

## COMPANY PROJECTS AND CORPORATE UPDATE

### HIGHLIGHTS

- Rio Tinto completes preliminary review of data from target generation exercises carried out on Majdanpek West and Donje Nevlje joint venture projects
- Phase 1 drilling to commence on the Majdanpek West joint venture project with Rio Tinto in Q2 - 2019
- Rio Tinto to focus joint venture funding on defined targets on the Majdanpek West project and surrenders its option over the Donje Nevlje project back to Raiden
- Targeting of high-grade Au zones to recommence on Stara Planina
- Company continues to aggressively pursue and evaluate opportunities in the prolific Western Tethyan belt

Raiden Resources Limited (ASX: RDN) ('Raiden' or the 'Company') is pleased to provide an update on activities and corporate developments.

Dusko Ljubojevic, Managing Director of Raiden commented:

*"The Company is very excited by the quality work Rio Tinto has executed to date. As a result of Rio's exploration program, a number of anomalies have been defined on the Majdanpek West project and we expect that drill testing will commence in the near future. The Company believes that this project and the joint venture with Rio Tinto is creating value for the shareholders, while preserving the Company's cash balance and limiting dilution to shareholders. We continue to aggressively pursue further opportunities in the Western Tethyan, as we believe that this belt will become a major focus of exploration for Tier one projects in the future."*

### QUICK STATS

**ASX Code:** RDN

**Shares on Issue:** 410.4 million

**Market Cap:** \$4.5 million

**Cash:** \$2.59m (at 31 Dec '18)

### BOARD & MANAGEMENT

**Non- Executive Chairman**

Mr Michael Davy

**Managing Director**

Mr Dusko Ljubojevic

**Non-Executive Directors**

Mr Martin Pawlitschek

Mr Christopher Hansen

Mr Nicholas Young

**Company Secretary**

Ms Kyla Garic

### ASSET PORTFOLIO

**Stara Planina**

(JV with local entity – path to 100% - 46km<sup>2</sup>)

**Donje Nevlje Project**

(100% – 74km<sup>2</sup>)

**Majdanpek West Project**

(Rio JV - 100% - 76km<sup>2</sup>)

**Pirot Project**

(Executing Application – 16km<sup>2</sup>)

**Bor**

(Partially granted/ pending application - 100% - ~28km<sup>2</sup>)

**Zupa Project**

(PENDING TRANSFER - 100% Raiden – 85km<sup>2</sup>)

## RIO TINTO JOINT VENTURE PROJECTS

### Majdanpek West JV Project

In 2018, Rio Tinto executed a target generation program over the Majdanpek West and Majdanpek Pojas licenses. The program included:

- Soil sampling across the entire project area
- Outcrop sampling
- Alteration analysis
- U-Pb dating
- Reconnaissance geological and alteration mapping
- An airborne magnetic and VTEM survey across the entire project area

The program was designed to target mineralisation such as the Majdanpek porphyry deposit and the Coka Marin high grade epithermal deposit. Notably, despite the strategic position of the project and the well-known endowment of the Timok Magmatic Complex ('TMC'), this was the first modern geophysical survey conducted over this portion of the TMC.

As a result of the work done to date, several VTEM conductors and magnetic anomalies have been highlighted on the properties, a number of which will be the focus of the immediate work program. Some of the anomalies are also defined by outcropping alteration, which may be indicative of a porphyry or epithermal system at depth.

#### Planned work by Rio Tinto

Based on work done to date, Rio Tinto will drill test the most promising target and will commence with further evaluations of other targets defined to date. The reconnaissance drill program will consist of approximately 1,000 metres of diamond drilling but will be adjusted according to results achieved by the initial hole(s). The drilling will be initiated as soon as all the access permissions have been received and is expected to commence at the beginning of the second quarter (April 2019).

The Company will provide further updates on the targets defined to date and shall update the market with respect to further activity on the project in the near future.

#### About the Majdanpek West Project

The Majdanpek West project consists of two 100% Raiden owned licenses which total 76km<sup>2</sup> in area. Both licenses are located within the TMC, which hosts a number of world class porphyry and epithermal deposits, including Majdanpek, Bor, Borska Reka and Veliki Krivelj, which are all operating porphyry mines, as well as, world class epithermal deposits such as Cukaru Peki. In 2018, the district was subject to significant M&A activity, including purchase of **63%** of RTB Bor (Serbian State mining company), as well as, the takeover of Nevsun Resources by Zijin Mining Group for combined value of

**US\$2.47 Billion<sup>1</sup>.** The Company believes this underscores the prospectivity of the district and the strategic nature of the Company's ground holding.

Majdanpek West exploration licenses are adjacent to the operating Majdanpek porphyry mine and the dormant epithermal Coka Marin deposit, both of which are operated by RTB Bor (37% Serbian State and 63% Zijin Mining Group). The Majdanpek West license is also located immediately to the north of Dundee Precious Minerals Timok gold project, which has a 43-101 compliant **2.07MOz<sup>2</sup>** resource defined.

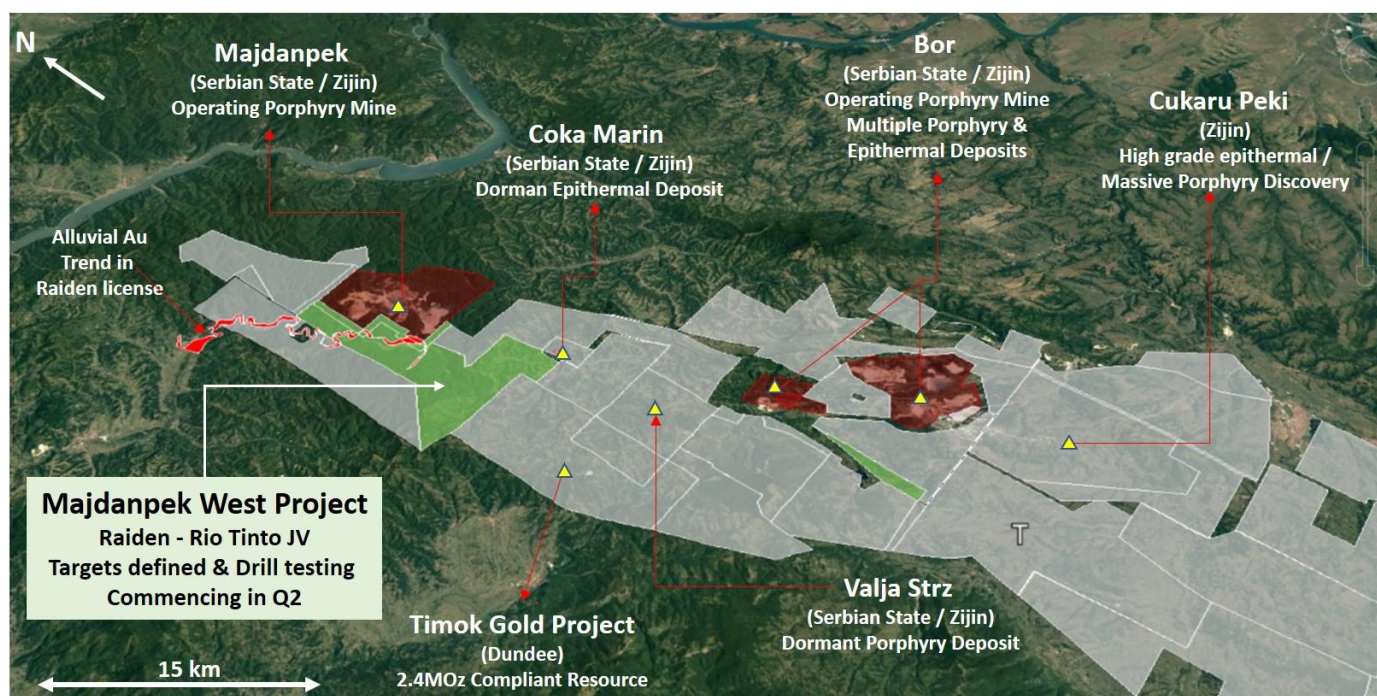


Figure 1 - Location of the Majdanpek West and Majdanpek Pojas licenses in relation to operating mines and deposits in the Timok Magmatic Complex. Raiden Resources permits in green, other parties in white.

## Donje Nevlje JV Project

In 2018, Rio Tinto initiated a limited reconnaissance exploration program over the entire project area. The initial program, aimed to confirm the historical anomalies defined by the Yugoslav geological survey, as well as, more recent explorers, who conducted surface targeting exercises, but did not execute any follow up drill campaigns. The objective of the program was to define the blind

<sup>1</sup> <https://www.nevsun.com/news/2018/december28/>  
<https://www.reuters.com/article/serbia-copper/update-1-chinas-zijin-mining-to-take-stake-in-serbian-copper-complex-idUSL8N1VM2K6>

<sup>2</sup> <https://globenewswire.com/news-release/2018/09/24/1574845/0/en/Dundee-Precious-Metals-Announces-Updated-Mineral-Resource-Estimate-for-the-Timok-Gold-Project.html>

porphyry and epithermal mineralisation potential throughout the permit area. The program included:

- Soil sampling over entire license
- Outcrop sampling
- U-Pb zircon dating
- Review of historical information

On the basis of the results from the geochemical surveys, Rio Tinto has decided to focus all the joint venture funding on the Majdanpek West project, where a number of geophysical and geochemical anomalies were defined. Importantly, Rio Tinto have not executed any geophysical surveys due to logistical constraints; the Company believes such surveys will be the key tool for definition of drill targets. Rio Tinto and Raiden have agreed that Raiden shall retain a 100% interest in the Donje Nevlje project and have the right to sole fund further activities on the project. Rio Tinto will not retain any further interests or claw backs in relation to the Donje Nevlje project.

#### Amendment to Rio Tinto Joint Venture Agreement

As detailed in the Company's 13 March 2018 ASX announcement, the Company has entered into an Earn-in and Joint Venture Agreement with Rio Tinto in respect of the Company's Zapadni Majdanpek, Majdanpek Pojas and Donje Nevlje licences ('**Agreement**'). The key terms of the Agreement are detailed in the 13 March 2018 announcement. As a result of the changes to the joint venture arrangements as detailed above, the parties shall execute an amended and restated Earn-in and Joint Venture Agreement. The key changes to the Agreement as a result of the amendment are as follows:

- Rio Tinto will not fund further activities on the Donje Nevlje Project
- Rio Tinto will provide Raiden with all the data and results obtained from the Donje Nevlje exploration program at no cost to Raiden
- Raiden will retain a 100% interest in the Donje Nevlje project
- Rio Tinto will retain its option to earn up to a 75% interest in relation to the Majdanpek West and Majdanpek Pojas licenses by staged expenditure of **US\$31.5M**

#### Planned work by Raiden

The Company is currently evaluating all the historical data, in conjunction with the data and results generated by Rio Tinto. Our geologists are evaluating the prospect of a blind epithermal and porphyry copper system, whose surficial signature may be masked by a late volcanic flow, as is the case with Cukaru Peki discovery. The deposit is located in a similar geological environment in the TMC. It is important to note that large mineralised porphyry copper systems are exposed within the same rock units immediately to the south of the permit and inside Bulgaria.



On completion of the data evaluation and field inspection, the Company will inform the market regarding follow up programs. This may include geophysical surveys, which management believe will be the most suitable exploration tool for this environment, followed by drilling of any quality targets defined.

#### About the Donje Nevlje Project

The Donje Nevlje project is located in southern Serbia on the border with Bulgaria. The project area hosts the same upper Cretaceous Volcano-sedimentary sequence as the TMC. The project area was subject to many exploration campaigns by the Yugoslav geological agencies, mostly throughout the 1960's, where alteration and geological mapping; aeromagnetic & Induced Polarisation Surveys; trenching and soil sampling defined a number of targets. From Raiden's analysis of historical data, follow up drilling of the anomalies was restricted to only two drill holes, both of which intercepted copper anomalous mineralisation, but have not been followed up on to date. Raiden's Management believes that the lack of modern exploration on this project presents the Company with an opportunity for the discovery of a blind porphyry copper and associated epithermal system. The prospectivity of the license is further underscored by the fact that within a 20km strike to the south, up to four porphyry prospects have been defined within the same geological environment, which extends into the Donje Nevlje project (Figure 2).

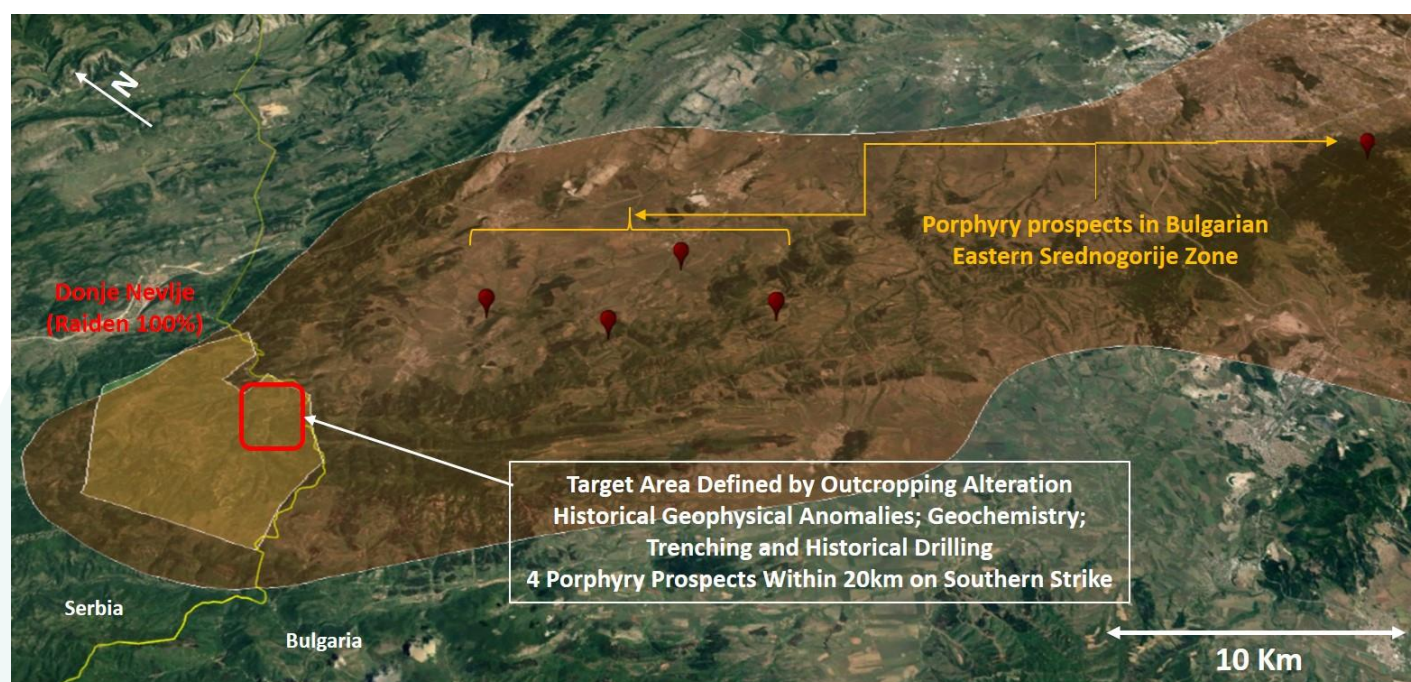


Figure 2 - Location of Donje Nevlje license, in relation to porphyry prospects located along the Southern border (in Bulgaria), within the Srednogorije Zone. Raiden Resources permit in yellow.

## COMPANY SERBIAN PROJECTS

### Stara Planina Joint Venture

Following the maiden drilling campaign in 2018, the Company executed a short sampling exercise over a number of historical high-grade gold in trench samples. The objective of the program was to determine if the high-grade mineralisation is continuous along strike and to conduct an initial evaluation of grade distribution within the high-grade gold veins.

As a result of this short program, the Company has established that the high-grade mineralisation within the structures is consistent, but the width of mineralised structures varies. In the second quarter of 2019 the Company plans to execute a detailed trenching program with the objective of defining the potential of the high-grade mineralisation. This will include further trenching, mapping and sampling to map the full strike extent and widths of the veins.

In parallel the Company will continue its efforts to refine targeting on the Aldinac and Gradiste prospects. The 2018 drill campaign indicated that the induced polarisation anomalies are associated with significant pyrite mineralisation on the periphery of the intrusive system. While the drilling did intercept large zones of deformation, large alteration zones and anomalous Au and Cu mineralisation, the drilling did not test the contact between the intrusive and the country rock. Management plans to undertake further targeting on the prospects, which may involve additional geophysics and detailed mapping in order to delineate the contact zone of the intrusive and define further priority targets for drilling.

### Bor, Zupa and Pirot

The Company continues to follow up regularly with the Ministry of Mines regarding the execution of its 100% owned applications for the Bor and Pirot projects. Both permits are located within the TMC (Bor), or on the southern trend (Pirot), and host the targeted Cretaceous Volcano-Sedimentary unit.

The Bor project consists of a series of applications, all of which are adjacent to the Bor mining complex. Bor is the main mining centre in Serbia and hosts three large porphyry deposits and several epithermal deposits with active and historic mining operations including a large smelter. As the license is adjacent to very large porphyry deposits, the Company will be targeting epithermal mineralisation.

The Pirot project, located north of the Donje Nevlje license, covers a window of Cretaceous volcanics and sediments, equivalent to those in the TMC around Bor. Historical government work

defined a number of geochemical anomalies, which to date have not been followed up with detailed geophysics and drilling.

The Company is also actively and regularly following up with the Ministry of Mines as to the completion of the transfer of the Zupa permit (100% Raiden), into its local subsidiary. The Zupa project (85km<sup>2</sup>), is located in south western Serbia. The project geology comprises andesite flows and limestone sequences, on the contact of which numerous skarn and replacement mineralisation occurrences have been noted. Management consider that the skarn mineralisation in the district is being driven by a blind intrusive system at shallow depth, which will be the focus of the exploration program.

The Company is continuously engaging with the Serbian Ministry of Mines and Energy and is hopeful the licenses will be awarded and transferred. As soon as the licenses are awarded or transferred, the Company plans to commence with an aggressive work program aimed at target generation.

## **CORPORATE STRATEGY UPDATE**

The Company strongly believes that the Western Tethyan belt presents an unparalleled opportunity in terms of potential for tier one discoveries relative to the low level of historical exploration conducted. Over the preceding four months, the Company has conducted an extensive review of opportunities throughout the Western Tethyan belt, with a focus on epithermal gold and porphyry copper projects. Throughout the exercise, the Company has reviewed and continues to progress numerous projects and opportunities, some of which include advanced assets.

The Company has also reviewed projects outside of the Western Tethyan belt and continues to consider such opportunities, provided they are in quality jurisdictions and have the potential for a discovery of a tier one deposit or have been advanced / de-risked by previous work and are available on reasonable terms and time frames.

In Bulgaria, the Company has set up a 100% owned subsidiary, Western Tethyan Exploration Ltd, which it will use to pursue opportunities in Bulgaria. Bulgaria is a world class mining and exploration destination, with a well-developed mining industry exploiting porphyry copper and epithermal base and precious metals deposits and with several junior exploration companies, as well as, major mining companies present in country. Mining is a well-established industry in Bulgaria and enjoys a

high level of support from the Government, where mining contributes significantly to the national GDP.

Bulgaria is also host to a significant geological belt of the same geology and age as the TMC in Serbia, within which world-class porphyry and epithermal deposits have been discovered and many are currently in production.

The management believe that Bulgaria presents a natural avenue for the Company to increase its landholding within the Western Tethyan belt and which remains consistent with Raiden's strategy of securing projects which are advanced and/or prospective for tier one discoveries and remain underexplored by modern exploration techniques.

The Company has also executed a service agreement with an experienced Bulgarian geological consulting company (Ridge Consultants), to assist in evaluating opportunities in Bulgaria and has also engaged the services of an experienced consulting geologist to assist with data reviews and geological modelling required for evaluations.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Managing Director

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**Competent Person's Statement**

*The information in this announcement that relates to exploration results is based on and fairly represents information and supporting documentation prepared by Mr Martin Pawlitschek, a competent person who is a member of the Australian Institute of Geoscientists (AIG). Mr Martin Pawlitschek employed by Raiden Resources Limited. Mr Martin Pawlitschek has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Martin Pawlitschek has provided his prior written consent as to the form and context in which the exploration results and the supporting information are presented in this announcement.*

**Disclaimer**

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)", "potential(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to



predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events

### **About Raiden Resources**

Raiden Resources Limited (ASX: RDN) is an ASX listed copper—gold focused exploration company focused on the emerging prolific Tethyan metallogenic belt in eastern Europe, focused in Serbia. The Company has signed an Earn-In and Joint Venture Agreement with Rio Tinto in respect to two licenses Majdanpek West and Majdanpek Pojas), whereby Rio Tinto can earn a 75% project-level position in the properties via a staged exploration commitment totalling USD\$31.5 million in three stages at Rio Tinto's election.

Raiden also retains a 100% interest in the Bor and Pirot project applications, the Donje Nevlje project and the Zupa property (transfer in progress) and an executed earn in agreement on the Stara Plainina Project, where it has the option to earn into 100% of the project. The Company considers its program portfolio prospective for intrusion-related mineralisation styles including gold, copper and other base metals. The Directors believe that the Company is well positioned to unlock value from this exploration portfolio and be positioned as a fresh ASX listed gold-copper exploration company.