



ASX ANNOUNCEMENT

6 March 2023



COMET VALE GOLD PROJECT, WA

NEW DRILLING PROGRAM TO EXPAND KNOWN HIGH-GRADE MINERALISATION

Located 100km north of Kalgoorlie, Comet Vale hosts extensive high-grade gold with existing underground development and infrastructure; Plus, planning advanced for the next drilling phase at Labyrinth Gold Project

Key Points

- Programme of Work approved for drilling on the M29/52 tenement at Comet Vale
- Drill rigs expected to mobilise in next six weeks
- Independent consultants preparing updated JORC 2012 Mineral Resource Estimate for Sovereign gold trend at Comet Vale, expected to be completed in current quarter
- At Labyrinth Gold Project in Canada, the drilling design for phase two Resource growth program is complete, paving way for tender submissions to commence

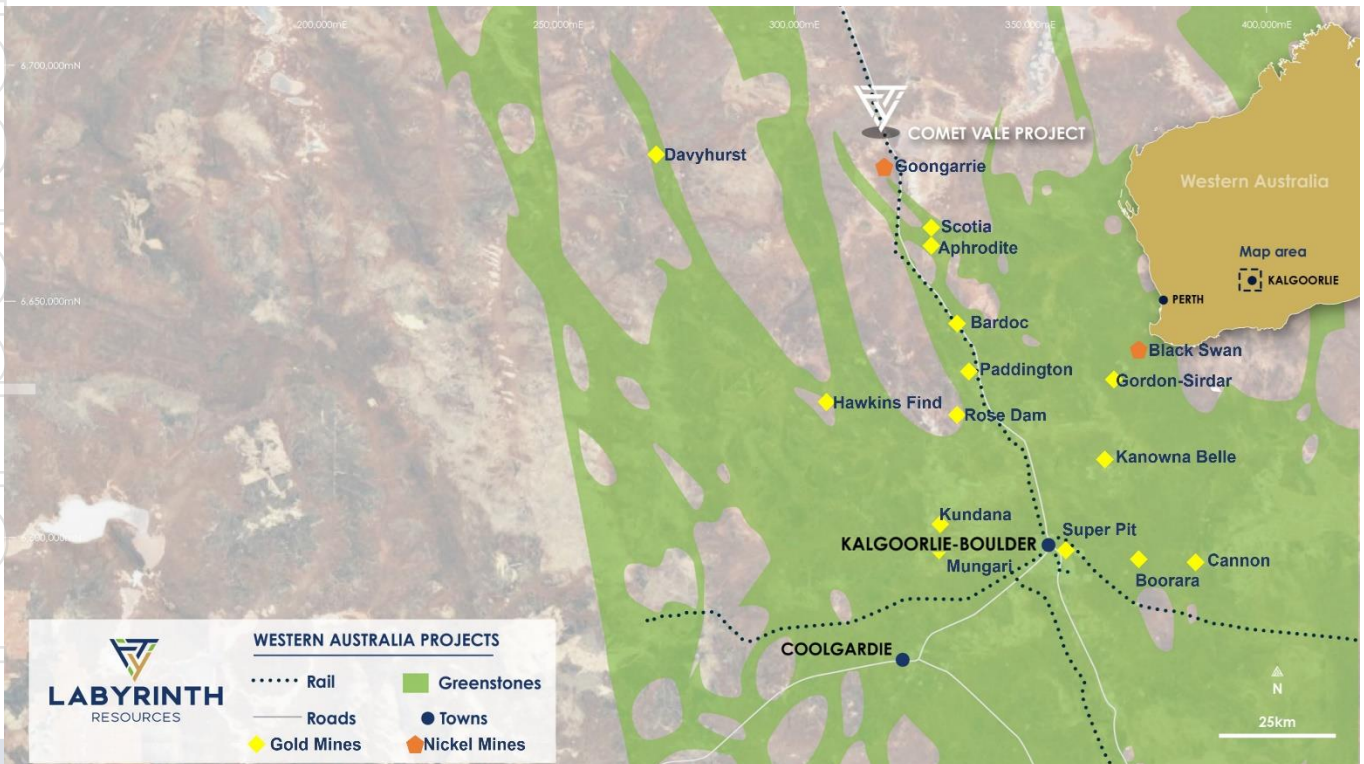


Figure 1 Comet Vale Project location map



Labyrinth Resources Limited (ASX:LRL) ('the Company' or 'Labyrinth') is pleased to advise that it is ramping up exploration at its Comet Vale gold-copper-nickel project in Western Australia and Labyrinth Gold Project in Canada.

Both exploration programs are aimed at creating value for shareholders by testing the known extents and growing the Resources at the respective projects.

The Comet Vale drilling program is the first genuine surface exploration undertaken at the project 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.

Work during the current exploration phase will include an updated JORC 2012 mineral resource estimate ('MRE') for the Sovereign trend gold system which includes the Sand Queen, Sand Prince and Princess Grace lodes, with the existing MRE reflecting work completed in 2011 under the NI43-101 instrument and adapted to JORC 2012 in 2018 without any significant exploration works conducted.

To support the MRE, a 1,500m reverse circulation drill program will be conducted to test for extensions to the known lodes as well as gathering important geotechnical data.

Labyrinth Chief Executive Matt Nixon said: "We are about to embark on two significant exploration programs, both of which are aimed at extending known high-grade gold mineralisation.

"This drilling has the potential to create substantial value for shareholders because we are testing for extensions to known lodes and infill drilling in areas outside of the current Resource where we know there is a strong prospect of mineralisation".

Comet Vale

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.

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.

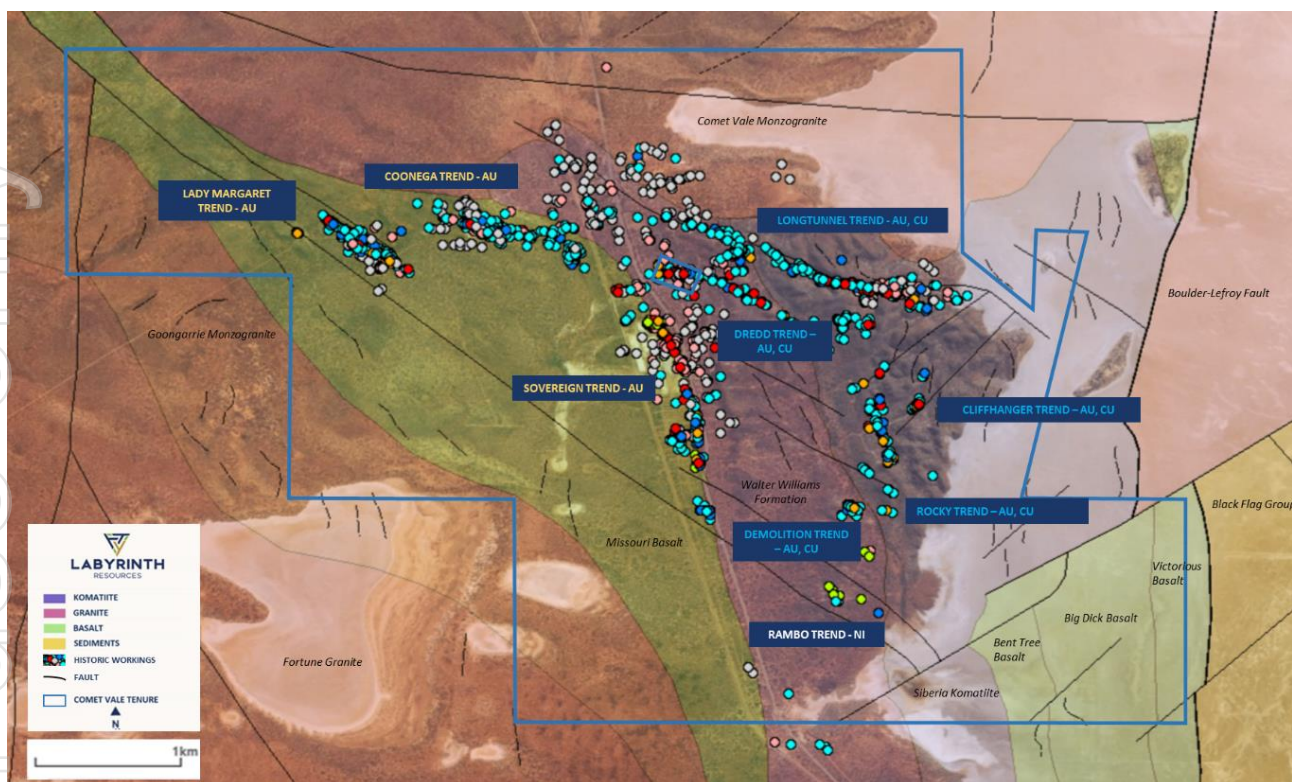


Figure 2 Geological map showing mineralised trends and tenure boundaries across Comet Vale, with historical workings coloured by observed excavation depth

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). 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 easily identifiable down-plunge drill targets.

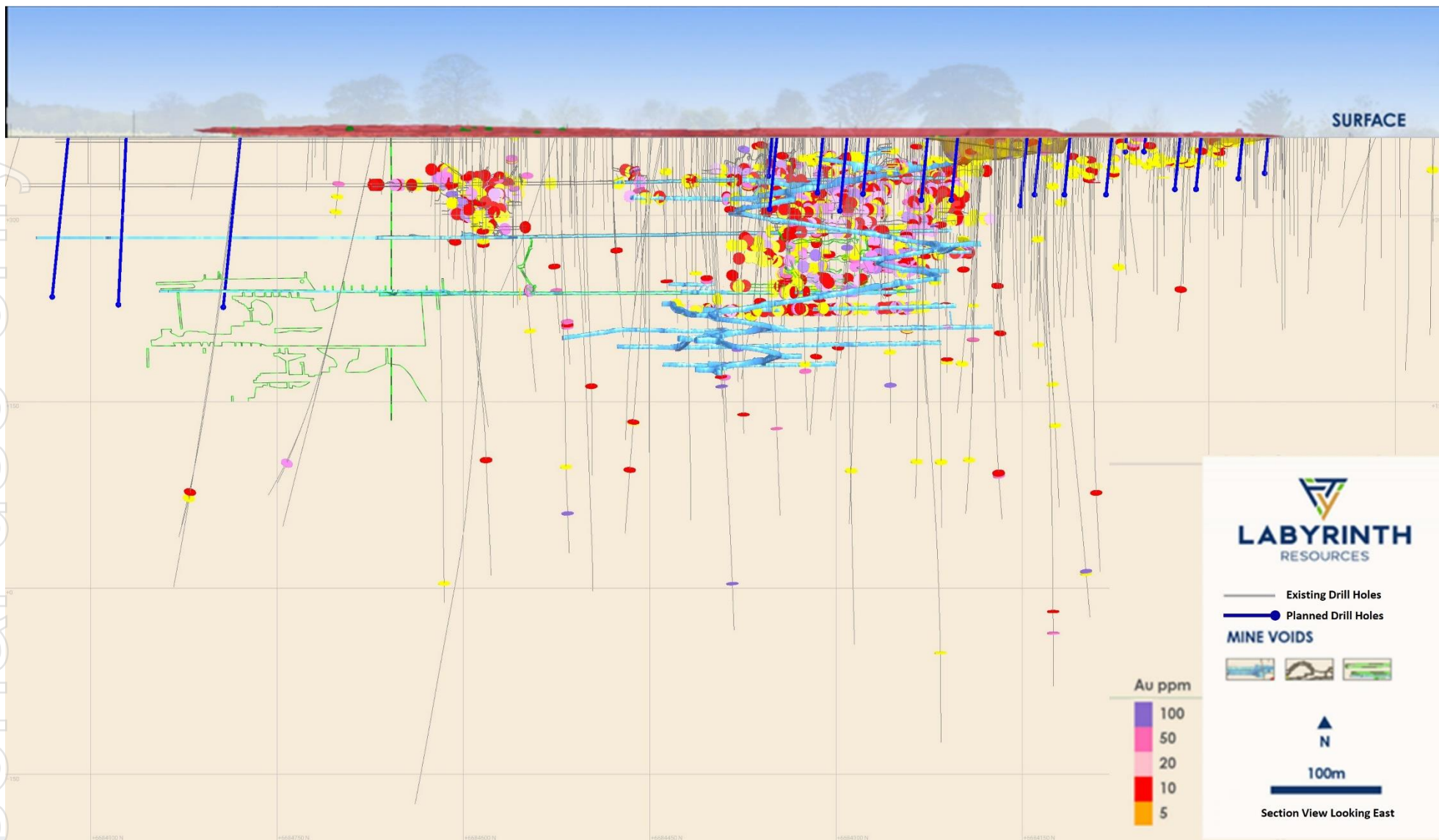


Figure 3 Long section showing existing mine workings, existing drilling and planned drilling



Labyrinth Gold Project

Planning is underway for a drill program that is designed to grow the maiden 500,000oz JORC 2012 Resource released by the Company in the September 2022 quarter (refer ASX Announcement 28 September 2022). Interrogation of the MRE has shown that there is significant scope to grow the inferred resource by targeting areas that were originally excluded due to lack of drill density. Drilling is designed to infill the resource at depth between the current resource and the high-grade drill results that were released as part of the initial surface drill program, plus shallower, near mine mineralisation. With the predictable nature of the lodes and already defined downdip extensions, this program is aiming to grow the resource in an efficient and cost-effective manner.

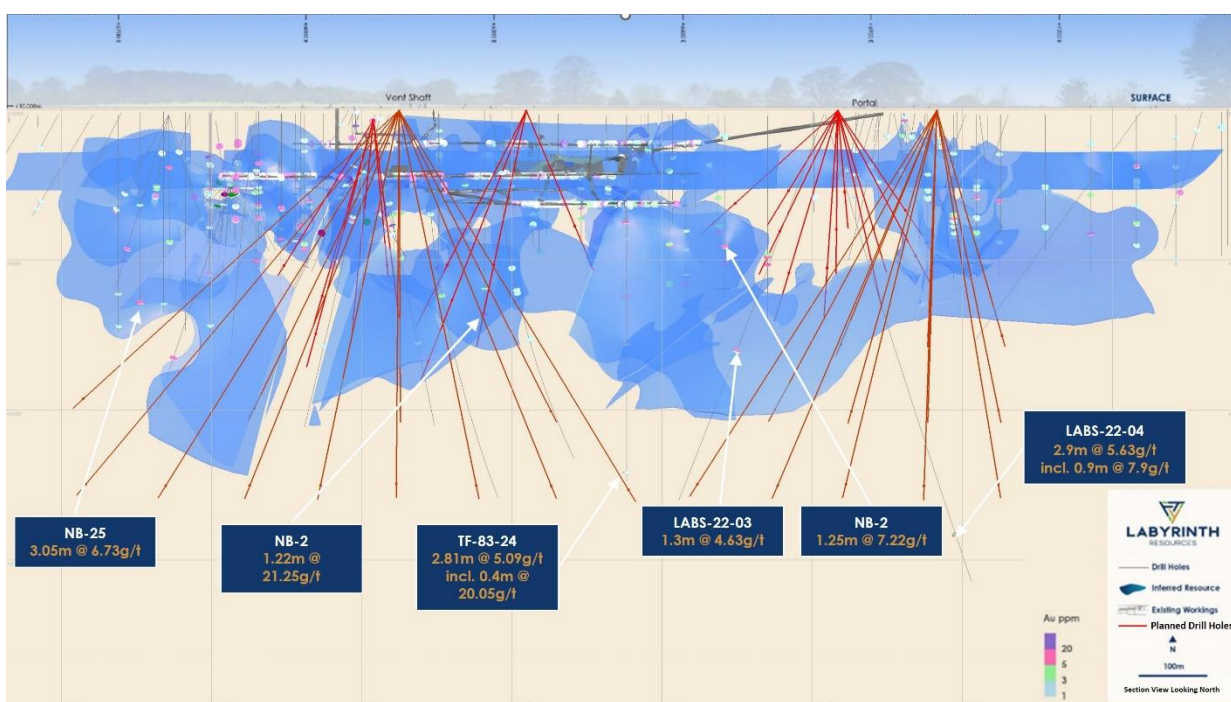


Figure 4 Long Section View Looking North of the Labyrinth Gold Project

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.

Competent Person's Statement

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

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.

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