

March 2019 Quarterly Activities Report

Strong quarterly production with Darlot performing well and bulk underground mining underway at King of the Hills (KOTH); Strategic review of stand-alone process plant opportunity at KOTH continues, with excellent results from in-fill and extensional drilling of the current 1.88Moz Resource and regional near-mine exploration underway

West Australian Gold Operations

Processing and Production

- Gold production for the March 2019 Quarter of 24,187 ounces (December 2018 Quarter: 26,118 ounces) and gold sales of 23,444 ounces (December 2018 Quarter: 27,149 ounces). All-in sustaining costs (AISC) of A\$1,637 per ounce for the Quarter (December 2018 Quarter: A\$1,547 per ounce).
- Gold recovered for the June 2019 Quarter expected to be in the range of 27,000-31,000 ounces at an AISC of A\$1,300 – A\$1,450 per ounce.

Mining

- Mining of the high-grade Oval deposit continued at Darlot.
- Airleg mining also ramping up at the Pedersen deposit (Darlot) with production currently underway from four airleg mining stopes.
- Bulk underground mining commenced at KOTH, contributing to an expected increased future production profile of ~50kt/month (compared with ~35kt/month in the December 2018 Quarter and ~36kt per month in the March 2019 Quarter) and underpinning an expected reduction in capital and operating costs.

Exploration and Resource Development

- Outstanding initial results from ongoing 30,000m diamond drill program designed to advance the bulk mining opportunity at KOTH.
- Significant composite intercepts¹ within the current 1.88Moz Resource envelope, but not included within the reported Resource model, include:
 - **312m @ 2.01g/t Au**, incl. 11.3m @ 2.5g/t Au and 13.2m @ 22.4g/t Au (KHRD0166)
 - **313.7m @ 1.24g/t Au**, incl. 15.4m @ 13.3g/t Au (KHRD0170)
 - **222m @ 1.28g/t Au**, incl. 9.2m @ 7.43g/t Au (KHRD0171)
 - **203m @ 1.12g/t Au**, incl. 39.5m @ 2.7g/t Au (KHRD0172)
 - **171m @ 1.23gt Au**, incl. 22.7m @ 2.6g/t Au and 1.1m @ 57.5g/t Au (KHRD0168)
 - **106.0m @ 2.23g/t Au**, incl. 58.0m @ 3.1g/t Au (KUGC0004)
 - **52.6m @ 3.30g/t Au**, incl. 23.2m @ 6.3g/t Au (KUGC0005)
 - **122.0m @ 3.03g/t Au** incl. 8.8m @ 10.8g/t Au (KUGC0006)
 - **65.1m @ 5.25g/t Au**, incl. 35.5m @ 9.3g/t Au (KUGC0016)
 - **97.0m @ 2.33g/t Au** (KUGC0017)

¹ Note: No top-cut applied

- 13,300m RC drilling program commenced to test five high-priority near-mine regional targets at KOTH, with the aim of identifying early open pit mill feed for a potential stand-alone gold processing facility at KOTH.

Finance and Corporate

- Group cash and bullion on hand at the end of March 2019 of A\$13.5 million.

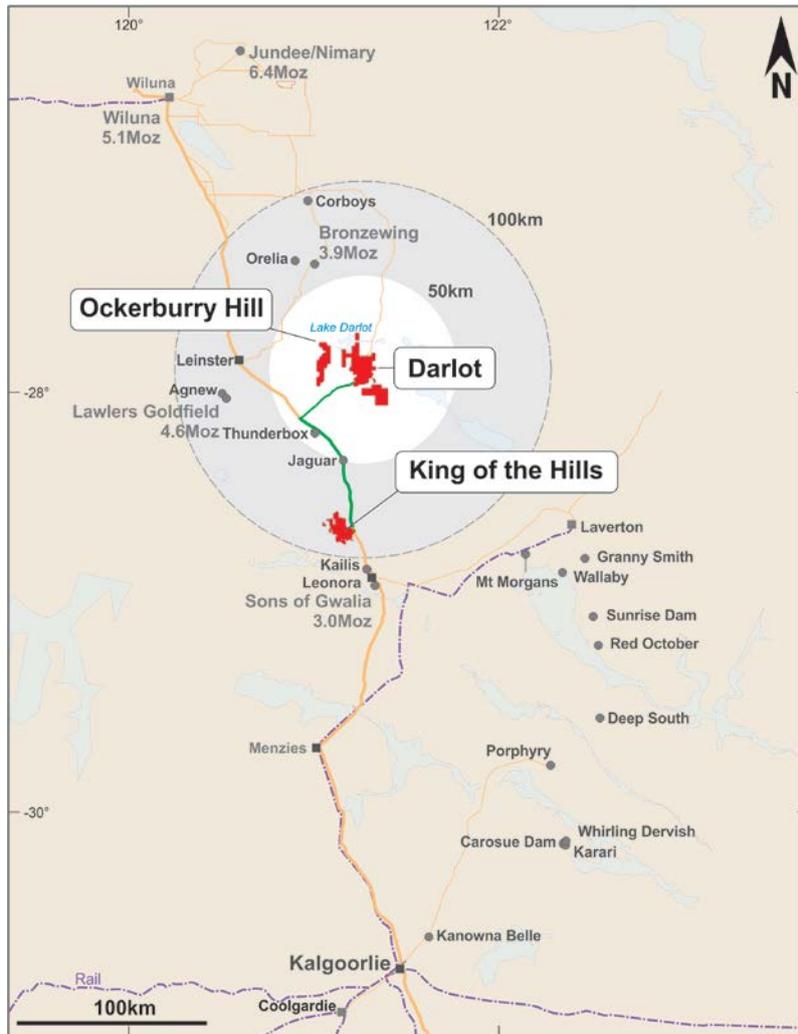


Figure 1: Darlot and KOTH locations, showing historical production from key gold deposits in the region.

Red 5 Managing Director, Mark Williams, said:

“The March Quarter has been another active and positive period for Red 5, with gold production and operating costs in line with guidance and further excellent exploration results supporting the emerging bulk mining opportunity at King of the Hills.

“Darlot continues to deliver the baseload of ounces through consistent production from the high-grade Oval orebody. This quarter also saw the successful start of narrow vein airleg mining in remnant areas of the original Darlot Underground. This promising start to airleg operations indicates we can deliver consistent high-grade ore, adding incremental value to the operation in addition to the current mine plan.

“Pleasingly, the March Quarter also saw the start of bulk underground mining at KOTH. This opportunity has arisen thanks to the ongoing 30,000m resource in-fill and extensional drilling program. These bulk stopes will form part of the mine plan for the next 12-15 months, helping to increase ore production rates and reduce costs through improved mining efficiency.

“In addition to the immediate bulk stoping opportunities, the ongoing KOTH drilling program is also continuing to enhance the longer-term bulk mining strategy, returning broad mineralised intercepts that offer the potential to increase the initial 1.88 million ounce bulk mining resource announced in December 2018. Based on the positive results received from this drilling, and with our rapidly evolving understanding of the KOTH orebody, we hope to be in a position to deliver an interim Resource update during the current June 2019 quarter.”

“As part of the bulk mining strategic review, we have also commenced a near-mine regional drilling program at KOTH, comprising 13,300m of drilling to test five key targets. This program is aimed at identifying opportunities for open pit gold production to generate early mill feed for a potential stand-alone gold processing facility at KOTH, which represents a key element of the bulk mining strategic review.”

WEST AUSTRALIAN GOLD OPERATIONS

Production Summary

A total of 24,187 ounces of gold was recovered for the March 2019 Quarter (December 2018 Quarter: 26,118 ounces) with ore sourced from the Darlot and the King of the Hills underground mines. AISC was A\$1,637 per ounce (inclusive of KOTH mine development costs).

	March 2019 Quarter	December 2018 Quarter	September 2018 Quarter
Mined tonnes	231,073t	215,455t	238,169t
Mined grade	3.82g/t	3.98g/t	3.05g/t
Tonnes milled	200,685t	228,251t	243,950t
Average head grade	4.06g/t	3.87g/t	3.01g/t
Recovery	92.3%	92.1%	91.6%
Gold recovered	24,187oz	26,118oz	21,609oz
Gold sales	23,444oz	27,149oz	20,241oz
All-in sustaining cost	A\$1,637/oz	A\$1,547/oz	A\$1,829/oz

Table 1: Key Production Metrics

Processing

Mill production has been consistent throughout the Quarter. A planned shut-down was carried out in February 2019 to install a Falcon SB Gravity Concentrator and a new tailings pump. The Falcon was commissioned in early February 2019 with gravity recovery increasing in February and March, with further results to be reviewed over the coming months.



Figure 2: Falcon SB Gravity Concentrator.

Crusher performance and availability continues to improve with availability of 91.7% achieved for the Quarter. Major works during the Quarter included the commissioning of the tails booster pumps and commissioning of the 3.5m raise on Tailing Storage Facility (TSF) #3 East Cell, which will provide capacity through to the end of calendar year 2019. Scoping continued for a new TSF #4 schedule, which will have a total design capacity of ~5Mt and will see production through to 2025. Quotes have been received and works are expected to commence in mid-2019.

With KOTH ore production targeting up to 600ktpa (see below), initiatives are being evaluated to assess the benefits of whether to incrementally increase plant capacity at Darlot (currently 1Mtpa with 600ktpa coming from Darlot) or focus on maximising grade recoveries, subject to cost-benefit analysis.

DARLOT GOLD MINE

Mining Activities

During the Quarter, bulk stoping continued at the high-grade Oval West deposit, containing an Ore Reserve of 325,337 tonnes grading 5.9g/t Au for 61,571oz of contained gold (see ASX announcement on 19 June 2018).

Airleg mining continued to ramp up with four active airleg mining stopes now in production, at an estimated rate of 4,000t per month. Airleg mining delivered 6,500 tonnes grading 5.2g/t Au for 1,082 ounces in the March Quarter, with production for the June Quarter expected to increase. These airleg mining opportunities at Pederson host an Ore Reserve containing 108,975 tonnes grading 3.9g/t Au for 13,810 ounces of contained gold (see ASX announcement on 21 November 2018).

The airleg program is being conducted concurrently with further engineering and geological assessments to identify additional opportunities for narrow vein mining.

KING OF THE HILLS PROJECT

Mining Activities

Bulk underground mining continued at KOTH during the Quarter and is expected to deliver an increase in ore production together with improved operational efficiencies and lower operating costs.

The new selective bulk mining stopes are expected to underpin ore production from KOTH under Red 5's current Truck-to-Darlot business model for at least the balance of FY19, ensuring a strong production outlook for the mine while the Company completes the current strategic review of a potential broader bulk mining opportunity. The proximity to existing mine roadways has allowed the Company to reduce the number of development crews operating in this area in March 2019 from two to one, significantly reducing development expenditure.

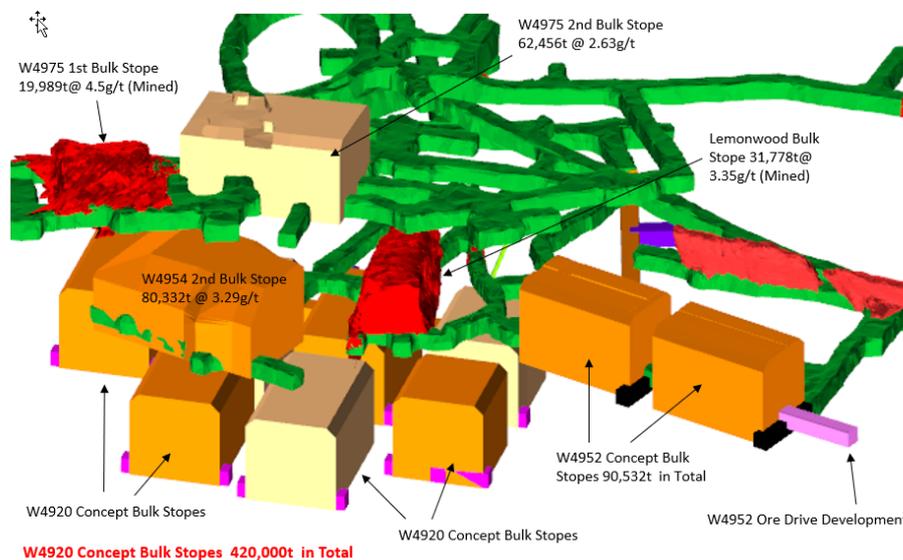


Figure 3: West facing isometric of North East bulk mining area.

The bulk stopes, which have been designed using a +2.5g/t cut-off grade as part of the current Truck-to-Darlot business model, range in size from 30,000-80,000 tonnes and will underpin planned production of between 30,000-35,000 tonnes per month, supplemented by 15,000-20,000 tonnes per month from high-grade narrow vein stopes and development ore.

The bulk stopes will be mined utilising the existing mine fleet currently on-site at KOTH, with the increased tonnages mined arising from the improved efficiencies of bulk mining. Larger sized ore drives can be mined without the dilution that exists for narrow vein mining, allowing the larger loaders from the existing mining fleet to be used for stoping.

This is expected to result in higher ore production rates being achieved with a lower cost per tonne, as no increases in personnel will be required to achieve the increased production rate of ~50,000 tonnes per month compared with ~35,000 tonnes per month under the existing mine plan. Bulk stope W4975 was mined early in the March 2019 Quarter and delivered 19,989 tonnes at an average mined grade of 4.5g/t. This stope was fired in a single mass blast.

In the June 2019 quarter, production from bulk stopes is forecast to account for ~65% of total ore production at KOTH. Further details on the Company's bulk mining strategy at KOTH were provided in the Company's ASX announcement dated 29 March 2019.

Airleg mining has also been undertaken on high-grade narrow mineralised veins at KOTH. Production from these veins totalled 7,325 tonnes grading 6.2g/t Au for 1,467 ounces for the Quarter.

With the Company's increasing focus on the potential for bulk mining at KOTH, the heap leach trial has been scaled back while the bulk mining review at KOTH is being completed.

EXPLORATION AND RESOURCE DEVELOPMENT

KING OF THE HILLS

Resource In-fill and Extension Drilling

Red 5 commenced an underground drilling program at KOTH in October 2018 to further evaluate the 1.88Moz bulk Resource. The program, comprising 30,000m of drilling, continued throughout the March 2019 Quarter, with initial assay results further reinforcing the continuity and tenor of stockwork development along the Eastern Margin Contact. The results corroborate the Company's geological model for the Eastern Margin Contact Zone and within the granodiorite.

Significant intercepts delivered from the program during the reporting period included:

- 312m @ 2.01g/t Au, including 11.3m @ 2.5g/t Au from 3.3m and 13.2m @ 22.4g/t Au from 236m (KHRD0166)
- 116m @ 1.55g/t Au, including 18m @ 7.6g/t Au from 22m (KHRD0116)
- 313.7m @ 1.24g/t Au, including 15.4m @ 13.3g/t Au from 268m (KHRD0170)
- 222m @ 1.28g/t Au, including 9.2m @ 7.43g/t Au from 50.1m (KHRD0171)
- 203m @ 1.12g/t Au, including 39.5m @ 2.7g/t Au from 64m (KHRD0172)
- 171m @ 1.23g/t Au, including 22.7m @ 2.6g/t Au from 36m and 1.1m @ 57.5g/t Au from 81.9m (KHRD0168)
- 47.8m @ 2.1g/t Au (KHRD0141)
- 71.2m @ 1.22g/t Au (KHRD0143)
- 88.9m @ 1.07g/t Au (KHRD0146)
- 77.0m @ 1.96g/t Au (KUGC0003)

- 106.0m @ 2.23g/t Au, including 58.0m @ 3.1g/t Au (KUGC0004)
- 52.6m @ 3.30g/t Au, including 23.2m @ 6.3g/t Au (KUGC0005)
- 122.0m @ 3.03g/t Au, including 8.8m @ 10.8g/t Au (KUGC0006)
- 65.1m @ 5.25g/t Au, including 35.5m @ 9.3g/t Au (KUGC0016)
- 97.0m @ 2.33g/t Au (KUGC0017)

Notes: No top cut applied. Intercept lengths are reported as ‘down-hole’ lengths, not true widths. Full details of the assay results are provided in the Company’s ASX announcements dated 30 January 2019 and 13 March 2019.

The overall program is expected to be completed in the June 2019 quarter.

Ongoing modelling of the current 1.88Moz KOTH bulk mining Mineral Resource based on the Company’s evolving geological understanding of the orebody indicates robust upside potential, with an interim Resource update expected to be completed in the June 2019 Quarter.

Regional drilling

Red 5 commenced a regional exploration program in early March 2019 to test five high-priority near-mine regional gold targets at KOTH: Cerebus, Eclipse, Centauri, Cavalier and Puzzles.

The five targets are typified by shallow, regolith-hosted coherent gold anomalism, with all targets open along strike and completely untested down-dip in the un-weathered basement rock. The host setting of each target shows characteristics analogous to Tarmoola-KOTH and Gwalia-style gold mineralisation, and all present significant discovery opportunities.

The drilling program is targeting opportunities for generating early mill feed for a potential stand-alone gold processing facility at KOTH. A stand-alone processing plant represents a key element of the bulk mining strategic review that commenced in December 2018 following the delivery of an initial 1.88Moz bulk mining Mineral Resource at KOTH (see ASX announcement 4 December 2018).



Figure 4: Reverse Circulation (RC) drill rig at the Centauri prospect, where drilling commenced in March 2019.

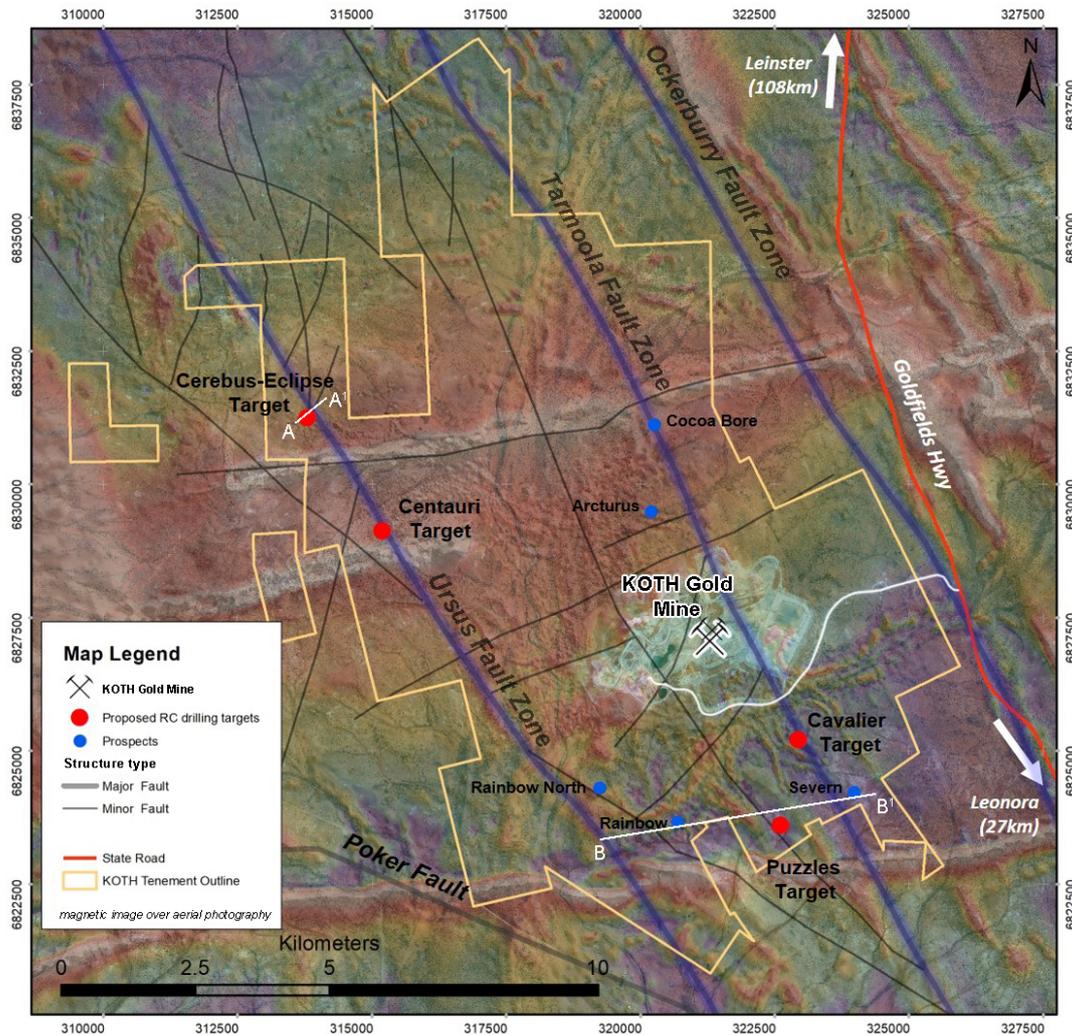


Figure 2: KOTH Project – Regional plan showing location of KOTH Gold Mine, Tier-1 RC drilling targets, cross-section locations, structural trends and other prospects, with regional magnetics overlay.

There are a number of areas within the KOTH tenement package, such as Rainbow, Rainbow North, Severn, Arcturus and Cocoa Bore, where historical exploration has returned encouraging drill results. These additional targets will be evaluated as part of the current ongoing exploration program.

Importantly, some areas located between, or proximal to, the prospects outlined above have only been lightly drill tested with drill spacings as much as 800m or more apart. This is significant as much of the historical drilling is shallow, predominantly within the regolith profile, and potentially only within surficial transported material, and has therefore not effectively tested the underlying basement rocks units, particularly along the Ursus and Tarmoola Fault Zones.

SIANA GOLD PROJECT, PHILIPPINES

Red 5's Philippine-affiliated company, Greenstone Resources Corporation, is continuing to evaluate its preferred plan and options for the Siana Gold Project, including a revised mining strategy for the Siana open pit mine and required funding for the potential future recommencement of operations.

An important part of these considerations will be the current Philippine Government's mining policy.

While mining operations remain suspended at Siana, ongoing activities at the site include dewatering of the open pit, infrastructure maintenance and monitoring of geotechnical issues and pit wall stability.

CORPORATE

Takeover Bid for Bullseye Mining Limited

Red 5, through its wholly-owned subsidiary Opus Resources Pty Ltd, made an offer for all the fully-paid ordinary shares in unlisted public company, Bullseye Mining Limited, pursuant to a Bidder's Statement dated 29 March 2018.

In light of corporate uncertainty arising in relation to Bullseye and having regard to Bullseye's conduct during the Offer period, Red 5 advised that the Offer was not free from its defeating conditions (other than FIRB approval). The Offer therefore closed on 12 April 2019.

FINANCIAL

Cash balance

The Group's cash balance, including bullion on hand at the end of March 2019, was \$13.5 million.

As previously foreshadowed, the Company has been considering a \$10-\$15 million debt facility to provide additional working capital.

Hedging

At 31 March 2019, the Company's hedge position totalled 29,700 ounces at an average gold price of \$1,791 per ounce.

Production Guidance and Outlook

Production for the June 2019 Quarter is expected to be in the range of 27,000 to 31,000oz at an all-in sustaining cost of A\$1,300 – A\$1,450 per ounce.

Ongoing operational and cost efficiency programmes are in progress, aimed at reducing operating costs.

ENDS

For more information:

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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.

Competent Person Statement for Exploration Results

The information in the report to which this statement is attached that relates to Exploration Results is based upon information compiled by Mr Byron Dumpleton, a Competent Person, who is a Member of the Australian Institute of Geoscientists (membership number 1598). Mr Dumpleton is a full-time employee of Red 5 Limited. Mr Dumpleton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves'. Mr Dumpleton consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

Competent Person Statements for JORC 2012 Mineral Resource and Ore Reserves

The information in this presentation that relates to the Mineral Resources and Ore Reserves for the Darlot Underground deposit and information that relates to Mineral Resources and Ore Reserves for the King of the Hills underground deposit is extracted from the report titled Maiden 895koz Resource and 131koz Ore Reserve for Darlot Gold Mine Sets Foundation for Gold Production Outlook for 2018, dated 21 December 2017 and the ASX announcement titled, "Near-mine exploration success at Darlot lifts Oval deposit to 117,200oz Resource and 72,102oz Ore Reserve", dated 19 June 2018 and the ASX announcement titled Red 5 Set to Become +100,000ozpa Australian Gold Producer, dated 2 August 2018, which are available on the ASX web-site. The information in this presentation that relates to the Mineral Resources for the King of the Hills deposit is extracted from the ASX announcement titled "Initial 1.9Moz Resource for Eastern Margin Contact at King of the Hills Triggers Strategic Review of Bulk Mining Options", dated 4 December 2018. 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 LIMITED
TENEMENT SCHEDULE – 31 MARCH 2019

WESTERN AUSTRALIA				
Project	Tenement number	Red 5 interest		
Darlot Gold Mine	E36/0865, E36/0941, E37/1247, E37/1268, E37/1269, E37/1296, E37/1297, E37/1298, E37/1352, L37/0109, L37/0110, L37/0118, L37/0206, L37/0207, L37/0223, L37/0224, L37/230, L37/231, L37/0237, M37/0155, M37/0252, M37/0373, M37/0417, M37/0418, M37/0419, M37/0420, M37/0584, M37/0592, M37/0608, M37/0667, M37/0774, M37/0775, M37/1217, P36/1879, P37/8698, P37/8699, P37/8700, P37/8701, P37/8716, P37/8788, P37/8789	100%		
	L37/238, E36/0944, E36/0945, E36/0958, E36/0964, E37/1350, P36/1883, P36/1884, E36/966, P37/9210	100% (Applications pending)		
	M37/0552, M37/0631, M37/0709, M37/1045	49%		
	M37/0246, M37/0265, M37/0320, M37/0343, M37/0345, M37/0393, M37/0776	83.5%		
	M37/0421, M37/0632	100% with portion of tenements at 49% via agreement		
King of the Hills Gold Project	L37/0211, M37/0021, M37/0067, M37/0076, M37/0090, M37/0179, M37/0201, M37/0222, M37/0248, M37/0330, M37/0394, M37/0407, M37/0410, M37/0416, M37/0429, M37/0449, M37/0451, M37/0457, M37/0496, M37/0529, M37/0544, M37/0547, M37/0548, M37/0551, M37/0570, M37/0571, M37/0572, M37/0573, M37/0574, M37/0905, M37/1050, M37/1051, M37/1081, M37/1105, M37/1165, P37/8391, P37/8392, P37/8393, P37/8394, P37/9157, P37/9160, P37/9161	100%		
Montague Project	M57/429, M57/485, E57/793	25% free carried		
PHILIPPINES				
Project	Tenement number	Registered holder	Equity interest	
			Red 5	Other
Siana Gold Project	MPSA 184-2002-XIII	Greenstone	40%	SHIC 60%
	APSA 46-XIII	Greenstone	40%	SHIC 60%
Mapawa gold project	MPSA 280-2009-XIII	Greenstone	40%	SHIC 60%

Interests in mining tenements or farm-in or farm-out agreements acquired or disposed of during the quarter were as follows:

WESTERN AUSTRALIA

Project	Tenement number	Red 5 interest
Darlot Gold Mine	E37/1352, L37/231	100%
	Applications lodged for E36/966, P37/9210	100%

Abbreviations

Tenements (Australia)

M: Mining Lease

P: Prospecting Licence

E: Exploration Licence

L: Miscellaneous Licence

Tenements (Philippines)

MPSA: Mineral Production Sharing Agreement

APSA: Application for MPSA

Company name

Greenstone: Greenstone Resources Corporation

SHIC: Surigao Holdings and Investments Corporation