

## RAIDEN ENTERS INTO AN OPTION AGREEMENT OVER ZLATUSHA PROJECT IN BULGARIA

### OVERVIEW

- Company executes an Option Agreement over Zlatusha project (195 Km<sup>2</sup>) in Bulgaria
- Zlatusha located in a mineral endowed arc segment between the world-class Timok Magmatic Complex and the Panagyurishte Copper-gold district
- Targets include porphyry copper-gold, epithermal gold-copper
- Large permit area over Upper Cretaceous Volcanics and intrusives
- Multiple porphyry and epithermal targets on the license

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

Dusko Ljubojevic, Managing Director of Raiden commented:

*"The Zlatusha project covers a large area of highly prospective geology and hosts multiple porphyry and epithermal prospects but has not been subject to significant modern exploration work. The project is located between the Timok Magmatic Complex and the Panagyurishte Belt, both of which are considered world class Cu-Au districts. The addition of the Zlatusha project to Raiden's' portfolio is significant and means that the Company has one of the largest exploration portfolios in this region, which is one of the most desirable copper-gold provinces in the world."*

### 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% - 46km<sup>2</sup>)

#### Donje Nevlje - Serbia

(100% – 74km<sup>2</sup>)

#### Majdanpek West - Serbia

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

#### Zupa - Serbia

(100% Raiden – 85km<sup>2</sup>)

#### Piro - Serbia

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

#### Bor - Serbia

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

#### Vuzel - Bulgaria

(JV with local entity – path to 100% - ~26.5km<sup>2</sup>)

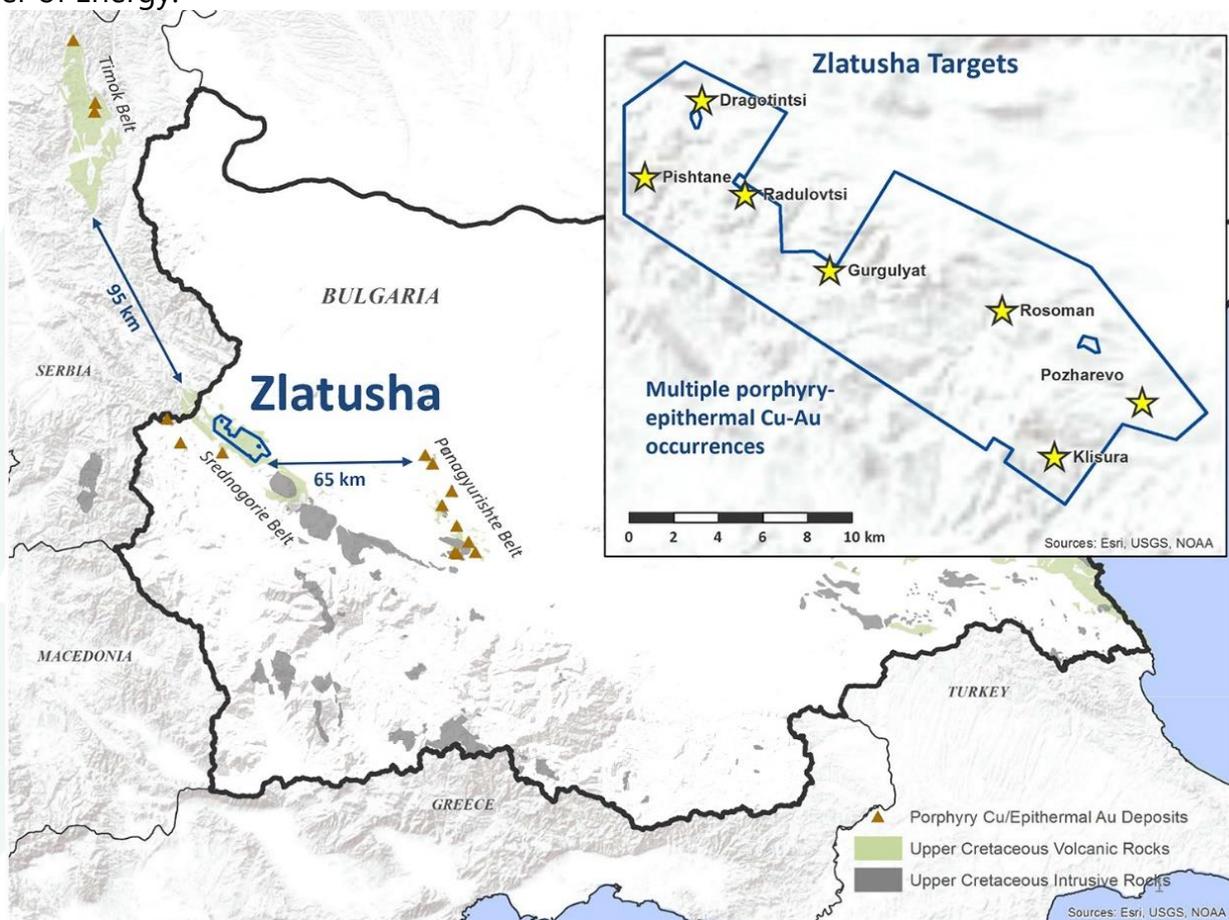
**Significant further ground holding currently under review.**

### About the Zlatusha Project

Raiden has signed an Option Agreement with QX Metals LTD (“QX”), over the Zlatusha project in Bulgaria. QX, a TSX-V listed Company (TSXV Code: QX) is the 100% holder of the Zlatusha license, through its 100% owned Bulgarian entity, Zelenrok EOOD.

The Zlatusha license area (195 km<sup>2</sup>) lies within an established porphyry copper-gold/epithermal belt located northwest of Sofia, in the Western Srednogorie segment of the Banat-Timok-Srednogorie magmatic arc. The Zlatusha project was selected for license application based on the presence of prospective geology, consisting of Cretaceous arc magmatic rocks, epithermal and porphyry copper related alteration systems and copper and gold mineral occurrences. Several separate magmatic-hydrothermal centres with outcropping copper-gold mineralization have been identified within the permit.

The Zlatusha license was approved by the Bulgarian Council of Ministers in June 2016. QX and the Company are expecting issuance of the formal exploration permit from the Minister of Energy shortly, which is the final step required in the application process, at which time field activities can commence. The Option period will not commence until the formal exploration permit has been issued by the Minister of Energy.



**Figure 1** - Location of the Zlatusha license in relation to other Copper-Gold districts within Serbia and Bulgaria, including locations of main Cu-Au prospects which have been defined on the project to date

## Geological setting

The project area is underlain by Upper Cretaceous andesite volcanic rocks, Cretaceous carbonate and clastic sedimentary rocks, which are intruded by diorite porphyry stocks and dikes. The geological setting of these highly prospective rocks is similar to the Cukaru Peki deposit, 65 kilometres to the northwest in eastern Serbia, and to Chelopech mine, 45 kilometres to the east in Bulgaria's Panagyurishte trend.

Multiple porphyry-related alteration zones, characterized by intense quartz-sericite-pyrite alteration and associated biotite altered diorite porphyry, are present at Zlatusha. Outcrops of quartz vein stockwork with chalcopyrite mineralization cutting biotite altered diorite porphyry have also been identified on the property.

The license contains several primary and multiple secondary exploration targets defined by hydrothermal alteration, and/or anomalous copper and/or gold geochemistry, interpreted to be related to epithermal and porphyry environments within a potential porphyry system.



*Figure 2 – large and intense Argillic alteration zone on the Klisura prospect*



*Figure 3 - Outcropping Malachite (Cu-Oxide) mineralisation on the Radulovtsi prospect*

### Option Agreement Terms

Under the terms of the agreement the Company has an Option to earn a 75% project level interest 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 meters of reverse circulation or diamond drilling.
- **Phase 2 Option:** By completing a 43-101 compliant Preliminary Feasibility Study ("PFS"), by the 7<sup>th</sup> 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 Resources 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)
- 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

FOR FURTHER INFORMATION PLEASE CONTACT:

**DUSKO LJUBOJEVIC**

Managing Director

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**Competent Person's Statement**

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

**Disclaimer:**

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

forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events

### About Raiden Resources

**Raiden Resources Limited** (ASX: RDN) is an ASX listed copper—gold focused exploration company focused on the emerging prolific Tethyan metallogenic belt in eastern Europe, 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.