

21 September 2018

Full Year Results

Red 5 Limited (ASX: RED) (“**Red 5**” or “the **Company**”) today announced its financial results for the year ended 30 June 2018.

Summary

- Sales revenue of A\$77.1m, excluding A\$13.7m King of the Hills (KOTH) sales revenue offset against mine development costs
- Net cash flow from operating activities of A\$19.0m
- A\$12.9m in cash and in metal accounts
- Darlot gold production of 48,259oz and gold sales of 47,286oz since acquisition in October 2017
- Net loss of the consolidated entity after income tax was A\$11.9m

The Company has achieved a strong maiden production performance from the Darlot and KOTH operations since acquisition, with gold sales of 47,286 ounces.

The Company had cash and gold bullion in its metal accounts of A\$12.9m at the end the financial year and received an additional A\$11.0m from the sale of the Mt Cattlin royalty in July 2018.

The start of underground mining at KOTH in January 2018 marked the beginning of an important transitional period, with the Group making a significant investment in both mine development and exploration as we progressively ramp-up the combined Darlot and KOTH operations.

In regard to the year end results, the Company’s Managing Director Mark Williams said progress made by the Company was encouraging for several reasons.

“The Company’s plan to maximise throughput at the Darlot mill by processing ore from both the Darlot and KOTH underground mining operations has been successful, with the processing plant performing strongly during the period. The continued efficient operation of the processing plant, combined with a rising grade profile at Darlot from the new high-grade Oval mining sector, will assist in maximising production, improve recoveries and drive down unit operating costs,” he said.

“We embarked on an aggressive and multi-pronged exploration effort during the year, with near-mine extensional drilling in the Oval sector at Darlot returning outstanding results immediately along strike and down-plunge from current mining areas, leading to an updated Resource estimate for this area. New mine development is already being put in place to access this high-grade zone, which will be a significant contributor to our production profile over the next two years.

“In addition, we are now starting to really unlock the exceptional growth potential at King of the Hills, with recent drilling delivering an important breakthrough in our understanding of the structure and controls of gold mineralisation in the region. The discovery of a significant gold-bearing zone of tension veins and stockworks located close to an existing mining area has the potential to transform the current Resource and Reserve base at King of the Hills and significantly extend mine life,” he said.

Red 5 Limited

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ASX: **RED**

Shares on issue: **1,242M**

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About Red 5 Limited

Red 5 Limited (ASX: RED) is an Australian gold producer with an asset portfolio in the Eastern Goldfields region of Western Australia comprising the operating Darlot Gold Mine and the King of the Hills (KOTH) Gold Project.

Including the Ockerburry Hill project, Red 5 holds a commanding 36,489ha footprint in the highly-endowed Yandal gold district, one of Australia's most active gold provinces, an expanding Mineral Resource inventory, gold production and outstanding exploration and growth potential.

The Group, through its associated Philippine company Greenstone Resources Corporation, also holds interests in the Siana Gold Project, located in the established gold mining region of Surigao del Norte in the Philippines. Mining operations at the Siana Gold Project are currently suspended pending an improvement in operating conditions in the Philippines. Siana retains significant inherent value, including a substantial gold inventory, a modern 1.1Mtpa treatment facility, an open pit mine and a part-developed underground mine.