ZLATNA REKA RESOURCES

ANNOUNCEMENT

9 December 2021

Multiple High-Grade Ore Zones Defined at Gradina – Strong New Results

Recent drilling at Gradina has intersected multiple zones of high-grade gold mineralisation within drillhole ZRSD21143, including the following intervals:

- 9.3m @ 4.2g/t Au from 487.7m, and
- 6m @ 3.7g/t Au from 508.9m, and
- 57.4m @ 2g/t Au from 600m, including
- 8m @ 5.8g/t Au from 632.1m, and
- 22m @ 4g/t from 691.4m.

With mineralisation occurring between 487.7m and 713.4m downhole depth, the entire interval (including unmineralised waste) is 227.7m @ 1.3g/t Au.

Together with results from drill holes ZRSD21139 and ZRSD21140, this new drilling is defining coherent zones of mineralisation at Gradina that, importantly, we now think may extend close to the surface. This has obvious positive implications for the economic potential of this deposit.

Recently completed drillhole ZRSD21146 has intersected a wide zone of pyrrhotite-rich skarn, about 300m north of ZRSD21143. Assays are not yet available for this hole but if it is mineralised, it will represent a major strike-extension to the Gradina North deposit. Interestingly, this hole intersected the first significant copper mineralisation seen at Gradina, which may indicate a vector to a more proximal feeder zone towards the north.

Background

Zlatna Reka Resources (a local Serbian subsidiary of private equity fund Ibaera Capital) is pleased to advise that it has received assay results for the 2021 drilling program at the Gradina prospect within its 100%-owned Rogozna Gold-Base Metals Project in Serbia (Figure 1). The 2021 drilling program is a follow-up to the successful maiden drilling program completed in late 2020 that led to discoveries at Medenovac and Gradina North, and some of the best intersections recorded at Shanac (see Figure 2; or refer to the announcement released on 8 March 2021).

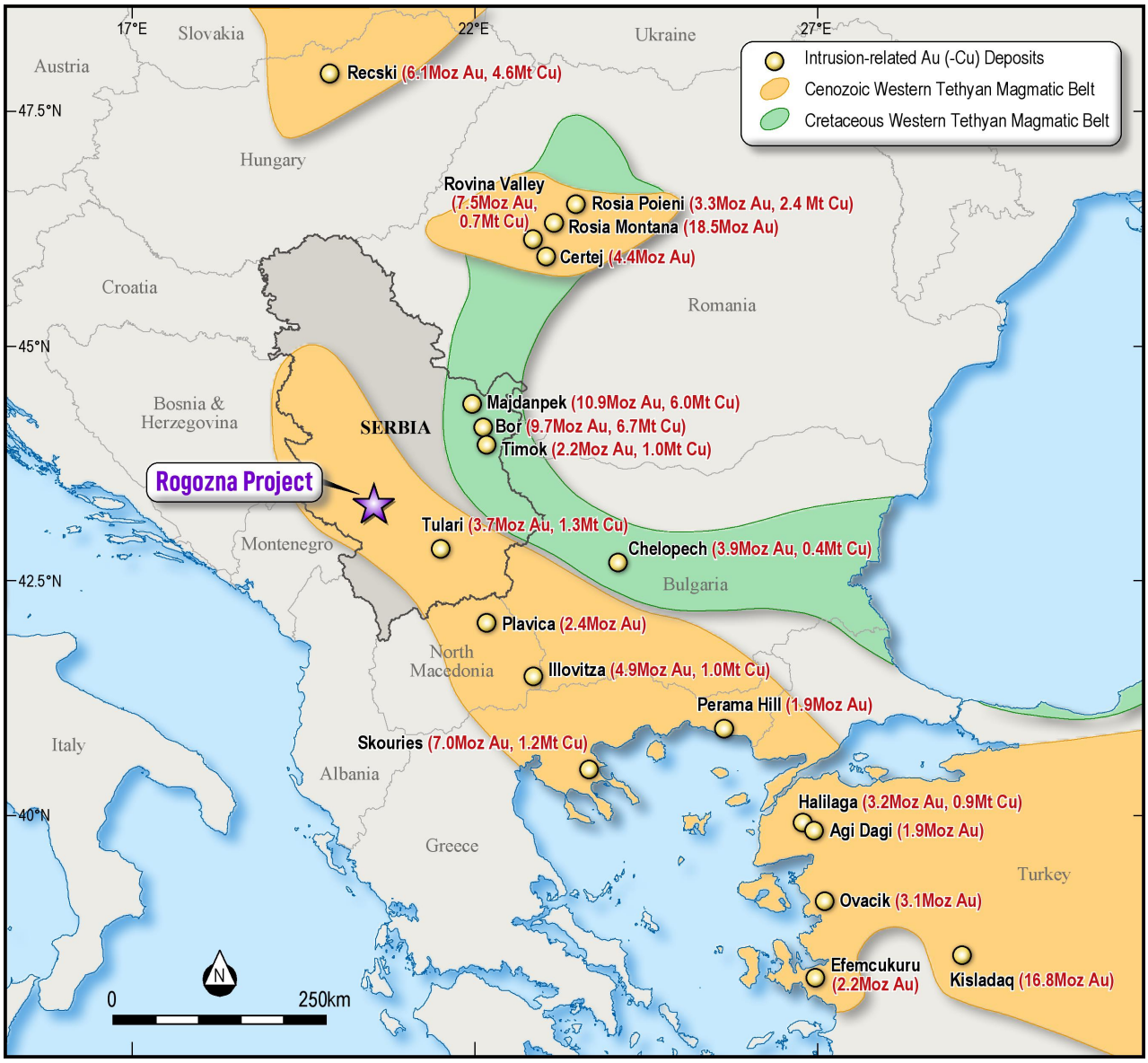

Figure 1 | Location Map of the Rogozna Gold Project

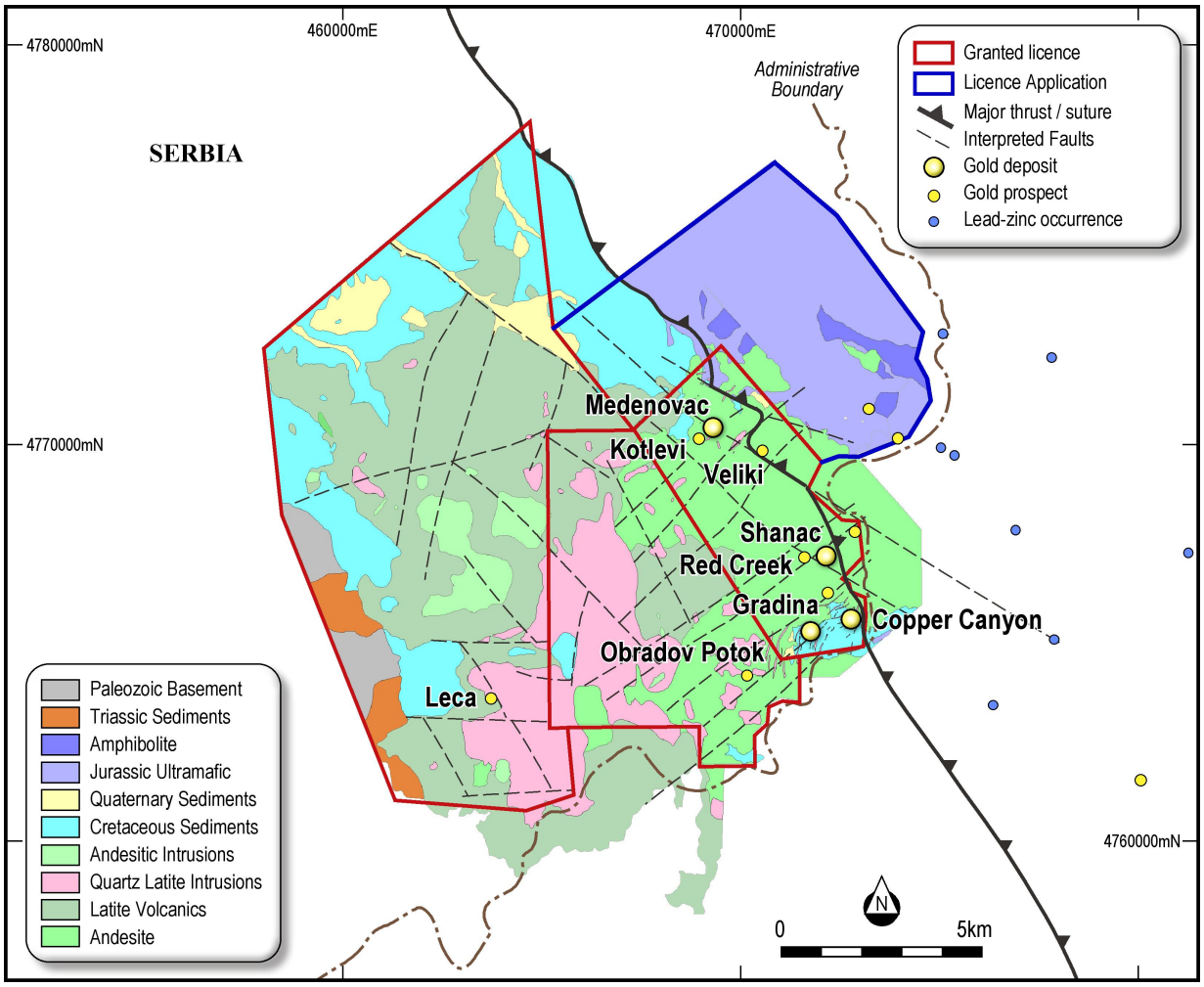

Figure 2 | Local Geology, Deposits and Prospects of the Rogozna Gold Project

Gradina Delivers Further Strong Results

Assay results have now been received for drillholes ZRSD21139, ZRSD21140 and ZRSD21143 which were recently drilled at the Gradina prospect.

Holes ZRSD21140 and 21143 were drilled to follow up the new Gradina North discovery made last year and have confirmed a coherent mineralised body at this prospect.

Hole ZRSD21139 was drilled to follow up and help better understand mineralisation at the previously known Gradina prospect.

Multiple high-grade ore zones were encountered in ZRSD21143, drilled at Gradina North, including the following intervals:

- 9.3m @ 4.2g/t Au from 487.7m, and
- 6m @ 3.7g/t Au from 508.9m, and
- 57.4m @ 2g/t Au from 600m, including
- 8m @ 5.8g/t Au from 632.1m, and
- 22m @ 4g/t from 691.4m.

The above ore zones were contained within a broader interval of 227.7m @ 1.3g/t Au (including unmineralised waste).

ZRSD21140, drilled ~100m south of ZRSD21143 at Gradina North, intersected a broad zone of skarn-hosted mineralisation amounting to 84.3m @ 0.9g/t Au from 539.4m, including:

- 26.1m @ 1.4g/t Au from 583m, and
- 7.7m @ 3.4g/t Au from 659.6m.

Importantly, the above results indicate a coherent broad mineralised zone was encountered in both holes ZRSD21140 and ZRSD21143, with the mineralisation increasing in both width and tenor up-dip, closer to surface, in proximity to a modelled density anomaly (Figure 3).

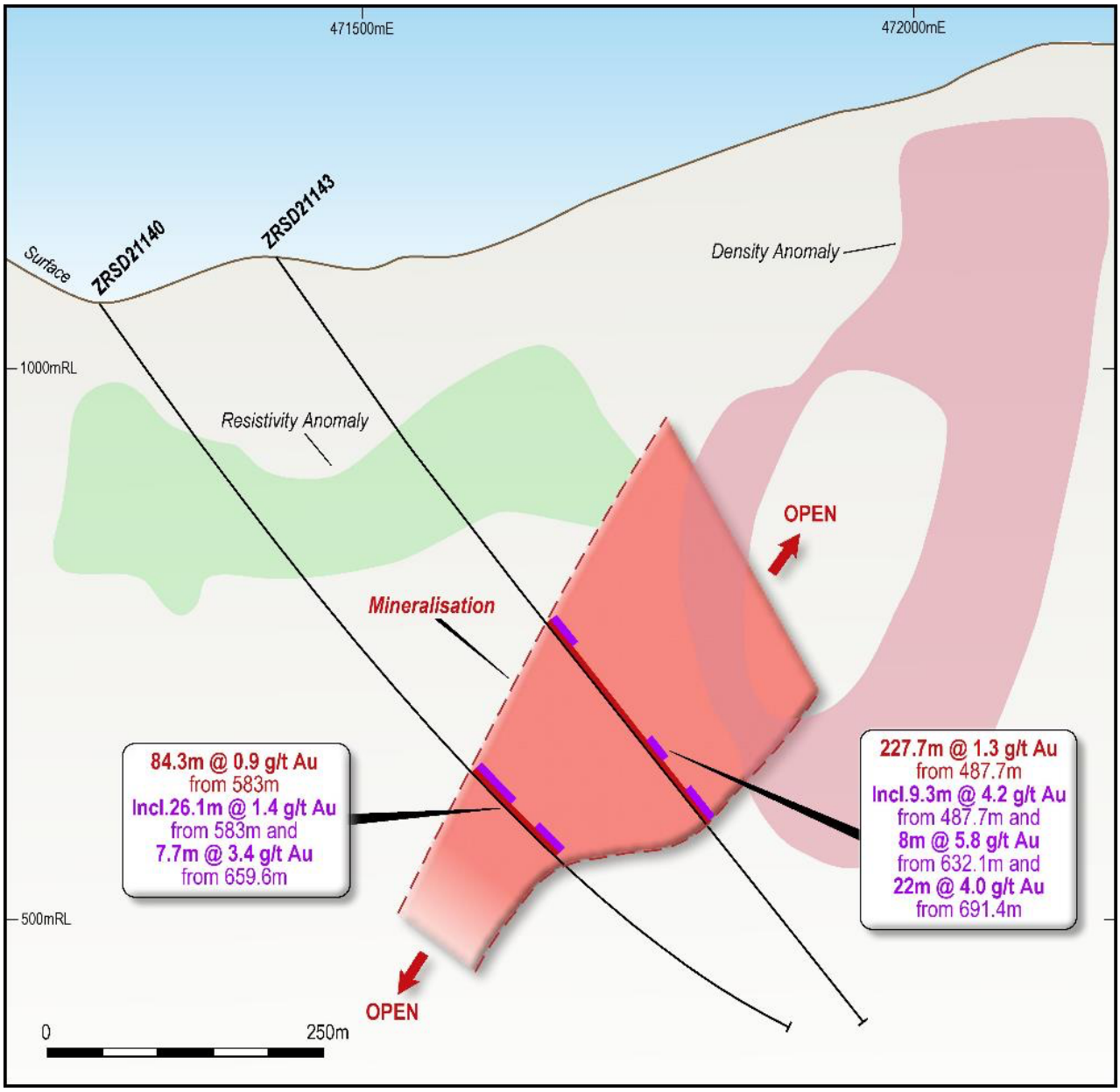

Figure 3 | Cross-section view showing drillholes ZRSD21140 and ZRSD21143, looking north. Red bar in drillholes = broad, low-grade intersection, magenta = higher grade intersection

Further to the south at the main Gradina deposit, ZRSD21139 returned the following intersections:

- 69.5m @ 0.8g/t Au and 1.8% Zn (1.8g/t Au Eq) from 217m, including
- 2m @ 11.2g/t Au and 4.2% Zn (13.5g/t Au Eq) from 268.8m and
- 98m @ 0.5g/t Au and 0.4% Zn (0.7g/t Au Eq) from 415.6m, including
- 10m @ 1.9g/t Au and 1.9% Zn (3g/t Au Eq) from 503.6m, and
- 18m @ 0.4g/t Au and 0.4% Zn (0.6g/t Au Eq) from 642.5m.

Very importantly, these intersections in ZRSD21139, when combined with results from historical holes EOKSC1682 and EOKSC1361B, indicate coherent, sub-vertical zones of mineralisation that likely continue relatively close to surface (Figure 4). This hypothesis is strongly supported by surface geochemical data, which show highly anomalous to ore-grade concentrations of Au-Cu-Pb-Zn (up to 1.6g/t Au, 1.1% Cu, 2.3% Pb and 18.5% Zn) in soil sampling, associated with the surface projection of the westernmost mineralised zone on this cross-section.

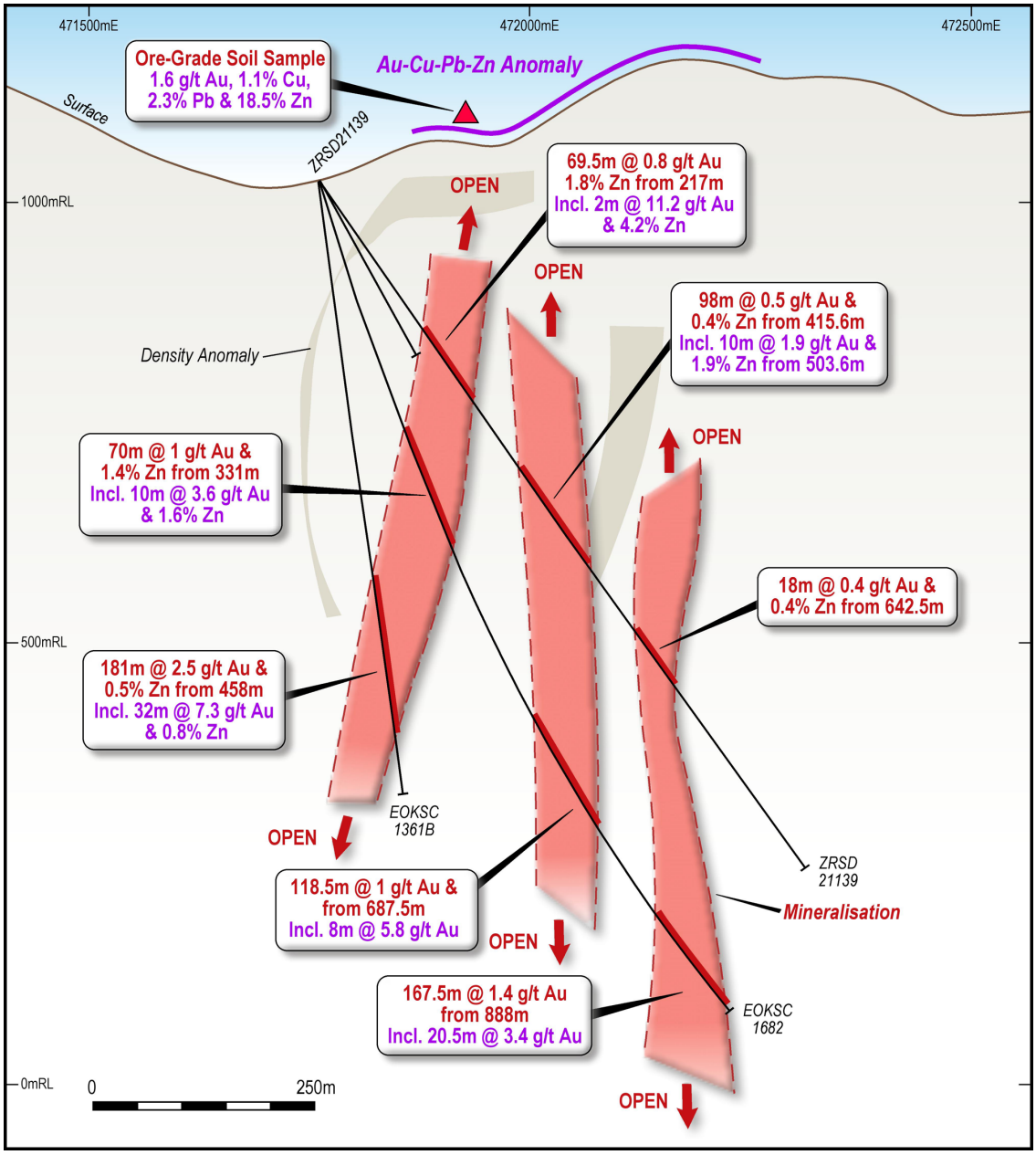

Figure 4 | Cross-section view showing drillhole ZRSD21139, looking north

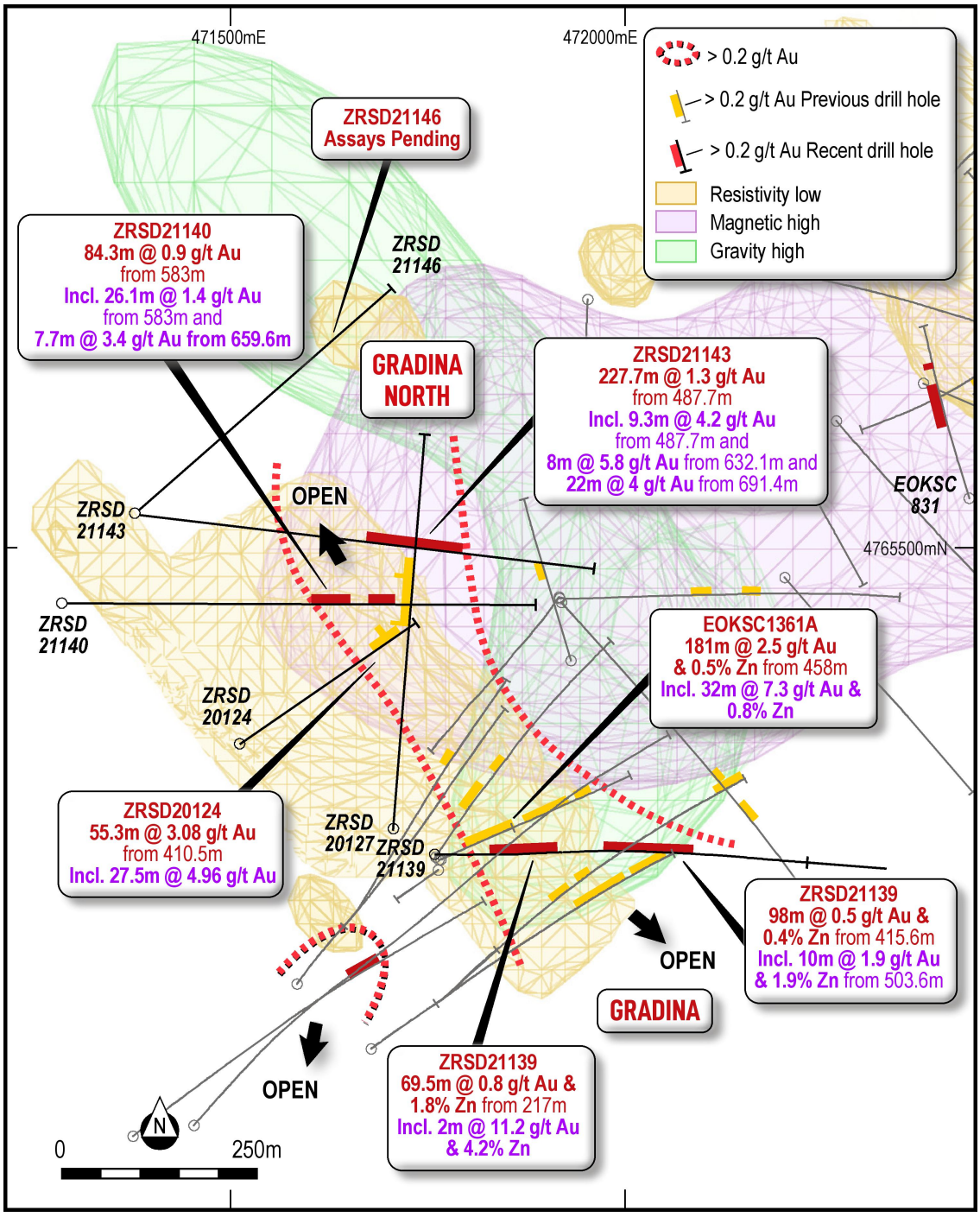

Figure 5 | Plan view map of Gradina, with recent drill intersections and geophysical anomalies

The high-grade mineralisation in ZRSD21143 is characterised by extensive sulphide-rich zones comprising Pyrrhotite and Pyrite with subordinate Sphalerite and Chalcopyrite (Figures 6 – 9). This is in stark contrast to the more typical mineralisation style at Gradina, including the mineralisation encountered in ZRSD21139 and ZRSD21140, which is characterised by relatively low (1-3%) sulphide content, dominated by Pyrrhotite, Pyrite and more locally, Sphalerite.

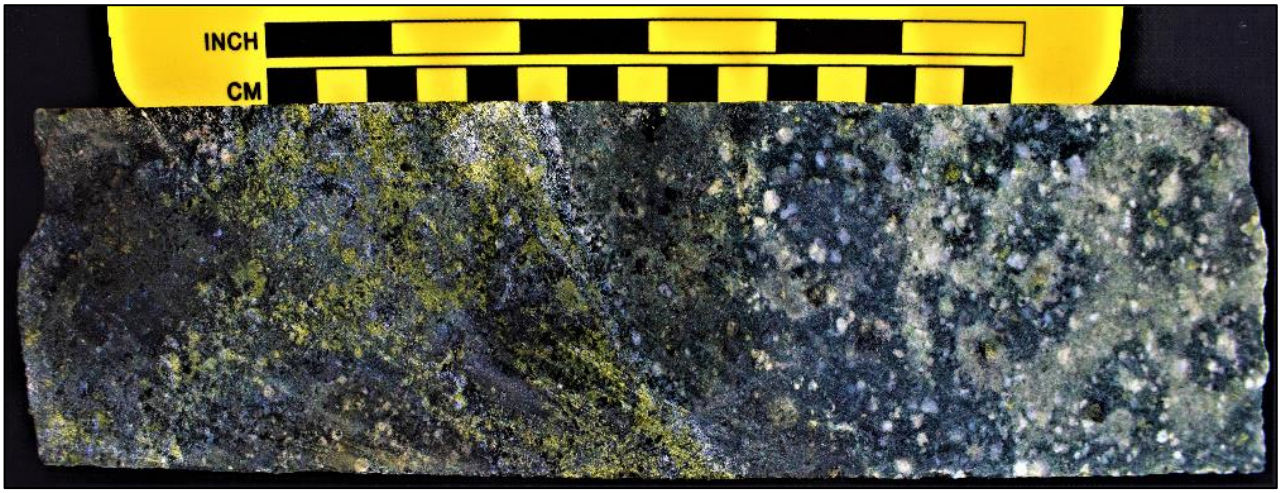

Figure 6 | Core photo of Endoskarn in ZRSD21143, 601.2m – 601.4m: 2.4g/t Au

Figure 7 | Core photo of Retrograde Skarn in ZRSD21143, 632m – 632.2m: 4g/t Au

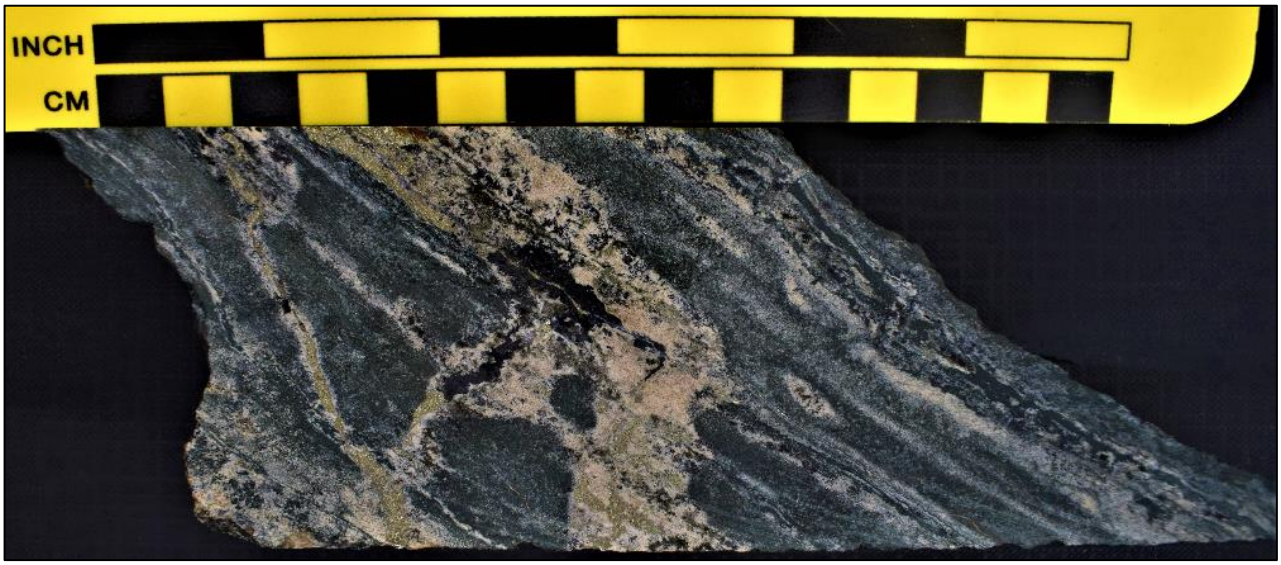

Figure 8 | Core photo of Retrograde Skarn in ZRSD21143, 634.1m – 634.2m: 4.7g/t Au

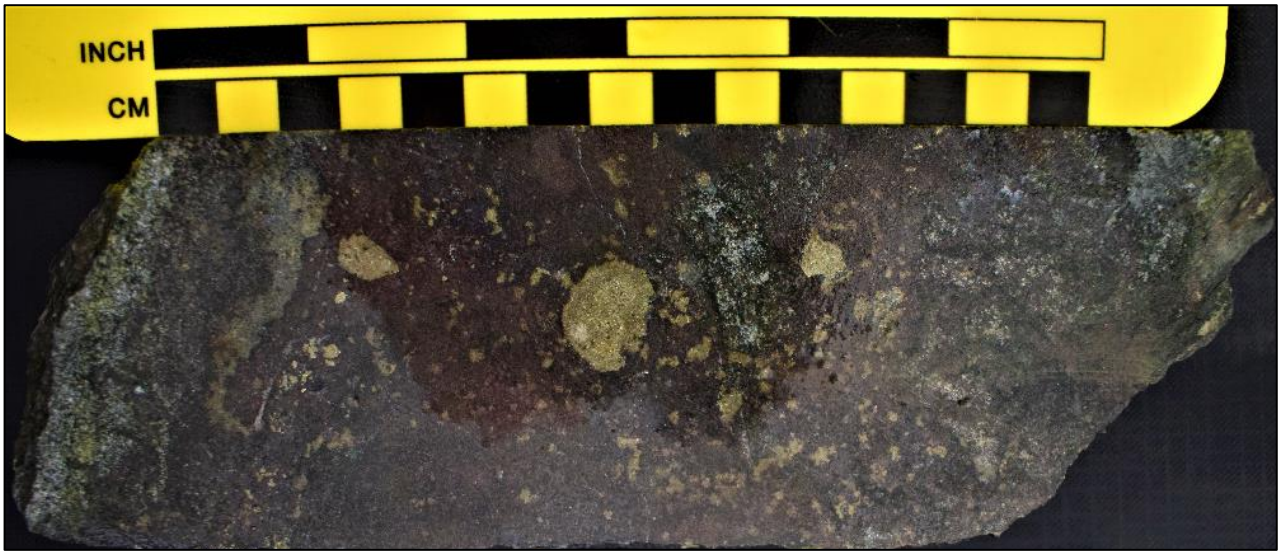

Figure 9 | Core photo of Retrograde Skarn in ZRSD21139, 510.5m – 610.65m: 2.1g/t Au and 4.3% Zn

Current Drilling

The final hole of the Rogozna 2021 drilling campaign – ZRSD21146 – was recently completed at the Gradina North prospect. The hole was drilled from the same pad as ZRSD21143 towards an azimuth of 045 and was designed to test for mineralisation associated with a modelled low resistivity anomaly. If successful, this hole would confirm a ~300m strike extension of the high-grade mineralisation encountered in ZRSD21143.

The hole intersected strongly mineralised retrograde skarn from a depth of ~500m to 720m downhole (including ~100m of unmineralised dyke intervals) with the mineralisation characterised by thick zones of disseminated to semi-massive Pyrrhotite and Chalcopyrite (Figures 10 and 11). Systematic downhole spot measurements using pXRF confirmed a consistent, copper-rich (0.1 - 0.5% Cu) zone from ~514 – 571m downhole, which is important as it represents the first significant intersection of copper-rich mineralisation encountered within the Gradina system to date. As such, the results of ZRSD21146 may indicate that as we move northwards we are vectoring towards a more proximal style of skarn-hosted, bulk-tonnage copper-gold mineralisation.

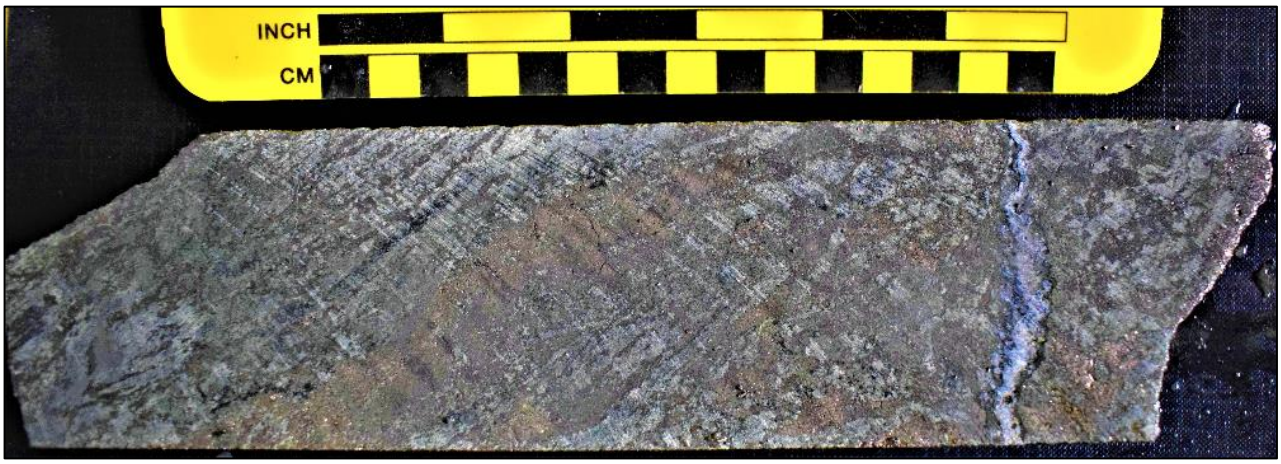

Figure 10 | Core photo of Retrograde Skarn with Pyrrhotite and Chalcopyrite in ZRSD21146, 547.9m – 548.1m: 0.3% Cu in pXRF

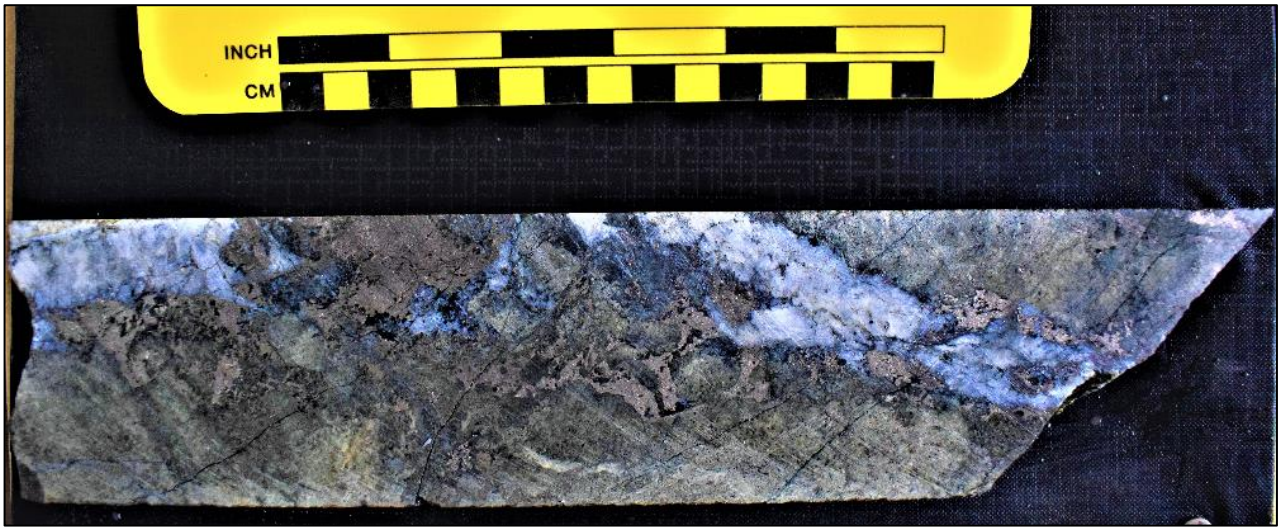

Figure 11 | Core photo of Retrograde Skarn with Pyrrhotite and Chalcopyrite in ZRSD21146, 569.6m – 569.8m: 0.3% Cu in pXRF

About Zlatna Reka Resources

Zlatna Reka is a locally managed Serbian company, 100% owned and funded by private equity firm Ibaera Capital. The company was formed in 2019 to develop the Rogozna Project located in the Raška District, close to Novi Pazar in Southern Serbia.

About Ibaera Capital

Ibaera is an international private equity group investing exclusively in the development of mining projects. We are a specialist equity investor seeking to develop new or existing projects held by explorers and/or developers in future facing minerals such as copper, nickel, zinc, cobalt and gold. We provide significant funds and management expertise into a small number of assets and bring industry best practises to every investment.

We are an investment partner to major miners and to companies aiming to become a miner.

For further Information contact:
Paul L'Herpiniere
General Partner, Exploration and Evaluation
Phone | **+61 438 961 201**
Email | **paul.lherpiniere@ibaera.com**

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