

Flynn Gold Limited

ABN 82 644 122 216

Half Year Financial Report 31 December 2023



Table of Contents

Corporate Directory	3
Directors' Report	4
Auditor's Independence Declaration	8
Condensed Consolidated Statement of Loss and Other Comprehensive Income	9
Condensed Consolidated Statement of Financial Position	10
Condensed Consolidated Statement of Changes in Equity	11
Condensed Consolidated Statement of Cash Flows	12
Notes to the Condensed Consolidated Financial Statements	13
Directors' Declaration	19
Independent Auditor's Review Report	20



Corporate Directory

Flynn Gold Limited

ABN 82 644 122 216

Directors

Clive Duncan, Non-Executive Chairperson Neil Marston, Managing Director & CEO Samuel Garrett, Technical Director John Forwood, Non-Executive Director

Company Secretary

Mathew Watkins

Registered Office

Level 4 96-100 Albert Road South Melbourne VIC 3205

Share Register

Computershare Investor Services Pty. Ltd. Yarra Falls 452 Johnston Street Abbotsford Victoria 3067 Telephone: 1300 850 505

Auditors

William Buck Level 20, 181 William Street Melbourne, VIC 3000

Stock Exchange Listing

Australian Securities Exchange ASX code: FG1

Corporate Governance Statement

Corporate governance statements are available on the Company's website.

Contact

W: www.flynngold.com.au
E: info@flynngold.com.au
T: +61 3 9692 7222



The Directors present their report on the consolidated entity consisting of Flynn Gold Limited (the 'Company') and the entities it controlled (the 'Group') at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were directors of Flynn Gold Limited during the whole of the half-year and up to the date of this report:

Mr Clive Duncan (Non-Executive Chairperson)

Mr Neil Marston (Managing Director & CEO)

Mr Samuel Garrett (Technical Director)

Mr John Forwood (Non-Executive Director)

Principal activities

The principal activities of the Group during the half year were mineral exploration in Tasmania and Western Australia.

Review of operations

Exploration – Tasmania

Throughout the first half of the year, Flynn's exploration efforts in Tasmania were primarily focused on the Golden Ridge, Warrentinna, and Firetower projects. In August 2023, the Company completed Phase 2 of the diamond drilling program at the Trafalgar prospect, focusing on testing the extent and continuity of the gold vein system. Geological modelling aimed at identifying high-priority targets for the next drilling phase is well advanced.

The Company completed two diamond drill holes at its Warrentinna Project during the period, which confirmed the continuity of orogenic-style gold mineralisation in multiple sub-parallel lode-style quartz veins.

At the Firetower Project in Northwest Tasmania, ongoing review and targeting work revealed coherent zones of high-grade polymetallic gold, cobalt, tungsten, and copper mineralization. Historical drill holes were re-logged and re-sampled, with one new diamond drill hole and three diamond extension tails completed during the period, totalling 496m.

Exploration - Western Australia

During the period, results from its 2023 in-fill soil sampling program at Mt Dove were received and announced. The results identified seven significant lithium anomalies with associated pathfinder geochemistry and eleven less prominent anomalies. The high-priority anomalies exhibit significant surface expression, ranging from 600m to 3,100m in length and 200m to 1,000m in width.



Additionally, Flynn initiated on-ground exploration activities at the Lake Johnston Project, located 7km southeast of the recent lithium pegmatite discovery at the Burmeister Project announced by TG Metals Limited (ASX:TG6). The Company deployed a sampling team to conduct mapping and orientation soil sampling at Lake Johnston before embarking on a more extensive soil sampling program to pinpoint drill testing targets.

Corporate

In December 2023, Flynn Gold secured an option to acquire the Parker Dome project in Western Australia, comprising two exploration licences situated in the Forrestania-Southern Cross greenstone belt. The project is strategically positioned, located 50km north of the Mount Holland Lithium project and 20km north-east of Zenith Minerals Limited's (ASX: ZNC) Rio lithium deposit.

On 11 December 2023, the Company announced a capital raising to raise up to approximately \$2.4 million via Placement and a non-underwritten Share Purchase Plan (SPP). The Tranche 1 Placement raised \$560,500 (gross) through the issue of approximately 9.3 million new fully paid ordinary shares in the Company at \$0.06 per share to new and existing sophisticated and professional investors. The Tranche 2 Placement and non-underwritten SPP closed subsequent to the end of the reporting period, raising an additional \$990,500 (gross) and \$114,500 (gross) respectively. See events occurring after the balance sheet date for more details.

Financial Review

The Group's consolidated net loss for the half year ended 31 December 2023 after providing for income tax amounted to \$2,745,523 (2022: \$2,963,522).

The loss for the period is primarily driven by:

- Exploration and evaluation expenditure of \$2,014,643 (2022: \$2,008,520)
- Employee benefits expenses of \$445,707 (2022: \$606,502)
- Corporate and administrative expenses of \$335,533 (2022: \$362,588), offset by
- Interest income of \$50,360 (2022: \$14,088)

Cash and cash equivalents at 31 December 2023 was \$1,564,496 (30 June 2023: \$3,759,611).

The Group held net assets of \$1,199,838 as at 31 December 2023 (30 June 2023: \$3,437,450) with working capital of \$956,295 (30 June 2023: \$3,185,450).

Refer to the preceding "Review of Operations" section for further details on the operations of the company.



Significant Changes in the State of Affairs

On 28 July 2023, the Company issued 486,850 fully paid ordinary shares in relation to the exercise of Vested Performance Rights, in accordance with the terms of the Company's Equity Incentive Plan.

On 11 December 2023, the Company announced that it had secured an option to acquire two exploration licences at Parker Dome in Western Australia with the following key terms:

- Option period 12 months from 8 December 2023;
- Option fee \$25,000, paid in cash;
- Consideration on exercise of option \$500,000 of which 60% settled as cash and 40% via the issue of FG1 shares, at the Company's election (based on a 10-day volume weighted share price and subject to shareholder approval).
- Deferred Consideration:
 - \$500,000 payable upon the announcement of a JORC Mineral Resource Estimate equivalent to at least 500,000oz Au or 10Mt at 1.0% Li₂O, as applicable, and
 - o 1% Net Smelter Royalty on all production from the project.

On 11 December 2023, the Company announced a capital raising to raise up to approximately \$2.4 million via Placement and a non-underwritten Share Purchase Plan (SPP):

- On 11 December 2023, the Company completed a Tranche 1 Placement raising \$560,500 (gross) through the issue of approximately 9.3m new fully paid ordinary shares in the Company at \$0.06 per share to new and existing sophisticated and professional investors.
- The non-underwritten SPP closed on 30 January 2024, raising \$114,500 (gross). See events occurring after the balance sheet date for more details.
- On 2 February 2024, the Company announced the completion of a Tranche 2 placement of \$990,500 (gross) to Directors and existing major shareholders, shareholder approval was received on 23 January 2024. See events occurring after the balance sheet date for more details.



Events occurring after the balance sheet date

On 2 February 2024, following the closure of the non-underwritten SPP, the Company issued 1,908,322 new ordinary shares at \$0.06 (6 cents per share) and raised \$114,500 (gross).

On 2 February 2024, the Company announced funds totalling \$990,500 (gross) were received for the Tranche 2 placement resulting in an issue of 16,508,335 Shares to Directors and Related Parties at an issue price of \$0.06 per share (6 cents per share), as approved at the Extraordinary General Meeting held on 23 January 2024.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Dividends

No dividends have been paid or declared by the Company for the current financial period. No dividends were paid for the previous financial period.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

Rounding of amounts

The Company is a type of Company that is referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest dollar.

This report is made in accordance with a resolution of directors.

Clive Duncan

Non-Executive Chairperson

Melbourne

13 March 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Flynn Gold Limited

As lead auditor for the review of Flynn Gold Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Flynn Gold Limited and the entities it controlled during the period.

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

J. C. Luckins
Director

Melbourne, 13 March 2024

Level 20, 181 William Street, Melbourne VIC 3000

+61 3 9824 8555

vic.info@williambuck.com williambuck.com.au





Condensed Consolidated Statement of Loss & Other Comprehensive Income For the half year ended 31 December 2023

	Notes	31 Dec 2023 \$	31 Dec 2022 \$
Income			
Interest income		50,360	14,088
Expenses			
Exploration and evaluation expenditure	6	(2,014,643)	(2,008,520)
Employee benefits		(445,707)	(606,502)
Compliance and listing		(37,320)	(36,215)
Consultants & Contractors		(166,173)	(179,110)
General and administrative		(107,312)	(130,765)
Depreciation		(23,643)	(15,678)
Finance costs		(1,085)	(820)
Loss before income tax expense		(2,745,523)	(2,963,522)
Income tax expense		-	-
Loss after income tax for the year attributable to equity holders of the Company		(2,745,523)	(2,963,522)
Other comprehensive income for the year, net of tax		-	-
Loss after income tax for the year attributable to equity holders of the Company		(2,745,523)	(2,963,522)
Loss per share attributable to equity holders of the Company:			
Basic and diluted loss per share (cents per share)	11	(2.00)	(3.09)

The above Condensed Consolidated Statement of Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.



Condensed Consolidated Statement of Financial Position As at 31 December 2023

	Notes	31 Dec 2023 \$	30 Jun 2023 \$
Assets		Ψ	· ·
Current assets			
Cash and cash equivalents	7	1,564,496	3,759,611
Goods and services tax receivable		103,540	95,311
Prepayments		126,558	86,282
Total current assets		1,794,594	3,941,204
Non-current assets			
Security deposits		155,320	138,620
Plant and equipment		59,305	66,567
Right of Use assets		36,838	51,357
Total non-current assets		251,463	256,544
Total assets		2,046,057	4,197,748
Liabilities			
Current liabilities			
Trade and other payables	8	742,603	664,129
Lease liabilities		15,074	41,337
Employee benefits		80,622	50,288
Total current liabilities		838,299	755,754
Non-current liabilities			
Employee benefits		7,920	4,544
Total non-current liabilities		7,920	4,544
Total liabilities		846,219	760,298
Net assets		1,199,838	3,437,450
Equity			
Issued capital	9	17,319,454	16,754,455
Reserves		729,641	786,729
Accumulated losses		(16,849,257)	(14,103,734)
Total equity		1,199,838	3,437,450

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.



Condensed Consolidated Statement of Changes in EquityFor the half year ended 31 December 2023

	Notes	Issued Capital	Share based payment reserve	Accumulated losses	Total equity
Balance at 1 July 2022		12,952,779	497,964	(8,545,987)	4,904,756
Loss after income tax expense for the half year		-	-	(2,963,522)	(2,963,522)
Other comprehensive income for the half year, net of tax		-	-	-	-
Total comprehensive loss for the half year		-	-	(2,963,522)	(2,963,522)
Transactions with owners in their capacity as owners					
Shares issued for the acquisition of tenement rights		100,000	-	-	100,000
Shares issued for placement, net of transaction costs		1,228,807	-	-	1,228,807
Vesting of share based payments	10		249,480	-	249,480
Balance at 31 December 2022		14,281,586	747,444	(11,509,509)	3,519,521
Balance at 1 July 2023		16,754,455	786,729	(14,103,734)	3,437,450
Loss after income tax expense for the year		-	-	(2,745,523)	(2,745,523)
Other comprehensive income for the year, net of tax			-	-	-
Total comprehensive loss for the year		-	-	(2,745,523)	(2,745,523)
Transactions with owners in their capacity as owners					
Shares issued for placement, net of transaction costs	9	497,819	-	-	497,819
Exercise of performance rights	9	67,180	(67,180)		
Vesting of share based payments	10		10,092	-	10,092
Balance at 31 December 2023		17,319,454	729,641	(16,849,257)	1,199,838

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.



Condensed Consolidated Statement of Cash FlowsFor the half year ended 31 December 2023

	Notes	31 Dec 2023 \$	31 Dec 2022 \$
Operating activities			
Loss after income tax expense for the year		(2,745,523)	(2,963,522)
Adjustments for:			
Depreciation expense		23,643	15,678
Share based payments	10	10,092	249,480
Option fee settled via share issue to Greatland Gold Plc		-	100,000
Change in operating assets and liabilities:			
Decrease/(increase) in GST receivables		(8,229)	(15,873)
Decrease/(increase) in prepayments		(40,276)	(1,131)
Increase/(decrease) in trade and other payables		78,474	(188,091)
Increase/(decrease) in employee benefits		33,710	37,488
Net cash flows used in operating activities		(2,648,109)	(2,765,971)
Investing activities			
Payments for plant and equipment		(1,862)	-
Payments for security deposits		(16,700)	(5,600)
Net cash used in investing activities		(18,562)	(5,600)
Financing activities			
Proceeds from issue of shares from placement, net			
of transaction costs	9	497,819	1,228,807
Repayment of lease liabilities		(26,263)	(13,345)
Net cash from financing activities		471,556	1,215,462
Net decrease in cash and cash equivalents		(2,195,115)	(1,556,109)
Cash and cash equivalents, beginning of year		3,759,611	5,356,721
Cash and cash equivalents, end of the half year	7	1,564,496	3,800,612

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



1. General Information

These financial statements are consolidated financial statements for the group consisting of Flynn Gold Limited (the 'Company') and its subsidiaries. The financial statements are presented in the Australian currency which is the Company's functional and presentation currency.

Flynn Gold Limited is a public company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

Flynn Gold Limited Level 4 96-100 Albert Road South Melbourne VIC 3205

The financial statements were authorised for issue, in accordance with a resolution of directors, on 13 March 2024.

2. Material accounting policy information

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2023 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

The half year report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Flynn Gold Limited during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

3. Adoption of new and revised Australian Accounting Standards

A number of amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.



4. Going concern

The Group has incurred net losses after tax of \$2,745,523 (31 December 2022: \$2,963,522) and net cash outflows from operations of \$2,648,109 (31 December 2022: \$2,765,971). The Group's cash balance as at 31 December 2023 was \$1,564,496 (30 June 2023: \$3,759,611).

As the Group is in the exploration stage and does not generate operating cash inflows, the Group is dependent on further capital raises or external financing to maintain operations which results in a material uncertainty which may cast significant doubt on whether the Group can continue as a going concern.

The Directors have reviewed the business outlook and cash flow forecasts and have assessed that the Group is and will remain a going concern and believe that the going concern basis of preparation of the accounts is appropriate, however, this is subject to Group's ability to implement some or all of the following potential actions:

- raising equity funds in capital markets; and/or
- scale back or deferral of exploration expenditure; and/or
- deferral of discretionary operating expenditures if required; and/or
- entering into joint ventures or an outright sale of the Group's exploration assets.

Should the Group not be successful in managing its cashflow through the above means, a material uncertainty exists which may cast significant doubt on whether the Group would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include adjustments relating to the recoverability or classification of the recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

5. Operating segments

The Group has identified the board of directors as the chief operating decision maker ("CODM").

The Group operates in one segment, being an explorer of gold and other minerals, which is also the basis on which the board reviews the company's financial information.

AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the Group that are regularly reviewed by the CODM in order to allocate resources to the segment and to assess its performance. In the current year the board reviews the Group as one operating segment being mineral exploration within Australia.

All assets, liabilities and operations are based in Australia.



6. Exploration and evaluation expenditure

	31 Dec 2023 \$	31 Dec 2022 \$
Drilling costs	526,125	964,839
Geology	517,059	357,469
Employee benefits	578,633	398,548
Tenement acquisitions	25,000	2,409
Tenement rental and management	166,075	46,249
Overheads and others	201,750	239,006
Exploration and evaluation	2,014,642	2,008,520

7. Cash and cash equivalents

	31 Dec 2023	30 Jun 2023
	\$	\$
Cash at bank	364,496	459,611
Short term deposits	1,200,000	3,300,000
Cash and cash equivalents	1,564,496	3,759,611

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made and have original maturities of less than 3 months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

8. Trade and other payables

	31 Dec 2023 \$	30 Jun 2023 \$
Trade payables	427,300	338,966
Other payables and accruals	315,303	325,163
Trade and other payables	742,603	664,129

(i) All amounts are short-term. The carrying values of trade and other payables are considered to be a reasonable approximation of fair value.



9. Issued capital

	31 Dec	30 Jun	31 Dec	30 Jun
	2023	2023	2023	2023
	No. of	No. of	œ.	e
	shares	shares	Ψ	Ψ
Ordinary shares - fully paid	145,724,252	135,895,735	17,319,454	16,754,455

(a) Movements in ordinary share capital

	Date	No. of shares	Issue price	\$
Opening balance 1 Jul 2023		135,895,735		16,754,455
Share issue - exercise of performance rights ⁽¹⁾	28-Jul-23	486,850	0.14	67,180
Share issue - Placement	13-Dec-23	9,341,667	0.06	560,500
Share issue costs		-	-	(62,681)
Closing balance 31 Dec 2023		145,724,252		17,319,454

⁽¹⁾ On 28 July 2023, the Company issued 486,850 fully paid ordinary shares in relation to the exercise of vested Performance Rights, in accordance with the terms of the Company's Equity Incentive Plan.

(b) Movements in performance rights

Grant date	Expiry date	Hurdle price	Balance at start of year	Granted during the period	Exercised during the period	Forfeited during the period	Balance at the end of the period	Vested and exercisable at the end of the period
16-Mar-21	16-Mar-24	\$0.30	150,000	-	-	-	150,000	-
16-Mar-21	16-Mar-24	\$0.45	200,000	-	-	-	200,000	-
16-Mar-21	16-Mar-24	\$0.55	250,000	-	-	-	250,000	-
16-Mar-21	16-Mar-24	\$0.65	400,000	-	-	-	400,000	-
9-Nov-21	8-Nov-25	\$0.00	80,000	-	(80,000)	-	-	-
11-Nov-21	10-Nov-25	\$0.00	80,000	-	(80,000)	-	-	-
10-Jun-22	27-Jul-26	\$0.00	240,000	-	(120,000)	-	120,000	-
15-Jun-22	27-Jul-26	\$0.00	119,700	-	(59,850)	-	59,850	-
16-Jun-22	27-Jul-26	\$0.00	151,200	-	(75,600)	-	75,600	-
11-Jul-22	27-Jul-26	\$0.00	71,400	-	(35,700)	-	35,700	-
11-Jul-22	27-Jul-26	\$0.00	71,400	-	(35,700)	-	35,700	-
22-Aug-22	9-Sep-25	\$0.15	800,000	-	-	-	800,000	-
22-Aug-22	9-Sep-25	\$0.25	800,000	-	-	-	800,000	-
22-Aug-22	9-Sep-25	\$0.35	800,000	-	-	-	800,000	-
			4,213,700	-	(486,850)	-	3,726,850	-



9. Issued capital (continued)

(c) Movements in share options

Grant date	Expiry date	Exercise price	Balance at start of year	Granted during the period	Exercised during the period	Balance at the end of the period	Vested and exercisable at the end of the period
8-Feb-21	16-Jun-24	\$ 0.25	3,000,000	-	-	3,000,000	3,000,000
3-Aug-22	2-Aug-25	\$ 0.20	400,000	-	-	400,000	400,000
			3,400,000	-	-	3,400,000	3,400,000

10. Share based payment expenses

The table below provides the breakdown of share based payment expenses recorded:

	31 Dec 2023	31 Dec 2022
	\$	\$
Vesting of performance rights	10,092	228,588
Vesting of options issued to consultant of the Company	-	20,892
Total share based payment expenses	10,092	249,480

11. Loss per share

	31 Dec 2023	31 Dec 2022
	\$	\$
Net loss attributable to ordinary equity holders of the Company	(2,745,523)	(2,963,522)
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted loss per share	137,222,358	95,788,712
Basic and diluted loss per share (cents per share)	(2.00)	(3.09)

Both the basic and diluted loss per share have been calculated using the loss attributable to shareholders of the Company as the numerator (i.e. no adjustments to loss were necessary in either 2023 or 2022).

The performance rights and options have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted loss per share as they do not meet the requirements for inclusion in AASB 133 "Earnings per Share". The performance rights are non-dilutive as the Group has generated a loss for the year.



12. Commitments and contingent assets and liabilities

(a) Minimum exploration commitments

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure in order to retain present interests in mineral tenements.

The minimum exploration commitments are shown below.

	31 Dec 2023	30 Jun 2023
	\$	\$
Within one year	1,742,300	1,272,300
One to five years	6,308,700	7,095,400
Total exploration commitments	8,051,000	8,367,700

For the Group's Tasmanian tenements, the minimum expenditure and program are set by negotiation between the licensee and Mineral Resources Tasmania. In the case of not meeting the commitments, the Group will seek approval for extension from the relevant authority to maintain current rights to tenure to exploration and mining tenements.

For the Group's Western Australian tenements, the minimum annual expenditure commitment for each tenement is prescribed under the *Mining Act (WA) 1978*.

13. Events after the reporting period

On 2 February 2024, following the closure of the non-underwritten SPP, the Company issued 1,908,322 new ordinary shares at \$0.06 (6 cents per share) and raised \$114,500 (gross).

On 2 February 2024, the Company announced funds totalling \$990,500 were received for the Tranche 2 placement resulting in an issue of 16,508,335 Shares to Directors and Related Parties at an issue price of \$0.06 per share (6 cents per share), as approved at the Extraordinary General Meeting held on 23 January 2024.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.



Directors Declaration 31 December 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

Clive Duncan

Non-Executive Chairperson

Melbourne

13 March 2024



Independent auditor's review report to the members of Flynn Gold Limited

Report on the half-year financial report



Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Flynn Gold Limited (the Company) and its subsidiaries (the Group), does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the statement of financial position as at 31 December 2023,
- the statement of profit or loss and other comprehensive income for the half-year then ended,
- the statement of changes in equity for the half-year then ended,
- the statement of cash flows for the half-year then ended,
- notes to the financial statements, including a summary of significant accounting policies and other explanatory information, including material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's responsibilities for the review of the financial report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Level 20, 181 William Street, Melbourne VIC 3000

+61 3 9824 8555

vic.info@williambuck.com williambuck.com.au





Material uncertainty related to going concern

We draw attention to Note 4 in the half-year financial report, which indicates that the Group incurred a net loss before income tax of \$2,745,523 and net operating cash outflows of \$2,648,109 during the half-year ended 31 December 2023. As stated in Note 4, these events or conditions, along with other matters as set forth in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the financial report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

J. C. Luckins

Director

Melbourne, 13 March 2024