



23 March 2012

Manager Announcements  
Company Announcements Office  
ASX Limited  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

**Not for distribution or release in the United States or to US Persons**

Dear Sir/Madam

**APPENDIX 3B - SHARE PLACEMENT**

Please find enclosed an Appendix 3B in relation to the issue of 7,075,472 ordinary fully paid shares in Red 5 Limited (Company) at a subscription price of \$2.12 per share pursuant to a share placement to institutional and professional investors, for gross proceeds of \$15 million.

**Notice given under Section 708A(5) of the Corporations Act**

This notice is given by Red 5 Limited under section 708A(5)(e) of the Corporations Act in relation to an issue of 7,075,472 ordinary fully paid shares by the Company without disclosure to investors under Part 6D.2 of the Corporations Act.

As at the date of this notice, the Company has complied with:

- (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
- (b) section 674 of the Corporations Act.

The Company confirms that, as at the date of this notice, there is no information that:

- (a) has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules; and
- (b) investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (ii) the rights and liabilities attaching to ordinary fully paid shares,

to the extent to which it would be reasonable for investors and their professional advisers to expect to find such information in a disclosure document.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Gregory Edwards', written in a cursive style.

**GREGORY EDWARDS**

Managing Director

The ordinary shares offered and sold in the placement have not been, and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person (as defined in Regulation S under the Securities Act) without being so registered or pursuant to an exemption from registration.

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Red 5 Limited

ABN

73 068 647 610

We (the entity) give ASX the following information.

### Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- |   |   |                            |
|---|---|----------------------------|
| 1 | +Class of +securities issued or to be issued  | Ordinary fully paid shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 7,075,472                  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)  | Ordinary fully paid shares |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state: <ul style="list-style-type: none"><li>• the date from which they do</li><li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li><li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li></ul> | Yes                        |
| 5 | Issue price or consideration  | \$2.12 per share           |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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6 Purpose of the issue  
 (If issued as consideration for the acquisition of assets,  
 clearly identify those assets)

Share placement for additional working capital.

7 Dates of entering <sup>+</sup>securities into uncertificated holdings  
 or despatch of certificates

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8 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX  
 (including the securities in clause 2 if applicable)

Number	<sup>+</sup> Class
135,488,008	Ordinary fully paid shares

9 Number and <sup>+</sup>class of all <sup>+</sup>securities not quoted on ASX  
 (including the securities in clause 2 if applicable)

Number	<sup>+</sup> Class
70,000	Options (30.06.13)
70,000	Options (30.04.14)
70,000	Options (30.04.16)

10 Dividend policy (in the case of a trust, distribution  
 policy) on the increased capital (interests)

The Company does not presently have a formal dividend policy.

**Part 2 - Bonus issue or pro rata issue**

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the <sup>+</sup>securities will be offered

14 <sup>+</sup>Class of <sup>+</sup>securities to which the offer relates

15 <sup>+</sup>Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be  
 aggregated for calculating entitlements?

17 Policy for deciding entitlements in relation to fractions

18 Names of countries in which the entity has <sup>+</sup>security  
 holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.  
 Cross reference: rule 7.7.



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+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	
33	<sup>+</sup> Despatch date	

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

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+ See chapter 19 for defined terms.



**Quotation agreement**

1. +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
2. We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
3. We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
4. We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

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

Date: 23 March 2012

Print name: FRANK CAMPAGNA

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+ See chapter 19 for defined terms.