



ASX Shareholders Report

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

Greg Edwards
Managing Director

or

Lance Govey
Exploration Director

Red 5 Limited is a publicly listed company on the ASX-ticker symbol RED.

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

Investor Inquiries:
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\$2.2 million placement - to accelerate underground exploration

The Company has placed 22 million fully paid ordinary shares at 10 cents per share to clients of Shaw Stockbroking including new substantial institutional investors.

The proceeds will be used to accelerate the successful drill programme immediately below the initial pit. To date gold mineralisation has been intersected over a 300 metre strike length, 200 metres vertical depth (below the initial pit) and with a true width of 15-20 metres. The new drilling plan is to extend the target that currently exceeds 2.0 to 2.5 million tonnes below the initial pit.

Grades intersected to date in the target zone include 25m at 10.3 g/t Au (SMDD63), 19m at 9.1 g/t (SMDD65), 144m at 5.8g/t, including 12m at 25g/t and 42m at 10g/t (SMDD105), 19m at 8.8 g/t (SMDD106) and 23m at 8.6g/t (SMDD108).

Hole SMDD110 is in progress with a target 60 metres north and 100 metres below discovery hole SMDD105.

Previous holes in this programme have extended the mineralisation to 410 metres vertical, and to the south.

The placement also results in enhanced flexibility with regard to early development infrastructure.

The target below the Siana initial pit is open to the north, south and at depth. Conceptual underground studies have commenced.

Greg Edwards
Managing Director

4 December 2006

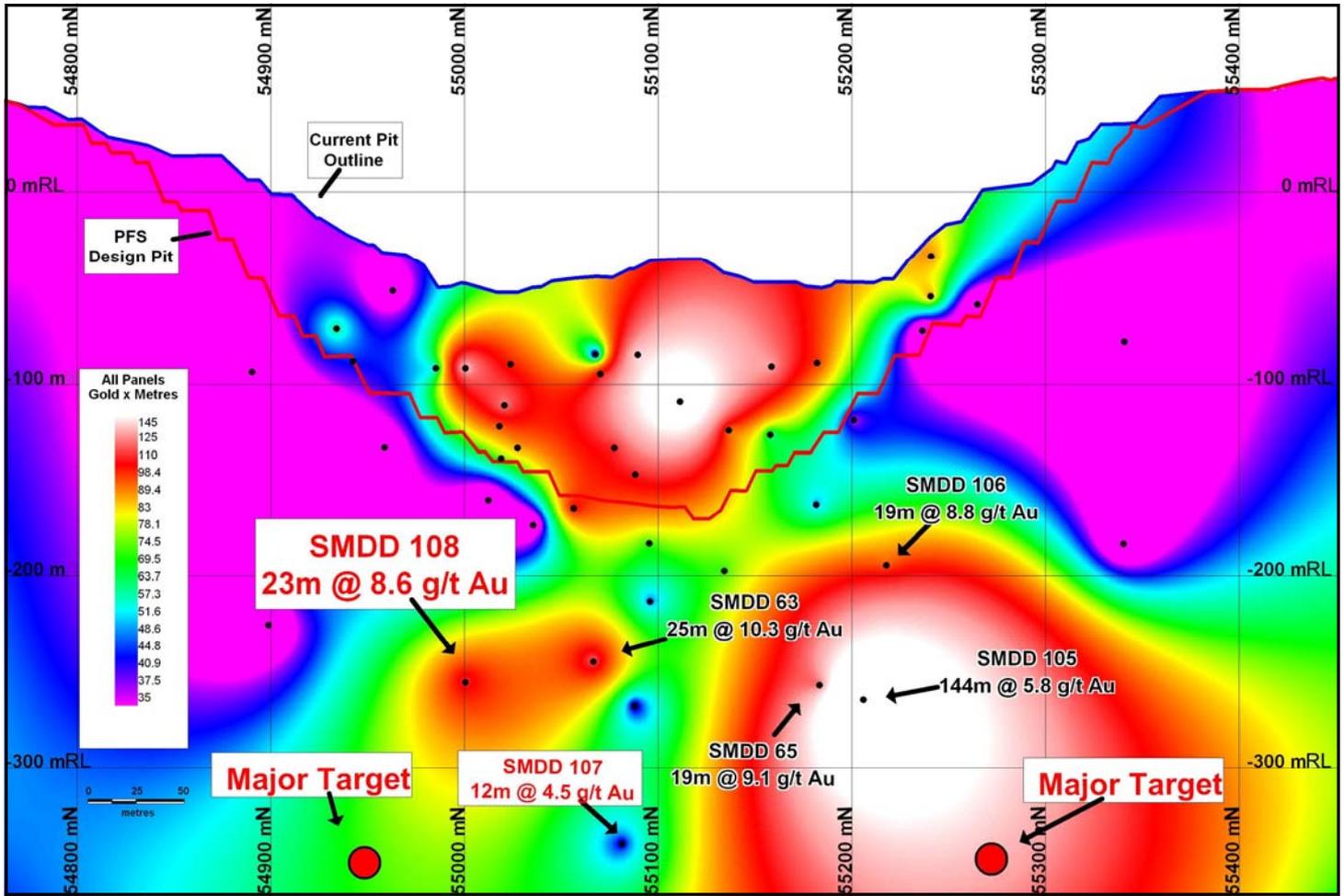


Figure 1. Longitudinal projection of gold distribution (gram x metre)

The information in this Public Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on, and accurately reflects, information compiled by Mr. A L Govey and Mr. G C Edwards who are full-time employees of Red 5 Limited and who are Members of The Australasian Institute of Mining and Metallurgy. Mr Govey and Mr. Edwards have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Govey and Mr. Edwards consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.