

8 November 2018

Red 5 commences significant drilling program to unlock large-scale bulk mining opportunity at King of the Hills

30,000m drill program to target the Eastern Margin Contact where strong potential for bulk mining has been identified

- Revised geological interpretation, combined with re-oriented north-south drilling, confirms a significant growth opportunity for Red 5 on the Eastern Margin Contact at King of the Hills (KOTH).
- Composited drilling results confirm that a network of high-grade vein and veinlet stockworks, proximal to and encompassing the granodiorite/ultramafic contact, can be bulked out into broad zones of strong gold mineralisation beneath the historical Tarmoola open pit, potentially to +500m below surface.
- Drilling to date indicates that the mineralisation occurs within a 100 to 150m wide corridor, or “damage zone”, along the granodiorite/ultramafic contact, with broad higher grade stockwork zones ranging in width from 10 to 40m. Previously reported drilling in this zone included:
 - KHRD0095: 330m @ 1.7g/t Au (0m to ‘end-of-hole’)
 - KHRD0098: 234m @ 2.0g/t Au (0m to ‘end-of-hole’)
 - KHRD0101: 127m @ 1.9g/t Au (0m to ‘end-of-hole’)
- In addition to the results reported by Red 5 on 21 September 2018, the Eastern Margin opportunity is supported by a previously unreported historical drill hole KHGC149, completed by Saracen Minerals in 2016, which intersected:
 - Bulk composite zones of:
 - 105m @ 1.6g/t Au from 11m
 - 18m @ 2.4g/t Au from 146m
 - 39m @ 1.4g/t Au from 217m
 - Higher grade composite zones of:
 - 3.15m @ 5.7g/t Au from 11.1m
 - 3.90m @ 10.6g/t Au from 17.0m
 - 2.38m @ 5.2g/t Au from 76.6m
 - 9.86m @ 4.2g/t Au from 106.1m
 - 7.54m @ 5.3g/t Au from 146.0m
 - 2.58m @ 10.6g/t Au from 236.6m
- A 30,000m underground drilling program has commenced to unlock this bulk mining opportunity. The program will target mineralisation along the granodiorite/ultramafic contact corridor, as well as assisting with mine planning. This program is expected to be completed in the June 2019 quarter. This drilling will test 1,400m of the estimated 4,000m Eastern Margin Contact over a vertical extent of ~350m.

Red 5 Limited (“Red 5” or “the Company”) (ASX: RED) is pleased to advise that it has commenced a major underground diamond drilling program at its 100%-owned King of the Hills (KOTH) underground gold mine, located in WA’s Eastern Goldfields region, to evaluate the potential for a large-scale future bulk mining operation within the newly-identified Eastern Margin Contact Zone. The 30,000m drill program is scheduled for completion in the June 2019 quarter.

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A significant proportion of the program is designed to target the stockwork development around the granodiorite/ultramafic contact, referred to as the “damage zone”, and will cover an initial area of **1,400m along the estimated 4,000m** Eastern Margin Contact Zone, and a vertical range of ~350m. This is beneath the historical Tarmoola open pit, in an area close to existing underground mining development.

The potential of this granodiorite/ultramafic contact, where previous drilling intersected a significant zone of gold-bearing tension veins and stockworks, was first outlined in the Company’s announcement of 21 September 2018.

Through a combination of recent drilling and analysis of historical data, Red 5 has now confirmed that this Eastern Margin Contact Zone comprises a network of multiple high-grade vein/veinlet stockworks which can be collectively bulked out into very large zones of strong gold mineralisation that would potentially be amenable to extraction using bulk mining methods.

The narrow veins and veinlets are typically <10cm to 30cm in width, high-grade and occur as composite zones of vein stockworks, typically separated by low-grade (<1.0g/t Au) mineralisation, along the 4,000m eastern margin of the interpreted granodiorite/ultramafic contact.

Until now, drill orientation was predominantly east-west, at right angles to the contact, which is optimal for intersecting mineralisation that occurs on the contact but not optimal for targeting the broad stockwork network within the damage zone. The majority of historical drilling has therefore not effectively tested the stockworks and the bulk tonnage opportunity presented by these much broader mineralised zones.

The recent re-oriented diamond drilling sub-parallel to the contact (reported in Red 5’s ASX announcement of 21 September 2018) has highlighted the scale of the bulk tonnage opportunity, with significant composite assay results within the zone including:

- KHRD0095: 330m @ 1.7g/t Au (0m to ‘end-of-hole’);
- KHRD0098: 234m @ 2.0g/t Au (0m to ‘end-of-hole’); and
- KHRD0101: 127m @ 1.9g/t Au (0m to ‘end-of-hole’).

A review of the extensive historical drilling data and geological information, together with results from recent drilling, indicates the potential for a new interpretation for the KOTH mineralisation, with exceptional targeting potential along the 4,000m extensively structurally damaged eastern margin of the granodiorite/ultramafic contact.

Red 5 has also retrieved and validated the assay results for historical drill hole KHGC149, completed by Saracen Minerals in 2016, which was oriented north-south to confirm the presence and orientation of these narrow “E-W” tension veins.

Observations of the core from hole KHGC149 was the primary driver for Red 5’s decision to re-orient the drilling in a north-south direction, as outlined in the Company’s ASX announcement dated 21 September 2018. The geology observed in this hole, together with composited assay results, highlight the broad zones of narrow vein stockwork development with significant widths for potential large-scale mining. Broad mineralised zones returned from hole KHGC149 included:

Bulk composite zones of:

- **105m @ 1.6g/t Au from 11m**
- **18m @ 2.4g/t Au from 146m**
- **39m @ 1.4g/t Au from 217m**

Note: No top cut applied, these intercepts include numerous high-grade value zones and include zones of weak to non-mineralised values. Refer to Table 1 for reported values above 0.3 g/t Au.

Higher grade composite zones of:

- 3.15m @ 5.7g/t Au from 11.1m
- 3.90m @ 10.6g/t Au from 17.0m
- 2.38m @ 5.2g/t Au from 76.6m
- 9.86m @ 4.2g/t Au from 106.1m
- 7.54m @ 5.3g/t Au from 146.0m
- 2.58m @ 10.6g/t Au from 236.6m

Note: No top cut applied

The location of Saracen's drill-hole KHGC149, as well as Red 5's recent drill holes KHRD0095 to KHRD0101 (discussed in the Company's ASX announcement dated 21 September 2018), as well as the current bulk stopeing trial at Lemonwood are shown in Figure 1 below.

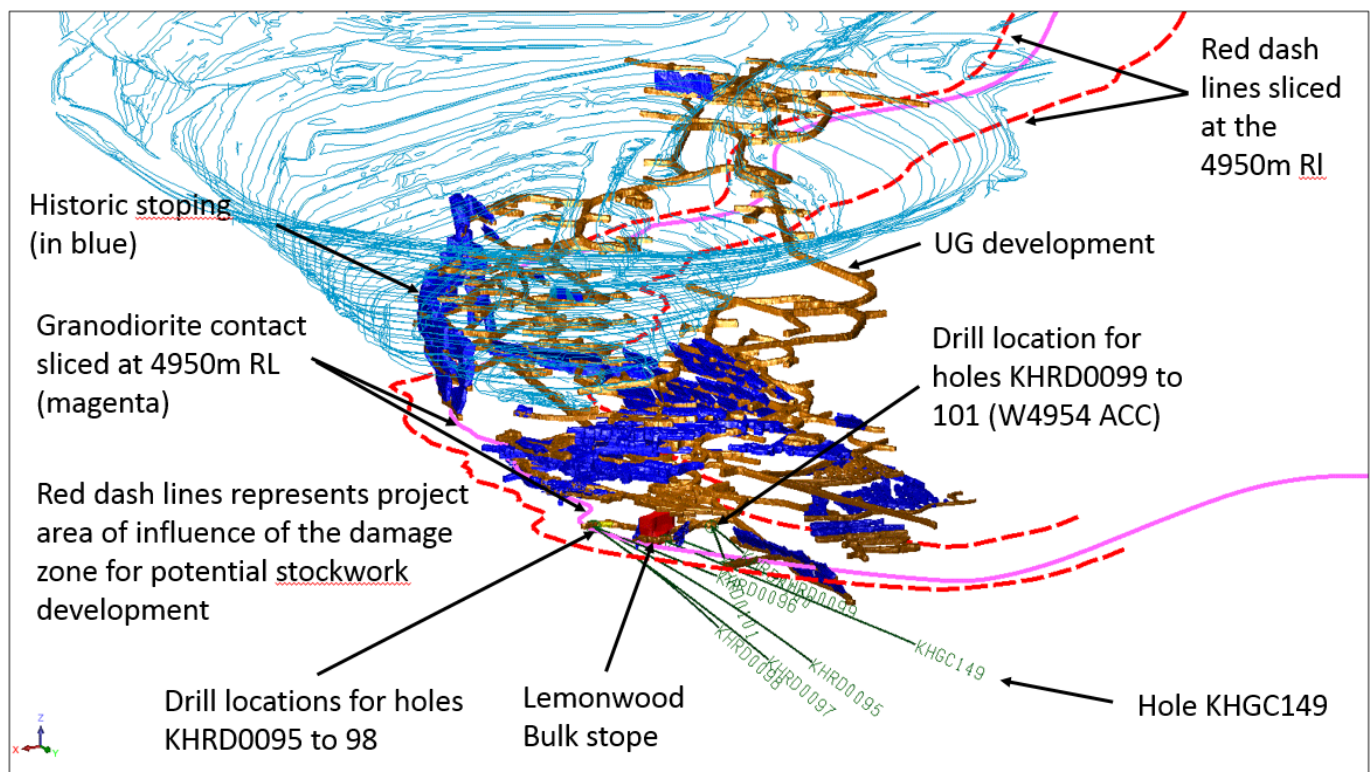


Figure 1 – Oblique view looking SW of the KoTH drill hole KHGC149 and drill holes KHRD0095 to 101. Diagram also outlines in the red dashed lines the “damage zone” intersection at the 4950m RL which contains the narrow stockwork vein development. Diagram also shows the Lemonwood bulk stope design.

The contact at the eastern margin of the granodiorite has a strike extent of an estimated 4,000m and a vertical extent of at least 500m, with a projected similar extent on the western margin, and represents a major new growth opportunity for Red 5.

The Company believes that the strike extent of the eastern margin of the granodiorite/ultramafic contact, coupled with the volume of known mineralisation per vertical metre, indicates the potential to substantially expand the size of the KOTH deposit, particularly at depth below and along strike from the current drilling.

The nature of vein densities and gold tenure offers two potential scenarios for underground development, with the narrow high-grade zones amenable to narrow vein stoping methods, and wider zones offering the potential for long-hole stoping or other such larger-tonnage stoping methods. The entire 4,000m contact zone is considered to be under-explored, with the potential to provide multiple headings and stoping areas on each development level.

The location of the planned new drill-holes and the projected area of the damage zone against the Eastern Margin Contact is shown in long-section in Figure 2 below.

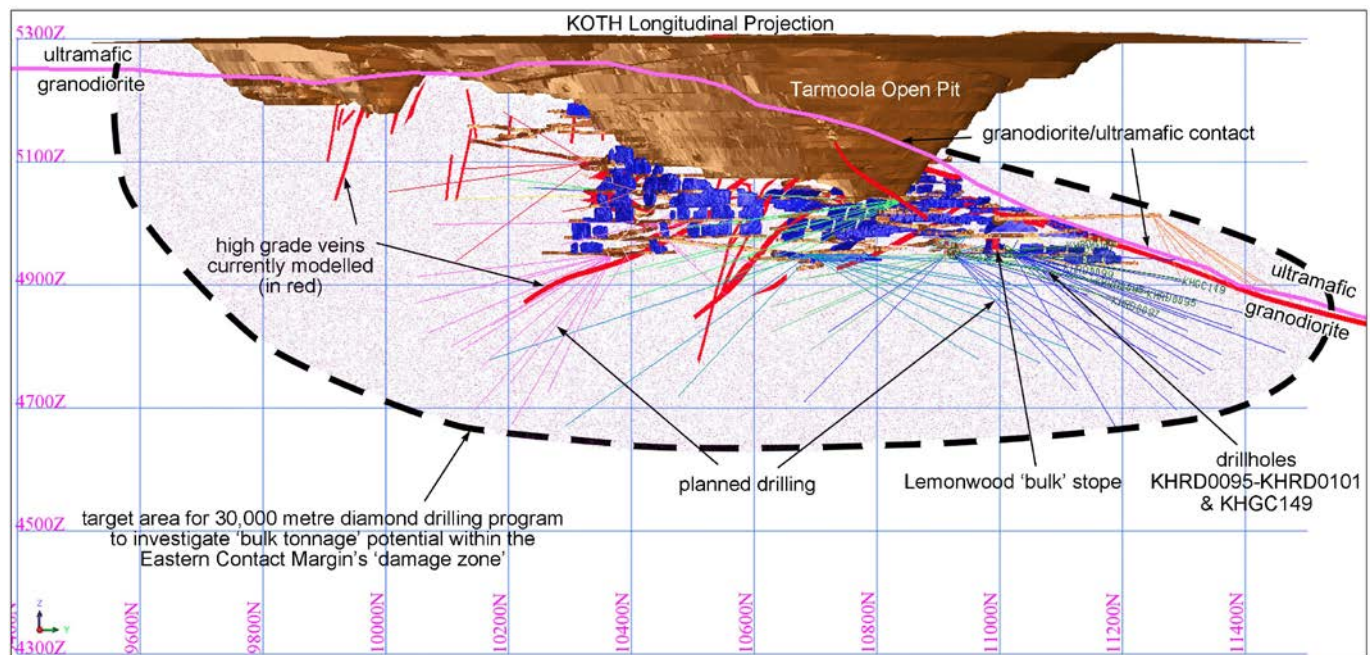


Figure 2 – Long section view looking west showing the planned drilling targeting the damage zone and contact area and drilling required for mine planning. Outlined by the solid black dashed line representing the projected area of influence of the damage zone for stockwork vein development. Diagram also outlines some of the high grade veins currently modelled.

Major gold mines elsewhere in the Eastern Goldfields district are typified by significant depth extent, such as Darlot (+900m), Jundee (+1300m), Agnew (+1300m), Sunrise Dam (+1200m), Wallaby (+1200m), Gwalia (+1700m), Kanowna Belle (+1200m). KOTH has only been mined to a depth of 380m in the north and 120m in the south, and the current Resource remains open at depth along the entire strike length.

A trial bulk stoping program is currently underway in the Lemonwood area to provide further information on the optimal mining method. Further information from this program is expected to be available in the near future.

Red 5's Managing Director, Mark Williams said the emerging opportunity at the Eastern Margin Contact Zone is a potential 'game-changer' for the Company.

"We are developing sufficient confidence in the scale and importance of this newly identified zone to commit to a significant underground drilling program, which is now underway, in parallel with trial stoping to provide early data on the optimal extraction and mining method," he said.

"Turning the rigs around and drilling sub-parallel to the granodiorite/ultramafic contact to improve our understanding of the stockwork development could well turn out to be a major milestone for the Company, with the potential to unveil a substantial area of gold mineralisation, close to existing mining areas, with the potential to be exploited using well-established mining techniques.

"The concept of bulking out a complex network of high-grade vein and veinlets and stockwork zones in the 'damage zone' to provide a bulk mining opportunity is a new concept for King of the Hills, and one which could ultimately deliver an important growth opportunity for the Company.

"Given that the Eastern Margin Contact Zone extends over a horizontal distance of 4,000m, drilling out this prospective zone has the potential to significantly transform the current Resource and Reserve base at King of the Hills and considerably extend mine life," he said. "This is an opportunity we intend to pursue with vigour."

ENDS

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Competent Person's Statement

Exploration Results

Mr Byron Dumpleton, confirms that he is the Competent Person for the Exploration Results summarised in this report and Mr Dumpleton has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Dumpleton is a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in this report and to the activity for which he is accepting responsibility. Mr Dumpleton is a Member of the Australian Institute of Geoscientists, No. 1598. Mr Dumpleton is a full time employee of Red 5 Limited. Mr Dumpleton has reviewed this report and consents to the inclusion of the matters based on his supporting 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.

Appendix 1

King of The Hills Gold Mine – Significant Assays for Underground Drilling

Table 1: KoTH drill hole collar locations reported for this announcement (Data reported in Mine Grid)

Holed ID	Easting (Mine Grid)	Northing (Mine Grid)	RL (Mine Grid)	Dip	Azimuth	Depth	Collar Location
KHGC001	50865.34	11010.46	4954.352	8	336	314.79	W 4954 Margary OD

Table 2: KoTH significant assays report in this announcement (grades >0.30g/t)

Hole Id	From (m)	To (m)	Length (m)	Au (g/t)
KHGC149	0.00	1.00	1.00	0.31
KHGC149	9.85	10.15	0.30	0.40
KHGC149	11.10	12.10	1.00	2.97
KHGC149	12.10	13.00	0.90	4.55
KHGC149	13.00	13.65	0.65	15.00
KHGC149	13.65	14.25	0.60	1.66
KHGC149	17.00	18.00	1.00	0.51
KHGC149	18.88	19.40	0.52	71.10
KHGC149	19.40	20.00	0.60	1.99
KHGC149	20.00	20.30	0.30	7.73
KHGC149	20.60	20.90	0.30	0.89
KHGC149	23.00	23.50	0.50	0.38
KHGC149	23.50	24.00	0.50	1.83
KHGC149	25.00	26.00	1.00	0.39
KHGC149	26.00	27.00	1.00	0.53
KHGC149	29.00	30.00	1.00	0.32
KHGC149	31.00	32.00	1.00	0.30
KHGC149	32.00	33.00	1.00	0.53
KHGC149	33.00	33.31	0.31	14.90
KHGC149	33.31	34.00	0.69	2.49
KHGC149	38.40	38.70	0.30	1.56
KHGC149	39.50	40.40	0.90	1.11
KHGC149	40.40	41.00	0.60	1.36
KHGC149	44.75	45.05	0.30	0.58
KHGC149	47.00	48.00	1.00	0.33
KHGC149	50.00	51.00	1.00	0.49
KHGC149	51.00	52.00	1.00	0.43
KHGC149	52.00	53.00	1.00	0.87
KHGC149	53.00	53.50	0.50	0.86
KHGC149	53.50	53.80	0.30	0.92
KHGC149	53.80	54.10	0.30	0.55
KHGC149	54.10	54.40	0.30	17.60
KHGC149	55.00	56.00	1.00	0.56
KHGC149	57.00	58.00	1.00	0.35
KHGC149	60.50	60.80	0.30	14.70
KHGC149	60.80	61.70	0.90	0.46
KHGC149	62.70	63.70	1.00	0.37
KHGC149	63.70	64.15	0.45	0.69
KHGC149	64.15	65.00	0.85	0.57
KHGC149	66.00	67.00	1.00	0.68
KHGC149	71.63	71.93	0.30	3.65
KHGC149	71.93	72.50	0.57	0.30
KHGC149	72.50	73.50	1.00	1.47

Hole Id	From (m)	To (m)	Length (m)	Au (g/t)
KHGC149	75.10	75.40	0.30	1.16
KHGC149	76.62	77.00	0.38	27.90
KHGC149	77.70	78.47	0.77	1.99
KHGC149	78.47	79.00	0.53	0.52
KHGC149	82.00	83.00	1.00	0.70
KHGC149	84.00	85.00	1.00	0.59
KHGC149	85.00	85.80	0.80	0.54
KHGC149	85.80	86.74	0.94	0.82
KHGC149	86.74	87.24	0.50	1.00
KHGC149	87.24	87.72	0.48	0.42
KHGC149	87.72	88.22	0.50	0.86
KHGC149	88.22	89.00	0.78	0.83
KHGC149	89.00	90.00	1.00	0.36
KHGC149	90.00	91.00	1.00	0.39
KHGC149	92.00	93.00	1.00	0.62
KHGC149	93.00	94.00	1.00	0.87
KHGC149	94.00	95.00	1.00	5.88
KHGC149	97.00	98.00	1.00	0.48
KHGC149	98.00	101.00	3.00	0.44
KHGC149	101.90	102.65	0.75	1.28
KHGC149	103.35	104.12	0.77	0.35
KHGC149	106.14	106.85	0.71	6.42
KHGC149	106.85	107.60	0.75	31.70
KHGC149	107.60	108.20	0.60	2.76
KHGC149	110.00	111.00	1.00	2.74
KHGC149	113.00	114.00	1.00	7.17
KHGC149	114.00	115.00	1.00	0.41
KHGC149	115.00	116.00	1.00	0.50
KHGC149	128.00	129.00	1.00	0.79
KHGC149	131.00	132.00	1.00	1.69
KHGC149	146.00	147.00	1.00	0.65
KHGC149	147.70	148.18	0.48	66.00
KHGC149	148.18	148.62	0.44	4.82
KHGC149	148.62	149.10	0.48	6.22
KHGC149	149.97	150.34	0.37	0.51
KHGC149	150.34	150.80	0.46	0.35
KHGC149	150.80	151.78	0.98	0.30
KHGC149	151.78	152.54	0.76	1.07
KHGC149	152.54	153.54	1.00	0.50
KHGC149	156.00	157.00	1.00	0.33
KHGC149	163.03	163.33	0.30	6.68
KHGC149	163.33	164.00	0.67	0.31
KHGC149	181.40	182.40	1.00	0.52
KHGC149	182.40	182.70	0.30	2.56
KHGC149	184.32	184.62	0.30	0.67
KHGC149	195.39	196.31	0.92	1.21
KHGC149	197.30	198.10	0.80	0.83
KHGC149	198.10	198.40	0.30	0.50
KHGC149	199.00	200.00	1.00	0.57
KHGC149	217.04	217.34	0.30	0.86
KHGC149	217.34	217.80	0.46	1.63
KHGC149	217.80	218.20	0.40	0.33
KHGC149	219.00	220.00	1.00	0.31
KHGC149	221.00	222.00	1.00	0.57
KHGC149	222.00	222.52	0.52	0.51
KHGC149	222.52	222.82	0.30	3.16
KHGC149	226.65	227.05	0.40	8.79
KHGC149	227.05	228.00	0.95	1.86

Hole Id	From (m)	To (m)	Length (m)	Au (g/t)
KHGC149	230.00	231.00	1.00	0.33
KHGC149	234.04	234.34	0.30	1.01
KHGC149	236.58	236.90	0.32	80.00
KHGC149	236.90	237.90	1.00	1.04
KHGC149	238.82	239.16	0.34	1.72
KHGC149	240.00	241.00	1.00	0.32
KHGC149	242.20	243.08	0.88	1.50
KHGC149	244.82	245.13	0.31	7.57
KHGC149	245.13	246.00	0.87	2.23
KHGC149	248.00	249.00	1.00	0.51
KHGC149	251.70	252.04	0.34	10.70
KHGC149	252.04	252.41	0.37	5.96
KHGC149	252.41	253.40	0.99	0.43
KHGC149	253.40	254.40	1.00	0.93
KHGC149	255.40	256.24	0.84	0.86
KHGC149	260.00	261.00	1.00	0.31
KHGC149	262.00	263.00	1.00	0.41
KHGC149	264.00	265.00	1.00	0.31
KHGC149	265.00	265.87	0.87	0.30
KHGC149	269.00	269.75	0.75	9.12
KHGC149	279.70	279.77	0.07	0.30
KHGC149	279.77	280.00	0.23	0.30
KHGC149	299.00	300.00	1.00	0.30
KHGC149	314.00	314.79	0.79	4.15

JORC CODE, 2012 EDITION – TABLE 1 FOR THE KOTH RESOURCE EXPLORATION RESULTS – KOTH GOLD MINE

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
Sampling Techniques	<i>Nature and quality of sampling (e.g. 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>	<ul style="list-style-type: none"> Sampling of KHGC149 diamond drill holes (DD) was completed and managed by Saracen Mineral Holdings Ltd. Sampling methods undertaken at King of the Hills by previous owners have included rotary air blast (RAB), reverse circulation (RC), aircore (AC), diamond drillholes (DD) and face chip sampling.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i>	<ul style="list-style-type: none"> Red 5 are satisfied that the sampling for DD was carried out as specified within Red 5 sampling and QAQC procedures as per industry standard. Certified blank material was inserted into the sampling sequence after samples where coarse gold was expected. Barren flushes were completed during the sample preparation after the suspected coarse gold samples. The barren flush is analysed for gold to quantify gold smearing in the milling process. Certified standard material was inserted into the sampling sequence every 20 samples to ensure calibration was occurring in the assaying process. Core samples are crushed, dried and pulverised to a nominal 90% passing 75µm to produce a 50g sub sample for analysis by FA/AAS.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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.</i> <i>Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information</i>	<ul style="list-style-type: none"> All DD core is logged for core loss (and recorded as such), marked into 1m intervals, orientated, geologically and structurally logged for the following parameters: rock type, alteration and mineralisation. DD sampling has been half cut sampled to a minimum of 0.3m and a maximum of 1.0m to provide a sample >0.5kg. The second half of the core is stored in the core farm for reference.
Drilling Techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by</i>	<ul style="list-style-type: none"> The core diameter is NQ2, drilled underground amounting to 314.9 downhole meters contributing 342 samples.

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
	<i>what method, etc.).</i>	
Drill Sample Recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed</i>	<ul style="list-style-type: none"> • Drill sample recoveries are recorded for each sample number and stored in the Red 5 central database. Sample recoveries calculated. • Core recovery factors for the core drilling are generally very high typically in excess of 95% recovery.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	<ul style="list-style-type: none"> • Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. • Depths are checked against depth given on the core blocks.
	<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>	<ul style="list-style-type: none"> • There is no known relationship between sample recovery and grade. • Diamond drilling has high recoveries due to the competent nature of the ground meaning loss of material is minimal.
Logging	<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> <i>Whether logging is qualitative or quantitative in nature.</i> <i>Core (or costean, channel, etc) photography.</i>	<ul style="list-style-type: none"> • Logging of diamond drill core has recorded lithology, mineralogy, texture, mineralisation, weathering, alteration and veining. • 100% of core is logged and approximately 80% was photographed (0 to 256m) by Saracen.
	<i>The total length and percentage of the relevant intersections logged</i>	<ul style="list-style-type: none"> • All diamond drill holes are logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	<ul style="list-style-type: none"> • DD core sample lengths can be variable in a mineralized zone, through usually no larger than 1.0 meters. Minimum sample is 0.3 metres. This enables the capture of assay data for narrow structures and localized grade variations. • DD samples are taken according to a cut sheet compiled by the Geologist. Core samples are bagged in pre-numbered calico bags and submitted with a sample submission form. • All diamond core is cut in half onsite using an automatic core saw by a geology field assistant. Samples are always collected from the same side.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	<ul style="list-style-type: none"> • Only diamond holes reported and for hole KHGC149 not all of the hole was assayed, these were zones believed to be non or not significantly mineralised at the time.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation</i>	<ul style="list-style-type: none"> • The sample preparation of diamond core adhere to industry best practice. It is conducted by a commercial laboratory and involves oven drying at 105°C, jaw crushing then total grinding using an LM5

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
	<i>technique.</i>	to a grind size of 90% passing 75 microns.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<ul style="list-style-type: none"> • All subsampling activities are carried out by commercial laboratory and are considered to be satisfactory.
	<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>	<ul style="list-style-type: none"> • No duplicate samples of core have been taken from hole KHGC149.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	<ul style="list-style-type: none"> • Analysis of data determined sample sizes were considered to be appropriate.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<ul style="list-style-type: none"> • Primary assaying for the DD samples as a fire assay with AAS finish is used to determine the gold concentration for DD. This method is considered one of the most suitable for determining gold concentrations in rock and is a total digest method.
	<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>	<ul style="list-style-type: none"> • No geophysical tools have been utilised at the King of the Hills project
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	<ul style="list-style-type: none"> • QC samples were routinely inserted into the sampling sequence and also submitted around expected zones of mineralisation. Standard procedures are to examine any erroneous QC results and validate if required; establishing acceptable levels of accuracy and precision for all stages of the sampling and analytical process. • Certified reference material (standards and blanks) with a wide range of values are inserted into all diamond drill hole submissions, 1 in 20 samples, to assess laboratory accuracy and precision and possible contamination. These are not identifiable to the laboratory. • Certified blank material is inserted under the control of the geologist and are inserted at a minimum of one per batch. Barren quartz flushes are inserted between expected mineralised sample interval(s) when pulverising. • QAQC data returned are checked against pass/fail limits with the SQL database and are passed or failed on import. A report is generated and reviewed by the geologist as necessary upon failure to determine further action. • QAQC data validation is routinely completed and demonstrates sufficient levels of accuracy and precision. • Sample preparation checks for fineness are carried out to ensure a grind size of 90% passing 75

Section 1: Sampling Techniques and Data																											
Criteria	JORC Code Explanation	Commentary																									
		microns. • The laboratory performs several internal processes including standards, blanks, repeats and checks.																									
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	• Core samples with significant intersections logged were reviewed by Senior Geological personnel to confirm the results.																									
	<i>The use of twinned holes.</i>	• No specific twinned holes were drilled.																									
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols</i>	 • 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. • All diamond drill data control is managed centrally, from drill hole planning to final assay, survey and geological capture. The majority of logging data (lithology, alteration and structural characteristics of core) is captured directly by customised digital logging tools with stringent validation and data entry constraints. Geologists emails the data to the database administrator for importing in the database where ranking of the data occurs based on multiple QAQC and validation rules.																									
	<i>Discuss any adjustment to assay data.</i>	 • The database is secure and password protected by the Database Administrator to prevent accidental or malicious adjustments to data. • No adjustments have been made to assay data. First gold assay is utilised for grade review. Re-assays carried out due to failed QAQC will replace original results, though both are stored in the database.																									
Location of data points	<i>Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	 • All diamond drill hole collars were marked out pre-drilling and picked up by company surveyors using a total station, with an expected accuracy of +/-2mm. • Downhole surveys were carried out every 15-30m using an Eastman single shot camera, with the entire hole being surveyed using a deviflex rapid tool upon completion. • Underground voids are surveyed by mine surveyors. The survey control on these voids is considered adequate to support the drill and mine planning.																									
	<i>Specification of the grid system used.</i>	 • A local grid system (King of the Hills) is used. It is rotated 25.89 degrees east of MGA_GDA94. The two point conversion to MGA_GDA94 zone 51 is <table><tr><td></td><td>KOTHEast</td><td>KOTHNorth</td><td>RL</td><td>MGAEast</td><td>MGANorth</td><td>RL</td></tr><tr><td>Point 1</td><td>49823.541</td><td>9992.582</td><td>0</td><td>320153.794</td><td>6826726.962</td><td>0</td></tr><tr><td>Point 2</td><td>50740.947</td><td>10246.724</td><td>0</td><td>320868.033</td><td>6827356.243</td><td>0</td></tr></table>						KOTHEast	KOTHNorth	RL	MGAEast	MGANorth	RL	Point 1	49823.541	9992.582	0	320153.794	6826726.962	0	Point 2	50740.947	10246.724	0	320868.033	6827356.243	0
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<i>Quality and adequacy of topographic control.</i>	• DGPS survey has been used to establish a topographic surface.																										

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	<ul style="list-style-type: none"> • N/A
	<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>	<ul style="list-style-type: none"> • The Competent Person considers the data reported for KHRD149 to be sufficient to establish the degree of geological and grade continuity appropriate for future Mineral Resource classification categories adopted for Koth. Note the purpose of this table 1 is to report drill hole KHGC149 as it has not been previously reported.
Orientation of data in relation to geological structure	<i>Whether sample compositing has been applied.</i>	<ul style="list-style-type: none"> • No sample Underground core and faces are sampled to geological intervals; compositing is not applied until the estimation stage. • Samples were composited by identifying geological continuity through logging and analytical results. No selective geological domains have been generated with these holes interpreted to intercept a larger zone of stockwork veining.
	<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>	<ul style="list-style-type: none"> • Sampling has been conducted in most cases perpendicular to the mineralisation trend. The 7 DD holes were drilled as a “proof of concept” targeting a gold-bearing ENE-WSW (mind grid) mineralised trending zone. It is however possible that there is still mineralisation in this deposit that has not been optimally intersected, given that the current mineralisation controls in this zone are still being investigated.
	<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>	<ul style="list-style-type: none"> • Drilling is designed to cross the ore structures close to perpendicular as practicable. • There is no record of any drilling or sample bias that has been introduced because of the relationship between the orientation of the drilling and that of the mineralised structures.
Sample security	<i>The measures taken to ensure sample security.</i>	<ul style="list-style-type: none"> • Recent samples are prepared on site under supervision of geological staff. Samples are selected, bagged into tied numbered calico bags then grouped into larger secured bags and delivered to the laboratory by a transport company. All King of the Hill samples are submitted to ALS laboratory in Kalgoorlie. • Although security is not strongly enforced, KOTH is a remote site and the number of outside visitors is minimal. 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.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	<ul style="list-style-type: none"> • A series of written standard procedures exists for sampling and core cutting at KOTH. 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. • No external audits or reviews have been conducted.

Section 2: Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<i>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.</i>	<ul style="list-style-type: none"> • The King of the Hill pit and near mine exploration are located on M37/67, M37/76, M37/90, M37/201 and M37/248 which expire between 2028 and 2031. All mining leases have a 21 year life and are renewable for a further 21 years on a continuing basis. • The mining leases are 100% held and managed by Greenstone Resources (WA) Pty Limited, a wholly owned subsidiary of Red 5 Limited. • The mining leases are subject to a 1.5% 'IRC' royalty. • Mining leases M37/67, M37/76, M37/201 and M37/248 are subject to a mortgage with 'PT Limited'. • All production is subject to a Western Australian state government 'NSR' royalty of 2.5%. • All bonds have been retired across these mining leases and they are all currently subject to the conditions imposed by the MRF. • There are currently no native title claims applied for or determined across these mining leases. However, an agreement for Heritage Protection between St Barbara Mines Ltd and the Wutha People still applies. <p>Lodged aboriginal heritage site (Place ID: 1741), which is an Other Heritage Place referred to as the "Lake Raeside/Sullivan Creek" site, is located in M37/90.</p>
	<i>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.</i>	<ul style="list-style-type: none"> • The tenements are in good standing and the license to operate already exists.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> • The King of the Hills prospect was mined sporadically from 1898-1918. Modern exploration in the Leonora area was triggered by the discovery of the Harbour Lights and Tower Hill prospects in the early 1980s, with regional mapping indicating the King of the Hills prospect area was worthy of further investigation. • Various companies (Esso, Ananconda, BP Minerals, Kulim) carried out sampling, mapping and drilling activities delineating gold mineralisation. Kulim mined two small open pits in JV with Sons of Gwalia during 1986 and 1987. Arboyne took over Kulim's interest and outlined a new resource while Mount Edon carried out exploration on the surrounding tenements. Mining commenced but problems lead to Mount Edon acquiring the whole project area from Kulim, leading to the integration of the King of the Hills, KOTH West and KOTH Extended into the Tarmoola Project. Pacmin bought out Mount Edon and were subsequently taken over by Sons of Gwalia. • St Barbara acquired the project after taking over Sons of Gwalia in 2005. King of The Hills is the name given to the underground mine which St Barbara developed beneath the Tarmoola pit. St Barbara continued mining at King of The Hills and processed the ore at their Gwalia operations until 2005 when it was put on care and maintenance. It was subsequently sold that year to Saracen Minerals Holdings who re-commenced underground mining in 2016 and processed the ore at their Thunderbox Gold mine.

Section 2: Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
		<ul style="list-style-type: none"> • In October 2017 Red 5 Limited purchased King of the Hills (KOTH) Gold Project from Saracen.
Geology	<p><i>Deposit type, geological setting and style of mineralisation.</i></p>	<ul style="list-style-type: none"> • The KOTH 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. • Gold mineralisation is associated with sheeted quartz vein sets within a hosting granodiorite stock and pervasively carbonate altered ultramafic rocks. Mineralisation is thought to have occurred within a brittle/ductile shear zone with the main thrust shear zone forming the primary conduit for the mineralising fluids. Pre-existing quartz veining and brittle fracturing of the granite created a network of second order conduits for mineralising fluids. • Gold appears as free particles or associated with traces of base metals sulphides (galena, chalcopyrite, pyrite) intergrown within quartz along late stage fractures.
Drillhole information	<p><i>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:</i></p> <ul style="list-style-type: none"> - <i>easting and northing of the drill hole collar</i> - <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> - <i>dip and azimuth of the hole</i> - <i>down hole length and interception depth</i> - <i>hole length.</i> <p><i>• 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.</i></p>	<ul style="list-style-type: none"> • Hole KHGC149 included in this release have resulted in a material change to the project. • Drillhole collar locations, azimuth and drill hole dip and significant assays are reported in the tables preceding this document. (Table 1. KoTH drill hole collar locations reported for this announcement (Data reported in Mine Grid), Table 2. KoTH significant assays reported in this announcement, no dilution and Table 3. KoTH significant assays reported in this announcement, composite grades) • Future drill hole data will be periodically released or when a result materially change the economic value of the project.
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p>	<ul style="list-style-type: none"> • A single domain has been considered based on this drilling due to intersected geological conditions; ore control, orientation and spatial position within the deposit. No top-cut values have been used in this release.
	<p><i>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.</i></p>	<ul style="list-style-type: none"> • Exploration results have been calculated using weighted average length method. No grade cuts have been applied. Minimum value used is variable. Internal dilution up to 12.8m may be used. • If a small zone of high grade is used this has been outlined in the comments section of the reported values. Note due to the type of mineralization high grade values are common over narrow intervals.

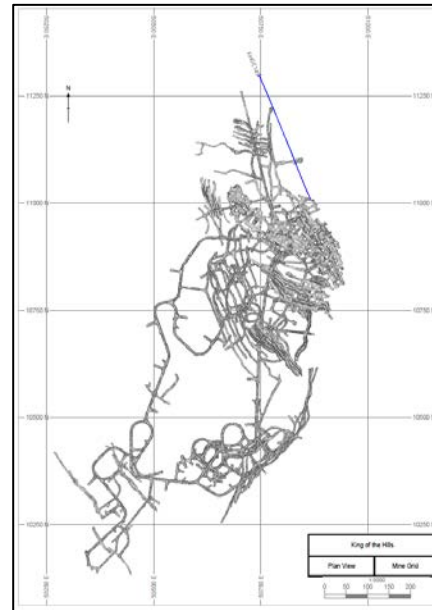
Section 2: Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	<ul style="list-style-type: none"> • No metal equivalents are used.
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	<ul style="list-style-type: none"> • No true thickness calculations have been made. • Reported down hole intersections are documented as down hole width. True width not known. • Mineralisation has been intersected approximately perpendicular to the orientation of the mineralised zone.

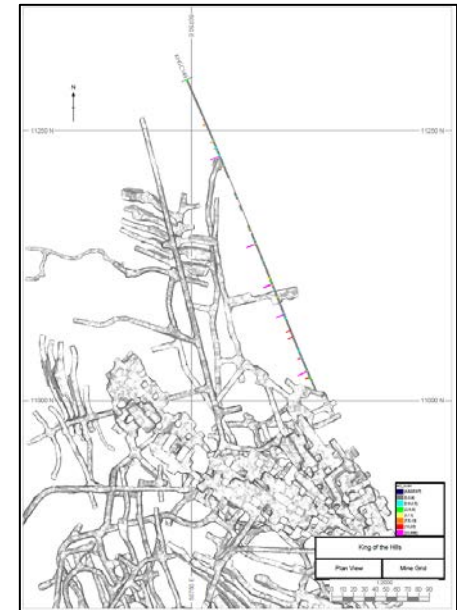
Diagrams

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.

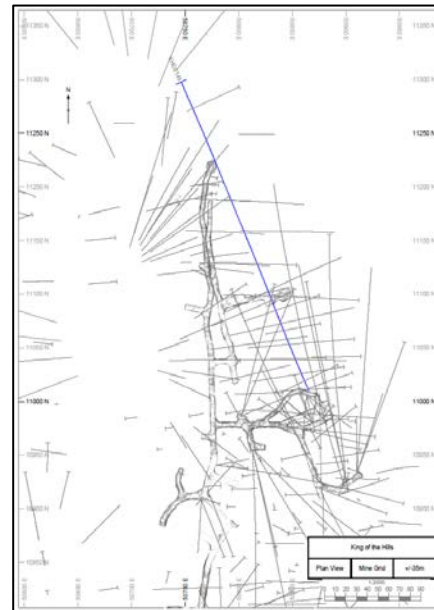
- Diagram below: Plan view of the current KoTH UG workings (grey) and KHRD149 (blue) included in this release:



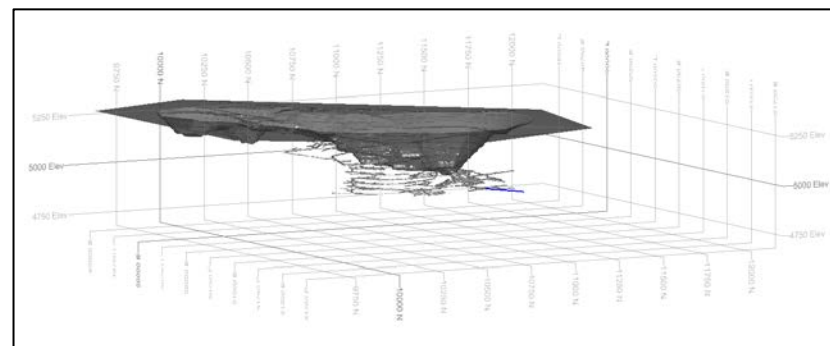
- Diagram below: Plan view of the current KoTH UG workings (grey) and zoomed into KHGC149 (AU legend with filled grade histograms along the drill trace) included in this release:

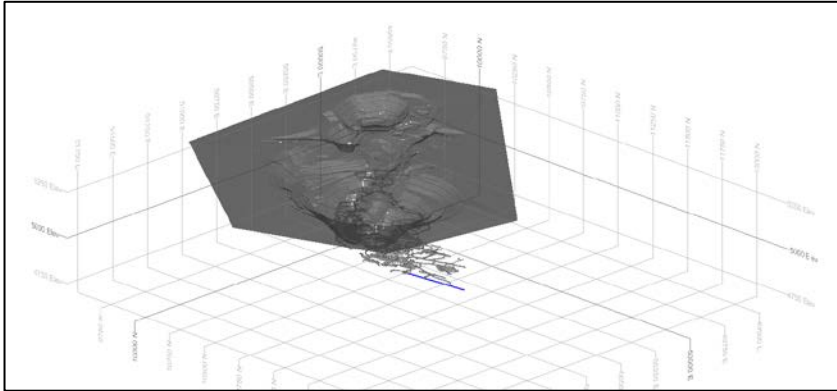


- Diagram below: Plan view of the current KoTH UG workings (grey) and zoomed into KHGC149 (blue) historical drilling (grey) included in this release:



- Diagram below: Oblique view, looking west, showing completed hole (blue) with the current KoTH UG workings (grey) and the KoTH Pit (grey)



		<ul style="list-style-type: none"> • Diagram below: Oblique view, looking south, showing completed hole (blue) with the current KoTH UG workings (grey) and the KoTH Pit (grey) 
Balanced Reporting	<p><i>Where comprehensive reporting of all Exploration Results are not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></p>	<ul style="list-style-type: none"> • All results have been reported in Table 2. KoTH significant assays (relative to the intersection criteria) including those results where no significant intercept was recorded. • Exploration results reported are with figures quoting down hole drill length. Based on the drill angle, perpendicular to the mineralisation orientation it is anticipated the down hole length is similar to the estimated true width. Both the individual grade intercept and composite grade figures have been included in tables preceding this document, Table 2 and Table 3 respectively, to ensure balanced reporting.
Other substantive exploration data	<p><i>Other exploration data, if meaningful and material, should be reported including (but not limited to):</i></p> <p><i>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.</i></p>	<ul style="list-style-type: none"> • No other exploration data that may have been collected is considered material to this announcement.
Further work	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive</i></p>	<ul style="list-style-type: none"> • Red 5 Limited is currently reviewing the resource models and geology interpretations provided from the purchase of KoTH from Saracen with drilling currently design to test the next one to two year mine plan for UG. Red 5 are also designing drilling to test the interpreted low grade mineralization not publically reported and its potential for heap leaching. • No diagrams have been issued to show the proposed drilling plans for the KoTH resource.