EL18/2018
TELEGRAPH CREEK, TASMANIA

FOURTH ANNUAL REPORT
FOR THE YEAR ENDED
27 MARCH 2023

LICENSEE:
KINGFISHER EXPLORATION PTY LTD
(A FLYNN GOLD LIMITED COMPANY)

Prepared by:
K. Parnell & C. Higgins
March 2023

Flynn Gold

EXECUTIVE SUMMARY

EL18/2018 is located west of Mount William National Park, east of Gladstone in north-eastern Tasmania. The licence covers an area of 94km^2 and is considered prospective for orogenic gold style deposits.

This report documents exploration activities during Year 4 of EL18/2018, for the period ending 27 March 2023.

Exploration activity during the fourth year of tenure included:

- Desktop studies, including reporting, target generation and work program design; and
- Geological reconnaissance.

Total exploration expenditure for the tenement year was $**31,080**.

During the year, the Company's primary exploration focus was on the substantial drilling programs being conducted at its Golden Ridge Project (EL17/2018). To address this staff shortage, Flynn has now employed a dedicated regional exploration geologist.

Recommended exploration work programs for the fifth year of tenure (2023-2024) includes:

- Work program planning
- Interpretation of open file geophysical data
- Detailed geological mapping of the granite contacts (where possible); and
- Surface geochemistry sampling (rock, soil and stream)

A proposed work program and natural values report has already been submitted to Minerals Resource Tasmania for these works.

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

LIST OF APPENDICIES

DIGITIAL FILES LIST

Exploration Work Type	Filename	File format
Report	EL182018_202303_01_Report	pdf
Drilling		
Surface sampling		
Other	EL182018_202303_02_Appendix1 EL182018_202303_03_Appendix2	pdf pdf
File Verification Listing	EL182018_202303_04_File Listing	xls

1 INTRODUCTION

EL18/2018 is located west of Mount William National Park, east of Gladstone in north-eastern Tasmania. The licence covers an area of 94km^2 and is considered prospective for orogenic gold style deposits (Figure 1).

The tenement was granted to Kingfisher Exploration Pty Ltd (Kingfisher or KFE), which is a wholly owned subsidiary of Flynn Gold Ltd (FG1), on 28 March 2019.

This report is the fourth Annual Report for EL18/2018. It describes exploration activities carried out between 28 March 2022 and 27 March 2023 (the Reporting Period).

All maps and location coordinates contained within this report are presented in GDA94 datum format unless otherwise noted.

1.1 EXPLORATION RATIONALE

The main exploration target for EL18/2018 is Victorian style, turbidite hosted orogenic gold mineralisation. Recent work by Flynn Gold on adjacent tenements EL11/2012 (Portland) and EL18/2016 (Mt Cameron) identified multiple exploration targets and EL18/2018 enables testing of a possible eastwards continuation of the system.

Numerous studies indicate that north-eastern Tasmania is interpreted to represent a lateral equivalent of the turbidite-dominated fold-thrust belt of the western Lachlan Orogen in central Victoria (e.g., *Bierlein et al., 2005*). The turbidite successions of north-eastern Tasmania are host to extensive orogenic style gold mineralisation and numerous historical goldfields but are largely unexplored compared to the Victorian goldfields.

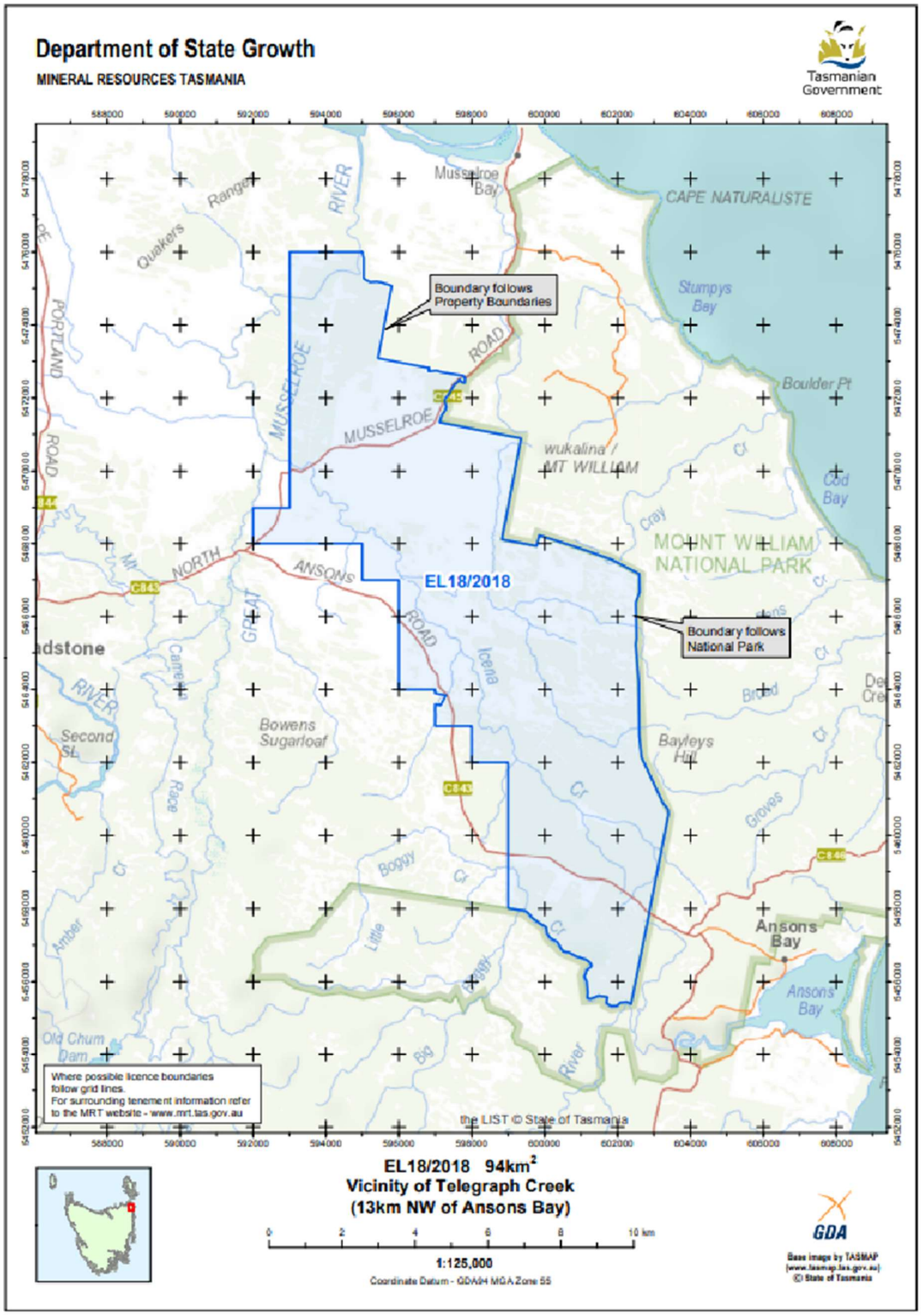

Figure 1. EL18/2018 location plan.

2 GEOLOGICAL SETTING

2.1 Regional Geology

The Paleozoic geology of north-eastern Tasmania comprised a 5 to 7km thick, deformed sequence of Ordovician – Silurian (to early Devonian) aged turbidites known as the Mathinna Supergroup. Rocks of the Mathinna Supergroup were folded and metamorphosed to sub- to mid-greenschist facies during the Early to Middle Devonian.

Several extensive S- and I- type granitoid batholiths (Scottsdale, Blue Tier and Eddystone Batholiths) intruded the Mathinna Supergroup during the Late Devonian, post-folding and peak metamorphism (around 400Ma to 375Ma). The granitoids are surrounded by narrow metamorphic aureoles indicative of intrusion at a high crustal level.

The Mathinna Supergroup and granitoids are unconformably overlain by flat-lying Permo-Triassic rocks of the Parmeener Supergroup, which are intruded by sills of Jurassic dolerite. The Parmeener Supergroup rocks are typically unmineralised. Exhumation and weathering during the Tertiary were accompanied by widespread basaltic volcanism.

2.2 Project Geology

Figure 2, adapted from MRT 1:25,000 scale digital geology, shows the geology of the EL18/2018 tenement area and adjacent EL11/2012 and EL18/2016.

Historical gold workings in the Gladstone – Portland district comprise gold bearing quartz-sulphide vein lodes hosted within the deformed and metamorphosed turbidite shales, sandstones and quartzites of the Mathinna Supergroup sediments,

Aeromagnetic and radiometric surveys flown over the Gladstone – Portland district have assisted with the interpretation of local and district scale structural trends within the Mathinna Supergroup, and boundaries with the Devonian granitoids and associated contact metamorphism. Significant variation in the magnetic properties of the Mathinna Supergroup appears to be due to metamorphic magnetite alteration of quartz phyllite units (*Roach, 1990*), and in some areas of EL11/2012 (adjacent) has allowed for magnetite bearing marker units to be used to interpret folds and faults which are not apparent at surface.

Large magnetic features identified within EL18/2018 are apparently hosted by hornfelsed Mathinna Supergroup rocks and suggest extensive magnetite alteration in the area. However, alternative magnetic source rocks such as basalt or dolerite have not been entirely ruled out.

2.3 Mineralisation Styles

The Mathinna Supergroup rocks in north-eastern Tasmania are host to over 600 gold prospects and deposits, the most significant of which are the Beaconsfield (3.25Mt @ 19.0g/t Au), the New Golden Gate mine (0.72Mt @ 26.0g/t Au) and Pinafore Reef, Lefroy (0.97Mt @ 10.1g/t Au). Most of the deposits are orogenic, mesothermal to epizonal vein style and occur in clusters along regional NNW trends. Intrusion related gold (IRG) style mineralisation is noted to occur in the Lisle – Golconda and Golden Ridge areas. Significant Sn – W deposits are associated with S- and I- type granites, and north-eastern Tasmania was a historical tin mining region.

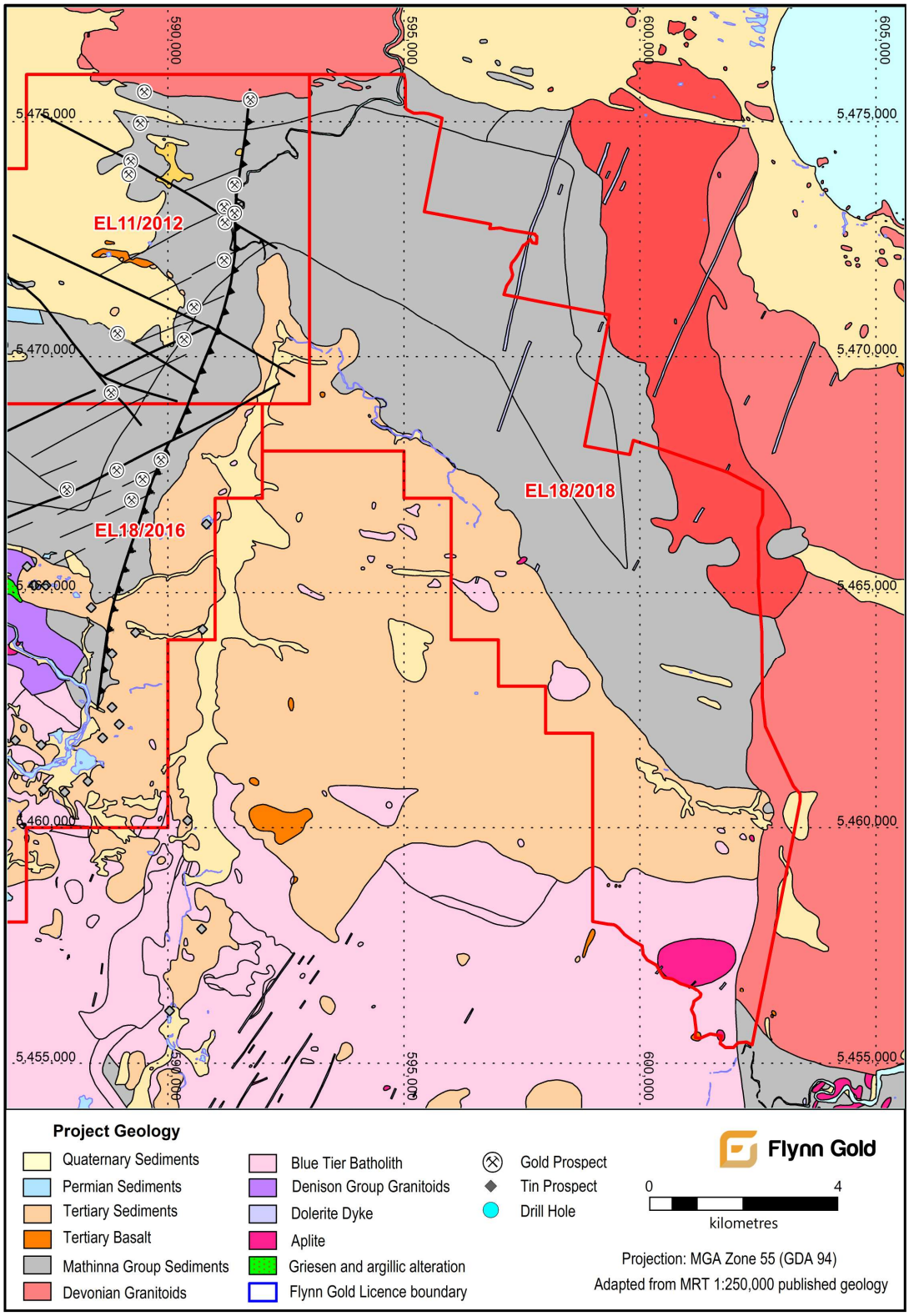

Figure 2. Project geology plan.

Orogenic style gold mineralisation in north-eastern Tasmania is attributed to deformation, folding and peak orogeny in the Early to Middle Devonian, at about 390Ma, with most of the vein deposits formed between 385 to 395Ma (*Bierlein et al., 2005*). An earlier phase (420 – 430Ma) of gold mineralisation during the Silurian has also been noted in some deposits.

Based on lithological, structural, tectonic and metallogenetic similarities, north-eastern Tasmania has been interpreted as a lateral correlate of the turbidite dominated fold-thrust belt of the western Lachlan Orogen in central Victoria (*Bierlein et al., 2005*). Timing of gold mineralisation in north-eastern Tasmania shows a broad relationship to the epizonal Au-As-Sb deposits of the Melbourne Zone of central Victoria (Figure 4).

Gold mineralisation in the Portland area (EL11/2012 and EL18/2016) adjacent to EL18/2018 show a close association with arsenopyrite, and to a lesser extent, pyrite. These sulphides occur as fine to coarse grained euhedral disseminations throughout mineralised quartz veins and adjacent altered sediments. Many of the historical gold workings at Portland are located on, or adjacent to, interpreted fold axes and/or axial-planar N-S to NNE trending reverse fault structures. Extensive silicified, fractured/brecciated, and quartz veined sandstone units locally intersected these structural trends and form an important structural control/host to the Portland gold mineralisation (*Westbrook, 2019*).

Geochemistry of surface samples at Portland indicated an As (-Sb-Bi) association with gold mineralisation. The Au-As-Sb association and general timing of the north-eastern Tasmanian gold mineralisation has drawn comparisons with the epizonal gold system of central Victoria (Figure 3).

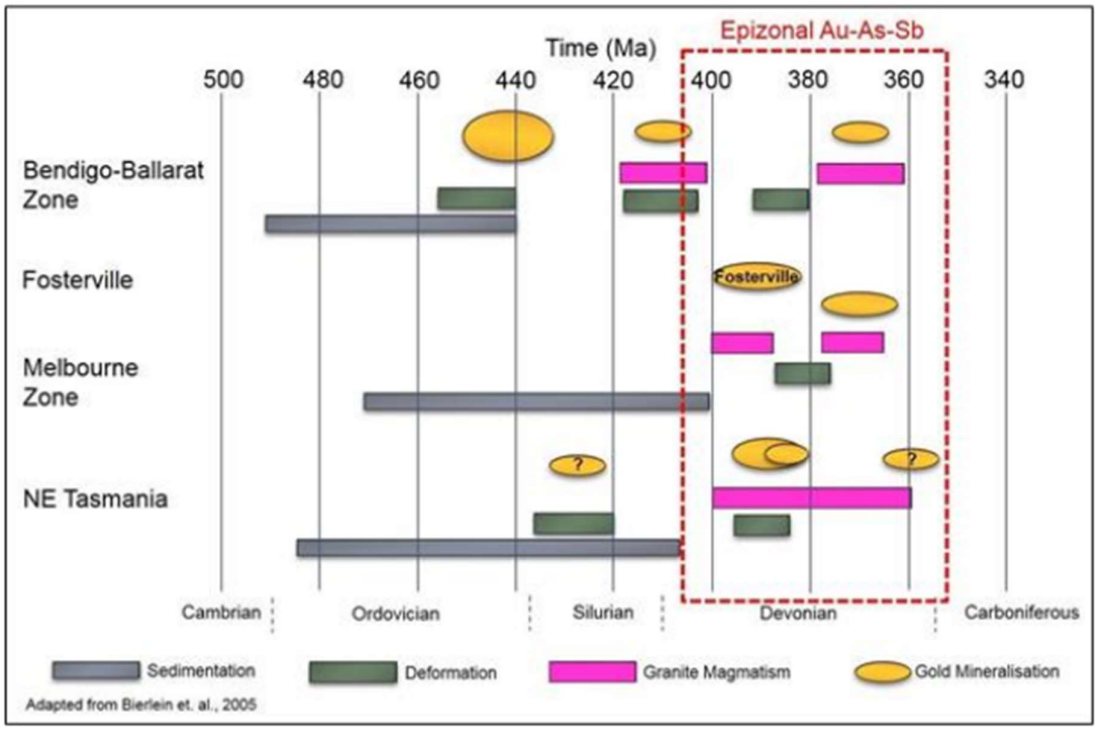

Figure 3. Summary diagram of the timing of sedimentation, deformation, granite magmatism and gold mineralisation events in central Victoria and north-eastern Tasmania. Adapted from *Bierlein et. al. (2005)*.

3 REVIEW OF PREVIOUS WORK

3.1 Historical Prospecting and Mining

There is no documented historical prospecting or mining within the tenement area. Despite this, there is some local, anecdotal evidence of minor historical gold prospecting and small-scale mining.

3.2 Previous Exploration Work (Prior to 2019)

No records have been located showing any modern exploration work has been completed within the tenement area.

3.3 Previous Work by Flynn Gold (prior to 2022)

Exploration work by Flynn Gold and its predecessor companies since the ground was granted in March 2019 is briefly summarised below. For further details, refer to the Annual Report from that year.

Year 1 (2019 – 2020)

- Historical prospecting / exploration activity data search.
- Reprocessing and imaging of regional gravity and airborne magnetic data.
- Desktop review and target generation.
- Landowner notifications commenced.

Year 2 (2020 – 2021)

- Consultation with landowners.
- Reconnaissance mapping and sampling.
- Investigation of geophysical targets defined by Western Geophysics.

Year 3 (2021 – 2022)

- Landowner liaison.
- Geochemical interpretation of samples collected in second reporting year.
- Field reconnaissance, mapping and rock chip sampling.
- Work program design.

4 EXPLORATION COMPLETED DURING REPORTING PERIOD

Field based exploration activities across EL18/2018 were impacted by a shortage of available exploration staff to do the work.

During 2022 the Company's primary exploration focus was diverted to substantial extended drilling programs conducted at its Golden Ridge Project (EL17/2018) in response to early exploration success there. The resultant shortage in staff has now been addressed by employing a dedicated regional exploration geologist with responsibility for exploration of EL18/2018 among other tenures.

Exploration activity undertaken during the reporting period has included:

- Desktop studies, including reporting, target generation and work program design; and
- Geological reconnaissance.

Details of this work are discussed in Section 5 of this report.

5 DISCUSSION OF RESULTS

5.1 Target Generation and Work Program design

During the year, work carried out across the Telegraph licence consisted primarily of desktop studies such as reviewing past work and report writing.

An in-house study of the open file geophysical data was proposed, but work was postponed to in the next reporting period in consequence of manning requirements for other exploration activities across the Company's Tasmanian tenures.

A work program for geological mapping and surface geochemistry (rock, soil, stream) was submitted to the MRT during the reporting period and is attached as Appendix 1 The Natural Values Atlas report for this title is attached as Appendix 2.

6 CONCLUSIONS AND RECOMMENDATIONS FOR FUTURE WORK

EL18/2018 is located west of Mount William National Park, east of Gladstone in north-eastern Tasmania. The licence covers an area of 94km^2 and is considered prospective (but as yet unproven) for orogenic gold style deposits.

In Year 5 ongoing exploration work will focus on:

- Review of open file geophysical data
- Geological mapping
- Surface geochemistry sampling (rock, soil and stream); and
- Tenement evaluation and rationalisation.

A proposed work program and natural values report has already been submitted to Minerals Resource Tasmania for the on-ground exploration works.

7 ENVIRONMENT

There was no environmental disturbance during the reporting period.

8 EXPENDITURE

Total exploration expenditure for the fourth tenement year was $31,080.

Exploration expenditure over the reporting period for EL18/2018 is summarised below.

	ITEM	**EXPENDITURE (AUD)**
1.	GEOSCIENTIFIC COSTS Geology Geochemistry Mineralogy / Metallurgy Geophysics Remote Sensing	 $ 20,250 $ 0 $ 0 $ 0 $ 0
2.	DRILLING AND GRIDDING COSTS Gridding Drilling	 $ 0 $ 0
3.	LAND ACCESS COSTS	$ 1,500
4.	REHABILITATION COSTS	$ 0
5.	FEASIBILITY STUDY COSTS	$ 0
6.	OTHER COSTS	$ 7,230
7.	ADMINISTRATION COSTS	$ 2,100
	Total Expenditure	**$ 31,080**

Table 1. Exploration expenditure on EL18/2018 during the reporting period.

9 REFERENCES

Bierlein, F. P., Foster, D. A., Gray, D. R., Davidson, G. J. (2005). Timing of Orogenic Gold Mineralisation in north-eastern Tasmania: Implications for the Tectonic and Metallogenetic evolution of Palaeozoic South-Eastern Australia. Mineralium Deposita 39: pp 890 – 903.

Cowie, H. (2022). EL18/2018 Telegraph Creek, Tasmania. Third Annual Report for the Year Ended 27 March 2022.

Denholm, J. (2021). EL18/2018 Telegraph Creek, Tasmania. Second Annual Report for the Year Ended 27 March 2021.

Roach, M. J (1997). Detailed Ground Magnetic Surveys in the Gladstone and Denison Areas, NE Tasmania, EL15/95. Unpublished report Anglo Australian Resources NL, University of Tasmania. (98-4245A)

Westbrook, S. (2019). EL11/2012 Gladstone, Tasmania. Seventh Annual Report for the Year Ended 31 October 2019.