

18 August 2022

ASX : LDR

Phase II Drilling to Commence at Webbs Consol Silver-Base Metal Project

Highlights

- Phase II diamond drilling to commence shortly at the Webbs Consol Silver-Base Metals Project
- Approximately 19 holes for 2,350m of drilling is planned
- Phase II drilling will target extensions of both the Tangoa West prospect where hole WCS019 reported 26.7m @ 399 g/t AgEq and the Castlereagh prospect where WCS019 reported 50.0m @ 284 g/t AgEq
- Phase II drilling will also test newly identified surface mineralisation where grab samples returned up to 1,135 g/t Ag, 7.51% Pb, 0.58% Cu and 0.47 g/t Au
- Extensive gravity survey currently underway and has been extended to cover 6km of mineral system north-south strike extent

Webbs Consol Silver-Base Metal Project

Phase II Drilling to Commence Shortly

Lode Resources Ltd (ASX:LDR or 'Lode' or 'the Company') is pleased to announce Phase II diamond drilling is to commence shortly at the Webbs Consol Silver-Base Metals Project with approximately 19 holes for 2,350m planned.

Subsequent to the success of Phase I drilling, where multiple high-grade Ag, Zn, Pb intercepts were reported from the 100% owed Webbs Consol Silver-Base Metals Project, Phase II drilling will target a combination of extensional drilling of previously discovered lodes as well as testing newly identified surface mineralisation.

Previously reported drill hole WCS019 returned 26.7m grading 399 g/t AgEq at the Tangoa West prospect whilst drill hole WCS023 returned 50.0m grading 284 g/t AgEq at the Castlereagh prospect. Drilling will test down dip extensions to >100m vertically below surface as well as strike extensions for both prospects.

In addition, new drill targets with high grade surface mineralisation have been just discovered 300m to 850m southeast of the Castlereagh prospect. Surface chip samples have graded up to 1,135 g/t Ag, 7.51% Pb, 0.58% Cu and 0.47 g/t Au. Chip/grab sampling is a spot sample technique and 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.

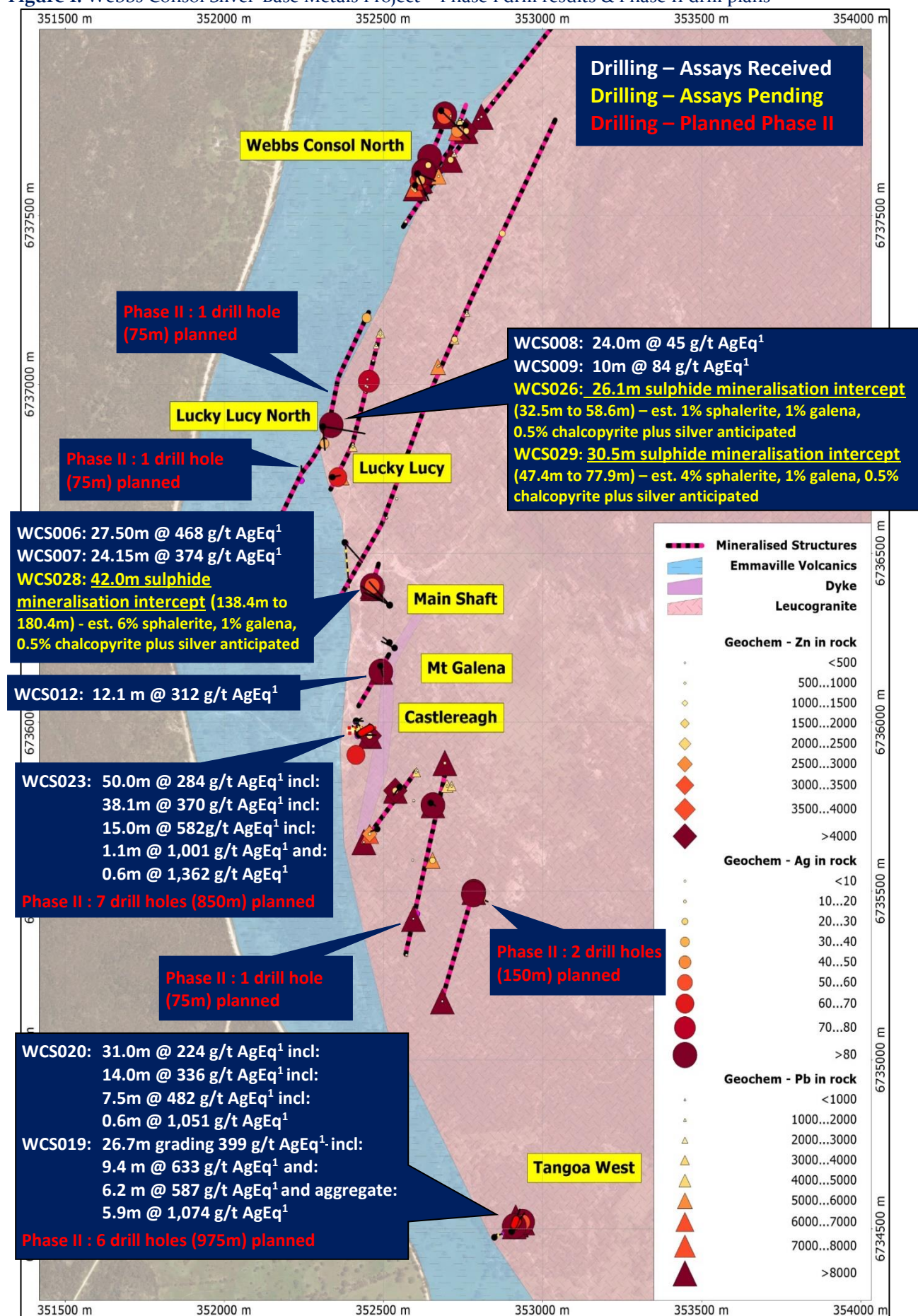
Figure 1: Webbs Consol Silver-Base Metals Project – Phase I drill results & Phase II drill plans


Table 1: – Significant intercept assay results from Phase I drilling

Hole	From (m)	To (m)	Interval (m)	Silver Eq ¹ (g/t)	Silver (g/t)	Lead (%)	Zinc (%)	Copper (%)	Gold (g/t)
WCS006	104.6	132.1	27.5	468	118	0.77	6.52	0.07	0.00
incl.	105.6	129.4	23.8	526	135	0.82	7.32	0.08	0.00
WCS007	122.9	147.1	24.2	374	63	0.49	5.96	0.04	0.00
incl.	126.0	145.0	19.0	462	78	0.49	7.43	0.05	0.00
WCS008	21.2	45.2	24.0	45	19	0.03	0.1	0.01	0.30
incl.	35.3	42.0	6.7	80	31	0.04	0.01	0.00	0.62
WCS009	70.0	80.0	10.0	84	45	0.09	0.17	0.23	0.05
incl.	70.0	75.3	5.3	144	82	0.07	0.16	0.43	0.09
WCS012	48.0	60.1	12.1	312	108	5.49	0.36	0.10	0.04
Incl.	49.6	59.0	9.4	394	137	7.01	0.39	0.12	0.05
WCS019	30.1	56.8	26.7	399	115	6.43	1.07	0.25	0.03
Incl.	31.6	41.0	9.4	633	197	10.14	1.5	0.39	0.04
Incl.	37.0	40.0	3.0	1,023	376	17.68	0.28	0.64	0.09
Incl.	50.0	56.2	6.2	587	171	10.04	1.09	0.42	0.04
Incl.	53.3	56.2	2.9	1,126	344	19.62	1.54	0.82	0.03
WCS20	30.6	61.6	31.0	224	55	3.37	0.98	0.12	0.02
incl.	38.7	52.7	14.0	336	84	5.58	1.08	0.21	0.02
incl.	45.2	52.7	7.5	482	136	8.73	0.76	0.29	0.04
WCS23	17.0	67.0	50.0	284	95	2.87	1.79	0.08	0.04
incl.	24.6	67.0	38.1	370	124	3.74	2.30	0.11	0.05
incl.	38.1	53.1	15.0	582	242	6.17	2.46	0.19	0.08

¹Silver is deemed to be the appropriate metal for equivalent calculations as silver is the most common metal to all mineralisation zones. Webbs Consol silver equivalent grades are based on assumptions: $AgEq(g/t) = Ag(g/t) + 49 * Zn(\%) + 32 * Pb(\%) + 106 * Cu(\%) + 76 * Au(g/t)$ calculated from 10 December 2021 spot prices of US\$22/oz silver, US\$3400/t zinc, US\$2290/t lead, US\$9550/t copper, US\$1800/oz gold and metallurgical recoveries of 97.3% silver, 98.7% zinc, 94.7% lead, 96.3% copper and 90.8% gold which is the 4th stage rougher cumulative recoveries in test work commissioned by Lode and reported in LDR announcement 14 December 2021 titled "High Metal Recoveries in Preliminary Flotation Test work on Webbs Consol Mineralisation". It is Lode's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

Table 2: – Surface grab samples assay results from newly identified prospects located 300m to 850m southeast of the Castlereagh prospect. Most significant assays highlight in yellow.

ID	Easting	Northing	Brief Description	Ag g/t	Pb %	Cu %	Au g/t
R209	352693	6735879	Leucogranite - altered with secondary sulphides	15	1.77	0.02	0.01
R216	352438	6735645	Leucogranite - altered with no visible sulphides	7	1.37	0.02	0.01
R217	352594	6735418	Leucogranite - altered with minor sulphides	7	2.10	0.00	0.02
R218	352685	6735174	Leucogranite - altered with secondary sulphides	9	4.95	0.02	0.04
R221	352654	6735590	Leucogranite - altered with sulphide pseudomorphs	21	0.56	0.01	0.01
R222	352783	6735490	Leucogranite - altered with primary & secondary sulphides	174	0.27	0.58	0.47
R223	352784	6735497	Leucogranite - altered with secondary sulphides	1,135	7.51	0.50	0.03
R224	352782	6735495	Leucogranite - altered with primary sulphides	57	0.53	0.32	0.08

Figure 2: Section of Tangoa West prospect showing Phase I drilling and planned Phase II drilling

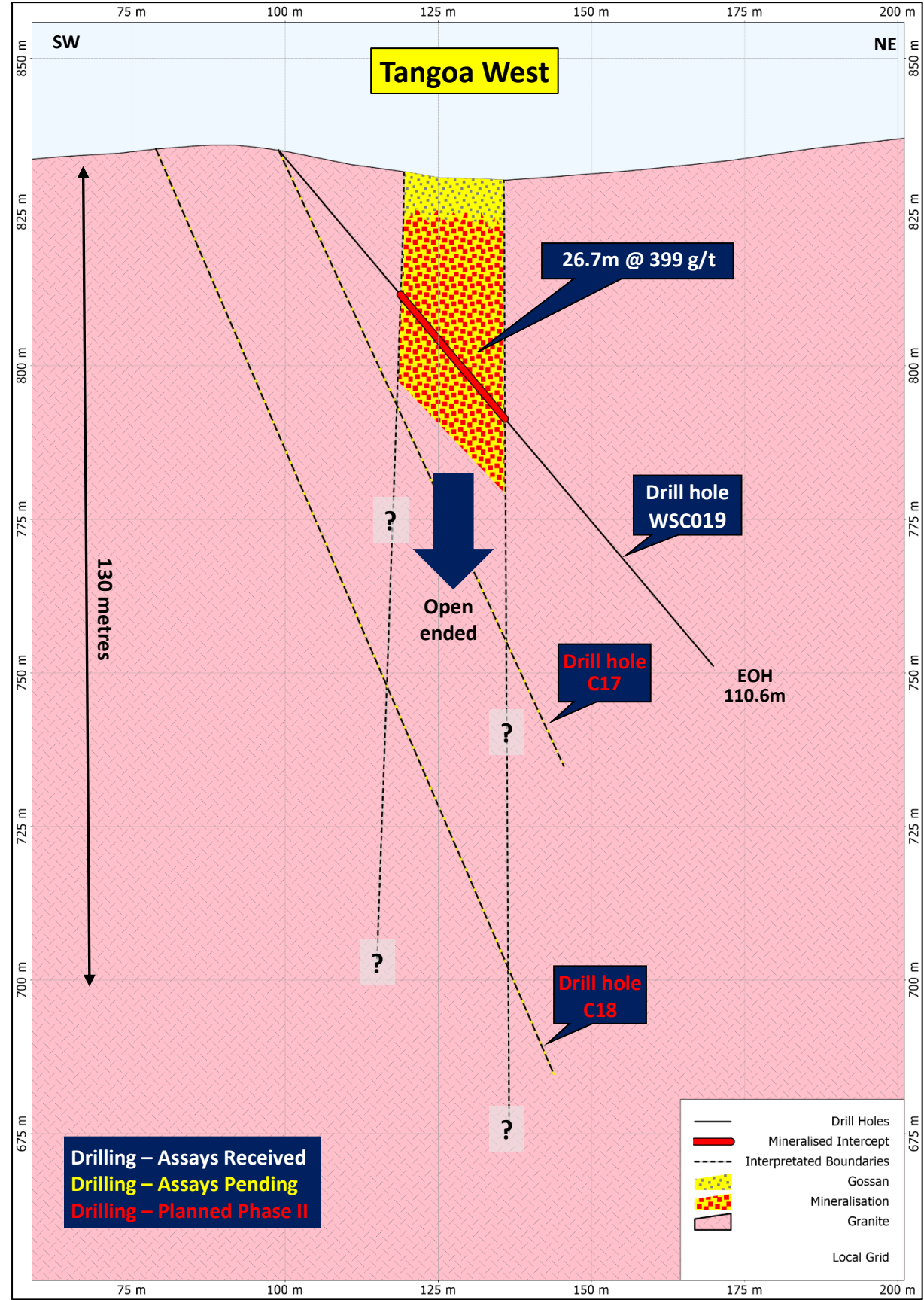


Figure 3: Section of Castlereagh prospect showing Phase I drilling and planned Phase II drilling

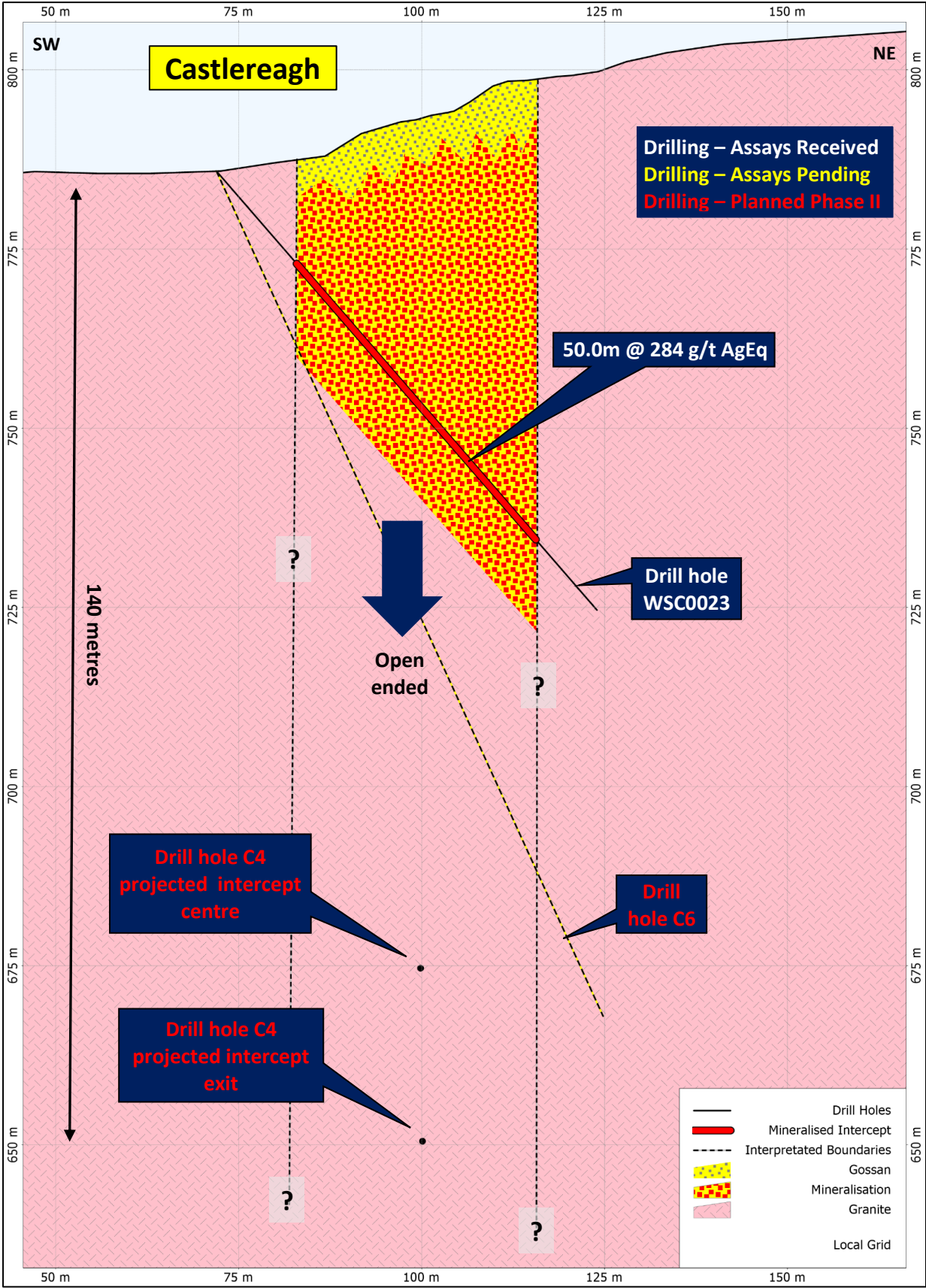


Figure 4: Section of Main Shaft prospect showing Phase I drilling

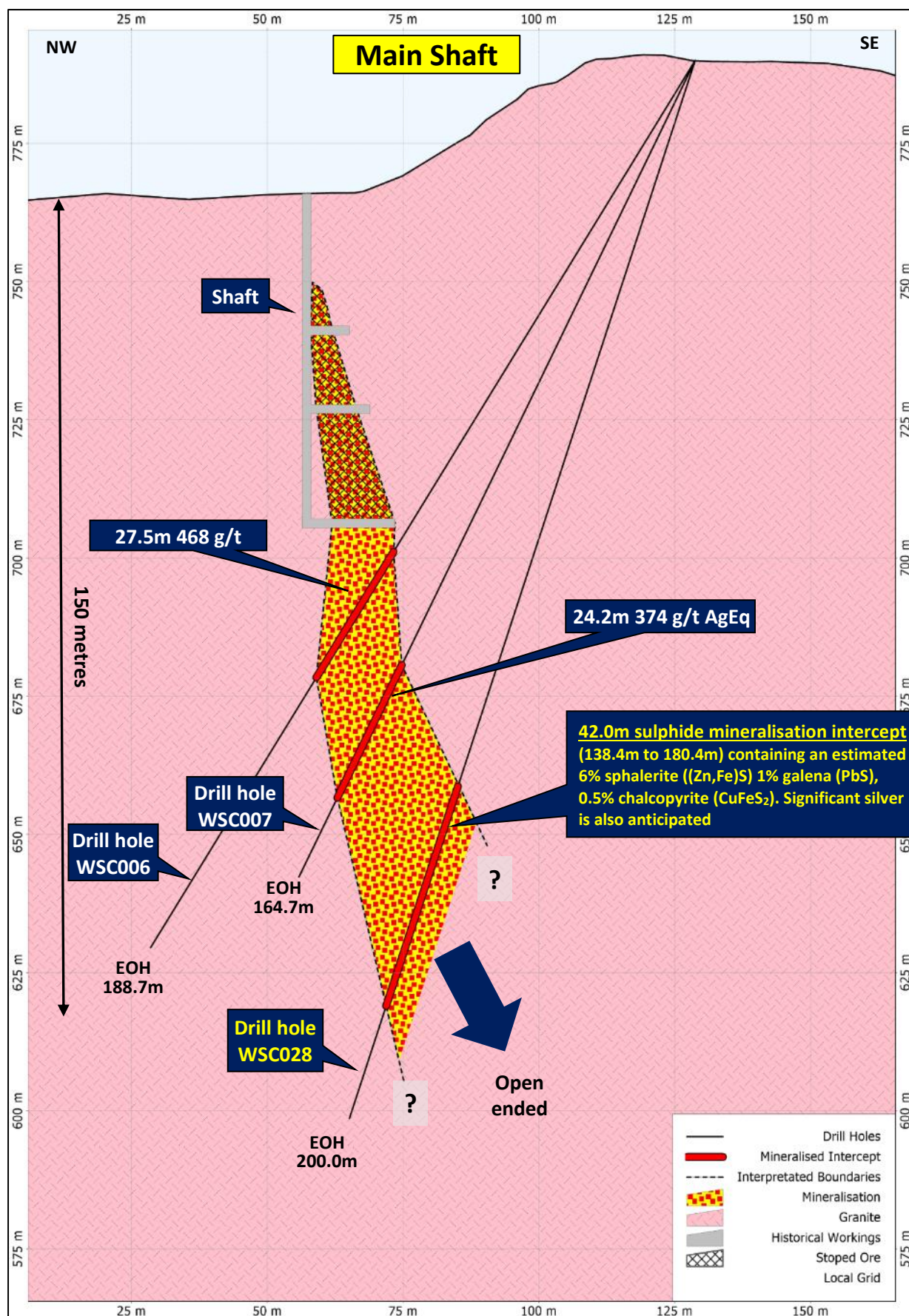
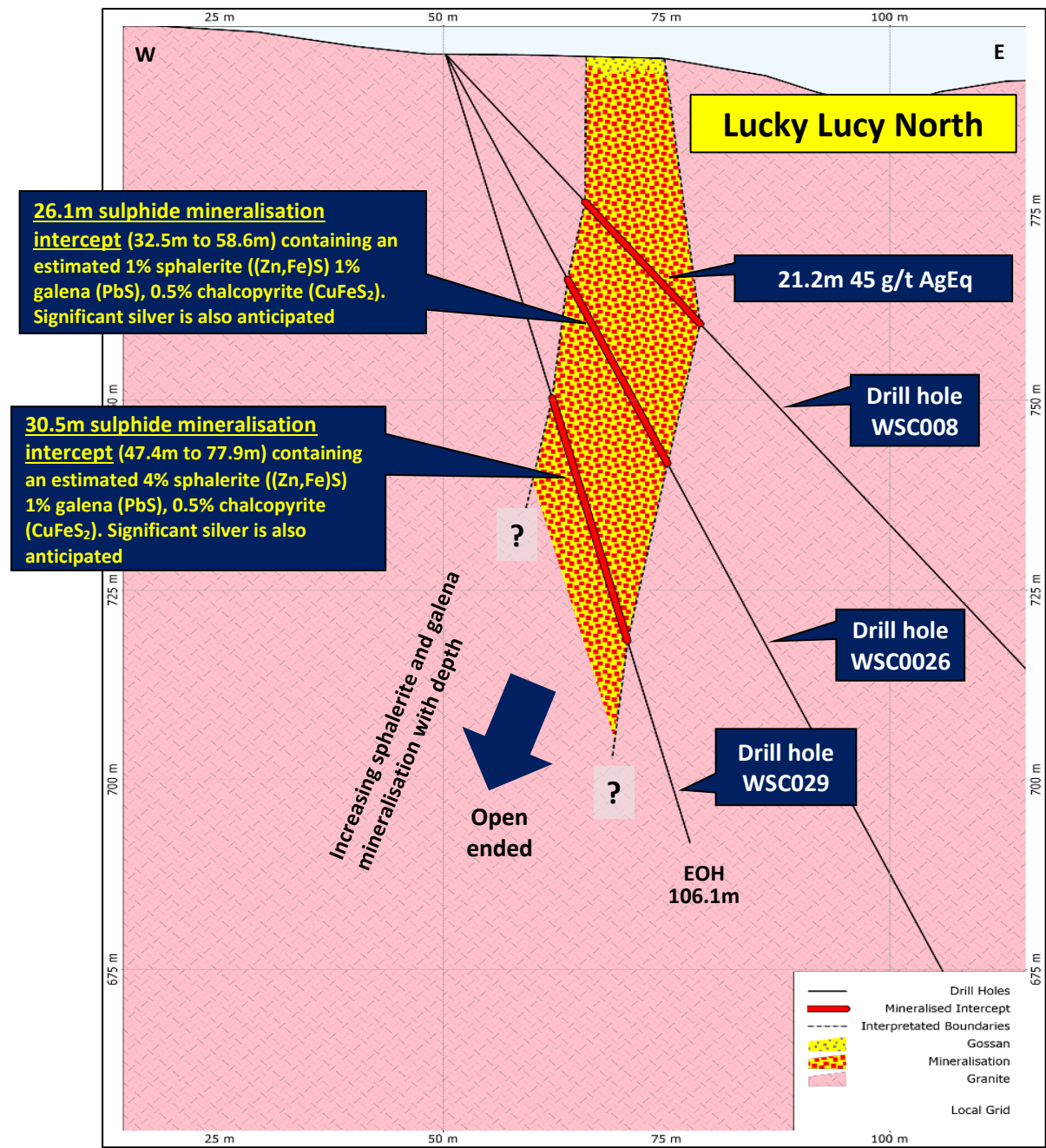


Figure 5: Section of Lucky Lucy North prospect showing Phase I drilling



Webbs Consol Project Overview

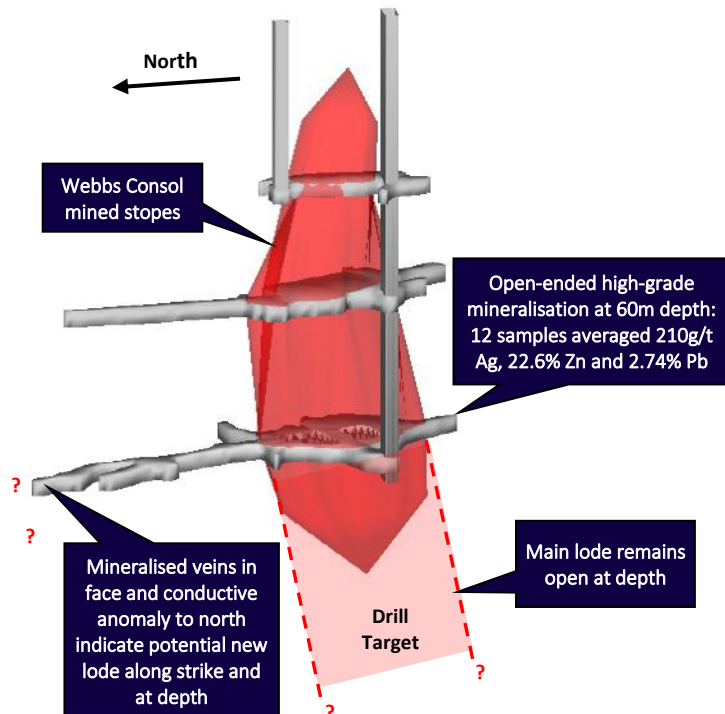
Located 16km west-south-west of Emmaville, Webbs Consol was discovered in 1890 with intermittent mining up to the mid-1950s. The Webbs Consol Project (EL8933) contains several small, but high grade, silver-lead-zinc-gold deposits hosted by the Webbs Consol Leucogranite which has intruded the Late Permian Emmaville Volcanics and undifferentiated Early Permian sediments.

Several mine shafts were worked for the high-grade galena and silver content only with high-grade zinc mineralisation discarded. Mineral concentration was via basic Chilean milling techniques and sluicing. Some subsequent rough flotation of galena was carried out with no attempt to recover sphalerite.

Ore mineralogy includes galena, sphalerite, marmatite, arsenopyrite, pyrite, chalcopyrite, minor bismuth, and gold. Chief minerals are generally disseminated but also high grade “bungs” where emplacement is a combination of fracture infilling and country rock replacement. Gangue mineralogy includes quartz, chlorite and sericite with quartz occurring as veins and granular relicts.

Historical sampling shows potential for high grade silver and zinc mineralisation at Webbs Consol. It was reported that 12 samples taken from the lowest level of the main Webbs Consol shaft (“205’ Level” or 60m depth) averaged 210g/t silver, 22.6% zinc and 2.74% lead. Epithermal style mineralisation occurs in ‘en échelon’ vertical pipe like bodies at the intersection of main north-south shear and secondary northeast-southwest fractures. No leaching or secondary enrichment has been identified.

Webbs Consol Main Shaft oblique view



Webbs Consol Main Shaft specimen showing coarse galena mineralisation



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 has a beneficial interest as option holder of Lode Resources Ltd and 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

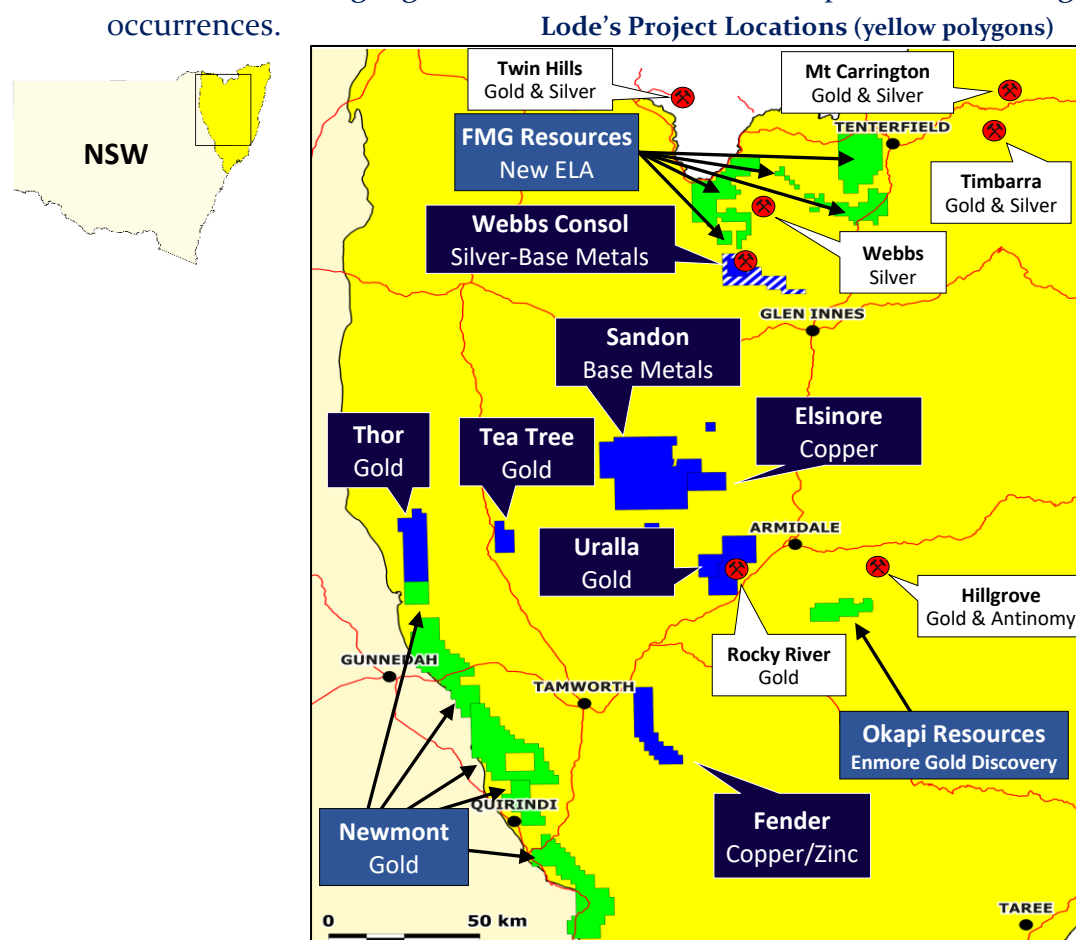
Managing Director

Ted@loderesources.com

About Lode Resources

Lode Resources is an ASX-listed explorer focused on the highly prospective but under-explored 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.



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

JORC Code, 2012 Edition - Table 1.**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised 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 (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised 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 (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Samples were collected by a qualified geologist. 20 rock samples were collected from outcrop and historic waste dumps. The sample weight range is between 1.10kg to 2.16kg. This is considered appropriate for this style of sampling. Sample locations were surveyed with a handheld GPS (+/- 5m) and marked into sample books and on sample bags.
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"> No new drilling was carried out
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 maximise 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"> No new drilling was carried out.
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. 	<ul style="list-style-type: none"> The geology, mineralogy, nature and characteristics of mineralisation and host rock geology, and orientation of the associated mineralised structures, was logged by a qualified geologist and subsequently entered into a geochemical database. Photographs taken for reference.

	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	
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 maximise 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"> No drilling was carried out. Samples were dry and not split in the field. Sample sizes are considered appropriate.
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 (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Samples are stored in a secure location and transported to the ALS laboratory in Brisbane QLD via a certified courier. Sample preparation initially comprises drying (DRY-21), weighing, crushing (CRU-31) and pulverizing to 85% < 75µm (PUL-32). The assay methods used were ME-ICP61 and Au-AA25 (refer to ALS assay codes). ME-ICP61 is a four-acid digest with ICP-AES finish with various detection limits. Au-AA25 is a fire assayed for Au using a 30g sample, detection is 0.01-100 ppm Au. Only internal laboratory checks were used for QACQ. The assay methods employed are considered appropriate for near total digestion.
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"> Laboratory results have been reviewed by Project Manager. Laboratory CSV files are merged with GPS Location data files using unique sample numbers as the key. No adjustments made to assay data. Commercial laboratory certificates are supplied by ALS.
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"> Sample points were recorded using a handheld GPS (+/- 5m). Sampling points are recorded as x, y & z coordinates. Accuracy is assumed to be +/-5m Grid system used is GDA94 UTM zone 56.

Latest surface sampling

ID	Easting	Northing	Brief Description	Ag g/t	Pb %	Zn %	Cu %	Au g/t
R209	352693	6735879	Leucogranite - altered with secondary sulphides	15.4	1.77	0.05	0.02	0.01
R210	352595	6735768	Leucogranite - altered with no visible sulphides	<0.5	0.01	0.01	0.00	<0.01
R211	354078	6735226	Volcanics - altered with sulphides	100	33.00	5.83	0.15	<0.01
R212	352606	6735856	Leucogranite - altered with no visible sulphides	0.6	0.05	0.02	0.00	0.01
R213	352603	6735852	Leucogranite - altered with no visible sulphides	2.4	0.38	0.04	0.01	<0.01
R214	352699	6735811	Leucogranite - altered with no visible sulphides	3.6	0.47	0.01	0.00	<0.01
R215	352714	6735811	Leucogranite - altered with no visible sulphides	1.7	0.31	0.01	0.00	0.01
R216	352438	6735645	Leucogranite - altered with no visible sulphides	7.1	1.37	0.05	0.02	0.01
R217	352594	6735418	Leucogranite - altered with minor sulphides	7.2	2.10	0.05	0.00	0.02
R218	352685	6735174	Leucogranite - altered with secondary sulphides	9.4	4.95	0.07	0.02	0.04
R219	352572	6735311	Porphyry - altered with no visible sulphides	0.5	0.17	0.01	0.00	0.01
R220	352592	6735592	Leucogranite - sheared	<0.5	0.01	0.00	0.00	<0.01
R221	352654	6735590	Leucogranite - altered with sulphide pseudomorphs	20.7	0.56	0.00	0.01	0.01
R222	352783	6735490	Leucogranite - altered with primary & secondary sulphides	174	0.27	0.02	0.58	0.47
R223	352784	6735497	Leucogranite - altered with secondary sulphides	1135	7.51	0.07	0.50	0.03
R224	352782	6735495	Leucogranite - altered with primary sulphides	56.5	0.53	0.01	0.32	0.08
R225	352917	6735336	Leucogranite - altered	<0.5	0.00	0.03	0.00	0.01
R226	353710	6733186	Volcanics - altered with vugs of secondary minerals	1.9	0.03	0.03	0.00	0.01
R227	353732	6733160	Volcanics - altered with vugs of secondary minerals	0.7	0.01	0.01	0.00	0.01
R228	353705	6733148	Volcanics - altered with vugs of secondary minerals	4.0	0.09	0.03	0.00	0.01

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"> Results will not be used for resource estimation. Sampling consisted of 7 rock samples. The sample weight range (1.10-2.16kg) is considered appropriate for this style of sampling. No compositing has been applied.
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 mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> No new drilling or channel sampling was carried out
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples have been overseen by the Project Manager during transport from site to the assay laboratories.
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"> No audits or reviews have been carried out at this point.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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 sampling was conducted on EL8933 EL8933 is 100% held by Lode Resources Ltd. Native title does not exist over EL8933 All leases/tenements are in good standing
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Historical rock and soil sampling by Silver Mines
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> EL8933 falls within the southern portion of the New England Orogen (NEO). EL8933 hosts numerous base metal occurrences. The Webbs Consol mineralisation is likely intrusion related and hosted within the Webbs Consol Leucogranite and, to a lesser extent, the Emmaville Volcanics.
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 drillholes, including, easting and northing, elevation or RL, dip and azimuth, down hole length, interception depth and hole length. If the exclusion of this information is justified the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> No new drilling was carried out
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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No new drilling was carried out

<i>Relationship between mineralisation widths and intercept lengths</i>	<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. • 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'). 	<ul style="list-style-type: none"> • No new drilling or channel sampling was carried out.
<i>Diagrams</i>	<ul style="list-style-type: none"> • 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 plans and sections. 	<ul style="list-style-type: none"> • Refer to plans and sections within report
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • The accompanying document is considered to represent a balanced report.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported. 	<ul style="list-style-type: none"> • All meaningful and material data is reported.
<i>Further work</i>	<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). 	<ul style="list-style-type: none"> • Further drilling is planned for 100% owned Webbs Consol Project as outlined in this report