

21 May 2021

Darlot Gold Mine Production Update

- Darlot's FY2021 production guidance has been revised to 74,000 – 78,000 ounces (previously 80,000 – 85,000 ounces) at a consolidated All In Sustaining Cost (AISC) of \$2,240 - 2,290/oz (previously \$2,150 – \$2,280/oz)
- Lower-than-planned production is due to mining rates continuing to be negatively impacted by machine operator and labour shortages now prevalent across the mining industry

Red 5 Limited (ASX: RED) advises that production guidance for the Darlot Gold Mine for FY2021 has been revised to 74,000 – 78,000 ounces (previously 80,000 – 85,000 ounces) at an All In Sustaining Cost (AISC) of \$2,240 - \$2,290/oz (previously \$2,150 – \$2,280/oz).

Labour availability at both the Darlot underground mine and the Great Western open pit mine has continued to impact production. In the March 2021 Quarter, Red 5 commenced mining at the Great Western mine, however due to a shortage of machine operators and truck drivers, the contractor has been unable to ramp up mining activities at the planned rate. This has delayed the delivery of higher-grade ore to the Darlot Mill into FY2022.

Red 5 management is undertaking a comprehensive review of the Darlot mining operations, with production and cost guidance for FY2022 to be provided in the September Quarter 2021.

Red 5 Managing Director, Mark Williams, said: *"Red 5 continues to make excellent progress on the King of the Hills Gold Project, however we continue to face challenges at our Darlot Gold Mine. The difficulty of sourcing skilled labour for both Darlot and for our new Great Western mine has impacted our ability to achieve our FY21 production guidance."*

As previously announced, King of the Hills remains on schedule and budget and is expected to commence gold production in the June Quarter 2022."

ENDS

Authorised for release by the Board.

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