

RAIDEN ENTERS INTO AN OPTION AGREEMENT OVER KALABAK PROJECT IN BULGARIA

OVERVIEW

- Company executes option agreement over Kalabak project (191 Km²) in Bulgaria
- Large targets defined in an emerging epithermal gold district
- Located adjacent to Dundee Precious Metals' high grade, open pit Ada Tepe mine
- Prospective for low sulphidation gold and porphyry mineralisation
- Historically defined targets which remain untested
- Project presents an opportunity for near term drill target testing

Raiden Resources Limited (ASX: RDN) ('Raiden' or 'the Company') is pleased to announce the signing of an Option Agreement over the Kalabak project in Bulgaria.

Dusko Ljubojevic, Managing Director of Raiden commented:

"With the execution of the option agreement over the Kalabak project, the Company has significantly increased its landholding within the Western Tethyan Belt. This is another step towards growing a strategic landholding of projects, which are prospective for large Cu-Au Porphyry and epithermal base and precious metals deposits. We consider this acquisition to be a significant achievement, given the interest the belt is receiving from a number of large and small competitors. With this transaction, the Company is establishing itself as a significant explorer in the Western Tethyan belt. We look forward to commencing with exploration activities on the Kalabak project and defining drill targets."

QUICK STATS

ASX Code: RDN

Shares on Issue: 410.4 million

Market Cap: ~\$3.28 million

Cash: ~\$2.41 million (at 31 March 2019)

BOARD & MANAGEMENT

Non- Executive Chairman

Mr Michael Davy

Managing Director

Mr Dusko Ljubojevic

Non-Executive Director

Mr Martin Pawlitschek

Company Secretary

Ms Kyla Garic

ASSET PORTFOLIO

Stara Planina - Serbia

(JV with local entity – path to 100% - 46km²)

Donje Nevlje - Serbia

(100% – 74km²)

Majdanpek West - Serbia

(Rio JV - 100% - 76km²)

Zupa - Serbia

(100% Raiden – 85km²)

Pirov - Serbia

(Executing Application – 16km²)

Bor - Serbia

(Partially granted/ pending application - 100% - ~28km²)

Vuzel - Bulgaria

(JV with local entity – path to 100% - ~26.5km²)

Significant further ground holding currently under review.

About the Kalabak Project

The Company has signed an Option agreement with QX Metals LTD ("QX"), over the Kalabak project in Bulgaria. QX, a TSX-V listed company (TSXV Code: QX) is the 100% holder of the Kalabak license, through its 100% owned Bulgarian entity, Zelenrok EOOD.

The Kalabak license is located in the Haskovo Province, Kardzhali district in southeast Bulgaria, 15km from the Greek border. A main highway from the capital city Sofia covers over half the distance to the project location, with secondary paved roads covering the rest of the distance. The city of Kardzhali is the closest large centre, with a population of 44,000 (2011), and is within 70km of the project. Two paved roads transect the license – one on the eastern side and one on the western side. A dense network of forestry and farm roads also cover the license area.

The Kalabak license was awarded to QX, in October 2017, with approvals from the Ministry of Energy and the Ministry of Environment and Water. A comprehensive three-year exploration work program was approved by all the required ministries.

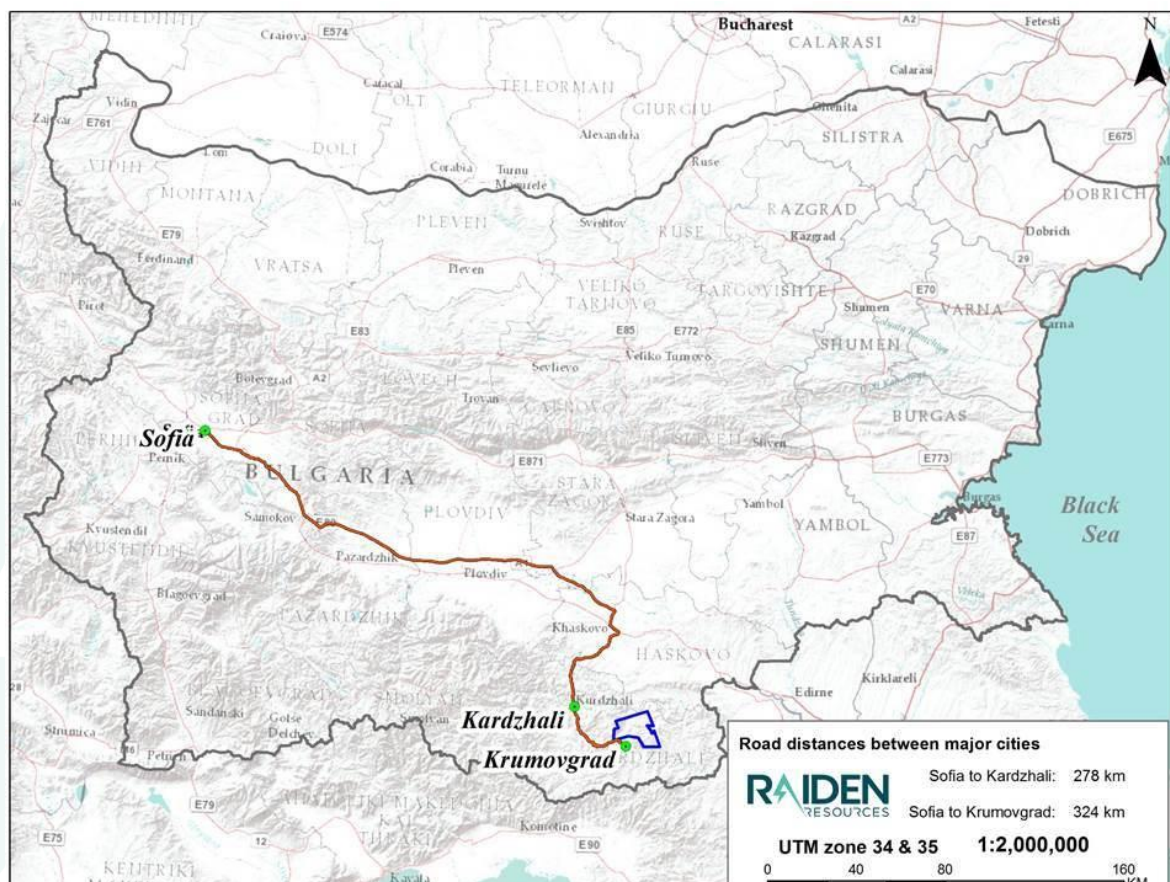


Figure 1 - Location of Kalabak license

Geological setting

The Kalabak project is situated in the Eastern Rhodope Mountains, which reside in a 500km long magmatic belt that spans from Eastern Europe through to Iran, a result of post-Paleocene-Eocene extension that followed Upper Cretaceous collisional activity.

The Kalabak license is underlain by metamorphic basement rocks of the Kesebir-Kardamos Metamorphic Dome that are unconformably overlain by Tertiary aged sedimentary rocks of the Krumovgrad Group. Tertiary intermediate to felsic intrusive and volcanic rocks intruded into and overlie both of these units. This suite of Tertiary intrusives and their equivalents in Turkey and Greece are associated with significant porphyry and epithermal mineralised systems.

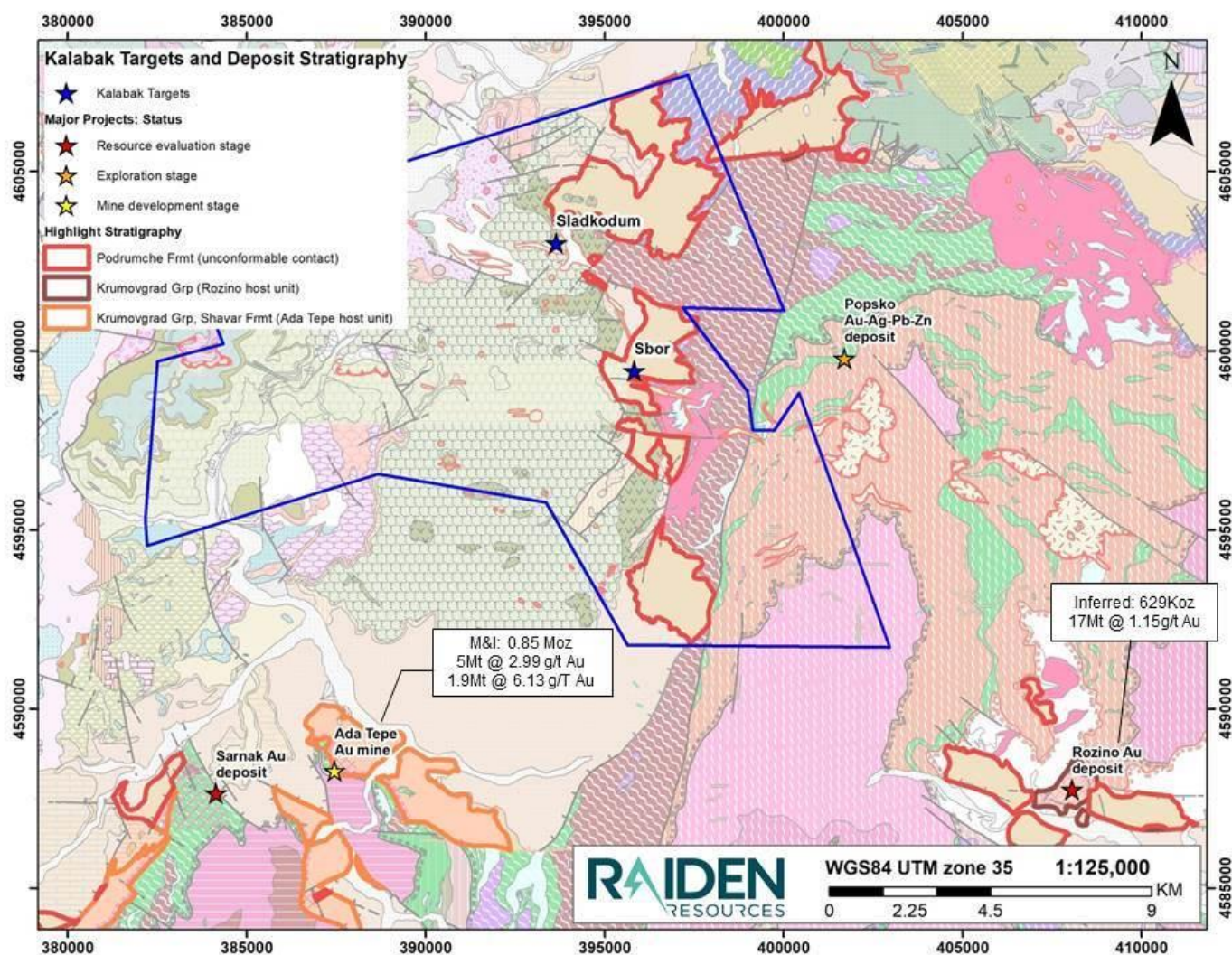


Figure 2 - Kalabak project in relation to Ada Tepe Mine and Rozino deposit

Approximately 10km to the southwest and southeast of the main target zones at Kalabak are two major gold projects, one of which is in development (Ada Tepe – Dundee Precious Metals, or “Dundee” (TSX Code: DPM) and the Pre-Feasibility Study stage Rozino deposit – Velocity Minerals (TSXV Code:VLC)).

The Ada Tepe project is a high grade, open pit low sulphidation gold deposit which was commissioned in 2019 by Dundee. The mine is expected to produce an average of 103KOz of Au over the initial 5-year period at a grade of 4.04 g/t Au and at a cost of US\$403 per Oz¹.

Velocity Minerals has recently published a Pre-Feasibility Study on the Rozino project. The study indicates that the project is amenable to an open pit operation and generates a US\$129m NPV with a 33% IRR².

Mineralization at both projects is hosted in sedimentary rocks of the Paleocene/Mid-Eocene. This implies that there is potential for the mineralized Paleocene/Mid-Eocene sediments within the Kalabak license to host similar styles of mineralisation.

Historical work and potential

The district is a well-known mining region for Pb-Zn with several active and past producing mines such as Madjarovo, Zvezdel, Pcheloyad, and Chala. While most of the historical mining activity, including the work by the Bulgarian state, has focused on the Pb-Zn potential as well as, more recently, successful exploration for epithermal gold (Ada Tepe; Rozino; Chala), the porphyry potential of the district has largely been ignored. This is despite the fact that porphyry exploration in the same geological province in Serbia, Macedonia, Greece and Turkey has resulted in many discoveries (e.g. Rudnitsa, Kiseljak, Ilovitsa to name a few).

Upon review of the historical information and on the basis of field observations made by QX technical staff, the Company believes that the project is highly prospective for porphyry as well as associated epithermal and poly-metallic mineralisation.

The Company plans to commence with target generation as soon as all the conditions precedent have been met. The initial program will focus on generating porphyry and epithermal gold targets for drill testing..

1. https://s21.q4cdn.com/589145389/files/doc_presentations/2018/DENVER-PRESENTATION_SEPT20_HC_2.pdf
2. https://www.velocityminerals.com/site/assets/files/5199/2019-05-07-cp_vlc.pdf



Figure 3 - Sheeted quartz veining within an Andesite stock. This type of veining may be indicative of the presence of a porphyry deposit



Figure 4 - Large zones of Argillic alteration have been noted within the project area

Option Agreement Terms

Under the terms of the agreement the Company has an Option to earn into a 75% position within the Kalabak project under the following terms:

- **Phase 1 Option:** By spending US\$1 million on project expenditure within a 2-year period, the Company has the option to earn a 51% project level interest. The expenditure requires the completion of a minimum of 3,000 meters of reverse circulation or diamond drilling. The Company is obliged to spend US\$250,000 before 14 December 2019.
- **Phase 2 Option:** By completing a 43-101 compliant Preliminary Feasibility Study ("PFS"), by the 7th anniversary of the Conditions Precedent Satisfaction Date as well as meeting other conditions, Raiden has the option to earn into a 75% position of the project.

Upon Raiden obtaining a 75% position in the project, QX shall have the option to:

- Maintain its 25% position within the project by financing its proportional share of further expenditure
- Sell its remaining stake in the project, with Raiden having the first right of refusal to purchase the remaining stake
- Dilute its remaining stake to a 2% Net Smelter Royalty ("NSR"), where Raiden will have the option to purchase an initial 0.5% of the total NSR for US\$2.5m and with a further 1% being purchasable for US\$5m, prior to commencement of commercial production

Raiden Resources will be the manager and operator of the work program.

The commencement of the Option agreement is subject to the following conditions being met within the following 45 days (**Conditions Precedent Satisfaction Date**):

- Raiden providing QX with a notification that it has completed a due diligence on the property and the holding Company (Zelenrok)
- QX obtaining shareholder and Toronto Stock Exchange approval for the transaction
- Raiden making a A\$50,000 payment to QX for reimbursement of project acquisition costs

The Company plans to conduct detailed data reinterpretations, prospect mapping and soil/rock sampling reviews in the coming weeks, with the objective of generating drill targets in the near term.

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FOR FURTHER INFORMATION PLEASE CONTACT:

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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, mainly focused in Serbia and Bulgaria. 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 has also 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. Furthermore, the Company has recently executed an Earn-In/Option to purchase agreement over the Vuzel license in Bulgaria, which is defined by high grade epithermal mineralisation and continues to evaluate further opportunities in the region. 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.