

Raiden Resources Limited

ACN 009 161 522

Interim Report - 31 December 2023

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Directors	Mr Dusko Ljubojevic – Managing Director Mr Michael Davy – Non-Executive Chairman Mr Dale Ginn – Non-Executive Director Ms Kyla Garic - Non-Executive Director
Company secretary	Ms Kyla Garic
Registered office	7/63 Shepperton Road Victoria Park WA 6100
Share registry	Automic Pty Ltd Level 2, 267 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 / DAX code: YM4)
Website	www.raidenresources.com.au

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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') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

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 Dale Ginn	Non-Executive Director
Ms Kyla Garic	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, on the Andover North-South, Mt Sholl and Arrow Lithium projects. In addition the Company holds rights to projects in the Western Tethyan metallogenic belt in Eastern Europe, where it has established an exploration footprint in Serbia and Bulgaria.

Significant changes in the state of affairs

Refer below to the review of operations for 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

The Company announced that it had secured Heritage surveys over both the Andover North and Andover South projects, these are important progress steps for the Company and its progress to the objective of drill testing.

No matter or circumstance has arisen since 31 December 2023 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.

Review of operations

During the half-year ended 31 December 2023, the following activities occurred:

Exploration Activities in Western Australia

Andover Project

Detailed structural mapping and outcrop sampling program was undertaken throughout the reporting period on E47/4062, as the Company continued to gather data required for effective planning of the upcoming drill program.

A total of 545 rock chip samples were collected from outcrops on the Andover South Project during the sampling program, of which a total of 79 samples assayed >1% Li₂O, with the highest results being sample R21843 with **3.80% Li₂O**¹.

Other notable high-grade results included:

- 3.64% Li₂O - sample R21952
- 2.97% Li₂O - sample R21923
- 2.87% Li₂O - sample R21989
- 2.79% Li₂O - sample R21949
- 2.77% Li₂O - sample R21922
- 2.71% Li₂O - sample R21918

These results supported Management assessment of the high-grade nature of outcropping pegmatites at Andover South, with multiple, high-grade pegmatites assaying with significant Li₂O values.

During November the Company engaged CSA Global to assist in a re-evaluation exercise of the Andover South pegmatite project in the Pilbara². The field program included re-mapping of the defined pegmatites and analysis of the outcrop.

The following are the key observations on the basis of the analysis;

- Majority of observed pegmatites are classified as “complex zoned” pegmatites. In such pegmatites, mineralised zones are typically distributed around the quartz core(s) and can be variable in nature along the strike and dip of the individual pegmatite.
- In reference to a global dataset of K-feldspar K/Rb fractionation data (provided by CSA Global), which indicates that pegmatites globally, with a K/Rb value of <30, have the highest potential to host lithium mineralisation, it was determined that:
 - The K-feldspar fractionation data from the Andover South pegmatites specifically indicate that the **high-grade lithium mineralisation is associated with K/Rb values of <10**. Multiple pegmatites / zones of pegmatites are **fractionated (K/Rb 10-20)** but are not associated with positive samples.

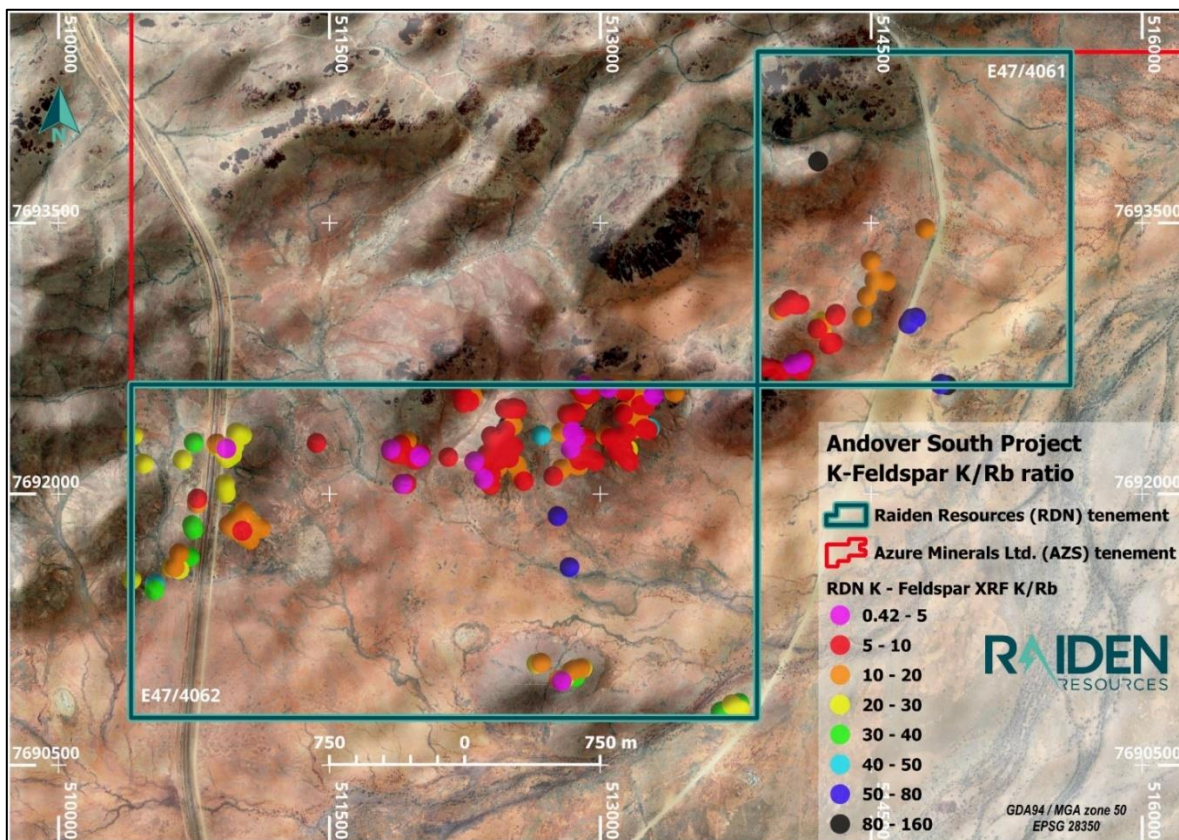


Figure 1: Andover South Project – K-Feldspar K/Rb ratios showing fractionation trends²

(where <10 corresponds with current highest Li₂O grade pegmatites and <30 shows very highly fractionated pegmatites, being most likely to host further LCT mineralisation)

- The most fractionated pegmatites in Raiden’s Project area have K/Rb values of <10 and have coincident anomalous Cs and Ta. These very highly fractionated pegmatites correspond to rock chip samples with significantly elevated Li₂O (up to 3.80% Li₂O¹) and observed spodumene mineralisation.

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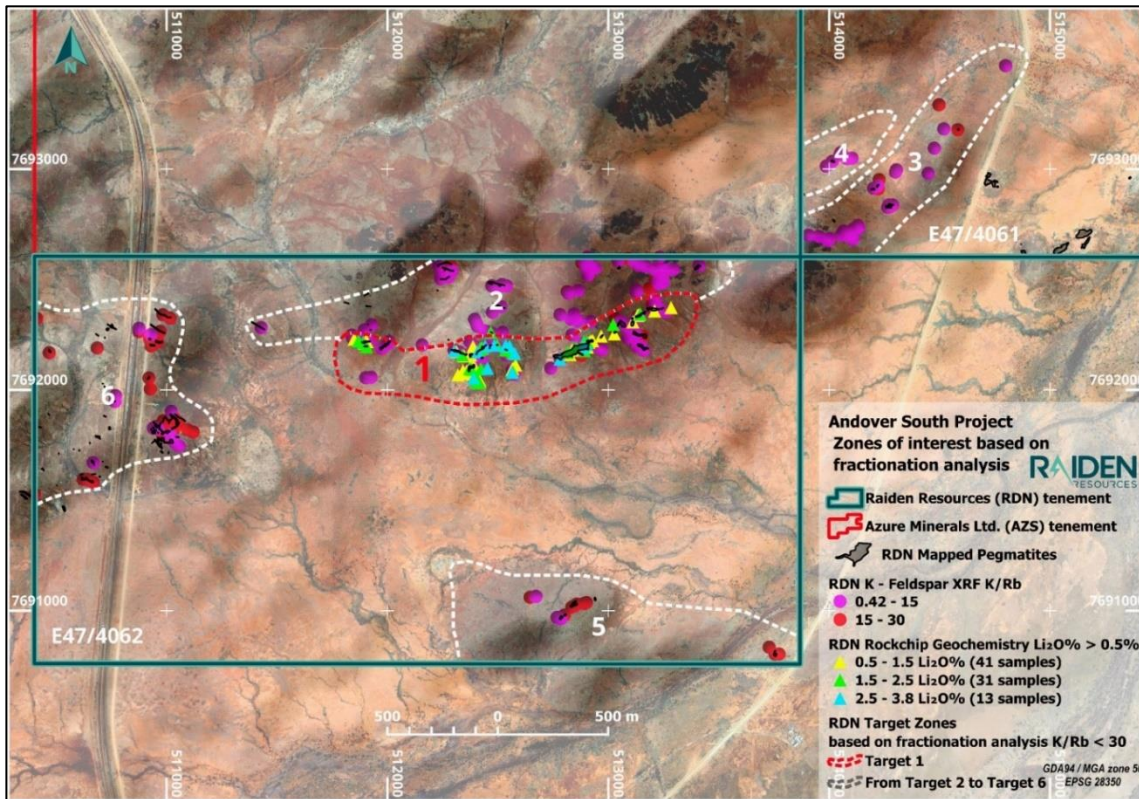


Figure 2: Andover South Project – zones of interest based on fractionation analysis of pegmatites²

The Company also undertook further semi-quantitative XRD analysis on whole rock chip samples collected during late August 2023.

Samples selected for analysis had previously returned 2.14% (sample # R21533) and 2.11% (sample #R21826) Li₂O values.

The XRD analysis further confirmed previously reported results³ that Spodumene is likely the dominant lithium bearing mineral, with a **highest result of 29% Spodumene returned** in sample R21160 from the Andover South project.

It should be noted that these XRD analysis results were undertaken on outcropping rock samples and not from drill core therefore may not be representative of the entire mineralised system. On completion of the drilling program, management will submit larger, representative samples for further analysis.

Further observations from the analysis indicate that the samples contain low content of micas, which supports the theory that the Li₂O mineralisation is predominantly derived from Spodumene mineralisation and unlikely to be associated with lithium bearing Micas, which were not defined by the XRD analysis from the samples submitted to date.

Mt Sholl Project

The Company executed a soil sampling program over the northern tenement during October. The samples were analysed for the full suite of LCT elements, as well as other elements.

On the basis of the results to date, several distinct geochemical trends have been defined. A +30ppm lithium soil trend in the central western part of the permit area extends along a 3.5km east-west trending corridor, with peak values of 138.5ppm lithium⁴. The strike of the trend aligns with GreenTech Metals Ltd⁸ (ASX:GRE) released lithium-in-soil anomalies, positive rock sampling, and GRE's announced intersection of pegmatites in drilling (Figure 3). The highest soil anomaly values are in the western part of the project area, as depicted in Figure 3.

A >50ppm lithium soil anomaly in the southern part of the license extends over a 2.5km strike extent, with a peak value of 187.5ppm lithium. This trend does not seem to be associated with any of the known anomalies/trends in the district and is a new target area which the Company will evaluate through the upcoming programs.

A follow-up infill soil sampling program was undertaken on E47/3181 during January 2024 and results will be reported as they are received and interpreted.

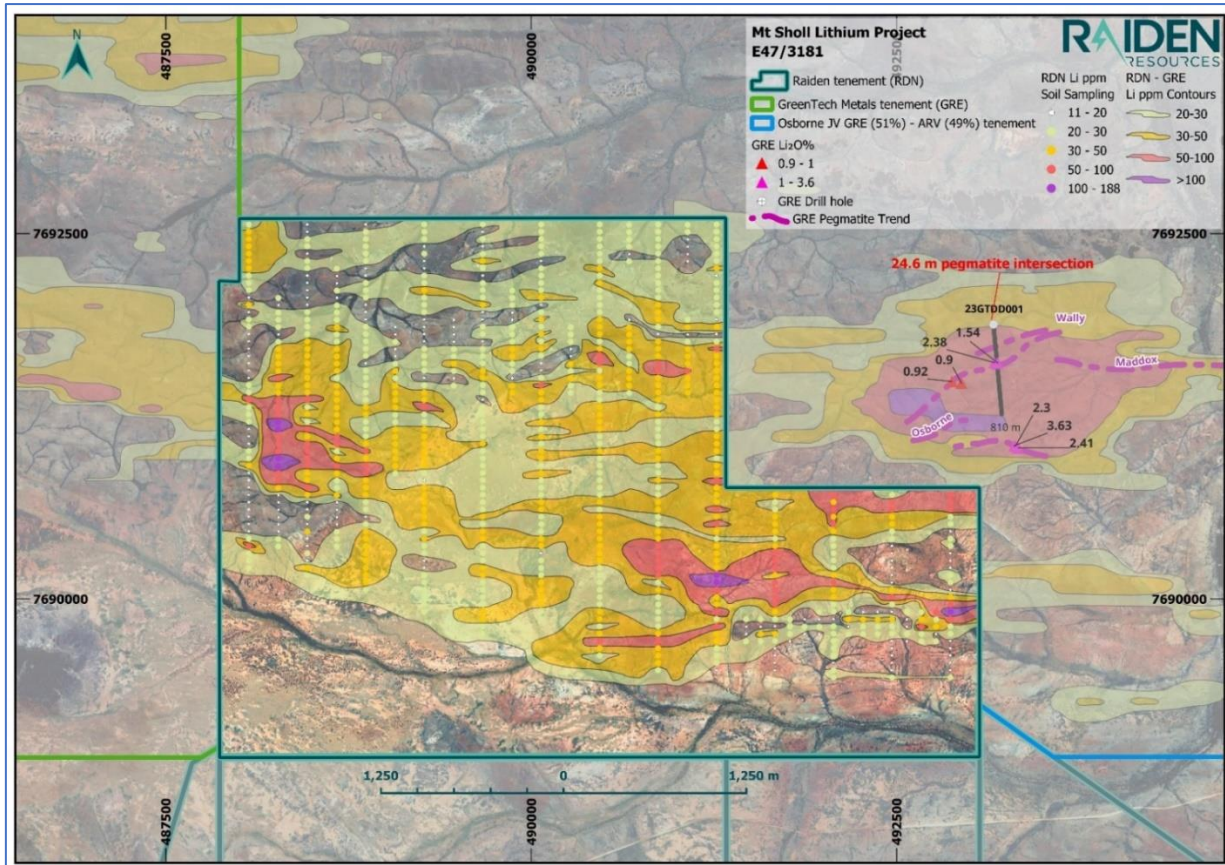


Figure 3: Mt Sholl Project with the results of Raiden’s lithium soil sampling program⁴, in relation to GreenTech Metals Ltd’s Osborne JV results⁵

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Arrow Project

Throughout the reporting period, the Company undertook a reconnaissance mapping exercise over the Arrow project. As a result of the program announced in October 2023⁶, the Company reported that it has mapped outcropping pegmatites on the Arrow project. Indication of potential Spodumene mineralisation, from samples collected from the pegmatites, was provided by the fluorescence test of samples under Ultraviolet (“UV”) light. Spodumene mineralisation may fluoresce (usually pink), under UV light and is a commonly used field technique to evaluate for the presence of Spodumene mineralisation. The Company has also submitted the soil samples, previously collected during the gold exploration program, to the laboratory for lithium and associated element analysis. These results are being evaluated and next steps will be determined on the basis of these results.

Tabba Tabba

Throughout the reporting period the Company undertook a review and compilation of historical exploration and geophysical data over the project. On the basis of this interpretation and analysis, management have defined potential for Lithium bearing pegmatite host geology at the Tabba Tabba Project (~80km²). As reported by the Company in October 2023⁷, the analysis of available magnetic data sets indicates the presence of relict mafic rocks immediately adjacent to Split Rock Supersuite granite, which is interpreted to be the source of lithium-bearing pegmatite mineralisation in the district. Shallow transported material at Tabba Tabba Project obscures underlying geology and management believes that alternative exploration techniques, such as the application of Ultrafine soil sampling may assist in defining potential targets.

Other Australian Projects

Management continued to engage with potential partners regarding the divestment and partnerships regarding non-core assets in Australia.

Exploration Activities in Bulgaria

Vuzel

No field activities were undertaken on the project through the reporting period. Throughout the reporting period, the Company, through its 51% owned Bulgarian subsidiary, Vuzel Minerals Ltd, successfully extended the project for a further 2-year exploration term. Management is planning for a drill campaign on the project, to be undertake in 2024, to follow up on the high grade targets defined on the on the project to date.

Zlatusha

Throughout the reporting period, target generation work has been undertaken on the project by Velocity Minerals, as per the option/earn-in agreement, as announced by the Company on the 24th of January 2023⁹ As part of this program, Velocity has spent approximately \$516,572 and executed on the following works:

- Completion and processing of a property-wide 2,400 line-km drone magnetic survey
- Completion of a 4,500-station ground radiometric survey
- Collection and analysis of 660 rock samples
- Collection and analysis of 1,800 soil samples and;
- Detailed mapping of key target areas

Under the terms of the agreement executed between the parties, Velocity Minerals have the option to earn into a 75% project level interest by sole funding and completing a Preliminary Economic Assessment (PEA), which will be based on a minimum of 40,000 metres of exploration drilling, as well as making cash and stock payments of C\$1m to Raiden over the term of the agreement. To date, Velocity has made the first stage payment of C\$220k to Raiden in the form of Velocity stock and has also undertaken the maintenance of all Zlatusha project work program and environmental bank guarantees.

Kalabak

Further target generation work was undertaken on the project by Velocity Minerals under an option agreement announced by the Company on the 9th of August 2023⁸. Due to lack of defined targets Velocity Minerals have informed the Company that it will terminate the Option Agreement over the project in 2024, the Company received subsequent to the half year. The Company does not intend to continue with further exploration activities on the Kalabak project and will undertake the required steps to relinquish the project to the Ministry of Energy in Bulgaria.

BG1 project

No activities were undertaken on the project during the reporting period.

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Exploration Activities in Serbia

Donje Nevlje

No field activities were undertaken during the reporting period. Management continues to engage with potential strategic partners regarding the Donje Nevlje project.

Acquisitions

Mt Sholl Project

The Company secured a 100% interest of Ni-Cu-PGE and LCT mineral rights over the Mt Sholl project when it acquired the remaining 20% interest held by Welcome Exploration Ltd. ("Welcome") in the project¹⁰.

Under the terms of the agreement, Raiden will acquire the remaining 20% interest of tenement holding from Welcome and after the transaction will have 100% of the mineral rights in the 12 tenements subject to the agreement.

The transaction not only provides Raiden with 100% exposure to the asset, but it allowed the company to consider alternative models (e.g. strategic partnerships), for future financing of exploration and development costs of the Mt Sholl project, while retaining a significant upside exposure to the asset.

On completion of consolidation of the Mt Sholl project mineral rights, the Company announced that it entered into an MOU over the Mt Sholl Ni-Cu-PGE project rights with First Quantum Minerals Australia Ltd¹¹ ("FQMA"). Raiden retained 100% of the LCT rights.

Under the terms of the non-binding Memorandum of Understanding ("MOU"), FQMA has the option to earn into a 70% position in the Mt Sholl Ni-Cu-PGE project through staged project investments, by achieving defined technical milestones, as well as making milestone payments to Raiden. The parties will aim to execute a binding letter agreement in the following months, which will be consistent with the terms of the MOU.

Arrow Project

During the reporting period the company entered into an agreement with Arrow Minerals Limited (ASX:AMD) to earn-in to an 85% position on the Arrow Project (E47/3476 and E47/3478) Lithium-Caesium-Tantalum rights which included an option to purchase 100% of those rights¹².

The Company currently owns 100% of the two tenements, but the Li-Cs-Ta rights are currently owned by Arrow Minerals Limited (ASX:AMD) and were the subject of the above transaction. Historic exploration in the area has identified fertile and fractionated granitic intrusions, which are known to be related to mineralised Li-Cs-Ta bearing (LCT) pegmatites. Historical rock sampling and analysis, along with field observations confirmed that the Satirist Granite was a potential source rock for LCT bearing pegmatites following which Raiden subsequently exercised its rights to acquire 100% of the LCT rights on the Arrow Project.

Corporate

During the reporting period the Company successfully raised \$6,000,000 by issuing 272,727,272 shares at issue price of \$0.022 to sophisticated and professional investors ("Placement"). The Company issued 7,828,966 ordinary fully paid at \$0.022 to partly settle Joint Lead Manager fees and issued 120,000,000 broker options at issue price of \$0.00001, exercisable at \$0.015 expiring on 30 November 2024.

The Company raised approximately \$2,861,162 on exercise of 174,856,047 listed options with various exercise prices and \$914,687 under the ATM Agreement with 8 Equity Pty Ltd.

On 31 December 2023, 39,787,310 listed options exercisable at \$0.04 expired without exercise.

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ASX Announcements referenced in this report

- ¹ASX:RDN 09 November 2023 Exceptional lithium results & additional spodumene XRD
- ²ASX:RDN 22 December 2023 Independent analysis confirms five new zones at Andover
- ³ASX:RDN 17 October 2023 XRD confirms high Spodumene content at Andover South
- ⁴ASX:RDN 5 December 2023 Multiple lithium soil samples defined at Mt Sholl Project
- ⁵ASX:GRE 29 November 2023 Maiden diamond Hole completed Osborne Joint Venture
- ⁶ASX:RDN 30 October 2023 Pegmatites and Spodumene Mapped at Arrow Project
- ⁷ASX:RDN 02 October 2023 Tappa Tappa Project Lithium Prospectivity review
- ⁸ASX:RDN 09 August 2023 RDN options Kalabak project in Bulgaria to Velocity Minerals
- ⁹ ASX:RDN 24 January 2023 Sale of up to 75% in Zlatusha through minimum earn-in & c\$1m
- ¹⁰ASX:RDN 12 December 2023 Raiden Acquires 100% of LCT & Ni-Cu-PGE Mineral Rights
- ¹¹ASX:RDN 13 December 2023 Raiden enters strategic partnership with FQM at Mt Sholl
- ¹²ASX:RDN 7 August 2023 Raiden acquires lithium rights over the Arrow Project

Competent Person's Statement and Previously Reported Information

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 – 4 and 6 – 12 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.

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

14 March 2024

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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 2023, 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: 14 March 2024

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Consolidated statement of profit or loss and other comprehensive income	11
Consolidated statement of financial position	12
Consolidated statement of changes in equity	13
Consolidated statement of cash flows	14
Notes to the consolidated financial statements	15
Directors' declaration	20
Independent auditor's review report to the members of Raiden Resources Limited	21

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:

Registered Office and principal place of business

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 14 March 2024.

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Raiden Resources Limited
 Consolidated statement of profit or loss and other comprehensive income
 For the half-year ended 31 December 2023



	Note	31 December 2023 \$	31 December 2022 \$
Revenue			
Interest income		65,364	1,382
Other income		25,000	200,000
Expenses			
Accounting and other professional fees		(97,293)	(77,719)
Administrative costs		(80,169)	(75,135)
Corporate expenses		(163,117)	(96,795)
Depreciation and amortisation expense		(5,514)	(657)
Director fees		(106,599)	(119,599)
Exploration expenditure		(1,095,781)	(2,115,745)
Impairment of assets		(282,914)	(2,799,237)
Legal fees		(65,671)	(69,059)
Marketing and investor relations		(80,293)	(47,024)
Share-based payments		(142,896)	-
Loss before income tax expense		(2,029,883)	(5,199,588)
Income tax expense		-	-
Loss after income tax expense for the half-year		(2,029,883)	(5,199,588)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		(6,807)	(18,954)
Other comprehensive loss for the half-year, net of tax		(6,807)	(18,954)
Total comprehensive loss for the half-year		(2,036,690)	(5,218,542)
Loss for the half-year is attributable to:			
Non-controlling interest		(48,370)	(7,433)
Owners of Raiden Resources Limited		(1,981,513)	(5,192,155)
		<u>(2,029,883)</u>	<u>(5,199,588)</u>
Total comprehensive loss for the half-year is attributable to:			
Non-controlling interest		(48,370)	(7,433)
Owners of Raiden Resources Limited		(1,988,320)	(5,211,109)
		<u>(2,036,690)</u>	<u>(5,218,542)</u>
		Cents	Cents
Basic loss per share		(0.09)	(0.34)
Diluted loss per share		(0.09)	(0.34)

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

	Note	31 December 2023 \$	30 June 2023 \$
Assets			
Current assets			
Cash and cash equivalents		7,713,855	737,795
Trade and other receivables		139,157	40,309
Financial assets		166,383	224,475
Other current assets		161,802	39,959
Total current assets		<u>8,181,197</u>	<u>1,042,538</u>
Non-current assets			
Plant and equipment		46,952	52,387
Exploration and evaluation expenditure	4	11,757,054	9,328,173
Total non-current assets		<u>11,804,006</u>	<u>9,380,560</u>
Total assets		<u>19,985,203</u>	<u>10,423,098</u>
Liabilities			
Current liabilities			
Trade and other payables		186,857	363,582
Employee benefits		14,378	11,083
Other liabilities		-	227,404
Total current liabilities		<u>201,235</u>	<u>602,069</u>
Total liabilities		<u>201,235</u>	<u>602,069</u>
Net assets		<u>19,783,968</u>	<u>9,821,029</u>
Equity			
Issued capital	5	36,027,282	26,690,549
Reserves	6	4,567,471	1,911,382
Accumulated losses		(20,750,571)	(18,769,058)
Equity attributable to the owners of Raiden Resources Limited		19,844,182	9,832,873
Non-controlling interest		(60,214)	(11,844)
Total equity		<u>19,783,968</u>	<u>9,821,029</u>

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

Raiden Resources Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2023



	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	1,615,230	-	-	-	-	-	1,615,230
Issue of options	-	-	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
	Issued capital	Share-based payment reserve	Option reserve	Foreign currency reserve	Accumulated losses	Non-controlling interest	Total equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	26,690,549	1,377,900	489,688	43,794	(18,769,058)	(11,844)	9,821,029
Loss after income tax expense for the half-year	-	-	-	-	(1,981,513)	(48,370)	(2,029,883)
Other comprehensive loss for the half-year, net of tax	-	-	-	(6,807)	-	-	(6,807)
Total comprehensive loss for the half-year	-	-	-	(6,807)	(1,981,513)	(48,370)	(2,036,690)
<i>Transactions with owners in their capacity as owners:</i>							
Contributions of equity, net of transaction costs (note 5)	9,336,733	-	-	-	-	-	9,336,733
Share-based payments (note 8)	-	17,896	2,645,000	-	-	-	2,662,896
Balance at 31 December 2023	36,027,282	1,395,796	3,134,688	36,987	(20,750,571)	(60,214)	19,783,968

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

	Note	31 December 2023 \$	31 December 2022 \$
Cash flows from operating activities			
Payments to suppliers and employees		(941,734)	(554,960)
Payments for exploration and evaluation		(1,176,761)	(1,523,015)
Joint venture exploration advances received		516,572	-
Joint venture exploration advances expended		(516,572)	-
Interest received		42,498	1,382
		<u>(2,075,997)</u>	<u>(2,076,593)</u>
Cash flows from investing activities			
Payments for exploration tenements		(450,000)	-
Proceeds from sale of tenements		11,000	75,000
Cash on acquisition of subsidiary		-	84,158
		<u>(439,000)</u>	<u>159,158</u>
Cash flows from financing activities			
Proceeds from issue of shares (net of costs)	5	6,639,741	1,413,995
Proceeds from exercise of options		2,879,242	326,489
		<u>9,518,983</u>	<u>1,740,484</u>
Net cash from financing activities		<u>9,518,983</u>	<u>1,740,484</u>
Net increase/(decrease) in cash and cash equivalents		7,003,986	(176,951)
Cash and cash equivalents at the beginning of the financial half-year		737,795	536,163
Effects of exchange rate changes on cash and cash equivalents		(27,926)	4,898
		<u>7,713,855</u>	<u>364,110</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>7,713,855</u></u>	<u><u>364,110</u></u>

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

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Note 1. Material accounting policy information

Statement of compliance

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2023 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 2023 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.

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. Advances from Joint Venture

On 24 January 2023, 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).

As at 31 December 2023, the Company received \$516,572 and spent \$516,572 in funding for Zlatusha project from Velocity.

Note 4. Exploration and evaluation expenditure

	31 December 2023	30 June 2023
	\$	\$
Exploration and evaluation cost	<u>11,757,054</u>	<u>9,328,173</u>

Note 4. Exploration and evaluation expenditure (continued)

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 2023	9,328,173
Additions	2,711,795
Impairment of assets	(282,914)
	<hr/>
Balance at 31 December 2023	<u>11,757,054</u>

The impairment expense of \$282,914 recognised for the half year ended 31 December 2023 relates to the non-core permit Kalabak.

Note 5. Issued capital

	31 December	30 June 2023	31 December	30 June 2023
	2023	2023	2023	2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>2,655,885,284</u>	<u>2,055,268,930</u>	<u>36,027,282</u>	<u>26,690,549</u>

Movements in ordinary 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
Issue of shares under Placement	17 April 2023	200,000,000	600,000
Issue of shares under Non-Renounceable Rights Issue	8 June 2023	200,686,473	602,060
Less: capital raising costs		-	(142,974)
		<hr/>	<hr/>
Balance	30 June 2023	<u>2,055,268,930</u>	<u>26,690,549</u>

Details	Date	Shares	\$
Balance	1 July 2023	2,055,268,930	26,690,549
Issue of shares under Placement	5 September 2023	227,272,727	5,000,000
Issue of shares to Joint Lead Managers	5 September 2023	6,818,182	150,000
Issue of shares under Placement (Oversubscription)	28 September 2023	45,454,545	1,000,000
Issue of shares to Joint Lead Managers	28 September 2023	1,010,784	22,237
Issue of shares to Welcome	10 November 2023	40,965,208	1,966,330
Issue of shares to Arrow	10 November 2023	8,238,861	395,465
Issue of shares to 8 Equity	14 November 2023	96,000,000	914,687
Issue of shares on conversion of Options	Various	174,856,047	2,861,162
Less: capital raising fees		-	(2,973,148)
		<hr/>	<hr/>
Balance	31 December 2023	<u>2,655,885,284</u>	<u>36,027,282</u>

Note 6. Reserves

	31 December 2023	30 June 2023
	\$	\$
(a) Foreign currency reserve	36,987	43,794
(b) Options reserve	3,134,688	489,688
(c) Performance rights reserve	1,395,796	1,377,900
	<u>4,567,471</u>	<u>1,911,382</u>

(a) Foreign currency reserve

Opening balance at 1 July 2022	92,752
Difference arising on translation	(48,958)
Balance at 30 June 2023	<u>43,794</u>
Opening balance at 1 July 2023	43,794
Difference arising on translation	(6,807)
Balance at 31 December 2023	<u>36,987</u>

(b) Option reserve

	Dates	No	\$
Opening balance at 1 July 2022	01/07/2022	50,000,000	163,200
Issue of Options under Option Prospectus	22/11/2022	155,000,000	-
Issue of Options to underwriter	22/11/2022	164,719,447	164,719
Issue of Options to underwriter	22/11/2022	161,768,733	161,769
Balance at 30 June 2023		<u>531,488,180</u>	<u>489,688</u>
Opening balance at 1 July 2023	01/07/2023	531,488,180	489,688
Issue of Broker Options	28/09/2023	120,000,000	2,520,000
Issue of Options to Consultant	10/11/2023	5,000,000	125,000
Exercise of Options		(215,323,180)	-
Balance at 31 December 2023		<u>441,165,000</u>	<u>3,134,688</u>

(c) Performance rights reserve

	Dates	No	\$
Opening balance at 1 July 2022	01/07/2022	73,000,000	1,377,900
Balance at 30 June 2023		<u>73,000,000</u>	<u>1,377,900</u>
Opening balance at 1 July 2023	01/07/2023	73,000,000	1,377,900
Issue of Performance Rights	14/11/2023	5,000,000	17,896
Balance at 31 December 2023		<u>78,000,000</u>	<u>1,395,796</u>

Note 7. Contingent liabilities

The consolidated entity has no known contingent liabilities as at 31 December 2023.

Note 8. Share-based payments

The following share-based payment arrangement were entered into during the six month period ended 31 December 2023:

- The issue of 1,000,000 Class A Performance Rights under the Employee Share Option Plan with exercise price of A\$Nil and expiry date of 14 November 2025. The options were issued to the COO on 14 November 2023 and vest subject to the Company achieving a 20-day VWAP of \$0.01 share price or higher on or before the expiry date (24 months). Also subject to continued employment for a minimum of six months after meeting of the milestone. For the half year ended 31 December 2023 a total expense of \$5,113 was recognised.
- The issue of 1,000,000 Class B Performance Rights under the Employee Share Option Plan with exercise price of A\$Nil and expiry date of 14 November 2025. The options were issued to the COO on 14 November 2023 and vest subject to the Company achieving a 20-day VWAP of \$0.015 share price or higher on or before the expiry date (24 months). Also subject to continued employment for a minimum of six months after meeting of the milestone. For the half year ended 31 December 2023 a total expense of \$5,113 was recognised.
- The issue of 1,500,000 Class C Performance Rights under the Employee Share Option Plan with exercise price of A\$Nil and expiry date of 14 November 2025. The options were issued to the COO on 14 November 2023 and vest subject to the Company achieving a 20-day VWAP of \$0.020 share price or higher on or before the expiry date (24 months). Also subject to continued employment for a minimum of six months after meeting of the milestone. For the half year ended 31 December 2023 a total expense of \$7,670 was recognised.
- The issue of 1,500,000 Class D Performance Rights under the Employee Share Option Plan with exercise price of A\$Nil and expiry date of 14 November 2025. The options were issued to the COO on 14 November 2023 and vest subject to the Company publishing a positive PFS over Mt Sholl project with a >\$200m NPV and >20%IRR. Subject to continued employment for a minimum of six months after meeting of the milestone. For the half year ended 31 December 2023, no amount has been recognised relating to Class D performance rights due to uncertainty regarding the achievement of performance milestones as described above.
- The issue of 5,000,000 listed options with exercise price of \$0.015 and expiry date of 30 November 2024 under the Consultancy Agreement. The options were valued using the opening market option price of \$0.025 on 9 November 2023, being the date the Consultancy Agreement was executed. Accordingly an amount of \$125,000 was recognised as share based payment.
- The issue of 120,000,000 listed options with exercise price of \$0.015 and expiry date of 30 November 2024 to the Joint Lead Manager and Broker. The options were valued using the opening market option price of \$0.022 on 22 September 2023, being the date the Shareholders approved the issue. Accordingly an amount of \$2,520,000 was recognised as capital raising fees within issued capital (Note 5)

For the performance rights granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
14/11/2023	14/11/2025	\$0.047	\$0.000	100.000%	-	4.350%	\$0.049
14/11/2023	14/11/2025	\$0.047	\$0.000	100.000%	-	4.350%	\$0.049
14/11/2023	14/11/2025	\$0.047	\$0.000	100.000%	-	4.350%	\$0.049
14/11/2023	14/11/2025	\$0.047	\$0.000	100.000%	-	4.350%	\$0.047

During the period ended 31 December 2023, no performance rights were converted or cancelled.

Note 9. Commitments

	31 December 2023	30 June 2023
	\$	\$
Exploration expenditure commitments		
Within one year	674,960	980,053
Longer than one year and not longer than five years	989,960	1,348,600
Longer than five years	150,000	160,000
	<u>1,814,920</u>	<u>2,488,653</u>
Total	<u>1,814,920</u>	<u>2,488,653</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 2023 other than the share based payments disclosed in Note 8.

Note 11. Events after the reporting period

The Company announced that it had secured Heritage surveys over both the Andover North and Andover South projects, these are important progress steps for the Company and its progress to the objective of drill testing.

No other matter or circumstance has arisen since 31 December 2023 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.

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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 2023 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



Michael Davy
Non-Executive Chairman

14 March 2024

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**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 2023, 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 2023 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*.

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.

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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 2023 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

A Whyte

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 14 March 2024