that materially affects the information included within the Prospectus dated 30 March 2021



**Figure 6: Cameron Tin project (EL 18/2016) with regional geology**



## Corporate Activities

### Initial Public Offering Completion

On 17 June 2021 the Company commenced trading on the Australian Securities Exchange (“ASX”) following completion of an oversubscribed IPO which raised the maximum amount of \$10 million through the issue of 50,000,000 shares at an issue price of \$0.20 per share. The Board of Directors which to extend their appreciation to new and existing shareholders who participated in the IPO and look forward to growing the Company for the benefit of all shareholders.

### Payments to related parties of the entity and their associates

In the June 2021 Appendix 5B, the figure of \$71k as disclosed in section 6.1 and 6.2 relates to salaries and fees (including superannuation) paid to directors and their associates during the quarter.

### Summary of expenditure

The Company’s major cashflow movements for the quarter included:

- Exploration & Evaluation expenditure - \$346k;
- Employee, administration and corporate costs - \$519k;
- Proceeds from grants - \$110k;
- Proceeds from IPO - \$10m; and
- Transaction costs relating to IPO - \$551k.

Approved by the Board of Flynn Gold Limited.

### For more information:

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## Interests in Mining Tenements

Flynn Gold holds a granted beneficial interest in the following tenements:

Mining Tenement	Location	Beneficial Percentage held	License Description/Notes	Interest acquired/farm-in or disposed/farm-out during the quarter
EL11/2012	Tas	100%	Portland Gold	-
EL18/2018	Tas	100%	Portland Gold	-
EL18/2016	Tas	100%	Portland Gold	-
EL17/2018	Tas	100%	Golden Ridge	-
EL02/2019	Tas	100%	Mangana Gold	-
EL3/2020	Tas	100%	Lisle Gold	-
EL4/2020	Tas	100%	Lyndhurst Gold	-
EL6/2015	Tas	100%	Henty Zinc-Silver	-
EL3/2018	Tas	100%	Henty Zinc-Silver	-
E47/3888	WA	100%	Mt Dove Gold	-

## Use of Funds Statement

The current quarter is covered by a use of funds statement outlined in the Prospectus dated 30 March 2021. A summary of expenditure to date is outlined below:

Items of Expenditure	Per Prospectus (\$k)	Actual Expenditure to 30 June 2021 (\$k)	Balance Remaining (\$k)
<i>Exploration Expenditure</i>			
Tasmanian Gold Projects	5,517	143	5,374
Henty Zinc-Silver Project	489	8	481
Pilbara Gold Projects	1,198	8	1,190
Project Generation	348	8	340
<b>Sub-total Exploration</b>	<b>7,552</b>	<b>167</b>	<b>7,385</b>
Listing Expenses	867	595	272
General, Administrative & Working Capital	1,608	64	1,544
Deferred consideration for Kingfisher acquisition	291	-	291
<b>Total Expenditure</b>	<b>10,318</b>	<b>826</b>	<b>9,492</b>

### ***Competent Person Statement***

The information in this ASX Announcement that relates to Exploration Results is based on information compiled by Mr Sean Westbrook, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Westbrook is a consultant to Flynn Gold, and is a shareholder in Flynn Gold. Mr Westbrook has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Westbrook consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### ***JORC Reporting of Historic Exploration Results***

Full location data on the Brilliant and Trafalgar prospect historical drill holes as well as details of Flynn Gold's previous exploration activities and results, and JORC Tables 1 and 2 (Sampling Techniques and Data, and Reporting of Exploration Results) according to the JORC Code 2012 Edition were included in the Company's Prospectus dated 30 March 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included within the Prospectus dated 30 March 2021.



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Flynn Gold Limited

ABN

82 644 122 216

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(346)	(842)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(134)	(293)
	(e) administration and corporate costs	(385)	(627)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	110	110
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(755)</b>	<b>(1,652)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(10)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	(6)	(73)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(6)</b>	<b>(83)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,000	10,000
3.2	Proceeds from issue of convertible debt securities	-	2,000
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(551)	(572)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(352)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>9,449</b>	<b>11,076</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	653	-
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(755)	(1,652)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(83)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,449	11,076

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>9,341</b>	<b>9,341</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	9,341	653
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>9,341</b>	<b>653</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	71
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		



<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(755)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	-
8.4 Cash and cash equivalents at quarter end (item 4.6)	9,341
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	9,341
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>12.37</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2021

Authorised by: The Board.

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash*

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**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

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*Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.