

10 August 2021

King of the Hills hits 50% completion milestone

Red 5 on track for first gold at King of the Hills in the June Quarter 2022 after passing the 50% project completion milestone, with the project remaining within budget and on schedule

Red 5 Limited (ASX: RED) (**Red 5** or the **Company**) is pleased to advise that it continues to make significant progress with the development of its 2.4Moz, 16-year Life-Of-Mine King of the Hills (**KOTH**) Gold Project in Western Australia, which has now passed the 50% project completion milestone.

The KOTH Project is progressing on schedule for first gold in the June Quarter 2022 and remains within budget, with key construction progress for July including:

- Engineering design for concrete, steel, platework and piping is now complete;
- All steelwork and platework for the process plant has been awarded for fabrication, with 77% of the steelwork already on site;
- All key components of the SAG mill are on site other than for the mill shells, which will be delivered to site in August;
- The concrete plinths for the SAG mill have been completed. The concrete suspended slab for the gyratory crusher and stockpile reclaim tunnel is being prepared for pouring in August; and
- Construction of the CIL tanks is progressing well, with all eight tanks at full height and assembly of the top-of-tank steelwork commenced.



Figure 1: Processing plant and CIL tanks under construction on 7 August 2021.

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Figure 2: Construction progress at 7 August 2021 – crusher in the foreground, stockpile reclaim tunnel in the centre, mill and CIL tanks at the rear of the photo.

KOTH’s turnkey power station is being supplied by Zenith, who mobilised to site in July. Installation of buried conduit for the power station has commenced in preparation for pouring of the concrete base. One of the seven Jenbacher gas engines is in Perth, with two expected to arrive shortly and the remaining four due to be shipped by the end of August. Meanwhile, APA has commenced planning for the 12km pipeline spur, with all critical equipment procured and scheduled to be delivered to the site in the December Quarter 2021.



Figure 3: Power station site at 3 August 2021 – trenching, conduit installation, and switchroom/generator hall footings have commenced.

The KOTH Village is now fully operational and the installation contractor has demobilised.



Figure 4: Drone photo showing the KOTH Village at 7 July 2021, which is now fully operational.

Red 5 continues to evaluate scalability within the KOTH mine plan and processing facility with the support of Mintrex and Orelogy. A Plant Capacity Study completed by Mintrex has confirmed that the KOTH processing plant can process up to 4.7Mtpa of ore without additional capital expenditure (as outlined in the ASX announcement on the KOTH Processing Hub Strategy on 2 August).

Management Comment

Red 5 Managing Director, Mark Williams, said:

“It’s great to see our new state-of-the-art King of the Hills Project now really beginning to take shape, as can be seen in the drone images above, which show the rapidly expanding footprint of the site.

“Construction of the CIL tanks is well advanced, with all eight tanks at full height. All steelwork and platework for the process plant has been awarded for fabrication and, remarkably, nearly 80% of this steelwork is already on site together with many key components for the SAG mill. The mill installation crews are now on site and have started preparing the mill sole plates for installation.

“It’s very pleasing to have passed the 50% project completion milestone and EPC contractor MACA Interquip continues to perform strongly. The countdown is now well and truly on towards project commissioning and first gold from Australia’s next major gold mine in the June Quarter 2022.

“Despite the challenging environment for people, equipment and services across the WA mining industry, King of the Hills remains within budget and on schedule, which is a credit to the diligence, hard work and focus of our team.”

ENDS

Authorised for release by the Board.

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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.