

Raiden Resources Limited

ACN 009 161 522

Interim Report - 31 December 2022

Directors	Mr Dusko Ljubojevic – Managing Director Mr Michael Davy – Non-Executive Chairman Mr Martin Pawlitschek – Non-Executive Director Mr Dale Ginn – Non-Executive Director
Company secretary	Ms Kyla Garic
Registered office	7/63 Shepperton Road Victoria Park WA 6100
Share registry	Automic Pty Ltd Level 5, 191 St Georges Terrace Perth WA 6000
Auditor	RSM Australia Partners Level 32, 2 The Esplanade Perth WA 6000
Bankers	NAB 197 St Georges Terrace Perth WA 6000
Stock exchange listing	Raiden Resources Limited Shares are listed on the Australian Securities Exchange (ASX code: RDN)
Website	www.raidenresources.com.au

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Raiden Resources Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

Directors

The following persons were Directors of Raiden Resources Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Name	Position
Mr Dusko Ljubojevic	Managing Director
Mr Michael Davy	Non-Executive Chairman
Mr Martin Pawlitschek	Non-Executive Director
Mr Dale Ginn	Non-Executive Director

Principal activities

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

Review of operations

During the half-year ended 31 December 2022, the following activities occurred:

Exploration Activities in Western Australia

The Company completed its maiden diamond drill program at Mt Sholl with a total of 39 diamond holes for 4,204m drilled between 19 September and 23 October 2022.

High-grade and broad zones of Ni-Cu-PGE sulphide mineralisation were intersected during the program and included notable intercepts such as:

- **22B2DD003¹**
 - 18.65m @ 0.56% Ni, 0.69% Cu, 1.16g/t 3E⁶, 230ppm Co and 3.08g/t Ag (or 18.65m @ 1.21% Ni Eq⁷ from 31m), including;
 - 1.8m @ 1.43% Ni, 0.99% Cu, 0.77g/t 3E, 515ppm Co and 3.92g/t Ag (or 1.8m @ 2.32% Ni Eq from 40.2m), and
 - 0.3m @ 2.58% Ni, 1.23% Cu, 2.19g/t 3E, 686ppm Co and 10.00g/t Ag (or 4.14% Ni Eq from 26.8m)
- **22B2DD005²**
 - 21.49m @ 1.46% Ni, 1.48% Cu, 1.11g/t 3E, 272ppm Co and 5.41g/t Ag (or 21.49m @ 1.75% Ni Eq from 32.70m), including;
 - 8m @ 1.09% Ni, 1.51% Cu, 1.43g/t 3E, 376ppm Co and 7.04g/t Ag (or 8m @ 2.42% Ni Eq from 39m), and
 - 2m @ 1.55% Ni, 1.83% Cu, 1.49g/t 3E, 517ppm Co and 8.80g/t Ag (or 2m @ 3.14% Ni Eq from 41.5m)
- **22B2DD007²**
 - 19.57m @ 0.75% Ni, 0.83% Cu, 0.94g/t 3E, 288ppm Co and 4.32g/t Ag (or 19.57m @ 1.58% Ni Eq from 36m), including;
 - 4.4m @ 1.17% Ni, 1.11% Cu, 1.24g/t 3E, 395ppm Co and 5.73g/t Ag (or 4.4m @ 2.26% Ni Eq from 42m), including; and
 - 0.9m @ 3.51% Ni, 1.46% Cu, 2.04g/t 3E, 1,200ppm Co and 6.24g/t Ag (or 0.9m @ 5.19% Ni Eq from 52.35m)
- **22B2DD013³**
 - 3.1m @ 1.69% Ni, 2.01% Cu, 2.79g/t 3E, 568ppm Co and 10.37g/t Ag (or 3.1m @ 3.83% Ni Eq from 116.4m), including;
 - 0.3m @ 2.88% Ni, 0.61% Cu, 2.65g/t 3E, 1,340ppm Co, 4.30g/t Ag (or 0.3m @ 4.34% Ni Eq from 109.4m)
- **22A1DD002⁴**
 - 17m @ 0.76% Ni, 0.87% Cu, 1.11g/t 3E, 318ppm Co and 3.9g/t Ag (or 17m @ 1.67% Ni Eq from 92.8m), including 7.5m @ 1.16% Ni, 1.20% Cu, 1.70g/t 3E, 452ppm Co and 4.99g/t Ag (or 7.5m @ 2.47% Ni Eq from 133m)
- **22B1DD002⁴**
 - 21m @ 0.65% Ni, 0.92% Cu, 0.84g/t 3E, 273ppm Co and 4.13g/t Ag (or 21m @ 1.48% Ni Eq from 67m), including;
 - 1m @ 1.68% Ni, 2.22% Cu, 1.52g/t 3E, 613ppm Co and 9.10g/t Ag (or 1m @ 3.51% Ni Eq from 81.0m)
- **22B1DD001⁴**
 - 28m @ 0.5% Ni, 0.78% Cu, 0.75g/t 3E, 210ppm Co and 4.17g/t Ag (or 28m @ 1.21% Ni Eq from 54m), including;
 - 4m @ 1.46% Ni, 1.30% Cu, 1.15g/t 3E, 526ppm Co and 5.89g/t Ag (or 4m @ 2.63% Ni Eq from 73.0m)
- **22B1DD003⁴**
 - 21.5m @ 0.46% Ni, 0.73% Cu, 0.77g/t 3E, 198ppm Co and 3.82g/t Ag (or 21.5m @ 1.16% Ni Eq from 149m)

The mineralisation at the A1, B1 and B2 deposits remain open in multiple directions, with the prospective contact between the layered intrusive host rocks of all three deposits and the surrounding country rock, extending along strike and at depth currently defined mineralisation.

This prospective contact extends for a cumulative 10.5 kilometres across the project area, with only approximately 4.3km drill tested to date (Figure 1). This presents an opportunity to define further, near surface mineralisation on the project. The mineralisation also remains open to depth, further improving the outlook for resource growth with additional drilling.

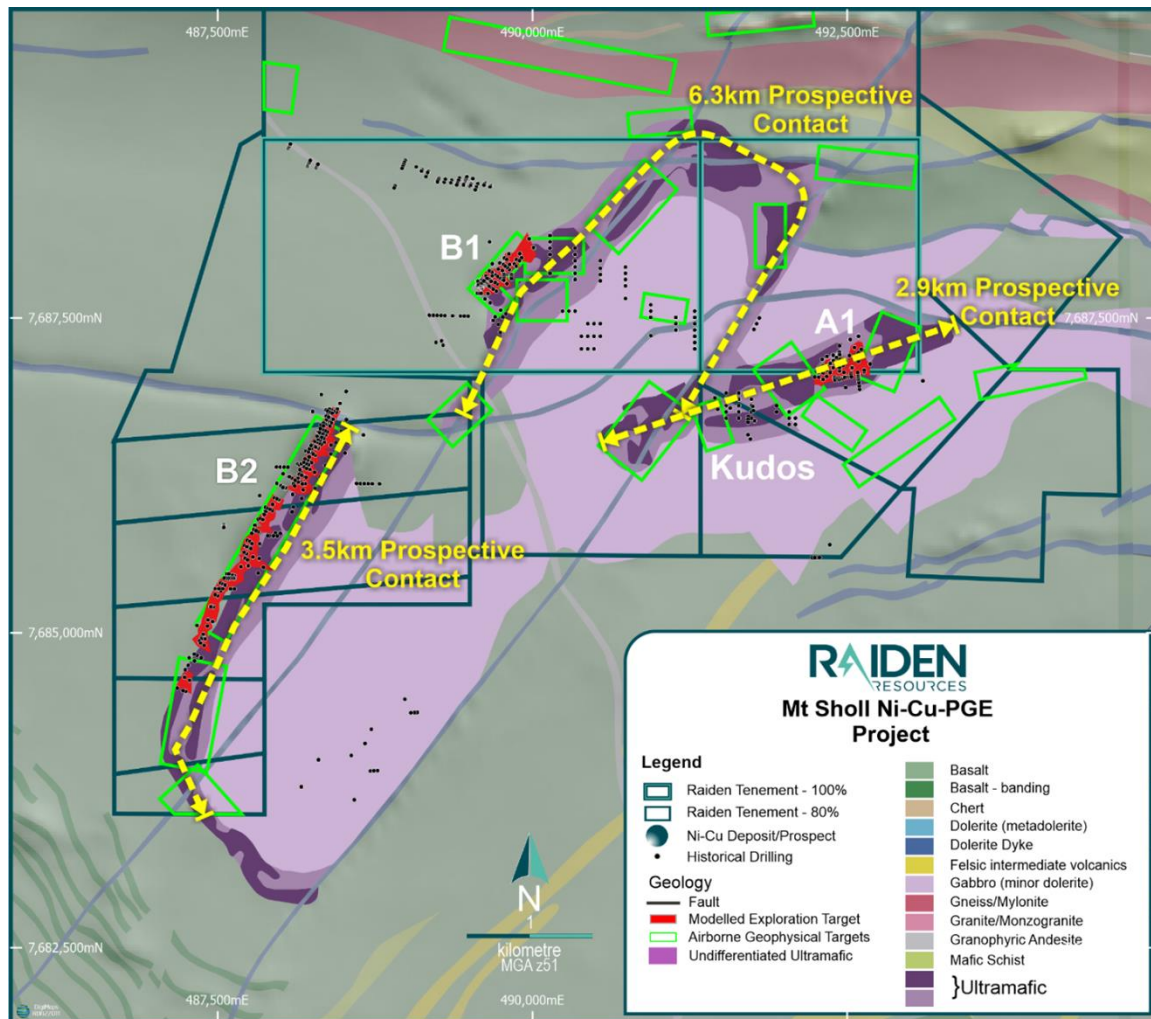


Figure 1: Mt Sholl Project area with Prospective Contact zones, drill hole locations over interpreted geology, JORC Exploration target⁶ (red) and EM targets (green).

The mineralisation styles intersected in these drill holes included massive, semi-massive, stringer and disseminated mineralisation within a predominantly gabbro/dolerite host, bounded by basalt flows above and below the mineralisation. In some discrete areas an ultramafic pyroxenite has been logged, which also hosts massive and disseminated sulphide mineralisation, indicating that multiple units may host mineralisation within the ultramafic sequence. Sulphide mineralisation intersected continues to consist of predominantly fine grained pyrrhotite, chalcopyrite and pentlandite.

The twin drilling undertaken by Raiden during this maiden program, with systematic sampling and analysis of the full suite of elements, has in some cases returned higher grades in comparison to relevant historical drilling, and provided encouragement that a systematic infill program and analysis of full suite of minerals may improve the average grades within the currently defined deposit.

Raiden has commenced with resource modelling, with an aim to release this resource estimate in of Q1'23, along with commencement of metallurgical evaluations and optimisation studies.

Other Australian Projects

During the period Raiden entered into a binding term sheet with Askari Metals Ltd (ASX:AS2) for the sale of its Myrnas Hill Project (E45/4907) located in the Pilbara region of Western Australia. The consideration comprised of \$125,000 in Askari shares (Share Consideration) and \$75,000 (Cash Consideration). The transaction was settled and completed in August 2022.

Exploration Activities in Bulgaria

The Company continues to review the projects regarding their early success from the maiden drilling program, as well as negotiations with potential partners regarding the projects.

Exploration Activities in Serbia

Upon review of all data sets generated by the Company, management concluded that the Tolisnica and Stanca projects are unlikely to generate a discovery of significance to the Company and has exited the project level joint venture with the local partner. The Company has not retained any interest in the project.

No further field activities were undertaken on the Serbian projects during the period.

Compliance Statement

- 1 Refer to ASX Announcement dated 24 October 2022 "Drill assays confirm high-grade Ni-Cu-PGE Mineralisation"
- 2 Refer to ASX Announcement dated 03 November 2022 "Further high-grade Ni-Cu-PGE drill assays at Mt Sholl"
- 3 Refer to ASX Announcement dated 23 November 2022 "High-grade Ni-Cu-PGE intercepts at B2 deposit"
- 4 Refer to ASX Announcement dated 19 December 2022 "Final Ni-Cu-PGE Drill assays, Resource Modelling underway"
- 5 Refer to ASX Announcement dated 17 November 2021 "Large Ni-Cu-Co-PGE Sulphide 'Exploration Target' Defined at Mt Sholl"

The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcements referenced in the footnote 1 – 5 and that all material assumptions and technical parameters continue to apply. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

6 3E = combined Pd, Pt & Au values

7 Ni Eq = nickel equivalent grade (formula and assumptions can be found in Table 4 of the referenced announcements)

Corporate

On 8 August 2022, 62,500,000 Class B Performance Shares lapsed due to the performance criteria not being met.

In October of 2022 the Company received firm commitments to raise approximately \$1.83 million via a Share Placement ("Placement") & underwritten Loyalty Option Placement ("Loyalty Option").

The Placement comprised of two Tranches to raise \$1,505,000 (before costs) through the issue of 215,000,000 new fully paid ordinary shares at \$0.007. Tranche 1, comprising of 67,109,738 ordinary fully paid shares was completed in August 2022 and Tranche 2, comprising of 147,890,262 ordinary fully paid shares was completed in October 2022.

In addition, Placement applicants will receive one (1) free attaching option for every two and half (2.5) placement shares subscribe for under the Placement, exercisable at 1.5c each, expiring on 30 November 2024 ("Placement Options").

Raiden also completed a loyalty offer on a one (1) for five (5) Loyalty Option to all eligible Raiden shareholders at a Record Date being 1 November 2022 at a cost of \$0.001 per option. The Loyalty Option was set on the same terms as the Placement Options and raised an additional \$326,488 before costs, the loyalty option was fully underwritten by CPS Capital.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 24 January 2023 subsequent to year end, the Company entered into a binding "Letter Agreement" with Velocity Minerals ("Velocity") for the Zlatusha project in Bulgaria.

Under the agreement Velocity has the options to acquire up to a 75% project level interest, by making staged cash and stock payments to the Company; executing minimum drilling programs and achieving technical milestones.

The key terms of the agreement are as follows:

- C\$1 million staged Velocity stock and cash payment to the Company;
- Drill 28,000 metres and definition of an Inferred Mineral Resources to earn 51%;
- Drill a further 12,000 metres (40,000 metres cumulative and publish a Preliminary Economic Assessment ("PEA"), on the project to earn a further 24% interest (75% cumulative interest).

On 8 February 2023, 75,000,000 performance shares issued under the December 2017 Company Prospectus expired and were cancelled.

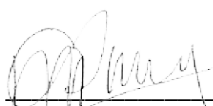
No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Michael Davy
Non-Executive Chairman

16 March 2023



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

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 2022, 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

RSM AUSTRALIA PARTNERS

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 16 March 2023

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Consolidated statement of profit or loss and other comprehensive income	8
Consolidated statement of financial position	9
Consolidated statement of changes in equity	10
Consolidated statement of cash flows	11
Notes to the consolidated financial statements	12
Directors' declaration	17
Independent auditor's review report to the members of Raiden Resources Limited	18

General information

The financial statements cover Raiden Resources Limited as a consolidated entity consisting of Raiden Resources Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Raiden Resources Limited's functional and presentation currency.

Raiden Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

7/63 Shepperton Road
Victoria Park WA 6100

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 16 March 2023.

Raiden Resources Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022



	Note	31 December 2022 \$	31 December 2021 \$
Revenue			
Interest income		1,382	192
Other income	3	200,000	6,887
Expenses			
Accounting and other professional fees		(77,719)	(129,996)
Administration expense		(75,135)	(80,193)
Corporate expenses		(96,795)	(64,763)
Depreciation and amortisation expense		(657)	(1,483)
Director fees		(119,599)	(112,666)
Exploration expenditure		(2,115,745)	(1,429,036)
Legal fees		(69,059)	(113,702)
Impairment of assets	4	(2,799,237)	-
Marketing and investor relations		(47,024)	(76,271)
Share-based payments		-	(1,330,863)
Loss before income tax expense		(5,199,588)	(3,331,894)
Income tax expense		-	-
Loss after income tax expense for the half-year		(5,199,588)	(3,331,894)
Other comprehensive (loss)/income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		(18,954)	9,591
Other comprehensive (loss)/income for the half-year, net of tax		(18,954)	9,591
Total comprehensive loss for the half-year		<u>(5,218,542)</u>	<u>(3,322,303)</u>
Loss for the half-year is attributable to:			
Non-controlling interest		(7,433)	-
Owners of Raiden Resources Limited		(5,192,155)	(3,331,894)
		<u>(5,199,588)</u>	<u>(3,331,894)</u>
Total comprehensive loss for the half-year is attributable to:			
Non-controlling interest		(7,433)	-
Owners of Raiden Resources Limited		(5,211,109)	(3,322,303)
		<u>(5,218,542)</u>	<u>(3,322,303)</u>
		Cents	Cents
Basic loss per share		(0.34)	(0.26)
Diluted loss per share		(0.34)	(0.26)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	31 December 2022 \$	30 June 2022 \$
Assets			
Current assets			
Cash and cash equivalents		364,110	536,163
Trade and other receivables		194,722	51,152
Financial assets at fair value through profit or loss		122,222	-
Other current assets		41,370	47,668
Total current assets		<u>722,424</u>	<u>634,983</u>
Non-current assets			
Property, plant and equipment		56,040	60,326
Exploration and evaluation	4	9,304,664	11,737,601
Financial assets		-	452,569
Total non-current assets		<u>9,360,704</u>	<u>12,250,496</u>
Total assets		<u>10,083,128</u>	<u>12,885,479</u>
Liabilities			
Current liabilities			
Trade and other payables		686,439	161,182
Provisions		7,045	-
Other liabilities		205,360	263,189
Total current liabilities		<u>898,844</u>	<u>424,371</u>
Total liabilities		<u>898,844</u>	<u>424,371</u>
Net assets		<u>9,184,284</u>	<u>12,461,108</u>
Equity			
Issued capital	6	25,528,089	23,912,859
Reserves	7	1,941,386	1,633,852
Accumulated losses		(18,277,758)	(13,085,603)
Equity attributable to the owners of Raiden Resources Limited		9,191,717	12,461,108
Non-controlling interest		(7,433)	-
Total equity		<u>9,184,284</u>	<u>12,461,108</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

	Issued capital	Share based payment reserve	Foreign currency reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$
Balance at 1 July 2021	20,436,221	210,237	40,249	(8,299,832)	12,386,875
Loss after income tax expense for the half-year	-	-	-	(3,331,894)	(3,331,894)
Other comprehensive income profit for the half-year, net of tax	-	-	9,591	-	9,591
Total comprehensive (loss)/income for the half-year	-	-	9,591	(3,331,894)	(3,322,303)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	2,898,395	-	-	-	2,898,395
Vested performance rights	-	1,330,863	-	-	1,330,863
Balance at 31 December 2021	23,334,616	1,541,100	49,840	(11,631,726)	13,293,830

	Issued capital	Share based payment reserve	Option reserve	Foreign currency reserve	Accumulated losses	Non-controlling interest	Total equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	23,912,859	1,377,900	163,200	92,752	(13,085,603)	-	12,461,108
Loss after income tax expense for the half-year	-	-	-	-	(5,192,155)	(7,433)	(5,199,588)
Other comprehensive loss for the half-year, net of tax	-	-	-	(18,954)	-	-	(18,954)
Total comprehensive loss for the half-year	-	-	-	(18,954)	(5,192,155)	(7,433)	(5,218,542)
<i>Transactions with owners in their capacity as owners:</i>							
Contributions of equity, net of transaction costs (note 6)	1,615,230	-	-	-	-	-	1,615,230
Issue of options (note 6)	-	-	326,488	-	-	-	326,488
Balance at 31 December 2022	25,528,089	1,377,900	489,688	73,798	(18,277,758)	(7,433)	9,184,284

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	31 December 2022 \$	31 December 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(554,960)	(657,329)
Payments for exploration and evaluation		(1,523,015)	(1,186,694)
Interest received		1,382	192
Net cash used in operating activities		<u>(2,076,593)</u>	<u>(1,843,831)</u>
Cash flows from investing activities			
Payments for exploration and evaluation		-	(355,715)
Purchase of plant and equipment		-	(5,017)
Proceeds from sale of tenements		75,000	-
Cash on acquisition of subsidiary		84,158	-
Net cash from/(used in) investing activities		<u>159,158</u>	<u>(360,732)</u>
Cash flows from financing activities			
Proceeds from issue of shares (net of costs)		1,413,995	2,425,000
Proceeds from issue of options		326,489	-
Net cash from financing activities		<u>1,740,484</u>	<u>2,425,000</u>
Net (decrease)/increase in cash and cash equivalents		(176,951)	220,437
Cash and cash equivalents at the beginning of the financial half-year		536,163	2,696,735
Effects of exchange rate changes on cash and cash equivalents		4,898	4,645
Cash and cash equivalents at the end of the financial half-year		<u><u>364,110</u></u>	<u><u>2,921,817</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

Statement of compliance

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard 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 2022 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*.

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 10 March 2023.

Going concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a loss of \$5,199,588 and had net cash outflow from operating activities of \$2,076,593 for half-year ended 31 December 2022. As at that date, the Group has net current liabilities of \$176,420.

The Directors have prepared a cash flow forecast, which indicates that the Company will be required to raise funds to provide additional working capital and to continue to fund its activities. The ability of the Group to continue as a going concern is dependent on securing additional funding by capital raise or other means.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that there will be sufficient funds available to continue to meet the Group's working capital requirements as at the date of this report and that sufficient funds will be available to finance the operations of the Group for the following reasons:

- The Group has the ability to reduce its expenditure to conserve cash.
- The Group has historically demonstrated its ability to raise funds to satisfy its immediate cash requirements.
- The Group has the ability to raise additional funds from the sale of non-core assets.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') 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.

Note 2. Operating segments

The consolidated entity has identified one 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. Other income

	31 December 2022 \$	31 December 2021 \$
Sale of tenement	200,000	-
Other income	-	6,887
	<u>200,000</u>	<u>6,887</u>

Note 4. Exploration and evaluation

	31 December 2022 \$	30 June 2022 \$
Exploration and evaluation cost	12,103,901	11,737,601
Less: Impairment	(2,799,237)	-
Net carrying value	<u>9,304,664</u>	<u>11,737,601</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Total \$
Balance at 1 July 2022	11,737,601
Additions	366,300
Impairment of assets	<u>(2,799,237)</u>
Balance at 31 December 2022	<u>9,304,664</u>

The impairment expense of \$2,799,237 (HY21: Nil) recognised for the half year ended 31 December 2022 relates to the non-core permits Yandicoogina and Boodalyerrie which were acquired in 2021 as part of the acquisition of Pilbara Gold Corporation Pty Ltd.

Note 5. Asset acquisition

The Company has an Agreement with Ridge Minerals OOD to earn-in up to 90% position in Vuzel Minerals EOOD (which holds the Vuzel permit) and an option to purchase 100% of the project. Under the Stage 1 Earn-In, Raiden was required to expand not less than A\$350,000 of exploration expenditure on Vuzel permit.

During the half year ended 31 December 2022, Company completed the Stage 1 Earn-In by expending \$453,169 on the project. This resulted in Raiden's holding increasing to 51% equity interest in Vuzel Minerals EOOD.

The net asset position of Vuzel Minerals EOOD at completion date was as follows:

Note 5. Asset acquisition (continued)

Fair value of net assets acquired as follows:	\$
Cash and cash equivalents	84,158
Exploration and evaluation expenditure	361,578
Non-controlling interest	7,433
Net liabilities acquired	<u>453,169</u>
Cash consideration	453,169
	<u>453,169</u>

Note 6. Issued capital

	31 December 2022 Shares	30 June 2022 Shares	31 December 2022 \$	30 June 2022 \$
Ordinary shares - fully paid	<u>1,654,582,457</u>	<u>1,417,442,132</u>	<u>25,528,089</u>	<u>23,912,859</u>

Movements in ordinary Share capital

Details	Date	Shares	\$
Balance	1 July 2021	1,248,641,496	20,436,221
Selective buy back (Acuity Capital) *	18 October 2021	(21,000,000)	-
Issue of shares on acquisition of Welcome tenements	25 October 2021	18,935,808	500,000
Fair value adjustment in accordance with AASB 2	25 October 2021	-	(26,605)
Issue of shares under placement	8 November 2021	125,000,000	2,500,000
Issue of broker shares	8 November 2021	3,750,000	75,000
Issue of shares on acquisition of Zelenrok EOOD	29 April 2022	38,326,654	1,000,000
Fair value adjustment in accordance with AASB 2	29 April 2022	-	(463,427)
Issue of shares on acquisition of Welcome tenements	27 May 2022	3,788,174	50,000
Fair value adjustment in accordance with AASB 2	27 May 2022	-	(8,330)
Less: capital raising costs		-	(150,000)
Balance	30 June 2022	<u>1,417,442,132</u>	<u>23,912,859</u>

Movements in spare Share capital

Details	Date	Shares	\$
Balance	1 July 2022	1,417,442,132	23,912,859
Issue of shares under the Placement (Tranche 1)	9 August 2022	67,109,738	469,768
Issue of shares under the Placement (Tranche 1)	10 October 2022	147,890,262	1,035,232
Issue of shares to supplier	28 November 2022	22,140,325	213,604
Less: capital raising fees		-	(103,374)
Balance	31 December 2022	<u>1,654,582,457</u>	<u>25,528,089</u>

There were no dividends paid, recommended or declared during the current half or previous financial year.

Note 7. Reserves

	31 December 2022	30 June 2022
	\$	\$
(a) Foreign currency reserve	73,798	92,752
(b) Options reserve	489,688	163,200
(c) Share based payments reserve	1,377,900	1,377,900
	<u>1,941,386</u>	<u>1,633,852</u>

(a) Foreign currency reserve

Opening balance at 1 July 2021	40,249
Difference arising on translation	52,503
Balance at 30 June 2022	<u>92,752</u>
Opening balance at 1 July 2022	92,752
Difference arising on translation	(18,954)
Balance at 31 December 2022	<u>73,798</u>

(b) Option Reserve

		No	\$
Opening balance at 1 July 2021	01/07/2021	-	163,200
Issue of free attaching listed options	17/01/2022	50,000,000	-
Balance at 30 June 2022		<u>50,000,000</u>	<u>163,200</u>
Opening balance at 1 July 2022	01/07/2022	50,000,000	163,200
Issue of free attaching options	22/11/2022	155,000,000	-
Issue of listed options	22/11/2022	164,719,447	164,719
Issue of listed options	22/11/2022	161,768,733	161,769
Balance at 31 December 2022		<u>531,488,180</u>	<u>489,688</u>

(c) Performance Rights Reserve

Opening balance at 1 July 2021	01/07/2021	13,000,000	47,037
Lapse of performance rights	02/08/2021	(13,000,000)	-
Issue of performance rights (Tranche 1)	27/10/2021	21,900,000	455,520
Issue of performance rights (Tranche 2)	27/10/2021	7,300,000	52,998
Issue of performance rights (Tranche 3)	27/10/2021	25,550,000	495,670
Issue of performance rights (Tranche 4)	27/10/2021	18,250,000	326,675
Balance at 30 June 2022		<u>73,000,000</u>	<u>1,377,900</u>
Opening balance at 1 July 2022	01/07/2022	73,000,000	1,377,900
Balance at 31 December 2022		<u>73,000,000</u>	<u>1,377,900</u>

Note 8. Contingent liabilities

The group has no known contingent liabilities as at 31 December 2022.

Note 9. Commitments

	31 December 2022 \$	30 June 2022 \$
Exploration expenditure commitments		
Within one year	1,203,224	910,459
Longer than one year and not longer than five years	2,060,452	2,485,889
Longer than five years	80,500	50,500
Total	<u>3,344,176</u>	<u>3,446,848</u>

Note 10. Related party transactions

Related party transactions remain consistent to those disclosed in the Company's annual financial report for the financial year ended 30 June 2022.

Parent entity

Raiden Resources Limited is the parent entity.

Transactions with related parties

There were no transactions with related parties during the current and previous financial half-year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 11. Events after the reporting period

On 24 January 2023 subsequent to year end, the Company entered into a binding "Letter Agreement" with Velocity Minerals ("Velocity") for the Zlatusha project in Bulgaria.

Under the agreement Velocity has the options to acquire up to a 75% project level interest, by making staged cash and stock payments to the Company; executing minimum drilling programs and achieving technical milestones.

The key terms of the agreement are as follows:

- C\$1 million staged Velocity stock and cash payment to the Company;
- Drill 28,000 metres and definition of an Inferred Mineral Resources to earn 51%;
- Drill a further 12,000 metres (40,000 metres cumulative and publish a Preliminary Economic Assessment ("PEA"), on the project to earn a further 24% interest (75% cumulative interest).

On 8 February 2023, 75,000,000 performance shares issued under the December 2017 Company Prospectus expired and were cancelled.

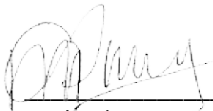
No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read "Michael Davy", written over a horizontal line.

Michael Davy
Non-Executive Chairman

16 March 2023



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111
www.rsm.com.au

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

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Raiden Resources Limited which comprises the consolidated statement of financial position as at 31 December 2022, 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.

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 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the half-year financial report, which indicates that the consolidated entity incurred a net loss of \$5,199,588 and had net cash outflows from operating activities of \$2,076,593 during the half year ended 31 December 2022. As at that date, the consolidated entity's current liabilities exceeded its current assets by \$176,420. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of Raiden Resources Limited in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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.

Directors' Responsibility for the Half-Year Financial Report

The directors of Raiden Resources Limited 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 for the Review of the Financial Report

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 2022 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*.

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.

RSM

RSM AUSTRALIA PARTNERS



ALASDAIR WHYTE
Partner

Perth, WA
Dated: 16 March 2023