

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8, Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Red 5 Limited

ABN

73 068 647 610

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	31,645	36,863
1.2 Payments for		
(a) exploration and evaluation	(492)	(568)
(b) development	(381)	(381)
(c) production	(16,201)	(23,152)
(d) staff costs	(703)	(1,343)
(e) administration and corporate costs (including project acquisition related costs)	(759)	(2,079)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	14
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid (property taxes)	-	-
1.7 Research and development refunds	-	-
1.8 Other: royalty income	555	1,063
: sundry income	429	429
1.9 Net cash from/(used in) operating activities	14,101	10,845
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1,156)	(1,242)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other: Darlot and KOTH project acquisitions ¹	(4,869)	(5,869)
2.6	Net cash from/(used in) investing activities	(6,025)	(7,111)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares ¹	4,868	4,868
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(31)	(193)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from/(used in) financing activities	4,837	4,675

4.	Net increase/(decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,998	13,213
4.2	Net cash from/(used in) operating activities (item 1.10 above)	14,101	10,845
4.3	Net cash from/(used in) investing activities (item 2.6 above)	(6,025)	(7,111)
4.4	Net cash from/(used in) financing activities (item 3.10 above)	4,837	4,675
4.5	Effect of movement in exchange rates on cash held	(3,069)	220
4.6	Cash and cash equivalents at end of period	21,842	21,842

¹ Amount excludes \$5,843,791 in shares issued to St Ives Gold Mining Company (a subsidiary of Gold Fields Limited) and \$2,030,000 in shares issued to Saracen Mineral Holdings as partial underwriting subscriptions pursuant to the pro-rata rights issue. This consideration was offset against the final payments due for the acquisitions of the Darlot and King of the Hills projects.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10,288	11,453
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other: refined gold and silver held in metal account	11,554	545
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	21,842	11,998

6. Payments to directors of the entity and their associates

**Current quarter
\$A'000**

6.1 Aggregate amount of payments to these parties included in item 1.2

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6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

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6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payments to directors and director-related entities for executive salaries, directors' fees and the provision of consultancy services to the group.

7. Payments to related entities of the entity and their associates

**Current quarter
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

-

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Not applicable.

8. Financing facilities available

Add notes as necessary for an understanding of the position

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Not applicable.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,600
9.2 Development	3,700
9.3 Production/operating costs	20,000
9.4 Staff costs	700
9.5 Administration and corporate costs	500
9.6 Other: Siana project maintenance and holding costs	1,200
9.7 Total estimated cash outflows	27,700

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased	See annexure A			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: *Frank Campagna*
(Director/Company secretary)

Date: 31 January 2018

Print name: FRANK CAMPAGNA

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in and provisions of AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows, apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

ANNEXURE A

ITEM 10.2: INTERESTS IN MINING TENEMENTS ACQUIRED OR INCREASED

WESTERN AUSTRALIA			
Project	Tenement number	Interest at beginning of quarter	Interest at end of quarter
Darlot Gold Mine	E47/1247, E37/1268, E37/1269, E37/1296, E37/1297, E37/1298, L37/0109, L37/0110, L37/0118, L37/0206, L37/0207, L37/0223, L37/0224, M37/1217, M37/0155, M37/0252, M37/0373, M37/0417, M37/0418, M37/0419, M37/0420, M37/0584, M37/0592, M37/0608, M37/0667, M37/0774, M37/0775, P37/8698, P37/8699, P37/8700, P37/8701, P37/8716, P37/8788, P37/8789	Nil	100%
	M37/1045, M37/0552, M37/0631, M37/0709	Nil	49%
	M37/0246, M37/0265, M37/0320, M37/0343, M37/0345, M37/0393, M37/0776	Nil	83.5%
	M37/0421, M37/0632	Nil	100% with portion of tenements at 49% via agreement
King of the Hills Gold Project	L37/0211, 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, P37/8348	Nil	100%