

19 October 2021

September 2021 Quarterly Activities Report

KOTH development progressing within budget and on schedule for first gold in the June Quarter 2022

| September Quarter production of 16,377oz in line with budget |

Divestment of Siana Gold Project completed with US\$19m cash consideration received

King of the Hills (KOTH) Development

- **KOTH development progressing within budget and on schedule** to deliver first gold production in the June Quarter 2022, with the overall Project now over 65% complete.
- All SAG mill components have been delivered to site, sole plates are in place on the foundations and installation of the mill shell, motors and girth gear has commenced.
- Construction of the plant administration building is complete and the maintenance workshop and warehouse are both nearing completion.
- Underground and open pit grade control drilling has commenced.

West Australian Gold Operations

Processing and Production

- No Lost Time Injuries (LTI) were recorded during the September 2021 Quarter.
- **Quarterly gold production of 16,377 ounces** (June Quarter: 15,251 ounces) and gold sales of 15,922 ounces (June Quarter: 14,552 ounces).
- Quarterly all-in sustaining costs (AISC) of A\$2,686 per ounce of gold sold (June Quarter AISC: A\$2,461 per ounce), including A\$390 per ounce for the Stage 2 cutback of the Great Western open pit mine.
- FY22 production guidance for Darlot of 62,000 – 72,000 ounces at an AISC of A\$2,300 - A\$2,400 per ounce (inclusive of Darlot mine development costs of A\$190 - A\$220 per ounce).

Darlot – New Mine Plan and Future Processing Strategy

- Darlot underground to transition to become an additional medium-term, high-grade feed source for the new KOTH processing plant from the June Quarter 2022, enabling a step-change in Darlot's production cost.

Exploration and Resource Development

- Updated JORC 2012 Indicated and Inferred Mineral Resource estimate for KOTH of **90.7Mt at 1.4g/t Au for 4.12Moz of contained gold** (previously 4.07Moz of contained gold).
 - Indicated Resource of 69.6Mt at 1.4g/t Au for 3.03Moz of contained gold (73% of total ounces), available for potential conversion to Ore Reserves.
 - 130,000oz increase (19%) in contained ounces within the underground component of the Mineral Resource following the completion of 33,088m of underground drilling in CY2020.

Corporate and Finance

- **Divestment of the Siana Gold Project** in the Philippines was completed, with the US\$19m cash consideration received during the Quarter. Sale consideration also includes an entitlement to a Net Smelter Return 3.25% gold royalty from Siana with an estimated future face value of US\$36m (based on a US\$1,800 per ounce gold price).

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- **Group cash on hand and bullion of \$67.5m** at the end of September 2021, of which \$28.0m is allocated to reserve accounts and bank guarantees for the KOTH Project.
- \$37.5m was spent on KOTH construction activities during the Quarter.
- The first debt drawdown for KOTH construction occurred in July 2021, with **KOTH debt of \$37.7m** at the end of September 2021.

Investor Call

An investor call for the Quarterly results will be held for the investment community on 19 October 2021, commencing at 7.00 am (AWST)/10.00am (AEDT).

Investors, brokers, analysts and media can join the call by clicking: [HERE](#)

Management Comment

Red 5 Managing Director, Mark Williams, said: *"Red 5 marks the completion of the first quarter of FY22 with our business in a solid position and the Company firmly on track to continue its growth trajectory to become a mid-tier Australian gold producer once we commission our flagship King of the Hills (KOTH) Gold Project next year.*

"The September Quarter was another busy and successful period. Most importantly, we continued to make substantial progress towards the construction of our new 2.4Moz, 16-year life-of-mine operation at KOTH, with key developments during the September Quarter including the initial assembly of the SAG mill and CIL tanks and substantial groundwork. At the end of September, the overall Project was over 65% complete, with key items underway including the installation of the mill and crusher.

"Considering the current rising cost environment in the WA resources sector and the tight market for labour and services, we are in a great position with the majority of our long-lead items already on site. Together with our contracting partner MACA Interquip, we have an excellent team on site. Our construction team, led by Warren King, is doing a great job ensuring that the Project remains on schedule and within budget.

"During the Quarter, we were able to showcase the Project to the WA Minister for Mines and Petroleum, the Hon. Bill Johnston MLA, together with a group of key stakeholders including representatives of the traditional owners, our construction partners and leading Australian media.

"We continue to hit key milestones, and we are on track to achieve first gold by the June Quarter 2022.

"On other fronts, we also unveiled a new mine plan for our Darlot Operations during the Quarter as part of our KOTH Processing Hub Strategy, which is premised on the scale, efficiency and low-cost base of the processing plant we are constructing at KOTH. This will allow the Darlot underground mine to transition to become an additional medium-term, high-grade feed source for KOTH from the June Quarter 2022.

"This will facilitate a step-change in production cost and has also allowed us to execute a contract with underground mining specialist Redpath to undertake 12 months of underground mine development at Darlot. In parallel, this facilitates an important workforce transition strategy for Darlot's non-mining and processing personnel to relocate to KOTH and leverages the strategic strengths of the new KOTH operation.

"In future, the KOTH Processing Hub will be fed with three ore sources – the KOTH open pit, KOTH underground and Darlot underground. This will further de-risk the KOTH ramp-up and also alleviates labour force pressures given the transfer of our highly skilled Darlot surface team to KOTH.

"We also completed the sale of the Siana Gold Project in the Philippines with the up-front cash consideration of US\$19 million received in September 2021, strengthening our balance sheet and consolidating our position as an emerging Western Australia mid-tier gold producer."

COVID-19 Response

Red 5 continues to proactively manage the potential impact of the COVID-19 global pandemic on the Company's operations. The Management Response Plan implemented in February 2020 remains focused on ensuring the health and safety of Red 5 personnel and limiting the disruption risk to mining and processing operations.

This plan has been progressively developed in line with the formal guidance of State and Federal health authorities, close coordination with the Australian Resources and Energy Group (AMMA) and under the Company's existing Emergency Management Policies.

To date, there has been no material impact on the Company's operations.

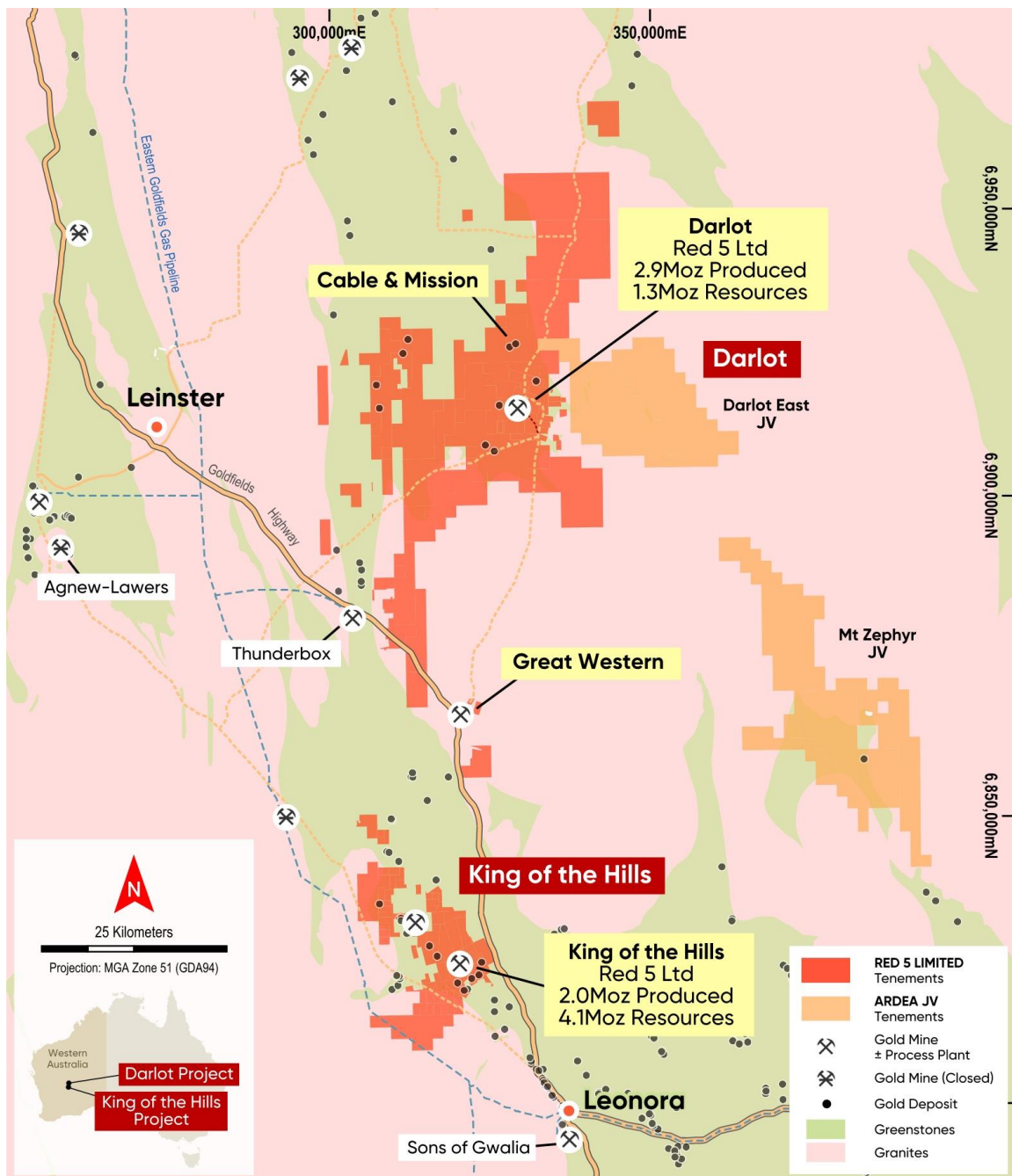


Figure 1: Darlot and KOTH locations, showing historical production from key gold deposits in the region.

1. KING OF THE HILLS DEVELOPMENT

Development activities continued at King of the Hills throughout the September Quarter. To date, the Project remains within budget and is on track to deliver first gold production from the KOTH processing plant in the June 2022 Quarter.

1.1. Process Plant Construction

Construction of the process plant and other infrastructure continues to progress on schedule and within budget, with key construction progress during the September 2021 Quarter including:

- Installation of the mill shell (36-foot diameter) commenced, with the trunnion bearing sole plates having been grouted and the mill motors lifted into position (with each motor weighing 62 tonnes);
- Installation of the crusher building steelwork commenced, with the concrete base and chutes now installed and the gyratory crusher being assembled before lifting into place;
- Construction of the ROM wall is in progress, with 26 of 40 lifts completed;
- CIL tank painting is in progress, and the acid wash hopper and elution column installed;
- The liner handler delivered to site;
- Erection of the gold room commenced;
- The mine services building is fully assembled, and the fit-out is ongoing; and
- Earthworks are ongoing for the wall lift of tailings storage facility 4.



Figure 2: Construction of the KOTH plant as at 15 October 2021.

1.2. Village Construction

The KOTH Village is fully operational, and the installation contractor has demobilised.

1.3. KOTH Power Station

KOTH's turnkey power station is being supplied by Zenith, who mobilised to site in July 2021. The power station foundations are complete, installation of electrical cables has commenced, and the first gas engine is now in position. Meanwhile, APA has commenced planning for the 12km pipeline spur, with all critical equipment procured and scheduled to be delivered to the site in the December Quarter 2021.

1.4. Operational Readiness

1.4.1. Open Pit

Red 5 has planned an initial 70,000 metres of grade control drilling in the KOTH southern pit, which commenced in late September 2021 on the 5285mRL bench, with 524 metres completed by Quarter-end. This bench formed part of the original southern cutback developed by Sons of Gwalia, which is approximately 15 metres vertically below the current surface.

The initial 7x7 metre spaced RC grade control program has been designed to cover the first 30 to 45 metres vertically of the current Stage 1 design. Open Pit grade control will be conducted in phases, with the initial drilling to be conducted over the next five months and estimated to be completed before the commencement of pre-stripping and open pit mining in January 2022 by Macmahon Contractors.

This initial phase of drilling will cover the first six months of open pit mining with the objective of de-risking and setting up the initial ore blocks for mining.



Figure 3: Commencement of grade control drilling in the KOTH southern pit.

1.4.2. Underground

In preparation for mining at King of the Hills, underground drilling by Australian Underground Drilling commenced with a single rig in August 2021, with a second underground rig planned to commence in April 2022. Approximately 54,000 metres of drilling has been planned in FY22, with an additional 86,000 metres in FY23 for an estimated total of 140,000 metres. Drilling will be focused on a mixture of grade control, Resource definition and exploration programs.

Figure 4 below shows key areas to be targeted by the underground drilling program.

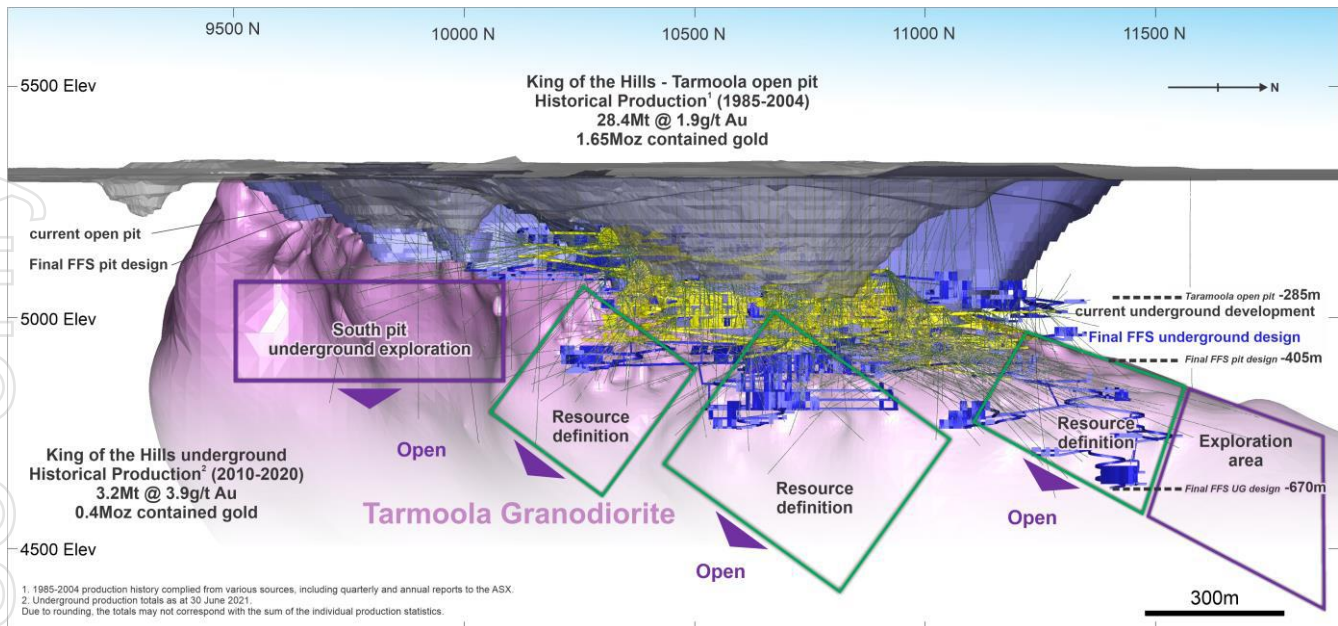


Figure 4: Long section looking west outlining the key target areas for planned underground drilling in FY22 and FY23.

For the Quarter, a total of 4,543 metres were drilled. The drilling during the Quarter was focused on targeting tension veins along the eastern margin of the granodiorite to the north and east of the current workings.

2. WEST AUSTRALIAN GOLD OPERATIONS

2.1. Sustainability

No Lost Time Injuries (LTI) were reported in the September 2021 Quarter.

LTIFR (Quarter): 0.00 (Lost Time Injury Frequency Rate)

LTIFR (12-month): 1.12

TRIFR (12-month): 7.84 (Total Recordable Injury Frequency Rate)

2.2. Production Summary

A total of 16,377 ounces of gold were produced for the Quarter (June Quarter: 15,251 ounces), with ore sourced from the Darlot underground mine and Great Western open pit. Production was in line with budget, reflecting the completion of a scheduled cutback to the Great Western open pit during the Quarter.

AISC was A\$2,686 per ounce (June Quarter: A\$2,461 per ounce), which was in line with budget, and included the completion of a scheduled cutback to the Great Western open pit at a cost of A\$390 per ounce.

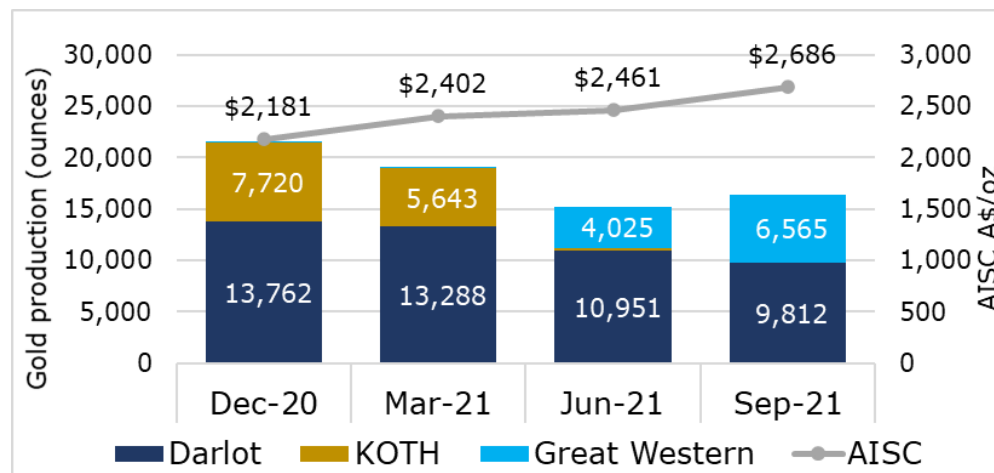


Figure 5: Quarterly gold production and AISC (including KOTH underground ore in FY21).

2.2.1. Processing

Crusher and mill availabilities were 86.7% and 93.8%, respectively, during the September Quarter. A total of 249,133 dry tonnes were milled at an average throughput of 131 dry tonnes per hour.

Table 1: Darlot Mill Processing Statistics

	Units	Sep 2021 Quarter	Jun 2021 Quarter
Ore milled	t	249,133	214,906
Average head grade	g/t	2.20	2.38
Recovery	%	92.9	92.6
Gold recovered	oz	16,377	15,251
Gold sales	oz	15,908	14,552

No significant breakdown or availability issues occurred at the Darlot processing plant during the Quarter. A major yearly scheduled shutdown was conducted in July 2021 for planned maintenance, including a complete reline of the primary mill.

The process plant recorded several new all-time production milestones during the Quarter as continued optimisation of processing parameters of the Darlot and Great Western blend continues to increase throughput and reliability of the crushing and milling circuits.

The process plant milestones included:

- Record daily crushed tonnes on 30 September – 5,904t;
- Record monthly crushed tonnes for September – 104,184t;
- Record monthly milled tonnes for September – 95,749t.

2.2.2. Darlot Gold Mining Activities

Table 2: Darlot Gold Mine – Mine Production Statistics

	Units	Sep 2021 Quarter	Jun 2021 Quarter
Mined tonnes	t	123,503	130,510
Mined grade	g/t	2.77	2.87
Contained gold in ore	oz	10,981	12,026

Development for the Quarter was focused on the Pedersen Lower, Federation 1190, Lillie 1065 and Middle Walters South sectors. Capital development was established in the Middle Walters South decline and Pedersen

Lower sectors. Development metres averaged 280 metres per month for the Quarter. Rehabilitation work was completed in the Walters decline, Burswood incline, Thomson pump station and Boon West access.

Production was focused on the Grace bulk stopes, Lillie stopes, and Thomson 980 flat lodes. Other remnant opportunities in the Border and Federation areas were also mined. Large bulk stopes are planned for the Grace 1140 area to allow for flexibility with stoping fronts in the December Quarter. There are currently five active airleg stopes in the Border, Pedersen, Federation and Hurst areas. Airleg grades through the Quarter were consistently above 4g/t, and productivity from stopes increased with the availability of additional Resources.

During the Quarter, 11,379 metres of underground drilling was completed at Darlot. The focus for drilling was the Oval and Middle Walters South areas. Oval grade control drilling targeted the Oval structure below the 650mRL, and drilling has extended the Oval mineralised envelope. The Oval structure at the 1150mRL was also targeted around an existing high-grade hit, which also further extended Oval mineralisation.

Middle Walters South grade control and Resource extension drilling targeted the north-plunging ore shoot immediately south of the current planned Reserve where it intersects the western limb of the Pickering magnetic dolerite, as well as a gap in drilling between the current Reserve and existing development – an area consisting of non-magnetic dolerite.

Further smaller grade control drill programs targeted the Thomson 860mRL, Pedersen 1080mRL, Federation 1120mRL and 1130mRL and Moses 1160mRL areas, with results generally matching expectations.

2.2.3. Great Western Mining Activities

Table 3: Great Western – Mine Production Statistics

	Units	Sep 2021 Quarter	Jun 2021 Quarter
Total mined tonnes	t	232,923	122,133
Mined grade	g/t	1.24	1.31
Contained gold	oz	9,281	5,156
Ore trucked to Darlot for processing			
Total tonnes	t	136,682	88,206
Grade	g/t	1.68	1.56
Contained gold	oz	7,398	4,416
Ore stockpile inventory at Great Western			
Total tonnes	t	107,218	36,690
Grade	g/t	0.92	0.85
Contained gold	oz	3,178	1,008

Mining rates have improved at Great Western with full manning of the mining crews achieved from early June 2021, coupled with better navigation of the mining voids as well as improvements in mine design and haulage profiles.

Mining activities in the starter Stage 1 pit are complete, with priorities now shifting to the higher-grade Stage 2 pit.

2.3. Operational Costs

Table 4: Darlot and Great Western mining operations – AISC for the Quarter

	Units	Sep 2021 Quarter	Jun 2021 Quarter
Mining costs	A'000	27,924	22,156
Cartage costs	A'000	2,149	1,617
Processing costs	A'000	7,515	7,178
General and administration costs	A'000	2,951	3,392
Royalties and selling costs	A'000	913	891
By-product credits	A'000	(19)	(117)
Production and selling costs	A'000	41,434	35,117
Capital expenditure and underground mine development (sustaining)	A'000	2,869	4,055
Corporate overheads	A'000	2,398	2,223
Inventory movements	A'000	(3,928)	(5,607)
All-in Sustaining Costs	A'000	42,773	35,788
Gold sales for AISC purposes	oz	15,922	14,552
Mining costs	A\$/oz	1,754	1,524
Cartage costs	A\$/oz	135	111
Processing costs	A\$/oz	472	493
General and administration costs	A\$/oz	185	233
Royalties and selling costs	A\$/oz	57	61
By-product credits	A\$/oz	(1)	(8)
Production and selling costs	A\$/oz	2,602	2,414
Capital expenditure and underground mine development (sustaining)	A\$/oz	180	279
Corporate overheads	A\$/oz	151	153
Inventory movements	A\$/oz	(247)	(385)
All-in Sustaining Costs (AISC)	A\$/oz	2,686	2,461

Costs were within budget for the September Quarter. AISC was higher than the June Quarter, reflecting the completion of a planned cutback to the Great Western open pit at a cost of A\$390 per ounce.

3. REVISED DARLOT MINE PLAN AND PROCESSING STRATEGY

Red 5 undertook a comprehensive review of the Darlot mining operation which resulted in an updated mine plan for Darlot based on utilising latent capacity in the new KOTH processing plant, an approach that the Company refers to as the KOTH Processing Hub Strategy.

The review found that the commencement of processing operations at KOTH in the June Quarter 2022 would provide a more cost-effective processing alternative for Darlot ore, repositioning Darlot as a high-grade satellite ore source for KOTH.

In advance of production commencing at KOTH, the following Darlot initiatives will occur in FY22:

- A Plant Capacity Study completed by Mintrex has confirmed that the KOTH processing plant can process up to 4.7Mtpa of ore without additional capital expenditure.
- Darlot will undertake an initial 12-month phase of underground mine development to establish new mining areas and reduce the reliance on remnant stopes.
- A workforce transition strategy is being developed for Darlot non-mining and processing personnel to relocate to KOTH, thereby reducing the labour recruitment risk for KOTH.
- From the June Quarter 2022, Darlot ore will be processed at the KOTH processing plant. The Darlot ore processed will be added to the 4Mtpa of ore proposed to be mined and processed from the KOTH open pit and underground mines.
- FY22 Darlot production guidance is 62,000oz – 72,000oz at an AISC of A\$2,300 - A\$2,400 per ounce (inclusive of Darlot mine development costs of A\$190 - A\$220 per ounce).
- With the future implementation of Darlot ore processing at KOTH, Red 5 is targeting in FY23 to reduce Darlot's AISC to between A\$1,700 – A\$1,900 per ounce.
- In the current gold price environment, Darlot has the potential to add significant value for a number of years as a high-grade satellite ore source for KOTH, with the cash flow generated from operations facilitating the ongoing exploration of Darlot's world-class mineral system.

Red 5 continues to evaluate scalability within the KOTH mine plan and processing facility with the support of Mintrex and Orelogy.

Full details of the revised mine plan for Darlot were provided in the Company's ASX Announcement dated 2 August 2021.

3.1. FY2022 Production and Cost Guidance

In line with this revised Darlot Mine Plan and Processing Strategy, FY22 Guidance for the Darlot Gold Mine is 62,000oz – 72,000oz at an AISC of A\$2,300 - A\$2,400 per ounce (including mine development costs of A\$220 per ounce).

The first-half production in FY22 is anticipated to be lower due to the Stage 2 cutback of the Great Western satellite pit, before Great Western delivers higher tonnes and grades from the December Quarter 2021 onwards. Great Western is expected to produce 500,000t to 525,000t of ore in FY22 at an average grade of 1.90g/t for 30,000oz to 32,000oz.

40% of forecast production from Darlot underground is scheduled to come from remnant mining in FY22, falling to 15% in FY23 as a result of the planned mine development to be carried out in FY22. The Darlot operating cash flows in FY22 are expected to fund the capital development activities intended to be undertaken by Redpath.

With the introduction of trucking to and processing of Darlot ore at KOTH, Darlot's AISC is targeted to fall to A\$1,700 - \$1,900 per ounce in FY23.

4. EXPLORATION AND RESOURCE DEVELOPMENT

4.1. King of the Hills Resource Update

Red 5 has reported an updated bulk mining Mineral Resource Estimate (MRE) for KOTH, comprising 90.7 million tonnes at 1.4g/t Au for an estimated 4.12 million ounces of contained gold, with 73% of the total MRE (69.6Mt @ 1.4g/t Au for 3.03Moz) in the higher-confidence "Indicated Resource" category.

Importantly, the update includes a 19% increase in contained ounces in the underground component of the MRE, which now stands at 12.1Mt @ 2.1g/t Au for 830,000 ounces of contained gold, following the completion of underground drilling over CY2020. The Resource remains open at depth.

The June 2021 Resource is based on an additional 33,088m of diamond drill core drilled underground by Australian Underground Drilling (AUD) between February and July 2020, comprising a total of 60 Resource definition (RD) drill holes for 18,129m and 109 grade control (GC) drill holes for 14,959m.

The RD drill holes were designed to increase confidence and extend the underground component of the KOTH Mineral Resource ahead of the planned commencement of bulk mining operations in 2022.

The drilling has also increased confidence in the Mineral Resource and overall ounces, with ounces below the A\$2,100 pit shell increasing by 19%.

Table 5: Total Open Pit and Underground KOTH Resource update as at 30 June 2021

Total Open Pit and Underground KOTH Resource update as at 30 June 2021					
Classification	Cut-off (g/t)	Mining Method	Tonnes (t)	Gold (g/t)	Contained gold (oz)
Indicated	0.4 - 1.0	OP+UG	69,600,000	1.4	3,030,000
Inferred	0.4 - 1.0	OP+UG	21,100,000	1.6	1,090,000
Total	0.4 - 1.0	OP+UG	90,700,000	1.4	4,120,000
KOTH JORC 2012 All material within June 2021 A\$2,100 Pit Shell					
Indicated	0.4	OP	65,000,000	1.3	2,690,000
Inferred	0.4	OP	13,700,000	1.4	600,000
Total	0.4	OP	78,700,000	1.3	3,290,000
KOTH JORC 2012 All material outside June 2021 A\$2,100 Pit Shell					
Indicated	1.0	UG	4,600,000	2.3	340,000
Inferred	1.0	UG	7,500,000	2.0	490,000
Total	1.0	UG	12,100,000	2.1	830,000

Notes on KOTH JORC 2012 Mineral Resource

1. Mineral Resources are quoted as inclusive of Ore Reserves.
2. A discrepancy in summation may occur due to rounding.
3. OP = Open Pit and UG = Underground.
4. The cut-off (g/t) grade 0.4-1.0 refers to the total of the OP reported Resource at 0.4g/t cut-off grade and the UG reported Resource below the A\$2,100 pit shell reported at 1.0g/t cut-off grade.
5. The figures take into account cut-off dates for inclusion of drilling data as at 9 November 2020, and mining depletion up to 10 January 2021 when the KOTH UG went into care and maintenance.
6. OP cut-off at 0.4g/t determined based on estimated grade cut-off for large-scale open pit mining with the pit optimisation shell selected based on a A\$2,100 gold price.
7. UG cut-off at 1.0g/t determined based on estimated grade cut-off for large-scale open stoping.
8. The optimised pit utilised both Indicated and Inferred material using the same modifying factors (geotechnical, mining, processing and gold recovery) with those used for the KOTH PFS pit design (refer to ASX announcement dated 1 August 2019).
9. Figures quoted include all material types – Oxide, Transitional and Fresh.
10. Independent Audit has been conducted by Dr Spero Carras of Carras Mining Pty Ltd (CMPL).
11. The pit shell (A\$2,100 Indicated & Inferred) used for defining the open pit and underground components for the March 2020 Resource was selected to ensure a like-for-like comparison. Updated pit optimisations have been done with the updated June 2021 Resource which was based on the FFS modifying factors (refer to ASX announcement 15 September 2020). The results using the same gold price A\$2,100 Indicated and Inferred shell are in line with expectations and show no material changes between the optimisations.

Full details of the updated KOTH MRE were provided in the Company's ASX Announcement dated 22 July 2021.

4.2. Darlot Regional Exploration

During the Quarter, no regional surface exploration drilling activities were conducted. Program design and planning work for the Stage 1 Great Western Deeps drill program was finalised, and site preparation was completed in anticipation of a late September to early October start. The Stage 1 drill program at Great Western is designed to test high-priority targets below the Great Western open pit, where previous drilling has returned strong gold results associated with deeper, shear-hosted quartz veins that are continuous with the quartz lode zones currently being mined from the oxidised portion of the system. This drilling will de-risk the deeper part of the gold deposit and help to determine if it can support a future underground operation.

All remaining drill assay results for the Mission and Cable RC percussion and diamond drill programs completed between September 2020 and March 2021 were returned over the September Quarter. Validation of the new data and updated geology interpretation are in progress. The results from the Mission and Cable in-fill drilling are encouraging and continue to demonstrate continuity of narrow vein and shear-hosted gold mineralisation between sections in the oxide Resources. The results of the deeper exploration diamond drilling have also been encouraging, returning narrow high-grade gold intercepts that extend from the oxide Resource into fresh rock. This deeper drilling also confirms that mineralisation persists at depth on a wide front and within previously unidentified sheared sedimentary host rock, opening up further exploration and growth opportunities.

Numerous soil sampling programs were also completed during the Quarter at Mission, Ockerburry (NW Structure and Coodawa) and Mt Zephyr. Two soils programs are also continuing at Stirling Peaks and Gipps Hill.

Recent ultrafines soil results were received from the NW structure target at Ockerburry.

Turnaround times for assay results are still slow due to the current industry-wide backlog with gold and multi-element samples still outstanding from FY21 drilling campaigns, which covers projects from King of the West and Darlot West air-core programs, as well as Resource development drilling from the Mission and Cable deposit area.

4.2.1. Great Western

The Great Western Open Pit is located approximately 50km south of Darlot and 40km north of King of the Hills (KOTH). The deposit is positioned proximal to the Bundarra trend, which forms a series of parallel shear zones that link between the prospective Mt Keith-Kilkenny shear zone in the east and the Ockerburry shear zone in the west. The Great Western deposit is approximately 500m long and hosted within granite which has mafic clasts emplaced within the mineralised shear. The gold deposit is characterised by centimetres to metres thick laminated quartz veins that contain visible gold, with the highest grades mainly occurring adjacent to the mafic clasts.

Surface drill program planning and site preparation for the Stage 1 Great Western Deeps RCD Drill Program to test for potential Resource extensions below the current pit was completed in the Quarter. The program consisted of nine holes made up of RC pre-collars with diamond tails for a combined total of 2,330m of drilling.

A Stage 2 in-fill drilling program has been designed pending the results of the first stage. Historical drilling has returned high-grade intercepts at depth below the currently planned pit design and has shown the potential for the Resource to extend down-dip. This drilling will in-fill areas of low confidence and where drill hole spacing between holes is greater than 40m.

Topdrill has mobilised to site to undertake RC percussion pre-collars to be followed with diamond tails, with drilling to commence in early October. The drilling will be undertaken in a staged manner to add value to the Project and minimise impact to the open pit operations.

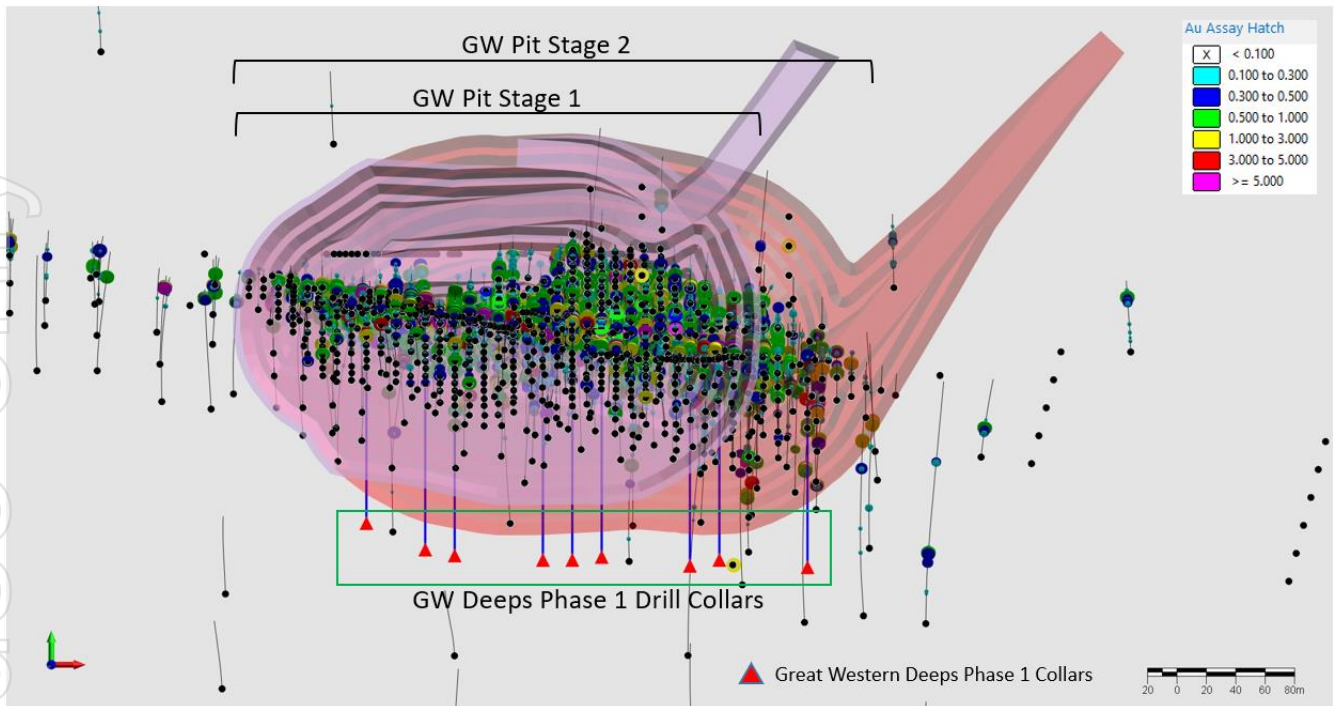


Figure 6: Plan view of Great Western Open Pit showing collar and trace of the Phase 1 Deeps.

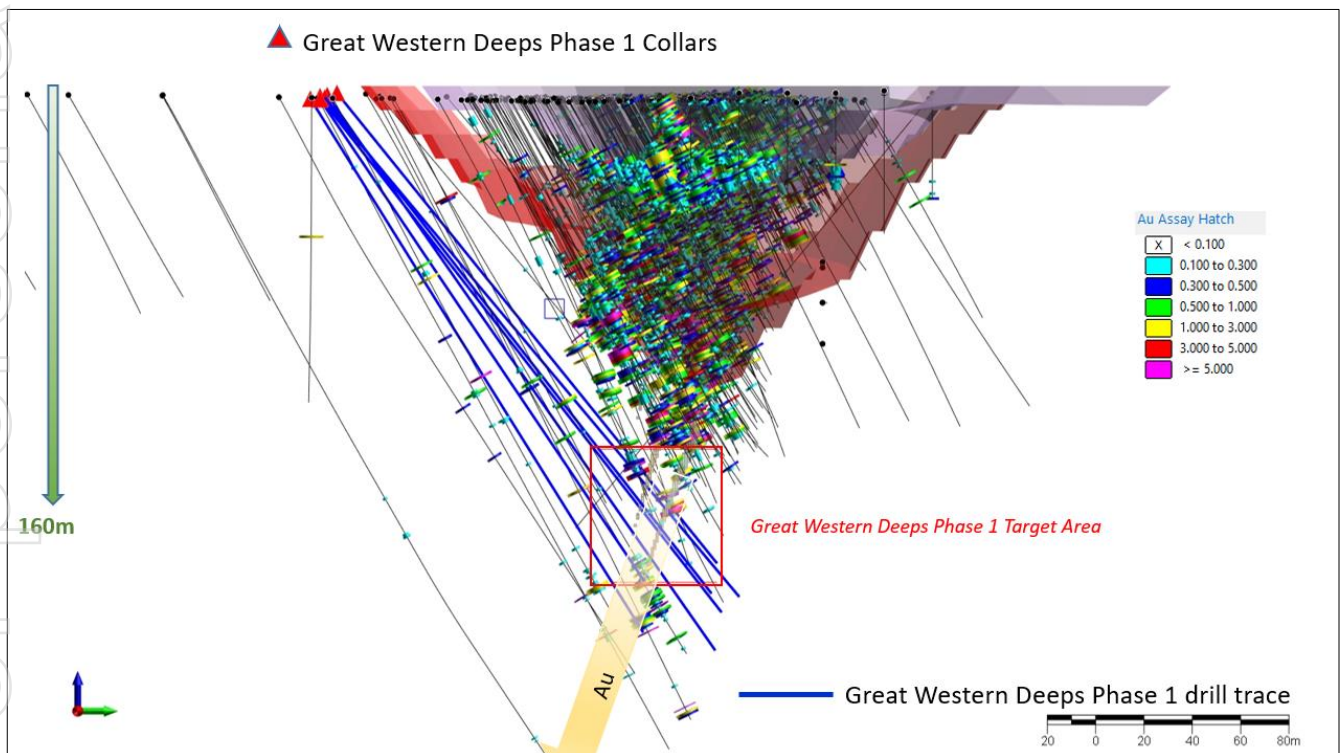


Figure 7: Cross-section view (looking west) of Great Western Pit showing gold assay on drill trace and planned Phase 1 RCD drill holes designed to test continuity of gold mineralisation below the oxide/transitional horizon underneath the open pit.

4.2.2. Mission and Cable

The Cable and Mission satellite deposits are located approximately 10km north of Darlot, within the Yandal Greenstone Belt.

The deposits are situated along the NNW trending fold limbs of the Mission-Cable Syncline, which lies adjacent to the northwest trending Taranaki Fault Zone – which is considered a key exploration target area. Gold mineralisation at Mission and Cable is hosted by laminated veins associated with steeply dipping shears.

The orebodies trend predominantly NNW and are coincident with prominent magnetic high features attributed to folded and faulted magnetic dolerite similar to the geological setting at Darlot Gold Deposit.

Assay results from RC percussion and diamond core drilling at the Cable and Mission Deposits were received during the Quarter. Significant anomalous results confirm the continuity of gold lode structures along strike, as well as the discovery of new, high-grade mineralisation zones in fresh rock below the oxide Resource.

At Cable, results for both the RC and diamond drill programs have been encouraging, with assays confirming continuity of gold between sections as well as the discovery of new mineralisation zones in the oxide Resource. The deeper diamond drilling, which was designed to explore for extensions of the gold lode into untested fresh rock, was also successful with drill intercepts returning high-grade lode-style mineralisation, including visible gold from holes 21CBDD002 and 21CBDD003.

Similarly, results from RC and diamond drilling at Mission were also encouraging, with assays demonstrating good continuity of gold mineralisation as well as the discovery of new mineralisation zones and extensions within the oxide Resource. The deeper diamond drill programs designed to test for gold mineralisation in fresh rock were also successful, returning high-grade gold mineralisation in several drill holes spaced along the strike of the orebody.

The results of the Mission and Cable drilling provide justification for ongoing Resource and exploration drilling. The discovery of new mineralisation zones in fresh rock below the oxide horizon is an important development and opens a significant exploration search space below both ore bodies with potential to grow the Resources.

Mineralisation remains open at depth and along strike with further drilling planned to test the full extent of the gold deposits, including potential extensions along strike associated with untested magnetic-high anomalies.

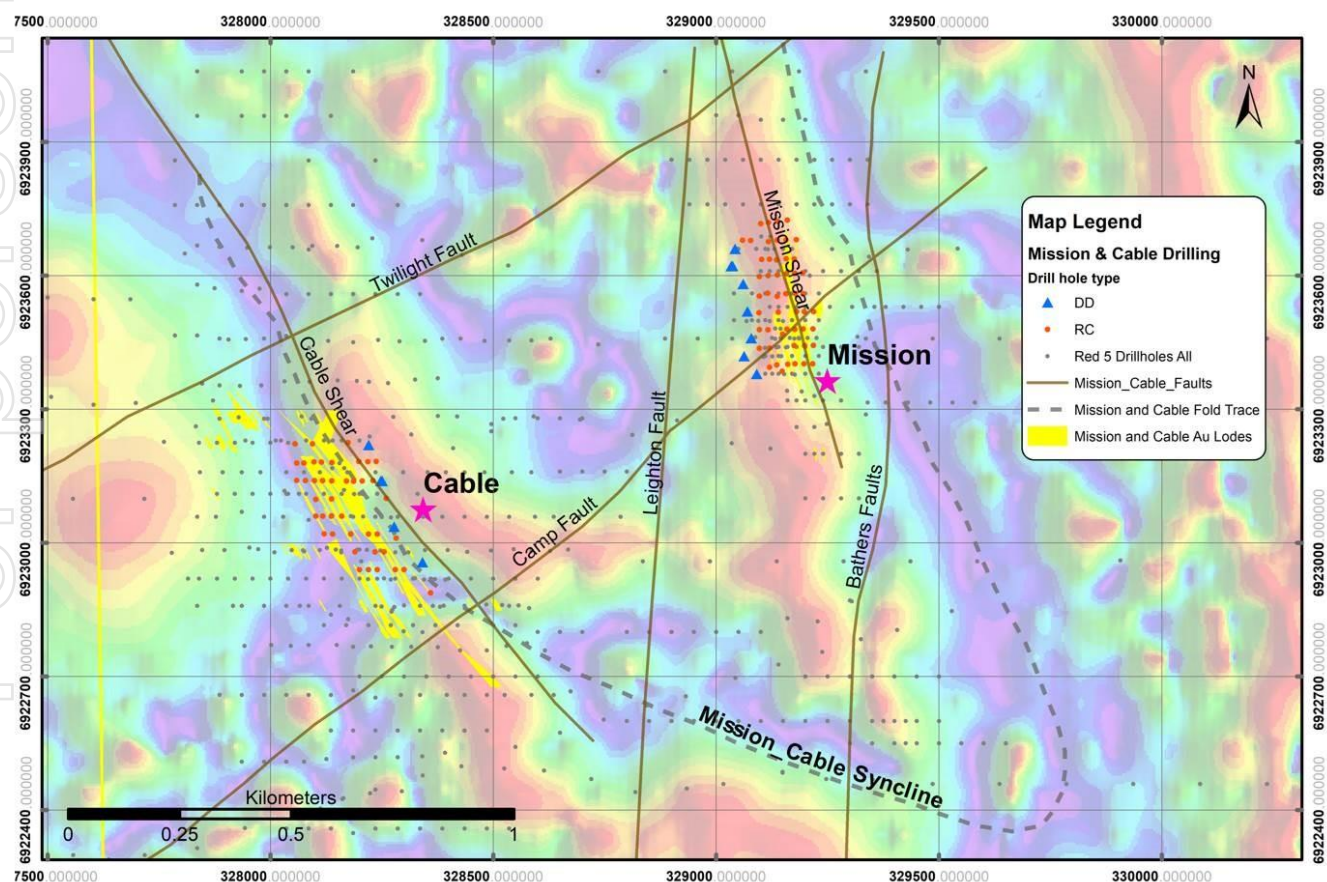


Figure 8: Plan view of the regional magnetics Cable and Mission deposits.

4.2.3. King of the West

The King of the West (E37/1253) area is located in close proximity of the Goldfields Highway, opposite the Jaguar base metal mine, 5km south of the Wonder North gold project and 10km south of Red 5's Great Western gold mine. The project geology is similar to the geological setting of the Wonder/Celtic and Great Western areas, with N-S trending greenstone packages intruded by granitoids that are intersected by late WNW-ESE striking structures.

Historical exploration has yielded high-grade drilling intercepts and rock chip samples, with hole KWRC007 completed by Kingwest Resources Limited returning 15m @ 9.18g/t including 5m @ 26.67g/t Au (refer to KWR ASX Release: 7 January 2019). Historical gold mining on an E-W striking structure took place at the Teutonic Bore prospect excised from the northern part of E37/1253. Reconnaissance exploration by Red 5 in 2020 returned high-grade grab samples from the King of the West prospect and positive gold assays from a rock chip sample from an untested structure in the northern part of the tenement. Large parts of the King of the West tenement with structures and geology that bear a striking similarity to major gold deposits in the area, including Great Western, remain untested.

An air-core (AC) drilling program was completed in March 2021 to test three key areas, with the goal of identifying targets for follow-up RC drilling.

All remaining assay results from this AC program were received during the reporting period, with results identifying significant gold anomalism associated with a sheared mafic-granite contact and sheared mafic host rock similar to the mineralisation setting observed at Great Western.

4.2.4. Darlot East

The Darlot East Project is part of the Red 5 – Ardea JV agreement. The project area is located east of the Darlot Mine and lies within the southern end of the gold-rich Yandal Greenstone Belt. A review undertaken by Ardea Resources in 2019 identified new exploration opportunities in the Darlot East area using high-resolution geophysical data, which delineated previously unknown greenstones within the footwall of the highly prospective and gold-endowed Celia Shear Zone.

An air-core drill program comprising 191 drill-holes for 5,467 metres targeting the greenstones was completed over the Darlot East Project area in February 2021, designed to test across lithological boundaries and interpreted structures with the aim of identifying geochemical anomalism relating to gold mineralisation.

All remaining assay results were received from this AC program during the September Quarter. The results did not return any significant assays, with all gold values being below the detection limit.

The results indicate that the Darlot East area is not prospective for orogenic-style gold mineralisation, and no further work is planned at this stage.

4.2.5. Regional Soil Sampling Programs

Four soil sampling programs were undertaken at Stirling Peaks, Mission, Dingo Ridge – NW Fault, Mt Zephyr and Coodawa during the Quarter. Regional soil programs use a combination of soil geochemical analysis methods applicable to generative exploration and best suited to the target environment.

In addition to the standard gold and multi-element analysis methods used (<250µm samples by acid digest with ICP-MS finish), Red 5 has also recently added Ultrafines soil analysis to its exploration capability. The Ultrafines soil technique is an analytical process that relies on the detection of gold and related metals from sample material taken from the ultrafine (<2µm) clay fraction on the basis that in transported cover the smallest size fractions is where much of the mobile element signature is contained.

4.2.5.1. Mission

A total of 56 samples were taken from undisturbed ground in the Mission area to test the effectiveness of the Ultrafines soils technique over a known area of gold mineralisation. The results have shown that using it in a hypersaline environment such as around salt lakes and alluvial channels can affect pathfinder elements differently. The mineralised trend that is associated with the Mission deposit can still be identified using a small number of pathfinder elements.

4.2.5.2. Ockerburry – Dingo Ridge (NW Structure)

Ultrafine soil assay results from the Dingo Ridge NW structure at Ockerburry were received during the Quarter. The program collected a total of 105 samples taken along 300x40m spaced intervals designed to traverse across interpreted NW structures located at the northern end of the Ockerburry tenements. Results plotted using the ioGAS anomaly assessment tool over a suite of key pathfinders has identified geochemical anomalism, which shows a strong correlation with the targeted NW structural corridor. In addition to the anomalous grab sample assay results taken by Red 5, these new results using the Ultrafines method provide further support of mineralisation potential along the NW trending lineaments, concealed beneath the aeolian cover.

5. CORPORATE AND FINANCIAL

5.1. Sale of the Siana Gold Project

During the Quarter, Red 5 entered into a binding agreement with TVI Resource Development (Phils.) Inc. (TVIRD) to divest its interests in Philippine company Greenstone Resources Corporation (GRC), which holds both the Siana Gold Project (Siana) and the Mapawa Gold Project in the Philippines (Agreement).

TVIRD is the Philippine affiliate of the Canadian-listed TVI Pacific Inc (TSX-V:TVI). TVIRD has two operating mines and a number of other development projects in the Philippines with interests in gold, nickel and copper. Through its major shareholder, Prime Resource Holdings Inc., TVIRD has advised that funding to restart Siana is expected to be sourced from existing operating cash flows and debt funding if required and is targeting a restart of operations in the first half of 2023.

Following the satisfaction of all conditions precedent, settlement of the agreement was completed in late September 2021.

Consideration for the transaction comprised US\$19m cash (received during the Quarter through the repayment of outstanding shareholder advances due from its Philippine-affiliated company, Red 5 Asia Inc, which is a shareholder of GRC). In addition, the sale consideration includes an entitlement to a Net Smelter Return Royalty of 3.25% payable for up to 619,000 ounces of gold, which will become payable from first gold from the restart of the Siana processing plant. Based on an assumed gold price of US\$1,800/oz, this royalty has an estimated future face value of US\$36m.

The divestment of its interests in the Siana and Mapawa Projects is consistent with Red 5's strategy to focus on its King of the Hills and Darlot gold mines in Western Australia.

5.2. 2021 Financial Results

The Company reported its financial results for FY2021, with gold sales of 75,907 ounces for FY2021 underpinning sales revenue of \$173.3m, resulting in a gross profit from operations of \$2.3m and a net loss from continuing operations after income tax of \$9.5m.

5.3. Quarterly Cash Position Reconciliation

Table 6: Quarterly Cash Position Summary

	Operations- Corporate A\$M	KOTH Construction A\$M	Total A\$M
Cash and bullion – 30 June 2021	19.7	1.7	21.4
Sales receipts net of hedging	39.0	-	39.0
Operating costs including royalties	(34.8)	-	(34.8)
Free cash flow used in operations	4.2	-	4.2
Sustaining capital and mine development expenditure	(2.9)	-	(2.9)
Growth and exploration activities	(1.0)	-	(1.0)
KOTH construction	-	(34.9)	(34.9)
KOTH operational readiness activities	-	(2.6)	(2.6)
Cash used in development activities	(3.9)	(37.5)	(41.4)
Net proceeds raised from sale of Siana Gold Project	22.7	-	22.7
Debt financing from KOTH facility drawdown	-	37.7	37.7
Corporate overheads and business development activities	(2.2)	-	(2.2)
Siana Gold Project – maintenance and holding costs	(2.0)	-	(2.0)
Interest payments, bank fees and FX movements	-	(1.3)	(1.3)
Cash from financing activities and other expenditure	18.5	36.3	54.8
Total cash and bullion increase/(decrease)	18.8	(1.2)	17.6
Cash and bullion – 30 September 2021	38.5	0.5	39.0
Cash reserve accounts			
Tailings Storage Facility Reserve Account (released in FY2023)	-	13.0	13.0
Debt Service Reserve Account	-	7.5	7.5
Bank Guarantee (power contract)	-	8.0	8.0
Total Cash reserve accounts – 30 September 2021	-	28.5	28.5

Cash flow from operations for the September 2021 Quarter was \$4.2m. The average sales price achieved for the Quarter was A\$2,441 per ounce.

At 30 September 2021, the Company had total cash and cash equivalents of \$67.5m (\$35.2m cash, \$28.5m restricted cash and \$3.8m bullion).

During the September 2021 Quarter, Red 5 paid \$37.5m in KOTH construction and pre-operational activities, primarily for the construction of the village and process plant. Red 5 has paid \$118.3m to date for KOTH construction activities, which are part of the \$226m capital budget.

During the September 2021 Quarter, the Company made payments of \$0.15m (June Quarter 2021: \$0.28m) to related parties, comprising payments to directors and director-related entities for executive salaries, directors fees and consulting fees for the provision of additional consultancy services to the Company.

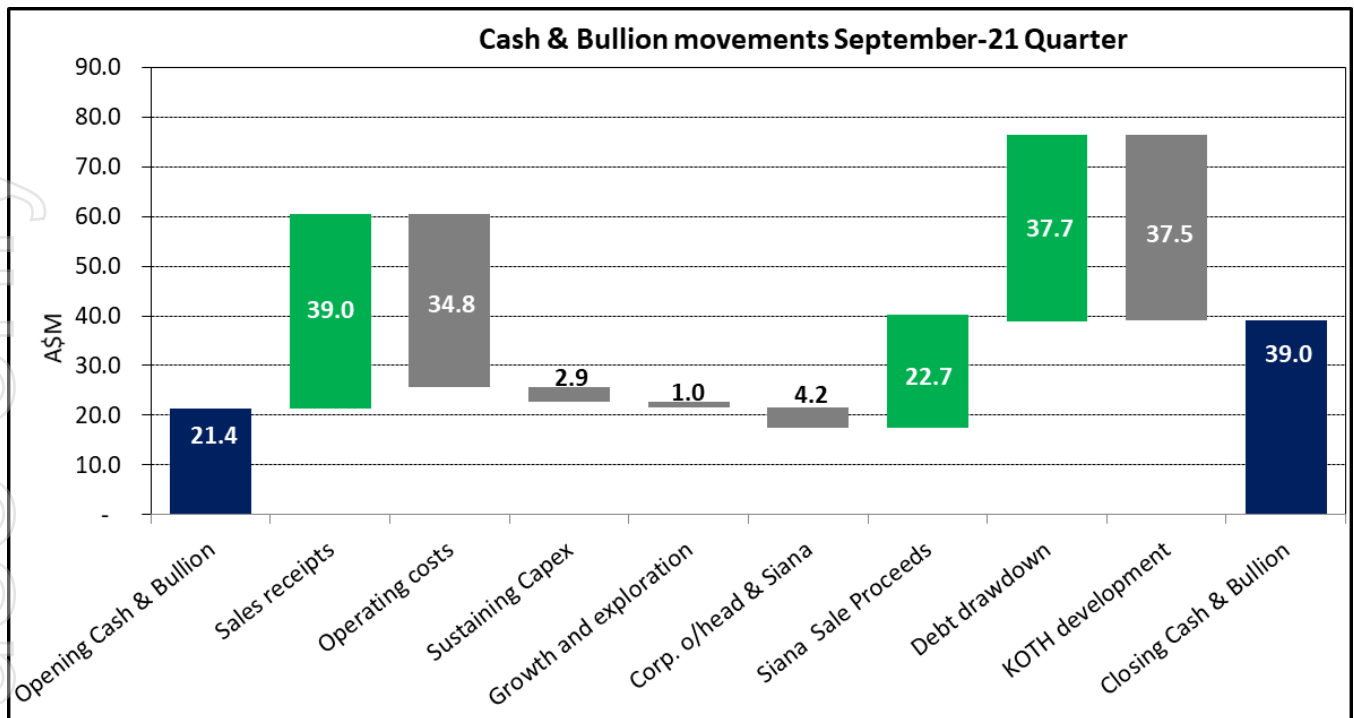


Figure 9: September 2021 Quarter cashflow waterfall chart.

5.4. Hedging

During the June 2021 Quarter, all sales from Darlot were conducted at spot gold prices. The Darlot Gold Mine has no outstanding hedges.

Authorised for release by the Board.

ENDS

For more information:

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Nicholas Read / Kate Bell
 Read Corporate

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Competent Person Statement for Exploration Results

The information in the report to which this statement is attached that relates to Exploration Results is based upon information compiled by Mr Byron Dumbleton, a Competent Person, who is a Member of the Australian Institute of Geoscientists (membership number 1598). Mr Dumbleton is a full-time employee of Red 5 Limited. Mr Dumbleton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dumbleton consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

Competent Person Statements for JORC 2012 Mineral Resource and Ore Reserves

Red 5 confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Red 5 confirms that all the material assumptions underpinning the Final Feasibility Study production targets on the King of the Hills project (see ASX release 15 September 2020), or the forecast financial information derived from a production target, in the initial public reports continue to apply and have not materially changed.

Forward-Looking Statements

Certain statements made during or in connection with this statement contain or comprise certain forward-looking statements regarding Red 5's Mineral Resources and Reserves, exploration operations, project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Red 5 believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements and no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. Except for statutory liability which cannot be excluded, each of Red 5, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. Red 5 undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward looking statement.

RED 5 LIMITED
TENEMENT SCHEDULE – 30 SEPTEMBER 2021

WESTERN AUSTRALIA		
Project	Tenement number	Red 5 interest
Darlot Gold Mine	E36/0865, E36/0940, E36/0941, E36/0944, E36/0945, E36/0964, E36/0968, E36/0969, E36/0980, E36/0997, E36/0999, E36/1002, E37/1054, E37/1086-I, E37/1194, E37/1195, E37/1210, E37/1247, E37/1253, E37/1268, E37/1269, E37/1296, E37/1297, E37/1298, E37/1319, E37/1321, E37/1322, E37/1350, E37/1352, E37/1369, E37/1378, E37/1393, E37/1395, E37/1398, E37/1400, E37/1413, G37/0037, L37/0109, L37/0110, L37/0118, L37/0206, L37/0207, L37/0223, L37/0224, L37/0230, L37/0231, L37/0237, M37/0054, M37/0155, M37/0252, M37/0373, M37/0417, M37/0418, M37/0419, M37/0420, M37/0503, M37/0584, M37/0592, M37/0608, M37/0667, M37/0774, M37/0775, M37/1217, P36/1879, P36/1883, P36/1884, P36/1889, P37/8431, P37/8432, P37/8587, P37/8699, P37/8716, P37/8788, P37/8789, P37/9210, P37/9345	100%
	E36/1013, E37/1415, E37/1428, L37/0238, P36/1920, P36/1921	100% (Applications pending)
	E37/1220	Right to explore and mine Sub-Lease Area
	E37/1271, E37/1272, E37/1273, E37/1274, E39/1706, E39/1854, E39/1985	Farm-in agreement to earn up to 80%
	M37/0552, M37/0631, M37/0709, M37/1045	49%
	M37/0246, M37/0265, M37/0320, M37/0343, M37/0345, M37/0393, M37/0776	84%
	M37/0421, M37/0632	100% with a portion of tenements at 49% via agreement
King of the Hills Gold Project	E37/1385, E37/1409, E37/1410, L37/0211, L37/0248, L37/0250, M37/0021, M37/0067, M37/0076, M37/0090, M37/0179, M37/0201, M37/0222, M37/0248, M37/0330, M37/0394, M37/0407, M37/0410, M37/0416, M37/0429, M37/0449, M37/0451, M37/0457, M37/0496, M37/0529, M37/0544, M37/0547, M37/0548, M37/0551, M37/0570, M37/0571, M37/0572, M37/0573, M37/0574, M37/0905, M37/1050, M37/1051, M37/1081, M37/1105, M37/1165, P37/8391, P37/8392, P37/8393, P37/8394, P37/9157, P37/9160, P37/9161, P37/9270, P37/9271, P37/9281, P37/9282, P37/9283, P37/9284, P37/9286, P37/9287, P37/9289, P37/9291, P37/9392, P37/9393, P37/9394, P37/9395, P37/9396, P37/9397, P37/9398, P37/9399, P37/9400, P37/9401, P37/9402,	100%

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WESTERN AUSTRALIA		
Project	Tenement number	Red 5 interest
	P37/9403, P37/9404, P37/9405, P37/9406, P37/9407, P37/9408, P37/9409, P37/9410, P37/9491, P37/9492 P37/9285, P37/9288, P37/9290, P37/9292, P37/9293, P37/9294, P37/9295	100% (Applications pending)
Montague Project	M57/0429, M57/0485, E57/0793	25% free carried

Interests in mining tenements or farm-in or farm-out agreements acquired or disposed of during the Quarter were as follows:

WESTERN AUSTRALIA				
Project	Tenement number		Red 5 interest	
Darlot	E37/1440		0% (tenement withdrawn)	
Darlot	P37/8698		0% (tenement amalgamated)	
Darlot	P37/8700		0% (tenement amalgamated)	
Darlot	P37/8701		0% (tenement amalgamated)	
PHILIPPINES				
Project	Tenement number	Registered holder	Equity interest	
			Red 5	Other
<i>Siana Gold Project</i>	MPSA 184-2002-XIII APSA 46-XIII	Greenstone Greenstone	40% 40%	SHIC 60% SHIC 60%
<i>Mapawa gold project</i>	MPSA 280-2009-XIII	Greenstone	40%	SHIC 60%

Abbreviations

Tenements (Australia)

M: Mining Lease

P: Prospecting Licence

E: Exploration Licence

L: Miscellaneous Licence

Tenements (Philippines)

MPSA: Mineral Production Sharing Agreement

APSA: Application for MPSA

Company name

Greenstone: Greenstone Resources Corporation

SHIC: Surigao Holdings and Investments Corporation