

JUNE 2022 QUARTERLY ACTIVITIES REPORT

High-Grade Results Pave Way for Maiden JORC Resource at Labyrinth

Maiden surface drilling program underway with assays pending, targeting extensions of high-grade mineralisation for ongoing Resource growth

Key Points

- Maiden underground diamond drilling program completed at the flagship Labyrinth Gold Project in Quebec, Canada with 4,687m drilled across 17 holes
- Results indicate the orebody hosts broader mineralisation intervals with high-grade discrete veins, highlighting the potential for more gold than historically estimated
- Highly regarded consultants RSC Mining and Mineral Exploration engaged for maiden JORC Resource with delivery expected in September quarter
- Assays received for holes one to 14, with numerous high-grade results returned from multiple lodes, including:
 - 7.5m @ 7.01g/t from 213m (Boucher) in hole LABU-22-06 including 0.5m @ 62.51g/t and 1.45m @ 8.46g/t
 - 3.65m @ 5.41g/t from 30m (Talus) in hole LABU-22-09 including 0.3m @ 43.06g/t
 - 3.7m @ 4.75g/t from 23m (Talus) in hole LABU-22-07 including 0.35m @ 21.78g/t
 - 2.75m @ 7.25g/t from 239m (Boucher) in hole LABU-22-08 including 1.0m @ 18.43g/t
- Maiden 3,000m surface drilling program commenced, targeting significant mineralisation extensions to depths of up to 400m below the current known resource

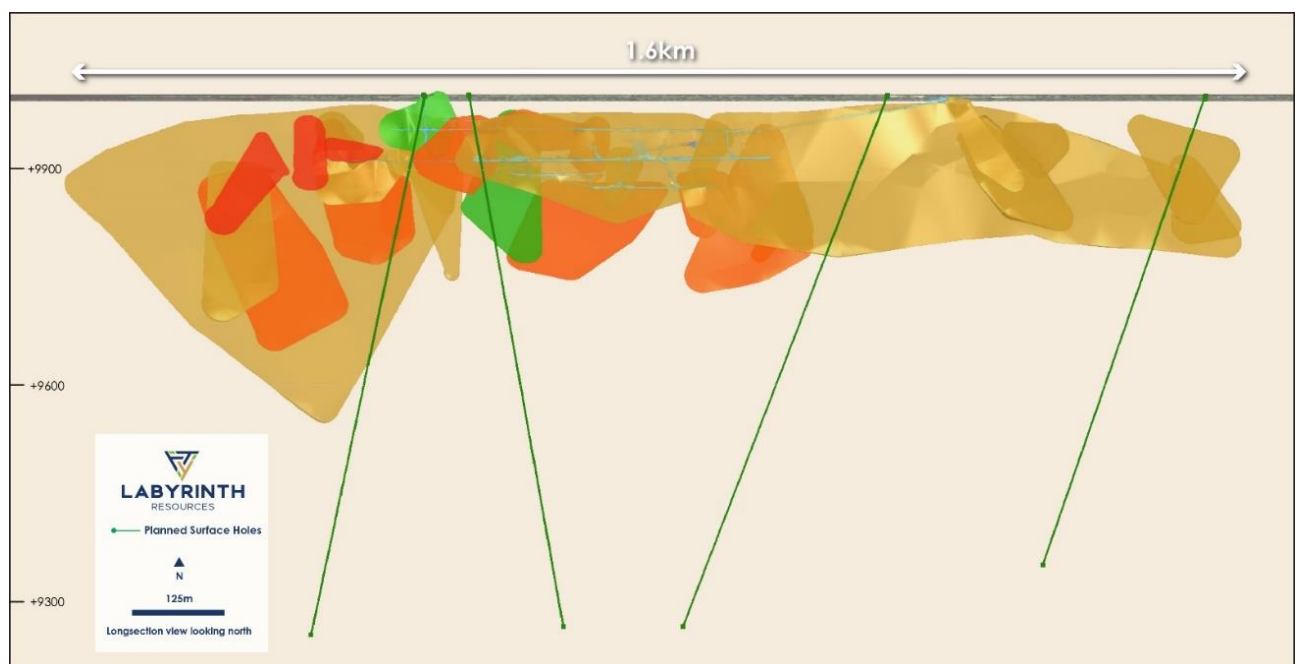


Figure 1 – Planned drilling targeting mineralisation extensions to depth of up to ~700m below surface



Labyrinth Resources Limited ('the Company' or 'Labyrinth') (ASX: LRL) is pleased to report on a highly successful quarter during which it generated a host of outstanding drilling results that will underpin the upcoming maiden JORC Resource at its flagship Labyrinth Gold Project in Quebec.

During the quarter, the maiden 4,687m underground diamond drilling program was completed at the Labyrinth Gold Project, with assays received for the first 14 holes. These included some excellent high-grade results.

Assays for holes 15 to 17 were received post quarter-end, paving the way for an important JORC Resource Estimate expected in the September quarter.

On 20 June, the pivotal maiden surface diamond drilling program commenced, consisting of approximately 3,000m across 5 holes targeting extension of the known resource mineralisation to depths of up to ~700m across ~1.2km of the currently defined 1.6km in strike.

Labyrinth Chief Executive Matt Nixon said: "It was a highly successful quarter for the Company, with excellent drilling results setting us up for the maiden JORC Resource and further growth beyond that.

"I would like to thank the dedicated Labyrinth team for the safe, on-budget delivery of the underground exploration program and the start of the surface drilling.

"We will be testing mineralisation extensions of all known Labyrinth lodes, as well as seeking potential additional mineralisation, to the deepest extent to date for the project.

"At a maximum mineralised target depth of ~700m for the current drilling program, we are only just beginning to test the scale and growth opportunity of this potentially significant gold deposit".

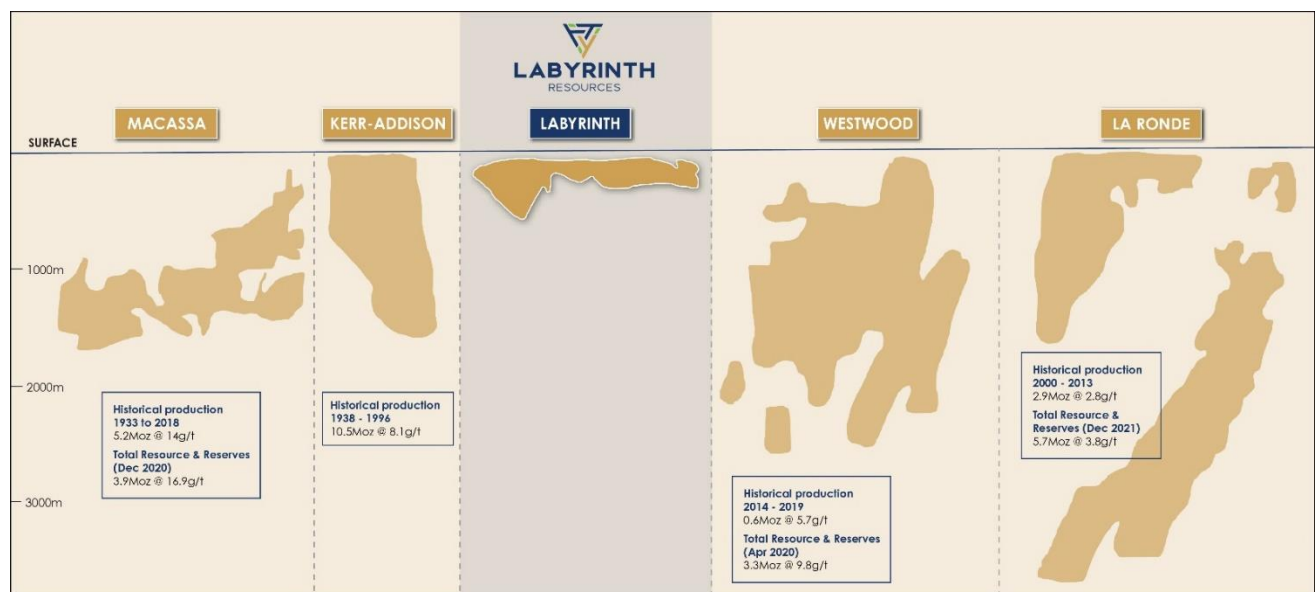


Figure 2 - Significant Gold Projects within 100km radius of Labyrinth¹

¹ Production, Resource and Reserve data sourced from relevant Company websites, publicly available NI43-101 Reports and the publication "Archean base and precious metal deposits, southern Abitibi Greenstone Belt, Canada" in Economic Geology, Volume 19; Published by Society of Economic Geologists 2017, available at www.segweb.org.



CANADIAN ACTIVITIES

The Labyrinth and Denain gold projects are located approximately 230km apart along Highway 117 and situated in a world class mining jurisdiction hosted by the prolific Abitibi Greenstone Belt.



Figure 3 - Location of Labyrinth Resources Projects amongst Abitibi Gold Camps (Sources: Ontario Ministry of Northern Development and Mines Statistics <https://www.geologyontario.mndm.gov.on.ca>, History of Abitibi Gold Belt (2021) <https://www.visualcapitalist.com/sp/the-history-of-the-abitibi-gold-belt/>)

LABYRINTH GOLD PROJECT

The high-grade Labyrinth Gold Project is located in the prolific Abitibi Greenstone Belt and was last mined in the early 1980s, when production stopped amid the depressed gold price. Very limited exploration has been conducted on the project since, however the underground mine remains accessible and includes five main levels of ore drive development to a depth of approximately 130m below surface, giving the Company a genuine point of difference compared to its gold exploration peers.

The host rocks exist within a 600m thick differentiated sill that grades from gabbro through to granodiorite with the mineralisation predominantly hosted in the diorite/andesite. The mineralisation at Labyrinth Gold Project is hosted within east-west trending quartz veins that can be traced for at least 1.4km along strike and run parallel with the trend of the lithology. The quartz veins show lamination and host sulphides associated with the mineralising event.



The Labyrinth Gold Project possesses an existing non-JORC-compliant historic NI43-101 resource of **2.1Mt at 7.1g/t for 479,000oz** of gold, including 570,300t at 6.52g/t for 119,500oz in the Measured & Indicated category.

Refer to ASX announcement 2 September 2021 (**Initial Market Announcement**) for foreign estimate information, JORC 2012 tables and competent person statement. The Company is not aware of any new information or data that materially affects the information included in the 2 September release. All material assumptions and technical parameters continue to apply and have not materially changed.

Cautionary Statement: the estimates of mineralisation in respect to the Labyrinth gold project reported in this announcement are “foreign estimates” for the purposes of the ASX Listing Rules, and accordingly:

- **the estimates are not reported in accordance with the JORC Code;**
- **a competent person has not done sufficient work to classify the foreign estimates as mineral resources or ore reserves in accordance with the JORC Code; and**
- **it is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.**

Table 1 2010 Foreign (NI43-101) Mineral Resource Estimate at 3g/t cut off for Labyrinth Gold Project

	Classification	Tonnage	Au (g/t)	Oz (31.103g)
Total	Measured	124 800	6.95	27 900
	Indicated	445 400	6.4	91 600
	Total	570 300	6.52	119 500
	Inferred	1 512 400	7.4	359 500

During the quarter, results were received for holes LABU-22-01 through to LABU-22-14, with assays pending for LABU-22-15 through to LABU-22-17 (refer to ASX Announcement 26 April 2022 for results of LABU-22-01 to LABU-22-07 and ASX Announcement 7 June 2022 for results of LABU-22-08 to LABU-22-14). The results continued to support the presence of high-grade gold in discrete veins existing with broader intervals of pervasive mineralisation across a significant strike of 1.6km. Importantly, results aligned with, or improved on, the grade distribution indicated by historical data that was used to generate the foreign resource estimate.

Drilling targeting McDowell and Front-West confirmed evident strike extension of these veins and provide readily accessible ore drive expansions from the existing underground mine, whilst LABU-22-09 also intercepted Boucher to the north-east outside of the currently modelled lode, all of which can be captured in the upcoming maiden JORC estimate.

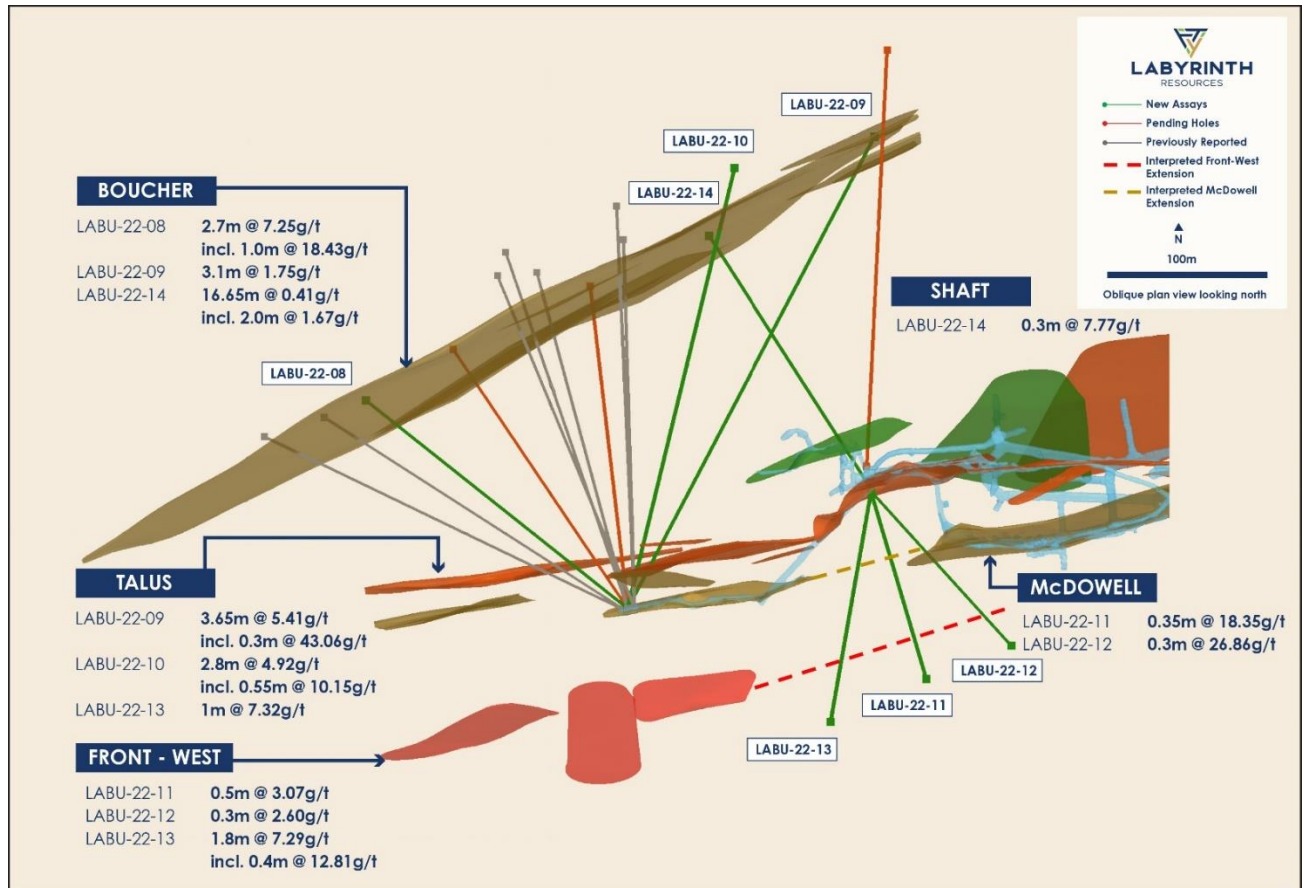


Figure 4 - Significant intercepts of LABU-22-08 to LABU-22-14 collared in the MCD_90 and 90W ore drives

DENAIN

The Denain Project is located 60km east of the town of Val d'Or and comprises 13 Claims across a tenure area of 360ha at the eastern abutment of the renowned Cadillac-Larder Lake Fault, which also hosts the current largest Canadian gold mine in Canadian Malarctic.

All outstanding assays have now been received from the maiden surface diamond drilling program at the Denain gold prospect, which was a 4,018m campaign of 22 holes that ensured Labyrinth importantly delivered the agreed exploration expenditure of CAD \$1.085 million to satisfy the flow-through commitment incurred by previous owners G.E.T.T Gold (TSX-V: GETT).

The recent results confirm the presence of prospective high-grade, shallow gold mineralisation commencing at surface outcrops at the property, which is well located at the eastern end of the renowned Cadillac – Larder Lake Fault, including a South Vein intercept of 1.88m @ 4.06g/t from 230m with 0.4m @ 14.9g/t in DENS-22-20.

The Company is now able to conduct a full technical assessment of the presenting complex mineralogical system, likely attributable to the influence of late-stage faulting associated with the Grenville Front. Mineralisation appears to occur in all rock types at the prospect with the Quartz Porphyry/Agglomerate contact seeming most favourable. As this contact is irregular in nature it requires further work to identify the areas that are most conducive to hosting high grade gold and this will drive subsequent strategy on further exploration.



AUSTRALIAN ACTIVITIES

During the quarter, Labyrinth continued to pursue and progress strategic opportunities for its existing Western Australian projects, aligned with the current Company focus on the flagship Labyrinth Gold Project in Quebec and with a view to generate maximum value for shareholders.

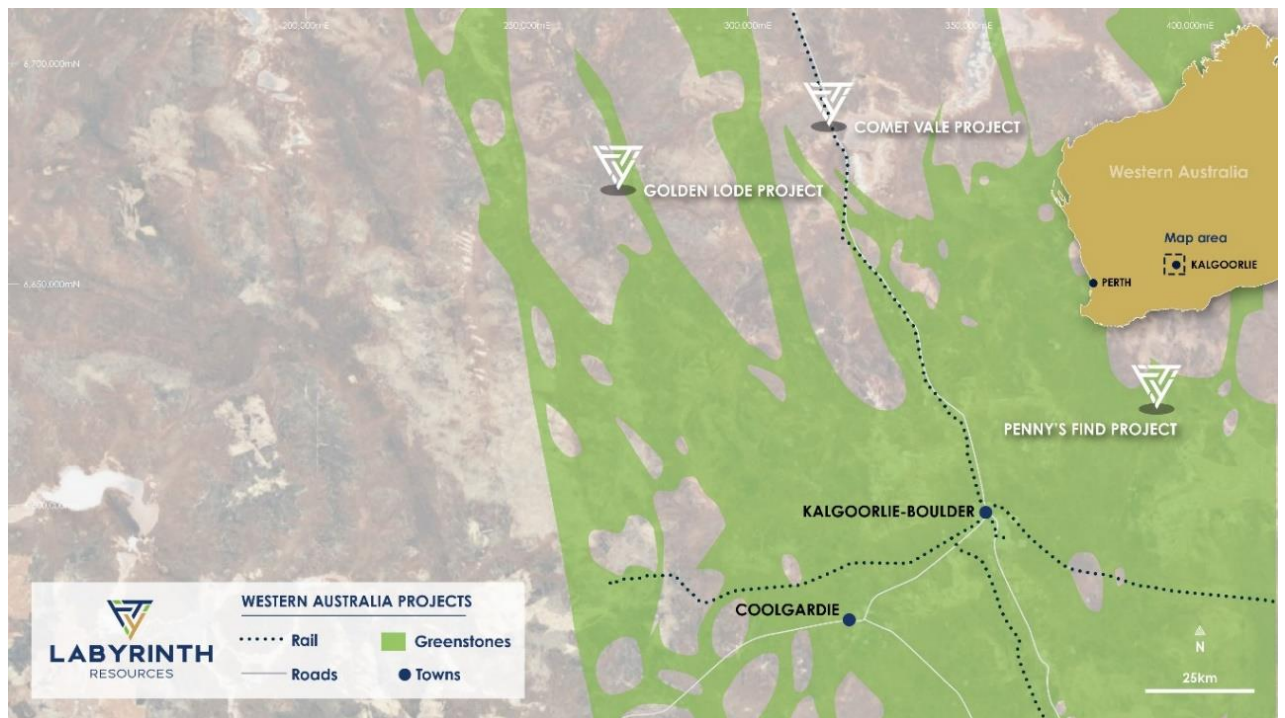


Figure 5 - Labyrinth Western Australia Projects

PENNY'S FIND

In December 2021, Labyrinth entered into a binding agreement to sell its remaining 50% interest in Penny's Find to joint venture partner Horizon Minerals (ASX:HRZ) ('**Horizon**') (through Horizon's wholly owned subsidiary Black Mountain Gold Pty Ltd) for a total commitment of \$1.25 million (refer ASX announcement 21 December 2021). Horizon will pay the Company cash consideration of \$500,000 and issue \$250,000 worth of fully paid ordinary shares in Horizon at completion in return for the Company's 50% right, title and interest in the Penny's Find project.

The Horizon shares will be issued at a deemed price of the 10-day VWAP of Horizon's shares prior to the issue date and will be under voluntary escrow for 6 months. Holding the shares in Horizon allows the Company continued exposure to the Penny's Find Project.

In addition, as part of the consideration and at the completion of the Penny's Find Sale, Horizon agrees to assume 100% of all future deferred payments, obligations and royalties inclusive of the deferred payments due to Empire Resources Ltd currently estimated at \$500,000.

Labyrinth expects Completion to be achieved in the September quarter following finalisation of the final conditions precedent.



GOLDEN LODGE

Aligned with Labyrinth's strategic project portfolio management, during the quarter Labyrinth divested the Golden Lode prospecting tenements to a private buyer for a cash sum of \$100,000. The funds were received by the Company in June and allocated to ongoing exploration activities at the Labyrinth Gold Project, with official transfer of the four tenements expected in the September quarter.

Three of the tenements (P30/1100, P30/1102, P30/1103) are scheduled to reach their 8-year anniversary period in February 2023 at which point the Company's ownership would lapse unless an application to convert to a mining lease was submitted and approved by the Department of Mining, Industry Regulation and Safety ('DMIRS') prior. Annual expenditure liabilities for the Company at Golden Lode amounted to a minimum of \$28,740.

COMET VALE

The Comet Vale joint venture gold project (Labyrinth 51%/Sand Queen Gold Mines Pty Ltd 49%) remained suspended during the quarter with no drilling or mining activities conducted as the parties continued to collaborate on development of an optimal strategy to realise maximum value from the highly prospective tenement package.

During the quarter, the Company submitted a Program of Work request to DMIRS for potential exploration outside the existing gold resource on tenement M29/52, which is currently awaiting approval. Following notification of objections brought against expenditure exemption submissions for some of the non-core periphery tenements that form the Comet Vale combined reporting group (C3/1999) relating to the 2021-22 reporting year, the Company has sought legal assistance to dispute the objections.

CORPORATE

FINANCIAL INFORMATION

The net cash position of the Company on 30 June 2022 was \$2.35 million, with a further \$0.5 million expected to be received post quarter end at completion of Penny's Find sale. The Appendix 5B detailing the consolidated cash flows for the quarter is provided in a separate report.

In accordance with Listing Rule 5.3.1, there were no substantive mining production and development activities undertaken during the June quarter.

In accordance with Listing Rule 5.3.5, Labyrinth advises that the payments to related parties as advised in the Appendix 5B pertain to legal fees of \$11,640 and Director fees of \$17,088.

This announcement has been authorised and approved for release by the Board.

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INTERESTS IN MINING TENEMENTS

Tenement/ Claim	Location	Project	Group Interest Start of Quarter	Group Interest End of Quarter
M27/156	Western Australia	Penny's Find	50%	50%
L27/90	Western Australia	Penny's Find	50%	50%
L27/91	Western Australia	Penny's Find	50%	50%
L27/92	Western Australia	Penny's Find	50%	50%
L27/93	Western Australia	Penny's Find	50%	50%
G27/1	Western Australia	Penny's Find	50%	50%
P30/1100	Western Australia	Golden Lode	100%	100%
P30/1102	Western Australia	Golden Lode	100%	100%
P30/1103	Western Australia	Golden Lode	100%	100%
P30/1131	Western Australia	Golden Lode	100%	100%
L29/67	Western Australia	Comet Vale	51%	51%
M29/35	Western Australia	Comet Vale	51%	51%
M29/52	Western Australia	Comet Vale	51%	51%
M29/85	Western Australia	Comet Vale	51%	51%
M29/185	Western Australia	Comet Vale	51%	51%
M29/186	Western Australia	Comet Vale	51%	51%
M29/197	Western Australia	Comet Vale	51%	51%
M29/198	Western Australia	Comet Vale	51%	51%
M29/199	Western Australia	Comet Vale	51%	51%
M29/200	Western Australia	Comet Vale	51%	51%



M29/201	Western Australia	Comet Vale	51%	51%
M29/232	Western Australia	Comet Vale	51%	51%
M29/233	Western Australia	Comet Vale	51%	51%
M29/235	Western Australia	Comet Vale	51%	51%
M29/270	Western Australia	Comet Vale	51%	51%
M29/321	Western Australia	Comet Vale	51%	51%
CDC2438660	Quebec	Denain	85%	85%
CDC2438661	Quebec	Denain	85%	85%
CDC2438662	Quebec	Denain	85%	85%
CDC2438663	Quebec	Denain	85%	85%
CDC2438664	Quebec	Denain	85%	85%
CDC2438665	Quebec	Denain	85%	85%
CDC2438666	Quebec	Denain	85%	85%
CDC2438667	Quebec	Denain	85%	85%
CDC2438668	Quebec	Denain	85%	85%
CDC2438669	Quebec	Denain	85%	85%
CDC2438670	Quebec	Denain	85%	85%
CDC2438671	Quebec	Denain	85%	85%
CDC2438672	Quebec	Denain	85%	85%
BM869	Quebec	Labyrinth	100%	100%
CDC2477686	Quebec	Labyrinth	100%	100%
CDC2477687	Quebec	Labyrinth	100%	100%
CDC2477688	Quebec	Labyrinth	100%	100%



CDC2477689	Quebec	Labyrinth	100%	100%
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CDC2477700	Quebec	Labyrinth	100%	100%
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CDC2477709	Quebec	Labyrinth	100%	100%
CDC2477710	Quebec	Labyrinth	100%	100%
CDC2477711	Quebec	Labyrinth	100%	100%



CDC2477712	Quebec	Labyrinth	100%	100%
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CDC2477715	Quebec	Labyrinth	100%	100%
CDC2477716	Quebec	Labyrinth	100%	100%
CDC2477717	Quebec	Labyrinth	100%	100%
CDC2477718	Quebec	Labyrinth	100%	100%
CDC2477719	Quebec	Labyrinth	100%	100%

Note: Registered title of Labyrinth and Denain claims remains with G.E.T.T Gold (TSX-V: GETT) until payment of Final Payment as part of acquisition consideration, though Labyrinth Resources Limited obtained operational control immediately upon Completion in November 2021.

SUMMARY OF CASH EXPENDITURE PER PROJECT

Project	Cash Expenditure \$'000
Labyrinth	3,073
Denain	52
Comet Vale	71
Golden Lode	22
Penny's Find	1
Total	3,219

COMPETENT PERSONS STATEMENT

The information in this announcement that relates to exploration results for the Labyrinth Gold Project and Denain Project is based on information compiled by Mr Andrew Chirnside, who is an employee of Labyrinth Resources Limited. Mr Chirnside is a professional geologist and Member of the Australian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Chirnside consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.



Specific exploration results referred to in this announcement were originally reported in the following Company announcements in accordance with ASX Listing Rule 5.7:

Title	Date
Labyrinth and Denain Gold Project Update, Canada	10 March 2022
Labyrinth Operational Update	12 April 2022
High-Grade Results Received at Labyrinth Gold Project	26 April 2022
More High-Grade Results at Labyrinth Gold Project	7 June 2022

The Company confirms that it is not aware of any information or data that materially affects the information included in the said original announcements and the form and context in which the Competent Persons' findings are presented have not materially modified from the original market announcements.

FORWARD LOOKING INFORMATION

This announcement contains forward-looking information about the Company and its operations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "should", "could", "estimates", "target", "likely", "plan", "expects", "may", "intend", "shall", "will", or "would". These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. Forward-looking statements are subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

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