



ASX

Activities Report

for three months ended
31 March 2007

Inquiries regarding this report and company business may be directed to:

Greg Edwards
Managing Director

or

Lance Govey
Exploration Director

Red 5 Limited is a publicly listed company on the ASX-ticker symbol RED.

The Board strategy is to focus on the development of Siana .

Investor Inquiries:
info@red5limited.com

OVERVIEW

Siana Gold Project, Philippines

- Open-pit Bankable Feasibility Study completed with positive outcome; cash costs estimated at US\$288 per ounce over 4.5 year mine life.
- Underground scoping study confirmed potential for an overall 12 year plus mine life with cash costs and total costs estimated at US\$309 and US\$392 per ounce respectively.
- Open-pit Probable Reserve 3.16 million tonnes at 3.4 g/t Au and 8.5 g/t Ag (339,700 ounces Au, 0.87 million ounces Ag).
- Combined open-pit and underground projected to produce approximately 720,000 ounces of gold and 1.34 million ounces of silver from a 5.4 million tonne mineral inventory.
- NPV US\$100.5 million and IRR 38% per annum for the 12 year integrated mine at US\$679 per ounce gold and US\$13.88 per ounce silver.
- Base capital cost of the open pit project is US\$50.9 million plus contingencies/financing provisions totalling US\$7.1 million.

Implementation Plan

- Focus includes project finance, submission of the Environmental Impact Statement, commencement of detailed process plant engineering and acceleration of studies for an integrated underground operation including surface drilling.

Exploration

- Best zinc grades intersected in latest extension to underground gold Resource - SMDD111 recorded an interval of 7 metres at 11.7 g/t gold, 21.3 g/t silver and 5.8% zinc, confirming the scope to extend beyond the perceived 12 yr mine life.

Mapawa

- A new review based on historic drill data indicated the potential for a 3 to 4 million tonne open-pit target at grades between 1.7g/t to 2.5g/t gold.

Finance

- Cash position \$0.97 million

Greg Edwards
Managing Director
30 April 2007

Chairman's Review

Siana development defined as a combined open pit-underground operation with 12 year plus mine life.

The open pit Bankable Feasibility Study based on a Probable Reserve defined a modest four and a half year life. Whilst the project was both technically and financially viable any debt funding would have required substantial hedging and an aggressive repayment schedule leading, by definition, to high risk.

Drilling success, in fact 100 per cent success, immediately below the pit prompted detailed consideration of the viability of a continuing operation from underground. The predictability of the ore body geometry lead to the declaration of an Inferred Resource. Independent engineers delivered underground capital and operation cost estimates to scoping study accuracy.

The net result is a combined open pit and underground operation with a 12 year mine life. The impact on economic viability was demonstrably enhanced with the Net Present Value increasing three fold to US\$100 million and significant increase in the IRR to 38 per cent at current gold and silver prices.

Post this assessment, results from SMDD111 (7 metres at 11.7 g/t gold, 21 g/t silver and 5.8 per cent zinc) has confirmed a southern extension to the underground resource and the scope to extend beyond the 12 year mine life.

The business activity of the company which has been dominated by exploration and Siana evaluation studies will now need to change to advance the project in a timely fashion. Exploration will still be a key feature of our business, particularly drilling to upgrade the Inferred Resource for the first 100 metres of the underground mine and exploration of Mapawa (once granted). However, the Company will need to recruit senior project management. This will commence in earnest shortly, in what is clearly acknowledged as a tight market for experienced resource professionals. In this regard, we are however fortunate to have the counsel of Board member, Peter Rowe, the head of the corporate technical group for AngloGold Ashanti Limited.

Debt and equity financing reviews have commenced and will accelerate in the coming month. Again, we are fortunate to have the counsel of Board member, Gary Scanlan, a former head of finance for Newcrest Mining Limited.

Nicholas Smith, Chairman of the Company for the last five years has advised the Board of his decision to retire effective today. During his tenure, the Company rationalised its exploration portfolio, acquired and advanced Siana to a viable development proposition, and negotiated strategic alliances with AngloGold Ashanti and First Metro of the Philippines.

On behalf of the Board and shareholders, the contributions of Nicholas to the Company's progress are hereby acknowledged.

Colin G Jackson
Chairman

Multi-disciplinary studies

Final open-pit design and mine schedules were completed ahead of definition of the Mining Reserve (Table 2).

Refinements to geotechnical considerations were completed, impacting favourably on final drill and blast recommendations.

A positive scoping study on the viability of underground mining was completed following preparation of a preliminary mine design by external engineers, based on an Inferred Resource.

The capital cost for a potential future upgrade to the processing plant from the design 750,000tpa to 1.0Mtpa was estimated by Intermet Engineering

Final capital and operating expenditure analyses were undertaken prior to financial modelling for the open-pit base case and a longer term integrated open-pit and underground operation.

The NPV increased threefold to US\$100.5 million and IRR increased by 28% to 38% per annum for the 12 year integrated mine at current metal prices (US\$679 per ounce gold and US\$13.88 per ounce silver).

Base capital cost of the open pit project is US\$50.9 million plus contingencies/financing provisions totalling US\$7.1 million.

Exploration

Deep diamond step-out drilling designed to test the potential for underground mine development continued. SMDD111 accurately intersected the predicted down plunge target at the southern end of the deposit, recording an interval of 7 metres at 11.7 g/t gold, 21.3 g/t silver and 5.8% zinc, confirming an extension to the underground Resource and the scope to extend beyond the perceived 12 yr mine life.

Hosted in carbonates the intersection was located 100 metres south and below the nearest hole SMDD108 (23 m at 8.6 g/t Au and 6.3 g/t Ag) and further confirms the mineralised system to a vertical depth of at least 420 metres. Maximum individual grades were 56.8 g/t gold, 77 g/t silver, 9.0% zinc and 0.4% copper in one metre samples.

Drilled from the east, SMDD111 also passed through similar strong alteration and sulphide mineralization as for SMDD107 to the north, before intersecting 126 metres of diorite porphyry from 484 metres down hole, identical to the diorite intersected 300 metres to the north in SMDD110.

The diorite porphyry is inferred to underlie the entire Siana Resource. It is akin to the host diorite of the 15Moz gold equivalent Boyongan porphyry copper-gold deposit located five kms to the northwest.

Mapawa

Historic surface and drilling data were used as the basis for a scoping estimate of an open-pit exploration target, including a preliminary optimisation study. The results indicated the potential to define 3 to 4 million tonnes at grades between 1.7g/t to 2.5g/t gold to approximately 120 metres depth.

Mineralisation defined by the historic drilling remains open. In the absence of new drilling to confirm the historic data the target cannot be defined as a Mineral Resource under current JORC Code guidelines.

Montague JV, Australia

(Red 5 25% free carry)

Barrick Gold completed two diamond drill holes at the Victory Creek gravity/magnetic target in December 2006.

Barrick advised that the assay results of the holes were disappointing and subsequently withdrew from the Joint Venture. A technical report on the work is awaited.

Finance

- Net cash position at the end of the quarter was \$0.97 million.
- \$1.0 million of the debt facility arranged with Société Générale CIB Australia was drawn down to replace funds used in the purchase of the ball mill and crusher.

Resources

Table 1 Siana Mineral Resource Estimate

Resource Area	Indicated Resource					Inferred Resource					Total Mineral Resource				
	Mt	Au g/t	Oz Au	Ag g/t	Oz Ag	Mt	Au g/t	Oz Au	Ag g/t	Oz Ag	Mt	Au g/t	Oz Au	Ag g/t	Oz Ag
Siana Open Pit #	3.073	3.4	336,200	8.5	839,900	0.156	2.9	14,500	13.6	68,200	3.229	3.4	350,700	8.7	908,200
Siana Underground*						2.951	7.4	702,800	13.1	1,246,300	2.951	7.4	702,800	13.1	1,246,300
Surface Stockpiles	0.083	1.3	3,500	10.7	28,500						0.083	1.3	3,500	10.7	28,500
Totals	3.156	3.3	339,700	8.6	868,400	3.107	7.2	717,300	13.2	1,314,500	6.263	5.3	1,057,000	10.8	2,183,000

- # Open-Pit cut-off grade of 1.1g/t gold, all of the Resource is contained within the designed open pit.
 * Depleted underground Resource within a 2.0g/t gold boundary cut-off.

Table 2 – Siana Ore Reserve Estimate

Reserve Area	Mt	Probable Ore Reserve			
		g/t Au	g/t Ag	ozs Au	ozs Ag
Siana Open Pit	3.073	3.4	8.5	336,200	839,900
Surface Stockpiles	0.083	1.3	10.7	3,500	28,500
Totals	3.156	3.3	8.6	339,700	868,400

The information in this Public Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on, and accurately reflects, information compiled by Mr. A L Govey and Mr. G C Edwards who are full-time employees of Red 5 Limited and who are Members of The Australasian Institute of Mining and Metallurgy. Mr Govey and Mr. Edwards have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Govey and Mr. Edwards consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

CORPORATE INFORMATION

Directors and Executive Management

Colin Jackson (Chairman)
 Greg Edwards (Managing Director)
 Lance Govey (Exploration Director)
 Peter Rowe (Non-executive Director)
 Gary Scanlan (Non-executive director)
 Frank Campagna (Company Secretary)
 Manny Ferrer (Philippines-based)
 Attny E Panimogan (Philippines-based)

Registered Office

Level 2, 35 Ventnor Avenue
 West Perth WA 6005
 Telephone.....+61 8 9322 4455
 Facsimile.....+61 8 9481 5950

Stock Exchange Listing

Australian Stock Exchange
Ticker Symbol: RED

Issued Capital

As at the date of this report,
 issued capital is 291,288,043 shares.

Substantial Shareholders

Mathews Capital Partners 19.5%
 AngloGold Ashanti Australia Limited 14.1%

Shareholder Enquiries

**Matters related to shares held,
 change of address and tax file
 numbers should be directed to:**

Securities Transfer Registrar
 770 Canning Highway
 Applecross WA 6153
 Telephone.....+61 8 9315 2333
 Facsimile.....+61 8 9315 2233