

17 August 2022

ASX : LDR

Placement Ensures Full Funding of Phase II Drilling Programmes

Highlights

- ▶ Lode Resources has received firm commitments for \$1,632,540 in a share placement to existing and new institutional and sophisticated investors under the Company's ASX L.R. 7.1 and 7.1A capacity;
- ▶ Placement shares to be issued at \$0.14 per share;
- ▶ Funds will be used to advance drilling programmes at the Company's Webbs Consol Silver-Base Metal and Uralla Gold Projects and for working capital;
- ▶ The Company will be issuing 1 option for every 2 shares subscribed and 2,500,000 options to the Lead Manager under the Company's ASX L.R. 7.1 Capacity;
- ▶ Directors of the Company will subscribe for \$50,000 in shares on the same terms of the placement and the Company will seek shareholder approval to issue the shares and options to the Directors.

Lode's Managing Director, Ted Leschke said:

"We are very excited about the next 6 month's exploration activities which we believe will be transformational for the company. After this placement the company remains fully funded for the upcoming high impact drilling programmes that should build on the exciting results achieved to date.

Phase II drilling at the Webbs Consol Silver-Base Metal Project is designed to test depth and strike extensions of mineralised lodes discovered thus far as well as exploring for new mineralised lodes by testing mineralisation mapped at surface and geophysical targets. The company is also funded for Phase II drilling at our Uralla Gold Project which is in the planning stage."

About the Placement

Under the terms of the Placement, 11,661,000 new shares ('Placement Shares') have been allocated to institutional and sophisticated investors and 357,143 to Directors of the Company raising \$1,682,540 representing a discount of 15.2% to the last trade price and 16.4% to the 5-day volume-weighted average price (\$0.168) of Lode shares traded on the ASX. DealAccess Pty Ltd (DealAccess powered by PAC Partners) acted as the Lead Manager to the Placement.

Under Lode's existing placement capacity the shares will be issued in two tranches:

Tranche 1 – 11,661,000 Placement Shares to raise \$1,632,540 before costs, under the Company's existing capacity in accordance with ASX Listing Rules 7.1 and 7.1A. In addition, for every two shares subscribed investors will receive one option with an exercise price of \$0.24 and expiring in two 2 years from date of issue.

Tranche 2 – 357,143 Placement Shares to raise \$50,000 before costs and 178,572 options to Directors of the Company subject to shareholders approval at the Annual General Meeting to be held later in the year and to be issued on the same terms and condition to the shares under Tranche 1.

The Company will be issuing 1 option for every 2 shares subscribed at an exercise price of \$0.24c with a 2-year term including the director's share subscription. DealAccess Pty Ltd will receive 2,500,000 options as lead managers. All options issued will have the same terms and condition and the Company will seek quotation of these options subject to meeting the minimum listing requirements.

The funds raised by the placement will be used to advance drilling programmes at the Company's Webbs Consol Silver-Base Metal and Uralla Gold Projects and for general corporate and working capital purposes.

This announcement has been authorised for release to the ASX by the Managing Director, Ted Leschke.

For further information, please contact:

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Yours faithfully

A handwritten signature in blue ink, appearing to read "Marcelo Mora".

Marcelo Mora
Company Secretary
Lode Resources Ltd