

27 October 2022

September 2022 Quarterly Report:

Commercial production at KOTH on track for December Quarter

Capital raising successfully completed to provide additional working capital to support the KOTH ramp-up and future expansion of the KOTH process plant and KOTH Mineral Resource

King of the Hills (KOTH) Development and Operational Ramp-Up

- KOTH OP and UG mining ramp-up schedule for the September Quarter was impacted by COVID-absenteeism, delaying progress towards higher-grade OP benches and UG production stopes. Additional crews have been in place since August to enable the mining schedule to catch up by December 2022.
- Following promising performance in July, unplanned downtime was experienced in the processing plant, with mill shutdowns required in September to reconfigure the SAG mill to process an increasingly hard primary rock charge as ore feed.
- Operations at the Darlot processing plant were completed on 28 July 2022, with Darlot ore now being trucked to the KOTH processing hub as part of the Darlot Transition Strategy. The Darlot UG mine performed well for the September 2022 Quarter.
- During October, significantly improved stability has been seen in the KOTH processing plant, processing a consistent harder ore feed blend. Overall utilisation for October has averaged 90%, with average mill throughput of 550tph for the month to date (and 574tph over the ten days to 25 October). A number of days performed above the annual throughput rate of 4.7Mtpa, demonstrating solid improvement. All three mines are fully resourced and performing well.
- Commercial production at KOTH is on track to be declared in the December 2022 Quarter.

KOTH Processing and Production

- Quarterly gold production of 26,710 ounces (June Quarter: 18,586 ounces) and gold sales of 30,005 ounces (June Quarter: 16,587 ounces). Reporting of quarterly all-in sustaining costs (AISC) will commence once commercial production is achieved.
- Zero Lost Time Injuries (LTI) and four Restricted Work Injuries (RWI) were recorded during the Quarter.

Exploration and Resource Growth

- Updated Ore Reserve and Mineral Resource Statement announced on 7 September 2022, which included a 12.5% increase in KOTH Ore Reserves to 2.7Moz and a 7% increase in KOTH Mineral Resources to 4.7Moz.

Corporate and Finance

- Capital raising launched to support the ramp-up of production at KOTH and future growth opportunities, comprising a \$60M institutional share placement and a Share Purchase Plan to raise up to \$6M.
- A transition of the Chief Operating Officer role is underway, with highly experienced mining executive Richard Hay to take over from Jason Greive in the December Quarter.
- Publication of Red 5's inaugural ESG Report for the 2022 Financial Year (FY22), which provides a formal framework to articulate the Company's future sustainability initiatives and goals.

Red 5 Limited

ABN 73 068 647 610

ASX: RED

Shares on issue: 2,716M

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- Group cash on hand and bullion of \$38.1M at the end of September 2022, of which \$15.7M is allocated to reserve accounts and bond guarantees for the KOTH Project. This excludes the \$60M capital raising referred to above.
- The KOTH \$175M debt facility remains fully drawn at the end of September 2022.

Investor Call

An investor call for the Quarterly results will be held for the investment community on 27 October 2022, commencing at 7.00am (AWST) / 10.00am (AEDT).

Investors, brokers, analysts and media can join the call by clicking:

<https://redback.events/ir-1fc4ed>

Management Comment

Red 5 Managing Director, Mark Williams, said: *“Following the first gold pour on 5 June and the successful delivery of the \$226 million King of the Hills Project, the main focus during the September Quarter was to progress the ramp-up of all aspects of the new operation. The KOTH and Darlot mining operations delivered production of 26,710 ounces in the September Quarter and gold sales of 30,005 ounces.*

“As outlined recently, the ramp-up of mining at KOTH has been impacted by COVID absenteeism and unplanned downtime in the processing plant, which reduced availability and mill throughput rates.

“In September, the SAG Mill has also been adjusting to a harder rock blend as the production of hard rock ore from the mines ramps up, transitioning from the oxide material in the stockpiles and open pit. Since the end of the Quarter, the ramp-up of throughput at the SAG Mill and within the processing circuit has performed more in-line with expected production rates.

“We have implemented measures to address the issues experienced in the September Quarter and, importantly, the KOTH mill overall is performing largely in line with expectations, achieving sustained periods at design throughput rates during the reporting period and into October.

“At the start of October, we completed a capital raising to assist with working capital and to fund the next phase of our growth program, including a planned expansion of the KOTH processing plant to increase throughput capacity from the current 4.7Mtpa nameplate to a targeted 5.5Mtpa.

“During the Quarter we also delivered an updated Resource and Reserve statement which reinforced the exceptional endowment of King of the Hills orebody, with a 7% increase in the KOTH Mineral Resource to 4.7 million ounces of contained gold and a 12.5% increase in the Ore Reserve to 2.7Moz.

“Our global Mineral Resource base across the Eastern Goldfields – including the KOTH and Darlot mining operations and our satellite deposits – increased by 10% to total 6.6 million ounces of contained gold.

“I would like to welcome Richard Hay as our incoming Chief Operating Officer. Richard is a highly experienced mining executive who has been working with Red 5 for the past six months. I would also like to take this opportunity to thank Jason Greive for his service. Jason has been a committed member of our senior leadership team and added significant value to both the KOTH and Darlot operations. A smooth transition is currently underway.”

COVID-19 Management

Red 5 continues to manage and mitigate the potential impact of the COVID-19 global pandemic on the Company's operations. The Management Response Plan remains focused on ensuring the health and safety of Red 5 personnel and limiting the disruption risk to our operations.

This plan has been progressively developed in line with the formal guidance of State and Federal health authorities, in close coordination with the Australian Resources and Energy Group (AMMA) and under the Company's existing Emergency Management Policies.

The Company continues to closely monitor the advice and requirements from State and Federal Governments and health authorities and maintain its focus on minimising the effects of COVID-19 on the health and well-being of staff and the communities in which we operate.

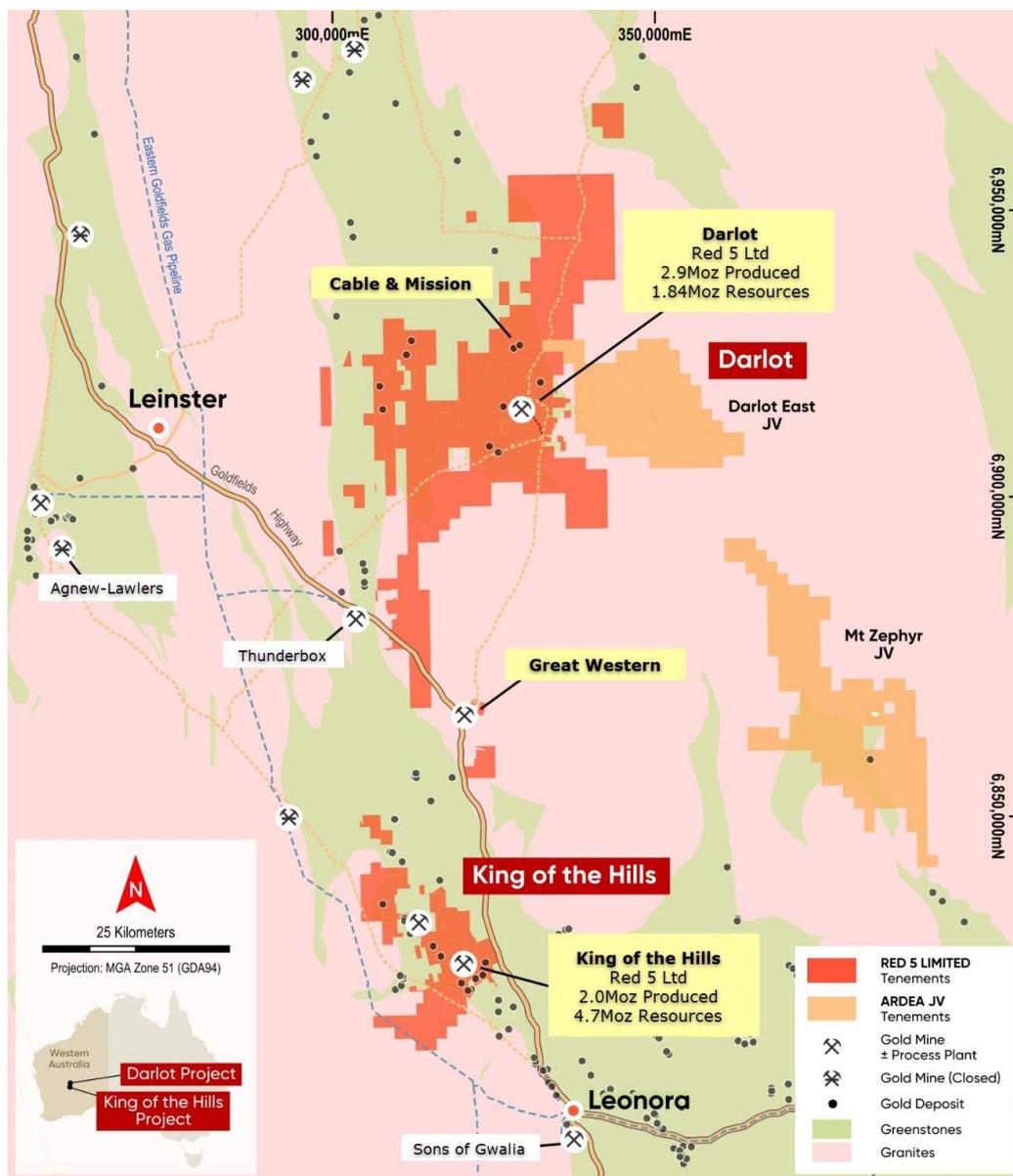


Figure 1: Darlot and KOTH locations, showing historical production from key gold deposits in the region.

1. OPERATIONS

1.1. Health & Safety

Zero Lost Time Injuries (LTI) were reported in the September 2022 Quarter.

LTIFR (Quarter): 0 (Lost Time Injury Frequency Rate)

LTIFR (12-month): 2.0

TRIFR (12-month): 17.6 (Total Recordable Injury Frequency Rate)

1.2. Production Summary

A total of 26,710 ounces of gold was produced for the September Quarter (June Quarter: 18,586 ounces), with ore sourced from the KOTH open pit, KOTH underground and Darlot underground mines. Gold sales were 30,005 ounces of gold, which included 2,661 ounces of gold produced from the Darlot process plant in July.

1.2.1. KOTH processing

Table 1: KOTH Mill Processing Statistics

	Units	Sep-22 Quarter
Ore milled	dmt	878,813
Average head grade	g/t	0.93
Recovery	%	91.2
Gold recovered	Oz	24,049
Gold sales	Oz	30,005*

* Gold sales include gold production from the Darlot process plant in July of 2,661 ounces.

878,813 dry tonnes were milled during the September Quarter, resulting in the production of 24,049 ounces of gold at an average recovery of 91.2% and grade of 0.93g/t. Prior to the Darlot process plant being shut on 28 July, an additional 2,661 ounces were produced at Darlot (representing 34,608 dry tonnes at an average grade of 2.63g/t), for a total of 26,710 ounces produced for the Quarter.

The mill reconciled head grade of the KOTH open pit and underground ore feed was 0.63g/t, with 14% of the processing feedstock sourced from historical stockpiles. The reconciled quarterly grade for KOTH open pit ore against the Reserve model was within expectations for the grade delivered at this early stage of the open pit cut-back.

During the September Quarter, mill availability at KOTH averaged 85%.

The KOTH process plant achieved sustained throughput rates above design for periods during the Quarter. In July, throughput rates averaged above nameplate design on predominantly softer oxide feed. Throughput rates and plant availability were impacted in August by unplanned downtime events in the crushing circuit, as a result of an inaugural crusher re-line and two torn conveyor belts. In September, several mill shutdowns were required to reconfigure the SAG mill to process an increasingly hard primary rock charge.

1.2.2. KOTH Open Pit Mining Activities

During the September Quarter, the ability to meet the KOTH open pit schedule was inhibited by COVID-absenteeism between May-July 2022, impacting ore tonnes and average grade mined in the September Quarter. In August, a “catch-up” plan was developed with Macmahon, and additional resources were put in place to commence recovering the mining schedule, achieve FY23 production plans, and recover the planned bench and face positions. Three fully resourced haulage fleets are now operating consistently.

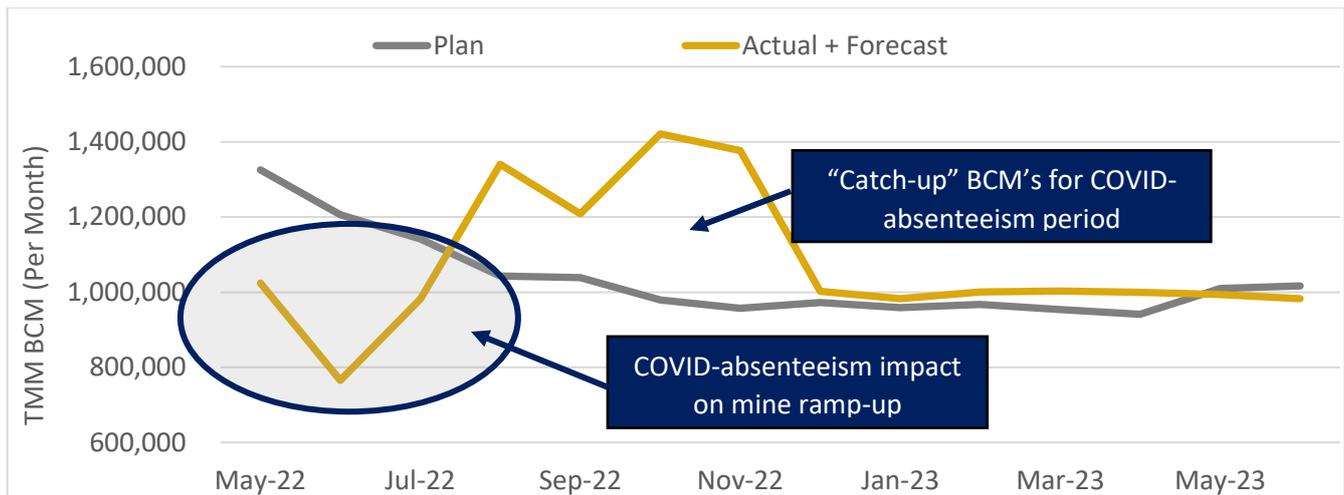


Figure 2: KOTH Open Pit – FY23 Total Material Movement.

A total of 3.5 million bank cubic metres (Mbcms) was mined in the September Quarter from the Stage 1 open pit, including a total of 593,455 tonnes of ore at an average grade of 0.53g/t. This consisted of 231,070 tonnes at 0.73g/t (cut-off: >0.5g/t) and 363,385 tonnes at 0.39g/t (low-grade material, cut-off: 0.5-0.3g/t). This is consistent with the expected bench ore grades at this early stage of the open pit cut-back.

Tailings Storage Facility works are progressing ahead of schedule, with 50% of the clay liner and the bulk of the wall works completed. The poly liner and decant will be installed in November, with the bulk of the facility expected to be completed by the end of December and ready for operations during the March Quarter.

Mining infrastructure establishment is nearing completion, with offices, change rooms, ablutions and training facilities in operation and the main workshop and surrounding hardstands expected to be available in the December Quarter.

1.2.3. KOTH Underground Mining Activities

During the September Quarter, the ability to meet the KOTH underground ramp-up schedule was impacted by the delay in access to a skilled and trained UG mine production workforce, as well as COVID-absenteeism. The stabilisation of fully-manned UG crews occurred during August, allowing for increased output. A new jumbo and a third UG truck were mobilised to site during the Quarter, with additional new production drilling scheduled for the December Quarter. Multiple stopes were drilled, blasted and extracted during the Quarter, with very good extraction results.

While the delayed ramp-up of the UG mine impacted ore tonnes and average grade mined during the September Quarter, the UG mine is now well-positioned to achieve the remaining FY23 plan.

Underground mine development activities continued during the Quarter, with 1,205 metres of development completed. Improvements to the mine infrastructure continue, with connection to the site mains power and improvements to the pumping system completed.

1.2.4. Darlot Underground Mining Activities

Table 2: Darlot Gold Mine – Mine Production Statistics

	Units	Sep-22 Quarter	Jun-22 Quarter
Mined tonnes	t	173,838	163,821
Mined grade	g/t	2.55	2.00
Contained gold in ore	oz	14,262	10,557

Ore development for the September Quarter at Darlot focused on the Middle Walters South (MWS), Burswood, Lillee and Thomson areas. Capital development progressed in the Middle Walters South, Pedersen Lower and Centenary 1220 bypass, totalling 1,512 metres for the Quarter.

The accelerated development strategy with Redpath Australia is proceeding to plan and has unlocked access to several levels of production stoping in MWS and Burswood. Stope production will commence in the December Quarter.

Stope production in the Quarter was sourced from the Grace, Border, Thomson, Lords, Walters, and Federation areas. Ore production was impacted by labour and parts shortages related to COVID-absenteeism, but at reduced levels as compared to April-July 2022.

1.3. FY2023 Production and Cost Guidance

Red 5 will publish production and cost guidance for the new King of the Hills Processing Centre once steady-state production is achieved, which is expected in the December Quarter 2022.

Reporting of quarterly all-in sustaining costs (AISC) will commence once commercial production is achieved.

2. KOTH EXPANSION PROJECT

Red 5 has commenced work programs focused on expanding the KOTH process plant throughput from the current planned throughput capacity of 4.7Mtpa to a target throughput capacity of ~5.5Mtpa in FY2024.

The KOTH mill, as-built, has the potential for higher throughput rates than the current nameplate, with a 6Mtpa crushing circuit installed and the SAG Mill installed with significant latent capacity.

The Company considers that a throughput capacity of 5.5Mtpa can be achieved with sequential debottlenecking, with a particular focus on the grinding, leaching and elution components. \$10 million of the capital raised as part of the recently announced capital raising will be allocated to undertake these mill enhancement projects.

In addition, the Company also plans to undertake a KOTH Process Plant Expansion Feasibility Study targeting further incremental throughput growth beyond 5.5Mtpa.

3. EXPLORATION AND RESOURCE DEVELOPMENT

3.1. Updated Mineral Resource and Ore Reserve Statement

Red 5 published an updated Mineral Resource and Ore Reserve statement as of 30 June 2022, underscoring the size and longevity of the KOTH gold mine. Key highlights included:

KOTH open pit and underground, comprising:

- Open Pit Resource: 81.2Mt @ 1.3g/t Au for 3.4Moz of contained gold (representing a 3% increase in contained gold over the previous Mineral Resource Estimate ("MRE") as at 30 June 2021).
- Underground Resource: 14.1Mt @ 2.2g/t Au for 1.0Moz of contained gold (representing a 20.5% increase in contained gold over the previous MRE as at 30 June 2021).
- Underground MRE includes a significant 32% increase in contained ounces in the higher confidence Indicated Resource category.
- The updated Resource is based on an additional 24,100m of underground drilling and 70,000m of open pit grade control drilling.
- Global KOTH MRE is 105.5Mt @ 1.4g/t Au for 4.7Moz of contained gold, including satellite deposits and stockpiles.

Updated Darlot Mineral Resource Estimate as at 30 June 2022:

- Total Measured, Indicated and Inferred Resource of 17.1Mt @ 3.4g/t Au for 1.84Moz of contained gold (representing a 25% increase in contained gold over the previous MRE as at 30 June 2021).

- The updated Resource is based on underground drilling completed over the past 12 months, updated geology and mapping, and an inaugural JORC 2012 MRE for the satellite Mission and Cable deposits.

Full details of the updated Resource and Reserve estimate were provided in the Company's ASX Announcement dated 7 September 2022.

3.2. King of the Hills Underground Exploration

At KOTH, approximately 11,940 metres of drilling was completed during the Quarter focused on the following:

1. Grade control drilling of narrow vein stopes in the Central area.
2. Grade control drilling of remaining planned stoping areas on the eastern flank of the granodiorite.
3. Extensional drilling along high-grade trend south of Regal from the East-West Link area.
4. Completion of West bulk grade control drilling ahead of development.

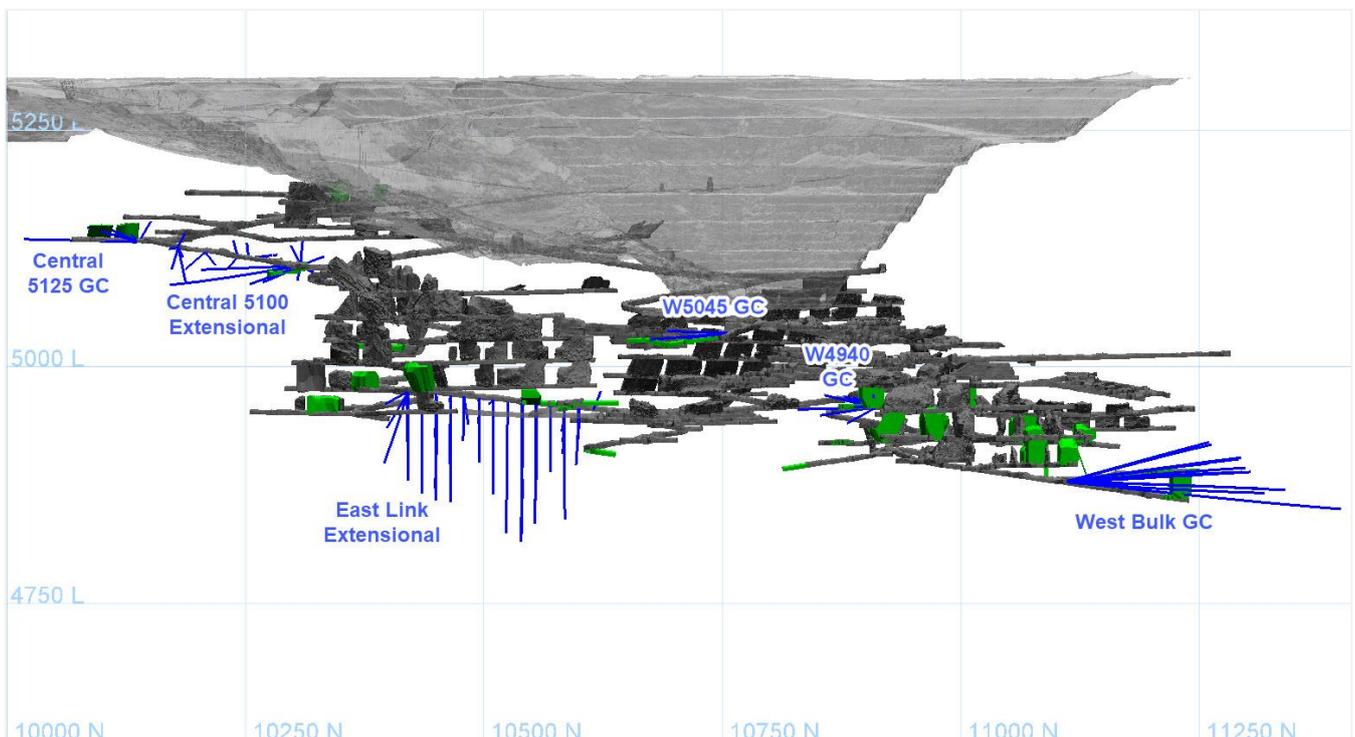


Figure 3: KOTH UG diamond drilling for the Quarter looking west (GC – grade control drilling).

3.3. Darlot Underground Exploration

Drilling of a part Government-funded Exploration Incentive Scheme (EIS) hole (CAX0075) commenced in the June Quarter and finished in the September Quarter. The hole was designed primarily to target the Pipeline Fault to the south of the underground workings proximal to an interpreted jog or zone of flattening. This change in geometry could generate a favourable dilation and mineralisation site. The hole also intersected the Lords Fault enroute to the target, with the next nearest existing drill-hole approximately 350 metres to the north of the target area.

CAX0075 drill hole was completed to a depth of 1,080 metres. The Lords Fault was intersected at the expected target depth with a 10-metre-wide zone, including a laminated quartz structure, footwall veining and fuchsite alteration with both lamprophyre and granitoid intrusions typical of the Lords Fault.

A 9-metre-wide zone of mineralised flat stacked quartz carbonate veins was intersected from 729 metres, situated approximately 100 metres into the footwall of the Lords Fault. This zone sits approximately 300 metres from currently accessible mine workings at the 680mRL.

An 18-metre zone, starting at 1,061m and continuing through to the end of the hole, encountered flat stacked quartz stringers within a felsic host, with weak to moderate thin alteration and mineralisation. Visible gold was observed at 1,075 metres.

Quarterly drilling primarily focused on Resource expansion, with areas of potential growth including upper Oval, Centurion lode (strongly mineralised flat linking structure between the Burswood and Moses faults) and upper Burswood. Approximately 30% of drilling during the Quarter focused on validating grade in current mining areas such as Middle Walters South. Visible gold was observed during this drilling, with assays currently pending.



Figure 4: Visible gold observed while drilling the Middle Walters South lode at the 1080 RL.

3.4. Air-core Drill Programs

The Mt Zephyr Project area forms the southern part of the farm-in joint venture agreement between Red 5 and Ardea Resources. Air-core drill programs at Mt Zephyr comprise 276 drill holes for 3,410 metres, with a total of 24 drill holes for 798 metres drilled for the Quarter. Air-core drilling commenced on 19 September and is currently progressing at the northern part of the tenure targeting the Celia Fault Bend.

On completion of the Mt Zephyr drilling, the rig will move to the Yandal South (Ockerburry) targets. The Ockerburry Project area is considered a highly prospective area within the Darlot tenure, containing numerous tier-1 targets with the potential to host million-ounce or greater greenfields discoveries.

To date, the exploration maturity of the ground is limited, particularly with effective drilling, and numerous high-quality, low-cost drill targets remain untested.

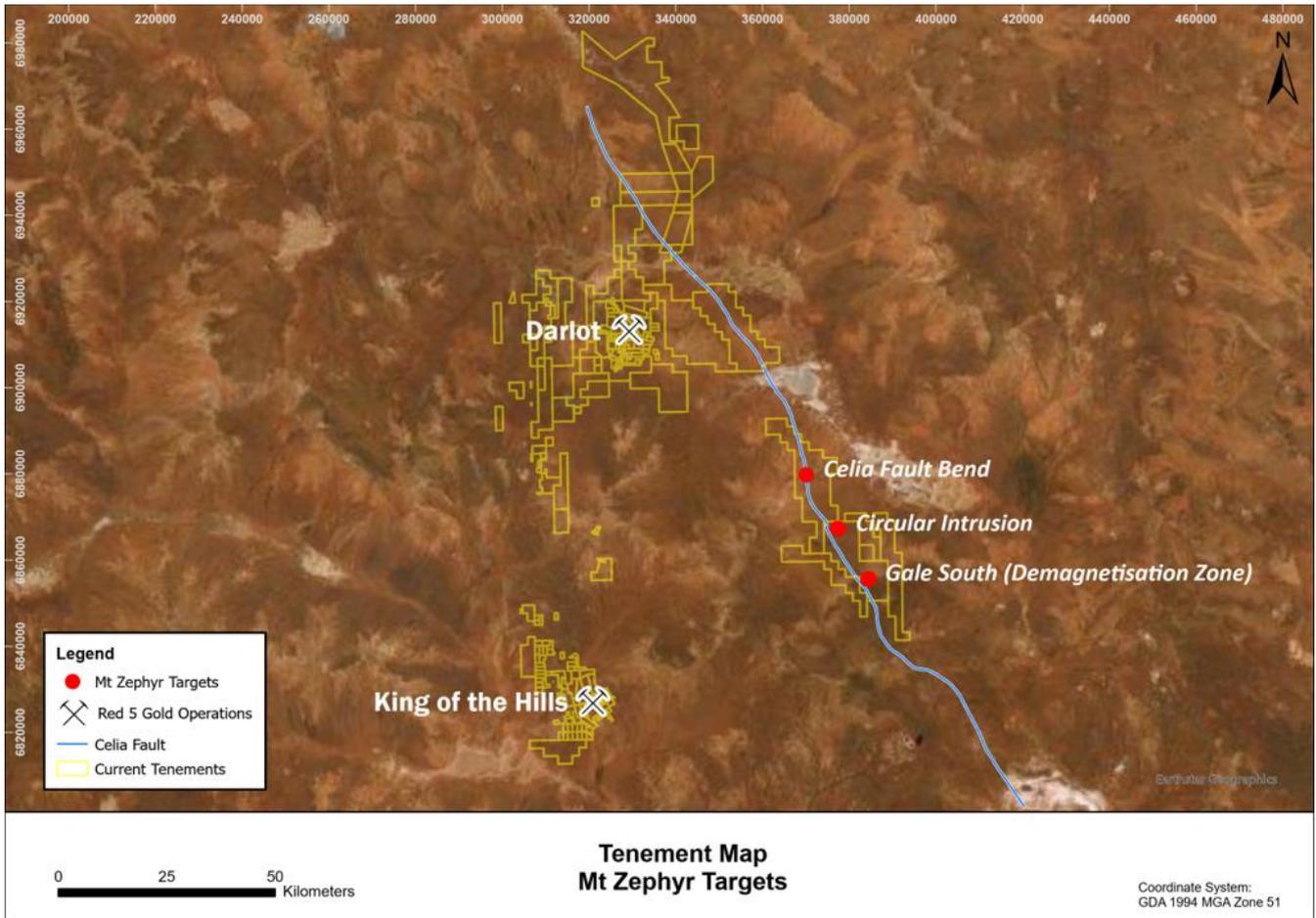


Figure 1: Plan map showing the location of the Mt Zephyr air-core drill program and the Celia Fault (blue line) currently in progress (red circles).

3.5. Soil Sampling Programs

During the Quarter, Red 5 completed six soil sampling programs in the Darlot area. The target areas are Great Southern, Taranaki Mag High, Mt Zephyr West, Yandal South, Bundarra, Yandal North and Darlot North, for 604 samples. The completed programs have focused on known mineralised trends across the tenure package and are designed to in-fill gaps in existing datasets.

4. CORPORATE AND FINANCIAL

4.1. Share Placement

Red 5 announced a A\$60 million two-tranche placement on 3 October 2022. The Placement was well supported by domestic and international institutional investors.

The Placement comprises 375 million New Shares to be issued at A\$0.16 per Share (Placement Price). The Placement was structured in two tranches:

- Tranche 1 to raise approximately A\$56.7 million via the issue of 354,324,632 New Shares utilising the Company's existing placement capacity under ASX Listing Rule 7.1 (Tranche 1)
- Tranche 2 to raise approximately A\$3.3 million via the issue of 20,675,368 New Shares subject to shareholder approval at a General Meeting of the Company to be held in November 2022 (Tranche 2).

4.2. Share Purchase Plan

In addition to the Placement outlined above, Red 5 is offering a Share Purchase Plan (SPP) to raise a further A\$6 million. The Company, however, reserves discretion regarding the final amount raised under the SPP, subject to the ASX Listing Rules.

The SPP will enable Red 5 eligible shareholders as at the record date of 7:00 pm (AEST) on Friday, 30 September 2022 with a registered address in Australia or New Zealand (Eligible Shareholders) to have the opportunity to apply for up to A\$30,000 worth of New Shares at the same price as the Placement, being A\$0.16 per New Share.

Red 5 has received from the ASX a waiver of ASX Listing Rules 7.1 and 10.11, to permit the offering of shares under the SPP at an issue price of \$0.16 per share (Waiver).

New Shares issued under the Placement and SPP will rank equally with existing Shares currently on issue.

The terms and conditions of the SPP are detailed in an SPP Offer Booklet and were dispatched to Eligible Shareholders on 10 October 2022 and released to the ASX.

4.3. Appointment of Chief Financial Officer

Mr Patrick Duffy assumed the role of Chief Financial Officer on 1 September 2022, with the role consolidated with his existing role as Chief Corporate Development Officer

Mr Duffy is a Chartered Accountant with extensive commercial, financial and governance expertise. He began his career as an auditor with Ernst & Young and has since had broad leadership and executive roles in the international resource sector.

4.4. Chief Operating Officer transition

The planned appointment of Richard Hay as Chief Operating Officer will take place in the December Quarter. A transition plan is in place with Jason Greive, who has been appointed as Chief Executive Officer of Indonesian-based nickel company, Merdeka Battery Materials, and will finish with Red 5 in November 2022. Mr Greive has made a substantial contribution during his time with Red 5, including refining and executing the KOTH operational readiness program, enhancing design elements of the KOTH process plant, implementing the Darlot "truck to KOTH" strategy and establishing a high-quality site operations management team.

Mr Hay is a seasoned geologist and a highly experienced mining executive with previous senior management and operational leadership roles at Evolution Mining, Barrick Gold and Gascoyne Resources. Mr Hay has been working for Red 5 over the past six months and a smooth handover is underway.

4.5. Quarterly Cash Position

During the September Quarter, cash flows from operations were \$31.8m. Proceeds from gold sales of 30,005 ounces for the Quarter were \$76.7m at an average sales price A\$2,540 per ounce. All sales were conducted at spot gold prices. Operating expenditure payments including royalties were \$44.9m.

Growth capital of \$34.5m for the Quarter included \$25.9m for KOTH open pit waste stripping activities, \$5.8m for Darlot underground development by contractor Redpath and a further \$2.8m on exploration activities.

At 30 September 2022, the Company had total cash and cash equivalents of \$38.1m (\$22.4m cash and bullion, \$15.7m in cash reserve accounts). The first tranche of the share placement of \$53.9m (net of broker fees) was received on 10 October 2022, with a portion allocated to working capital.

Authorised for release by the Board.

ENDS

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Competent Person Statement for 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.

Competent Person Statements for JORC 2012 Mineral Resource and Ore Reserves

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.

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.