

3 February 2022

Mining commences on schedule at King of the Hills

Open pit mining now underway, marking the achievement of another important milestone, with Red 5 firmly on track for first gold production from KOTH in the June Quarter 2022

Red 5 Limited (ASX: RED) (**Red 5** or the **Company**) is pleased to report that, following months of detailed planning and preparation, its mining contractor, Macmahon Contractors Pty Ltd (**Macmahon**, subsidiary of Macmahon Holdings Limited ASX:MAH), has commenced open pit mining at the 100%-owned 2.4Moz, 16-year life-of-mine King of the Hills (**KOTH**) Gold Project in Western Australia.

With the KOTH Project now well past 83% completion (at the end of December 2021), Red 5 is firmly on track to deliver first gold production through the new state-of-the-art KOTH processing plant in the June Quarter.

The commencement of open pit mining is in-line with the project execution schedule, with underground mining expected to commence on schedule in early April 2022. Macmahon is progressively mobilising to KOTH, establishing infrastructure, and ramping up its site workforce according to plan.



Figure 1: Open pit mining commences at King of the Hills.

The initial open pit mining fleet consists of one 360-tonne Hitachi excavator and four 789 Caterpillar trucks supporting ancillary equipment. The full fleet for open pit mining will eventually comprise three Hitachi excavators, sixteen 789 Caterpillar trucks and additional ancillary equipment. Red 5's mining team has been optimising the KOTH mine plans over the past 12 months, with the final mining fleet configured to enable scalability and future production growth.

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Red 5 Managing Director, Mark Williams, said: *“The start of open pit mining represents another exciting milestone, marking the start of ore production from Australia’s next major gold mine.*

“We will now commence stockpiling ore ahead of the planned commissioning of the new, state-of-the-art KOTH processing plant, with all workstreams remaining on track to achieve first gold production in the June Quarter.

“The fact that we have been able to advance construction of the project on schedule and within budget – despite widespread labour and supply chain shortages – represents an outstanding achievement by our construction management team and MACA Interquip. With the commencement of mining on schedule, I would also like to acknowledge the efforts of our mining team and mining contractor Macmahon for their hard work and exceptional planning to date.”



Figure 2: Mining is supported by a substantial 7m x 7m grade control program, with 62,000 metres of a 70,000-metre initial drill program already completed.



Figure 3: Construction of the KOTH SAG Mill as at 21 January 2022.

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.