



**ASX REPORT TO
SHAREHOLDERS**

5 October 2010

Red5 Limited

is a publicly listed company
on the ASX
- ticker symbol RED

*The Board strategy is to
focus on the development
of Siana.*

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Siana Gold Mine – Build Progress

**Site earthworks and associated civils and, steel and plate
fabrication contracts awarded. Grid power contract signed.
Pit dewatering commenced.**

The Siana gold mine build progressed with a further three major contracts awarded. Equi –Parco Construction Company, based in Butuan, 96km south of the mine site was awarded the process plant earthworks and civils contract. The earthworks activities have commenced. Aboitiz Construction Group Inc. (Metaphil), based in Cebu, was awarded the steelworks and plateworks fabrication and erection contracts. The total value of the contract awards is US\$ 5.54million, 3% below the budget forecast.

The grid power contract was signed with Surigao Electric Cooperative, Inc. (SURNECO). A temporary 1.5kVA line is being installed for power during the construction phase. Concurrently, a 69kVA line will be progressively installed ahead of plant commissioning.

The remaining outstanding major contracts, piping and electrical, will be signed later this month.

The Company has also progressed the purchase, transport and refurbished arrangements for three by 2.0MW modular second-hand, Caterpillar Model 3608 heavy fuel oil/diesel generator units as standby power, through Poyry Energy Consultants.

The pre-strip has commenced. Site works including the pit perimeter road and drainage channels are progressing. The pit dewatering strategy was modified with the first 450 million litres now to be released by gravity fall into the adjacent river.

The administration building construction is advanced and is expected to be fully occupied and operational by month end.

All major plant items have been ordered with delivery of the mill shell ex-Europe to site, the last item, due early March 2011.

All major permits have been issued through to the completion of the construction and for the operating phase of the mine.

**The project build remains within schedule expectations –
subject of course to no abnormal rain season weather patterns.
Treasury funds are A\$47.8 million with US\$19.8 million committed
and US\$ 9.7 million invoiced and paid.**

Greg Edwards

Managing Director