

RAIDEN QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 30 JUNE 2019

HIGHLIGHTS

- The Company completed its maiden drill program at its 100% owned Donje Nevlje Project;
- Approval was received from the Serbian Ministry of Mines and Energy for the transfer of Velika Zupa Project;
- Maiden drilling program completed by Rio Tinto on Majdanpek West licence;
- The Company completed a soil sampling program, as well as a scout mapping exercise over its Tilva Njagra project in Serbia;
- The Company participated in a government exploration license 'contested application' (tender) in Bulgaria;
- The Company continued to evaluate historical data following the earn-in and option to purchase agreement over the Vuzel project.

Raiden Resources Limited (ASX: RDN) ('Raiden' or 'the Company') is pleased to provide its report on activities and progress made during the June 2019 Quarter:

Exploration Activities in Serbia

Donje Nevlje

The Company completed its maiden drill program at its 100% owned Donje Nevlje Project in Serbia.

The initial program consisted of 1,144 meters of diamond drilling, which was designed to test geophysical (Induced Polarisation) anomalies defined earlier in the year (as announced on the 9th April 2019). The 1,500 metre program was terminated short due to

QUICK STATS

ASX Code: RDN

Shares on Issue: 410.4 million

Market Cap: \$2.87 million

Cash: \$1.75m (at 30 June '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 - 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)

Pirot - Serbia

(Executing Application – 16km²)

Bor – Serbia

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

Vuzel - Bulgaria

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

Significant further ground holding currently under review.

significant ground water, which was encountered and impacted the drilling progress. The Company has been evaluating follow up steps, which it plans to undertake on the project.

As subsequently released on the 2nd of July 2019, the results from the drilling program indicated that the best mineralisation interval was intercepted in the first drill hole (DNDD001), which was designed to test a chargeability anomaly defined through an induced polarisation survey. The drill hole successfully tested the upper parts of the anomaly, however as the drilling had to be terminated early due to excessive ground water flow, the lower parts of the anomaly remain untested.

During the quarter the Company submitted a request for the renewal of the licence (which expired in July 2019) to the Serbian Ministry of Mines and Energy. The Company can only resume further work on the licence after the Ministry approves the extension.

Zupa

The Company received confirmation from the Serbian Ministry of Mines and Energy that the transfer of Velika Zupa Project from Balkan Mineral Corporation DOO to Skarnore Resources DOO, a 100% held subsidiary of the Company had been approved. The transfer has since been completed, resulting in 100% ownership of the project. The project is considered prospective for polymetallic & intrusion related mineralisation.

The Company has commenced with mobilisation of field crews and will be starting the initial reconnaissance sampling and mapping program in July 2019.

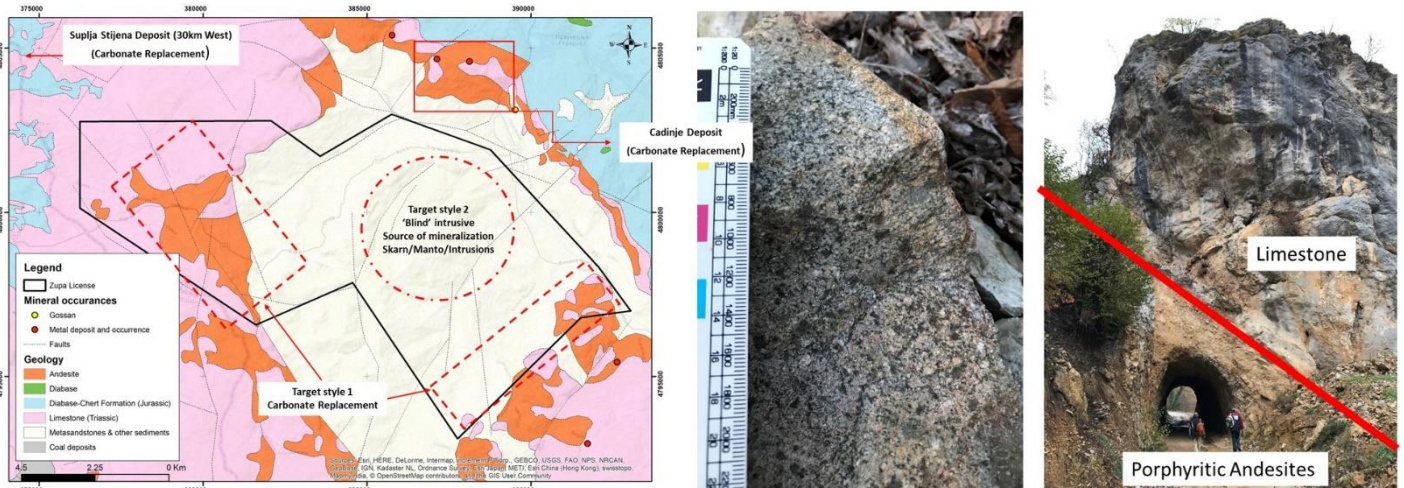


Figure 1 - Zupa license geology and observed outcrops in the field

Majdanpek

Rio Tinto has completed the initial round of drilling on the Majdanpek West JV project, which was designed to test targets that were defined through the 2018 areo-magnetic and VTEM survey, soil geochemistry survey and filed mapping program. As part of the initial drilling campaign Rio Tinto has tested one of the priority targets on the Majdanpek Zapad (West) permit.

The Company will provide an update as soon as Rio Tinto's final reports are available.

Rio Tinto continues to evaluate the available data on the project with the aim of generating further targets.

Tilva Njagra

During June, the Company completed a soil sampling and mapping exercise over its Tilva Njagra project in Serbia. The license is located in the Timok Magmatic Complex, one of the most mineral endowed and fertile districts in the Western Tethyan belt. The Tilva Njagra project is located near Zijin/RTB Bor's mining complex and hosted within the same geological environment as some of the largest deposits in the Western Tethyan. The Company expects to receive the results from the soil survey in July. The Company will update the market on the progress of the project after it has reviewed and interpreted the results of the sampling program.

Exploration Activities in Bulgaria

BG1 Project

The Company participated in a government exploration license 'contested application' (tender) in Bulgaria in April/May 2019. The contested application was open to all parties that meet the Bulgarian government's requirements for an application of this nature. As part of the application, the Company was required to submit a 3-year work program to the Bulgarian Ministry of Energy ("Ministry"). The license ("BG1") is located on the northern periphery of the Panagurishte District, which is considered to be the centre of the Bulgarian mining industry and which hosts the largest porphyry deposits and operating mines in the country. The BG1 license hosts several porphyry prospects, which the Bulgarian state agencies evaluated (including drilling), in the past, as well as, several untested targets. The results of the application are pending.

Vuzel

During the quarter the Company entered an earn-in and option to purchase agreement over the Vuzel project in Bulgaria (as announced on the 26th April 2019).

The Company reviewed the available historical data from the Gramex exploration program, completed between 1997 and 2000. The Gramex program consisted of geochemical soil sampling, geological and alteration mapping; channel rock chip sampling over areas with outcropping mineralisation and a short drill program.

The Company continued to evaluate historical data from the Vuzel project with the aim of defining high grade target zones, which will be the focus of an immediate field program, as soon as the final license approvals have been received. As the Company reported in its 12th June 2019 ASX release, the Vuzel project hosts a number of high-grade epithermal gold targets within the central zone, which to date remain untested by drilling. The Company is regularly liaising with the Bulgarian Ministry of Mining and Energy in order to secure the final approval in the shortest time possible.

Schedule of Tenements

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

¹ Earn-In Joint Venture Agreement with Rio Tinto Mining & Exploration Limited.

² The Company has an agreement to earn-in up to a 90% interest and an option to purchase up to a 100% interest. At the end of the quarter the Company had earned the right to 25%, this has yet to be converted to a right in the Company.

Corporate

- The Company was approached and entered into discussions with several institutional mining and investment houses as well as strategic investor groups (“Strategic Investors”). The discussions were oriented around the Company’s existing portfolio of projects, and new opportunities the Company has identified and continues to pursue. The Company will inform the market should a funding agreement be reached with a Strategic Investor, as well as, further acquisitions as they materialise.
- The Company appointed Otsana Capital as Corporate Advisor for an initial period of 12 months. Under this appointment Otsana will assist the Company with various matters, such as key stakeholder and shareholder engagements, advice on strategic and cornerstone investors; project and business development opportunities and general capital markets and corporate advice. As part consideration for its services, the Company will issue Otsana (or its nominees) 10,000,000 performance rights in the Company. Each performance right will convert into a fully paid ordinary share in the Company (Shares) if, at any time within 12 months from the date of issue of the performance rights, the 20 business day VWAP of the Shares as traded on ASX is 2 cents or higher. The management is of the opinion that this performance milestone will align the interests of Otsana with that of the Company’s shareholders. Otsana will also be paid a monthly fee of A\$2,000 per month plus GST.
- The Company entered into a Controlled Placement Agreement (CPA) with Acuity Capital. The CPA provides the Company with up to \$1 million of standby equity capital over the coming 24 months.
- The Board has been in discussion with the Company’s major stakeholders regarding the Company’s long-term strategy to remunerate the Board and Key Management Personnel and has resolved that subject to shareholder approval and Australian Securities Exchange regulatory requirements to issue 33,000,000 Management Performance Rights. Terms of the Management Performance Rights:

	Number of Performance Rights	Performance Milestones	Expiry Date
Milestone 1	10,000,000	20-day VWAP \$0.03	12 months from issue
Milestone 2	10,000,000	20-day VWAP \$0.05	12 months from issue
Milestone 3	13,000,000	20-day VWAP \$0.07	18 months from issue
Total	33,000,000		

For further information refer to the announcement dated 2nd July 2019.

Performance Shares

Details of the performance shares on issue as at 30 June 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).

Cash Position

As at 30 June 2019, Raiden and its subsidiaries held A\$1.75 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

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 Pirost 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)

30 JUNE 2019

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 Months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for:	-	-
(a) exploration and evaluation	(387)	(1,345)
(b) development	-	-
(c) production	-	-
(d) staff costs and board remuneration	(53)	(122)
(e) administration and corporate costs	(245)	(691)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	54
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.	10	211
1.9 Net cash from / (used in) operating activities	(669)	(1,893)
2. Cash flows from investing activities		
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	-	-
2.6 Net cash from / (used in) investing activities	-	(86)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 Months) \$A'000
3. Cash flows from financing activities		
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)	-	-
3.10 Net cash from / (used in) financing activities	-	-
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,415	3,742
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(669)	(1,893)
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	(1)	(18)
4.6 Cash and cash equivalents at end of quarter	1,745	1,745

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,745	2,415
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other – Funds held in trust	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,745	2,415

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	87
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

7. Payments to related entities of the entity and their associates

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2 and 1.8	37
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.

8. Financing facilities available Add notes as necessary for an understanding of the position	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	164
9.2 Development	-
9.3 Production	-
9.4 Staff costs	68
9.5 Administration and corporate costs	106
9.6 Other	39
9.7 Total estimated cash outflows	377

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter %*	Interest at end of quarter %
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	Zupa – Serbia – 310-02-1656/2016-02	Direct	-	100%

Compliance statement

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

Signed: 
Company Secretary

Dated: 31 July 2019

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.