

22 February 2018

## High-Grade Drilling Results Confirm Potential for Resource Extensions within Key Mining Area at Darlot

*Assays of up to 9.4g/t Au immediately adjacent to the CDA Oval workings highlight strong potential to extend existing workings both along strike and down-plunge*

### Key Points

- Encouraging initial results received from recently commenced underground diamond drilling program in the CDA Oval mining area, part of the Centenary underground workings at the recently acquired Darlot Gold Mine.
- Drilling targeting extensions to the gold mineralisation immediately along strike and down-plunge from the CDA Oval workings has intersected mineralisation (based on estimated true widths), including:
  - 12.9m @ 7.9g/t Au from 78.02m down-hole (Hole GC3748)
  - 4.0m @ 9.4g/t Au from 113.15m down-hole (Hole GC3746)
  - 5.0m @ 8.2g/t Au from 111.2m down-hole (Hole GC3747)
  - 6.0m @ 5.1g/t Au from 62.2m down-hole (Hole CAD0396)
- Drilling continuing with additional holes planned as part of the resource extension and infill program.
- Further drilling is planned targeting the area further down-dip of the existing workings and up-dip targeting mineralisation adjacent to the regional lamprophyre located approximately 100m to the west of current workings.
- The CDA Oval workings have been a key source of high-grade ore feed to the Darlot plant since mining commenced in this sector in February 2017.
- Drilling of a 1200m deep surface diamond drill-hole has commenced at the high-priority Aurora target, located approximately 1km to the south-east of the Centenary mine.
- The Aurora target represents a potential analogue of Centenary, sitting in the same host magnetic dolerite position and with closely-matched geochemical characteristics.

Red 5 Limited ("Red 5" or "the Company") (ASX: RED) is pleased to announce encouraging initial assay results from its first-ever underground resource extension diamond drilling program at the recently-acquired Darlot Gold Mine in Western Australia.

The ongoing drilling program, which commenced in early January 2018, is targeting potential mineralised extensions immediately to the west along strike and down-plunge of the CDA Oval workings, part of the Centenary mining area at Darlot (see Figure 1).

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Initial assays from this drilling have been very positive, with significant results including:

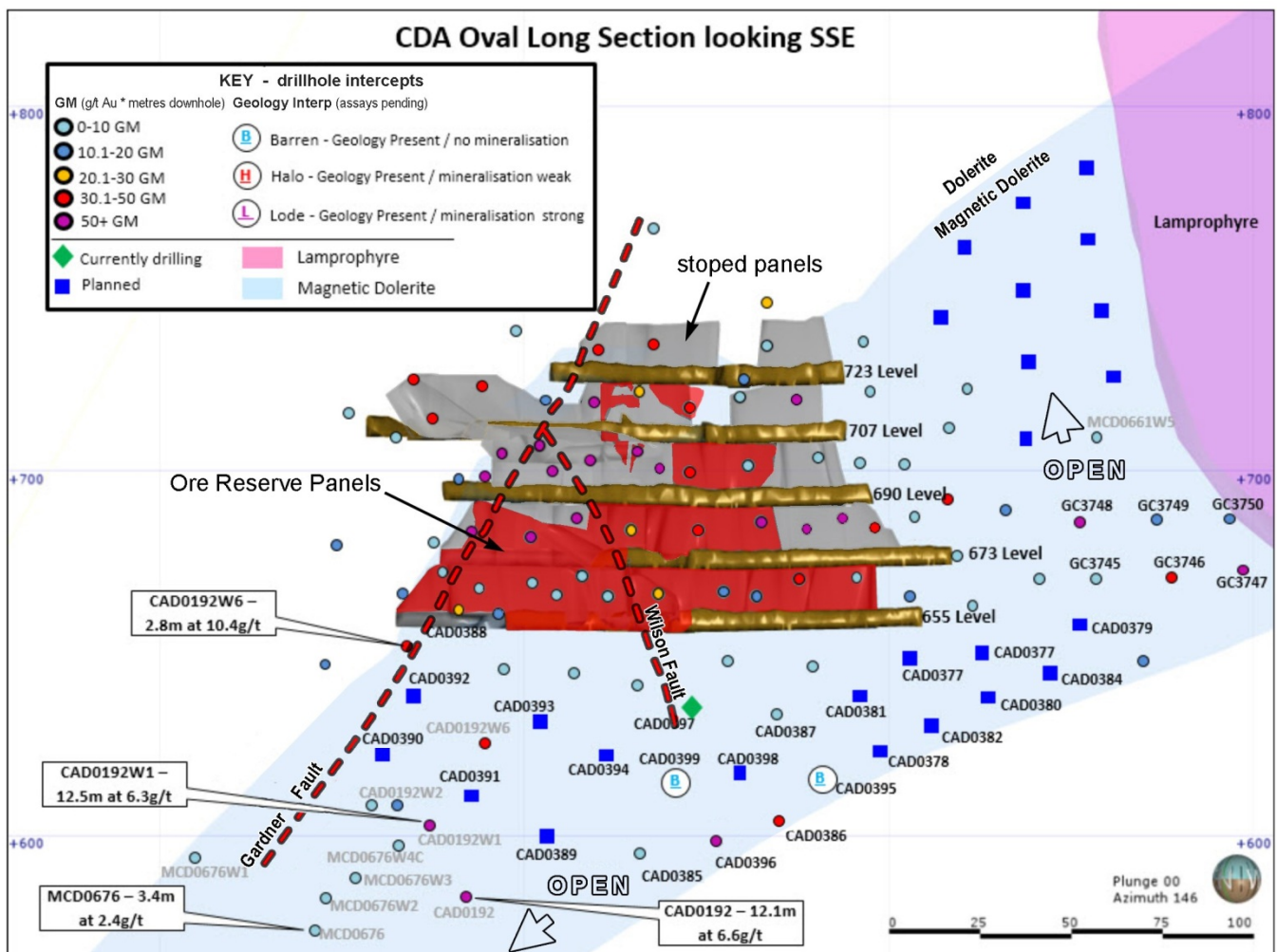
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All figures quoted above are estimated true widths. Assay results and drill-hole locations are provided in Table 1 in Appendix 1.

The drilling completed to date has confirmed extensions of the CDA Oval mineralisation to the west starting approximately 40 metres along strike of current workings, with the mineralisation remaining open and drilling continuing to test for further extensions both along strike adjacent to the regional lamprophyre and down-plunge within the favourable magnetic dolerite host rock.

The CDA Oval workings came into production in February 2017, with this sector of the mine representing a key source of high-grade ore feed to the Darlot plant.

Given the proximity of the newly identified extensions to the existing CDA Oval workings and underground mine infrastructure and services, it is likely that these newly identified areas will be convertible into Ore Reserves.



**Figure 1: Drilling at the CDA Oval long section looking to the SSE showing current ore development, stoped and planned stoping areas, planned drill holes, gram metre (GM) intercepts of completed holes from current program and historic drill holes and GM values. Note GM values and historic drilling figures are calculated using down hole lengths.**

Once the CDA Oval drilling program is complete, Red 5 will commence grade control modelling and complete an updated mine design which will incorporate the latest drilling results.

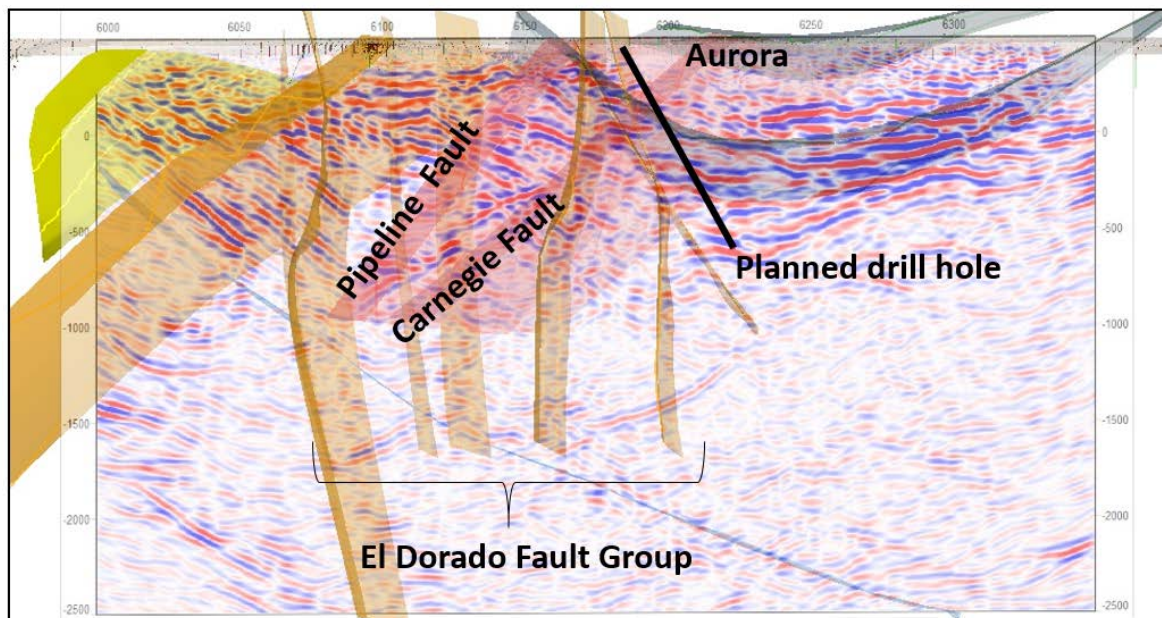
### Surface Drilling – Aurora Target

In addition, Red 5 advises that DDH1 Drilling has collared a 1,200m deep diamond hole designed to test the high-priority Aurora target, located approximately 1km south-east of the Centenary mine at Darlot.

Aurora represents a potential analogue of Centenary, sitting within the same host magnetic dolerite position, and with recent geochemical analysis confirming it has 13 of the 15 geochemical characteristics that define Centenary.

The new hole is designed to drill across the Pipeline and Carnegie faults (see Figures 2 and 3) using the latest seismic data to update the previous interpreted positions. These faults represent Lords and Oval analogues. This drill hole is being partially funded by a \$100,000 drilling grant received through the WA State Government's Exploration Incentive Scheme.

The hole is estimated to take approximately six weeks to complete, with assay results expected to be available in the June 2017 Quarter.



*Figure 2: Deep diamond drill hole currently underway at Aurora target.*





*Figure 3: DDH1 diamond drilling rig commencing operations to test the Aurora target.*

#### **Management Comment**

Red 5's Managing Director, Mark Williams, said the initial drilling results from Darlot were highly encouraging, with the delivery of high-grade assay results within five weeks of the start of underground drilling representing a significant achievement by the Company's exploration team.

"These very positive and early results demonstrate the significant potential that exists at Darlot to expand our resource inventory in close proximity to well-established mining areas," he said. "They should be viewed in the context of their close proximity to existing mining services and underground infrastructure at the CDA Oval workings, which means that we can quickly incorporate them into our Ore Reserves and then bring them into our mining inventory and production plans.

"Drilling is continuing in this area, and we believe there is excellent potential to identify further extensions, particularly down-plunge of the existing workings.

"In the meantime, we have also commenced the highly-anticipated surface diamond hole to test the Aurora Target. This represents the first exploration hole to be drilled at Darlot using all the latest geological data sets – an exciting prospect for our exploration team – and represents the first of many targets to be tested over the coming months.

"We have a vast array of exploration data available for Darlot – including high-quality 3D seismic survey and geochemical, geophysical and structural mapping – which will enable us to systematically identify and rank key targets for exploration.

"We believe exploration will be a key driver of the Red 5 value proposition over the coming year, and we are looking forward to the results that should start to flow as our multi-pronged exploration approach begins to gather momentum."

**ENDS**

**For more information:**

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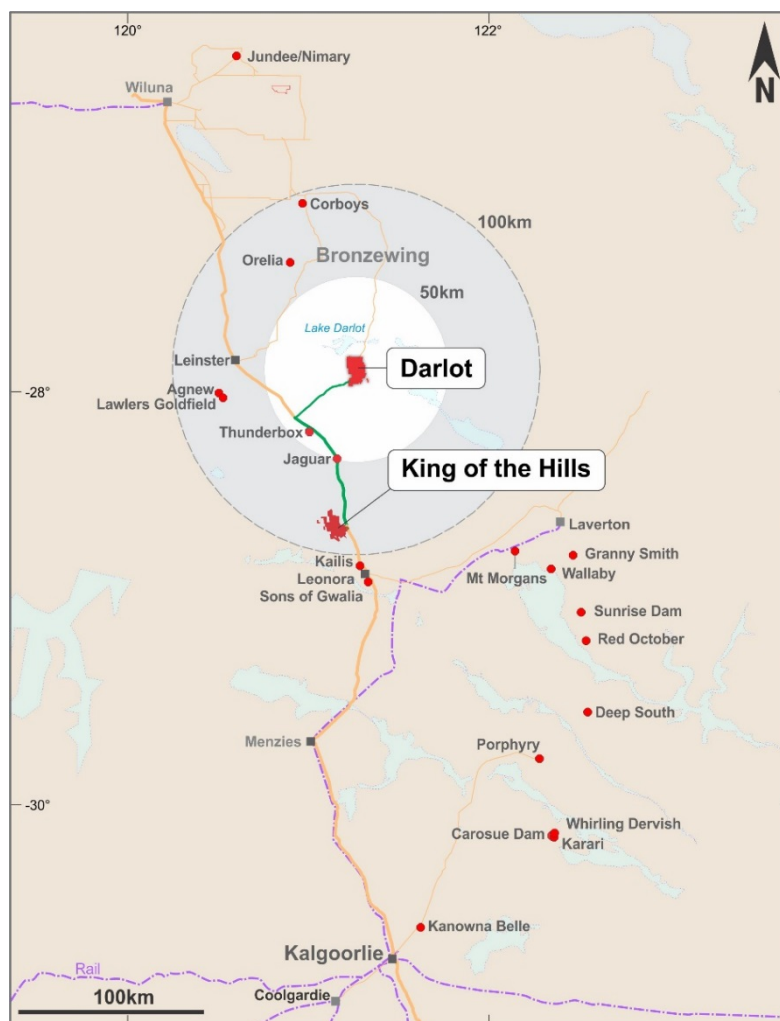
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**About Red 5 Limited**

Red 5 Limited (ASX: RED) is an Australian gold producer 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.

Red 5 holds a commanding 25,700ha 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.



**Figure 4: Red 5 Project locations in the Eastern Goldfields of WA.**

## **Competent Person's Statements**

### **Exploration Results**

The information in the report to which this statement is attached that relates to Exploration Results is based upon information compiled by Mr Byron Dumpleton, a Competent Person, who is a Member of the Australian Institute of Geoscientists (membership number 1598). Mr Dumpleton is a full-time employee of Red 5 Limited. Mr Dumpleton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dumpleton consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

### **Forward-Looking Statements**

Certain statements made during or in connection with this statement contain or comprise certain forward-looking statements regarding Red 5's Mineral Resources and Reserves, exploration operations, project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Red 5 believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements and no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. Except for statutory liability which cannot be excluded, each of Red 5, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. Red 5 undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly you should not place undue reliance on any forward looking statement.

# Darlot Gold Mine – Significant Assays for CDA Oval Underground Drilling as at 18 February 2018

**Table 1 CDA Oval drill hole collar locations reported in this announcement**

Northing (MGA)	RL (MGA)	Easting (Mine Grid)	Northing (Mine Grid)	RL (Mine Grid)	Dip	Azimuth	Depth	Location
6914209.6	-319.8	5957.1	4605	680.2	-5	286	120	O678 SP
6914209.6	-319.8	5957.1	4605	680.2	-6	277	136	O678 SP
6914209.6	-319.8	5957.1	4605	680.2	-5	270	146	O678 SP
6914209.6	-319.8	5957.1	4605	680.2	6	283	101	O678 SP
6914209.6	-319.8	5957.1	4605	680.2	4	273	112	O678 SP
6914209.6	-319.8	5957.1	4605	680.2	3	266	130	O678 SP
6914305.5	-343.6	5938.6	4756.3	656.4	-60	336	77	O655ODN
6914305.5	-343.6	5938.6	4756.3	656.4	-47	268	79	O655ODN
6914305.5	-343.6	5938.6	4756.3	656.4	-33	231	60	O655ODN
6914309.7	-342.7	5943.7	4757.1	657.4	-2	94	59	O655ODN
6914305.5	-343.6	5938.6	4756.3	656.4	-34	247	76	O655ODN
6914305.5	-343.6	5938.6	4756.3	656.4	-58	296	74	O655ODN
6914305.5	-343.6	5938.6	4756.3	656.4	-65	237	37	O655ODN

**Table 1 CDA Oval significant assays reported in this announcement**

Hole ID	From	Length (m)	Estimated True Width (m)	Au g/t	Comments
GC3745	95.75	0.35	0.3	3.5	Oval 655 Western Extents
GC3746	113.15	4.55	4.0	9.4	Oval 655 Western Extents
GC3747	111.2	20.6	5.0	8.2	Oval 655 Western Extents
GC3748	78.02	10.88	8.0	10.0	Oval 673 Western Extents
GC3748	88.9	4.22	3.3	0.2	Internal dilution
GC3748	93.12	2.05	1.7	12.8	Oval 673 Western Extents
GC3749	81.5	7.4	3.5	1.4	Oval 673 Western Extents
GC3750	106	4.3	3.5	2.6	Oval 673 Western Extents
CAD0385	54.9	0.3	0.3	1.6	Oval Down dip extension
CAD0386	69.96	13	3.7	2.4	Oval Down dip extension
CAD0387	43.2	0.36	0.3	7.2	Oval Down dip extension
CAD0388	41.4	7.7	4.5	3.8	Oval 655 Eastern Extent
CAD0395					Assays pending
CAD0396	62.24	14.76	6.0	5.07	Oval Down dip extension
CAD0399					Assays pending
CAD0397					Currently Drilling



# JORC Code, 2012 Edition – Table 1 for the CDA Oval Resource – Darlot Gold Mine

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>Diamond core (DD) drilling provided pulverised chips and competent lengths of core samples. Face sampling was converted to dummy drill holes and included in the database. Drill hole data supporting the Mineral Resource contains 287 unique drill hole IDs for a total sample length of 55,477.76 m. Sludge samples were excluded from the drill hole data files due to lack of quality assurance regarding sampling.</li> <li>A total of 139 Diamond drill holes (54,704.42 m), (including 23 RCDD holes), and 148 face samples (773.34 m) support the Mineral Resource.</li> <li>Diamond core is predominantly NQ2 with some HQ and was cleaned, laid out, measured and logged in its entirety. Core is marked up with a maximum core length of 1 m, depending on core size. Some core is whole sampled (full core collection) when necessary, but most core is half cut core. Digital photographs are taken and stored for reference purposes. Where possible core is cut in half with one half only being submitted for analysis at the Laboratory, with the other half is stored in the core farm for reference.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>The sample data for the Centenary Depth Analogue Oval (CDA Oval) area includes diamond drilling (DD), underground face samples (FACE), and reverse circulation holes with diamond core tails (RCDD). The data was collected during 2015 to present.</li> <li>Underground DDH is usually NQ2 or LTK60.</li> <li>Underground face sampling was carried out by the mine geologist painting a sample line orthogonal to the dip of the quartz veining and sampled according to geological intervals. Samples were bagged and ticketed with unique sample IDs and dispatched to the assay laboratory.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill sample recoveries are recorded for each sample number and stored in the Acquire database. Diamond core samples were geotechnically logged and sample recoveries calculated. Most drill samples penetrating mineralisation are diamond core.</li> <li>Core recovery factors for core drilling are generally very high typically in excess of 95% recovery. Some loss occurs locally when drilling through fault/shear zones. Face sampling, by its nature, can be a biased sampling method, relying on manual ‘picking’ of the face by either a geological hammer, or by a Jumbo scraping sample material off the face and</li> </ul>



Criteria	JORC Code explanation	Commentary
		<p>collected by the mine geologist. Face sampling can be regarded as having 100% sample recovery, however the Competent Person is cognisant of sampling bias. The use of face samples in grade estimation is provided in Section 3.</p> <ul style="list-style-type: none"> <li>Periodic reviews of early drilling assay results and bias may be done from time to time where required on historical prospects where new drilling is done. Q-Q Plots of the re-drills and original holes are correlated and any bias (positive / negative) identified. This is utilised in any future interpretations and modelling.</li> <li>The supervising geologist monitored the diamond core recoveries and discussed any shortcoming with the driller. Recoveries are generally very good however.</li> </ul>
Logging	<ul style="list-style-type: none"> <li><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>A geologist was present at all times during drilling and sampling. Geological logging protocols at the time of drilling were followed to ensure consistency in drill logs between the geological staff.</li> <li>Diamond core were logged for lithology, structure, stratigraphy, mineralisation, alteration, geophysical (magnetic properties) and geochemical properties (multi-element assays) and physical measurements (rock hardness, geotechnical RQD's, density, acid rock drainage (ARD)).</li> <li>The full sample lengths were logged. Core was photographed (mostly wet).</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>DD core sample lengths can be variable in a mineralized zone, though usually no larger than one-metre. This enables the capture of assay data for narrow structures and localized grade variations.</li> <li>Grade control drill holes are sampled as whole core. DD samples are taken according to a cut sheet compiled by the geologist. Half or full core samples are bagged in pre-numbered calico bags and submitted with a sample submission form.</li> <li>DD core is cut by a getoech field assistant.</li> <li>The sampling protocols for both DD and Face are considered appropriate for the style of mineralisation.</li> <li>A summary of the sample preparation process is as below: <ul style="list-style-type: none"> <li>Oven dried at 105°C.</li> <li>Jaw crushed to -12 mm.</li> <li>If sample &gt;3kg, Boyd crusher to 3 mm, and riffle split to &lt;3kg.</li> <li>Pulverised in LM5.</li> <li>250-300 g pulp sample taken.</li> <li>Remainder of pulp returned to calico sample bag.</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Quality Control (QC) samples are inserted at a rate of 1 in 20. All standards used are Certified Reference Materials (CRM). The insertion of blanks is under the control of the geologist and CRMs are usually inserted one per batch.</li> <li>Sample sizes are considered appropriate to the grain size of the material being sampled.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>Primary assaying of face samples and DD samples has been undertaken by ALS Kalgoorlie for considerable time. Documentation regarding more historical holes and their sample analyses are not well documented. Analysis is by 50g fire assay (FA) with Atomic Absorption Spectrometer (AAS) finish to 0.01 g/t detection limit. Given the occurrence of coarse gold, Screen Fire Assays (SFA) checks are periodically undertaken.</li> <li>The processes are considered total.</li> <li>Previous operators employed a comprehensive QA/QC regime with CRMs, blanks, quartz flush checks and grind checks routinely monitored. Coarse duplicates from crush residue, and pulp duplicates from pulp residues were regularly monitored to test the quality of sub sampling stages. Results are documented on a quarterly basis, with any failures or irregularities investigated and actions taken to correct the issue. Regular communications were had with ALS.</li> <li>Umpire analyses were undertaken at Independent Assay Laboratories (IAL) for selected samples comprising a 100 sample batch. Results show a reasonable correlation with the original samples, with differences largely attributable to nugget effects.</li> <li>Acceptable levels of accuracy and precision were established prior to accepting the sample data as support for the Mineral Resource estimate.</li> <li>The QAQC procedures and results show acceptable levels of accuracy and precision were established.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>CDA Oval is a recently discovered deposit within Darlot Gold Mine, and intersections with significant Au grade are not unknown. Visible Au is often observed. If core samples with significant intersections are logged then alternative geological personnel are likely to review and confirm the results.</li> <li>No twin drilling has occurred at CDA Oval.</li> <li>All data at Darlot is stored in an SQL relational database format using acQuire software. acQuire enables definition of tasks, permission management and database integrity. The SQL Server database is configured for optimal validation through constraints, library tables and triggers. Data that fails these rules on import is rejected and not ranked as a priority to be used for exports or any data applications.</li> <li>All exploration data control is managed centrally, from drill-hole planning to</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>final assay, survey and geological capture. The majority of logging data (lithology, alteration, and structural characteristics of core) is captured directly either by manual or to customised digital logging tools with stringent validation and data entry constraints. Geologists load data in the acquire database where initial validation of the data occurs. The data are uploaded into the database by the geologist after which ranking of the data happen based on multiple QAQC and validation rules.</p> <ul style="list-style-type: none"> <li>• All assay data is uploaded into the database in a text format known as a .sif. These files include detailed information about the batch, methods, units, detection limits and elements assayed. The file also includes all QC data in the sequence of analysis. The assay data is stored in a flattened format to ensure all required information is stored for each sample, and that multiple assay results are stored for each sample.</li> <li>• Data validation is controlled via rules, library tables and triggers. Once all data for a drill-hole have been entered into the database, the geologist responsible for the drilling program validates each drill-hole. A standard validation trigger in the acquire database run queries against the data, which includes checks for; incorrect collar locations, testing for overlapping, missing or incorrect down-hole surveys, and incorrect collar location.</li> <li>• A digital certified assay certificate in Adobe PDF format is backed up on the Darlot server on a regular schedule. A copy of the database also resides on the Red 5 back-up server in Perth.</li> <li>• The database is secure and password protected by the Database Administrator to prevent accidental or malicious adjustment to data.</li> <li>• No adjustments are made to the data.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Collars are marked out pre-drilling and surveyed post-drilling by licensed surveyors. All recent DD holes were surveyed down the hole by Reflex non-magnetic multi shot gyro survey. Down hole surveys are routinely undertaken by the drilling contractor and verified by the mine geologist.</li> <li>• Drill hole collars are located respective to the local mine grid and to the overall property in UTM MGA94-Zone51. Mine grid north is 44° west of north Australian Map Grid, and all mining Mineral Resource and Ore Reserve work is carried out in Mine Grid. Reduced Level (RL) for surface drilling is calculated by adding 1,000 m to surface elevation, while the underground RL is calculated by taking the surface RL minus the vertical depth to the point being referenced.</li> <li>• Underground voids are surveyed by mine surveyors. The survey control on these voids is considered adequate to support the depletion of the Mineral</li> </ul>

Criteria	JORC Code explanation	Commentary
		Resource model.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>Typical drill spacing in CDA Oval ranges up to 40x40m, which is reduced to around 15x15m in the grade control areas.</li> <li>The Competent Person considers the data spacing to be sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource classification categories adopted for Centenary.</li> <li>Samples were not composited prior to dispatch for analyses.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>CDA Oval was drilled by a combination of underground diamond holes and face sampling, with each face sample trace assigned a drill hole collar ID. Underground drilling is confined to drill cuddies and the orientation of exploration holes is often oblique to the mineralisation. Face sampling traces are aligned orthogonal to the dip of the mineralisation, as exposed in the face, whenever possible.</li> <li>Resultant sampling bias, particularly from face sampling, is usually retained in the drill database and any potential impact upon the Mineral Resource was not assessed. The Competent Person does not believe any potential impacts to be material in terms of grade interpolation.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Although security is not strongly enforced, Darlot is a remote site and the number of outside visitors is small. The deposit is known to contain visible gold and this renders the core susceptible to theft, however the risk of sample tampering is considered low.</li> <li>ALS Kalgoorlie organise transport companies to pick up bagged samples from a secured locality at the mine site. These are then transported to the laboratory facility for further preparation and assaying. All samples received by the laboratory are physically checked against the despatch order and Darlot is notified of any discrepancies prior to sample preparation commencing. No Red 5 personnel are involved in the preparation or analysis process.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>A series of written standard procedures exists for sampling and core cutting at Darlot. Periodic routine visits to drill rigs and the core farm are carried out by project geologists and Senior Geologists / Superintendents to review core logging and sampling practices. There were no adverse findings, and any minor deficiencies were noted and staff notified, with remedial training if required.</li> </ul>

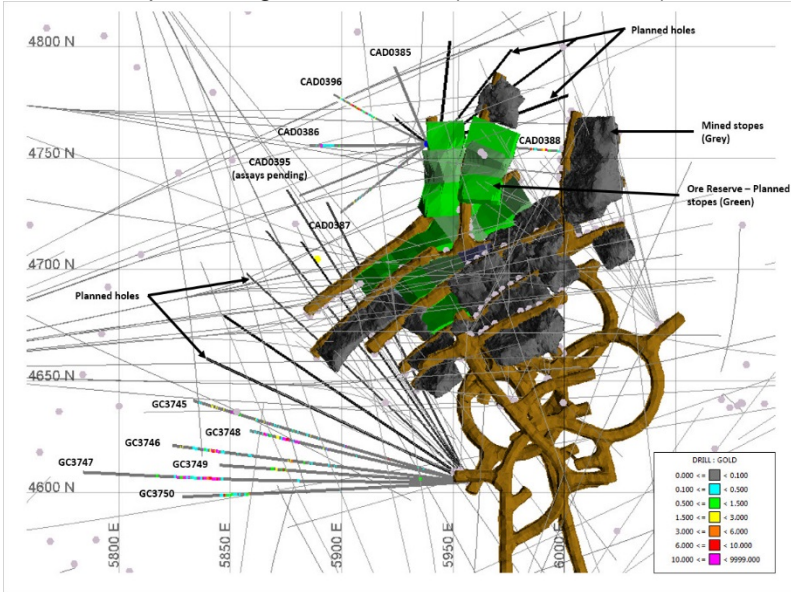


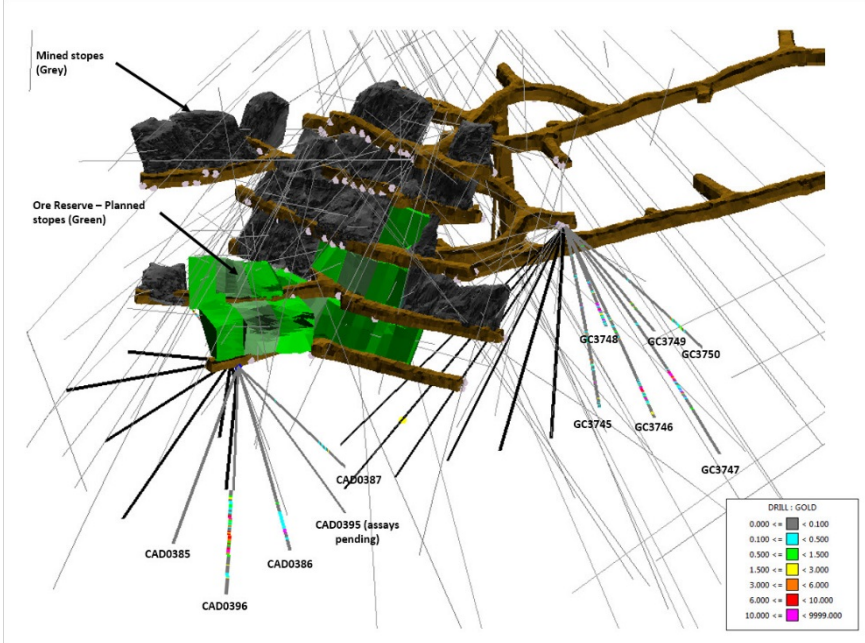
## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>CDA Oval is covered by mining lease M37/155 and held by Darlot Mining Company Limited. This lease covers 1,000Ha and was granted on 18/7/1988, renewed 17/7/2009 and to be renewed on 17/7/2030. Current rental has been paid (\$17,600) and minimum annual expenditure of \$100,000 is required, and is being met. There are no Joint Ventures over the tenure and no native title claims. There are no other agreements in place apart from a 2.5% royalty for all gold sold, payable to the Government of Western Australia.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>CDA Oval is part of the Darlot Gold Mine, which has a long history of gold mining and exploration. Alluvial gold was first mined in the area in 1894 with a consequent gold rush between 1895 and 1913. Total gold production from this time is unknown. Limited gold production occurred between 1935 and 1980.</li> <li>Modern exploration of Darlot commenced in the period in the 1970's, with intensive exploration by Sundowner Minerals NL during 1986 to 1988. Darlot open pit mining commenced in 1988, and Sundowner was acquired by Plutonic Resources in 1992, who continued open cut mining through to 1995. Underground mining commenced in 1995 and has continued to the present day.</li> <li>CDA Oval was discovered in 2015, and underground development commenced in 2016. Mining has continued to the present day.</li> <li>To the end of October 2017, the Darlot Gold Mine has produced 17 Mt @ 4.8 g/t Au for 2.7 MOz.</li> <li>A total of 139 Diamond drill holes (54,704.42 m), (including 23 RCDD holes), and 148 face samples (773.34 m) support the Mineral Resource.</li> <li>3D seismic surveys were carried out in late 2016 to provide geophysical data in support of planned exploration programs.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Darlot lodes are considered to be part of an Archean hydrothermal fault-vein deposit with many similar characteristics with other deposits within the Yilgarn Craton, namely host rock type and nature of hydrothermal alteration; however, it is atypical in being relatively flat-lying rather than steeply dipping. Felsic porphyries and lamprophyre intrusions are encountered throughout the deposit. The major host for gold mineralisation is the Mount Pickering Dolerite.</li> <li>The CDA Oval deposit is located approximately 0.5 km east of the Darlot open pit and has been defined between 470 m and 1,200 m below the surface.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Gold mineralisation is associated with quartz veins and alteration haloes controlled by major D2 and D3 structures or secondary splays and cross linking structures. The quartz veins are hosted mainly by magnetic dolerite and magnetic quartz dolerite rock types and, to a lesser extent, by non-magnetic dolerite and felsic volcano-sedimentary rock types. Lamprophyre intrusions are present in the area with a variety of orientations. In most cases the lamprophyres are thought to be pre-mineralisation but are an un-favorable host rock for mineralisation and in most cases are barren.</li> <li>The hanging-wall and foot-wall veins associated with the CDA Oval mineralisation typically dip to the NW between ~5° and 25° with the Main Oval structure dipping at around 45° to the NW. The CDA Oval deposit also encompasses the Twelfth man and Burswood fault structures which are similar to the Oval and dip at ~70° to the NW too. The recent mining history of the CDA Oval area and associated reconciliations has proven the veracity of this model.</li> <li>Mineralisation is hosted by a fractionated Dolerite sill within the greater Mt Pickering dolerite syncline, with silica+/-albite+/-carbonate+/-pyrite+/-gold being the key alteration components.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole information from Darlot drill programs, predominantly diamond core and face sampling, were used to support the Mineral Resource estimate. The locations of drill samples, and the geological logs of these samples were used to build the geological model, and with the sample analyses, support the Mineral Resource estimate.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results are not reported here, with most drill holes and face samples used to support the Mineral Resource estimate. Sludge samples are recorded in the drill hole database but were not used in the Mineral Resource estimate due insufficient reliability of sampling methods.</li> </ul>
Relationship between	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>From mapping and diamond drilling, mineralisation typically dips to the NW between ~5° and 25°. Drillholes are angled to drill as close to</li> </ul>

Criteria	JORC Code explanation	Commentary
mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<p>perpendicular to mineralisation as possible, although this is difficult when drilling from underground locations, targeting lode positions along strike from the drill cuddies.</p> <ul style="list-style-type: none"> <li>Intercepts reported are downhole length, and true width can generally be calculated because the dip of the lode is known.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Plan view representing the CDA Oval (Darlot Gold Mine) shown below:  </li> <li>Isometric view representing the CDA Oval (Darlot Gold Mine) shown below:</li> </ul>

Criteria	JORC Code explanation	Commentary
		
Balanced reporting	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results are not reported here, with all drill holes used to support the Mineral Resource estimate.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>CDA Oval is part of the Darlot Gold Mine, and the lodes were geologically mapped in underground exposures. The geological mapping provided a foundation for the interpretation of the geological models.</li> <li>A report from 2017 on metallurgical test-work done by ALS AMMTEC for the CDA Oval lodes suggested that a recovery of 91% was achievable based on the sample composites provided by the Darlot Geology department.</li> <li>Samples were tested for bulk density using the water immersion technique. Fresh core billets (not weathered) were not required to be wax coated prior to immersion.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>CDA Oval is open along strike and down dip, with potential for additional gold mineralisation in these directions.</li> <li>Plans are currently being formulated for exploration drilling to test these targets.</li> </ul>