

27 October 2021

Quarterly Activities Report For The Quarter Ended 30 September 2021

The Directors of Lode Resources Ltd (ASX: LDR or 'Lode' or 'the Company') are pleased to provide the following activities report for the quarter ended 30 September 2021.

Corporate Highlights

- Completion of an A\$5.1M Initial Public Offering ('IPO') and successful listing on the Australian Stock Exchange ('ASX')¹

Uralla Gold Project Highlights

- Discovery of a new style of gold mineralisation with strong implications for bulk tonnage potential at the Hudson's Gold Prospect, one of several prospects at Lode's Uralla Gold Project^{2,3,4}
- Completion of high-density augur survey and drone-mag survey further enhancing drill targets the Hudson's Gold Prospect⁶
- Drilling to commence shortly

Webbs Consol Silver Project Highlights

- Maiden drill programme commenced testing high grade silver mineralisation sampled at surface and extensions of mineralisation mapped in underground workings⁵
- Sulphides zones intersected in first 6 drills holes at Webbs Consol Silver Project⁷
- Significant zinc, lead and copper mineralisation observed in drill core with associated silver mineralisation also expected in assays⁷
- Best intercept to date is 27.5 metres containing an estimated 15% sphalerite, 1% galena and 0.5% chalcopyrite in drill hole WCSoo6⁷

¹Refer LDR announcement 30 June 2021 titled "ASX Market Release - Admission and Quotation"

²Refer LDR announcement 12 July 2021 titled "New gold mineralisation style discovered"

³Refer LDR announcement 20 July 2021 titled "Further Assays Enhance & Expand Uralla Gold Project"

⁴Refer LDR announcement 29 July 2021 titled "Lode Ramps Up Exploration at Uralla Gold Project"

⁵Refer LDR announcement 15 September 2021 titled "Drilling Commences at Webbs Consol Silver Project"

⁶Refer LDR announcement 5 October 2021 titled "Enhanced Drill Targets at Uralla Gold Project" – subsequent to Sept Qtr

⁷Refer LDR announcement 19 October 2021 titled "Significant sulphides intersected at Webbs Consol" – subsequent to Sept Qtr

Uralla Gold Project – Mapping and Sampling^{2,3,4}

During the September quarter LDR announced the discovery a new style of gold mineralisation at its Hudson's Gold Prospect, one of several prospects at Lode's Uralla Gold Project located in the New England Fold Belt of NSW and the priority target in the upcoming drill program.

Rock chip description logging, sampling and mapping has revealed geographically extensive occurrences of disseminated high-grade gold in relatively unweathered outcrop as well as widespread and pervasive alteration. To date 56 sample gold assays grading > 1 g/t have averaged 3.29 g/t (up to 8.03 g/t) as shown in Table 1.

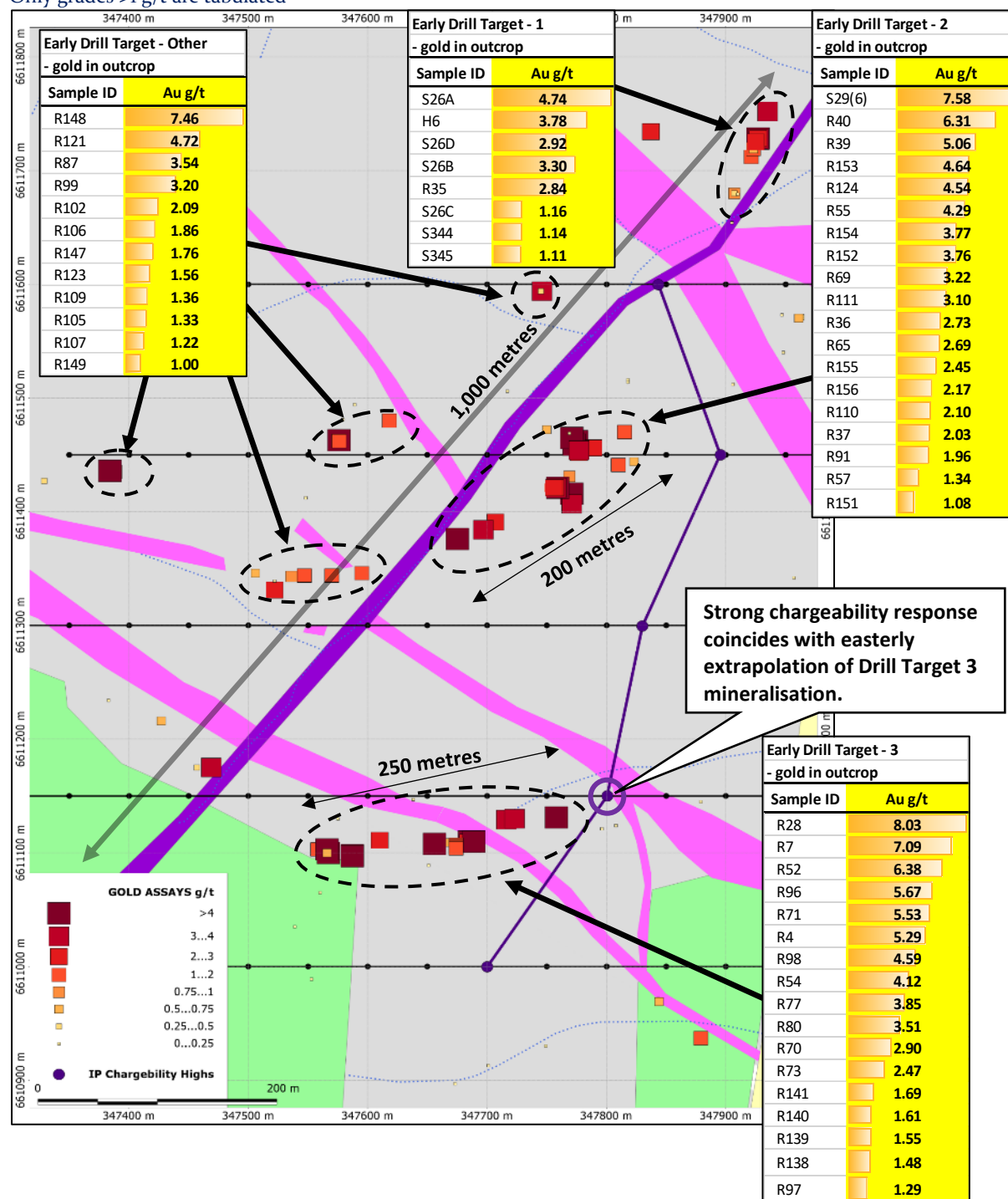
Tables 1: The Hudson's Gold Prospect – Rock chip sampling gold grades highlighted in yellow
Only grades >1 g/t are tabulated

Sample ID	Easting	Northing	Primary Lithology	Au g/t	Sample ID	Easting	Northing	Primary Lithology	Au g/t
R28	347587	6611097	Siltstone	8.03	R70	347684	6611109	Siltstone	2.90
S29(6)	347775	6611462	Vein	7.58	R35	347925	6611725	Siltstone	2.84
R148	347576	6611463	Siltstone	7.46	R36	347777	6611452	Siltstone	2.73
R72	347758	6611131	Siltstone	7.09	R65	347789	6611456	Siltstone	2.69
R52	347685	6611110	Siltstone	6.38	R73	347610	6611111	Siltstone	2.47
R40	347771	6611465	Siltstone	6.31	R155	347757	6611421	Siltstone	2.45
R96	347567	6611100	Siltstone	5.67	R156	347756	6611421	Siltstone	2.17
R71	347689	6611110	Siltstone	5.53	R110	347707	6611391	Siltstone	2.10
R4	347587	6611098	Siltstone	5.29	R102	347522	6611331	Siltstone	2.09
R39	347773	6611459	Siltstone	5.06	R37	347777	6611455	Siltstone	2.03
S26A	347927	6611728	Vein	4.74	R91	347815	6611470	Siltstone	1.96
R121	347384	6611436	Siltstone	4.72	R106	347547	6611344	Siltstone	1.86
R153	347759	6611421	Siltstone	4.64	R147	347576	6611464	Siltstone	1.76
R98	347566	6611103	Siltstone	4.59	R141	347674	6611104	Siltstone	1.69
R124	347675	6611376	Siltstone	4.54	R140	347674	6611105	Siltstone	1.61
R55	347771	6611416	Siltstone	4.29	R123	347595	6611346	Siltstone	1.56
R54	347656	6611108	Siltstone	4.12	R139	347674	6611106	Siltstone	1.55
R77	347716	6611129	Siltstone	3.85	R138	347674	6611107	Siltstone	1.48
H16	347935	6611752	Vein	3.78	R109	347618	6611480	Siltstone	1.36
R154	347758	6611421	Siltstone	3.77	R57	347810	6611441	Siltstone	1.34
R152	347777	6611454	Siltstone	3.76	R105	347570	6611344	Siltstone	1.33
R87	347746	6611594	Siltstone	3.54	R97	347558	6611103	Siltstone	1.29
R80	347723	6611130	Siltstone	3.51	R107	347388	6611435	Siltstone	1.22
S26B	347927	6611728	Vein	3.30	S26C	347927	6611728	Vein	1.16
R69	347771	6611407	Siltstone	3.22	S344	347921	6611712	Vein	1.14
R99	347469	6611175	Siltstone	3.20	S345	347923	6611719	Vein	1.11
R111	347697	6611384	Siltstone	3.10	R151	347778	6611454	Siltstone	1.08
S26D	347927	6611728	Vein	2.92	R149	347576	6611462	Siltstone	1.00

Chip sampling of surface outcrop is a spot sample technique and the assay grade is not regarded as being representative of the grade of the mineralised occurrence in general nor an indication of the width of the mineralised occurrence. Surface outcrop is estimated to be <10% at the Hudson's Gold Prospect.

This has positive implications for the bulk tonnage potential as gold mineralisation does not appear to be restricted to singular thin quartz lode veins as investigated by previous explorers, but rather it permeates throughout the host rock over potentially larger areas. These samples were received from an area of interest approximately 1,000m long and up to 500m wide as shown in Figure 1.

Figure 1: The Hudson's Gold Prospect – Rock chip sampling gold grades highlighted in yellow
Only grades >1 g/t are tabulated



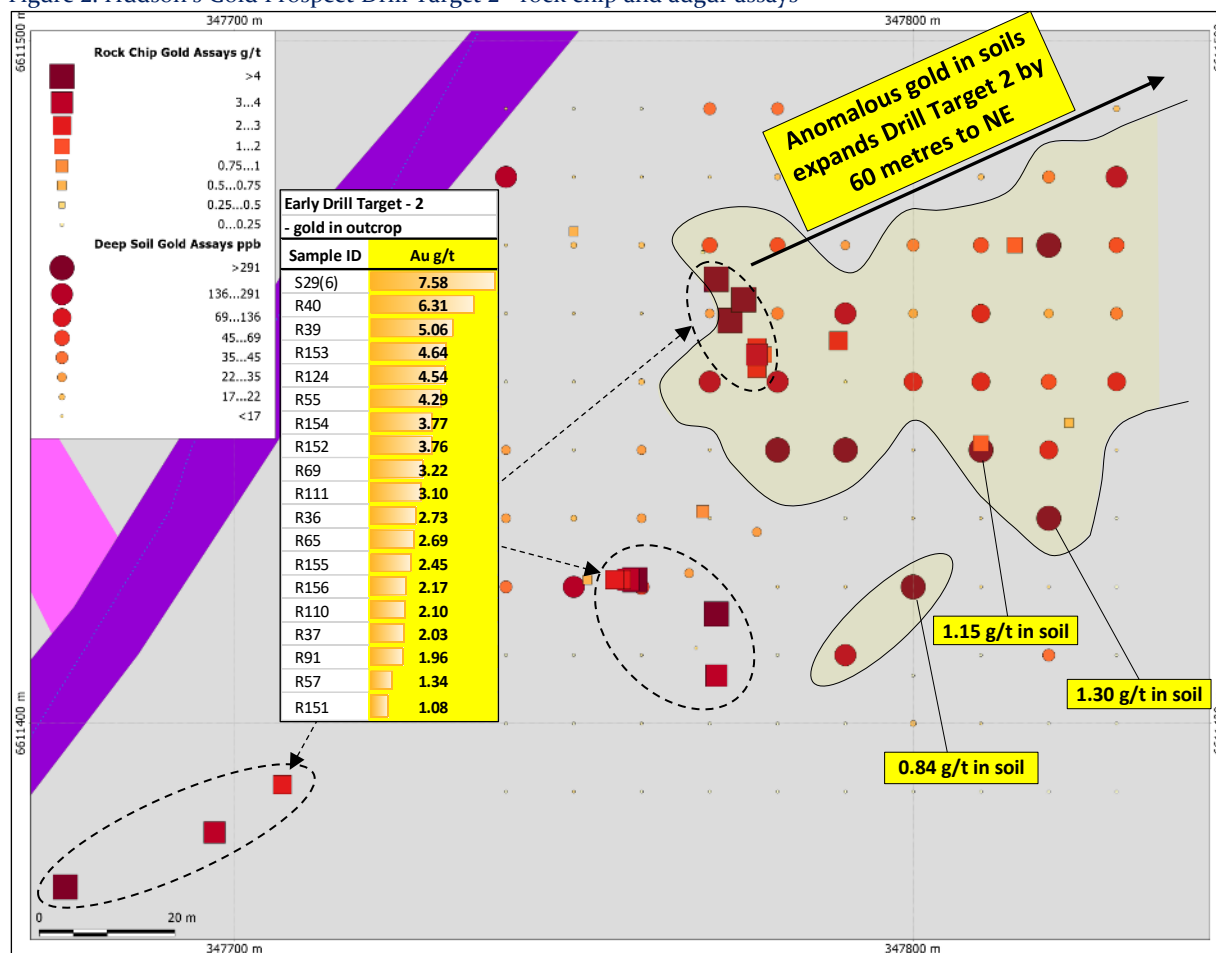
It is important to note that these significant gold assays were taken from outcrop that appears to be spatially related to the “Bonanza Dyke” over a strike length of 1,000 metres. Aeromagnetics reveal that this well-known regional structure extends for several kilometres with a northeast-southwest orientation.

Visual observations and petrological study of thin sections has confirmed that this mineralisation can be classified as disseminated. Mineralisation is hosted within moderate-to highly altered (silica/sericite/potassic), predominantly siltstone, sedimentary rock (Sandon Beds) with a moderate amount of quartz stockwork veining and disseminated sulphides.

Uralla Gold Project – High-Density Augur Survey⁶

Subsequent to the September quarter LDR reported that initial high-density augur survey has been successful in expanding Drill Target 2 at the Hudson's Gold Prospect within the Uralla Gold Project. Soils up to 1.30 g/t Au show a strong anomalous trend to the northeast and remains open in that direction. This is an exciting result as approximately 30% of total augur survey area was found to contain anomalous gold in soils. See Figure 2.

Figure 2: Hudson's Gold Prospect Drill Target 2 - rock chip and augur assays



Deep soil (C horizon) samples were collected at 10m spacing on a 90m x 100m grid covering an area where outcrop, with no clear orientation of mineralising structures, returned multiple high-grade gold values. Of the 110 augur soil samples collected 46 graded >20 ppb Au (42% anomalous), 16 samples graded >100 ppb Au (15% very anomalous) and 5 samples were >300 ppb Au (4% highly anomalous).

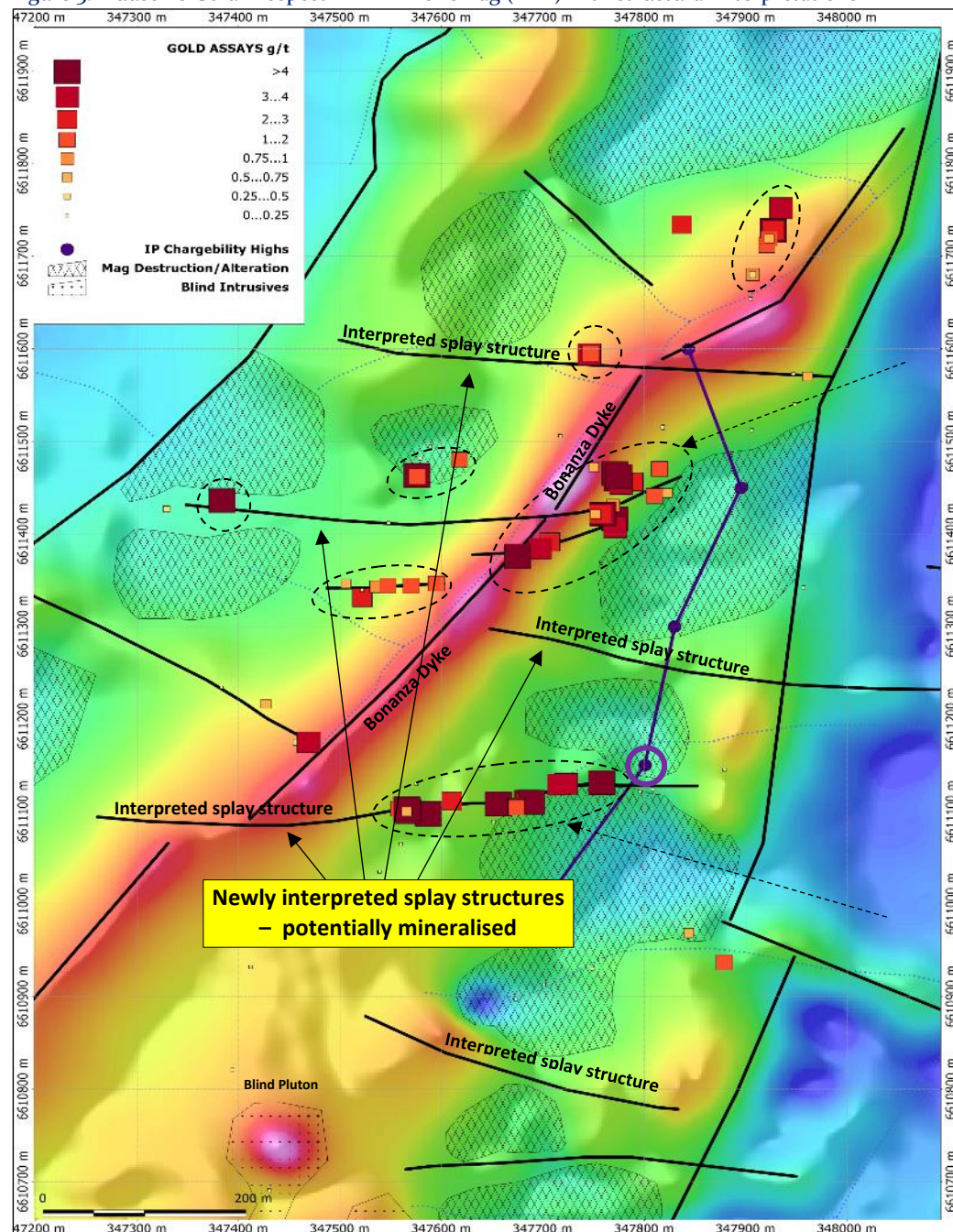
It was previously reported that 19 chip samples at Drill Target 2 that graded >1 g/t, averaged 3.41 g/t Au (up to 7.58 g/t Au) and together with the gold in soil anomaly now defines a drill target area of 200m x 60m. The significant area of anomalous gold in soils, as defined in this initial high-density augur survey, may suggest disseminated gold mineralisation is more widespread than previously thought and/or there are multiple mineralised structures with varied orientations hidden below soil cover.

Post the impending maiden 2,000m RC and 2,000m diamond drill programme, further augur surveying is likely to be used to enhance other targets at the Hudson's Gold Prospect where mapping and sampling of gold bearing outcrop is limited due to soil cover and to test potentially mineralised splay structures associated with the "Bonanza Dyke" structure as interpreted by magnetics.

Uralla Gold Project – Drone Mag Survey⁶

Subsequent to the September quarter LDR reported that a high-resolution drone borne magnetic (DroneMag) survey was also completed at the Hudson's Gold Prospect within the Uralla Gold Project. This survey was flown on 10m line spacing and on low altitude flight path (generally 50m) so as to generate high resolution magnetic imagery. See Figure 3.

Figure 3: Hudson's Gold Prospect Drill – DroneMag (TMI) with structural interpretations



The areas covered includes the Hudson's Gold Prospect (including Drill Targets 1,2 & 3), where multiple chip samples have previously returned high grade gold values, and Martin's Shaft Prospect where previous drilling returned multiple high-grade gold intercepts. Interpretations of imagery generated by the DroneMag survey is helping to develop a preliminary exploration model for gold mineralisation at the Uralla Gold Project and potentially could assist in enhancing existing targets as wells as delineating new targets. Previously it had become apparent that gold mineralisation sampled in outcrops is spatially related to the "Bonanza Dyke" structure, a prominent regional magnetic feature that strikes southwest-northeast for several kilometres.

Preliminary interpretation suggests that gold mineralisation is related to structures that splay off the "Bonanza Dyke" structure. These structures are subtly defined by moderate magnetic corridors situated between areas of magnetic destruction likely to reflect alteration, all encompassed within a moderately magnetic halo that bounds the highly magnetic "Bonanza Dyke" structure. This preliminary model indicates that other similar potentially gold bearing splay structures may exist below soil cover and provide additional exploration targets for further hand auger testing and eventual drilling.

The Hudson's Gold Prospect discovery was achieved through methodical field work over an area where limited soil and rock sampling by previous explorers indicated anomalous gold and arsenic values. Several other significant soil anomalies have also been defined at the Uralla Gold Project including McCrossin's, Fraser's Find, Bannawerra Discovery and Goldsworth prospects. See Figures 4 & 5.

Each anomaly is defined by either enriched Au in soils, enriched As in soils, or both. In addition, the underlying geology is different for each anomaly indicating that gold mineralisation styles are likely to vary. Arsenic is known to be a path finder metalloid for gold mineralisation however this may vary with mineralisation styles. Lode will carry out additional mapping and sampling with a primary focus on areas adjacent to the "Bonanza Dyke" as gold mineralisation appears to be spatially related to this significant regional feature.

Uralla Gold Project – Imminent Drilling

Lode's initial drilling strategy for the Uralla Gold Project is to scout test a variety of targets using a RC drill rig and then to follow-up on the best targets with a campaign of diamond drilling. A minimum 2,000 metre RC drill program is set to commence in November with an all-weather tracked RC drill rig contracted. This rig will test outcropping high-grade gold mineralisation at the Hudson's Gold Prospect, areas defined by anomalous soils as covered in this announcement, IP anomalies including those associated with known mineralisation and previously defined Au/As geochem anomalies. The RC program will be followed with a further 2,000 metre of diamond drilling using an all-weather tracked diamond drill rig. This rig is currently drilling at Lode's Webbs Consol Silver Project. The Company plans to have drill samples assayed at ALS Labs in Brisbane which should allow for significantly faster turnaround of assay results versus reliance on labs in Orange, to the south.

Figure 4: The Uralla Gold Project – Gold soil assays plotted on geology and magnetics (TMI RTP 2VD)

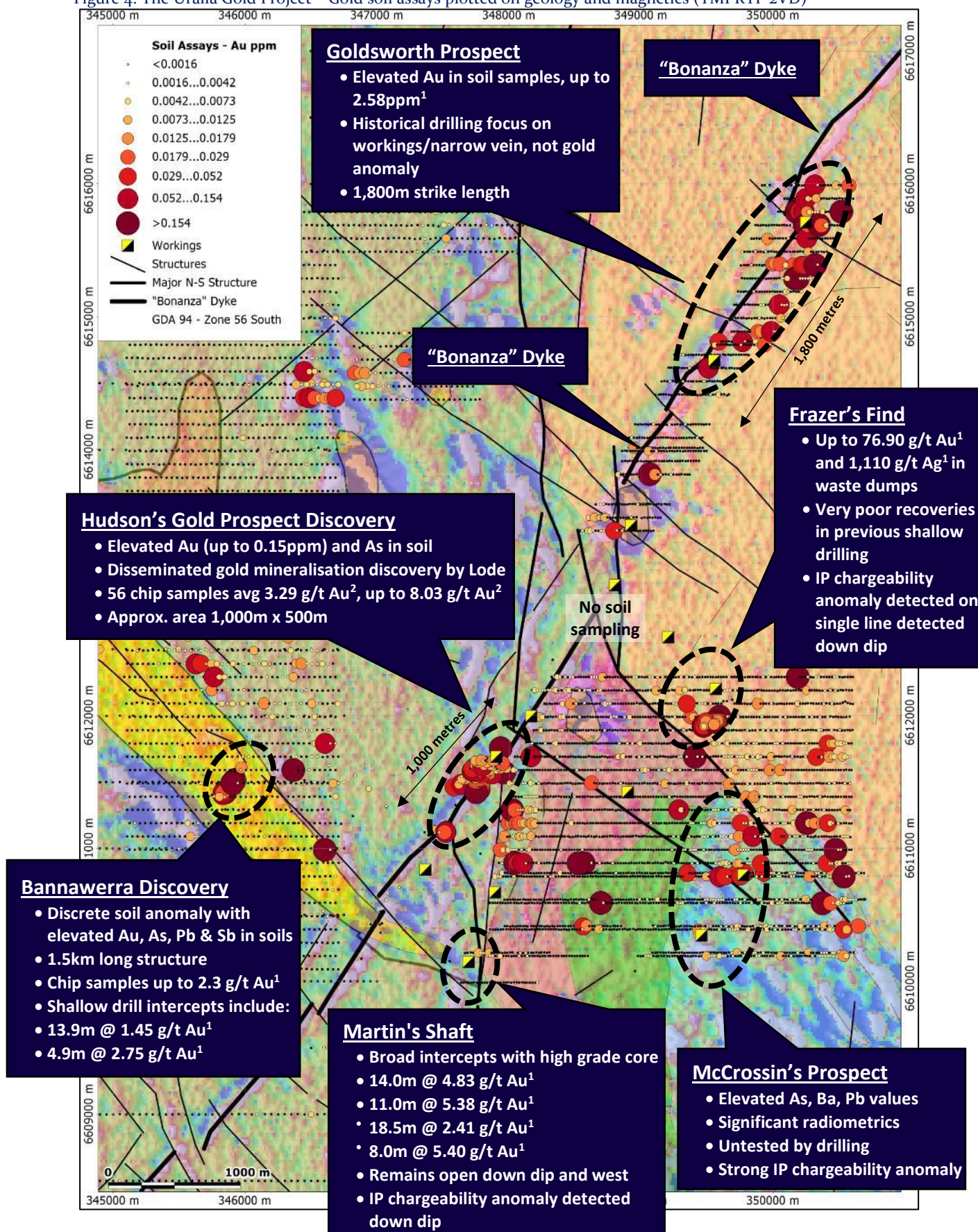
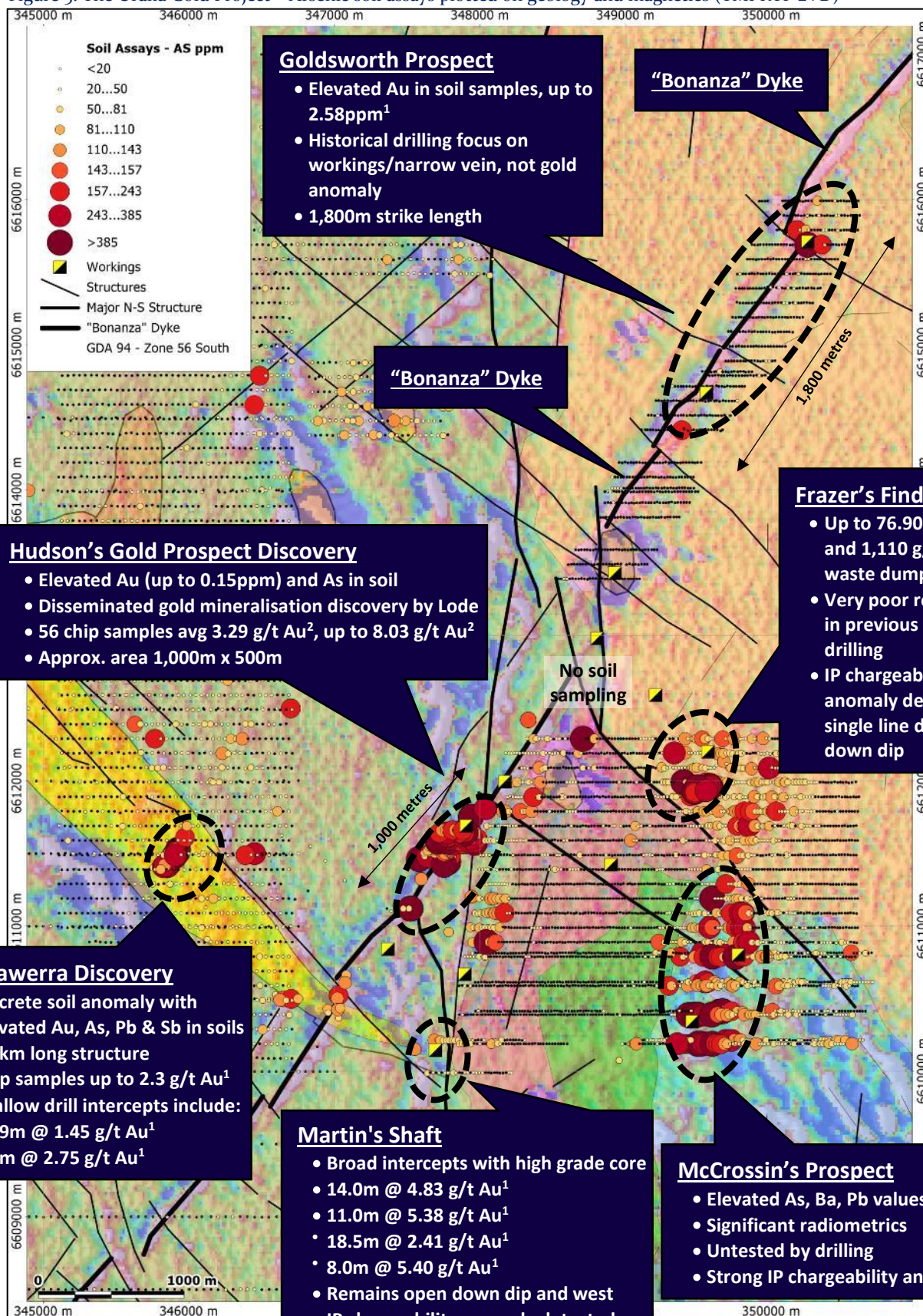


Figure 5: The Uralla Gold Project – Arsenic soil assays plotted on geology and magnetics (TMI RTP 2VD)

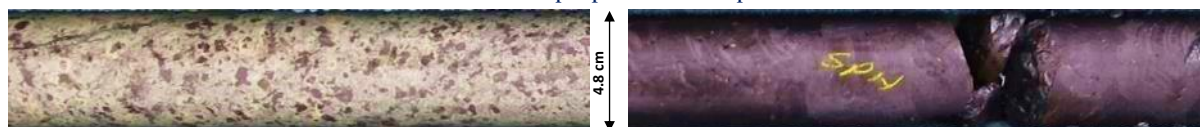


Webbs Consol Silver Project – Significant Sulphides Intersected^{5,7}

Subsequent to the September quarter LDR reported that 6 drill holes have been completed at the Webbs Consol Silver Project's maiden drill programme for 813.8 metres. Sulphides zones were intersected in all 6 drill holes.

Mineralisation styles encountered range from coarse sulphide blebs to massive irregular sulphide veins as shown in Photos 1 & 2. All drill hole intercepts have been cut and samples have been dispatched to ALS in Brisbane with assays anticipated in 2-3 weeks.

Photos 1 & 2: Coarse blebs & massive veins of brown-purple coloured sphalerite in core from drill hole WCS006



Drill hole WCS006 has intersected a very encouraging 27.5 metres (104.6 metres to 132.1 metres) containing an estimated 15% sphalerite ($(\text{Zn},\text{Fe})\text{S}$), 1% galena (PbS) and 0.5% chalcopyrite (CuFeS_2) down hole. Estimated true width is 14.2 metres. See Photo 4 & Figure 6 shown overleaf.

Significant silver mineralisation is also anticipated to be shown in assays as silver is known to be strongly associated with both sphalerite and galena at the Webbs Consol Silver Project.

The current planned 1,500m of diamond drilling programme is designed to test high grade silver mineralisation sampled at surface and extensions of mineralisation mapped in underground workings at the Webbs Consol Silver Project. See Figure 7.

Photo 3: Drilling at Lode's Webbs Consol Silver Project



Photo 4: NQ core showing 27.5 metre mineralised intercept from drill hole WCS006



27.5 metres intercept (104.6 metres to 132.1 metres) containing an estimated 15% sphalerite ((Zn,Fe)S), 1% galena (PbS) and 0.5% chalcopyrite (CuFeS₂). Significant silver mineralisation is also expected to be shown in assays.

Figure 6: Cross Section of Webbs Consol main shaft with drill hole WCS006 mineralised intercept. Historic reports state that the Webbs Consol mineralised structure strikes 190° and dips 70-75° east

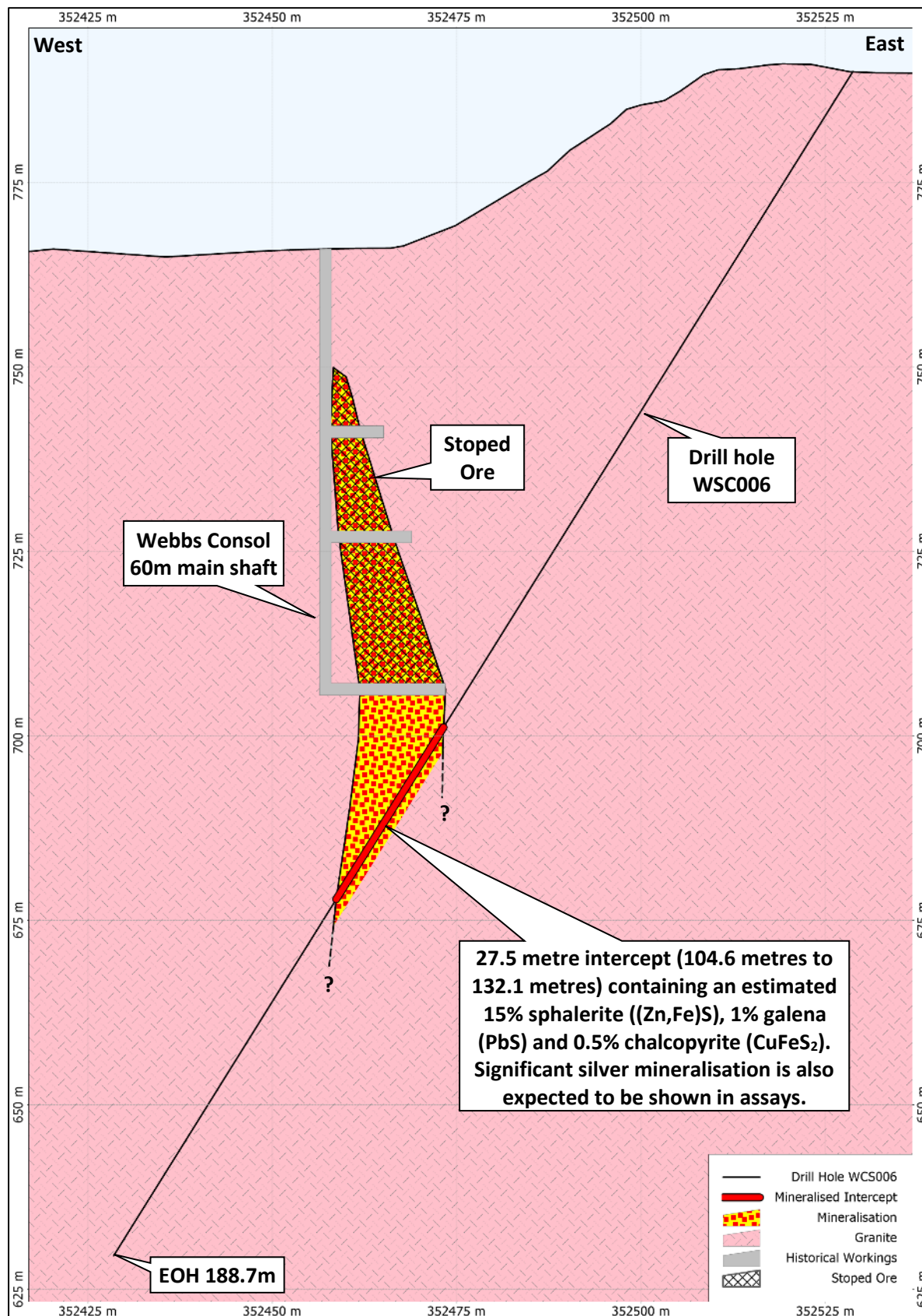
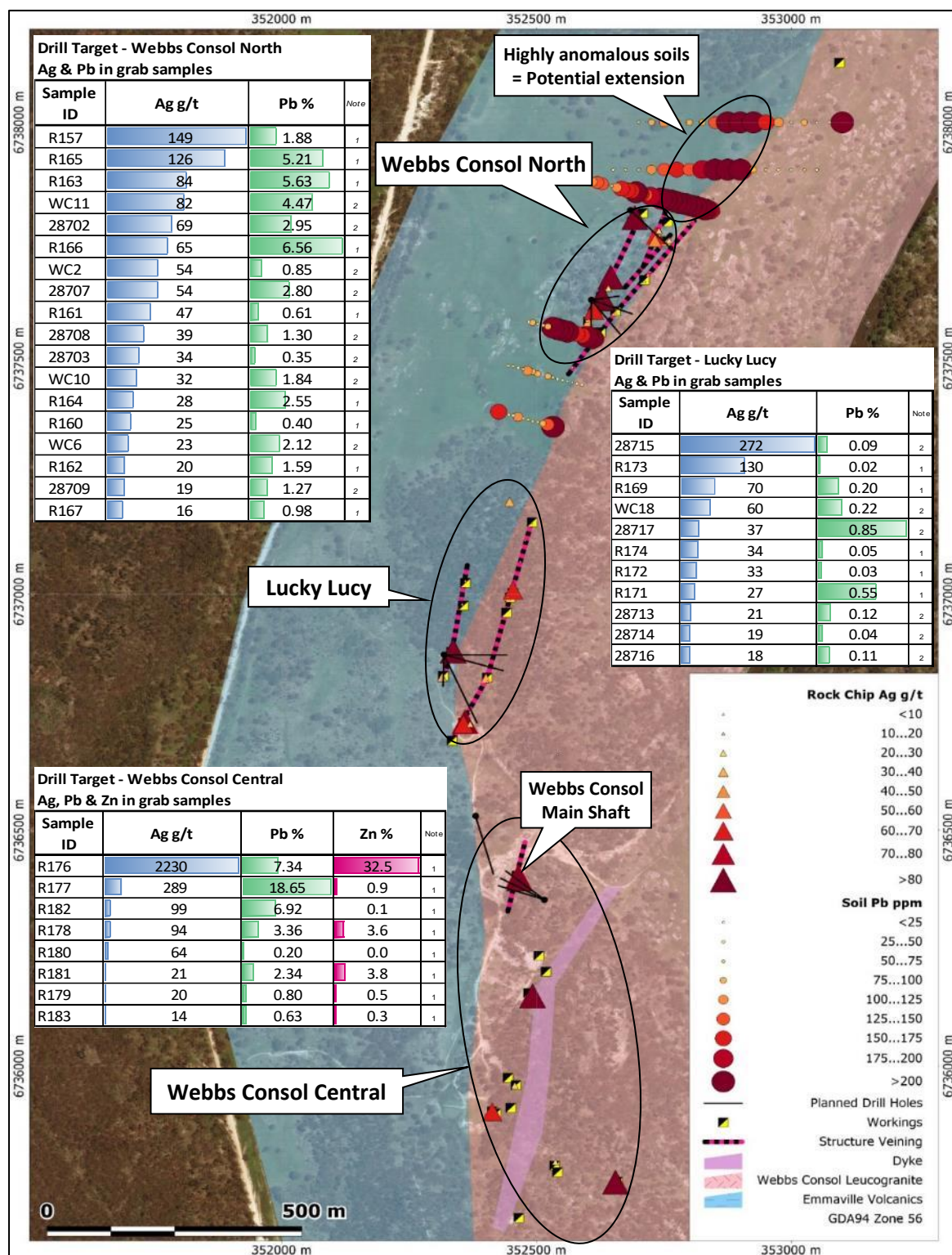


Figure 7: Webbs Consol Silver Project – Rock chip/grab sampling silver, lead and zinc grades¹

Tenements – September Quarter 2021

Project	Tenements as at 30 June 2021	Tenements acquired during the quarter	Tenements disposed during the quarter	Tenements as at 30 September 2021	% Interest	Units	Area (km ²)	Type of Tenements
Uralla	EL8980	-	-	EL8980	100	80	237	Exploration
Webbs Consol	EL8933	-	-	EL8933	100	16	48	Exploration
Fender	EL9003	-	-	EL9003	100	76	223	Exploration
Elsinore	EL9004	-	-	EL9004	100	32	95	Exploration
Tea Tree	EL9084	-	-	EL9084	100	24	71	Exploration
Thor	EL9085	-	-	EL9085	100	78	231	Exploration
Uralla West	EL9087	-	-	EL9087	100	22	65	Exploration
						328	970	

Corporate

Following the successful completion of the A\$5.1M IPO the Company was admitted to the Official List of ASX Limited ('ASX') on Wednesday, 30 June 2021 and commenced trading on Friday, 2 July 2021.

The IPO saw the issue of 25,576,000 new fully paid ordinary shares at A\$0.20 giving the Company an implied market capitalisation of A\$16M at the IPO Offer Price.

Used of Funds

Total expenditure during the September quarter was A\$483,000. Exploration and evaluation expenditure was \$180,000. Approximately two thirds of this expenditure was spent on exploration activities at the Uralla Gold Project and the remainder on the Webbs Consol Silver Project.

Activities included mapping, rock and soil sampling, geophysics and pre-drilling preparations and \$32,700 on exploration equipment. Administration and corporate costs were \$119,000 and staff costs were \$90,000 and IPO costs was \$61,000.

Used of funds	Prospectus Year 1 Budget	3 Months Actuals to 30 September 2021
Webbs Consol (EL8933)	241,200	40,300
Uralla (EL8980 and EL9087)	332,800	76,200
Fender (EL9003)	229,400	-
Elsinore (EL9004)	26,500	-
Tea Tree (EL6016)	35,300	-
Thor (EL6020)	36,800	-
Miscellaneous	278,000	35,900
Contingency 15%	177,000	-
Equipment	-	32,700
Exploration Management	-	27,900
Total	\$ 1,357,000	\$ 213,000

No expenditure was incurred during the quarter on mining production and development activities.

During the September quarter, the aggregate amount of payment to related parties and their associates totalled \$90,000 of payments to Directors or Director related entities for Directors' consulting fees and superannuation.

This announcement has been approved and authorised by Lode Resource Ltd's Managing Director, Ted Leschke.

Competent Person's Statement

The information in this Report that relates to Exploration Results is based on information compiled by Mr Mitchell Tarrant, who is a Member of the Australian Institute of Geoscientists. Mr Tarrant, who is the Project Manager for Lode Resources, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Tarrant consents to the inclusion in this Report of the matters based on the information in the form and context in which it appears.

For further information, please contact:

Investor Enquiries

Ted Leschke

Managing Director

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About Lode Resources

Lode Resources is an ASX-listed explorer focused on the highly prospective but under-exploited New England Fold Belt in north eastern NSW.

The Company has assembled a portfolio of brownfield precious and base metal assets characterised by:

- 100% ownership;
- Significant historical geochemistry and/or geophysics;
- Under drilled and/or open-ended mineralisation; and
- Demonstrated high grade mineralisation and/or potential for large mineral occurrences.

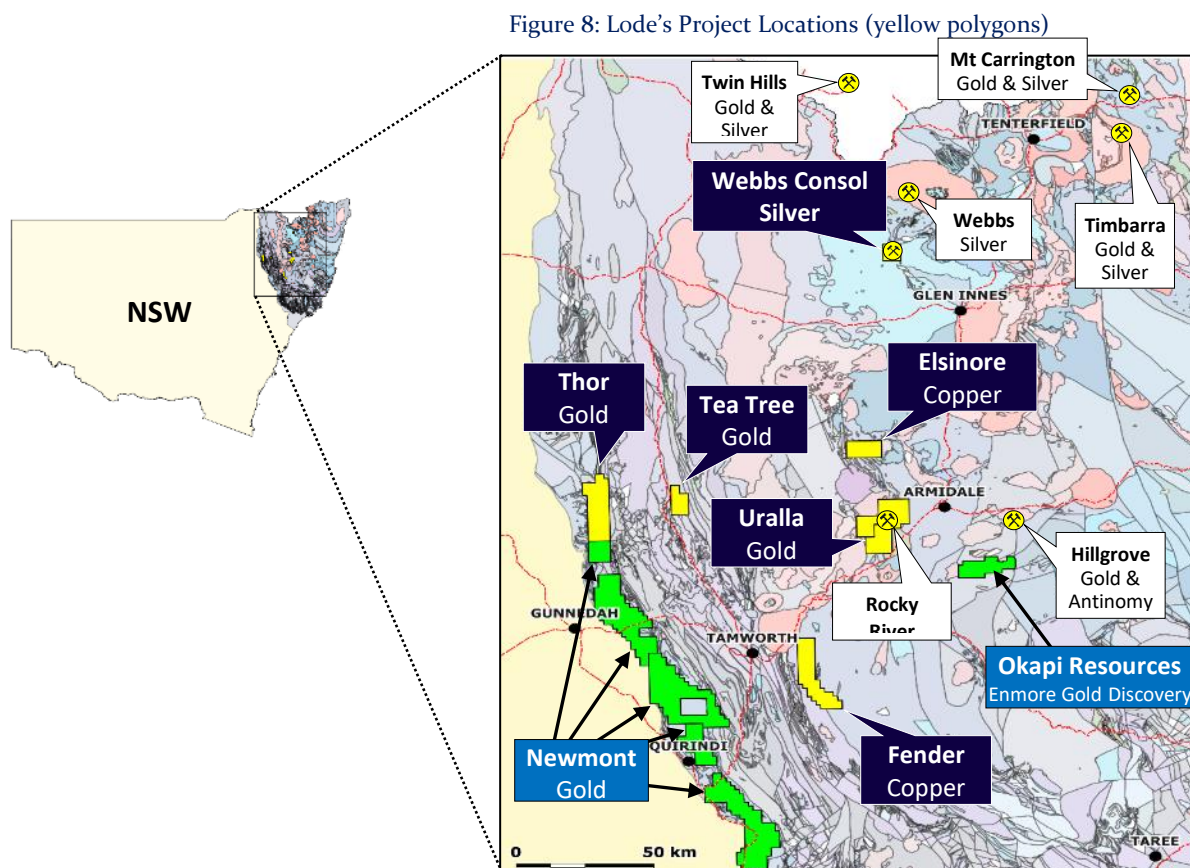
This has resulted in a portfolio of assets with diverse mineralisation styles with 3 drill ready projects:

1. **Uralla Gold** – Located 8km west of the Uralla township, this goldfield was one of the earlier goldfields discovered in NSW and a significant gold producer in the 1850's. Despite this long history the mineralisation style has only recently been recognised as being an Intrusive Related Gold System (IRGS) and this has strong implications for this project's discovery potential. Lode's holdings cover over 300sq km's and this project is drill ready.
2. **Webbs Consol Silver** – Located 16km west-southwest of Emmaville, this historical silver mining centre is known for high grade silver bearing lodes providing attractive targets that are essentially drill ready. Historical records of underground sampling indicated open ended high-grade mineralisation remains open at relative shallow depths and subsequent geophysical anomalies were never followed-up by drilling.

3. **Fender Copper (Trough Gully)** – Located 30km southeast of Tamworth this project has incurred surface exploration carried out by several companies since the 1960s comprising stream/soil, surface mapping, IP and magnetics however no drilling has occurred. Significant copper in drainage anomalies and several known historical workings on VMS style mineralisation provide some very attractive exploration targets. This project is drill ready.
4. **Elsinore** – Located 30km west of Guyra this project hosts a large regional magnetic and IP anomaly with anomalous base/precious metals in geochemical sampling.
5. **Thor** – Located 35km northwest of Manilla this project hosts a large gold anomaly potentially associated with high level intrusions or major regional fault structures.
6. **Tea Tree** – Located 24km north of Manilla this project comprises an underexplored goldfield.

Lode's strategy is to:

- Systematically explore and develop the Company's Tenements in the New England Fold Belt;
- Target large-scale gold, silver and copper mineral systems;
- Use modern exploration methods and best practices in cost effective programs; and
- Advance discoveries to the development stage.



For more information on Lode Resources and to subscribe for our regular updates, please visit our website at www.loderesources.com