



Labyrinth Gold Project, Canada

Revised project acquisition terms pave way for significant growth

Labyrinth to target increase in 500,000oz Resource through diamond drilling program

Labyrinth Resources Limited (ASX: LRL) ('**Labyrinth**' or '**the Company**') is pleased to advise that it has agreed revised terms and conditions for its purchase of the Labyrinth gold project in Canada from G.E.T.T. Gold Inc (TSXV: GETT) ('**GETT**').

The new terms are favourable for both parties and enable Labyrinth to focus on growing the Labyrinth Resource, which stands at 500,000oz at 5gpt¹.

The original terms and conditions of the Project Acquisition Agreement were set out in Labyrinth ASX Announcements dated 2 September 2021, 9 November 2022 and 3 April 2023.

The key revised terms are:

- Delivery of Payable Gold to GETT over a 48-month period commencing 8 November 2021 will now only be triggered upon commencement of profitable Production Activities at the project in the future.
- Payment of the remaining acquisition cost previously due 31 March 2023, being CAD\$1 million, is deferred and divided into two equal payments of CAD\$500,000 (plus accrued interest at a simple rate of 7% per annum from 30 November 2023) on or before 30 April 2023 and 29 September 2023.
- Delivery of 450oz of Payable Gold to GETT previously due 31 March 2023, is deferred until the earlier of 31 December 2023 or the date on which the Company publicly announces a mineral Reserve estimate and can be delivered via the issue of fully paid ordinary shares in Labyrinth of the cash equivalent of 450oz.

Detailed revised terms included at the end of this announcement.

Labyrinth Chief Executive Matt Nixon said: "The amended terms deliver substantial benefits to both companies because they enable Labyrinth to focus on growing the high-grade Resource at the Labyrinth Gold Project. This will in turn ensure we unlock the full value of the project for the benefit of both companies.

"With the gold payment schedule now only commencing once the project is delivering profitable ounces, capital can be used to create value through the next phase of diamond drilling. This program is aimed at increasing the maiden 500,000oz JORC 2012 Mineral Resource established in September last year. The pathway to future production has been simplified.

"I would like to acknowledge the positive approach to negotiations by GETT, which enabled an outcome that will bring value to the shareholders and stakeholders of both Companies."

¹ Refer ASX Announcement 28 September 2022



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

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REVISED TERMS DETAIL

- The Company delivery of a total of 4,500oz of gold on an annual basis over a 48-month period to GETT previously commencing 8 November 2021 will now only be triggered upon commencement of Production Activities, defined as processing of ores derived from the Project by the Company resulting in the production of gold ounces, in a manner which does not result in a financial loss by the Company. The calculation mechanism for the Payable Gold deliveries remains unchanged (refer ASX Announcement 2 September 2021).
- The Company shall pay to GETT an amount of CAD\$500,000, plus accrued interest on the balance of the Final Amount, being CAD\$1 million, at a simple rate of 7% per annum from November 30, 2022 to April 30, 2023 on or before 30 April 2023.
- The Company shall pay to GETT accrued interest on the cash equivalent of 450oz of gold at a simple rate of 7% per annum from November 30, 2022 to April 30, 2023, with such amount being determined pursuant to the prevailing 28-day moving average gold price as of April 30, 2023 published by the London Bullion Market Association per ounce of gold, on or before 30 April 2023.
- The Company shall pay to GETT the balance of the Final Amount, being CAD\$500,000, plus accrued interest on the balance of the Final Amount at a simple rate of 7% per annum from May 1, 2023 to September 29, 2023 on or before 29 September 2023.
- The Company shall pay to GETT accrued interest on the cash equivalent of 450oz of gold at a simple rate of 7% per annum from May 1, 2023 to September 29, 2023, with such amount being determined pursuant to the prevailing 28 day moving average gold price as of September 29, 2023 published by the London Bullion Market Association per ounce of Payable Gold, on or before September 29, 2023, provided that the amount set forth may be paid, at the option of Labyrinth, in cash or in equivalent Labyrinth fully paid ordinary shares.
- The Company shall deliver to GETT, on the date that is the earlier of (i) December 31, 2023 and (ii) the date on which Labyrinth publicly announces a mineral reserve estimate for the Project in accordance with the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, Labyrinth shall have delivered to GETT:
 - 450 ounces of Payable Gold; or
 - the nearest whole number of fully paid ordinary shares in Labyrinth equivalent to the quotient of: (i) the cash equivalent of 450 oz of Payable Gold using the prevailing 28 day moving average gold price published by the London Bullion Market Association per ounce of Payable Gold, divided by (ii) the fair market value of one ordinary share in the capital of Labyrinth based on the fifteen (15) day Volume Weighted Average Price of the ordinary shares of Labyrinth.
 - The 450oz shall be deducted from the total of 4,500oz