



ASX REPORT TO SHAREHOLDERS

13 April 2010

Red5 Limited
is a publicly listed company
on the ASX
- ticker symbol RED

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

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

Greg Edwards
Managing Director
(office) +63 2 807 2790
(mob) +61 408 370 582, or

Colin G. Jackson
Chairman
(office) +61 8 9322 4455
(mob) +61 407 718 372

Investor Inquiries:
info@red5limited.com

Address:
Level 2, 35 Ventnor Avenue
West Perth 6005
Western Australia
Tel: **(+61) 8 9322 4455**
Fax: **(+61) 8 9481 5950**
Web: www.red5limited.com

Philippine operating structure simplified

The Company and its joint venture partner, Merrill Crowe Corporation (MCC) has agreed to a Share Purchase Agreement whereby all of the shares of MCC will be sold to Red 5 Asia Inc. and Surigao Investment Holdings Corporation.

Included in the assets of MCC are the Siana and Mapawa MPSAs (with the inherent rights to explore, develop and utilize any and all mineral resources).

Red 5 Asia Inc. is the Philippine subsidiary of Red 5 Limited that also holds a direct shareholding in Greenstone Resources Corporation (GRC), the operating company in the Philippines. Surigao Investment Holdings Inc. is a Philippine compliant company that also holds an interest in GRC.

The consideration for the transfer is US\$1.8 million plus 40 million Red5 shares. Escrow provisions for the transaction are subject to conditions precedent to the agreement.

The simplified operating structure meets foreign company ownership commitments and facilitates one of the preferred debt financing routes.

Greg Edwards
Managing Director