

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2023

HIGHLIGHTS

- **Auger infill sampling at Horse Rocks further defined surface lithium anomalies**
- **Initial RC drilling at Horse Rocks completed:**
 - **52 holes for 4,223m**
 - **Pegmatites intercepted in 47 out of 52 drill holes**
 - **Results expected in the coming weeks**
- **Acquisition of the Jingjing Lithium Project:**
 - **Low-cost acquisition, in line with exploration strategy**
 - **Favourable geological setting**
 - **Rock samples with elevated tantalum and elemental ratios indicate potential LCT pegmatites**

Lord Resources Limited (**ASX: LRD**) ("**Lord**" or the "**Company**") is pleased to present its quarterly activities report for the quarter ended 31 March 2023. Exploration has been focused on the initial drilling campaign at the Horse Rocks Lithium Project ("Horse Rocks").

HORSE ROCKS LITHIUM PROJECT

Located 20km south of Coolgardie in Western Australia's Eastern Goldfields, Horse Rocks comprises a 23.8km² exploration licence (E15/1770), 8km west of Mineral Resources' (ASX: MIN) Mt Marion Lithium Mine, with the same source granite and 'Mt Marion-Style' Li potential.

During the quarter, exploration was focused on progressing the lithium targets. An infill auger sampling program further refined significant surface lithium anomalism, with a peak assay of 0.15% lithium oxide (Li₂O) within a surface soil sample.

Results from rock samples collected at the end of 2022 were received, with multiple samples considered significant for lithium mineralisation, and a peak assay of 2.54% Li₂O.

The initial RC drilling program commenced during the quarter and was designed to test for sub-surface lithium mineralisation within Horse Rocks. In total, 4,223m were drilled in 52 holes, in areas of geochemical anomalism. Assays are expected in the coming weeks.

Pegmatites were intercepted in 47 out of 52 of the holes, with multiple zones of significant widths (up to 67m). The majority of the pegmatites are interpreted to have a low to moderate east dip.

The drilling program was planned at five areas of high priority geochemical anomalism, where multiple pegmatite swarms have been mapped at surface. This drilling program is the first lithium targeted sub-surface exploration within Horse Rocks.

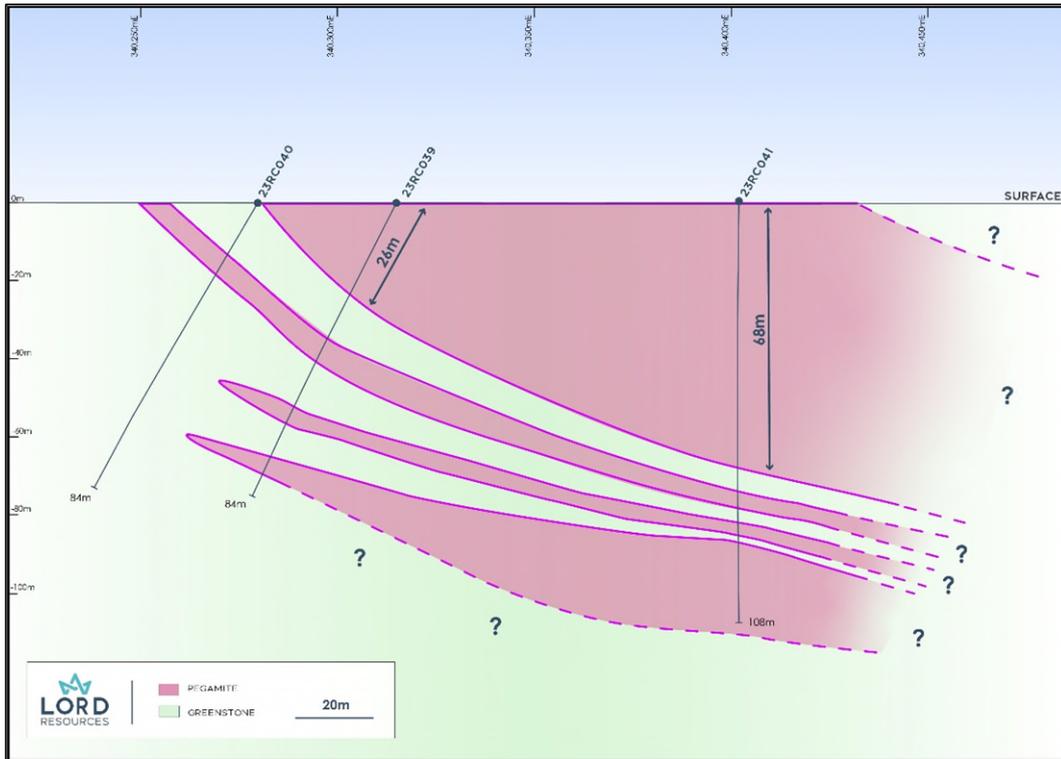


Figure 1: Simplified cross section from 6555900mN showing wide zones of pegmatite.

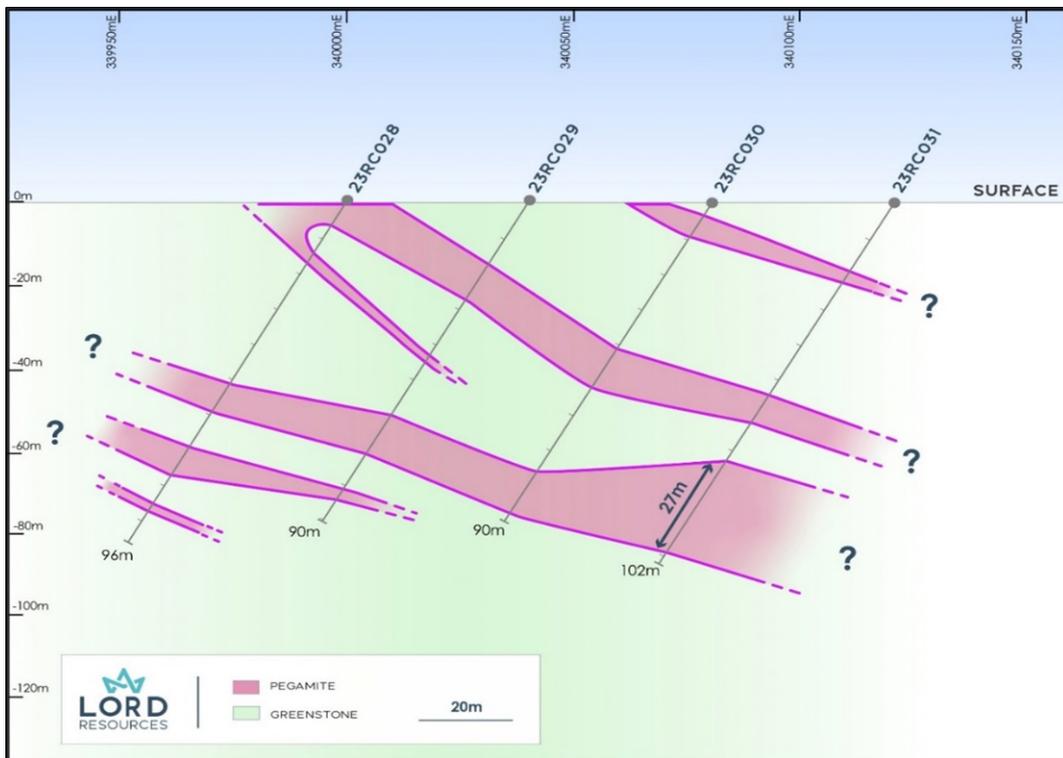


Figure 2: Simplified cross section from 6558300mN showing wide zones of pegmatite.

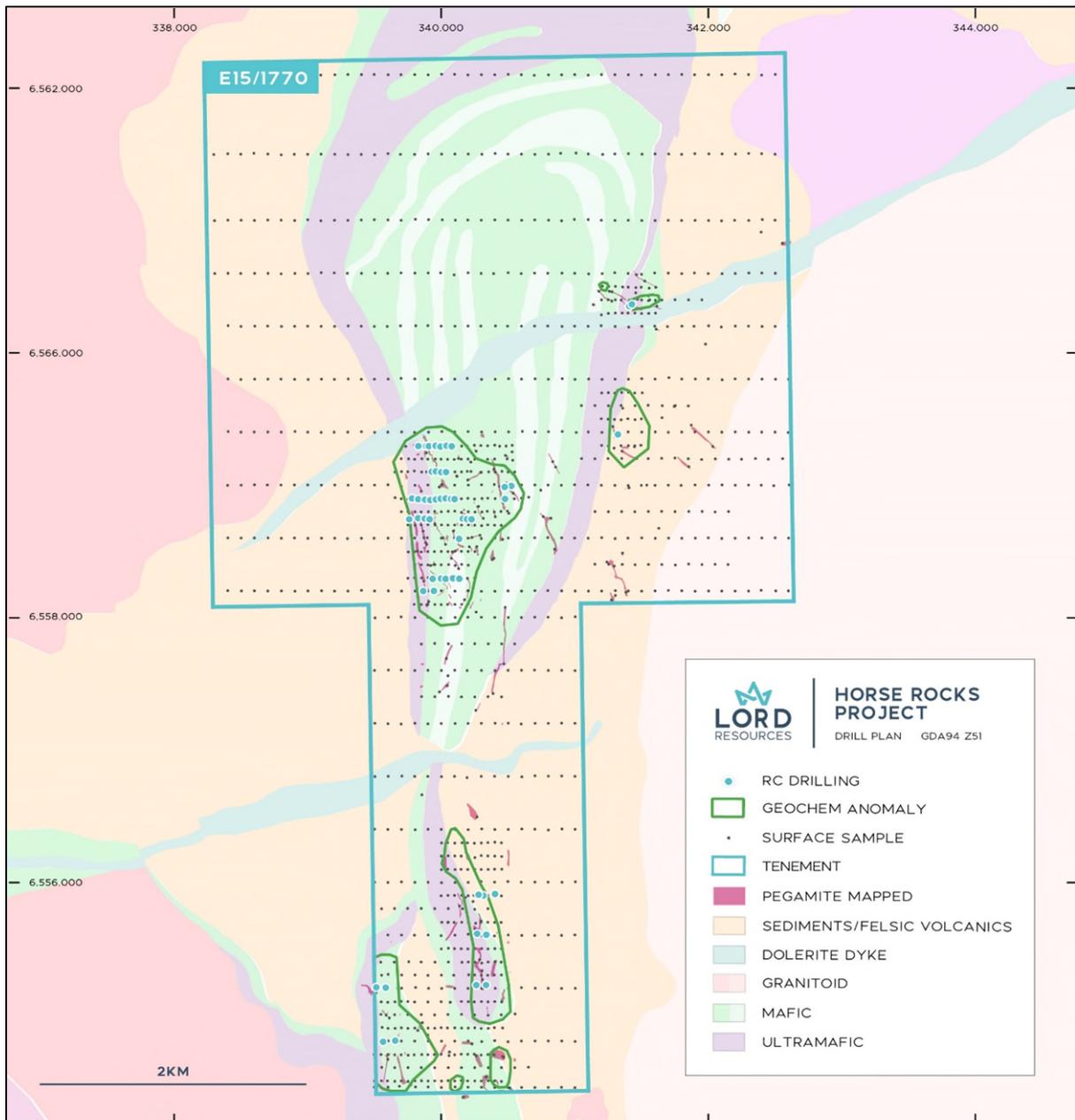


Figure 3: Horse Rocks geochemical anomalies, surface sample locations and drill lines over geology.

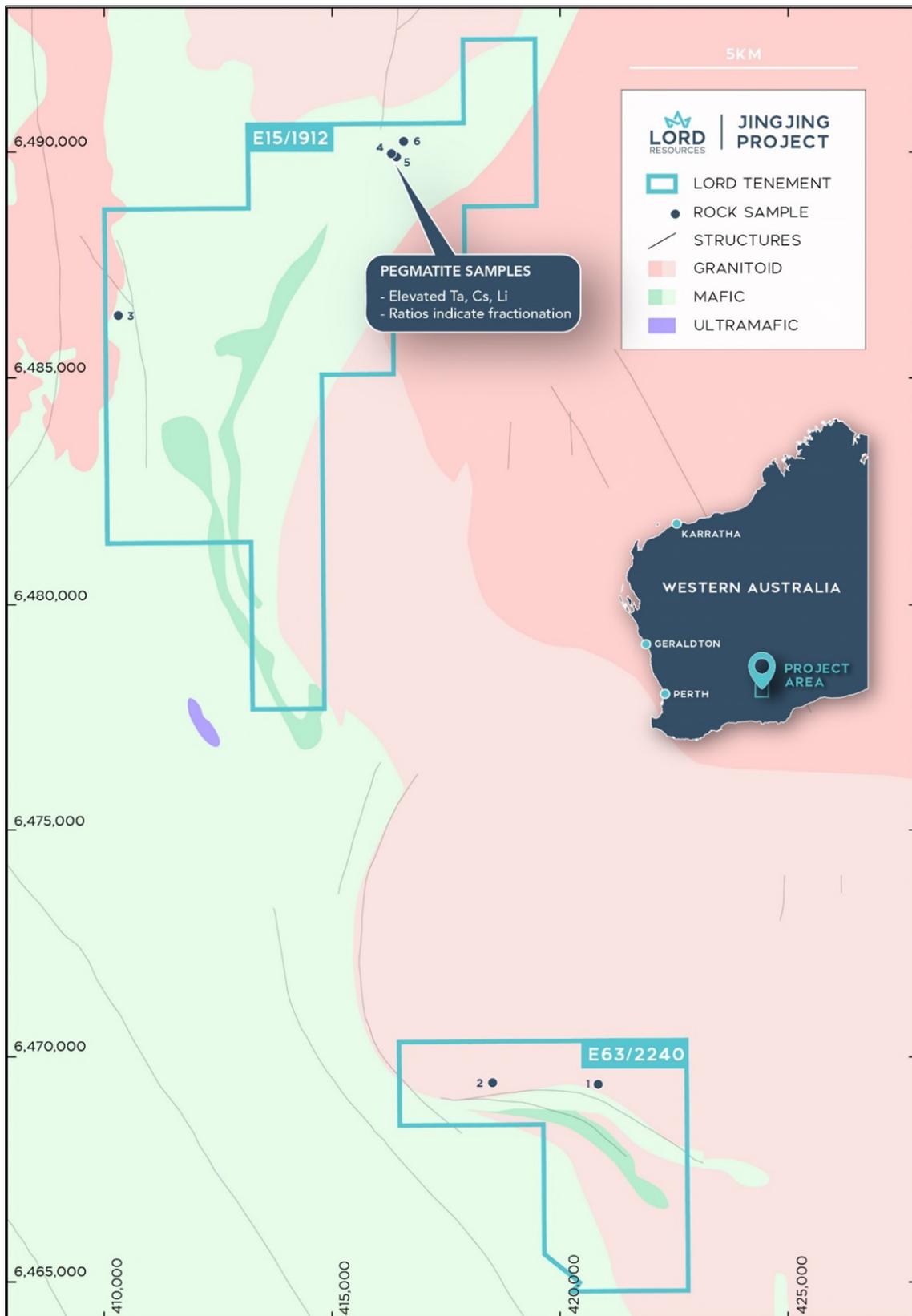


Figure 4: Jingjing Lithium Project - simplified geology and rock sample location.

JINGJING LITHIUM PROJECT

On 27 March 2023, the Company announced its plan to acquire 100% of the Jingjing Lithium Project, located in the Eastern Goldfields of Western Australia within WA's "Super Lithium Province". The two granted exploration licences are situated approximately 50km northeast of Norseman, on the eastern side of Lake Cowan. The Bald Hill Lithium-Tantalum Mine is 18.5km to the north, and the Buldania Lithium Resource is 19km to the south. The geological setting is within the 'Goldilocks Zone' for LCT deposits - greenstone lithologies within 5km of granitic intrusions.

There has been no previous exploration or analysis for lithium, presenting opportunity for the Company. We believe this low-cost acquisition is in line with the current LRD exploration strategy for battery metals.

The Lord Resources technical team conducted a brief reconnaissance trip to identify evidence of lithium mineralisation. While rock outcrop was limited, a series of pegmatites were observed in the north of E15/1912. Three samples (4-6) were collected from the pegmatites and returned above background values for tantalum (Ta), lithium (Li) or caesium (Cs).

Elemental ratios within the few pegmatite rock samples collected also indicate positive fractionation trends, highlighting the potential for LCT-type pegmatites. Pegmatites exhibiting low fractionation ratios, although apparently lithium or tantalum poor, warrant further assessment.

Field reconnaissance revealed a higher percentage of outcropping rocks/residual soil than anticipated, so the conventional method of surface geochemical sampling and mapping will be effective in some areas of the tenements.

Phase 1 of exploration will consist of surface soil sampling to identify geochemical anomalies, which would be followed up by mapping and rock sampling, to identify potential drill targets for Phase 2.

GABYON GOLD PROJECT

Planning for upcoming exploration has continued for the Gabyon Gold Project, designed to test for gold mineralisation at the Woolgerong and Elya Bore prospects, where historic rock samples have returned grades of 9.15g/t Au and 1.98g/t Au respectively.

JARAMA GOLD PROJECT

No activity was undertaken at the Jarama Project during the quarter.

CAMBRIDGE NICKEL PROJECT

No activity was undertaken at the Cambridge Project during the quarter.

VIPER POLYMETALLIC PROJECT

No activity was undertaken at Viper Project during the quarter.

CORPORATE

The Company has \$3.1m in cash at the end of the Quarter, for further information please refer to the Appendix 5B.

USE OF FUNDS STATEMENT

The Company was admitted to the official list of the ASX on 5 April 2022 with official quotation occurring 7 April 2022 and as such, the quarterly report for the period ended 31 March 2023 is covered by the "Use of Funds Statement" included in the Company's Pre-quotation disclosure and provided below "Year 1". The below analysis represents a comparison of the Company's actual expenditure from date of listing to 31 March 2023 against the estimated expenditure in the 'Use of Funds' Statement'.

Year 1 Use of Funds Estimated to Actual (In A\$' 000)				
Expenditure breakdown	Prospectus disclosure (Year 1)	Pro-rata from quarter commencing before IPO to current	Actual	Variance Under/(Over)
Exploration Expenditure ²	1,620	1,620	481	1,139
Expenses of the Offer ¹	482	482	363	119
Administration costs and working capital	808	808	865	(57)
Total	2,910	2,910	1,709	1,201

Notes:

- 1) Expenses of the Offer are not subject to pro-rata as all expenses incurred relating to the Offer were incurred before and during the quarter ending 30 September 2022.
- 2) Actual exploration expenditure will vary due to timing of the exploration programs on the various projects which is dependent on weather, access and availability of suppliers as well as various approvals from government authorities.

For further details refer to the prospectus and pre-quotation disclosure released to the ASX on 5 April 2022.

ASX ADDITIONAL INFORMATION

- 1) ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure (excluding staff costs) during the Quarter was \$92,000. Full details of exploration activity during the Quarter are set out in this report.
- 2) ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the Quarter.
- 3) ASX Listing Rule 5.3.5: A total of \$81,125 was paid to related parties during the quarter comprising Director fees.

- END -

This release is authorised by the Board of Directors of Lord Resources Limited

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ABOUT LORD RESOURCES

Lord Resources is an exploration company with a highly prospective portfolio of future facing metals located within Western Australia’s famed Greenstone belts and close to high profile and prolific historic and producing mines. Lord Resources’ six largely unexplored projects provide exposure to lithium, nickel, PGE and gold sectors (Figure 5).



Figure 5: Lord Resources Western Australian Project Portfolio.

CAUTIONARY NOTE

The Company stresses that the reported observation of pegmatite occurrence is not an estimate of mineralisation or lithium grade.

In relation to the disclosure of visual results, the Company cautions that visual estimates of rock types or mineral abundance should never be considered a proxy or substitute for a laboratory analysis. Assay results are required to determine the widths and grade of the visual observations in preliminary geological logging. The Company will update the market when laboratory results become available.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to exploration results is based on and fairly represents information compiled by Ms Georgina Clark, a Competent Person who is a Member of the Australian Institute of Geoscientists. Ms Clark is a full time employee to the Company. Ms Clark has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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' ("JORC Code"). Ms Clark consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

INFORMATION RELATING TO PREVIOUS DISCLOSURE

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("2012 JORC Code"). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in the Quarterly Activities Report can be found in the following announcements lodged on the ASX:

5 April 2022 - Prospectus

12 April 2022 - Exploration Update

3 May 2022 - Drilling Commences at Jarama

25 July 2022 - Exploration Update

20 September 2022 - Horse Rocks Lithium Project Granted

29 September 2022 - Exploration commenced at Horse Rocks Lithium Project

23 November 2022 - Significant Lithium Mineral Anomalies at Horse Rocks

15 December 2022 - Lithium Exploration Accelerates at Horse Rocks

8 February 2023 - Geochemical Anomalies define more significant Li Potential

9 March 2023 - RC Drilling commences at Horse Rocks Lithium Project

18 April 2023 - Pegmatite intersected in 47 out of 52 holes

APPENDIX

Lord Resources Limited (ASX: LRD) provides the following addendum in relation to additional information required by Listing Rule 5.3.3.

Schedule of Mining Tenements, Beneficial Interests and agreements

Held as at the end of the Quarter

Project/Location	Country	Tenement	Percentage held/earning
Horse Rocks Project	Australia	E15/1770	100%
Cambridge Project	Australia	E39/2136	100%
		E39/2195	100%
Jarama Project	Australia	E59/2501	100%
Gabyon Project	Australia	E59/2454	100%
Viper Project	Australia	E47/4466	100%
Jingjing Project	Australia	E15/1912	100%*
		E63/2240	

Schedule of Mining Tenements, Beneficial Interests and agreements

Acquired during the Quarter

Project/Location	Country	Tenement	Percentage held/earning
Jingjing Project	Australia	E15/1912	100%*
		E63/2240	

Schedule of Mining Tenements, Beneficial Interests and agreements

Disposed of during the Quarter

Project/Location	Country	Tenement	Percentage held/earning
N/A			

* During the quarter, the Company agreed to acquire 100% of the Jingjing project, comprising E15/1912 and E63/2240. Settlement is expected to occur during the June 2023 quarter and consequently, the Company does not hold any interest in the tenements at the end of the March 2023 quarter.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

LORD RESOURCES LIMITED

ABN

69 107 385 884

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(92)	(232)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(168)	(465)
	(e) administration and corporate costs	(55)	(277)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	10	22
1.5	Interest and other costs of finance paid	(4)	(7)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other - other income	-	73
1.9	Net cash from / (used in) operating activities	(309)	(886)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(52)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other –	-	-
2.6	Net cash from / (used in) investing activities	-	(52)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	192
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	2	2
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(33)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2	161
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,434	3,904
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(309)	(886)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(52)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2	161

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,127	3,127

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,127	3,434
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,127	3,434

6. Payments to related parties of the entity and their associates

6.1	Aggregate amount of payments to related parties and their associates included in item 1	81
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter
\$A'000**

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	N/A	N/A
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(309)
8.2 Payments for exploration & evaluation classified as investing activities (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(309)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,127
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,127
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	10.12
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A.	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A.	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed and has been authorised for release by the Board.

Date: 26 April 2023

Authorised by: The Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.