

RAIDEN RESOURCES LIMITED

ABN 68 009 161 522

INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2019

The information contained in this condensed report is to be read in conjunction with Raiden Resources Limited's 30 June 2019 annual report and announcements to the market made by Raiden Resources Limited.

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CORPORATE DIRECTORY

Directors

Mr Dusko Ljubojevic – Managing Director
Mr Michael Davy – Non-Executive Chairman
Mr Martin Pawlitschek – Non-Executive Director

Company Secretary

Ms Kyla Garic

Registered office

108 Outram Street
West Perth WA 6005

Auditor

RSM Australia Partners
Level 32, 2 The Esplanade
Perth WA 6000

Bankers

NAB
1232 Hay Street
West Perth WA 6005

Share Registry

Automic Pty Ltd
267 St Georges Terrace
Perth WA 6000

Securities Exchange Listing

ASX Limited
20 Bridge Street
Sydney NSW 2000

ASX Code – RDN

Website

www.raidenresources.com.au

DIRECTOR'S REPORT

The Directors present this report for Raiden Resources Limited ("the Company") and its subsidiaries ("the consolidated entity") for the half year ended 31 December 2019.

Directors

The names and the particulars of the Directors who held office during or since the end of the half year and until the date of this report are disclosed below. The Directors were in office for this entire period unless otherwise stated.

Name	Status	Appointment/ Resignation
Mr Dusko Ljubojevic	Managing Director	Appointed on 20 February 2018
Mr Michael Davy	Non-Executive Chairman	Appointed on 29 June 2017
Mr Martin Pawlitschek	Non-Executive Director	Appointed on 20 February 2018

Company Secretary

Name	Status	Appointment
Ms Kyla Garic	Company Secretary	Appointed on 29 June 2017

Financial performance

The net loss of the consolidated entity for the six months ended 31 December 2019 was \$468,139 (31 December 2018: \$388,286).

Review of Activities

During the half year ended 31 December 2019, the following activities occurred:

Donje Nevlje

- On 2 July 2019 the Company announced the results from its maiden drill program at Donje Nevlje.

Zupa

- On 4 July 2019 the Company announced the transfer of the Zupa project from Balkan Mineral Corporation DOO to Skarnore Resources DOO had been completed following approval from the Serbian Ministry of Mines and Energy.
- On 15 August 2019, the Company announced that it had defined a Geochemical prospect on Zupa Project. The Company executed a detailed soil sampling campaign on the western periphery of the Zupa license. Over 1,200 samples were collected. The program targeted the contacts between the Triassic andesites and limestones. The soil samples were analysed in a controlled field laboratory setting. Based on this analysis, the program has defined a 6.5 Km long geochemical anomaly on the south-western flank of the project area.

Kalabak

- On 15 July 2019, the Company announced that it had entered into an Option Agreement with QX Metals Corporation ("QX") over the Kalabak Project in Bulgaria. 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 metres of reverse circulation or diamond drilling. The Company was obliged to spend US\$250,000 before 14 December 2019, this obligation was met.
 - 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:

Review of Activities (Continued)

- 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 will be the manager and operator of the work program.

- On 7 August 2019, the Company announced the commencement of maiden work on the Sbor Prospect in the Kalabak project area in Bulgaria. The Company's geologists reviewed geological maps and exploration data from an outcrop sampling program carried out by QX, and conducted a reconnaissance visit of the Kalabak project. The Company is investigating the availability of obtaining further data through historical reports with the Bulgarian Ministry of Energy ("Ministry").
- On 9 August 2019, Raiden announced that it had defined a second prospect "White Cliff" on the Kalabak project.
- On 26 September 2019, Raiden announced that it had defined a third prospect "Sbor West" on the Kalabak project.

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.

Subsequently all conditions precedent had been satisfied.

Zlatusha

- On 15 July 2019, the Company announced that it had entered into an Option Agreement over the Zlatusha Project in Bulgaria. Under the terms of the agreement the Company has an Option to earn into a 75% position within the Zlatusha project under the following terms:
 - **Phase 1 Option:** By spending a total of US\$2.5 million on project expenditure within a 3-year period, the Company has the option to earn into a 51% project level interest in the Zlatusha property. The expenditure requires the completion of a minimum of 6,500 metres of reverse circulation or diamond drilling.
 - **Phase 2 Option:** By completing a 43-101 compliant Preliminary Feasibility Study ("PFS"), by the 7th anniversary from when the Zlatusha Exploration Agreement is signed by the Bulgarian Ministry of Energy, as well as, meeting other conditions, Raiden has the option to earn into a 75% project level interest of the project.

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

- Maintain its 25% interest 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.
- Dilute its remaining interest 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 a further 1% being purchasable for US\$5m, prior to commencement of commercial production.

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

The commencement of the Option agreement is subject to 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).

Review of Activities (Continued)

- 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 Zlatusha Option Agreement will proceed once Zelenrok enters into the exploration agreement with the Ministry of Energy of the Republic of Bulgaria in respect of the Zlatusha license.
- On 18 October 2019, Raiden announced that the Rosomon prospect lies in the central part of the Zlatusha project area contains geological features typically associated with mineralised porphyry systems.
- On 21 October 2019, Raiden announced that it had defined a second prospect “Pishtane” on the Zlatusha project.

Igliko

- On 18 December 2019, Raiden entered into an earn-in and option to purchase agreement over Igliko project in Bulgaria. The permit is located within upper cretaceous volcanic rocks, which host many significant porphyry copper and epithermal gold deposits in the Balkans. Due diligence period expires on the 17 March 2020, with the Company to decide on the next step.

Corporate

- On 2 July 2019 the Company announced the issue of 10,000,000 Performance Rights to Corporate Advisors of the Company. The Performance Rights are subject to a 20-day VWAP of \$0.02 or higher within 12 months from the date of issue date.
- On 22 October 2019, the Company issued 21,000,000 fully paid ordinary shares at nil consideration to Acuity Capital Investment Management Pty Ltd pursuant to the controlled placement agreement.
- On 29 November 2019, the Company issued 33,000,000 performance rights subject to the following conditions
 - a. 10,000,000 Class A Performance Rights subject to 20-day VWAP of \$0.03 or higher within 12 months from the date of issue
 - b. 10,000,000 Class B Performance Rights subject to 20-day VWAP of \$0.05 or higher within 12 months from the date of issue
 - c. 13,000,000 Class C Performance Rights subject to 20-day VWAP of \$0.07 or higher within 18 months from the date of issue

Of which, 30,000,000 Performance Rights were issued to Company’s Directors and as Management Performance Rights, as part of the Company’s long-term strategy to remunerate the Board. 3,000,000 Performance Rights were issued to Company Secretary under Employee Incentive Security Plan.

Principal activities

During the half year, the principal activities of the consolidated entity was mineral exploration in the Republic of Serbia and Republic of Bulgaria.

Events after the end of the reporting period

On 30 January 2020, the Company announced that Rio Tinto intended to withdraw from the Majdanpek West Earn in Joint Venture. On the receipt of the formal notification from Rio Tinto, the Company will inherit the data and will review the option of continuing exploration on its own right.

On 10 February 2020, the Company changed its provider for shareholder registry services from Link Market Services Limited to Automic Pty Ltd.

Events after the end of the reporting period (Continued)

On 3 March 2020, the Company received the notification that the Ministry had awarded Western Tethyan Exploration for the BG1 license.

There were no other significant events after the reporting date.

Auditor independence and non-audit services

The auditor's independence declaration is included on page 6 of the financial report.

Signed in accordance with a resolution of the Board of Directors.



Michael Davy

Non-Executive Chairman

Dated 12 March 2020

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Raiden Resources Limited for the half-year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 12 March 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	31 December 2019 \$	31 December 2018 \$
Interest income	12,068	37,480
Administration expense	(111,599)	(65,289)
Corporate advisor fees	(14,917)	-
Corporate expenses	(28,648)	(30,978)
Depreciation	(7,416)	(4,438)
Director fees	(92,696)	(103,380)
Impairment expense	(49,848)	-
Legal and other professional fees	(141,045)	(221,681)
Marketing and investor relations	(8,500)	-
Share based payments	(25,536)	-
Loss before income tax	(468,139)	(388,286)
Income tax expense	-	-
Loss for the period	(468,139)	(388,286)
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	(15,822)	16,414
Total comprehensive loss for the year	(483,961)	(371,872)
Basic loss per share (cents per share)	(0.11)	(0.09)
Diluted loss per share (cents per share)	(0.11)	(0.09)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

		31 December 2019	30 June 2019
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		960,497	1,744,775
Trade and other receivables		35,883	52,480
Other current assets		29,493	17,852
TOTAL CURRENT ASSETS		1,025,873	1,815,107
NON-CURRENT ASSETS			
Plant and equipment		97,211	100,226
Exploration assets	5	1,860,847	1,384,455
TOTAL NON-CURRENT ASSETS		1,958,058	1,484,681
TOTAL ASSETS		2,983,931	3,299,788
CURRENT LIABILITIES			
Trade and other payables		190,745	59,677
TOTAL CURRENT LIABILITIES		190,745	59,677
TOTAL LIABILITIES		190,745	59,677
NET ASSETS		2,793,186	3,240,111
EQUITY			
Issued capital	3	6,400,748	6,400,748
Reserves	7	207,829	186,615
Accumulated losses		(3,815,391)	(3,347,252)
TOTAL EQUITY		2,793,186	3,240,111

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2019

	Issued Capital	Option Reserve	FX Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2018	6,400,748	163,200	(1,740)	(2,520,848)	4,041,360
Loss for the period	-	-	-	(388,286)	(388,286)
Other comprehensive income	-	-	16,414	-	16,414
Total comprehensive loss for the period	-	-	16,414	(388,286)	(371,872)
Transactions with owners, recognized directly in equity					
Issue of shares	-	-	-	-	-
Issue of options	-	-	-	-	-
Balance at 31 December 2018	6,400,748	163,200	14,674	(2,909,134)	3,669,488

	Issued Capital	Option Reserve	FX Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2019	6,400,748	163,200	23,415	(3,347,252)	3,240,111
Loss for the period	-	-	-	(468,139)	(468,139)
Other comprehensive income	-	-	(15,822)	-	(15,822)
Total comprehensive loss for the period	-	-	(15,822)	(468,139)	(483,961)
Transactions with owners, recognized directly in equity					
Issue of performance rights	-	37,036	-	-	37,036
Balance at 31 December 2019	6,400,748	200,236	7,593	(3,815,391)	2,793,186

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2019

	31 December 2019	31 December 2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers	(251,910)	(408,822)
Interest received	12,068	34,408
Net cash used in operating activities	(239,842)	(374,414)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation	(544,614)	(672,937)
Purchase of plant and equipment	-	(85,470)
Net cash used in investing activities	(544,614)	(758,407)
Net decrease in cash and cash equivalents	(784,456)	(1,132,821)
Cash and cash equivalents at beginning of period	1,744,775	3,742,468
Foreign exchange	178	(14,600)
Cash and cash equivalents at end of period	960,497	2,595,047

The accompanying notes form part of these financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a) Statement of compliance**

This general purpose consolidated financial report for the half year ended 31 December 2019 have been 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 half year financial 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 consolidated entity as in the full financial report. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

b) Basis of Preparation

This half year consolidated financial 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 domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 12 March 2020.

c) New or Amended Accounting Standards and Interpretations Adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 16 Leases

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classification of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of Adoption

The consolidated entity has made an assessment and determined that this standard does not have a significant. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**d) Going Concern Basis of Preparation**

The financial statements have been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$468,139 and had net cash outflows from operating activities and investing activities of \$239,842 and \$544,614 respectively for the half year ended 31 December 2019.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Company has the ability to issue additional equity securities under the Corporations Act 2001 to raise further working capital.
- The consolidated entity has the ability to curtail administrative, discretionary exploration and overhead cash outflows as and when required.

NOTE 2: OPERATING SEGMENTS**Segment Information****Identification of reportable segments**

The consolidated entity has identified its operating segment based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources. The consolidated entity's sole operating segment is consistent with the presentation of these consolidated financial statements.

NOTE 3: ISSUED CAPITAL	31 December 2019	30 June 2019
	\$	\$

Issued Capital:

Ordinary shares fully paid (net of cost)	6,400,748	6,400,748
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(a) Movement in ordinary share capital of the Company during the period was as follows:

	Number	\$
Opening balance at 1 July 2018	410,430,796	6,400,748
Closing balance at 30 June 2019	410,430,796	6,400,748
Opening balance at 1 July 2019	410,430,796	6,400,748
Issued of shares to Acuity Facility Capital Pty Ltd (1)	21,000,000	-
Closing balance at 31 December 2019	431,430,796	6,400,748

- (1) The shares have been issued, and are held by Acuity Capital Pty Ltd, only under the capacity to issue shares under a Controlled Placement Deed. In the event that Acuity Capital Pty Ltd remain in possession of the collateral shares at the expiry of the Controlled Placement Deed, these shares will be bought back by the Company for nil consideration. As at the reporting date Acuity Capital Pty Ltd remained in possession of the collateral shares and no share placement had been executed.

NOTE 4: CONTINGENT LIABILITIES AND COMMITMENTS**Contingent Liabilities**

The consolidated entity has no known contingent liabilities as at 31 December 2019 (30 June 2019 – nil).

Commitments

At 31 December 2019, there have been no changes to commitments from 30 June 2019.

NOTE 5: EXPLORATION ASSETS	31 December 2019	30 June 2019
	\$	\$

(a) Non-current

Exploration expenditure capitalised:

Exploration and evaluation at cost	1,860,847	1,384,455
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Net carrying value	1,860,847	1,384,455
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(b) Movement in carrying amounts

Carrying amount at beginning of reporting period	1,384,455	284,939
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Expenditure during the period	526,240	1,099,516
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Impairment during the period	(49,848)	-
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Carrying amount at end of reporting period	1,860,847	1,384,455
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The carrying amount of the consolidated entity's exploration and evaluation assets are reviewed at each reporting date to determine whether there is indication of impairment or impairment reversal. Where an indication of impairment exists, a formal estimate of the recoverable amount is made.

The Board made the decision to fully impair the Tilva Njaga assets as no additional explorations were planned.

NOTE 6: SHARE BASED PAYMENTS

The following share-based payment arrangement existed at 31 December 2019:

- On 2 July 2019 the Company announced the issue of 10,000,000 Performance Rights to Corporate Advisors of the Company. The Performance Rights are subject to a 20-day VWAP of \$0.02 or higher within 12 months from the date of issue date. \$11,500 was recognised as prepayment during the period.
- On 29 November 2019, the Company issued 33,000,000 performance rights subject to the following conditions
 - d. 10,000,000 Class A Performance Rights subject to 20-day VWAP of \$0.03 or higher within 12 months from the date of issue
 - e. 10,000,000 Class B Performance Rights subject to 20-day VWAP of \$0.05 or higher within 12 months from the date of issue
 - f. 13,000,000 Class C Performance Rights subject to 20-day VWAP of \$0.07 or higher within 18 months from the date of issue

Of which, 30,000,000 Performance Rights were issued to Company's Directors and as Management Performance Rights, as part of the Company's long-term strategy to remunerate the Board. 3,000,000 Performance Rights were issued to the Company Secretary under Employee Incentive Security Plan.

A summary of the inputs used in the valuation of the Performance Rights is as follows:

	Corporate Advisors' Performance Rights	Performance Rights Class A	Performance Rights Class B	Performance Rights Class C
Exercise price	Nil	Nil	Nil	Nil
Share price at date of issue	\$0.007	\$0.007	\$0.007	\$0.007
Issue date	2 July 2019	29 November 2019	29 November 2019	29 November 2019
Expected volatility	100%	100%	100%	100%
Expiry date	1 year	24 months from issuance	24 months from issuance	36 months from issuance
Expected dividends	Nil	Nil	Nil	Nil
Risk free interest rate	0.965%	0.608%	0.680%	0.645%
Vesting date	1 July 2020	12 months from issuance	12 months from issuance	18 months from issuance
Performance Hurdle	20 Day VWAP of \$0.02 or higher	20 Day VWAP of \$0.03 or higher	20 Day VWAP of \$0.05 or higher	20 Day VWAP of \$0.07 or higher
Value per right	\$0.003274	\$0.001982	\$0.000858	\$0.001189
Number of rights	10,000,000	10,000,000	10,000,000	13,000,000
Total value of share-based payments expensed over the vesting period	\$32,740	\$19,820	\$8,580	\$15,457

NOTE 7: RESERVES	31 Dec 2019	30 June 2019
	\$	\$
(a) Reserves		
Option reserve	163,200	163,200
Performance rights reserve	37,036	-
Foreign currency reserve	7,593	23,415
Total reserves	207,829	186,615
(b) Option Reserve	No.	\$
Opening balance at 1 July 2018	50,000,000	163,200
Balance at 30 June 2019/31 Dec 2019	50,000,000	163,200
(c) Performance Rights Reserve	No.	\$
Opening balance at 1 July 2019	-	-
Issued to Corporate advisor	10,000,000	23,000
Issued to Company's Board Of Directors	30,000,000	12,080
Issued to Company's secretary	3,000,000	1,956
Balance at 31 Dec 2019	43,000,000	37,036
(d) Foreign currency reserve		\$
Opening balance at 1 July 2018		(1,740)
Difference arising on translation		25,155
Balance at 30 June 2019		23,415
Opening balance at 1 July 2019		23,415
Difference arising on translation		(15,822)
Balance at 31 Dec 2019		7,593
The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiaries.		

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

On 30 January 2020, the Company announced that Rio Tinto intended to withdraw from the Majdanpek West Earn in Joint Venture. On the receipt of the formal notification from Rio Tinto, the Company will inherit the data and will review the option of continuing exploration on its own right.

On 10 February 2020, the Company changed its provider for shareholder registry services from Link Market Services Limited to Automic Pty Ltd.

On 3 March 2020, the Company received the notification that the Ministry had awarded Western Tethyan Exploration for the BG1 license.

There were no other significant events after the reporting date.

DIRECTOR'S DECLARATION

The Directors of Raiden Resources Limited declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001 and:
 - a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - b) give a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half year ended on that date.
2. In the Directors' opinion, 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 made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



Michael Davy

Non-Executive Chairman

Dated 12 March 2020

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
RAIDEN RESOURCES LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Raiden Resources Limited (the company) and its subsidiaries (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 consolidated entity's financial position as at 31 December 2019 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*. As the auditor of Raiden Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

THE POWER OF BEING UNDERSTOOD
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RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Raiden Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

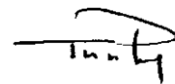
Conclusion

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 Raiden Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 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*.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 12 March 2020