

29 October 2024

ASX Listing Compliance Sydney  
20 Bridge Street  
SYDNEY NSW 2000

By email: [listingscompliancesydney@asx.com.au](mailto:listingscompliancesydney@asx.com.au)

**Lode Resources Ltd (LDR or Company): - Response to ASX Aware Letter**

The Company refers to ASX'S aware letter dated 24 October 2024 (**Aware Letter**). The Company makes this announcement to provide a response to the Aware Letter which is set out below:

- 1. Does LDR consider the Information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes.

- 2. If the answer to any part of question 1 is "no", please advise the basis for that view.**

Not applicable.

- 3. When did LDR first become aware of the Information referred to in question 1 above?**

The Company first became aware of the Information i.e. the proposed acquisition of 100% of the Montezuma Antimony Project (**Proposed Acquisition**), on approximately 3 October 2024.

- 4. If LDR first became aware of the information referred to in question 1 before the date of the Announcement, did LDR make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on:**

**4.1 when you believe LDR was obliged to release the information under Listing Rules 3.1 and 3.1A:**

At 9 am AEDT on 18 October 2024 the Company sought a trading halt. At 9:30am AEDT on 18 October 2024 that trading halt was granted and the announcement of the trading halt was made.

The Heads of Agreement was signed at 8 pm on 17 October 2024 and subsequently trading in the Company's shares were halted and suspended, and the Company prepared its announcement of 23 October 2024 disclosing the Information (**Announcement**).

Prior to executing that Heads of Agreement, the Company had not disclosed the Information, believing the exception under Listing Rule 3.1A.1 remained available to it because "the information concerns an incomplete proposal or negotiation" or "the information comprises matters of supposition or is insufficiently definite to warrant disclosure."; the information is confidential and a reasonable person would not expect the information to be disclosed.

While the board is aware that executing the Heads of Agreement does not in and of itself require the Information to be disclosed, provided the Information is cloaked in confidentiality and can be characterised as an incomplete proposal, for the reasons and within the context outlined in 4.2.1, the Company decided it would be prudent to release the Information by publishing the Announcement after the Heads of Agreement was signed and requested a trading halt to facilitate this.

#### **4.2 why LDR stated in its response to ASX's price and volume query letter:**

##### **4.2.1 "No." in response to ASX's question "Is LDR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?"; and**

At the time, the Company believed that the ASX was asking, in Question 1 of ASX's 11 October 2024 price and volume query letter (**ASX Price Query Letter**), whether the Company was aware of any reason why the volume and price of the Company's shares had changed on 11 October 2024. The Company was not aware of any reason why and therefore answered "no", furthermore the Company believed the Information remained confidential and responded to the ASX Price Query Letter on that basis.

The Company acknowledges that it may not have fully appreciated Question 1 of the ASX Price Query letter or the relationship between question 1 and the legal implications raised by ASX in A to I of its Aware Letter.

The Company takes its continuous disclosure obligations seriously and out of an abundance of caution, adopted a more conservative approach following the ASX Price Query Letter which raised changes to the volume and price of the Company's shares which its board could not confidently explain. For these reasons the Company requested a trading halt to mitigate any risk of potential information leaks (especially as the Company had to liaise with external consultants to assess its geological due diligence responses), liaised openly and cooperatively with ASX from 18 October 2024 onwards (which resulted in a 1 day voluntary suspension on 23 October 2024 to refine the Announcement) and announced the Proposed Acquisition at the "heads of agreement" stage. Additionally, the Company consulted legal advisors from 18 October 2024 onwards to guide and facilitate the Company's compliance with its obligations.

##### **4.2.2 "Confirmed LDR is complying with Listing Rules and, in particular' Listing Rule 3.1."**

Confirmed.

#### **4.3 what steps LDR took to ensure that the Information was released promptly and without delay.**

Please refer to the last paragraph of 4.2.1.

#### **5. Please confirm that LDR is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

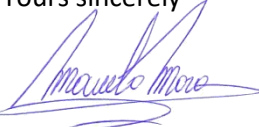
Confirmed.

#### **6. Please confirm that LDR's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of LDR with delegated authority from the board to respond to ASX on disclosure matters.**

Confirmed.

Please do not hesitate to contact me if further information is required.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Marcelo Mora", with a stylized flourish at the end.

Marcelo Mora  
Company Secretary



24 October 2024

Reference: 102140

Mr Marcelo Mora  
Company Secretary  
Lode Resources Ltd  
Level 5  
1 Margaret Street  
Sydney NSW 2000

By email only.

Dear Mr Mora

**Lode Resources Ltd ('LDR'): ASX Aware Letter**

ASX refers to the following:

- A. LDR's response to ASX's price and volume query released on the ASX Market Announcements Platform ('MAP') at 8.58AM AEDT on 14 October 2024, disclosing the following:
- (i) the change in price of LDR's securities from a low of \$0.098 to a high of \$0.12 at the time ASX's price and volume query letter was written;
  - (ii) in response to ASX's question *"Is LDR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?"* LDR stated *"No"*; and
  - (iii) in response to ASX's request *"Please confirm that LDR is complying with the Listing Rules and, in particular, Listing Rule 3.1"* LDR stated *"Confirmed LDR is complying with Listing Rules and, in particular Listing Rule 3.1."*
- B. LDR's trading halt request, which was released on MAP at 9.30AM AEDT on 18 October 2024, disclosing the following:
- "...Lode Resources Ltd requests a trading halt of its securities pending the release of an announcement regarding the execution of a Head of Agreement regarding the acquisition of the share capital of an entity who is the registered and beneficial owner of mining and exploration tenements."*
- C. LDR's announcement titled "Antimony & Silver Project Acquisition" (the 'Announcement') released on MAP as 'market sensitive' at 1.55PM AEDT on 23 October 2024 disclosing that LDR had signed a heads of agreement to acquire 100% of the Montezuma Antimony Project (the 'Information').
- D. The change in the price of LDR's securities from \$0.11 immediately prior to the release of the Announcement to an intraday high of \$0.16 following the release of the Announcement.
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- F. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:
- "an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity."*

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- G. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled “When does an entity become aware of information?”
- H. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

*“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following 5 situations applies:*

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed.”*

- I. The concept of “confidentiality” detailed in section 5.8 of *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

*“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule.”*

### **Request for information**

Having regard to the above, ASX asks LDR to respond separately to each of the following questions:

1. Does LDR consider the Information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to any part of question 1 is “no”, please advise the basis for that view.
3. When did LDR first become aware of the Information referred to in question 1 above?
4. If LDR first became aware of the information referred to in question 1 before the date of the Announcement, did LDR make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on:
  - 4.1 when you believe LDR was obliged to release the information under Listing Rules 3.1 and 3.1A:
  - 4.2 why LDR stated in its response to ASX’s price and volume query letter:
    - 4.2.1 “No.” in response to ASX’s question “Is LDR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?”; and

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4.2.2 “Confirmed LDR is complying with Listing Rules and, in particular’ Listing Rule 3.1.”

in circumstances where LDR’s response to ASX’s price and volume query letter is dated 14 October 2024 and LDR’s trading halt request is dated 18 October 2024; and

4.3 what steps LDR took to ensure that the Information was released promptly and without delay.

5. Please confirm that LDR is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that LDR’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of LDR with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9.00AM AEDT Tuesday, 29 October 2024**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, LDR’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out above and may require LDR to request a trading halt immediately if trading in LDR’s securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on MAP.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in LDR’s securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to LDR’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that LDR’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Release of correspondence between ASX and entity**

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

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ASX Compliance