



ASX Code: RED

**RED 5** Limited

March 2023 Quarterly Results

Investor Presentation

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27 April 2023



## Competent Person Statements for JORC 2012 Mineral Resource and Ore Reserves

- 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 “Mineral Resource and Ore Reserve Update 30 June 2022” released on 7 September 2022. The information in this presentation relating to the King of the Hills regional and satellite deposits is extracted from the ASX announcement titled “Mineral Resource and Ore Reserve Update 30 June 2022” released on 7 September 2022. The information in this presentation relating to the King of the Hills Ore Reserve is extracted from the ASX announcement titled “Mineral Resource and Ore Reserve Update 30 June 2022” released on 7 September 2022.
- The information in this presentation that relates to the Mineral Resources and Ore Reserves for the Darlot Underground deposit relates to the ASX announcement titled “Mineral Resource and Ore Reserve Update 30 June 2022” released on 7 September 2022, which are available on the ASX web-site. Information in this presentation relating to Cables and Mission are from ASX announcements: “Mineral Resource and Ore Reserve Update 30 June 2022” released on 7 September 2022. Information in this presentation relating to Ockerburry Hill is extracted from the ASX announcement titled “Eastern Goldfields Regional Exploration Update” dated 16 April 2018. All announcements are available on the ASX web-site.
- 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.

## Forward-Looking Statements

- Certain statements made during or in connection with this Investor Presentation contain or comprise certain forward-looking statements regarding RED's Mineral Resources and Reserves, exploration activities, 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 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, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this Investor Presentation 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 presentation or any error or omission. RED 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.

# Red 5 Asset Overview



Red 5's assets comprise the King of the Hills (KOTH) Gold Mine, Darlot Gold Mine and a 3.25% net smelter royalty over the Siana Gold Mine

## KOTH Summary

Mineral Resource <sup>5</sup>	4.75Moz	2H FY2023 Production <sup>6</sup>	90-105koz
Ore Reserve <sup>5</sup>	2.7Moz	Indicative Production <sup>2</sup>	>200koz p.a.
Processing Plant Capacity <sup>1</sup>	4.7Mtpa	Mine Life (LOM) <sup>5</sup>	~15 years

1: Processing plant has recently been operating at run-rate capacity of 4.8Mtpa, above the design capacity of 4.7Mtpa (Red 5 ASX Release: 2 August 2021).

2: Indicative production is based on the annualised 2H FY2023 guidance and future planned increases in mill throughput.

## Darlot Summary

Mineral Resource <sup>5</sup>	1.84Moz	Plant capacity (C&M) <sup>3</sup>	1.0Mtpa
Ore Reserve <sup>5</sup>	109koz		

3. The Darlot processing plant went into care and maintenance on 28 July 2022. Darlot UG continues to be mined and trucked to KOTH.

## Royalty from the Siana Gold Mine<sup>4</sup>

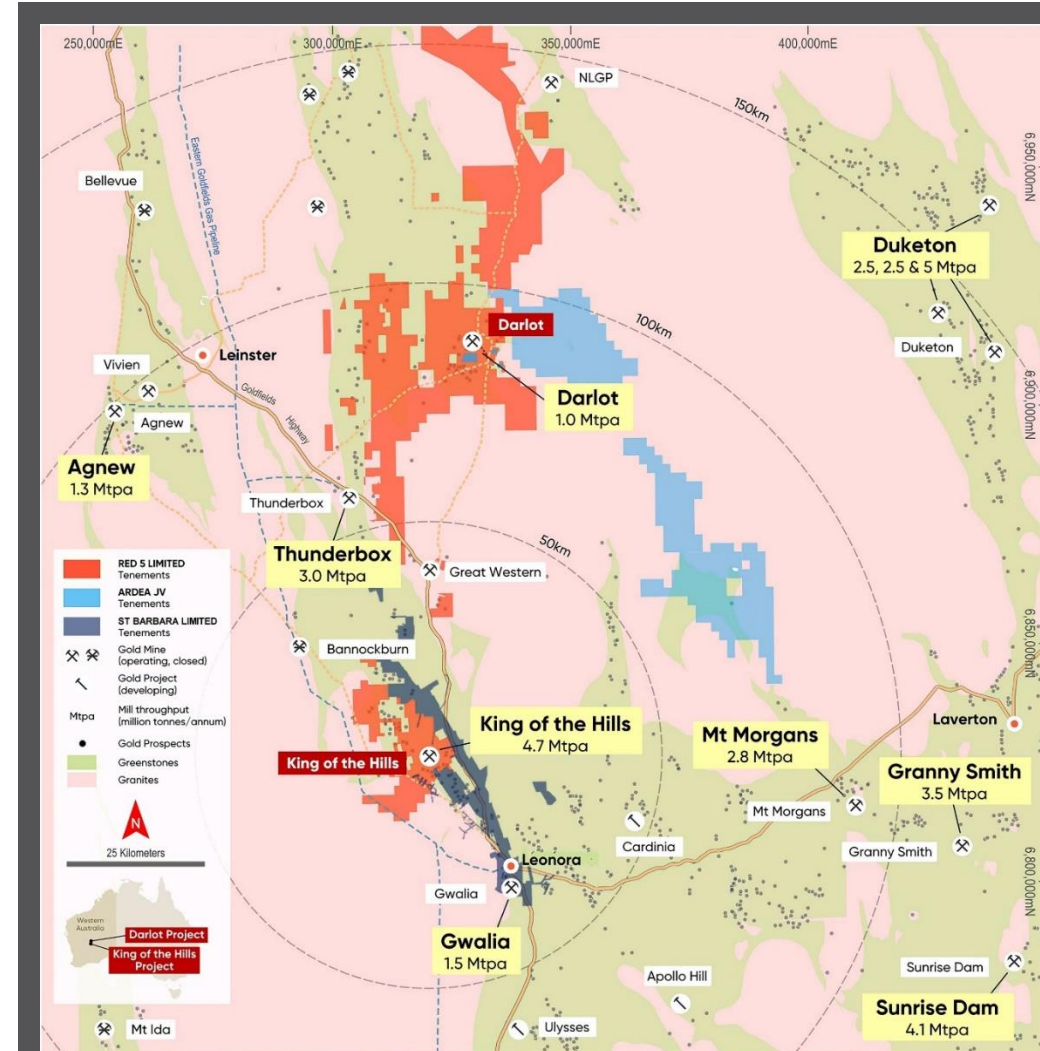
Terms<sup>7</sup> 3.25% net smelter royalty payable for up to 619koz of gold

4: The Siana Gold Mine has recently restarted production under its new owners. At this time, Red 5 is not evaluating any offers for the sale of the Siana royalty.

5. Red 5 ASX Release: 7 September 2022

7. Red 5 ASX Releases: 21 September 2021

6. Red 5 ASX Release: 16 December 2022



# March Quarter Highlights – 17,550 ounces produced in March



- 0 LTI's and 6 RWI's recorded during the quarter
- 40,867oz of gold produced for March Quarter
  - *March Quarter AISC of \$2,055/oz*
- \$23.4m cash and bullion on hand (31 March)
  - *\$14.7m debt repayment made in March*
  - *\$90m Underwritten Placement and SPP completed*
  - *Proceeds of \$32m from Placement Tranche 2 and SPP received in April*
- **H2 FY23 guidance maintained:**
  - 90-105koz of gold production
  - \$1,750-\$1,950/oz AISC
- First royalty for March Quarter is due to be received from restarted Siana Gold Mine

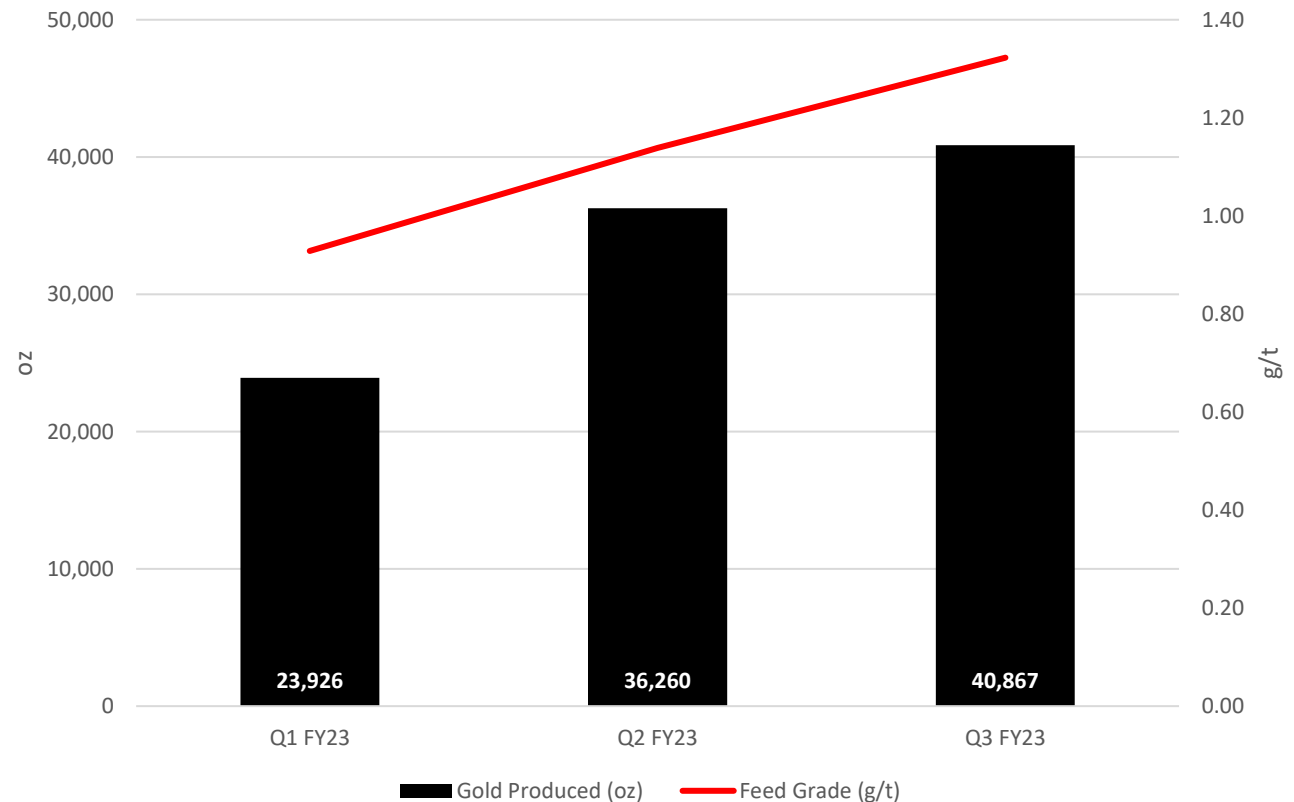


# March Quarter Production Overview



- Acceleration of KOTH gold production ramp up, with 40,867 ounces of gold produced in March Quarter at an average feed grade of 1.32g/t
  - *Production impacted by lower plant utilisation in February, with a planned 5-day shutdown overrunning and further unplanned downtime caused by conveyor damage*
- Record March Production of 17,550 ounces a reflection of:
  - *Steady-state mill performance*
  - *Now mining the primary main zone of the Open Pit*
  - *Delivering more predictable tonnage at higher grades*
  - *KOTH UG starting to achieve expected productivity*
- Construction of TSF5 was completed in March Quarter and is on track for commissioning in April

## Quarterly KOTH Gold Production and Feed Grade

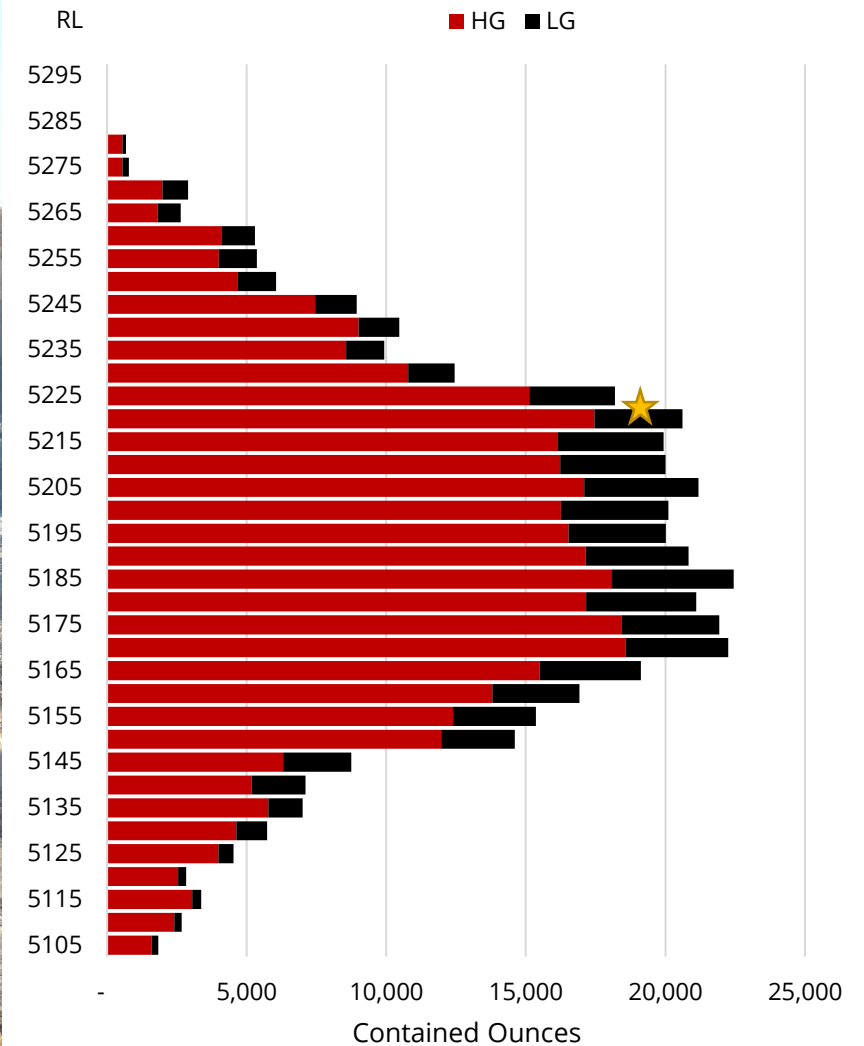


# KOTH OP operations now mining on the main ore body



Currently mining the 5215 mRL bench

## Stage 1 KOTH Open Pit Ore Reserve Model - Contained Ounces by RL

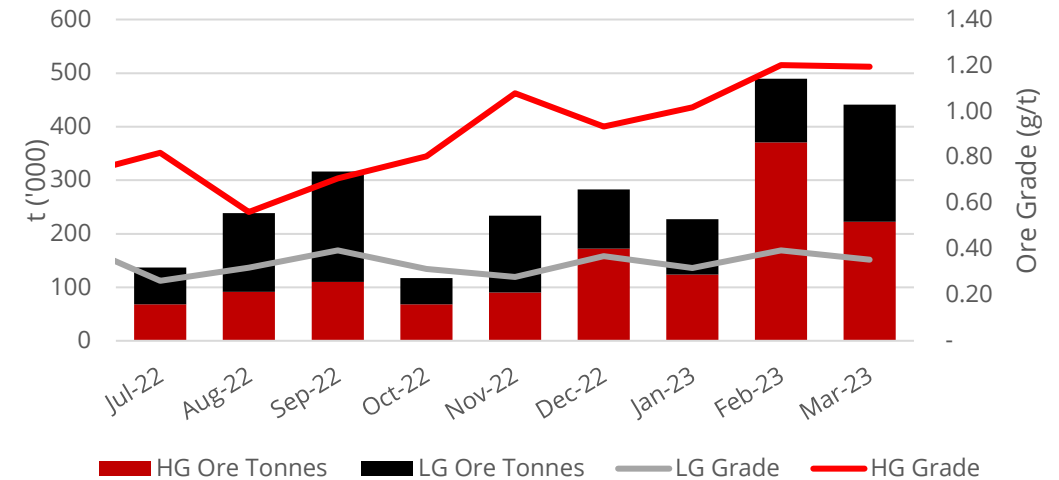


# Mining performance for March 2022 Quarter

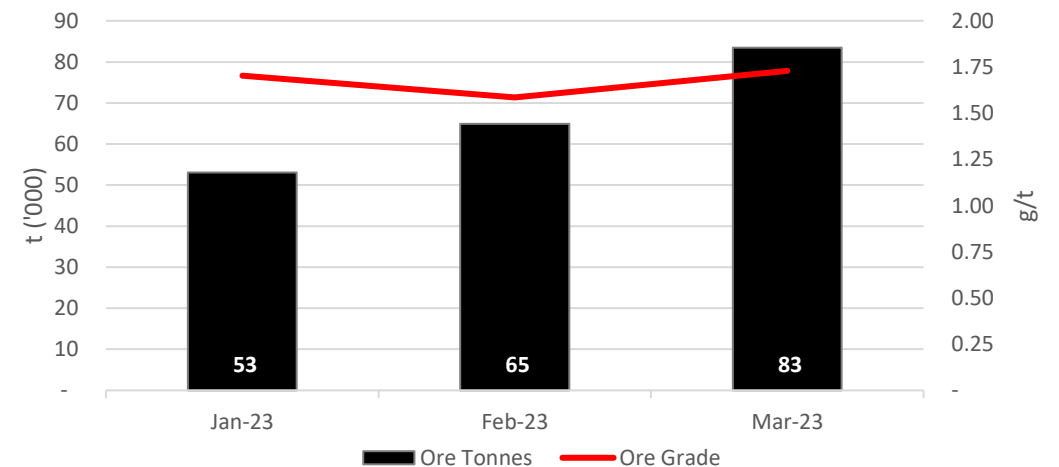


- KOTH open pit high grade ore tonnes lifted as the mine progressed through the granodiorite contact in the high-grade 5225 bench
  - *Improvement projects in the open pit resulted in better performance during the Quarter and are ongoing*
- KOTH UG productivity improved month-on-month, with more stopes being brought online and resulting in higher average UG grade
- Darlot is benefiting from investment in development over past 18 months
- KOTH and Darlot mining teams remain focused on prioritising delivery of highest-grade ores to the crusher
- Expecting June Quarter production to continue at March production rates (17,550 ounces)

## KOTH OP high grade ore increased in Q3



## KOTH UG ore production improving





- Cash and bullion decreased by \$2.4m for the quarter
  - *March was first cash flow positive month for KOTH*
- Tranche 1 placement to raise \$56.5m completed, strengthening the Company's balance sheet and normalising creditor levels
- Tranche 2 placement and the oversubscribed SPP completed post-Quarter, raising a further \$32m
- March Quarter AISC of A\$2,055/oz. Starting to see costs approach expected steady-state levels
  - *Darlot mine development finished in Jan-23*
  - *KOTH OP "catch up" plan finished in Feb-23*
  - *TSF5 construction finished in Mar-23*

<b>Cash and Bullion Reconciliation</b>	<b>A\$m</b>
<u>Cash and bullion – 31 December 2022</u>	<b>26.0</b>
Sales receipts net of hedging	102.9
Operating costs including royalties	(81.5)
Reduction in trade creditors	(30.0)
Free cash flow used in operations	<b>(8.6)</b>
Sustaining capital and mine development expenditure	(6.1)
Growth and exploration activities	(19.8)
Cash used in development activities and other expenditure	<b>(25.9)</b>
Interest payments and bank fees	(3.5)
Debt Repayment	(14.8)
Capital Raising	53.7
Corporate overheads and business development activities	(3.5)
Cash from financing activities	<b>31.9</b>
Total cash and bullion increase/(decrease)	<b>(2.6)</b>
Cash and bullion – 31 March 2023	<b>23.4</b>



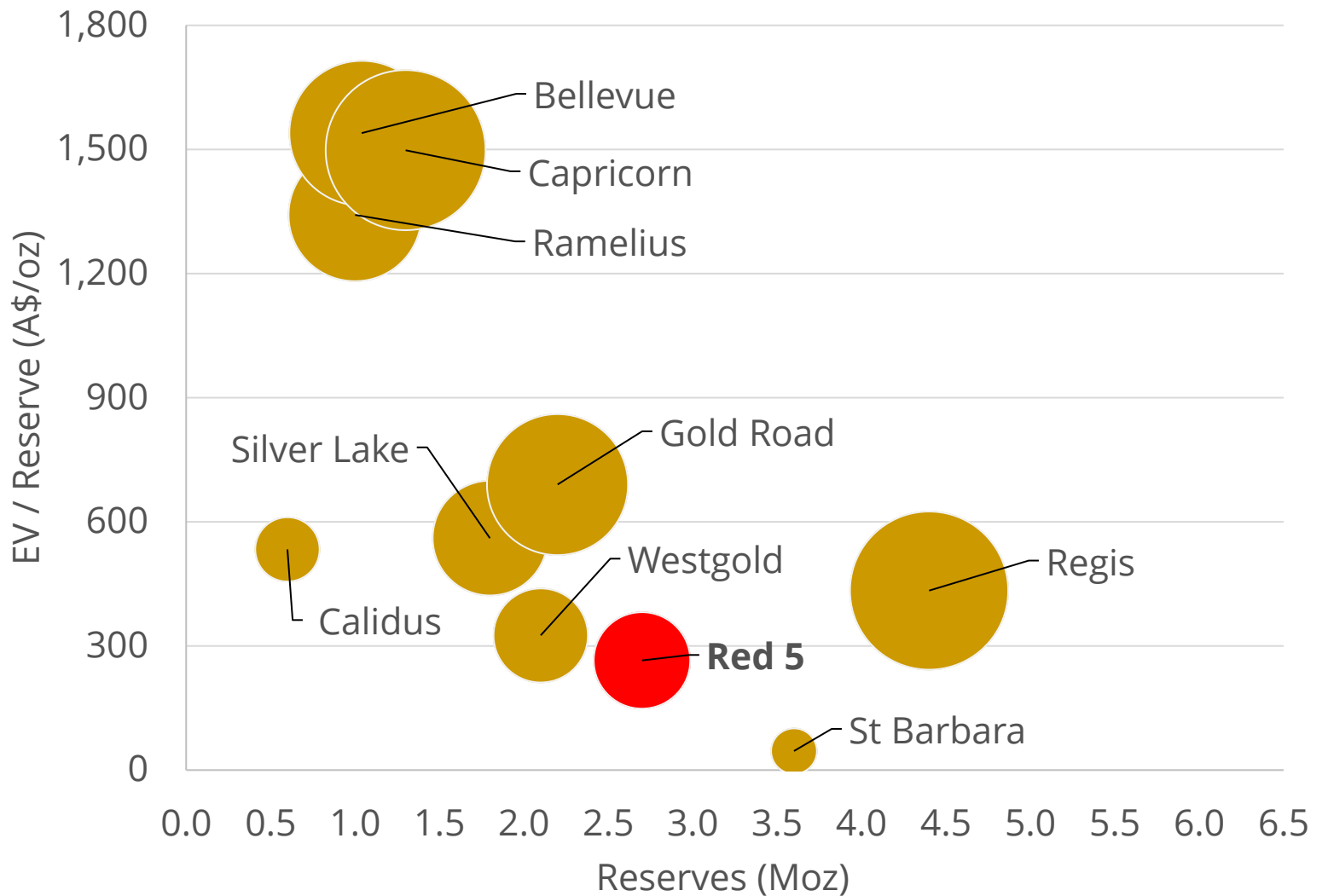


Planned Plant maintenance in May will not impact guidance

# Standout Value Opportunity



- Red 5 EV/Reserve relative to its peers
- Valuation of WA based-gold companies<sup>1</sup>
- Bubble size = Enterprise Value
- The KOTH Gold Mine positions Red 5 as an emerging mid-tier Australian gold producer



Sources:

1. S&P Capital IQ ; Goldnerds.com.au as 14 April 2023



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**THANK YOU**



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# Appendices



## King of the Hills



- Mineral Resource of 4.75 Moz<sup>1</sup>
- Ore Reserve of 2.7 Moz<sup>1</sup>
- Open pit and underground mines
- ~15 year mine life<sup>1</sup>

## KOTH Processing Hub



- Lowest cost plant in the Leonora district
- 4.7mtpa processing capacity, expanding to 5.5mtpa<sup>3</sup>
- ~200kozpa production centre<sup>4</sup>

## Strengthened Balance Sheet



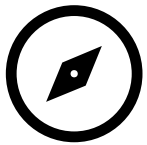
- A\$90m Equity Raising in Feb-23 to provide balance sheet flexibility
- Supports steady-state operations at KOTH
- Provides platform for growth

## KOTH Growth Plans



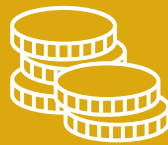
- Expansion plans focussed on mill capacity
- Option to accelerate mining
- Recent drill result show further resource growth potential

## Strategic Location



- Leonora, Western Australia
- Logical regional processing hub
- Major driver to unlock value for regional consolidation

## Guidance



- 2H FY2023 production of 90koz to 105koz<sup>2</sup>
- AISC of A\$1750/oz - A\$1950/oz<sup>2</sup>
- Growth capital of A\$5M - \$10M<sup>2</sup>



1. Red 5 ASX Release: 7 September 2022

2. Red 5 ASX Release: 16 December 2022

3. Processing plant has recently been operating at run-rate capacity of 4.8Mtpa, above the design capacity of 4.7Mtpa (Red 5 ASX Release: 2 August 2021). The plant is targeted to run at 5.5Mtpa from July 2023.

4. Indicative production is based on the annualised 2H FY2023 guidance and future planned increases in mill throughput.



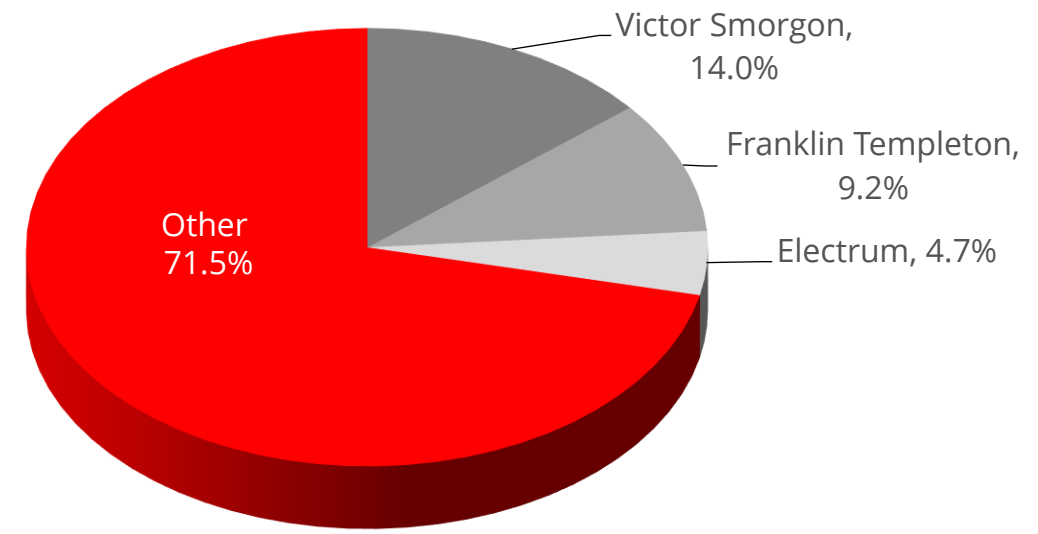
Share price <u>at</u> 19 April 2023	A\$0.170
Shares <u>at</u> 19 Apr 2023	3,459M
Market capitalisation <u>at</u> 19 April 2023	A\$588M
Cash & bullion <u>at</u> 31 March 2023 <sup>1</sup>	A\$23M
Debt <u>at</u> 31 March 2023 <sup>1</sup>	A\$150M
Enterprise value <u>at</u> 19 April 2023	A\$715M

1. Unaudited as at 31 Jan 23.

## Our Company Vision

*“To be a successful multi-operational exploration and mining company, providing benefits to all stakeholders, through the consistent application of technical excellence, and responsible and sustainable industry practices.”*

### Shareholders



# KOTH Mineral Resource of 4.75Moz<sup>1</sup>



## Total Open Pit & Underground KOTH Resource as at June 2022

Classification	Cut-off (g/t)	Mining Method	Tonnes (000t)	Gold (g/t)	Contained Gold (000oz)
Measured	0.4-1.0	OP+UG	1,330	1.2	50
Indicated	0.4-1.0	OP+UG	72,880	1.4	3,250
Inferred	0.4-1.0	OP+UG	21,070	1.6	1,090
<b>Total</b>	<b>0.4-1.0</b>	<b>OP+UG</b>	<b>95,280</b>	<b>1.4</b>	<b>4,390</b>
<b>KOTH JORC 2012 All material within A\$2,100 Pit Shell</b>					
Measured	0.4	OP	1,330	1.2	50
Indicated	0.4	OP	66,870	1.3	2,800
Inferred	0.4	OP	12,990	1.3	540
<b>Total</b>	<b>0.4</b>	<b>OP</b>	<b>81,190</b>	<b>1.3</b>	<b>3,390</b>
<b>KOTH JORC 2012 All material outside A\$2,100 Pit Shell</b>					
Indicated	1.0	UG	6,010	2.4	450
Inferred	1.0	UG	8,080	2.1	550
<b>Total</b>	<b>1.0</b>	<b>UG</b>	<b>14,090</b>	<b>2.2</b>	<b>1,000</b>



1. Red 5 ASX Release: 7 September 2022. Total Mineral Resource of 4.75Moz includes KOTH satellite pits and stockpiles.



## Total KOTH Ore Reserves as at June 2022

Deposit	Mining Method	Cut-off (g/t)	JORC 2012 Classification	Tonnes (Mt)	Gold (g/t)	Contained Gold (Moz)
KOTH	Open pit	0.4	Probable	63.3	1.2	2.4
KOTH	Underground	1.3	Probable	2.8	2.0	0.2
Rainbow	Open pit	0.4	Probable	2.1	0.8	0.1
Centauri	Open pit	0.4	Probable	0.3	1.2	0.01
Cerebus & Eclipse	Open pit	0.4	Probable	1.5	1.0	0.05
<b>Total</b>				<b>70.2</b>	<b>1.2</b>	<b>2.7</b>



1. Red 5 ASX Release: 7 September 2022





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