

## RAIDEN QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 31 MARCH 2019

### HIGHLIGHTS

- IP target defined on the Donje Nevlje project and drill planning in progress for commencement in Q2 2019;
- Rio Tinto commenced with drilling program on Majdanpek West project, following completion of target definition;
- The Company set up a Bulgarian subsidiary, Western Tethyan Exploration Limited, 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 its report on activities and progress made during the March 2019 Quarter:

### Operations - Exploration Activities for the Quarter

#### Donje Nevlje – Serbia

Based on the modelling of the IP data over the Donje Nevlje anomaly, the Company is planning a 1,500 metre diamond drilling program to evaluate the prospect for blind epithermal-porphyry systems. The IP results and lower-tenor surficial geochemical signatures suggest, that mineralisation may be masked by a late volcanic flow, such as the case with the Cukaru Peki discovery, which is located in a similar geological environment in the Timok Magmatic Complex ("TMC"). This view is supported by the outcropping mineralised systems that exist just south of the permit in Bulgaria, which further points to the mineral fertility of the district.

Surface trenching is planned over areas of historic trenching performed by the Yugoslav geological agency during the 1960's at the Borovo prospect.

#### QUICK STATS

ASX Code: RDN

Shares on Issue: 410.4 million

Market Cap: \$4.1 million

Cash: \$2.41m (at 31 March'19)

#### BOARD & MANAGEMENT

Non- Executive Chairman

Mr Michael Davy

Managing Director

Mr Dusko Ljubojevic

Non-Executive Directors

Mr Martin Pawlitschek

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

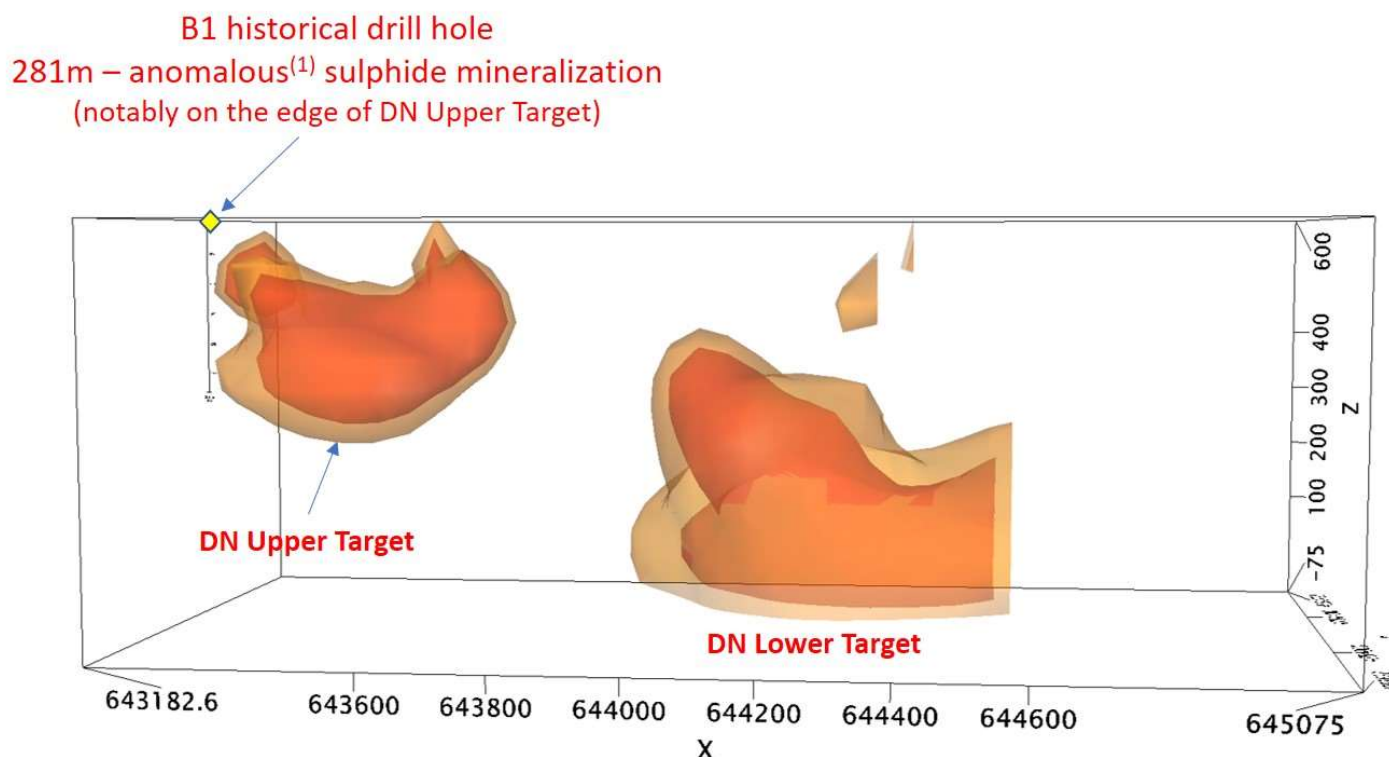
(Partially granted/ pending application - 100% - ~28km<sup>2</sup>)

Zupa Project

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

Significant further ground holding currently under review.

Drilling and trenching is scheduled to commence in tandem early in the 2nd quarter, 2019.



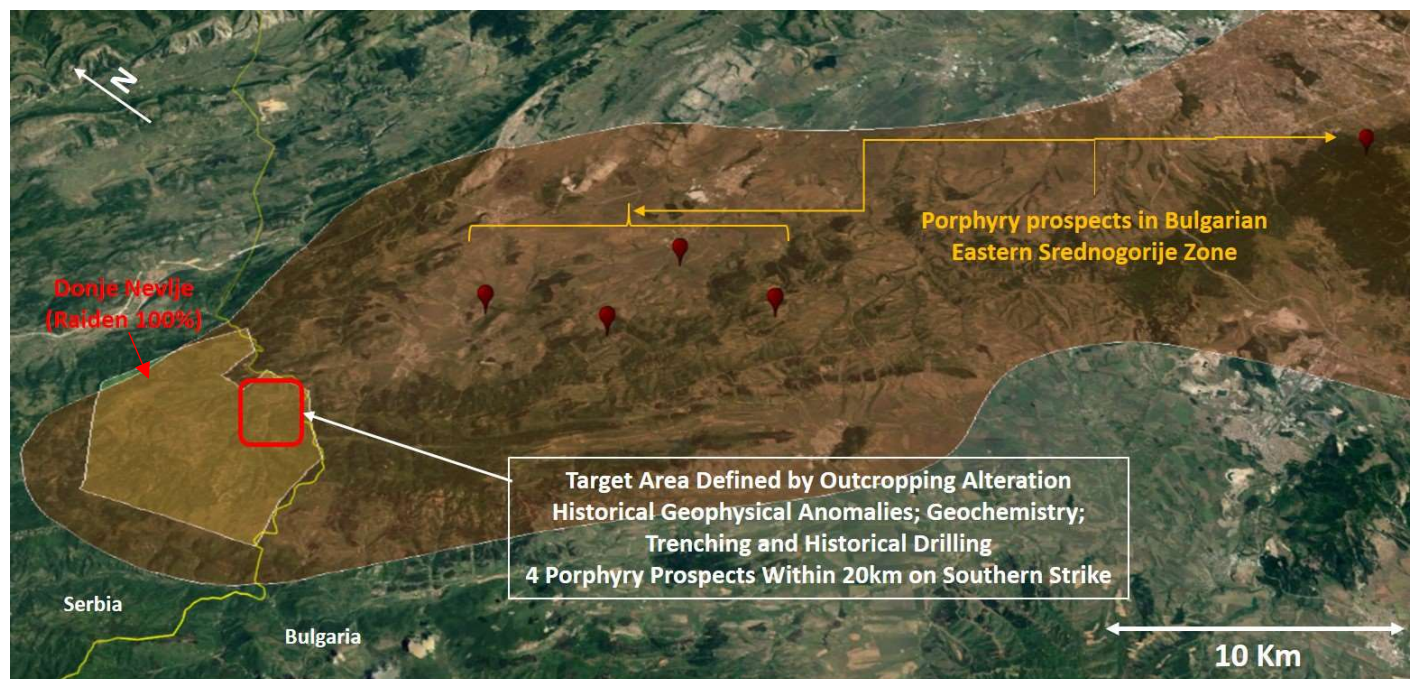
**Figure 1** - IP (chargeability) anomalies on Donje Nevlje Target.

<sup>1</sup>Historical, hard-copy drill records from 1966, from drilling which was executed by a Yugoslav geological agency indicate the presence of sulphide mineralisation throughout the drill core. The records indicate the presence of Pyrite and Chalcopyrite mineralisation. The records do not specify the breakdown of each mineral content, but record the overall sulphide presence in as a percentage estimate. The ranges recorded in B1 drill hole range from 0,27% up to 8.41% sulphide mineralisation. The data was recorded on five-meter intervals. The nature of mineralisation is not known to the Company.

#### *About the Donje Nevlje Project*

The Donje Nevlje project, 100% owned and operated by Raiden Resources is located in southern Serbia on the border with Bulgaria. The project area covers an upper Cretaceous Volcano-sedimentary sequence considered equivalent to the TMC. The project area was subject to some exploration campaigns by the Yugoslav geological agencies, mostly throughout the 1960's, where alteration and geological mapping, aeromagnetic and 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 and related epithermal system. The permit covers the northern extension of a 25Km long belt of volcanics that hosts four porphyry copper occurrences to the south inside Bulgaria.



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

## Zapadni Majdanpek (RIO JV)– Serbia

### 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.

As a result of the work completed to date, several VTEM conductors and magnetic anomalies have been highlighted on the properties, which will be the focus of follow up work programs. Some of the



anomalies are associated with outcropping alteration, which may be indicative of a porphyry or epithermal mineralisation at depth.

#### *Planned work by Rio Tinto*

Based on work done to date, Rio Tinto will drill test the most promising target and commence with further evaluations of some of the other targets defined. 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 as material new information is made available.

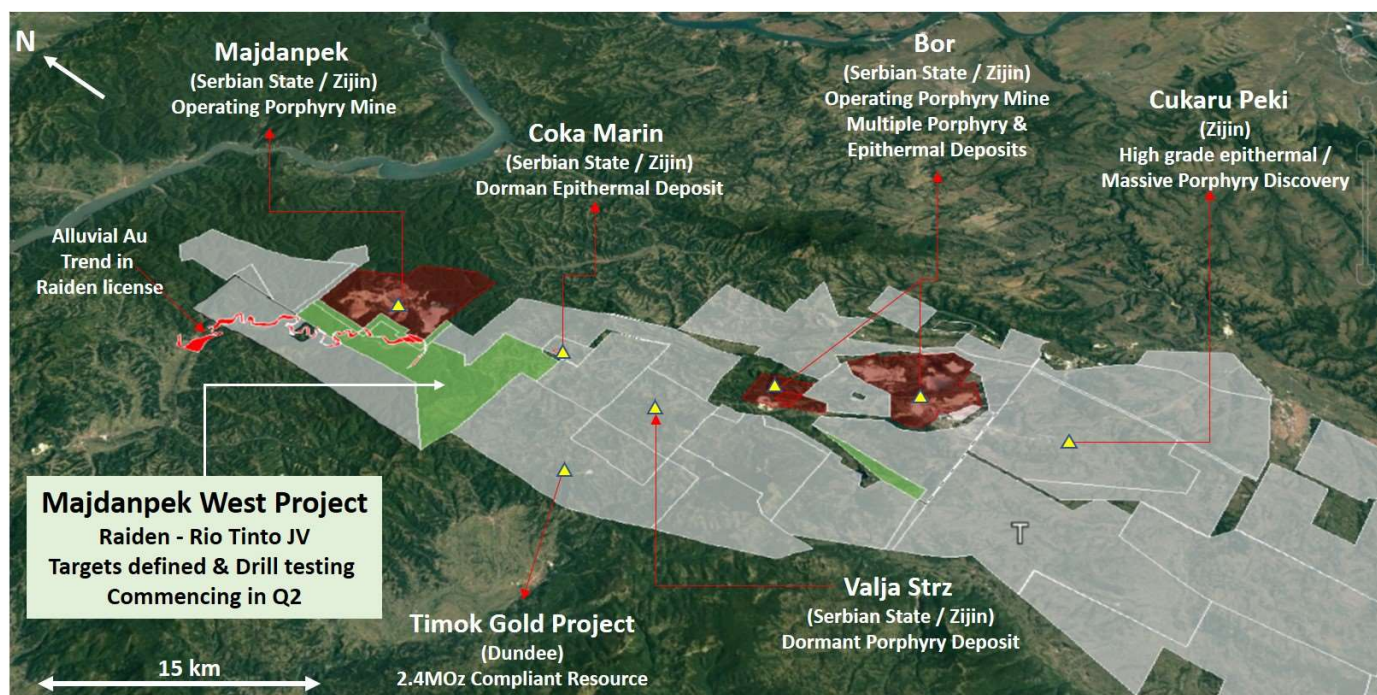
#### *About the Majdanpek West Project*

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. These all supported mines now or in the past. The area is also host to the more recent world class epithermal discovery at Cukaru Peki previously held by Nevsun Resources. In 2018, the district was subject to significant M&A activity, including purchase of **63%** of RTB Bor (Serbian State mining company) and the takeover of Nevsun Resources by Zijin Mining Group for combined value of **US\$2.47 Billion**<sup>2</sup>. The Company believes this highlights 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 copper mine and the dormant epithermal Coka Marin deposit, both of which are operated and held 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 Metals' Timok gold project, which has a 43-101 compliant **2.07MOz**<sup>3</sup> resource defined.

<sup>2</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>3</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>



**Figure 3** - 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.

## Other Permits – Serbia

### *Bor, Zupa and Pirot*

The Company is waiting for the execution of its 100% owned applications for the Bor and Pirot projects, both of which are located within the TMC (Bor), or on the southern trend (Pirot), and host the targeted Cretaceous Volcano-Sedimentary unit.

The Company is also waiting for 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 Company is continuously engaging with the Serbian Ministry of Mines and Energy and expects the licenses will be awarded and transferred. As soon as the licenses are awarded or transferred, the Company plans to commence with an appropriate and effective work program aimed at drill target generation.

## Schedule of Tenements

Tenement reference and location	Nature	Status	Interest
Donje Nevlje – 310-02-1547/2015-02	Direct	Granted	100%
Stara Planina – 310-02-495/2015-02 <sup>2</sup>	Joint Venture	Granted	0%
Velika Zupa – 310-02-1656/2016-02	Direct	Transfer in progress	100%
Zapadni Majdanpek <sup>1</sup> – 310-02-1096/2016-02	Direct	Granted	100%
Majdanpek Pojas <sup>1</sup> – 310-02-1510/2016-02	Direct	Granted	100%
Tilva Njagra Istok – 310-02-1584/2016-02	Direct	Granted	100%

<sup>1</sup> Earn-In Joint Venture Agreement with Rio Tinto Mining & Exploration Limited.

<sup>2</sup> The Company has an agreement to earn-in up to a 90% interest, and an option to earn in up to a 100% interest.

## Corporate

Over the preceding four months, the Company has conducted an extensive review of opportunities throughout the Western Tethyan belt within Serbia and surrounding countries, focussing on epithermal gold and porphyry copper projects. The Company has reviewed over twenty projects in the region and is currently focussing on four high value exploration assets. The review included early stage as well as advanced assets.

The Company has set up a 100% owned subsidiary in Bulgaria, Western Tethyan Exploration Ltd, which it will use to pursue opportunities in Bulgaria. The country is a world class mining and exploration region, with a well-developed industry exploiting porphyry copper and epithermal base and precious metals deposits. Several junior exploration companies, as well as, major international mining companies are active in the country. Mining is a well-established industry in Bulgaria contributing significantly to the national GDP and receiving high level of government support.

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

Management believe that Bulgaria presents a natural extension for the Company to increase its landholding within the Western Tethyan belt and supporting Raiden's strategy of securing projects which are either 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 a qualified consulting geologist to assist with data reviews and opportunity generation.

During the quarter Mr Nicholas Young and Mr Chris Hansen stepped down from the Board of Raiden Resources.

## Performance Shares

Details of the performance shares on issue as at 31 March 2019 are listed below. All performance shares convert to ordinary shares on 1:1 basis subject to performance milestones being met prior to expiry date. To date none of the milestones attached to the performance shares have been met.

Class	Expiry	Milestones
Class A	07-Feb-22	62,500,000 Performance Shares (Class A Performance Shares) will convert upon the announcement by the Company to ASX of the delineation of a Mineral Resource on the Company Licences of at least 100Kt of contained copper equivalent (reported in accordance with clause 50 of the JORC Code) at or above 0.2% copper equivalent and which is prepared and reported in accordance with the JORC Code.
Class B	08-Aug-22	62,500,000 Performance Shares (Class B Performance Shares) will convert upon the announcement by the Company to ASX of the results of a Scoping Study and that the Board has resolved to undertake a Pre-Feasibility Study on all or part of the Company Licences;
Class C	07-Feb-23	75,000,000 Performance Shares (Class C Performance Shares) will convert upon the announcement of a Positive Pre-Feasibility Study in respect of a Company Project (or Company Projects).

As at 31 March 2019, Raiden and its subsidiaries held \$2.4 million in cash reserves. Further details can be found in the Appendix 5B released with this announcement.



FOR FURTHER INFORMATION PLEASE CONTACT:

**DUSKO LJUBOJEVIC**

Managing Director

**RAIDEN RESOURCES LIMITED**

[dusko@raidenresources.com.au](mailto:dusko@raidenresources.com.au)

[www.raidenresources.com.au](http://www.raidenresources.com.au)

**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, which the company considers prospective for intrusion-related mineralisation styles including gold, copper and other base metals. The Company also has executed a Joint venture Agreement with a local vendor in relation to the Stara Planina project, which hosts two large anomalies, which the Company plans to continue exploring throughout 2019. 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.

# Appendix 5B

## Mining exploration entity and oil and gas exploration entity quarterly report

introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

**RAIDEN RESOURCES LIMITED (RDN)**

ABN

**66 009 161 522**

Quarter ended (Current quarter)

**31 MARCH 2019**

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 Months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for:	-	-
(a) exploration and evaluation	(141)	(933)
(b) development	-	-
(c) production	-	-
(d) staff costs and board remuneration	(37)	(94)
(e) administration and corporate costs	(131)	(447)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	14	48
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other: Includes receipts from other parties for shared costs for previous quarter, VAT received and Contributions from JV Partner.	117	201
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(178)</b>	<b>(1,224)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:	-	-
(a) property, plant and equipment	-	(86)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from disposal of:	-	-
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received	-	-
2.5 Other – cash on acquisition	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(86)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 Months) \$A'000
<b>3. Cash flows from financing activities</b>			
3.1 Proceeds from issues of shares	-	-	-
3.2 Proceeds from issue of convertible notes	-	-	-
3.3 Proceeds from exercise of share options	-	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-	-
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)	-	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	-	-	-
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>			
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,595	3,742	
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(178)	(1,224)	
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(86)	
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-	
4.5 Effect of movement in exchange rates on cash held	(2)	(17)	
<b>4.6 Cash and cash equivalents at end of quarter</b>	2,415	2,415	
<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>	
5.1 Bank balances	2,415	2,595	
5.2 Call deposits	-	-	
5.3 Bank overdrafts	-	-	
5.4 Other – Funds held in trust	-	-	
<b>5.5 Cash and cash equivalents at end of quarter</b> (should equal item 4.6 above)	2,415	2,595	
<b>6. Payments to directors of the entity and their associates</b>		<b>Current quarter \$A'000</b>	
6.1 Aggregate amount of payments to these parties included in item 1.2		74	
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3		-	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2			
Payment for Executive Director salary, Non-Executive Director fees and Geo Consulting Fees			
<b>7. Payments to related entities of the entity and their associates</b>		<b>Current quarter \$A'000</b>	
7.1 Aggregate amount of payments to these parties included in item 1.2 and 1.8		53	
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3		-	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2			
Payment to Company associated with Directors for Company Secretarial and Accounting work, Management Fee and Corporate Advisory.			

<b>8. Financing facilities available</b> Add notes as necessary for an understanding of the position	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

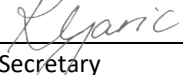
Nil

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	600
9.2 Development	-
9.3 Production	-
9.4 Staff costs	43
9.5 Administration and corporate costs	150
9.6 Other	31
<b>9.7 Total estimated cash outflows</b>	<b>824</b>

<b>10. Changes in tenements</b> (items 2.1(b) and 2.2(b) above)	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter %*</b>	<b>Interest at end of quarter %</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

## Compliance statement

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

Signed:  Dated: 30 April 2019  
Company Secretary

Print name: Kyla Garic



**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.