



6 May 2022

ASX Limited
Level 40, Central Park
152 – 158 St Georges Terrace
PERTH WA 6000
Attn: Madeleine Green

BY EMAIL: listingscomplianceperth@asx.com.au

Dear Ms Green

LABYRINTH RESOURCES LIMITED – AWARE QUERY

We refer to your letter dated 3 May 2022 entitled “Labyrinth Resources Limited (‘LRL’): Aware Query” (**Letter**) and respond to your queries in the same order as raised.

Capitalised terms used in this response have the same meaning as given in the Letter unless otherwise required.

1. **Does LRL consider the Exploration Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes.

2. **If the answer to question 1 is “no”, please advise the basis for that view.**

N/A

3. **When did LRL first become aware of the Exploration Information?**

The assay results that formed the Exploration Information were received in batches by the Company between 9 March 2022 and 19 April 2022.

4. **If the answer to question 1 is “yes” and LRL first became aware of the Exploration Information before the relevant date, did LRL make any announcement prior to the relevant date which disclosed the Exploration Information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe LRL was obliged to release the Exploration Information under Listing Rules 3.1 and 3.1A and what steps LRL took to ensure that the information was released promptly and without delay.**

The assay results received by the Company prior to 19 April 2022 were not, alone or together, material or significant and could not be properly interrogated or interpreted by the Company without the additional assay results provided to the Company on 19 April 2022. The Company believes that all assay results remained confidential from 9 March 2022 until the announcement of the Exploration Information on 26 April 2022.



Following receipt of the assay results on 19 April 2022, the Company's Chief Geologist (and competent person) immediately commenced collating and reconciling the Exploration Information to facilitate the interpretation of the results. This involved:

- reconciling each assay result with the hole and specific location in the hole;
- determining whether the hole and location were in the vicinity of the expected location or in a unique position, such as a potentially unmodelled ore zone;
- assessing whether the data was of sufficient quantity to enable a meaningful, reliable and accurate interpretation;
- determining whether the assay results had been provided by the lab in the appropriate form and in compliance with QA/QC processes; and
- raising queries of a technical nature with the laboratory in Ontario, Canada.

The Exploration Information comprised the first assays received from the Company's maiden drilling program into the Boucher target at the Company's recently acquired Labyrinth Gold Project. As the Boucher target has not been drilled since 2010 and there is no historical core information available for the Company to review or interrogate, nor any meaningful photo records, the Company was effectively starting anew with respect to interpreting the drill core and assay results. The process of interpreting the maiden results was therefore a necessarily complex and time-consuming process reasonably expected to involve analysis and verification over a number of days in order to ensure that any announcement would be accurate, complete and not misleading.

On 20 April 2022, in the ordinary course of business, the Company made an investor presentation (the form of which was announced by the Company on 26 April 2022) to a group of institutional investors. The Company continued to assess and identify the nature and potential significance of the Exploration Information throughout the day. At this point in time, the Company had identified (but not interpreted) partial results from holes LABU-22-03, 05, 06 and 07 and full results from hole LABU-22-04 pertaining to precious metals. The Exploration Information remained insufficiently definite to warrant disclosure and remained confidential.

On 21 April 2022, the price and volume of trading in the Company's shares materially increased. At this point in time, the Exploration Information remained insufficiently definite to warrant disclosure and given the nature of the Exploration Information and the extent of the incomplete analysis by the Chief Geologist, the Company had no basis to believe that the increase in price and volume related to the Exploration Results or that confidentiality had been lost. The Company attributed the increased investor activity to the investor presentation provided on 20 April 2022 which exposed new institutional investors to the Company.

Upon receipt by the Company of a price and volume query from ASX before market close on 21 April 2022, the Company, acting out of an abundance of caution, entered into a trading halt to allow the Chief Geologist and the Company sufficient time to progress and complete the collation and interpretation of the Exploration Information in order to prepare an appropriate announcement. At this point, the information was still insufficiently definite to warrant disclosure.

Between 22 April 2022 and 25 April 2022, the Company continued to compile and interpret the Exploration Information and prepared a draft announcement which was presented to the Board for approval on 25 April 2022.

Upon the commencement of trading on 26 April 2022, the Company announced the Exploration Information.



5. **Please confirm that LRL is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

The Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

6. **Please confirm that LRL's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of LRL with delegated authority from the board to respond to ASX on disclosure matters.**

The above responses have been authorised and approved by the Company's Board.

Should you require any further clarification please do not hesitate to contact the undersigned.

Yours faithfully

Kelly Moore
Company Secretary
LABYRINTH RESOURCES LIMITED
Contact for further information on +61 8 6149 1573
admin@labyrinthresources.com



3 May 2022

Ms Kelly Moore
Company Secretary
Labyrinth Resources Limited

By email:

Dear Ms Moore

Labyrinth Resources Limited ('LRL'): Aware Query

ASX refers to the following:

- A. The change in price of LRL's securities from a low of \$0.042 on Wednesday 20 April 2022, to an intra-day high of \$0.053 on Thursday 21 April 2022.
- B. The pause in trade of LRL's securities and LRL's request for trading halt during trade on Thursday 21 April 2022 pending a response to an ASX Price Query ('Trading Halt').
- C. LRL's announcement entitled "High grade results received at Labyrinth Gold Project" lodged on the ASX Market Announcements Platform ('MAP') on 26 April 2022 (the 'Announcement'), disclosing exploration results at Labyrinth Gold Project ('Exploration Information').
- D. LRL's response to ASX Price Query lodged on MAP on 26 April 2022 ('Price Query Response').
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- F. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- G. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

- H. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks LRL to respond separately to each of the following questions and requests for information:

1. Does LRL consider the Exploration Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did LRL first become aware of the Exploration Information?
4. If the answer to question 1 is “yes” and LRL first became aware of the Exploration Information before the relevant date, did LRL make any announcement prior to the relevant date which disclosed the Exploration Information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe LRL was obliged to release the Exploration Information under Listing Rules 3.1 and 3.1A and what steps LRL took to ensure that the information was released promptly and without delay.
5. Please confirm that LRL is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that LRL’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of LRL with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4:00 PM AWST Friday, 6 May 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, LRL’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require LRL to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in LRL’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

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- the reasons for the trading halt;
 - how long you want the trading halt to last;
 - the event you expect to happen that will end the trading halt;
 - that you are not aware of any reason why the trading halt should not be granted; and
 - any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in LRL's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to LRL's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that LRL's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Madeleine Green
Principal Adviser, Listings Compliance (Perth)