



28 October 2022

Dear Shareholder,

LABYRINTH RESOURCES LIMITED ANNUAL GENERAL MEETING – NOTICE OF MEETING

A fully in-person Annual General Meeting of Labyrinth Resources Limited ('the Company') will be held at 3.00pm (AWST) on Tuesday, 29 November 2022 ('the Meeting').

In accordance with the *Corporations Amendment (Meetings and Documents) Bill 2021 (Cth)*, the Company is not sending hard copies of the Notice of Meeting to shareholders. The Notice of Meeting can be viewed and downloaded from the Company's website at (<https://www.labyrinthresources.com>) or on the Company's ASX market announcements page.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting.

The Company strongly encourages Shareholders to submit proxies prior to the Meeting.

In order to be able to receive electronic communications from the Company in the future, please update your shareholder details online at (<https://investor.automic.com.au/#/home>) and log in with your unique shareholder identification number and postcode (or country for overseas residents), that you can find on your enclosed personalised proxy form. Once logged in you can also lodge your proxy vote online by clicking on the "Vote" tab.

If you are unable to access any of the important Meeting documents online please contact the Company Secretary, Kelly Moore, on +61 8 6149 1573 or via email at admin@labyrinthresources.com.

Authorised by the Board of the Company.

Yours faithfully

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

Labyrinth Resources Limited

ACN 008 740 672

Notice of Annual General Meeting, Explanatory Statement and Proxy Form

Annual General Meeting to be held at:

Level 20, 1 William Street, Perth WA 6000

At 3.00pm (WST) on 29 November 2022

IMPORTANT NOTE

The Notice of Annual General Meeting and Explanatory Statement should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor, or other professional adviser prior to voting.

IMPORTANT INFORMATION

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Important Dates

Event	Date
Last day for receipt of Proxy Forms	3.00 pm (WST) on Sunday 27 November 2022
Snapshot date for eligibility to vote	4.00 pm (WST) on Sunday 27 November 2022
Annual General Meeting	3.00 pm (WST) on Tuesday 29 November 2022

Defined terms

Capitalised terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of the Shareholders of **Labyrinth Resources Limited** (ACN 008 740 672) (the **Company**) will be held as a physical meeting only at **Level 20, 1 William Street, Perth WA 6000** at **3.00 pm (WST)** on **Tuesday 29 November 2022** for the purpose of transacting the business referred to in this Notice of Annual General Meeting.

The Explanatory Statement that accompanies and forms part of this Notice describes the various matters to be considered.

AGENDA

To consider, and if thought fit to pass, the resolutions set out below.

RESOLUTION 1 – Adoption of the Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding advisory resolution**:

“That the Remuneration Report contained in the Directors’ Report for the year ended 30 June 2022 will be adopted by the Company.”

Notes: In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.

A voting exclusion statement applies to this Resolution. Please see below.

RESOLUTION 2 – Re-Election of a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of Listing Rule 14.4, rule 14.2 of the Constitution, and for all other purposes, Mr Dean Hely retires, and being eligible, be re-elected as a Director.”

RESOLUTION 3 – Election of a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of Listing Rule 14.4, rule 14.4 of the Constitution, and for all other purposes, Mr Simon Lawson retires, and being eligible, be elected as a Director.”

RESOLUTION 4 – Approval to grant Shares to Director – Simon Lawson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the grant of 2,400,000 Shares to Mr Simon Lawson, a director of the Company (or his nominee), in the manner and on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 5 – Approval to grant Performance Rights to Director – Simon Lawson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the grant of 3,600,000 Performance Rights to Mr Simon Lawson, a director of the Company (or his nominee), in the manner and on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 6 – Approval of Additional 10% Placement Capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

By order of the Board

Kelly Moore
Company Secretary
25 October 2022

VOTING EXCLUSIONS

Corporations Act voting prohibition statements

Pursuant to the Corporations Act, the following Resolution is subject to restrictions on voting as set out in the table:

Resolution	Description	Prohibition
Resolution 1	Adoption of the Remuneration Report	<p>A vote on the resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (a) members of Key Management Personnel details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair of the Meeting and the appointment of the chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.
Resolutions 4 and 5	Approvals to grant Shares and Performance Rights to Director – Simon Lawson	<p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and

		<p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
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ASX voting exclusion statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons:

Resolution	Description	Exclusion
Resolution 4	Approval to grant Shares to Director - Simon Lawson	Mr Simon Lawson (or his nominee), and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).
Resolution 5	Approval to grant Performance Rights to Director - Simon Lawson	Mr Simon Lawson (or his nominee), and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote cast in favour of a Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial, or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Moore Australia Audit, as the Auditor responsible for preparing the Auditor's Report for the year ended 30 June 2022 or its representative), will attend the Meeting.

The Chairperson will allow a reasonable opportunity for the Shareholders as a whole to ask the Auditor questions at the Meeting about:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the Financial Statements; and
- (d) the independent of the Auditor in relation to the conduct of the audit.

To assist the Board and the Auditor of the Company in responding to any questions you may have, please submit any questions you may have to the address below by no later than **3.00 pm (AWST) on Tuesday 22 November 2022**.

By mail: Suite 5, Level 1, 460 Roberts Road, Subiaco WA 6008

As required under section 250PA of the Corporations Act, at the Meeting, the Company will make available those questions directed to the Auditor received in writing at least 5 Business Days prior to the Meeting, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the Annual Financial Report for the year ended 30 June 2022. The Chairperson will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

Annual Report

The Company advises that a copy of its Annual Report for the year ended 30 June 2022, is available to download at the website address, www.labyrinthresources.com

When you access the Company's Annual Report online, you can view it and print a copy. Please note that if you have elected to continue to receive a hard copy of the Company's Annual Reports, the Annual report will accompany this Notice of Meeting or alternatively it will be mailed to you before the Meeting.

However, if you did not elect to continue to receive a hard copy of the Company's Annual Reports and now (or sometime in the future) wish to receive a hard copy of the Company's Annual Reports, please contact the Company Secretary at admin@labyrinthresources.com. We will be pleased to mail you a copy.

PROXY APPOINTMENT AND VOTING INSTRUCTIONS

Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address below, or by email by **3.00 pm (WST)** on **Sunday 27 November 2022**. A Proxy Form received after that time will not be valid.

By mail:	Automic Registry Services GPO Box 5193, SYDNEY NSW 2001
By hand:	Automic Registry Services Level 2, 267 St Georges Terrace, PERTH, WA 6000
By email:	meetings@automicgroup.com.au
Online:	https://investor.automic.com.au/#/loginsah

Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

The Company encourages Shareholders to appoint the Chair as your proxy. To do so, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chair, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chair will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form.

To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary, that director.

Corporate representatives

A body corporate may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a duly executed certificate of appointment of the corporate representative. The certificate of

appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST', or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolution by inserting the percentage or number of Shares you wish to vote in the appropriate boxes. If you do not mark any of the boxes next to a Resolution, your proxy may vote as he or she chooses. If you mark more than one box on the Resolution, your vote will be invalid.

Chairperson voting undirected proxies

If the Chairperson is your proxy, the Chairperson will cast your votes in accordance with your directions on the Proxy Form. If you do not mark any of the boxes on the Resolutions, then you expressly authorise the Chairperson to vote your undirected proxies at his/her discretion.

As at the date of this Notice of Meeting, the Chairperson intends to vote undirected proxies **FOR** each of the Resolutions. In exceptional cases the Chairperson's intentions may subsequently change. In this event, the Company will immediately make an announcement to the market.

Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares **4.00 pm (WST) on Sunday 27 November 2022**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Questions from Shareholders

Questions for the Board of Directors can be submitted to admin@labyrinthresources.com and must be received by no later than **3.00 pm (WST) on Tuesday 22 November 2022**.

The Board of Directors will endeavour to prepare answers to these questions, where necessary they will be moderated and curated to cover common ground.

Copies of written questions will be made available on the Company's website prior to the Meeting.

The Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management and performance of the Company.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

1. RESOLUTION 1 - Adoption of the Remuneration Report

The Remuneration Report is set out in the Directors' Report in the Company's 2022 Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes are cast against the adoption of Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a reasonable (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

At the Company's previous Annual General Meeting, the votes against the Remuneration Report were less than 25% of the votes cast on the Resolution. As such, Shareholders do not need to consider a spill resolution at the Annual General Meeting.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their Closely Related Parties may not vote on this Resolution, and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairperson and expressly authorises the Chairperson to exercise the proxy. The Chairperson will use any such proxies to vote in favour of Resolution 1.

The Board encourages all Shareholders to cast their votes on Resolution 1.

2. RESOLUTION 2 – Re-Election of a Director

2.1. General

Clause 14.2 of the Constitution of the Company requires that one third (or the number nearest to one-third) of Directors (excluding the Managing Director and any Directors appointed casually by the Board under clause 14.4 of the Constitution) must retire at each annual general meeting, provided that no Director (except the Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following their appointment, whichever is the longer, without submitting themselves for re-election.

A Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election.

Under the Constitution, Directors who are appointed at any time other than in a general meeting are not taken into account in deciding the rotation or retirement of Directors under clause 14.2 of the Constitution. Accordingly, Mr Dean Hely retires by rotation and, being eligible, seeks re-election at the Annual General Meeting.

If Resolution 2 is passed, Mr Hely will continue as a Director of the Company.

If Resolution 2 is not passed, Mr Hely will not continue as a Director of the Company.

2.2. Qualifications and other material directorships

Mr Hely is the managing partner of the independent West Australian legal firm Lavan and a partner in the corporate and reconstruction group. Mr Hely has more than 27 years' experience working in corporate reconstruction, insolvency and commercial litigation. Mr Hely was admitted as a partner of Lavan's predecessor firm, Phillips Fox Perth, in 1999, deputy managing partner of that firm and then of Lavan from 2002 to 2013, and became managing partner of Lavan in 2013.

In 2016, Mr Hely and others established Quadrant Advisory, a debt advisory practice that assists clients ranging from mid-sized companies through to ASX listed companies with their debt requirements.

Mr Hely is a board member and chair of the not for profit organisation Youth Focus.

2.3. Independence

Mr Hely is considered independent.

2.4. Board recommendation

The Board (with Mr Hely abstaining) supports the election of Mr Hely and recommends that Shareholders vote in favour of Resolution 2.

The Board encourages all Shareholders to cast their votes on Resolution 2.

3. RESOLUTION 3 – Election of a Director

3.1. General

Clause 14.4 of the Constitution of the Company provides that the Board may appoint a person to be a Director. In accordance with the Constitution and ASX Listing Rule 14.4, any person so appointed automatically retires at the next annual general meeting and is eligible for election by that annual general meeting but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Simon Lawson, having been appointed as a Director by the Board on 11 November 2021, retires in accordance with clause 14.4 of the Constitution and ASX Listing Rule 14.4 and, being eligible, seeks re-election at the Annual General Meeting.

If Resolution 3 is passed, Mr Lawson will continue as a Director of the Company.

If Resolution 3 is not passed, Mr Lawson will not continue as a Director of the Company.

3.2. Qualifications and other material directorships

Mr Lawson is a professional geoscientist with more than 15 years' experience spanning multiple commodities and jurisdictions and was a founding team member of Northern Star Resources (ASX: NST) that transformed a small WA gold mine into a multi-billion dollar gold heavyweight. Currently Mr Lawson is the Managing Director of ASX-listed Gascoyne Resources (ASX: GCY), a West-Australian gold-producer, and has personally visited and reviewed the acquired Canadian gold properties.

3.3. Independence

Mr Lawson is not considered independent as he is a director and shareholder of Gascoyne Resources.

3.4. Board recommendation

The Board (with Mr Lawson abstaining) supports the election of Mr Lawson and recommends that Shareholders vote in favour of Resolution 3.

The Company encourages all Shareholders to cast their votes on Resolution 3.

4. RESOLUTION 4 – Approval to grant Shares to Director

4.1. Background

The Company proposes to issue 2,400,000 Shares to Mr Simon Lawson, Technical Director of the Company. The issue of Shares will be used to remunerate Mr Lawson who has agreed to reduce the cash component of his remuneration and receive Securities instead. Resolution 4 seeks shareholder approval under Listing Rule 10.11 for the issue of the Shares to Mr Simon Lawson.

4.2. ASX Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- Listing Rule 10.11.1 - a related party;
- Listing Rule 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company;
- Listing Rule 10.11.3 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- Listing Rule 10.11.4 - an associate of a person referred to in the Listing Rules 10.11.1 to 10.11.3; or
- Listing Rule 10.11.5 - a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed issue of Shares to Mr Simon Lawson falls within Listing Rule 10.11.1 (as Mr Lawson is a Director of the Company) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

4.3. Information required under Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of Shares as a way to remunerate Mr Lawson who has agreed to reduce the cash component of his remuneration and receive Securities instead.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of Shares under the Resolution. In such a scenario, the Company may have to remunerate Mr Lawson with cash payments, which will mean less cash for the Company to direct towards its projects and working capital.

4.4. Information required by Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 4:

(a) Name of the person to whom securities may be issued:

Mr Simon Lawson, Technical Director of the Company.

(b) Which category in Listing Rules 10.11.1 – 10.11.5 the person falls within and why:

Mr Simon Lawson is a related party of the Company by virtue of being a Director (Listing Rule 10.11.1).

(c) Number and class of securities to be issued to the person:

2,400,000 fully paid ordinary shares.

(d) If the securities are not fully-paid ordinary securities, a summary of the material terms of the securities:

Not applicable.

(e) The date or dates on or by which the Company will issue the securities:

The Company intends to issue the Shares as soon as practicable after the Meeting, and in any event no later than 1 month from the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(f) The price or other consideration the Company will receive for the issue:

The Shares will be issued for nil cash consideration.

(g) The purpose of the issue, including the intended use of any funds raised:

The purpose of the issue is as a means to remunerate the Director.

(h) If the issue is intended to remunerate or incentivise a director, details of their current total remuneration package:

Simon Lawson's current total remuneration package is \$72,000 per annum inclusive of statutory superannuation.

(i) If the securities are issued under an agreement, a summary of its material terms:

The Shares are not being issued pursuant to an agreement.

(j) Voting exclusion statement

A voting exclusion statement is included in the Notice.

4.5. Chapter 2E of the Corporations Act

Section 208(1) of the Corporations Act (set out in Chapter 2E) requires that, where a public company proposes to give a financial benefit to a Related Party, the public company must:

- obtain the approval of the company's members in accordance with section 208 of the Corporations Act in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Resolution 4 will result in the issue of 2,400,000 Shares which constitutes giving a financial benefit and Mr Simon Lawson is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Simon Lawson, who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the 2,400,000 Shares constitutes reasonable remuneration payable to Mr Simon Lawson (or his nominee).

4.6. Director's Recommendation

The Directors, excluding Mr Simon Lawson, recommend that Shareholders vote in favour of Resolution 4 as it will allow for appropriate remuneration of Mr Lawson as the Technical Director of the Company without impacting on the Company's cash reserves.

5. RESOLUTION 5 – Approval to grant Performance Rights to Director

5.1. Background

The Company proposes to issue 3,600,000 Performance Rights to Mr Simon Lawson, Technical Director of the Company.

Approval of the proposed grant of the Performance Rights to Mr Simon Lawson is sought under Resolution 5.

5.2. Information required under Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of Performance Rights as a way to remunerate and incentivise Mr Lawson who has agreed to reduce the cash component of his remuneration and receive Securities instead.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of Performance Rights under the Resolution. In such a scenario, the Company may have to remunerate Mr Lawson with cash payments, which will mean less cash for the Company to direct towards its projects and working capital.

5.3. ASX Listing Rule 10.11

The effect of Listing Rule 10.11 is summarised at paragraph 4.2 above.

The proposed issue of Performance Rights to Mr Simon Lawson falls within Listing Rule 10.11.1 (as Mr Lawson is a Director of the Company) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

5.4. Information required by Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 5:

(a) Name of the person to whom securities may be issued:

Mr Simon Lawson, Technical Director of the Company

(b) Which category in Listing Rules 10.11.1 – 10.11.5 the person falls within and why:

Mr Simon Lawson is a related party of the Company by virtue of being a Director (Listing Rule 10.11.1).

(c) Number and class of securities to be issued to the person:

3,600,000 Performance Rights on the terms and conditions as included in Schedule 2 of this Notice of Meeting.

(d) If the securities are not fully-paid ordinary securities, a summary of the material terms of the securities:

The material terms and conditions of the Performance Rights are set out in Schedule 1 of this Notice of Meeting.

(e) The date or dates on or by which the Company will issue the securities:

The Company intends to issue the Performance Rights as soon as practicable after the Meeting, and in any event no later than 1 month from the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(f) The price or other consideration the Company will receive for the issue:

The Performance Rights will be issued for nil cash consideration.

(g) The purpose of the issue, including the intended use of any funds raised:

The purpose of the issue is as a means to remunerate and incentivise the Director.

(h) If the issue is intended to remunerate or incentivise a director, details of their current total remuneration package:

Please refer to section 6.4(h).

(i) If the securities are issued under an agreement, a summary of its material terms:

The Performance Rights are not being issued pursuant to an agreement.

(j) Voting exclusion statement

A voting exclusion statement is included in the Notice.

5.5. Chapter 2E of the Corporations Act

Section 208(1) of the Corporations Act (set out in Chapter 2E) requires that, where a public company proposes to give a financial benefit to a Related Party, the public company must:

- obtain the approval of the company's members in accordance with section 208 of the Corporations Act in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Resolution 5 will result in the issue of 3,600,000 Performance Rights which constitutes giving a financial benefit and Mr Simon Lawson is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Simon Lawson, who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the 3,600,000 Performance Rights constitutes reasonable remuneration payable to Mr Simon Lawson (or his nominee).

5.6. Director's Recommendation

The Directors, excluding Mr Simon Lawson, recommend that Shareholders vote in favour of Resolution 5 as it will allow for appropriate remuneration of Mr Lawson as the Technical Director of the Company without impacting on the Company's cash reserves.

6. RESOLUTION 6 – Approval of 10% Placement Capacity

6.1. General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully-paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An “eligible entity” means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 6 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without shareholder approval.

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.2. Description of Listing Rule 7.1A and information required by Listing Rule 7.3A

(a) Shareholder Approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Securities of the Company. The Company has one class of quoted Equity Securities on issue, being ordinary shares (ASX Code: LRL).

(c) Formulae for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that become fully paid in the 12 months;

- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning given in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under the Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

6.3. Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average market price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in the class were recorded immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

6.4. 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (b) the time and date of the Company's next annual general meeting; or
- (c) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

6.5. Other Specific Information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility:

If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are exercised). There is a risk that:

- (a) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (b) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (a) two examples where variable "A" has increased, by 50% and 100% and the voting dilution impact of such an increase. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.009 (50% decrease in current issue price)	\$0.018 (Current issue price)	\$0.036 (100% increase in current issue price)
875,766,755 (Current Variable A)	Shares issued – 10% voting dilution	87,576,676	87,576,676	87,576,676
	Funds raised	\$788,190	\$1,576,380	\$3,152,760
1,313,650,133 (50% increase in Variable A)	Shares issued – 10% voting dilution	131,365,013	131,365,013	131,365,013
	Funds raised	\$1,182,285	\$2,364,570	\$4,729,140
1,751,533,510 (100% increase in Variable A)	Shares issued – 10% voting dilution	175,153,351	175,153,351	175,153,351
	Funds raised	\$1,576,380	\$3,152,760	\$6,305,521

The table has been prepared on the following assumptions:

- (a) Variable 'A' in the above table is calculated with reference to the total shares on issue at the date of this Notice.

- (b) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (c) No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- (d) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (e) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused by their own shareholding depending on the specific circumstances.
- (f) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (g) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (h) The current issue price is \$0.018, being the closing price of the Shares on the ASX on 21 October 2022.
- (i) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 6 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).

The Company may seek to issue the Equity Securities for the purpose of cash consideration. In such circumstances, the Company intends to use the funds raised towards the acquisition of new assets and investments, corporate and administration and working capital.

The Company will comply with the disclosure obligations under the Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors set out in the Company's allocation policy, including but not limited to the following:

- (a) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (a) the effect of the issue of the Securities on the control of the Company;
- (b) the financial situation and solvency of the Company; and

- (c) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is likely that the recipients of funds raised under the 10% Placement Facility will be vendors of the new assets or investments.

The Company obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its previous annual general meeting held on 29 October 2021. During the 12 month period preceding the date of this Meeting, the Company did not issue any Shares under its Listing Rule 7.1A placement capacity. No information under Listing Rule 7.3A.6(b) is required to be set out in this Notice.

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (a) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (b) the information required by Listing Rule 3.10.5A for release to the market.

A voting exclusion statement is not included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

6.6. Board recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

ENQUIRIES

Shareholders are encouraged to contact the Company Secretary on +61 8 6149 1573 or by email at admin@labyrinthresources.com if they have any queries in respect of the matters set out in these documents.

GLOSSARY OF TERMS

In this Explanatory Statement and the Notice, the following terms have the following meaning unless the context otherwise requires:

Annual General Meeting, General Meeting, or Meeting	the annual general meeting of Shareholders convened by this Notice, or any resumption thereof.
Associate	has the meaning given to that term in the Listing Rules.
ASX	ASX Limited (ACN 008 624 691), or, as the context requires, the financial market operated by it known as the Australian Securities Exchange.
Board	the board of Directors of the Company.
Business Day	has the meaning given to that term in the Listing Rules.
Chair or Chairperson	the chair of the Meeting.
Company or Labyrinth Resources	Labyrinth Resources Limited (ACN 008 740 672).
Constitution	means the Constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	a director of the Company, and where the context requires, includes an alternate director
Equity Securities	includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.
Explanatory Statement	this explanatory statement which accompanies and forms part of the Notice.
Glossary	this glossary of terms.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board.
Listing Rules	the listing rules of ASX, as amended from time to time.
Notice or Notice of Meeting	the Notice of Annual General Meeting accompanying this Explanatory Statement.
Performance Rights	means a right which entitles the holder to be issued Shares upon the satisfaction of certain conditions.
Proxy Form	the proxy form accompanying the Notice.
Related Body Corporate	has the same meaning as given to that term in the Corporations Act.
Related Party	has the meaning given to that term in the Listing Rules.
Resolution	a resolution referred to in the Notice.
Securities	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
Share	a fully-paid ordinary share in the Company.
Shareholder	the holder of a Share.
Trading Day	has the meaning ascribed to it in the Listing Rules.

Schedule 1 – Performance Rights Vesting Conditions

The Performance Rights the subject of Resolution 5 have the following material terms:

Nature of Awards	Each Performance Right represents a right to receive one (1) ordinary share in the capital of the Company upon its vesting.
Exercise Price	No exercise price is payable upon vesting of the Performance Rights.
Vesting Conditions	<p>The Performance Rights are subject to the vesting conditions set out below in Tranches 2 and 3 (Vesting Conditions).</p> <p>If the Vesting Conditions relevant to a Performance Right are not satisfied by the Expiry Date and/or are otherwise waived by the Board, that Performance Right will lapse.</p> <p>If the Vesting Conditions are satisfied or otherwise waived, a confirmation notice will be sent to the holder by the Company. Unless and until the confirmation notice is issued to the holder by the Company, the Performance Rights will not be converted into Shares.</p>
Settlement Mechanism	<p>Performance Rights will be equity settled only, and not cash settled. As soon as practicable after the vesting of a Performance Right and the issue of a confirmation notice by the Company, the Company will arrange for the holder to receive the requisite number of resulting Shares.</p> <p>The Company may fulfil a vested Performance Right by:</p> <ul style="list-style-type: none"> - issuing Shares to the holder; or - purchasing the Shares 'on-market' for the purposes of the Corporations Act and the ASX Listing Rules (where such Shares are then transferred to the holder); or - a combination of the two above methods. <p>The Shares delivered to the holder will be subject to any tax or superannuation which the Company is required to withhold.</p>
Transfer of Awards	Prior to their conversion into Shares, Performance Rights shall not be transferrable and will consequently not be quoted on the ASX or any other exchange.
Rights to vote in a Shareholder Meeting or Resolution	Prior to their conversion into Shares, Performance Rights shall not confer any right to vote, except as otherwise required by law.
Dividends	Prior to their conversion into Shares, Performance Rights shall not entitle the holder to any dividends, whether fixed or at the discretion of the Directors.

Capital Returns	Prior to their conversion into Shares, Performance Rights shall not confer a right to any return of capital whether in a winding up, upon a reduction of capital, or otherwise.
Surplus Profit/Assets	Prior to their conversion into Shares, Performance Rights shall not confer any right to participate in the surplus profit or assets of the Company upon a winding up.
New Issues	Prior to their conversion into ordinary shares, Performance Rights shall not confer any right to participate in new issues of securities including (but not limited to) bonus issues or entitlement issues.
Expiry Date	30 June 2024.
Change of Control Event	In the event of a change of control event, all granted Performance Rights will immediately vest in full.

The following vesting conditions are applicable to the vesting of Performance Rights under proposed Resolution 5:

Tranche 2 (2,400,000 Performance Rights) – JORC 2012 Resource of 650,000oz

Tranche 2 Performance Rights will be subject to a vesting condition relating to the delivery of JORC 2012 compliant Mineral Resource Estimates during the performance period of 22 November 2022 to 30 June 2024 for the Labyrinth and Denain Gold Projects in Quebec, Canada that collectively total a minimum of 650,000oz of gold (a 30% increase on the Tranche 1 milestone with respect to performance rights issued to Mr Lawson previously). The cut-off grades used in generating the JORC 2012 Mineral Resource Estimates will be 3g/t and 1.5g/t for the Labyrinth and Denain Gold Projects respectively.

Tranche 3 (1,200,000 Performance Rights) – Share Price Performance

Tranche 3 Performance Rights will be subject to a vesting condition relating to the achievement of an Australian Stock Exchange 30 day VWAP for the Company's Shares of 10 cents or greater during the performance period 22 November 2022 to 30 June 2024. If a consolidation of the Company's Shares takes place at any time during the performance period, the target share price for Tranche 3 will be adjusted accordingly via a pro-rata calculation with respect to the consolidation.

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3.00pm (WST) on Sunday, 27 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



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