



Labyrinth Gold Project, Canada

Assays of +20g/t further extend known mineralisation 375m down-dip

Maiden JORC Resource set for release next month; Latest results, which significantly extend known lodes and reveal gold in previously unmodelled zones, will form part of subsequent Resource update

Key Points

- Assays received for first three holes of the maiden surface program at Labyrinth significantly extend the many currently defined lodes at depth and along strike
- Drilling also intersected mineralisation in previously unmodelled zones, indicating potential for substantial increases in scale of the deposit
- The initial outstanding result (reported previously – refer ASX Announcement 25 July 2022) in hole LABS-22-01A, located 125m down-dip of the defined Front-West lode, was:
 - 2.2m @ 10.67g/t from 143.5m including 0.5m @ 44.12g/t, part of a broader mineralised interval of 8.1m @ 4.05g/t from 143.5m
- This result is strongly supported by the latest assays, with hole LABS-22-02 delivering an excellent result 375m down-dip of the defined Boucher lode of:
 - 1.4m @ 13.32g/t from 652.3m including 0.9m @ 20.53g/t
- Visual quart and pyritic mineralisation observed in LABS-22-04 and LABS-22-05 indicate further down-dip and along strike extensions to existing modelled lodes, with assays pending
- Drilling at Labyrinth remains only shallow compared to other significant projects in the region, which are host to multi-million ounce deposits (refer figure 2)

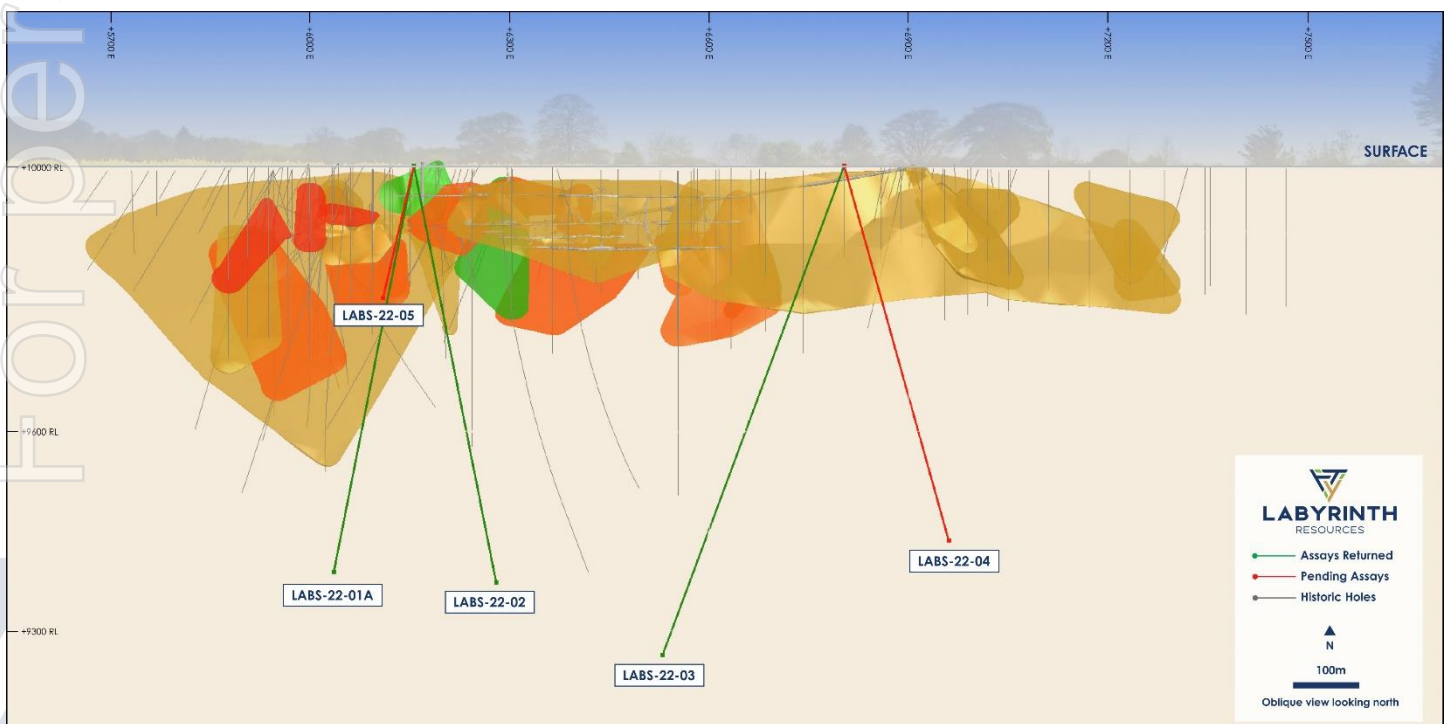


Figure 1 – Maiden surface exploration targeting mineralisation extensions to depth of up to ~700m below surface



Labyrinth Resources Limited (ASX: LRL) (**'Labyrinth'** or **'the Company'**) is pleased to announce that assays received for the first three holes of the maiden surface exploration program at its flagship Labyrinth Gold Project in Quebec, Canada contain high-grade results which extend the mineralisation significantly.

Highlights include 20.53g/t in LABS-22-02, which extends the Boucher lode by a significant 375m down-dip.

This follows the previously reported result of 44.12g/t in LABS-22-01, which was 125m down dip of the currently defined Front-West lode (Refer ASX Announcement 25 July 2022).

Drilling of phase one is now successfully complete, with 3,135m drilled across 5 holes in just 44 days, under budget and with no safety incidents.

Assays are pending for LABS-22-04 and LABS-22-05.

Quartz and pyritic mineralisation characteristic to Labyrinth has been observed across multiple lodes, with results confirming the mineralisation extends up to 375m down dip and to a depth of ~550m below surface, remaining open at depth and along strike.

Labyrinth is on track to publish its maiden JORC Resource next month. These latest assays and those pending will form part of a subsequent Resource update.

Labyrinth Chief Executive Matt Nixon said: "These are outstanding results which highlight the scope for substantial growth in the deposit, both along strike and at depth.

"We are in the throes of finalising our maiden JORC Resource and already we have established substantial mineralisation which sits outside these parameters, paving the way for a subsequent Resource update.

"We have barely scratched the surface at Labyrinth compared with the drilling completed at other major deposits in the Abitibi region. The scale of these endowments shows the upside we have at Labyrinth".

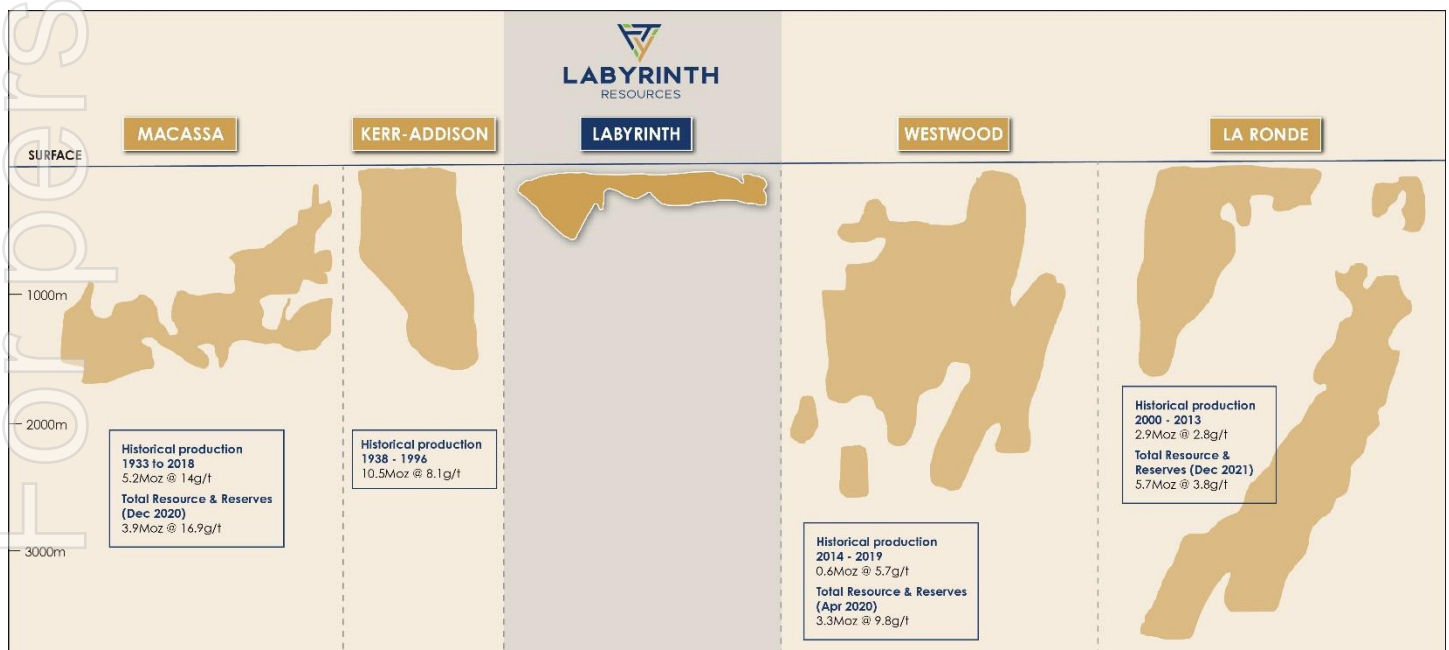


Figure 2 - Significant Gold Projects within 100km radius of Labyrinth¹

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.



Labyrinth Exploration Update

The maiden surface diamond drilling program at Labyrinth Gold Project commenced in late June 2022 and consisted of 3,135 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.

The drilling successfully intersected visual Labyrinth style mineralisation at down-dip projections of the currently modelled Boucher, Talus, McDowell and Front-West lodes, with the deepest hole drilled at the project to date (LABS-22-03) confirming mineralisation continuity to 791m down-hole and pleasingly also delivering an intercept in a previously unmodelled zone of 2m @ 2.21g/t including 0.5m @ 7.51g/t for future follow-up drill targeting.

Highlights of initial results include:

- The high-grade intercept of the Front-West lode of **2.2m @ 10.67g/t from 143.5m including 0.5m @ 44.12g/t** as well as **1.0m @ 7.43g/t from 147.8m**. These results are 125m below the currently modelled Front-West lode and importantly exist within a broader mineralised interval of **8.1m @ 4.05g/t from 143.5m in LABS-22-01A**
- The high-grade intercept of the Boucher mineralisation of **1.4m @ 13.32g/t from 652.3m including 0.9m @ 20.53g/t** 375m down plunge of the currently modelled lode

A full table of significant surface drilling results received to date is provided in Schedule 1, with assays pending for LABS-22-04 and LABS-22-05.

Historical drilling assays and development face sample results combined with outcomes received from Labyrinth's 2022 maiden underground and surface drilling programs confirm strong high-grade continuity of the primary mine-sequence lodes that will be quantified in the upcoming maiden JORC mineral resource estimate. Figure 3 below demonstrates this continuity, depicting all results above the current resource cut-off grade of 3g/t and now reinforced by the high-grade results received from the recent extensional surface drilling.

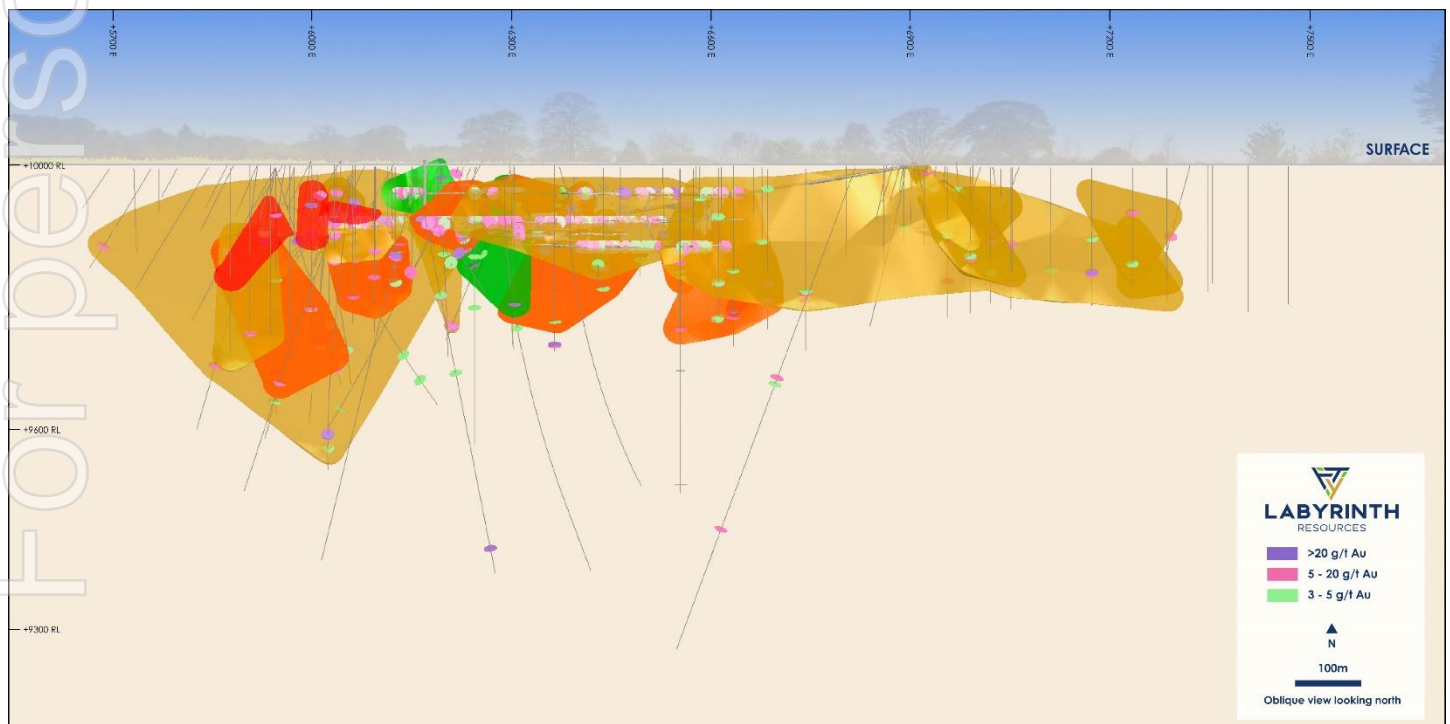


Figure 3 Labyrinth assays >3g/t gold



LABS-22-03

Diamond drill hole LABS-22-03 is situated in the central corridor of the Labyrinth deposit and is collared 260m to the south of the current known mineralisation. It is designed to pass through all known mineralisation trends as close to true width as possible and is targeting down dip extensions to the lodes and the eastern end of the current mine footprint.

Front-West lode mineralisation in LABS-22-03 consists of weak irregular quartz veining with minor associated pyrite at 119m downhole. The host lithology is felsic porphyry that has chlorite alteration.

At 319m downhole within the targeted McDowell corridor a 2m zone of strong quartz veining with carbonate and pyrite presence was intersected. The vein is hosted in dolerite with strong magnetite and weak leucoxene alteration surrounding it.

At the Talus target depth of 370m, dolerite with strong leucoxene and sericite alteration was intercepted over a distance of 21m with multiple quartz veins of up to 1m. Pyrite percentages within the quartz veins and surrounding dolerite were up to 80% with the overall intercept averaging 30%.

Between Talus and Boucher target depths, multiple zones of quartz veining with associated leucoxene alteration were intersected within the gabbro. The strongest zone was intersected at 628m where multiple quartz-carbonate veins with sulphide laminations and carbonate alteration to the host rock were intersected over a distance of 3m.

At the Boucher target depth of 790m, the zone was intersected where gabbro graded back into dolerite before grading back to gabbro. Alteration consisted of weak sericite with quartz veining and minor pyrite along with intense shearing as is typical with the Boucher structure.

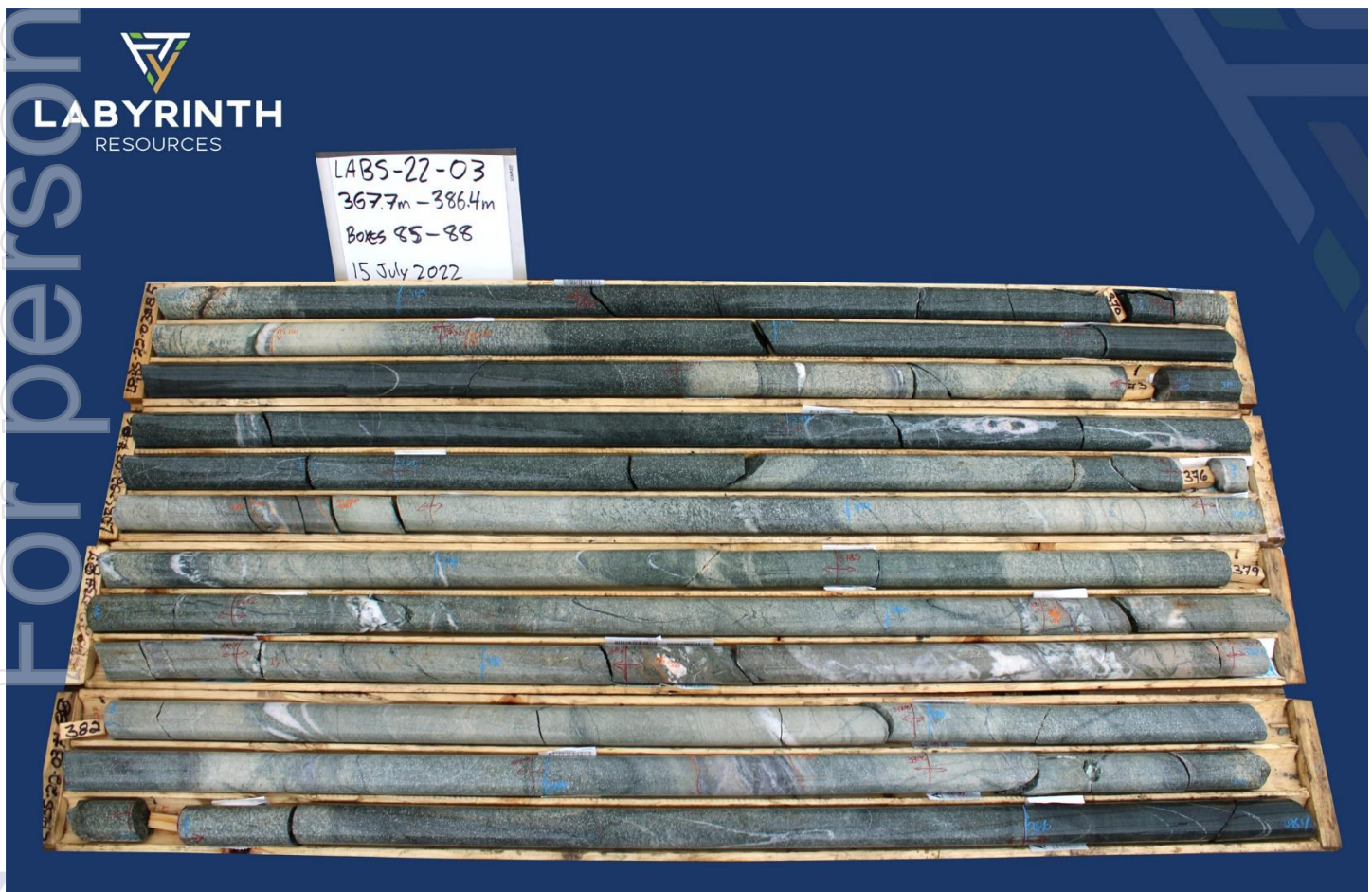


Figure 4 Wide Talus lode interval demonstrating significant pyrite presence



LABS-22-04

Diamond drill hole LABS-22-04 is situated in the central corridor of the Labyrinth deposit and is collared 260m to the south of the current known mineralisation. It is designed to pass through the McDowell lode to the east of the mine portal at an intersection angle of 45 degrees to the mineralisation.

The hole passed through a series of dolerites for the first 180m with minor zones of pyrite and sericite alteration before intersecting a large felsic porphyry to 425m downhole. It then intersected the dolerite unit that hosts the McDowell and Talus structures and hit the McDowell structure at 601m which extended for 10m with strong quartz veining, pyrite veinlets and leucoxene alteration.

LABS-22-05

Diamond drill hole LABS-22-05 is collared from the same site as hole LABS-22-01-03 and is designed to follow up the Front-West result from hole LABS-22-01A. At 38m downhole the hole intersected sheared quartz veining with weak carbonate alteration and pyrite hosted in dolerite. The hole then intersected a large felsic porphyry unit and remained in that until end of hole at 221m.

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

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About 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 dry, ventilated and 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.

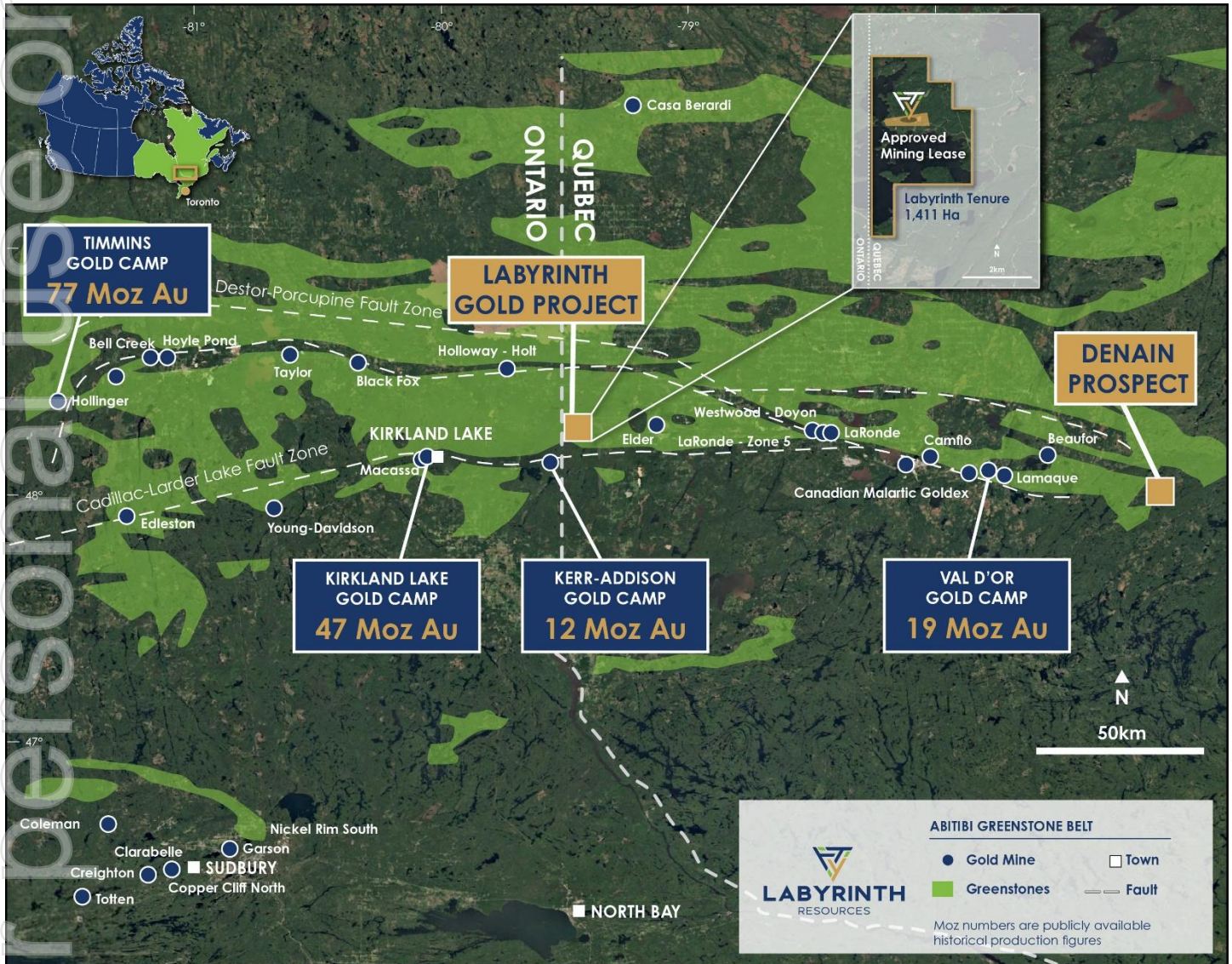


Figure 5 - Location of Labyrinth Resources Projects amongst Abitibi Gold Camps (Sources: Ontario Ministry of Northern Development and Mines Statistics <https://www.geologyontario.mndm.gov.on.ca>, History of Abitibi Gold Belt (2021) <https://www.visualcapitalist.com/sp/the-history-of-the-abitibi-gold-belt/>)

The host rocks exist within a 600m thick differentiated sill that grades from gabbro through to felsic porphyry with the mineralisation predominantly hosted in the diorite. The mineralisation at Labyrinth is hosted within east-west trending quartz veins that can be traced for at least 1.6km along strike and run parallel with the trend of the lithology. The quartz veins show lamination and host sulphides that are 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 |



Schedule One

Table 1 - Labyrinth Gold Project Phase One Surface Results >1g/t

| Hole ID | Lode | Mine Easting | Mine Northing | Elevation | Azi | Dip | Depth | From | To | Width | Au g/t | | | | | | |
|-------------|------------|--------------|---------------|-----------|-----|-----|-------|------------|-------|-------|--------|--|-------|-------|-------|-------|-------|
| LABS-22-01A | Front-West | 6335.4 | 2409.4 | 9986.3 | 335 | -60 | 670.5 | 143.5 | 151.6 | 8.1 | 4.05 | | | | | | |
| | | | | | | | | including | | | | | | 143.5 | 145.7 | 2.2 | 10.67 |
| | | | | | | | | with | | | | | | 144.2 | 144.7 | 0.5 | 44.12 |
| | | | | | | | | and | | | | | | 147.8 | 148.8 | 1 | 7.43 |
| LABS-22-02 | Front-West | 6336.2 | 2409.4 | 9986.3 | 20 | -60 | 696.3 | 129.9 | 130.4 | 0.5 | 1.59 | | | | | | |
| | | | | | | | | Unmodelled | | | | | | 212.7 | 218 | 5.3 | 1.59 |
| | including | | | | | | | | | | | | 214 | 217 | 3 | 2.68 | |
| | McDowell | | | | | | | | | | | | 347.7 | 348.9 | 1.2 | 3.20 | |
| | Boucher | | | | | | | | | | | | 652.3 | 653.7 | 1.4 | 13.32 | |
| | including | | | | | | | | | | | | 652.8 | 653.7 | 0.9 | 20.53 | |
| LABS-22-03 | Talus | 6815.6 | 2414.9 | 9993.8 | 320 | -60 | 836.9 | 364.8 | 366.1 | 1.3 | 4.83 | | | | | | |
| | | | | | | | | and | | | | | | 376 | 376.5 | 0.5 | 4.83 |
| | Unmodelled | | | | | | | | | | | | 628.1 | 630.1 | 2 | 2.21 | |
| | including | | | | | | | | | | | | 628.6 | 629.1 | 0.5 | 7.51 | |

- 1) Depth, From, To, Width and Intercept Depth Below Surface are all measured in metres
- 2) Northing and Easting are local mine grid
- 3) Widths are downhole widths only
- 4) Azimuth is measured in degrees and is true north
- 5) Dip is measured in degrees

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.

Cautionary Statement

Certain information in this announcement contains references to visual results. The Company draws attention to the inherent uncertainty in reporting of visual results.



Competent Persons Statement

The information in this announcement that relates to exploration results for the Labyrinth Gold Project is based on information compiled by Mr Andrew Chirside, who is an employee of Labyrinth Resources Limited. Mr Chirside is a professional geoscientist 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 Chirside consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

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Appendix One – JORC Code, 2012 Edition

Section 1. Sampling Techniques and Data – Labyrinth Gold Project

| Criteria | JORC Code explanation | Commentary |
|-----------------------|--|--|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. | <ul style="list-style-type: none"> Surface diamond drill samples recovered using a skid mounted diamond drilling rig with wireline core barrel recovery through the inside of the drill string and employing a NQ size diamond drill bit at the face. Where possible all samples are taken at 1m intervals. Some sub-sampling will be undertaken in reference to geological units and other intervals as determined by a qualified consultant geologist. The diamond drill core is meter-marked, logged, marked for sampling, photographed and whole core sampled. Samples are bagged in numbered plastic bags, wire tied and sent to Swastika for assay. Samples are crushed, split, pulverized, split and fire assayed using a 30g charge with an AAS finish. |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | <ul style="list-style-type: none"> All drilling being reported is diamond drilling. |
| Drill sample recovery | <ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximize sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | <ul style="list-style-type: none"> Drill core is assessed for core recovery during drilling operations. All care is taken to recover the entire core, however some drilling conditions i.e broken ground can impede 100% recovery. Core is also meter marked by experienced contract geologists to core blocks inserted by drillers at the end of their runs. This provides a further level of quality control re: core recovery as the geologist will discuss with drilling crew if there are issues. To date core recovery has been +95%. |



| | | |
|---|--|---|
| Logging | <ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. | <ul style="list-style-type: none"> • All diamond drill core is logged for geology and fundamental geotechnical parameters are taken i.e RQD etc. • All core logging is quantitative and a full record is taken by a qualified and experienced contract geologist. |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second- half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled | <ul style="list-style-type: none"> • Drillcore being reported is NQ (50.7mm) diameter. Both sizes of core are half cut using a diamond table saw and half core is sent for assay with the other half retained. One side of the core is consistently taken to ensure no bias is introduced when sampling. • Qualified and experienced contract geologists determine the sampling and sub-sampling with the majority of samples being 1m and a nominal minimum sample length of 0.3m. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | <ul style="list-style-type: none"> • Samples are crushed, split, pulverized, split and fire assayed using a 30g charge with an AAS finish. • Samples of greater than 10g/t are crushed, split, pulverized, split and a gravimetric reading is utilized. • Samples containing visible gold are requested to be assayed using screen fire assaying consisting of them being crushed, pulverized, split, sieved to remove the coarse fraction and a weighted average method is used to determine the final assay grade. • The nature of assaying employed (Fire Assay) is appropriate for the style of mineralisation under review. • Certified Reference Material or Standards, as well as Blanks are inserted at regular intervals 1:20 by qualified contract geologists to ensure a standardized measure of QAQC. • A lab audit of Swaslabs was undertaken on 01/03/22 with no deviations from standard practices observed. |



| | | |
|--|--|--|
| Verification of sampling and assaying | <ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. | <ul style="list-style-type: none"> • Qualified and experienced company geologists design and supervise the drilling program. Experienced contract geologists geologically log the core as per procedures. • A number of twinned holes are employed during the program to provide a measure of reproducibility and as a measure of spatial variability given the high-grade gold mineralisation present at the property. • Data is entered directly into logging software to minimize any transcription errors |
| Location of data points | <ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. | <ul style="list-style-type: none"> • The underground development has been flown by a drone as well as picked up by a surveyor creating high confidence in location. • At the end of each phase of drilling the drill-collars are also picked up by a qualified surface surveyor. • The grid system in use is a local mine grid that has been developed reference from the portal • Topographic control is developed using the collar point elevations of previous drillholes. |
| Data spacing and distribution | <ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. | <ul style="list-style-type: none"> • No sample compositing is being employed or being applied. • Surface drillholes are of an exploratory nature and at wide spacing, as such no resource classification is planned from these holes. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | <ul style="list-style-type: none"> • Drilling is being conducted perpendicular to the strike of the mineralized structure and the various dips of the drill-holes will give close to a right-angle intercept of the projected mineralized positions. • There appears to be no sample bias in relation to ore body geometry and the angles of drill-hole intercept. |
| Sample security | <ul style="list-style-type: none"> • The measures taken to ensure sample security. | <ul style="list-style-type: none"> • The core samples are bagged and sealed with numbered security tags. Once samples arrive at the laboratory the security tags and corresponding samples are verified against onsite logs. Site is always occupied, and no samples were left at the project during field breaks. |
| Audits or reviews | <ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. | <ul style="list-style-type: none"> • A review of all logging and sampling practices was carried out on 26/02/22 with no deviations observed. |



Section 2. Reporting of Exploration Results – Labyrinth Gold Project

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | <ul style="list-style-type: none"> The mineral concessions of the Labyrinth Gold Project consist of 34 unpatented claims and 1 mining lease covering approximately 1,411Ha. An NSR royalty is payable to Globex of 5% of the first 25,000 ounces produced from the existing BM869 mining lease and 3% for all ounces thereafter The claims are CDC 2477686 to CDC 2477718 Labyrinth Resources has Completed a sale agreement to acquire 100% of the Nippon ownership in the Rocmec property, which requires satisfaction of following considerations: C\$2,000,000 will be paid to Nippon Dragon. 6 months from signing a further C\$1,500,000 will be paid to Nippon Dragon. 12 months from signing a further C\$1,500,000 will be paid. Labyrinth will also pay 4,500 ounces of gold to Nippon over an agreed 48 month period from Commencement Date and will provide C\$1,085,000 to Nippon for surface exploration at the direction of Labyrinth. Further details are included in ASX release 2 September 2021. |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <p>From the first discovery in 1924 to 1985 a total of 23,200m from 166 historical drill-holes were drilled over the Rocmec 1 property. Most of the information was validated from historical paper sections as well as paper logs when possible. The coordinates were transferred into the metric local grid using GIS software.</p> <p>From 2006 to 2010 a further 10,300m of diamond drilling was drilled by Rocmec Mining both on surface and underground on the Rocmec 1 property.</p> <p>Since the initial discovery in the 1920s, constant exploration work has been undertaken on the property. More than 30,000m of diamond drilling, a 98m shaft, 844m of ramp, 1,729m of underground galleries and 187m of raises were carried out between 1934 and 1983.</p> <p>Historical exploration summary In October 1924, A.W. Balzimer and M. Mitto claimed the area with the gold discovery near the actual ramp. Exploration work was concentrated in this part of the property and consisted especially of work of stripping and trench sampling.</p> <p>In 1934-35, Sylvanite Mines drilled 1,111m on the property. Later, Erie Canadian Mines drilled 10 holes before Bordulac Mines bought the property in 1945.</p> |



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Between November 1946 and September 1947, Bordulac Mines drilled several holes totalling 4,208m. Core recovery for this program did not exceed 70% and reached hardly 30% locally. In 1946 geologist H.S. Scott published a geological report on the property. A 46m shaft with two (2) compartments was sunk in 1948-49. Approximately 308m of drifts were dug at level 150 (ft), now called level 45, to explore the Talus vein previously discovered during a surface drilling campaign totalling 2,225m. Another diamond drilling campaign of 640m led to the discovery of the McDowell vein. The shaft was deepened to a 97.5m depth and an additional 494m of drift were dug at level 300 (ft), now called level 90, to intercept the McDowell vein.

In 1952, underground work was suspended and the mine was flooded. In 1956-57, an electromagnetic survey was carried out to the eastern end of the gold bearing corridor.

From 1961 to 1963, 30 diamond drill holes totaling 7,650 meters verified the in-depth extension of the mineral-bearing structures. Mr. C.W. Archibald prepared a study for North Bordulac Mines, (previously Bordulac Mines) for future mine production of the deposit. In 1967, a diamond drilling campaign totaling 2,114m was conducted to define targets close to surface.

From 2006 to 2010 a further 10,300m of diamond drilling was drilled by Rocmec Mining both on surface and underground on the Rocmec 1 property.

In 1969, Gold Hawk Exploration optioned the property and carried out 10 diamond drill holes from surface. In 1972, Gold Hawk Mines bought the mine. It built an access road, pumped out the mine and carried out a sampling program at level 300 (ft), now called level 90. In 1972, Kerr Addison Mines optioned the most part of the property and carried out a vast ground geophysical survey (magnetic and electromagnetic) in the sectors located apart from the known gold bearing zones. The same year, Somed Mines of Montreal optioned the remainder of the property and dug a ramp of 134m to extract the Russian Kid vein (original discovery). It also prepared a detailed study of the geological resources in place but decided not to execute its option. The Somed Report is yet to be located.

In 1978, Explorations El Coco acquired the property and built an all-year access road, set up buildings including offices and a machine shop, and installed compressors and generators.

From 1979 to 1981, the company extended the access ramp down to level 425 (ft) now called level 130, totaling 814m. It also dug 454m of drifts at level 150 (ft), now called level 45, 202m at level 300 (ft), now called level 90, and 203m at level 425 (ft) now called level 130 (m) and prepared six shrinkages at level 300 (ft), now called level 90 (m), for bulk sampling. Bulk sampling was carried out from January 1981 to January 1982. Gold prices dropped to less than USD\$325 during the following months.

During this period, 9,366t of ore was sent to the mill of the Belmoral Mines. At the end of production year 1982, an evaluated quantity of 15,622t was left on the property of which 4,313t was on surface. In 1983, Metalor (in joint venture with El Coco) drilled 30 surface diamond drill holes totaling 5,443m and 24 underground diamond drill holes totaling 1,634m



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| Geology | Deposit type, geological setting and style of mineralisation. | The Labyrinth project is an epithermal gold mineralised system that is hosted in the Abitibi Greenstone belt. Host rocks are predominantly volcanic intrusives ranging from coarse andesites to diorites. Gold mineralisation is hosted within shear zones that have been filled with quartz veining. Mineralisation consists predominantly of pyrite with rare visible gold observed. |
| Drill hole Information | <ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p> | All relevant drillhole information is tabulated in table 1 above and shows significant intercepts. |
| Data aggregation methods | <ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p> | Grades are reported above a nominal cut off grade of 1g/t Where grades have been aggregated it has been a length weighted calculation. |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p> | All drillhole intercepts are measured in downhole metres, no estimates have been made on true widths of mineralisation. Drilling has been planned to be as perpendicular to the understood geometry of the mineralisation however some bias may exist due to the lack of understanding on the deposit at this stage. |



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| Diagrams | Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | Refer to figures and tables in the body of the text. |
| Balanced reporting | Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | Grades are reported above a nominal cut off grade of 5g/tm (gram metres) |
| Other substantive exploration data | Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | No other meaningful substantive exploration data is available for the prospect. |
| Further work | <ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p> | Further work may be undertaken pending the success of the remaining outstanding assays as well as further geological work to be undertaken. |