

2021 Annual General Meeting – Chairman’s Address

The past year has seen Red 5 take further significant steps towards achieving our goal of developing Australia’s next major gold mine at our King of the Hills Project – a goal that is set to elevate the Company into the ranks of Australia’s leading mid-tier gold producers.

We completed a successful Final Feasibility Study for King of the Hills, which delivered a 2.4-million-ounce Ore Reserve and firmly cemented the project’s status as one of the Top-10 reserve-endowed gold deposits in Australia.

Following the delivery of this study, we were able to secure a highly competitive \$175 million project finance package in June 2021 from a syndicate of lenders comprising BNP Paribas, HSBC and Macquarie.

This debt facility, together with a fully underwritten \$60 million entitlement offer completed in April 2021, has provided us with the funding required to complete construction and commissioning of a new state-of-the-art mining and processing operation at King of the Hills.

I am pleased to say that development is steadily progressing at King of the Hills, which is now approximately 73 per cent complete and remains on budget and on schedule to achieve first gold production in the June Quarter of next year.

Our ability to keep the project on time and budget – despite the impact of the ongoing COVID-19 pandemic and the increasingly tight supply of labour, services and equipment across the Western Australian mining sector – is thanks to the diligent work of our executive team led by Managing Director Mark Williams and Project Manager Warren King together with our construction contractor, MACA Interquip.

It is also due to the decision we took last year to undertake a landmark \$125 million capital raising, at the height of the first wave of the COVID-19 pandemic. This gave us the balance sheet strength to press ahead with the Final Feasibility Study, secure long-lead items of equipment, recruit high-calibre people and initiate the development well ahead of the recent wave of cost escalation and labour shortages we have seen in the West Australian resource sector.

The commissioning of a new state-of-the-art 4.0Mtpa mill at KOTH will establish Red 5 as one of the most important new players in the Leonora region, with a world-class infrastructure and processing base that we believe will play a strategic role in this area for many decades to come.

Turning to our operational performance, Red 5’s Eastern Goldfields operations delivered total gold production of 76,104 ounces for FY2021 from Darlot, KOTH and the newly-commissioned Great Western open pit.

The Company completed a comprehensive review of its existing operations in August 2021 which resulted in a revised mine plan that I am confident will deliver a significantly strengthened production and cost profile going forward.

From mid next year, this will see ore being trucked from Darlot to the new plant being constructed at King of the Hills – effectively making Darlot a source of satellite ore feed. The new state-of-the-art KOTH mill has significant latent capacity and forecast production costs considerably below what we can achieve at Darlot, enabling Red 5 to realise a step-change in our production and cost metrics.

Additionally – and of particular relevance in the current tight labour market – the new mine plan will also enable us to transition our Darlot employees across to the KOTH operation, increasing certainty for our staff and reducing our labour-related risk.

On the corporate front, we recently completed the sale of our interests in the Siana Gold Project in the Philippines, with the up-front cash consideration of US\$19 million received in September 2021. The Siana sale also has the potential to deliver an ongoing Net Smelter Return on future gold production at Siana.

The sale of Siana has streamlined our asset portfolio, removed the annual holding cost of approximately A\$6 million, while also maintaining exposure to future project upside via the Net Smelter Return Royalty. This is an excellent outcome.

Looking to the future, the coming year is expected to be a landmark period in the Company's history, with first production from our new King of the Hills mining operation scheduled for the June 2022 Quarter.

We are also working hard to open up new mining areas at Darlot, while maintaining an active exploration program across our broader tenement portfolio.

These are very strong foundations on which to base our long-term growth.

The strength of our position is thanks to the exceptional hard work of the Red 5 team led by Managing Director Mark Williams. I would like to extend the Board's sincere thanks to all employees for their efforts.

I would also like to thank you, our shareholders, for your ongoing support.

Kevin Dundo

Chairman

24 November 2021

Authorised for release by Kevin Dundo, Chairman.

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JORC 2012 Mineral Resource and Ore Reserves

Red 5 confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Red 5 confirms that all the material assumptions underpinning the Final Feasibility Study production targets on the King of the Hills project (see ASX release dated 15 September 2020), or the forecast financial information derived from a production target, in the initial public reports continue to apply and have not materially changed.

Forward-Looking Statements

Certain statements made during or in connection with this statement contain or comprise certain forward-looking statements regarding Red 5's Mineral Resources and Reserves, exploration operations, project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Red 5 believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements and no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. Except for statutory liability, which cannot be excluded, each of Red 5, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. Red 5 undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward-looking statement.