

15 December 2020

## King of the Hills Project Update

***Final permit approval received for construction of the Process Plant. EPC Contractor has mobilised to site. Village construction well advanced, with all Central Facilities Buildings now on site.***

Red 5 Limited (ASX: RED) is pleased to advise that it has taken another significant step towards the development of its 2.4Moz, 16-year Life-Of-Mine King of the Hills (KOTH) Gold Project in Western Australia, after receiving approval for the Mining Proposal from the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS).

All approvals for the commencement of construction of the processing facility are now in place and the EPC Contractor, MACA Interquip, has mobilised to site and commenced earthworks in the Process Plant area. Debt funding is currently being negotiated with lenders, and Red 5 expects to have the project debt finance in place in the March Quarter 2021.

The EPC contract – encompassing the KOTH processing facility, equipping of the bore fields, high voltage power distribution, workshop, warehouse and bulk earthworks – is being undertaken as a fixed-price contract. The detailed design of the processing facility is well advanced, as many aspects of the circuit are being leveraged off previous similar plant designs and the platework for the CIL tanks has been ordered.

Commitments for 35 Single Person Quarters (SPQs) and three laundries were made during November 2020, totalling ~\$2.8 million. Commitments for the mill liner handler and catering services are expected to be made in the near future.



*Figure 1: MACA Interquip site establishment.*

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**Figure 2:** Process facility clearing.

The construction of the Village facilities commenced in October 2020 and is progressing on schedule, with the Central Facilities Buildings (kitchen/diner, wet mess, recreation room, administration building and gym) delivered to site and placed on their foundations. The majority of the second-hand SPQs have been installed. These units will provide the initial 240-person accommodation on site for the construction crews.



**Figure 3:** KOTH Village under construction.

The 15-megawatt SAG mill, shell and motors have been shipped from Houston to Johannesburg to undergo refurbishment and upgrade. The mill variable speed drive is undergoing inspection at ABB in Switzerland.





**Figure 4:** Mill shell delivery in Johannesburg.



**Figure 5:** Mill motor unpacked in the workshop.



**Figure 6:** Gyrotory crusher in production by Metso.

Red 5 Managing Director Mark Williams said the approval of the Mining Proposal and the mobilisation of the EPC contractor had seen a major increase in activity on-site.

*“With final approval for the commencement of construction of the processing plant now in place, we have a hive of activity underway at King of the Hills, with bulk earthworks progressing and installation of the village well underway.*

*“Major components of the mill are being manufactured or undergoing refurbishment and upgrade, putting all of our workstreams on-track for the achievement of first gold production from the 4Mtpa KOTH bulk mining operation in the June Quarter of 2022.”*

**ENDS**

Authorised for release by the Board.

For more information:

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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.