



17 October 2022

Dear Shareholder

NOTICE OF GENERAL MEETING AND PROXY FORM

The Board of Red 5 Limited (**Company**) is pleased to invite you to attend a General Meeting of shareholders of the Company to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Tuesday, 22 November 2022 at 11.00 am (AWST).

The meeting has been convened to seek shareholder approval for Tranche 2 of the share placement as announced to the ASX on 3 October 2022 and ratification of Tranche 1 of the share placement. Funds raised from the share placement will support the ramp up of production at the King of the Hills (**KOTH**) gold mine, expanding the process plant throughput at the KOTH mine to ~5.5Mtpa in FY24; completing the KOTH Process Plant Expansion Feasibility Study targeting further incremental throughput growth; exploration and resource conversion drilling; and working capital and costs of the share placement. Further details of the share placement are set out in the Notice of Meeting and accompanying Explanatory Memorandum (**Notice of Meeting**) and in announcements made by the Company to the ASX.

In accordance with section 110D the Corporations Act, the Company will not be sending printed copies of the Notice of Meeting to shareholders, unless a shareholder has previously requested a hard copy.

Instead, shareholders can access a copy of the Notice of Meeting, which sets out the agenda and resolutions being put to the meeting, as well as important voting information and an explanatory memorandum, at:

<https://www.red5limited.com/site/investor-centre/shareholders-meetings/general-meeting>

or from the ASX Market Announcements Platform website.

Enclosed for your convenience is a copy of your personalised Proxy Form for the meeting.

If shareholders do not intend to attend the meeting in person, they will be able to participate by voting prior to the meeting by lodging the Proxy Form by no later than 11.00 am (AWST) on 20 November 2022, as per the instructions on the Proxy Form.

The directors encourage all shareholders to participate in the meeting by lodging their directed proxy votes prior to the meeting. All voting at the meeting will be conducted by poll.

Your sincerely

Kevin Dundo
Chairman
Red 5 Limited

RED 5 LIMITED

ABN 73 068 647 610



NOTICE OF GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date and time of meeting

22 November 2022 at 11.00 a.m.

Place of meeting

Celtic Club
48 Ord Street
West Perth, Western Australia

RED 5 LIMITED

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Shareholders of Red 5 Limited (**Company**) will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Tuesday, 22 November 2022 at 11.00 a.m. (WST)

AGENDA

ORDINARY BUSINESS

1. Approval of issue of Shares under Tranche 2 Placement

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of 20,675,368 fully paid ordinary shares at \$0.16 per share to the Tranche 2 Placement Recipient as set out in the explanatory memorandum accompanying this Notice of Meeting.”

Voting exclusion statement: *The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of the Tranche 2 Placement Recipient, any of their associates, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities in the Company, if Resolution 1 is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast on Resolution 1 by:*

- (a) *a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or*
- (b) *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or*
- (c) *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that they are not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and*
 - *the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

2. Ratification of issue of Shares under Tranche 1 Placement

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior allotment and issue of 354,324,632 fully paid ordinary shares at an issue price of \$0.16 per share to the Tranche 1 Placement Recipients, on the terms and conditions set out in the explanatory memorandum accompanying this Notice of Meeting.”

Voting exclusion statement: *The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of the Tranche 1 Placement Recipients, and any of their associates. However, the Company need not disregard a vote if it is cast on Resolution 2 by:*

- (a) *a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*

- (b) *the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or*
- (c) *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the Resolution; and*
 - *the holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.*

By order of the Board

Frank Campagna
Company Secretary

Perth, Western Australia
17 October 2022

Voting exclusion note

Where a voting exclusion applies, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Proxy appointments

A member of the Company who is entitled to attend and vote at the Meeting may appoint not more than two proxies to attend and vote for the member at the Meeting. If a member appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a member of the Company.

A proxy form is enclosed. If required it should be completed, signed and returned to the Company's share registry in accordance with the proxy instructions on that form.

Voting Online at www.automicgroup.com.au

Please see the accompanying Proxy Form for instructions as to how to complete and lodge your proxy, including lodging on-line.

Voting entitlements

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Directors have determined that the identity of those persons entitled to attend and vote at the Meeting is to be taken as those persons who held Shares in the Company as at 7.00 p.m. WST on 20 November 2022.

Corporate Representative

If a representative of a Shareholder corporation is to attend the Meeting, a Corporate Representative Certificate should be completed and produced prior to the Meeting. Please contact the Company's share registry for a copy of a proforma certificate, if required.

RED 5 LIMITED

EXPLANATORY MEMORANDUM

This explanatory memorandum has been prepared for the information of Shareholders of Red 5 Limited in connection with the business to be considered at the forthcoming General Meeting of the Company and should be read in conjunction with the accompanying Notice of Meeting.

BACKGROUND TO THE SHARE PLACEMENT

Background

On 3 October 2022, the Company announced a Placement to raise gross funds of \$60 million to provide working capital to support the ramp up of production at the King of the Hills (**KOTH**) gold mine, expanding the process plant throughput at the KOTH mine to ~5.5Mtpa in FY24; completing the KOTH Process Plant Expansion Feasibility Study targeting further incremental throughput growth; exploration and resource conversion drilling; and working capital and costs of the share placement. The \$60 million capital raising consists of a two tranche placement (**Placement**) to sophisticated or professional investors, in addition to a \$6 million Share Purchase Plan offer available to eligible Shareholders.

The first tranche of the Placement consists of 354.32 million new Shares (**Tranche 1 Placement**) at an issue price of \$0.16 per Share (**Placement Price**). The second tranche of the Placement consists of 20.68 million new Shares (**Tranche 2 Placement**) at the Placement Price, subject to Shareholder approval as sought pursuant to Resolution 1.

Canaccord Genuity and Petra Capital acted as the joint lead managers and bookrunners to the Placement and Ord Minnett acted as Co-Manager to the Placement.

Tranche 2 Placement

Resolution 1 seeks Shareholder approval for the issue of up to 20,675,368 fully paid ordinary shares at the Placement Price of \$0.16 per Share (**Tranche 2 Placement Shares**) to raise a further \$3.31 million (before costs).

After the issue of the Tranche 1 Placement Shares (as defined below under the heading “Tranche 1 Placement”), the issue of the Tranche 2 Placement Shares requires Shareholder approval pursuant to Listing Rule 7.1. If the issue of the Tranche 2 Placement Shares is approved by Shareholders, it is anticipated that the Tranche 2 Placement Shares will be issued and allotted to the Tranche 2 Placement Recipient on or around 28 November 2022.

Tranche 1 Placement

Resolution 2 seeks the ratification and approval of Shareholders for the issue of 354,324,632 fully paid ordinary shares at the Placement Price of \$0.16 per Share (**Tranche 1 Placement Shares**), raising \$56.69 million (before costs) under the Tranche 1 Placement.

The Tranche 1 Placement Shares issued on 10 October 2022 represent approximately 15% of the undiluted Shares the Company had on issue at the time of the announcement of the Placement. The Tranche 1 Placement Shares were issued to the Tranche 1 Placement Recipients under the Company’s existing 15% placement capacity prior to the date of the Meeting and as such, are not subject to Shareholders’ prior approval under Listing Rule 7.1. However, Resolution 2 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Shares. Shareholder ratification will replenish the Company’s 15% placement capacity under Listing Rule 7.1.

RESOLUTION 1 – APPROVAL OF ISSUE OF TRANCHE 2 PLACEMENT SHARES

Background

Resolution 1 is an ordinary resolution and seeks Shareholder approval for the issue of the Tranche 2 Placement Shares, pursuant to the Placement and for the purposes of Listing Rule 7.1. Further details in relation to the Placement are set out above under the heading “Background to the Share Placement”.

Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The Tranche 2 Placement does not fall within any of these exceptions and in aggregate exceeds the 15% capacity in Listing Rule 7.1. It therefore requires the approval of the Company’s Shareholders under Listing Rule 7.1.

If Resolution 1 is passed, the Company will be able to proceed with the Tranche 2 Placement and with the intended uses for the full funding of the Placement, as set out in the announcement to the ASX on 3 October 2022 and summarised above under the heading “Background to the Share Placement”. In addition, the Tranche 2 Placement will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1 and can proceed without using up any of the Company’s 15% capacity.

If Resolution 1 is not passed, the Company will not be able to proceed with the Tranche 2 Placement and will only be able to partially proceed with the intended uses for the full funding of the Placement.

The effect of Resolution 1 will be to allow the Company to issue the Tranche 2 Placement Shares pursuant to the Tranche 2 Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company’s 15% annual placement capacity. The intended date for issue of the Tranche 2 Placement Shares is around 28 November 2022.

Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the Tranche 2 Placement:

- (a) the Tranche 2 Placement Shares will be allotted to the Tranche 2 Placement Recipient, being one current substantial shareholder, being Victor Smorgon Group, which has agreed to subscribe for the Tranche 2 balance of the Placement;
- (b) the number of fully paid ordinary shares the Company will issue will be 20,675,368 Shares;
- (c) the Tranche 2 Placement Shares will be issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;
- (d) the Tranche 2 Placement is expected to be completed on around 25 November 2022 and allotted and issued on 28 November 2022 and, in any event, no later than 3 months after the date of the Meeting;
- (e) the price of each Share is \$0.16;
- (f) funds raised by the Tranche 2 Placement Shares are intended to be used towards the balance of the intended uses for the full funding of the Placement, being providing working capital to support ramp up of production at the KOTH mine, for future growth of the KOTH process plant including a throughput expansion to approximately 5.5Mtpa in FY24 and an expansion feasibility study, in addition to exploration and resource conversion drilling; and
- (g) a voting exclusion statement is included in the Notice of Meeting.

Directors recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1. Any undirected proxies held by the Chairman will be voted in favour of Resolution 1.

RESOLUTION 2 – RATIFICATION OF THE ISSUE OF SHARES UNDER THE TRANCHE 1 PLACEMENT

Background

Resolution 2 is an ordinary resolution and proposes to ratify the issue of the Tranche 1 Placement Shares. The Tranche 1 Placement Shares, issued to the Tranche 1 Placement Recipients on 10 October 2022. Further details in relation to the Placement are set out above under the heading "Background to the Share Placement".

ASX Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is set out under Resolution 1 above.

The Tranche 1 Placement does not fit within any of Listing Rule 7.1 exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up the 15% capacity in Listing Rule 7.1, reducing the Company's ability to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies a previous issue of securities made or agreed to be made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1, and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that rule.

Ratification by the Shareholders of the Company to the Tranche 1 Placement is now sought pursuant to Listing Rule 7.4 under Resolution 2 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

The effect of Resolution 2 is that the Company, for the purposes of Listing Rule 7.1 will be able to refresh its 15% placement capacity with effect from the date of the General Meeting.

If Resolution 2 is passed, the Tranche 1 Placement will be excluded in calculating the Company's 15% capacity in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, the Tranche 1 Placement will be included in calculating the Company's 15% capacity in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

Technical Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the Shares the subject of Resolution 2:

- (a) the Tranche 1 Placement Shares were allotted to the Tranche 1 Placement Recipients, who were determined on the basis of applications received from institutional and sophisticated investors, who are clients of the joint lead managers and bookrunners, Canaccord Genuity and Petra Capital, together with clients of Ord Minnett and other brokers to the Placement, and include current substantial shareholders Victor Smorgon Group, Franklin Templeton, Ruffer Gold Fund and Electrum Strategic Opportunities Fund;
- (b) the number of fully paid ordinary shares issued by the Company is 354,324,632 Shares;
- (c) the Tranche 1 Placement Shares have been issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;

- (d) the Tranche 1 Placement was completed on 7 October 2022 and the Tranche 1 Placement Shares were issued on 10 October 2022;
- (e) the price of each Share was \$0.16;
- (f) funds raised by the Tranche 1 Placement Shares will provide working capital to support ramp up of production at the KOTH mine, expansion of the process plant throughput at the KOTH mine to ~5.5Mtpa in FY24; completion of the KOTH Process Plant Expansion Feasibility Study targeting further incremental throughput growth; exploration and resource conversion drilling; and working capital and costs of the share placement.;
- (g) no Tranche 1 Placement Recipient is a related party of the Company; and
- (h) a voting exclusion statement is included in the Notice of Meeting.

Directors recommendation

The Directors recommend that Shareholders vote in favour of Resolution 2. Any undirected proxies held by the Chairman will be voted in favour of Resolution 2.

GLOSSARY OF TERMS

“ASX” means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange operated by ASX Limited, as the context requires.

“ASX Listing Rules” means the official listing rules of ASX.

“Board” means the board of directors of the Company.

“Canaccord Genuity” means Canaccord Genuity (Australia) Limited.

“Company” or **“Red 5”** means Red 5 Limited (ABN 73 068 647 610).

“Corporations Act” means the *Corporations Act 2001* (Cth).

“Corporations Regulations” means the *Corporations Regulations 2001* (Cth).

“Directors” means the board of directors of the Company as at the date of the Notice of Meeting.

“Meeting” or **“General Meeting”** means the general meeting of the Company covered by this Notice of Meeting.

“Notice of Meeting” means the notice of meeting giving notice to Shareholders of the General Meeting of the Company to be held on 22 November 2022.

“Ord Minnett” means Ord Minnett Pty Ltd.

“Petra Capital” means Petra Capital Pty Ltd.

“Resolution” means a resolution pursuant to this Notice of Meeting.

“Share” means an ordinary fully paid share in the capital of the Company.

“Shareholder” means a holder of a Share.

“Tranche 1 Placement Recipients” means sophisticated or professional investor recipients of the Tranche 1 Placement Shares, as defined in the Explanatory Memorandum.

“Tranche 2 Placement Recipient” means the sophisticated or professional investor recipient of the Tranche 2 Placement Shares, as set out in the Explanatory Memorandum, being Victor Smorgon Group.

“WST” means Western Standard Time being the time of Perth, Western Australia.



RED 5 LIMITED | ABN 73 068 647 610

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11.00 a.m. (WST) on 20 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



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