



## ASX Shareholders Report

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*Red 5 Limited is a publicly listed company on the ASX-ticker symbol RED.*

### **ANGLOGOLD - Strategic alliance, placement and joint venture arrangements**

**Red 5 has agreed to place to the AngloGold Ashanti group 31 million shares at 17.7 cents per share (a 30 percent premium to the current market price) raising \$5.5 million.**

**The right and terms for future joint ventures on Company tenements in the Philippines have been determined. The Siana open pit development is specifically excluded.**

Discussions with AngloGold Ashanti Australia Limited have culminated in a placement of shares equivalent to 12.3 percent of the expanded Red 5 issued capital. They become the largest shareholder in Red 5 and Mr. Peter Rowe (Head of AngloGold Ashanti Australia) joins the Board. Funds raised are designated to exploration outside the Siana mine development area.

The strategic alliance secures the right to direct equity joint ventures on the Company Philippine tenements, subject to retention of a minimum 12 percent Red 5 shareholding. Whilst the Siana open pit development (completion of full feasibility scheduled July 2005) is excluded, Red 5 has access to AngloGold Ashanti Australia technical support. An interest to provide debt funding for the development has also been indicated.

The terms of potential future separate JV agreements (Madja copper-gold porphyry, Siana outer targets and Mapawa -post MPSA grant) have been determined.

Expenditure commitments are a minimum US\$1.5 million for no interest in the first year, a further US\$4 million for 65 percent of the Red 5 interest, and a further US\$5 million for 75 percent of the Red 5 interest. Red 5 is manager during the minimum expenditure period.

**The AngloGold Ashanti Australia commitment secures technical assistance for the Siana open pit development, and immediate and potential future exploration funding on the tenement portfolio.**

Greg Edwards - Managing Director  
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