



ASX ANNOUNCEMENT

15 December 2022

Comet Vale, Gold-Copper-Nickel Project

LABYRINTH EMBARKS ON EXPLORATION PROGRAM AT COMET VALE GOLD-COPPER-NICKEL PROJECT, WA

Located 100km north of Kalgoorlie, the project hosts extensive high-grade gold and strong evidence of nickel and copper mineralisation

Key Points

- Following extensive historical data review, Labyrinth has commenced a regional exploration program at the highly prospective, multi-commodity Comet Vale Project
- The significant tenure of approved mining leases is host to numerous gold, copper and nickel prospects with extensive historical gold mine workings which remain accessible
- Minimal exploration conducted, with no surface drilling undertaken since 2007
- On-ground works completed this month have delineated multiple priority follow-up drilling targets, with Program of Work submissions to Department of Mines, Industry and Resources Safety (DMIRS) underway

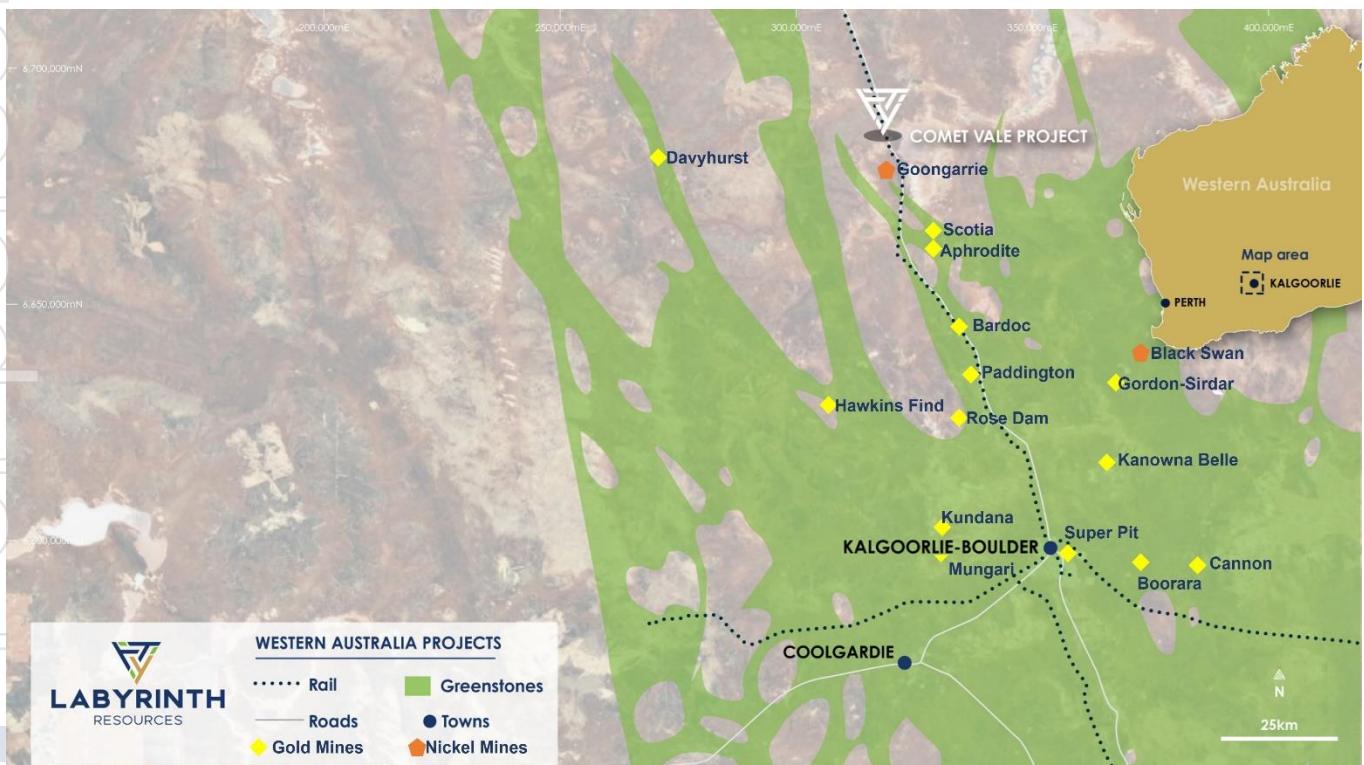


Figure 1 Comet Vale Project location map



Labyrinth Resources ("**Labyrinth**" or "**the Company**") (ASX:LRL) is pleased to advise that it has commenced an extensive exploration campaign at its Comet Vale gold-copper-nickel project in Western Australia.

The program is the first genuine surface exploration undertaken at Comet Vale for 15 years. This is despite the project hosting extensive high-grade gold and copper mineralisation and strong evidence of nickel laterite.

Labyrinth has recently completed a full review of the geology and known mineralisation and carried out an initial phase of on ground mapping. This process highlighted the significant potential but under-explored nature of the project.

With the Company recently completing the maiden JORC Resource at its Labyrinth Gold Project in Canada, (see ASX release dated September 27, 2022), it is now ready to start a program of detailed work at its 51 percent-owned Comet Vale project targeting the multi-commodity potential.

Labyrinth Chief Executive Matt Nixon said: "Our review shows that Comet Vale has immense potential but has been exposed to little or no modern exploration.

"With the JORC Resource at Labyrinth completed and the ongoing exploration strategy there clearly mapped out, we are in a position to begin unlocking the value of Comet Vale in parallel.

"We already know there is significant gold and copper mineralisation as well as nickel-hosting mineralogy present and our review has highlighted numerous target areas which warrant further exploration.

"Based on the initial field mapping there are numerous walk-up drilling targets so our focus now shifts to drilling preparation".

Comet Vale Geology

Comet Vale is on the eastern limb of a regional-scale, north-south trending anticline: the Goongarrie-Mt Pleasant Anticline. The Goongarrie Monzogranite is in the core of this south plunging anticline and is enclosed by rocks of the Ora Banda Domain.

The mafic-ultramafic rocks in the Comet Vale area therefore are part of the same sequence that hosts the Grants Patch, Ora Banda and Mt Pleasant gold camps, as well as the Goongarrie and Highway nickel laterite deposits on the southern and western limbs of this anticline and consist of the Missouri Basalt, the Walter Williams Formation and the Siberia Komatiite. To the east of the property is the northern extension of the prolific Boulder-Lefroy Fault that hosts the world-class Superpit mine.

Much of the western part of the project area is blanketed by a thin cover of wind-blown sands (1-4 m thick) and a thin underlying layer of lateritic gravel (<1 m thick). This transported regolith covers the majority of the ground that is prospective for parallel deposits to the Sovereign trend so requires geophysical techniques to test for prospectivity. Most of the Walter Williams Formation has a laterite cover (up to 44m thick) and locally has a jasperoidal silica cap rock. This has preserved the underlying saprolitic part of the weathered profile that is also a potential host for lateritic Ni-Co deposits.

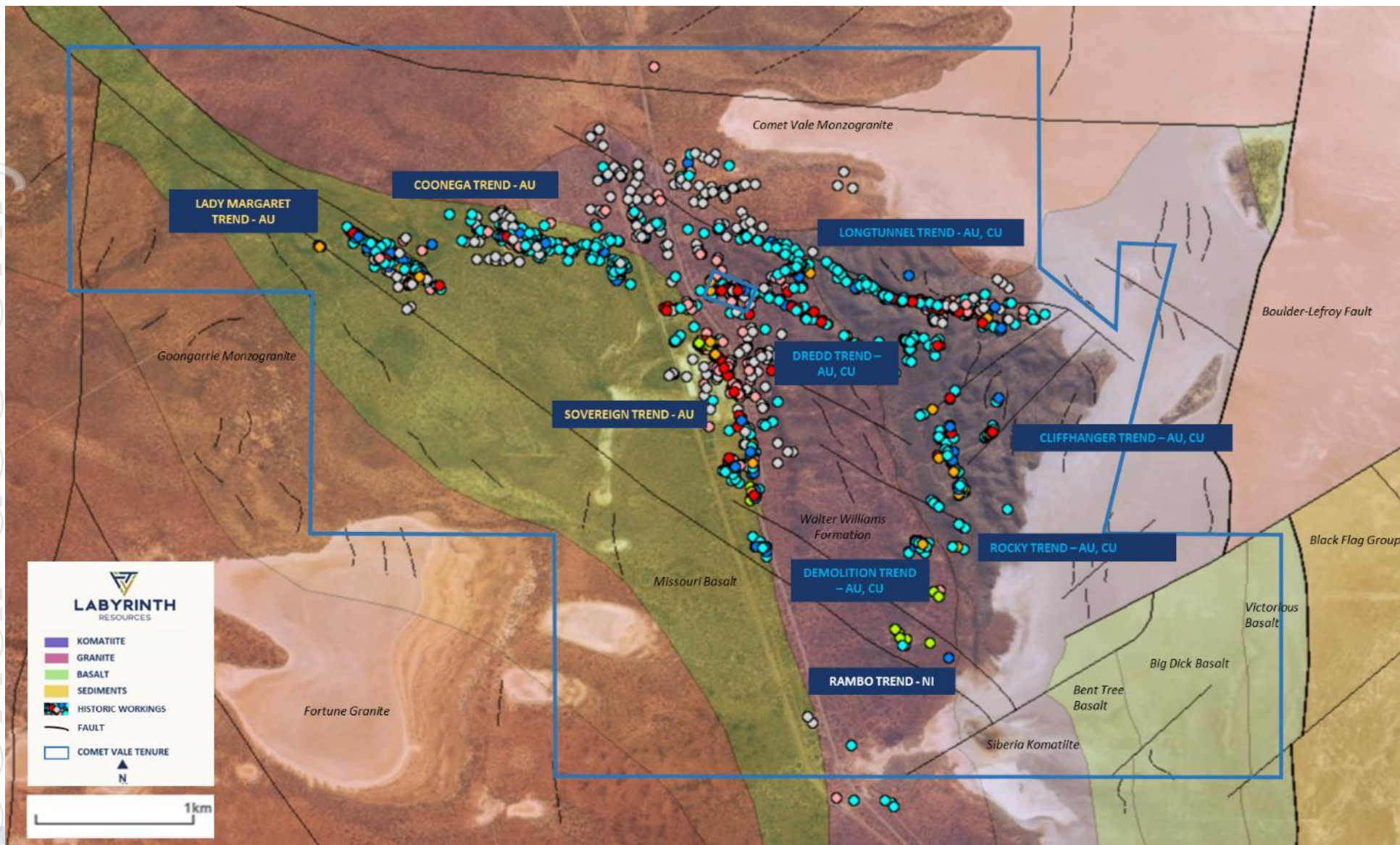


Figure 2 Geological map showing mineralised trends and tenure boundaries across Comet Vale

Gold and Copper

The Siberia Komatiite hosts the Longtunnel trend of mines which produced over 7,500oz @ 14.9g/t (ASX release Reed Resources dated 24/11/2006) and has drilling results of 1m @ 23.3g/t (ASX Release Reed Resources dated 31/01/2007) and rock chip samples of 36.4g/t and 1.58% Copper (ASX Release Reed Resources dated 24/11/2006). Historic, extensive surface workings are present over a strike length of 1.2km with only three drillholes completed in the last 20 years testing for downdip potential. Copper mineralisation is also present in the form of malachite which previously has not been a commodity of interest in this area.

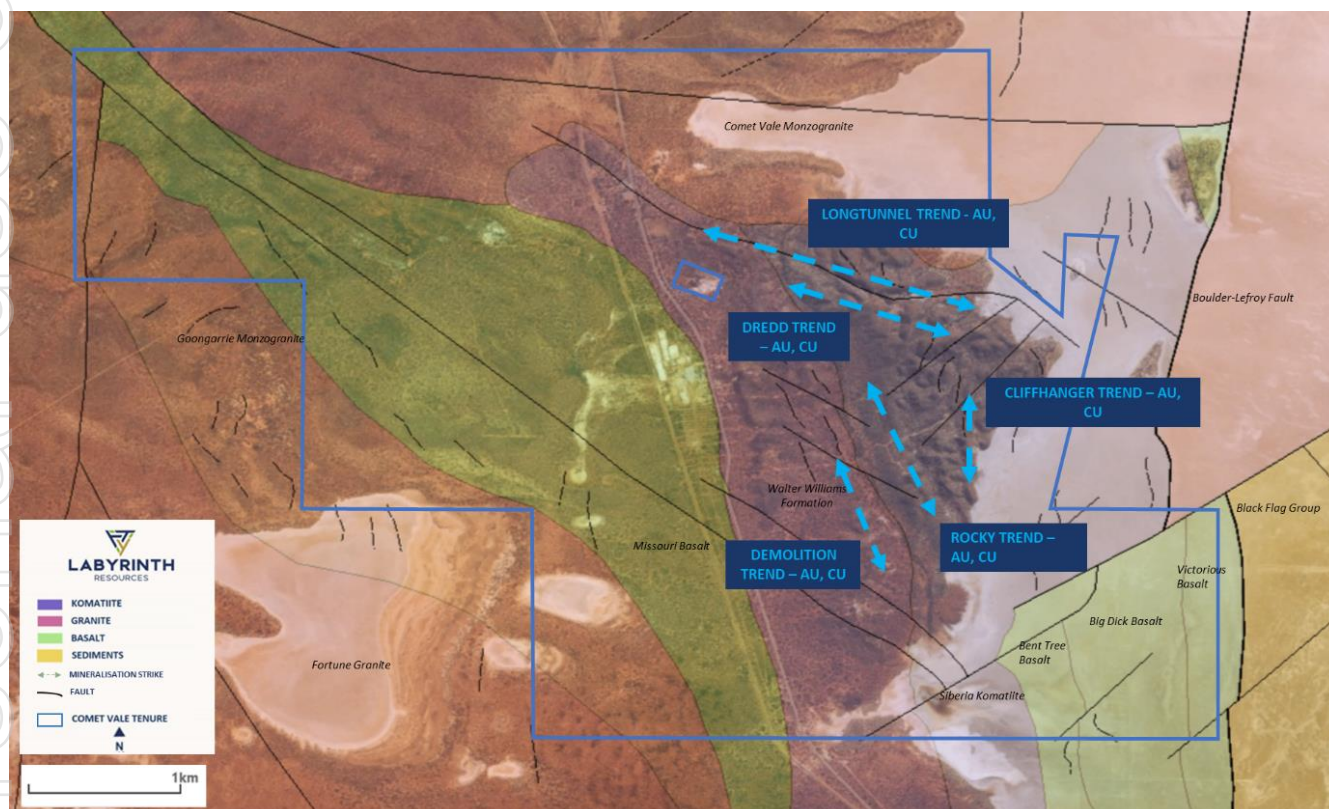


Figure 3 Plan view map showing prospective gold-copper trends

To the south of the Longtunnel trend historic sampling and limited drilling has been carried out over the southern portion of the Siberia Komatiite highlighting multiple mineralised trends including; Dredd, Cliffhanger, Rocky and Demolition. Historic workings are present across the different trends and surface rock chip sampling has consistently returned >5g/t gold and elevated copper over a total of 3.5km of strike across the multiple trends (Reed 24/11/2006). A small scale phase of RC drilling was conducted over a small part of the Rocky trend to test the down dip potential that returned values of 1m @ 27.2g/t and 1m @ 8.59g/t (Reed – 31/01/2008 Quarterly Report) with no further work completed since.

Gold

The Sovereign trend of gold deposits is made up of multiple quartz veins across 1.3km of strike hosted within the Missouri Basalt. The deposits have been exposed to minimal drilling over the past 15 years and the veins remain open to the north and south as well as at depth.

Mining has occurred on the deposits sporadically for over 100 years with historic production recorded as 245,000t for 185,000oz (ASX release Reed Resources Corporate Presentation dated 20/03/2003).

The Comet Vale Project is recorded as hosting a combined JORC 2012 compliant Indicated and Inferred Mineral Resource of approximately 0.75 million tonnes at 8.4g/t for 203,100 ounces of gold¹.

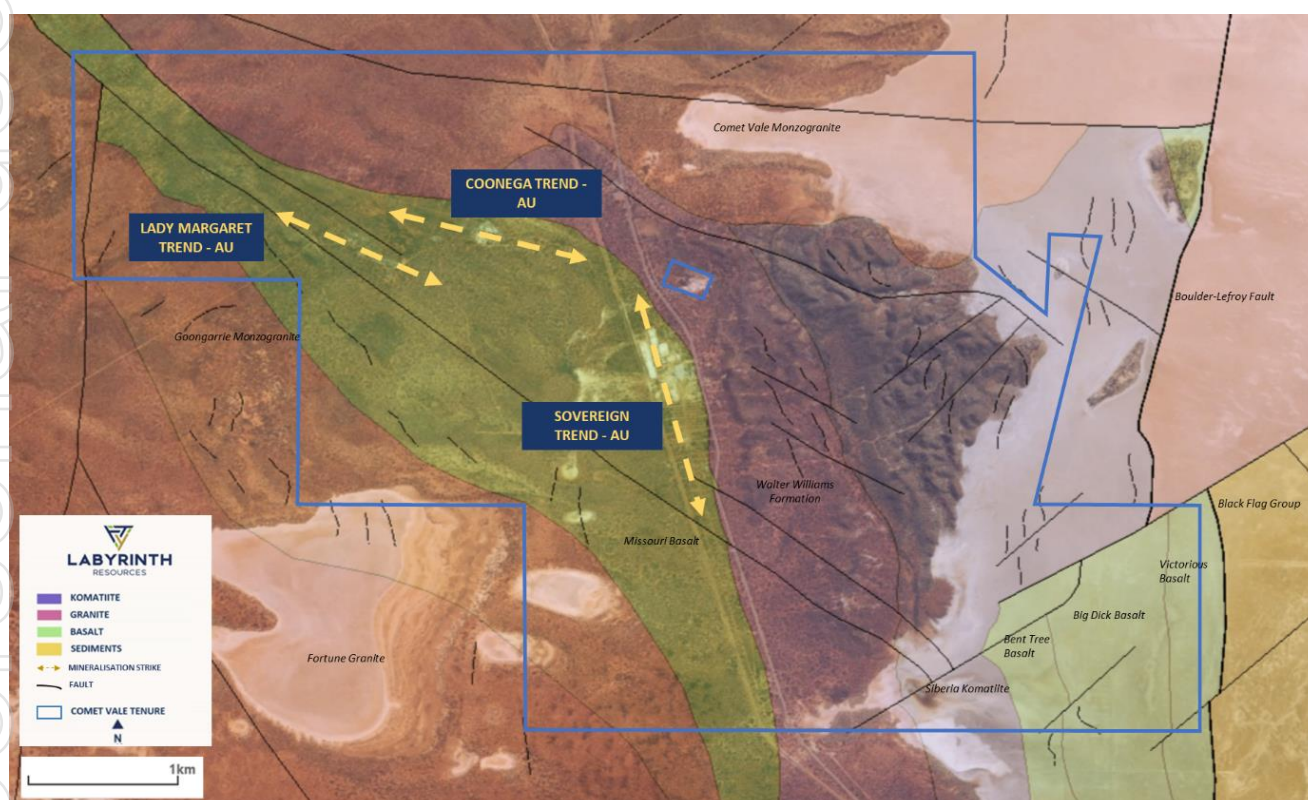


Figure 4 Plan view map showing prospective gold trends

Mineralisation is hosted within quartz veins with visible gold common as well as being associated with pyrite, sphalerite and galena. The highest grades are correlated with the vein being in contact with porphyry intrusions creating linear down-plunge drill targets easily identifiable.

Mining has been carried out over a strike of 650m from a combination of shafts and declines and to a maximum depth of 250m. Numerous high-grade intersections sit up to 250m below the existing mine and are open at depth. Drilling along strike shows that the mineralisation extends to the north and south, with anomalous grade also sitting to the west along strike and down-dip of the Sand Prince mined-out open pit and Kings Bounty underground mine.

¹ The Mineral Resource was first reported under the JORC 2012 Code in January 2018 and subsequently in the Company's Prospectus dated 13 February 2018. Refer to announcements 'Prospectus' dated 16 February 2018 and 'Mining Commences at Comet Vale' dated 15 May 2018 for full JORC Code detail. Refer to Appendix 1 for Mineral Resource Statement and Competent Person's Statement

The Lady Margaret and Coonega trends cover 2.0km of NNW-SSE trend of workings that are hosted in the Missouri Basalt and are situated on a shear that formed during emplacement of the Comet Vale Monzogranite. Historic production from the Lady Mack and Lady Margaret mines exceeded 7,000t @ 15g/t – (ASX release Reed Resources – 24/11/2006) and has been followed up with minimal drilling that has returned intercepts of 5m @ 6.28g/t and 4m @ 4.43g/t (ASX release Reed Resources dated 31/10/2008).

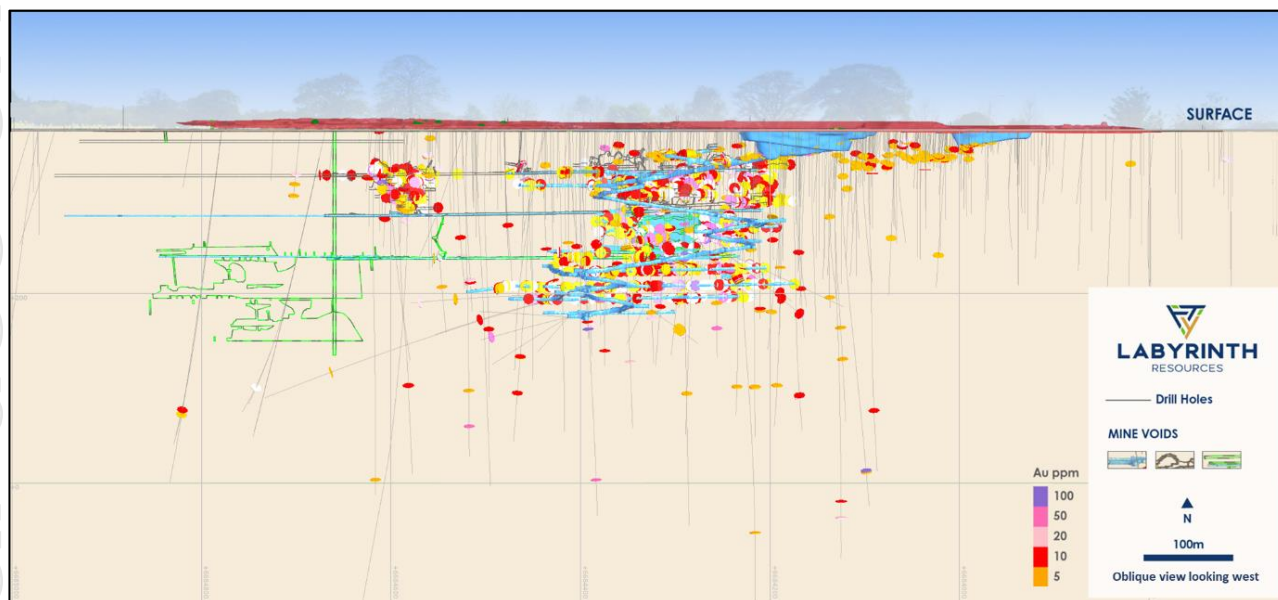


Figure 5 Long section of Sovereign trend showing existing voids and historical drilling

Nickel

The eastern side of the Comet Vale property is host to 5km of the Walter Williams formation, which is a komatiite unit known to host nickel laterite deposits.

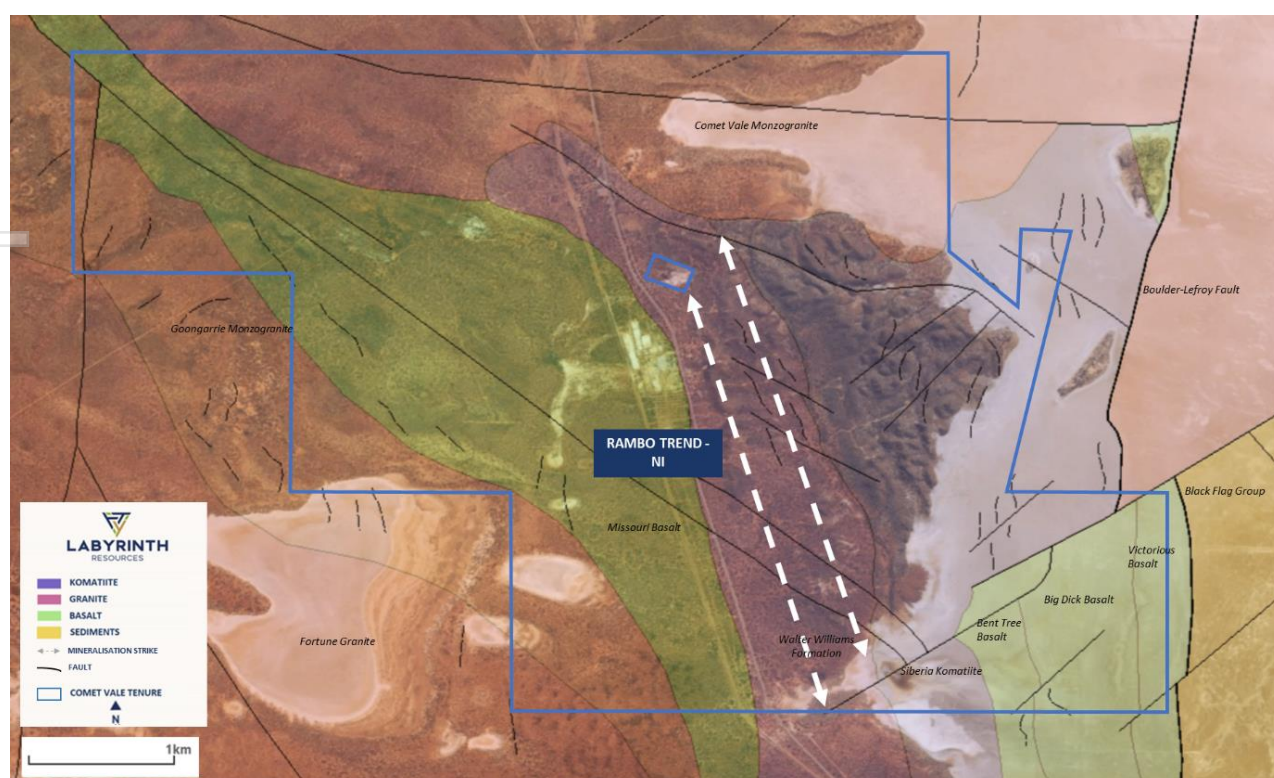


Figure 6 - Plan view map showing prospective strike of nickel laterite

Limited historic drilling has been conducted over a small portion of the prospective area with results including 35m @ 0.61% Ni and 5m @ 2.2% Ni and 0.11% Co (historic drilling in 1997, reported by Reed Resources – 14/04/2005) as well as 44m @ 0.51% Ni and 0.02% Co and 22m @ 0.84% Ni and 0.03% Co (drilling completed by Heron resources in 2008 as part of a JV, reported by Reed Resources 31/07/2008).

The Walter Williams formation hosts the Goongarie Hub deposits that form part of Ardea Resources' (ASX:ARL) Kalgoorlie Nickel Project, which has recently been awarded Major Project Status by the Federal Government.

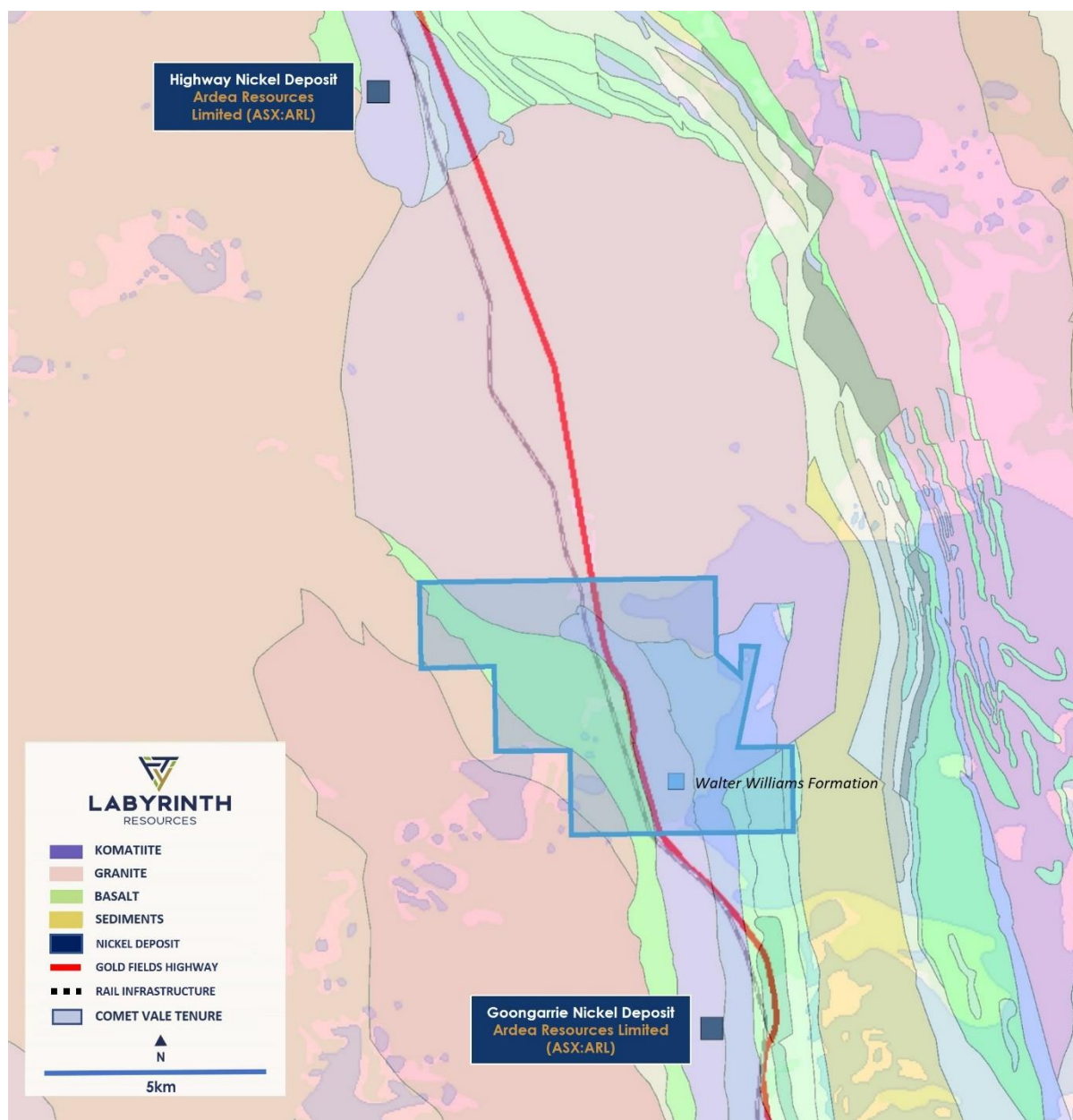


Figure 7 - Geological plan view map showing neighbouring nickel laterite deposits

Regional Prospectivity – Other Minerals

The complex lithological and structural setting that host the Comet Vale property makes it a prospective location for other mineral deposits to have formed. Very limited exploration outside of the Sovereign trend has occurred and most work has been focussed on gold. Komatiite formations are known to host nickel sulphide deposits particularly in proximity to lithospheric faults such as the Boulder-Lefroy Fault which sits on the eastern boundary.

The Comet Vale property is bounded to the north and west by the Comet Vale Monzogranite and Goongarrie Monzogranite respectively. These Monzogranites are interpreted to have intruded the greenstone sequence of the Missouri Basalt causing associated shearing and potential depositional zones for pegmatites derived from the granitic intrusives. The “goldilocks” zone falls within the komatiite units to the east of the property aligning with the structural trends through the area. Historic RC logging has noted the presence of pegmatites in proximity to the Lady Margaret workings which will be a point of follow up. No work has been done to date on the presence of pegmatites across the property but will form part of the exploration strategy to unlock the value of the Comet Vale tenement package.



Figure 8 - Left: Photo showing visible copper mineralisation at Comet Vale. Right: Photo showing laterite outcrop at Comet Vale

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

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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.

Appendix 1 – Comet Vale Mineral Resource Statement

THE MINERAL RESOURCE STATEMENT

The current Mineral Resource Statement for the Comet Vale Project is shown in the table below;

	Cut off Grade (g/t)	INDICATED		INFERRED		TOTAL		
		Tonnes	Gold (g/t)	Tonnes	Gold (g/t)	Tonnes	Gold (g/t)	Gold Ounces (oz)
Sand George	5	238,000	10.8	296,000	10.9	534,000	10.9	186,000
Sand Prince	1	90,000	2.4	19,000	1.5	109,000	2.2	7,900
Prince Grace	1	92,000	2.9	13,000	1.6	105,000	2.7	9,200
Total Comet Vale		420,000	7.3	328,000	10.0	748,000	8.5	203,100

Note: Figures have been rounded to the nearest 1,000t, 0.1 g/t Au grade and 100oz. Differences may occur due to rounding

Material Changes and Resource Statement Comparison

A parcel of 61,158 tonnes of material was mined from the Sand Prince West and Princess Grace open pit since the estimate was prepared. This yielded 3,949 ounces of gold (2.17 g/t reconciled head grade). The Mineral Resource statement above has not been recalculated to allow for this reduction as there is insufficient evidence available to estimate the amount of material in tonnes and grade that were subsequently mined and to ascribe the quantities to either the Sand Queen or Princess Grace Deposit or whether it came from Indicated or Inferred category (or possibly elsewhere).

A parcel of 105,870 tonnes of material was mined by the Company during the past two years. The average head grade was 4.1 g/t for 13,909 oz of contained gold. After taking into consideration the above, the estimate mineral resource at Comet Vale is estimated at 185,200 oz.

The Company is not aware of any new information or data that materially affects the information as previously released and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources at the Comet Vale Project is based on, and fairly represents, information and supporting documentation reviewed by Malcolm Castle, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Castle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as an Expert and Competent Person as defined under the VALMIN Code and in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012). Mr Castle consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.