



**ASX REPORT TO
SHAREHOLDERS**

4 December 2009

Red5 Limited

is a publicly listed company
on the ASX
- ticker symbol RED

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

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

Greg Edwards

Managing Director
(office) +63 2 807 2790
(mob) +61 408 370 582, or

Lance Govey

Executive Director - Technical
(office) +61 8 9322 4455
(mob) +61 408 933 276

Investor Inquiries:
info@red5limited.com

Address:
Level 2, 35 Ventnor Avenue
West Perth 6005
Western Australia
Tel: (+61) 8 9322 4455
Fax: (+61) 8 9481 5950
Web: www.red5limited.com

Siana Gold Project financing

An A\$45 million equity raising has been completed and, together with the award of an exclusive mandate to consummate an innovative financing package of US\$40 million, will at financial close deliver full funding for the Siana development.

Importantly, the total package includes conservative capital cost over-run and working capital provisions. Total gold delivery commitments are minimal and less than one tenth of those normally required with conventional project finance.

The equity placement of 290 million ordinary shares at 15.5 cents per share was made to professional and sophisticated investors by Petra Capital (Lead Manager) in Australia, Singapore and Hong Kong, and Southern Cross Equities in London, for proceeds of A\$44,950,000 before costs. The issue will be conducted in two tranches with 98 million shares in Tranche 1 (A\$15,190,000) to be issued immediately after receipt of funds and 192 million shares in Tranche 2 (A\$29,760,000) subject to shareholder approval.

The equity placement was over subscribed with thirty one new institutions joining the register.

The Company has also exclusively mandated Deutsche Bank AG, Sydney branch and Ashmore Investment Management Limited, a subsidiary of Ashmore Group plc, in relation to an US\$40 million senior secured financing for the project, following which any financing commitment will be subject to normal detailed due diligence and all necessary approvals.

Ashmore is a leading emerging markets fund manager based in the UK, with US\$31 billion under management worldwide. Ashmore has a long standing association with the Philippines, having invested in hard assets across a wide range of industries including mining, oil refining, telecommunications, transport and high end commercial and residential developments.

The Red 5 Limited Board, post receipt of the Notice to Proceed, committed to the commencement of early infrastructure development expenditure from existing treasury funds of A\$21 million. Tenders for construction and mining contracts will be issued next week.

Greg Edwards
Managing Director