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LORD RESOURCES

ABN 69 107 385 884

AND CONTROLLED ENTITIES

HALF - YEARLY FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

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DIRECTORS' REPORT

Your directors submit the financial report of Lord Resources Limited (the "Company") and its controlled entities (the "Group") for the half-year ended 31 December 2022. The directors report as follows:

Directors

The directors of the Company during or since the end of the half-year are listed below. All directors were in office for this entire period unless otherwise stated.

Paul Lloyd	Non-Executive Chairman
Barnaby Egerton-Warburton	Managing Director
Chris Swallow	Non-Executive Director

Results

The consolidated loss for the half-year after tax was $1,104,600 (2021: $211,580).

Review of Operations

Lord Resources Limited (Lord) 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' five largely unexplored projects provide exposure to lithium, nickel, PGE and gold sectors.

Horse Rocks Lithium Project

Located 20km south of Coolgardie in Western Australia's Eastern Goldfields, the Horse Rocks Lithium Exploration Project comprises a 23.8km2 exploration licence (E15/1770), 8km west of Mineral Resources' (ASX: MIN) Mt Marion Lithium Mine (51.4MT @ 1.45% Li2O).

The Horse Rocks Project lies within a folded portion of an isolated greenstone belt, within the Coolgardie Domain of the Yilgarn Craton. The greenstone belt is comprised of high-magnesium basalts, gabbroic sills and komatiite sequences. The granodiorite Depot Dome is to the immediate east of the greenstones and is the interpreted source of the many pegmatite intrusions within the tenure.

The Horse Rocks Project is considered prospective for pegmatite hosted lithium, nickel sulphide and orogenic gold mineralisation. Historical drilling has identified elevated nickel within the ultramafic sequences, along with gold anomalism in surface sampling.

Exploration licence E15/1770 was officially granted in September 2022. Exploration during the period has consisted of auger sampling, rock sampling and geological mapping as follows:

- 1,169 auger samples from depths of 0.2m to 1.3m, over two sampling programs;
- 139 rock samples from sub-cropping and outcropping surfaces.

An initial surface geochemical sampling program was completed at the Horse Rocks Project, covering the entire tenement area. Peak values returned in the soils were 182ppm lithium (Li), 42ppm caesium (Cs) and 42ppm tantalum (Ta). The sampling has outlined seven distinct and significant geochemical anomalies, which display elevated levels in multiple elements, predominantly lithium, caesium, niobium, and tin. Prospectivity and fertility ratios suggest the presence of fractionated materials, particularly with the K/Rb vs Li ratio.

The most significant anomaly is in the centre of the lease, situated on the hinge of an anticline, where the greenstone units have been folded. The anomaly covers approximately 1,400m x 700m, with coincident elevated Li, Cs and Be, and strong indication of fractionation with K/Rb ratios. Anomaly 2 is situated on a prospective shear zone, between the mafic/ultramafic package and siliciclastic sediments.

The results from the surface geochemical program, have identified highly prospective follow-up lithium targets over significant strike lengths, with the same elemental signatures that have been observed at known lithium mineralisation locations in Western Australia.

The soil geochemistry suggests that the pegmatite swarm is largely of the LCT (lithium-caesium-tantalum) mineralisation type, the most significant for lithium deposits and what is commonly associated with economic occurrences of lithium and tantalum found in the Western Australian pegmatite districts.

An infill surface sampling program, comprising a total of 358 samples were collected in December 2022, over areas of anomalism outlined in the initial surface sampling program. The samples were collected on a 50m by 100m grid, from depths between 0.2m and 1.2m.

The infill sampling has confirmed the anomalism outlined in the initial surface sampling program and has further refined areas of lithium anomalism. Peak values of 1,456ppm (0.15%) Li_2O, 91ppm Ta_2O_5 and 349ppm Cs_2O were returned from various samples, with 30% of samples (109 out of 358) returning assays of over 100ppm Li_2O. The low K/Rb (potassium/rubidium <40) ratios at all the geochemical anomalies are an indication of fractionated pegmatites.

A review of the geochemical anomalies at the Horse Rocks Project has defined multiple high priority drill targets, which correlate with pegmatites mapped at surface. The Company has commenced a 5,000 metre Reverse Circulation drill program in March 2023 to test these targets.

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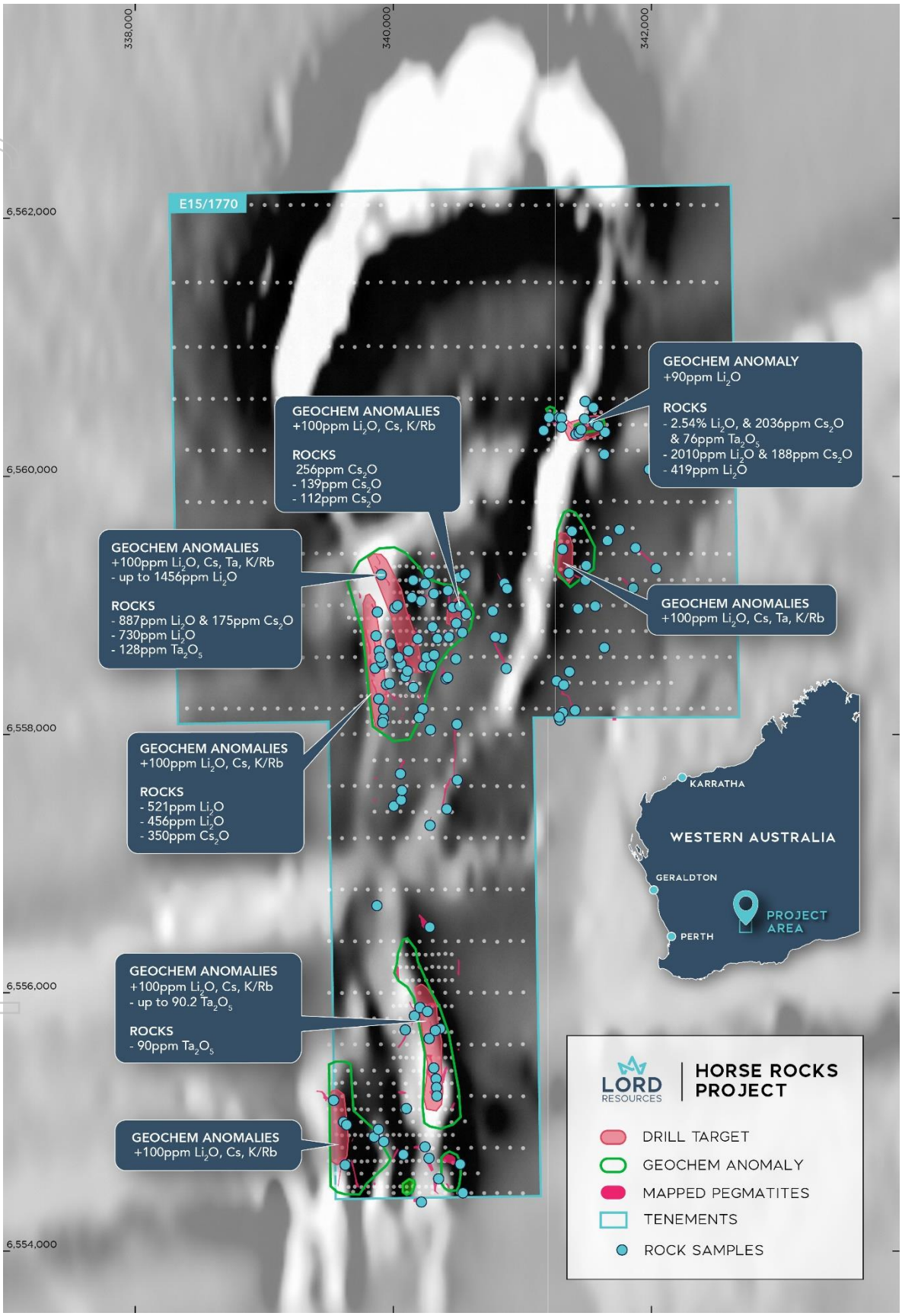

Figure 1 – Geochemical anomalies and drill targets

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Gabyon Gold Project

The Gabyon Project comprises a single granted exploration and is located approximately 400 km north of Perth and 10 km west of Yalgoo in Western Australia.

The Gabyon Project lies within the northern part of the Yalgoo-Gullewa Greenstone Belt, within the Murchison Domain of the Yilgarn Craton. The regional scale Salt Creek Fault passes through the tenure and secondary shears and splays are considered potential conduits for mineralised fluids.

The Gabyon Project is considered prospective for structurally hosted orogenic gold mineralisation. There are two known gold occurrences within the Project, that have not been drill tested. A large portion of the greenstone units are under transported cover and have not been explored, presenting a conceptual opportunity for Lord.

Planning for upcoming exploration 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

The Jarama Project comprises a single granted exploration licence (E59/2501) covering an area of 18 km2. The Project is located 330 km north-northeast of Perth and 40 km west of Paynes Find in Western Australia.

The Jarama Project lies at the northern end of the Ninghan Fold Belt, within the Yalgoo-Singleton Greenstone Belt, part of the Murchison Domain of the Yilgarn Craton. An isolated magnetic high signature within the greenstones indicates a change in lithology or alteration. The Project area is predominantly covered with depositional colluvium, obscuring the underlying geology, which has had limited previous exploration.

In July 2022, the Company announced the inaugural drilling program at Jarama was successfully completed with 54 holes drilled for 2,496m, testing for near surface mineralisation along the Banded Iron Formation (BIF) unit that runs through the tenement, and located 17km north of the recent Yidby discovery (ASX: SRN). The program was designed as aircore blade, however the lack of developed regolith gave a shallow blade refusal, and the program was pivoted to shallow Reverse Circulation (hammer).

Four lines of drilling, spaced 400m apart, were completed over the magnetic high unit, testing for gold anomalism. Samples were collected as composites and analysed for gold, with the end of hole sample submitted for multi-element analysis.

Drillhole 22JRC008 retuned an anomalous result of 0.59g/t gold from the end of hole (35-36m). This was within weakly sheared basalt with magnetite and biotite alteration and trace pyrite, near the contact with the BIF unit. Follow up work planned will consist of deeper RC drilling under and around hole 22JRC008 to test the extent and geometry of mineralisation.

Cambridge Nickel-PGE Project

The Cambridge Project comprises two exploration licences covering a total area of 12.1 km2. The Project is located approximately 750 km east-northeast of Perth and 110 km southeast of Laverton in Western Australia.

The Cambridge Project lies within the Irwin Hills-Stella Range Greenstone Belt, within the Merolia Domain of the Yilgarn Craton. The Project is centred on an ultramafic intrusive orthocumulate dunite body, which is surrounded by siliciclastic sedimentary rocks.

The Cambridge Project is considered prospective for magmatic nickel and platinum group element (PGE) mineralisation. Key ingredients for intrusion related magmatic sulphide mineralisation have been identified in previous drilling, which intersected anomalous nickel in most drillholes and massive sulphides within an ultramafic intrusive complex.

No material exploration activity was undertaken at the Cambridge Project during the reporting period.

Viper Polymetallic Project

The Viper Project comprises a single granted exploration licence and is located approximately 1,200km north of Perth and 55 km south-southwest of Karratha in Western Australia.

The Viper Project lies within the Hammersley Basin, which unconformably overlies the North Pilbara Granite-Greenstone Terrane, within the Pilbara Craton. There is approximately 200m of Kylena Basalt over the Granite-Greenstone basement rock. There are multiple untested electromagnetic (EM) anomalies within the Project area, considered prospective for layered intrusion or volcanogenic hosted massive sulphide (VHMS) style mineralisation concealed beneath the Kylena volcanics.

No field activity has been undertaken at Viper Project. The Viper Project presents an untested, greenfields target for Lord.

CORPORATE

During the period, Lord successfully completed a pro-rata non-renounceable entitlement offer offered on the basis of one (1) Option (Loyalty Option) for every two (2) Shares held at an issue price of $0.01 per New Option (Offer), which closed on 31 August 2022. The Company issued 19,196,060 Loyalty Options (ASX: LRDO) and total funds raised from the Offer was $191,960 (before costs). Each Loyalty Option is exercisable at $0.25 on or before 31 January 2027.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires the Company's auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is included in this half-year financial report and forms part of this directors' report for the half-year ended 31 December 2022.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

Barnaby Egerton-Warburton
Managing Director
Perth
Dated this 13th day of March 2023

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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.

References may have been made in this announcement to certain past ASX announcements, including references regarding exploration results. For full details, refer to the referenced ASX announcement on the said date. The Company confirms that it is not aware of any new information or data that materially affects the information included in these earlier market announcements.

Information relating to Previous Disclosure

This 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 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

The Company confirms that it is not aware of any new information or data that materially affects the information included in these earlier market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Statements regarding Lord Resources plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Lord Resources plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Lord Resources will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Lord Resources mineral properties.

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Lord Resources Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
13 March 2023

L Di Giallonardo
Partner

hlb.com.au

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

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LORD RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2022

	Note	Consolidated 6 Months Ended 31 December 2022 $	Consolidated 6 Months Ended 31 December 2021 $
REVENUE			
Interest income		12,458	15
Other income – services rendered		52,800	-
		65,258	15
EXPENSES			
Administrative expenses		(71,831)	(82,318)
Depreciation and amortisation expenses	2	(24,882)	-
Employee benefit expenses	2	(225,717)	-
Exploration costs expensed	2	(172,399)	(129,277)
Marketing expenses		(28,500)	-
Finance expenses		(5,318)	-
Professional services		(72,781)	-
Share-based payments expense	2, 6	(568,430)	-
Loss before income tax		(1,104,600)	(211,580)
Income tax expense		-	-
Net loss for the period		(1,104,600)	(211,580)
Other comprehensive income		-	-
Total comprehensive loss for the period		(1,104,600)	(211,580)
Basic and diluted loss per share (cents per share)		(2.88)	(2.90)

The accompanying notes form part of these financial statements.

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LORD RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	Consolidated 31 December 2022 $	Consolidated 30 June 2022 $
Assets			
Current Assets			
Cash and cash equivalents		3,433,904	3,903,954
Receivables		22,326	74,183
Other assets		14,724	6,827
Total Current Assets		3,470,954	3,984,964
Non-Current Assets			
Property, plant and equipment		45,622	51,314
Right of use assets	3	156,325	129,173
Exploration and evaluation expenditure	4	1,300,647	1,300,647
Total Non-Current Assets		1,502,594	1,481,134
Total Assets		4,973,548	5,466,098
Liabilities			
Current Liabilities			
Trade and other payables		70,109	218,509
Lease liabilities		33,197	22,628
Provisions		8,363	2,110
Total Current Liabilities		111,669	243,247
Non-current Liabilities			
Lease liabilities		132,277	106,986
Total non-current Liabilities		132,277	106,986
Total Liabilities		243,946	350,233
Net Assets		4,729,602	5,115,865
Equity			
Issued capital	5	17,370,995	17,370,995
Reserves	6	2,548,188	1,829,851
Accumulated losses		(15,189,581)	(14,084,981)
Total Equity		4,729,602	5,115,865

The accompanying notes form part of these financial statements.

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LORD RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2022

Consolidated	Issued Capital	Accumulated Losses	Reserves	Total Equity
	$	$	$	$
Balance at 1 July 2021	12,444,947	(12,696,478)	-	(251,531)
Loss attributable to members of the parent entity	-	(211,580)	-	(211,580)
Total comprehensive loss for the period	-	(211,580)	-	(211,580)
Shares issued during the period (net)	721,500	-	-	721,500
Balance at 31 December 2021	13,166,447	(12,908,058)	-	258,389

Consolidated	Issued Capital	Accumulated Losses	Reserves	Total Equity
	$	$	$	$
Balance at 1 July 2022	17,370,995	(14,084,981)	1,829,851	5,115,865
Loss attributable to members of the parent entity	-	(1,104,600)	-	(1,104,600)
Total comprehensive loss for the period	-	(1,104,600)	-	(1,104,600)
Options subscribed for during the period – Entitlement Issue (net)	-	-	149,907	149,907
Share based payment expense	-	-	568,430	568,430
Balance at 31 December 2022	17,370,995	(15,189,581)	2,548,188	4,729,602

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2022

	Consolidated 6 Months Ended 31 December 2022 $	Consolidated 6 Months Ended 31 December 2021 $
Cash flows used in operating activities		
Cash payments in the course of operations	(506,635)	(120,599)
Cash payments for projects due diligence	-	(129,277)
Cash payments for exploration and evaluation expenditure	(140,120)	-
Interest received	12,458	15
Interest paid	(5,318)	-
Other income – Services rendered	73,366	-
Net cash outflows from operating activities	(566,249)	(249,861)
Cash flows used in investing activities		
Payments for property, plant and equipment	(52,219)	-
Net cash outflows from investing activities	(52,219)	-
Cash flows from financing activities		
Proceeds from issue of shares and options	191,961	300,000
Issue costs	(33,061)	-
Repayment of lease liabilities	(10,482)	-
Net cash inflows from financing activities	148,418	300,000
Net (decrease) / increase in cash held	(470,050)	50,139
Cash at the beginning of the reporting period	3,903,954	208,042
Cash at the end of the reporting period	3,433,904	258,181

The accompanying notes form part of these financial statements.

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1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The half-year consolidated financial statements were authorised for issue on 13 March 2023.

These half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Lord Resources Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

The half-year report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is a for-profit entity domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

Significant accounting judgements and key estimates

The preparation of half-year financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2022.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

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1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - continued

Going Concern

The half-year consolidated financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the commercial realisation of the Group's assets and the settlement of liabilities in the normal course of business.

Adoption of new and revised Standards

Standards and Interpretations applicable to 31 December 2022

In the half-year ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for reporting periods beginning on or after 1 July 2022. There is no material impact of the new and revised Standards and Interpretations on the Group.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations on issue not yet adopted that are relevant to the Group and effective for the period ended 31 December 2022.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Group and therefore no material change is necessary to Group accounting policies.

2. LOSS BEFORE INCOME TAX EXPENSE

	Consolidated 31 December 2022 (6 months) $	Consolidated 31 December 2021 (6 months) $
The following expense items are relevant in explaining the financial performance for the half-year:		
Expenses		
Depreciation and amortisation	(24,882)	-
Share-based payments expenses	(568,430)	-
Employee benefit expenses	(225,717)	-
Exploration costs expensed	(172,399)	(129,277)

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3. RIGHT OF USE ASSETS

	Consolidated 31 December 2022 $	Consolidated 30 June 2022 $
Office lease- at cost	177,781	131,439
Less: accumulated depreciation	(21,456)	(2,266)
Net carrying value	156,325	129,173

	Consolidated 31 December 2022 (6 months) $	Consolidated 30 June 2022 (12 months) $
Balance at beginning of period	129,173	-
Initial recognition of lease	-	131,439
Additions	46,342	-
Depreciation expense	(19,190)	(2,266)
Closing net carrying amount	156,325	129,173
Amounts recognised in P&L		
Depreciation expense on ROU assets	19,190	2,266
Interest paid on lease liabilities	5,318	645
Total cash outflow for leases	15,800	-

4. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 31 December 2022 (6 months) $	Consolidated 30 June 2022 (12 months) $
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at 1 July	1,300,647	-
Acquisition costs – exploration licences	-	1,300,647
Balance at the end of period	1,300,647	1,300,647

During the prior year ended 30 June 2022, the Company acquired Tailflower Pty Ltd, which holds rights to an exploration package in Western Australia. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

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5. ISSUED CAPITAL

	Consolidated 31 December 2022 $	Consolidated 30 June 2022 $
(a) Issued and paid-up share capital		
38,392,121 (30 June 2022: 38,392,121) ordinary shares, fully paid	17,370,995	17,370,995

There were no movements in ordinary shares during the period.

6. RESERVES

	Consolidated 31 December 2022 $	Consolidated 30 June 2022 $
Share-based payments reserve	2,398,281	1,829,851
Option reserve	149,907	-
Total	2,548,188	1,829,851

Share-based payments reserve

The share-based payments reserve represents the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services, or for the acquisition of projects.

Movements in the share-based payments reserve for the period relate to share-based payments expense for options $269,900 and Performance Rights $298,530, total of $568,430.

Options reserve

The options reserve represents amounts received in consideration for the issue of options to subscribe for ordinary shares in the Company.

In September 2022, the Company completed a pro-rata non-renounceable entitlement offer offered on the basis of one (1) Option (Loyalty Option) for every two (2) Shares held at an issue price of $0.01 per New Option (Offer). The Company issued 19,196,060 Loyalty Options (ASX: LRDO) and total funds raised from the Offer was $191,960 (before costs of $42,053). These options are exercisable at $0.25 on or before 31 January 2027.

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6. RESERVES - continued

(a) Share options

Exercise Period	Exercise Price	Opening Balance 1 July 2022	Options Issued	Options Exercised/ Expired	Closing Balance 31 December 2022
		Number	Number	Number	Number
On or before 28 March 2027	$0.25	12,000,000	-	-	12,000,000
On or before 31 May 2025	$0.25	800,000	-	-	800,000
On or before 30 June 2025	$0.30	-	1,850,000	-	1,850,000
On or before 31 January 2027	$0.25	-	19,446,060	-	19,446,060
Total		12,800,000	21,296,060	-	34,096,060

In July 2022, the Company allotted 1,850,000 options for the provision of corporate advisory and investor relations services.

In September 2022, the Company completed a pro-rata non-renounceable entitlement offer offered on the basis of one (1) Option (Loyalty Option) for every two (2) Shares held at an issue price of $0.01 per New Option (Offer). The Company issued 19,196,060 Loyalty Options (ASX: LRDO) and total funds raised from the Offer was $191,960 (before costs). In November 2022, the Company also issued 250,000 LRDO to an employee as part of his remuneration package.

Assumptions used in valuing the options issued are as follows:

Grant Date	Expiry Date	Fair value per option	Exercise price	Price of shares on grant date	Expected Volatility	Risk free interest rate	Dividend yield
19 July 2022	30 June 2025	$0.1220	$0.30	$0.195	118%	1.35%	-
4 Nov 2022	31 Jan 2027	$0.1768	$0.25	$0.22	123%	0.85%	-

Each option entitles the holder to purchase one ordinary share in the Company. The estimated value disclosed above is calculated at the date of grant using the Black-Scholes option pricing model.

(b) Performance rights

Grant date	Expiry Date	Opening Balance 1 July 2022	Rights Issued	Rights Exercised/ Expired	Closing Balance 31 December 2022
		Number	Number	Number	Number
20 December 2021	20 December 2026	3,800,000	-	-	3,800,000
4 November 2022	30 June 2027	-	450,000	-	450,000
Total		3,800,000	450,000	-	4,250,000

In November 2022, the Company issued an employee a total of 450,000 performance rights with an expiry date of 30 June 2027. 100,000 Performance Rights will vest and become exercisable upon the continuous employment of the Employee for a period of 24 months from 1 July 2022, 150,000 Performance Rights will vest and become exercisable upon the continuous employment of the Employee for a period of 36 months from 1 July 2022 and 200,000 Performance Rights will vest and become exercisable upon the continuous employment of the Employee for a period of 48 months from 1 July 2022.

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6. RESERVES - continued

(b) Performance rights - continued

The following table lists the inputs to the model used for the period ended 31 December 2022.

2022	Performance Rights
Number	450,000
Volatility	100%
Risk-free interest rate	0.85%
Expected life of Rights	5 years
Exercise price	Nil
Share price at grant date	$0.22
Fair value per Right	$0.22

(c) Share-based payments expenses in Consolidated statement of Comprehensive Income

	Consolidated 31 December 2022 (6 months) $
Value of options issued for corporate advisory services	225,700
Value of performance rights issued to directors in prior period	282,030
Value of options issued to employee in current period	44,200
Value of performance rights issued to employee in current period	16,500
Total	568,430

7. COMMITMENTS AND CONTINGENT LIABILITIES

There has been no change in the commitments and contingent liabilities since the last annual reporting date.

8. EVENTS OCCURRING SUBSEQUENT TO BALANCE DATE

No other matters or circumstances have arisen since 31 December 2022 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial periods.

9. SEGMENT REPORTING

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that there are no separate identifiable business segments. The operations and assets of Lord Resources Limited and its controlled entities are employed in exploration activities relating to minerals in Australia.

10. FINANCIAL INSTRUMENTS

The method and valuation techniques used for the purpose of measuring values are unchanged compared to the previous reporting period.

The carrying amount of the current receivables and current payables are considered to be a reasonable approximation of their fair value.

DIRECTORS' DECLARATION

For the half-year ended 31 December 2022

In the opinion of the directors:

(a) the financial statements and notes of the Group, as set out on pages 9 to 18, are in accordance with the Corporations Act 2001 including:

  (i) complying with Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year then ended; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303 (5) of the Corporations Act 2001.

B Egerton-Warburton
Managing Director

Dated at Perth this 13th day of March 2023

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ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Lord Resources Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Lord Resources Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Lord Resources Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE *2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
13 March 2023

L Di Giallonardo
Partner

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