

29 August 2023

Full Year Financial Results for 12 months to 30 June 2023

Summary

- Record gold production for Red 5 of 165,544 ounces and gold sales of 164,974 ounces for the 12 months to 30 June 2023.
- Sales revenue of \$422.7 million, representing a 156% increase on the prior year.
- Commercial production was declared at the King of the Hills (KOTH) gold mine on 16 December 2022, with production for 2H FY2023 of 102,574 ounces, at the upper end of guidance and mid-range for cost guidance at A\$1,837/ounce.
- Underlying EBITDA^(*) of \$96.1 million and a net loss after income tax of \$8.7 million.
- Net cash inflow from operating activities of \$46.7 million (before growth capital).
- Group cash on hand and bullion of \$45.9 million and Net Debt of \$81.9 million at 30 June 2023.

(*) Underlying EBITDA is an unaudited non-IFRS measure.

Red 5 Limited (ASX: RED) (“**Red 5**” or “the **Company**”) today announces its financial results for the year ended 30 June 2023.

Red 5 delivered record gold production of 165,544 ounces for the year ended 30 June 2023, contributing to gross sales revenue of \$422.7 million.

Gold was produced from the new King of the Hills (KOTH) Gold Mine in Western Australia, with ore feed sourced from the KOTH Open Pit mine, the KOTH Underground mine and the Darlot Underground satellite mine, and processing at the new KOTH process plant. The processing plant is now operating at an annualised throughput rate of up to 5.5Mtpa, 37.5% higher than the nameplate design of 4.0Mtpa.

The Group incurred a loss from continuing operations for the period of \$8.7 million (30 June 2022: operating loss from continuing operations of \$48.7 million and net loss of \$28.6 million). The net loss reflected the ramp-up of KOTH mining and processing activities during the first half of the financial year, with commercial production declared on 16 December 2022.

Operations have been cash-flow positive since March 2023, putting Red 5 in a solid position to continue to de-leverage and strengthen its balance sheet for the future.

The Company’s Net Debt position improved by \$56.6 million during the second half of the year, standing at \$81.9 million at 30 June 2023.

In July 2023, Red 5 announced the appointment of two highly respected global mining executives as part of an ongoing Board renewal process, with Russell Clark appointed as Chair and Peter Johnston appointed as Non-Executive Director.

The Company reaffirms its FY2024 production guidance of 195,000 – 215,000 ounces at an AISC of A\$1,850 - A\$2,100/oz.

Red 5 Limited

ABN 73 068 647 610

ASX: **RED**

Shares on issue: **3,459M**

Level 2, 35 Ventnor Avenue West Perth 6005 Western Australia Tel: (+61) 8 9322 4455 Fax: (+61) 8 9481 5950

Web: www.red5limited.com

Investor enquiries: info@red5limited.com

Commenting on the full-year results, Red 5's Managing Director, Mark Williams, said:

"This is a solid financial result for Red 5 reflecting both the operational ramp-up at our newly commissioned King of the Hills mining and processing hub during the first half of the financial year and the strong performance we have been able to deliver in the second half since commercial production was declared in December 2022. We have also seen a greatly improved safety performance in line with our primary objective to deliver safe, efficient and profitable ounces.

"Our three mining operations continue to perform in line with the mine plan, and the processing plant is performing well above nameplate capacity, putting Red 5 on track to achieve our stated production and cost guidance for FY2024.

"We continue to deliver positive cash flow from our operations and we are targeting to accelerate our debt repayments in the year ahead. This will provide the Company with a robust balance sheet for future growth as we continue to unlock the potential of our long-life King of the Hills mining operation."

Investor Call

An investor webcast will be held for the investment community on Tuesday, 29 August 2023, commencing at 8.00am (AWST) / 10.00am (AEST).

Investors, brokers, analysts and media can join the webcast by selecting the following link:

[Webcast Link](#)

ENDS

Authorised for release by the Board.

For more information:

Investors/Shareholders:

Mathew Collings, Corporate Development Officer
Patrick Duffy, Chief Financial Officer
Mark Williams, Managing Director
Red 5 Limited
Telephone: +61 8 9322 4455

Media:

Nicholas Read / Kate Bell
Read Corporate
Telephone: +61 8 9388 1474