29 November 2021

# Drilling Commences at Uralla Gold Project

## Highlights

- Drilling has commenced at Lode's Uralla Gold Project
- Approximately 2,000m of reverse circulation (RC) drilling will test high-grade gold mineralisation sampled at surface as well as targets generated by recent Induced Polarisation, DroneMag and Auger drilling surveys
- To date 56 chip sample gold assays that graded > 1 g/t have averaged 3.29 g/t (up to 8.03 g/t) from the Hudson's Prospect area of interest, which is approximately 1,000m long and up to 500m wide[1,2,3,4]
- This recently discovered disseminated gold mineralisation style has strong implications for the Project's bulk tonnage potential[1,2,3,4]

MD, Ted Leschke commented: *"We are excited to announce the commencement of a maiden drilling program at our Uralla Gold Project. Lode Resources has carried out significant surface exploration work resulting in the development of multiple drill targets including high-grade gold mineralisation in unweathered siltstone. The initial 2,000m RC drill program will test a wide variety of target styles at the Hudson's Prospect as well as Martin's Shaft where previous drilling resulted in solid gold intercepts. Lode Resources is well financed to complete planned exploration activities following our IPO in July 2021 and we look forward to keeping shareholders updated on our progress."*

## Uralla Gold Project Drilling

Lode Resources Ltd (ASX:LDR or 'Lode' or 'the Company') is pleased to announce the commencement of drilling at the 100% owned Uralla Gold Project (EL8980), one of three projects being drilled this quarter. See Photo 1.

Photo 1: Drilling underway at Lode's Uralla Gold Project




[1]*LDR Prospectus 14 April 2021 p139 (IGR p65 Table 12) & LDR Supplementary Prospectus 6 May 2021*
[2]*LDR announcement 12 July 2021 titled "New gold mineralisation style discovered"*
[3]*LDR announcement 20 July 2021 titled "Further Assays Enhance & Expand Uralla Gold Project"*
[4]*LDR announcement 5 October 2021 titled "Enhanced Drill Targets at Uralla Gold Project"*

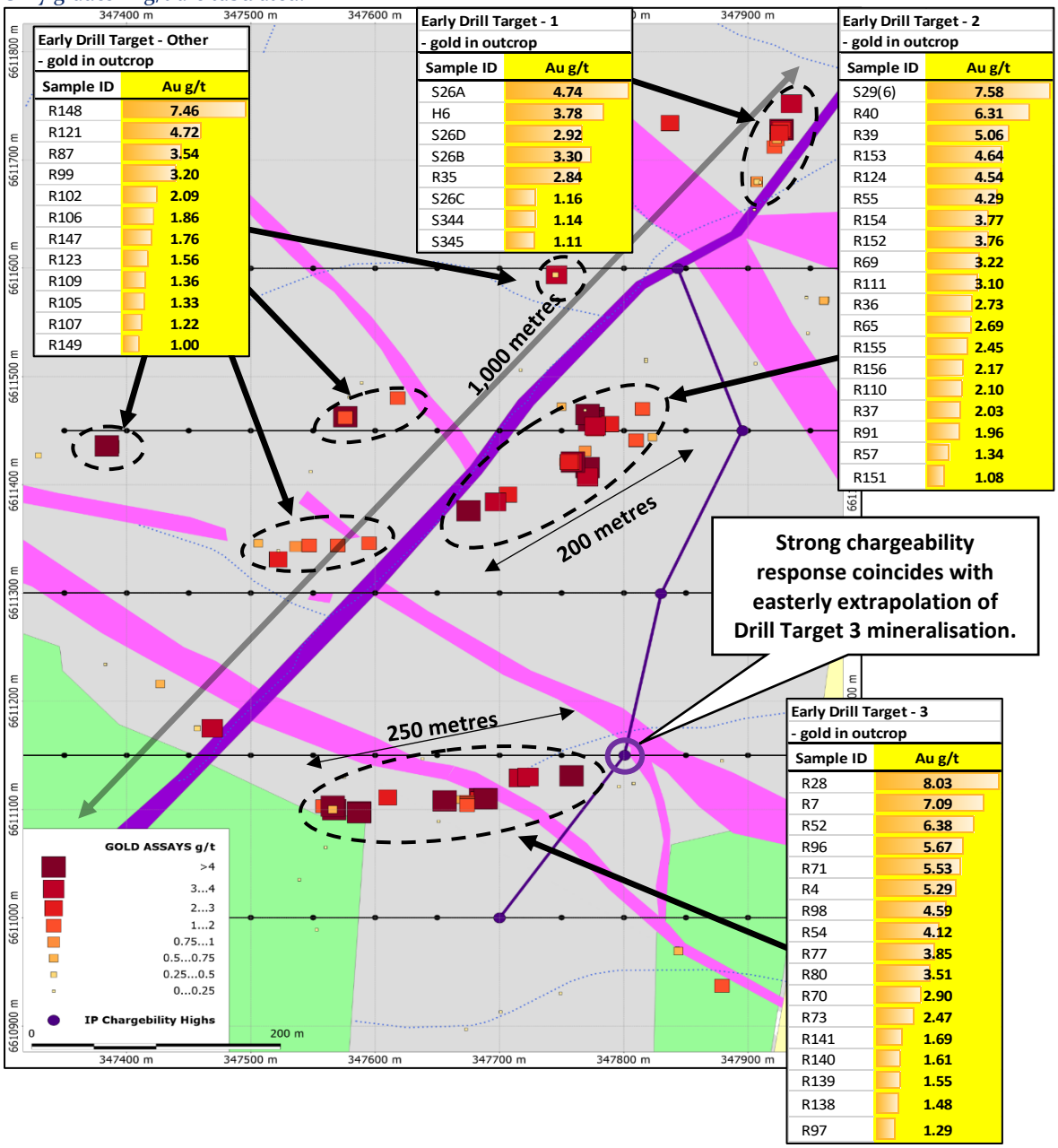
Lode's initial drilling strategy for the Uralla Gold Project is to test a variety of targets using a RC drill rig and then to follow-up on the best targets with a campaign of diamond drilling.

Approximately 2,000m of RC drilling is planned, testing high-grade gold mineralisation sampled at surface as well as targets generated by the recent Induced Polarisation, DroneMag and Auger drilling surveys.

## Uralla Gold Project Mapping & Sampling[1,2,3]

Through methodical field work Lode Resources has discovered a new style of gold mineralisation at its Hudson's prospect, one of several prospects at Lode's Uralla Gold Project located in the New England Fold Belt of NSW. Mapping and sampling have revealed disseminated gold mineralisation hosted by a sedimentary rock unit known as the Sandon Beds. See Figure 1.

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



This style of mineralisation has strong implications for the Project's bulk tonnage potential as sediment hosted mineralisation is likely to be significantly more pervasive that narrower vein host gold mineralisation which was the focus of historical mining and previous exploration efforts by other companies.

To date 56 chip sample gold assays that graded > 1 g/t have averaged 3.29 g/t (up to 8.03 g/t) from the Hudson's prospect area of interest which is approximately 1,000m long and up to 500m wide.

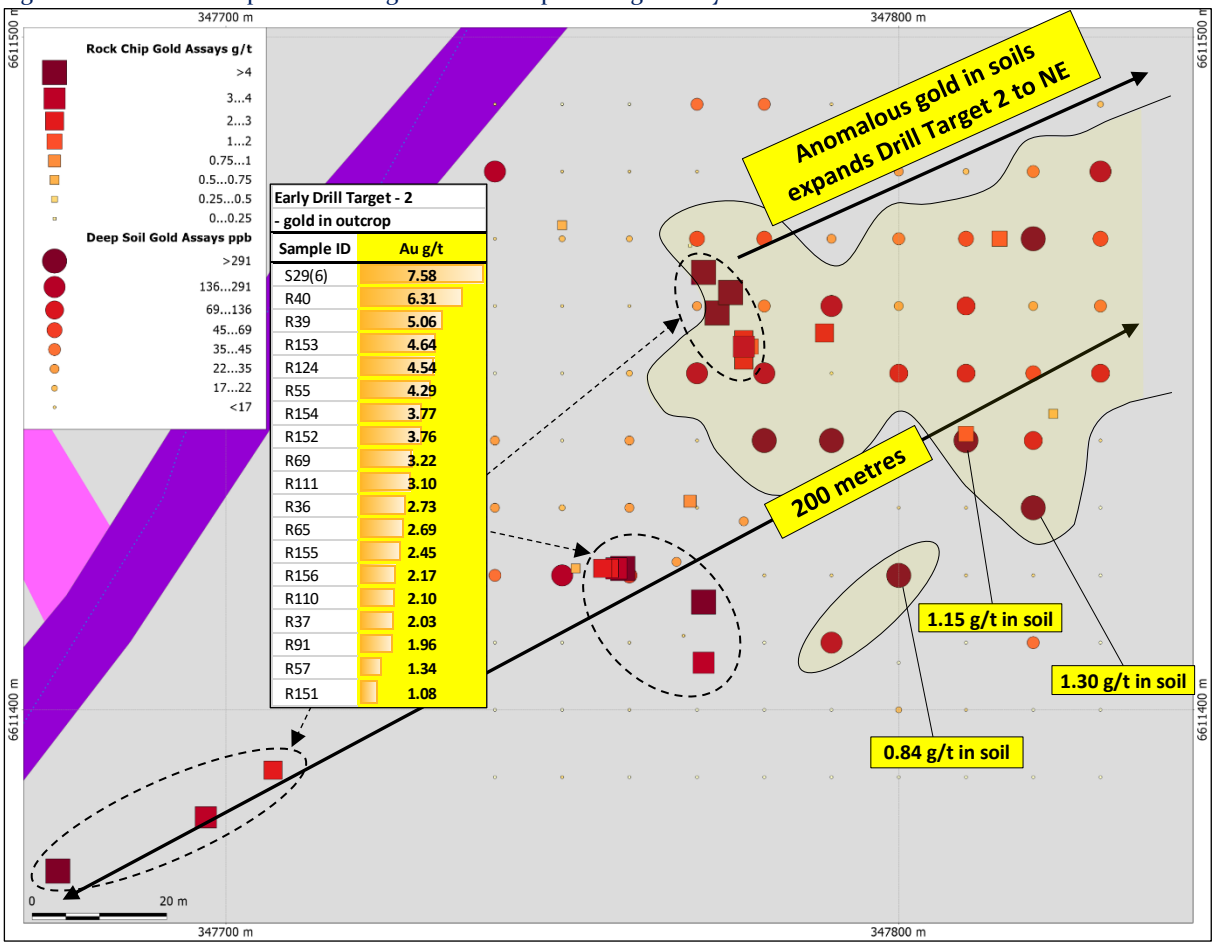
## Uralla Gold Project Initial High-Density Auger Survey[4]

An initial high-density auger survey has been successful in expanding Drill Target 2 at the Hudson's prospect. Soils up to 1.30 g/t Au show a strong anomalous trend to the North East and remains open in that direction. This is an exciting result as approximately 30% of total survey area was found to contain anomalous gold in soils.

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 auger 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).

Lode previously reported 19 chip samples at Drill Target 2 that graded >1 g/t have 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. See Figure 2.

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



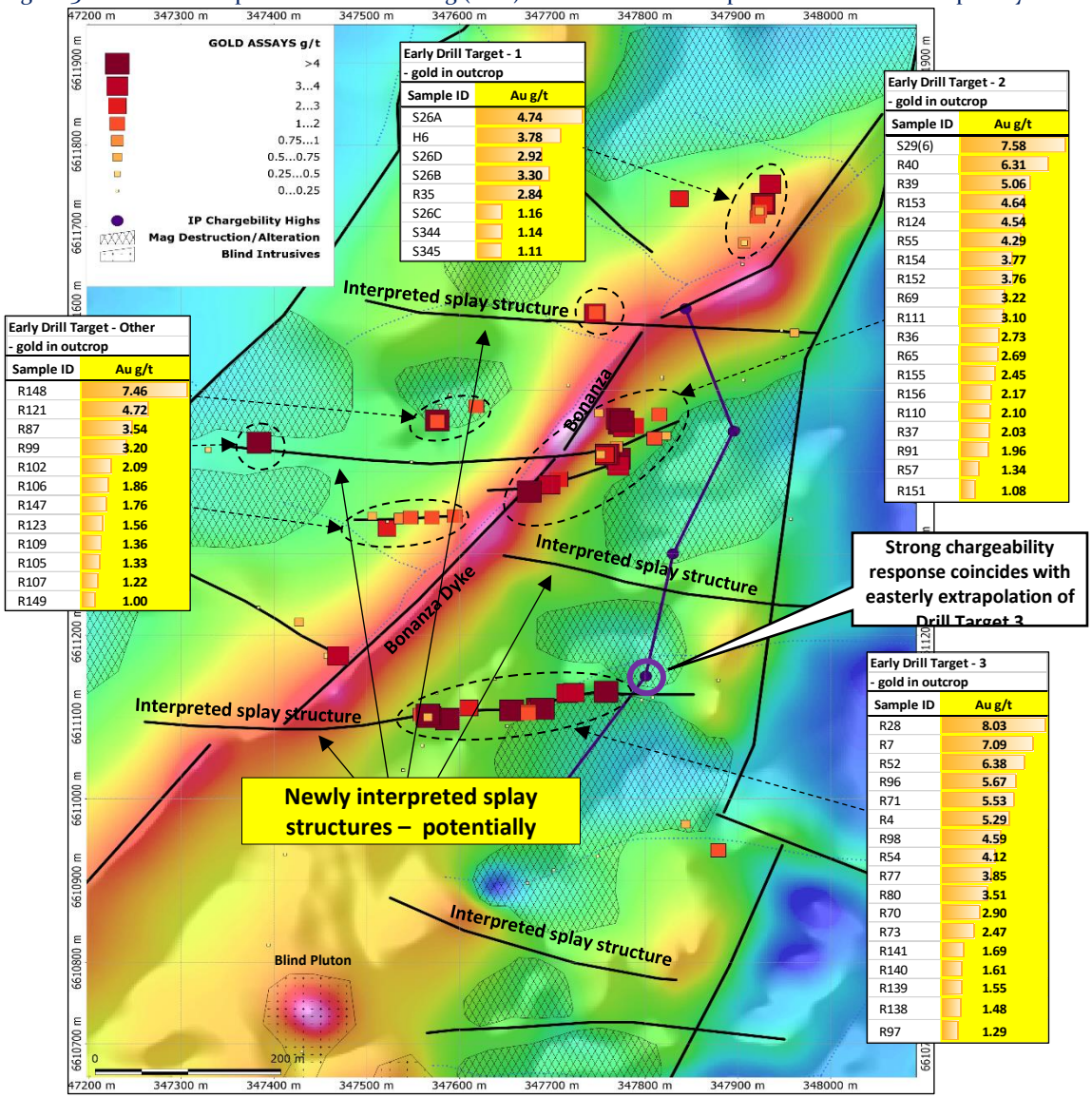
The significant area of anomalous gold in soils, as defined in this initial high-density auger survey, may suggest disseminated gold mineralisation is more widespread than previously thought and/or there are multiple mineralised structures with varied orientations hidden below soil cover.

Post the impending initial 2,000m RC drill programme, further auger surveying is likely to be used to enhance other targets at Hudson's where mapping and sampling of gold bearing outcrop is limited by soil cover and to test potentially mineralised splay structures associated with the "Bonanza Dyke" structure as interpreted by magnetics (see section on DroneMag is this announcement)

## Uralla Gold Project DroneMag Survey[4]

Lode has completed a high-resolution drone borne magnetic (DroneMag) survey at the Hudson's prospect. This survey was flown on 10m line spacing and on low altitude flight path (generally 50m) to generate high resolution magnetic imagery. See Figure 3.

Figure 3: Hudson's Prospect Drill – DroneMag (TMI) with structural interpretations and rock chip assays




Interpretations of imagery generated by the DroneMag survey is helping to develop a preliminary genesis 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.

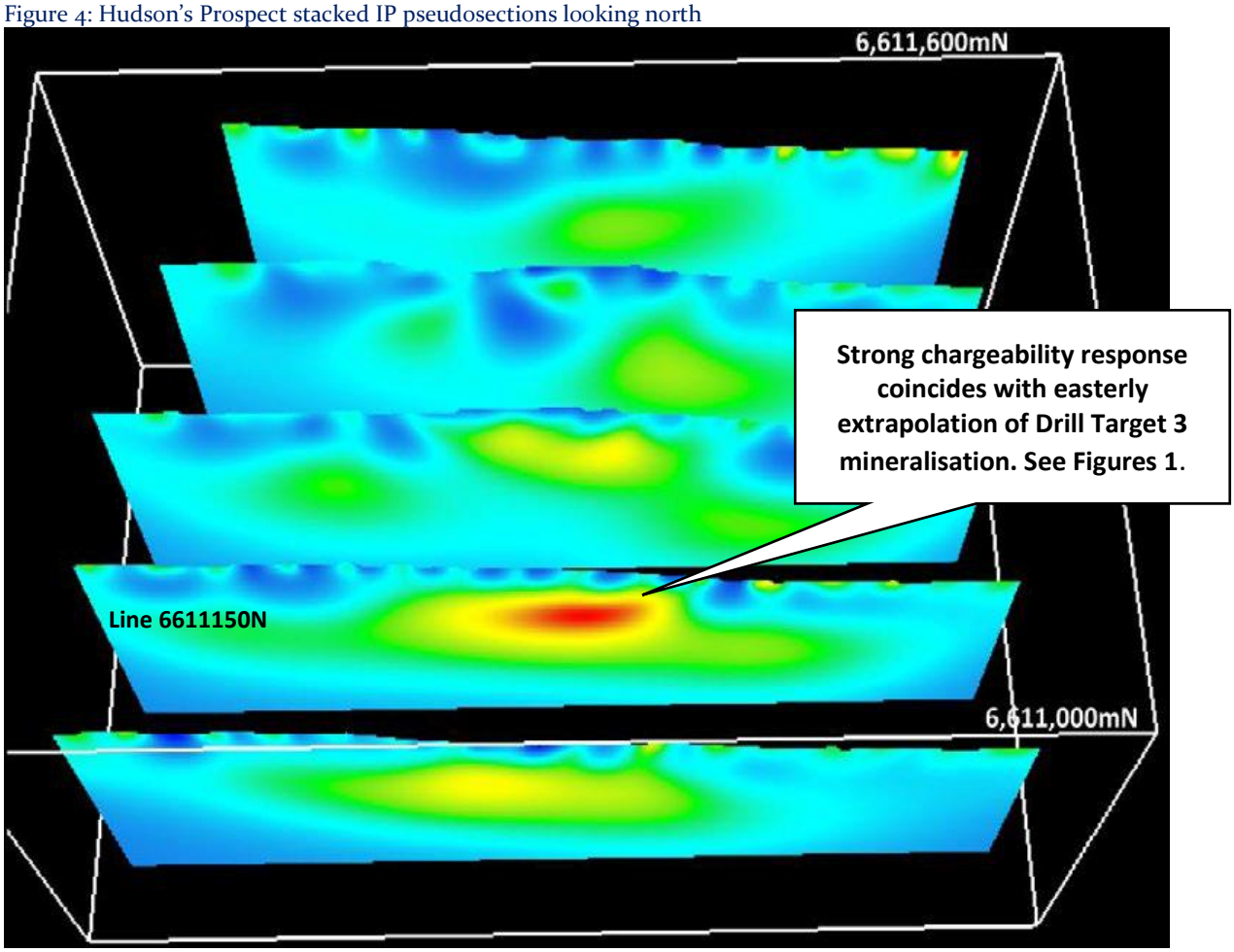
This preliminary model indicates that other similar potentially gold bearing splay structures may exist below soil cover and provide additional exploration targets for further hand auger testing and eventual drilling.

## Uralla Gold Project Induce Polarisation Survey[1]

Lode Resources previously commissioned Fender Geophysics to undertake Induced Polarisation (IP) surveys over four project areas including the Hudson's Prospect during 2020. Grid lines over the Hudson's Prospects were oriented E-W across the regional strike. Processing of the IP data was undertaken by Fender Geophysics (2D pseudo sections) and by Newexco Exploration. See Figure 4.

A strong chargeability response on Line 6611150N coincides with the easterly extrapolation of Drill Target 3 where Lode previously reported 17 chip samples which graded >1 g/t that averaged 3.94 g/t Au (up to 8.03 g/t Au)

Figure 4: Hudson's Prospect stacked IP pseudosections looking north



## Uralla Gold Project Overview

Located 8km west of the Uralla township Lode's Uralla Gold Project is covered by EL8980 and EL9087. These two exploration licences cover over 300 km² which is almost the entire historic Uralla Goldfield which was one of the earlier goldfields discovered in NSW and a significant gold producer in the 1850's.

Lode believes the goldfield is host to Intrusive Related Gold System (IRGS) style mineralisation. The Uralla goldfield Uralla Granodiorite and other intrusives, which intrude Yarrowyck Granodiorite and Sandon Beds, are believed to be responsible for gold mineralisation in the Uralla Goldfield. The Uralla Project consists of several key drill targets, including the Hudson's Prospect which has demonstrated gold mineralisation at surface and the Martin's Shaft Prospect with high grade historical Au intercepts. See Figure 5.

Lode has already conducted extensive reconnaissance work at Uralla. This work includes extensive mapping and sampling which has revealed broad areas of disseminated gold mineralisation at surface and a strong association between gold mineralisation and sulphides. The Hudson's prospect discovery was achieved though 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 Uralla including McCrossin's, Fraser's Find, Bannawerra Discovery and Goldsworth prospects.

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 metal for gold mineralisation however this may vary with mineralisation styles. Lode intends to carry out additional mapping and sampling with a primary focus on areas adjacent to the "Bonanza Dyke" structure as gold mineralisation appears to be spatially related to this significant regional feature. Aeromagnetics reveal that this well-known regional structure extends for several kilometres with a northeast-southwest orientation

In addition, a large IP survey has yielded multiple IP chargeability anomalies. The strong association between gold mineralisation and sulphide means the chargeability anomalies, as revealed in the recent extensive IP programme carried out by Lode, will also be tested by drilling.

Photos 2: Exploration Manager Mitch Tarrant (left) with IP geophysics crew



Figure 5: The Uralla Gold Project – Gold soil assays plotted on geology and magnetics (TMI RTP 2VD) plus prospects with summary of rock chip and drilling assays previously reported[1,2,3,4]

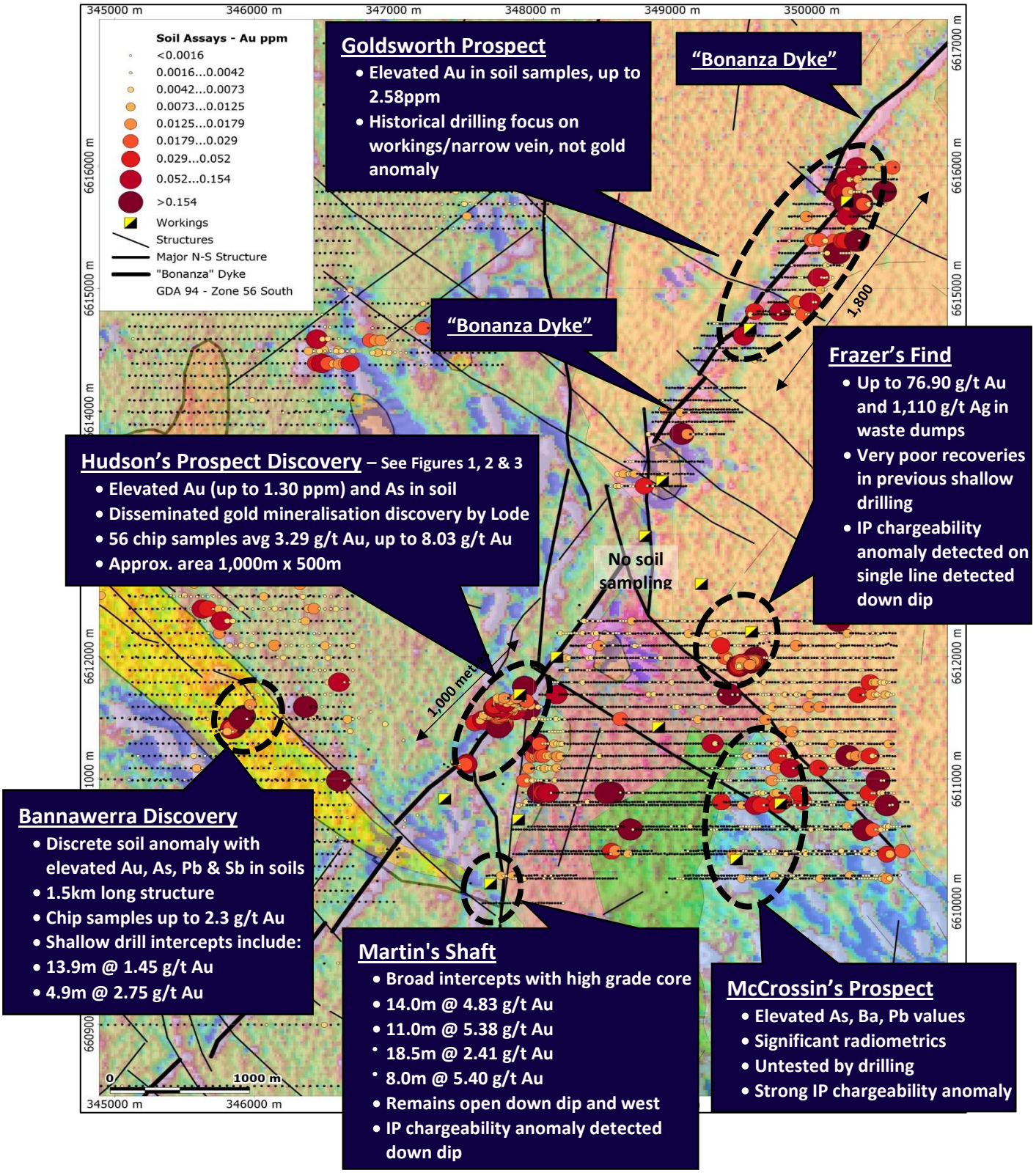
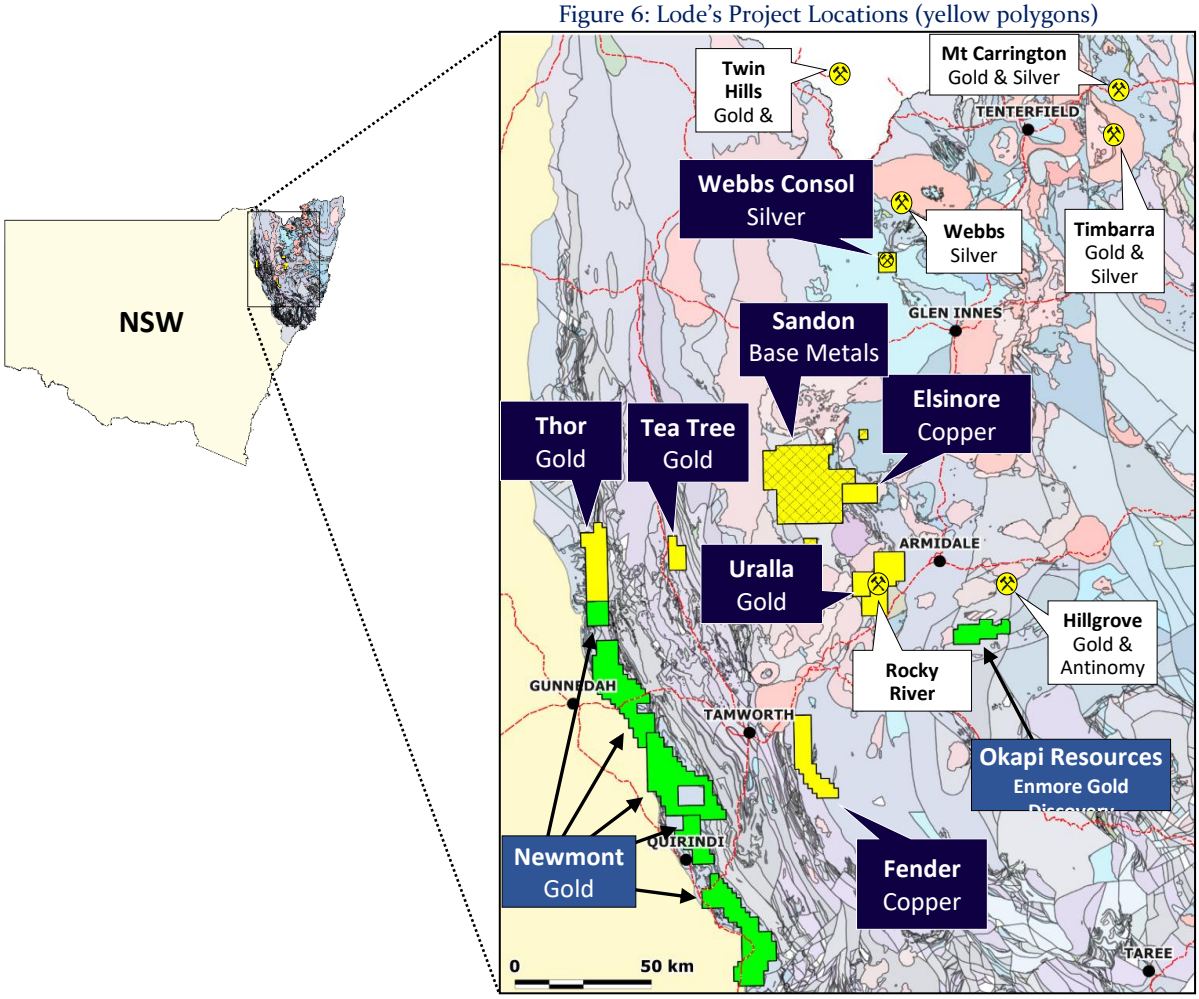


Figure 6: Lode's Project Locations (yellow polygons)




***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:**
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## 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 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