ASX ANNOUNCEMENT
23 October 2024

2024 Annual Report

Vault Minerals Limited (ASX:VAU) (formerly Red 5 Limited) is pleased to present its 2024 Annual Report, which will be distributed to shareholders today.

This announcement was authorised for release to ASX by Luke Tonkin, Managing Director.

For further information, please contact:

Luke Tonkin
Managing Director
+61 8 6313 3800
investors@vaultminerals.com

Len Eldridge
Corporate Development Officer
+61 8 6313 3800
investors@ vaultminerals.com

RED 5 Limited

Annual Report 2024

RED 5 Limited

CORPORATE Information

On 25 September 2024, Red 5 Limited officially changed the Company's name to Vault Minerals Limited.

BOARD OF DIRECTORS

Russell Clark *(Chair)*
Luke Tonkin *(Managing Director)*
Ian Macpherson *(Non-executive Director)*
Andrea Sutton *(Non-executive Director)*
Peter Johnston *(Non-executive Director)*
David Quinlivan *(Non-executive Director)*
Kelvin Flynn *(Non-executive Director)*
Rebecca Prain *(Non-executive Director)*

COMPANY SECRETARY

David Berg

REGISTERED OFFICE

Suite 4, Level 3, South Shore Centre
85 South Perth Esplanade, South Perth WA 6151

Telephone: (08) 6313 3800
E-mail: info@vaultminerals.com
Web-site: www.vaultminerals.com

SHARE REGISTRY

Automic Group
Level 5, 191 St Georges Terrace
Perth, Western Australia 6000

Telephone: 1300 288 664
International: +61 2 9698 5414
E-mail: hello@automicgroup.com.au
Web-site: www.automicgroup.com.au

AUDITORS

KPMG

STOCK EXCHANGE LISTING

Shares in Vault Minerals Limited are quoted on the Australian Securities Exchange (ASX).

Trading code: VAU

CONTENTS

CHAIRMAN & MANAGING DIRECTOR'S Letter to Shareholders

Dear shareholders,

I am pleased to present the 2024 Annual Report for Vault Minerals Limited (Vault).

Having been appointed as Chair of Red 5 Limited (Red 5) in July 2023, I noted in last year's Annual Report that it was exciting to have the opportunity to join a rapidly growing Australian gold company at a significant period in its history. This turned out to be something of an understatement.

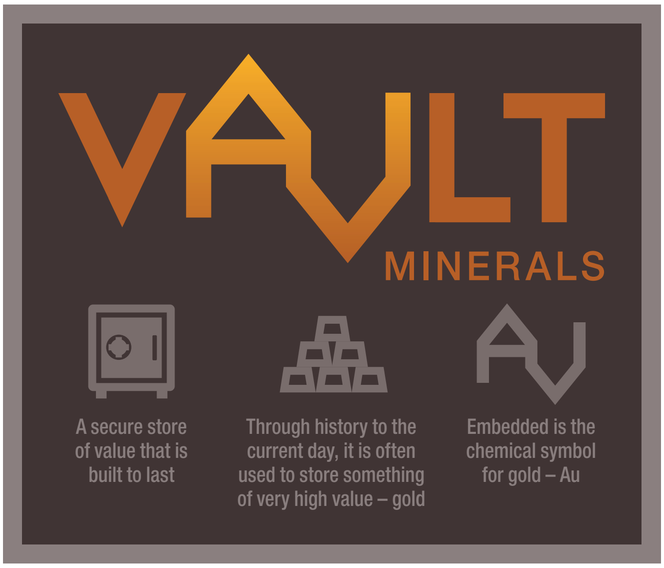
Vault is the product of the merger transaction implemented in June 2024 between Red 5 and Silver Lake Resources Limited (Silver Lake). The rationale for this combination transaction was simple and compelling. It coupled a strategic long-life asset in the prolific Leonora district (King of the Hills) with the substantial financial capacity and proven operating history of the Silver Lake asset portfolio and management team.

The resultant business is a diversified intermediate gold producer with an organic pipeline of low capital intensity growth and life extension options, matched with sector-leading financial capacity to internally fund these investment opportunities. Core to sustained value creation in the mining sector is time and capital – we have both.

The new name for the combined business, Vault, was selected for its significance to us as a profitable, financially disciplined and returns-focussed gold producer. A 'vault' is a secure store of value that is built to last. Through history to the current day, it has often been used to store something of very high value – gold. Embedded in the word 'vault' is also the chemical symbol for gold (Au). As such, we consider the new name to embody many of the key objectives of our long-term strategy, which is to be a valuable producer and supplier of gold for the benefit of all of our stakeholders.

The integration of the two component businesses within Vault has proceeded well. A strong finish to FY24 was delivered with all operations meeting or exceeding respective sales and cost guidance ranges. The capital structure was also simplified and strengthened, with repayment and extinguishment of the King of the Hills project finance facility and the sale of the Red 5 treasury shares. Vault will continue to prioritise a strong balance sheet in its approach to capital allocation, to maintain the financial flexibility required to maximise the value of a natural resources business, without the noise of short term market fluctuations.

The 2024 operational and financial results demonstrated the transformation of the Company, through the ramp up and optimisation of the King of the Hills and the merger with Silver Lake.



Some of the key results for the year ended 30 June 2024 include:

- *Group gold sales of 223,498 ounces, underpinned by the 29% y-o-y increase in sales from King of the Hills to 211,939 ounces in its second full year of operations.*
- *Revenue of $620 million, increased 47% y-o-y and predominantly reflects the 29% increase in gold sales from King of the Hills and the 6% higher average realised gold price.*
- *Underlying group operational EBITDA of $192.7 million at a margin of 31%, underpinned by a 104% and 48% increase in King of the Hills EBITDA and EBITDA margin respectively.*
- *Cashflow from operations of $206.6 million, a 342% increase y-o-y reflective of the increase in sales from the King of the Hills operation and increased realised gold price.*
- *Cash outflows from investing activities, excluding the $378.3 million cash acquired through the merger with Silver Lake, were 14% lower at $108.3 million, reflecting lower y-o-y capital investment in infrastructure and waste stripping at King of the Hills.*
- *Cash outflows from finance activities predominantly reflect the $44.7 million principal and interest payments associated with the project finance facility.*
- *Cash and bullion of $453.7 million and net cash of $360.8 million at period end, including $92.9 million outstanding on the project finance facility. The project finance facility was repaid in full on 8 July 2024, post period end.*

Vault's Mineral Resources at 30 June 2024 were 12 million ounces of gold, with Ore Reserves of 3.4 million ounces of gold. All of the Company's Mineral Resources and Ore Reserves are located within established mining centres and provide long life with a strong platform for further Ore Reserve conversion and Mineral Resource growth at all operations.

CHAIRMAN & MANAGING DIRECTOR'S Letter to Shareholders *(cont.)*

In FY25, Vault is set to produce approximately 390,000 – 430,000 oz gold at a group All-In-Sustaining-Cost (AISC) of approximately A$2,250 – A$2,450/oz. We also have a clear plan to execute on key near-term growth opportunities over the next 12 months. Focus areas include:

- *Undertaking a plant optimisation study at King of the Hills to enable capture of the scale and strategic position of the operation – targeting increased throughput to deliver higher production, lower costs and improved free cash flow.*
- *Investing in high-priority, high-returning exploration activities, particularly the reinstatement and acceleration of underground drilling at King of the Hills and Darlot.*
- *Harvesting free cash flow at Deflector, including introduction of a new mining front (Spanish Galleon) to supplement run of mine production and push out stockpile milling.*
- *Converting further resource development opportunities at Mount Monger to leverage installed process and mining infrastructure, including acceleration of further high-grade feed sources into FY26 and FY27.*

Importantly, our portfolio holds opportunities across all phases of the invest and yield cycle. The longer-term growth option presented by the substantial defined deposit and installed process capacity at our Sugar Zone project in Ontario, Canada, is an attractive one. Following the 93,000m drill program undertaken there in FY24, we are evaluating future mine production scenarios. Critically, as a brownfield restart option, Sugar Zone also carries none of the cost, complexity, risk or lead times of greenfield mine construction.

I take this opportunity to welcome all of those who have joined from Silver Lake, and who are working hard to transition all parts of our business to consistent, mature systems and processes. I am confident that the aggregate value of the merged company far outweighs the sum of its parts.

I would also like to thank select Red 5 senior management personnel who stepped down as part of the merger implementation and streamlining. This includes Mark Williams, our Managing Director, David Coyne, our CFO and Company Secretary, and Byron Dumpleton, our Chief Geologist. To Mark in particular, well done and congratulations on building Red 5 to its position of strength; owning and operating a strategic, long-life asset in the Leonora region.

To my fellow directors, thank you for your hard work, insight and advice during what has been a very busy period. It would also be remiss of me to not also recognise and thank two long term directors of Red 5 – Colin Loosemore and Steve Tombs – who retired at the Red 5 Annual General Meeting in November 2023.

In closing, I am truly excited about what lies ahead for Vault. I thank all the Vault team, contractors and suppliers for their continued efforts in making the business one that we can all be proud of. Finally, to all our shareholders, thank you for your ongoing support.

The past 12 months has been incredibly busy, and we have transformed as a result. I look forward to what can be achieved in the years ahead.

Russell Clark
Non-Executive Chairman

Luke Tonkin
Managing Director

MINERAL RESOURCE STATEMENT AS AT 30 JUNE 2024

The Company's total Measured, Indicated and Inferred Mineral Resources at 30 June 2024 are 155 million tonnes at 2.5 grams per tonne of gold containing 12 million ounces of gold, including 2.7 million tonnes at 0.6 percent copper containing 15,000 tonnes of copper. The Mineral Resources as at 30 June 2024 are estimated after allowing for FY2024 depletion.

	Measured Mineral Resources			Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
June 2024	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)
Mount Monger												
Daisy Mining Centre												
Daisy Complex	126	26.7	108	711	18.2	415	1,132	19.5	709	1,969	19.5	1,232
Mirror/Magic	493	2.5	39	1,003	2.3	74	682	2.5	55	2,178	2.4	168
Lorna Doone	-	-	-	1,501	2.0	98	785	2.0	51	2,286	2.0	149
Costello	-	-	-	37	1.7	2	237	2.0	15	274	1.9	17
Total Daisy Mining Centre	**619**	**7.4**	**147**	**3,252**	**5.6**	**589**	**2,836**	**9.1**	**830**	**6,707**	**7.3**	**1,566**
Mount Belches Mining Centre												
Santa	6	1.9	0	7,610	2.8	689	1,023	3.5	116	8,639	2.9	805
Maxwells	154	5.3	26	1,443	4.0	185	1,752	3.4	194	3,349	3.8	405
Cock-eyed Bob	295	5.5	52	1,560	4.0	199	724	4.6	108	2,579	4.3	359
Rumbles	-	-	-	1,624	2.7	140	446	3.9	56	2,070	2.9	196
Total Mount Belches Mining Centre	**455**	**5.4**	**78**	**12,237**	**3.1**	**1,213**	**3,945**	**3.7**	**474**	**16,637**	**3.3**	**1,765**
Aldiss Mining Centre												
Karonie	-	-	-	2,493	1.9	150	1,150	1.6	60	3,643	1.8	210
French Kiss	-	-	-	986	2.2	70	122	1.5	6	1,108	2.1	76
Tank/Atreides	-	-	-	863	1.7	47	234	1.6	12	1,097	1.7	59
Harrys Hill	-	-	-	479	2.2	34	415	2.3	31	894	2.3	65
Italia/Argonaut	-	-	-	531	1.6	27	19	1.6	1	550	1.6	28
Spice	-	-	-	136	1.6	7	296	1.4	13	432	1.4	20
Aspen	-	-	-	112	1.7	6	139	1.6	7	251	1.6	13
Total Aldiss Mining Centre	**-**	**-**	**-**	**5,600**	**1.9**	**341**	**2,375**	**1.7**	**130**	**7,975**	**1.8**	**471**
Randalls Mining Centre												
Lucky Bay	13	4.8	2	34	4.6	5	8	7.8	2	55	5.1	9
Randalls Dam	-	-	-	95	2.0	6	24	1.3	1	119	1.8	7
Total Randalls Mining Centre	**13**	**4.8**	**2**	**129**	**2.7**	**11**	**32**	**2.9**	**3**	**174**	**2.9**	**16**
Mount Monger Stockpiles	1,844	1.1	64	-	-	-	-	-	-	1,844	1.1	64
Total Mount Monger	**2,931**	**3.1**	**291**	**21,218**	**3.2**	**2,154**	**9,188**	**4.9**	**1,437**	**33,337**	**3.6**	**3,882**
Deflector												
Deflector	379	13.9	170	1,127	10.0	363	758	7.3	178	2,264	9.8	711
Stockpile	449	2.4	34	-	-	-	-	-	-	449	2.4	34
Total Deflector	**828**	**7.7**	**204**	**1,127**	**10.0**	**363**	**758**	**7.3**	**178**	**2,712**	**8.5**	**745**
Rothsay												
Rothsay	-	-	-	1,054	7.7	260	349	6.1	68	1,403	7.3	328
Stockpile	148	1.8	8	-	-	-	-	-	-	148	1.8	8
Total Rothsay	**148**	**1.8**	**8**	**1,054**	**7.7**	**260**	**349**	**6.1**	**68**	**1,551**	**6.7**	**336**
Total Deflector Region	**976**	**6.8**	**213**	**2,181**	**8.9**	**623**	**1,107**	**6.9**	**246**	**4,264**	**7.9**	**1,082**

RESOURCES AND RESERVES Statement *(cont.)*

MINERAL RESOURCE STATEMENT AS AT 30 JUNE 2024 *(cont.)*

	Measured Mineral Resources			Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
June 2024	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)
Sugar Zone												
Sugar Zone	-	-	-	2,800	8.5	768	2,032	7.8	510	4,832	8.2	1,278
Stockpile	-	-	-	-	-	-	-	-	-	-	-	-
Total Sugar Zone	**-**	**-**	**-**	**2,800**	**8.5**	**768**	**2,032**	**7.8**	**510**	**4,832**	**8.2**	**1,278**
King of the Hills												
KOTH OP	3,154	1.1	109	63,348	1.3	2,583	7,582	1.0	249	74,084	1.2	2,941
KOTH UG	-	-	-	5,875	3.1	584	1,909	2.8	169	7,783	3.0	752
Cerebus-Eclipse	-	-	-	2,036	1.3	86	473	1.2	19	2,509	1.3	105
Centauri	-	-	-	1,191	1.6	63	230	1.5	11	1,420	1.6	74
Rainbow	-	-	-	1,465	1.2	57	166	1.5	8	1,631	1.2	65
Severn	-	-	-	445	1.9	27	380	1.6	20	825	1.7	46
Stockpile	5,349	0.5	84	1,577	0.4	22	-	-	-	6,925	0.5	106
Total King of the Hills	**8,503**	**0.7**	**193**	**75,935**	**1.4**	**3,420**	**10,740**	**1.4**	**476**	**95,177**	**1.3**	**4,090**
Darlot												
Darlot	102	1.1	4	8,644	3.9	1,092	8,495	2.9	800	17,241	3.4	1,896
Great Western	6	2.6	1	140	3.2	15	239	2.6	20	385	2.8	35
Stockpile	25	2.2	2	-	-	-	-	-	-	25	2.2	2
Total Darlot	**133**	**1.4**	**6**	**8,784**	**3.9**	**1,107**	**8,734**	**2.9**	**820**	**17,650**	**3.4**	**1,933**
Total Leonora Region	**8,636**	**0.7**	**199**	**84,719**	**1.7**	**4,527**	**19,474**	**2.1**	**1,296**	**112,828**	**1.7**	**6,022**
Group												
Total Gold Resources	**12,542**	**1.7**	**703**	**110,918**	**2.3**	**8,072**	**31,800**	**3.4**	**3,489**	**155,260**	**2.5**	**12,264**

	Measured Mineral Resources			Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
June 2024	Tonnes ('000s)	Grade (% Cu)	Copper (Tonnes)	Tonnes ('000s)	Grade (% Cu)	Copper (Tonnes)	Tonnes ('000s)	Grade (% Cu)	Copper (Tonnes)	Tonnes ('000s)	Grade (% Cu)	Copper (Tonnes)
Deflector												
Deflector	379	1.3	4,700	1,127	0.6	6,900	758	0.4	2,900	2,264	0.6	14,500
Stockpile	449	0.1	500	-	-	-	-	-	-	449	0.1	500
Total Deflector	**828**	**0.6**	**5,200**	**1,127**	**0.6**	**6,900**	**758**	**0.4**	**2,900**	**2,712**	**0.6**	**15,000**
Group												
Total Copper Resources	**828**	**0.6**	**5,200**	**1,127**	**0.6**	**6,900**	**758**	**0.4**	**2,900**	**2,712**	**0.6**	**15,000**

RESOURCES AND RESERVES Statement *(cont.)*

ORE RESERVE STATEMENT AS AT 30 JUNE 2024

The total Proved and Probable Ore Reserves at 30 June 2024 are 85 million tonnes at 1.3 g/t gold containing 3.4 million ounces of gold, including 1.4 million tonnes at 0.2 % copper containing 2,300 tonnes of copper. The Ore Reserves at 30 June 2024 are estimated after allowing for FY2024 depletion. Mount Monger Ore Reserves were estimated using a gold price of A$3,000/oz for Santa, Flora Dora, and French Kiss open pits. A$2,900/oz for Daisy Complex, A$2,300/oz for Maxwells and A$2,400/oz for Cock-eyed Bob. King of the Hills Ore Reserves were estimated using a gold price of A$2,900/oz for King of the Hills Open Pit, King of the Hills Underground, Darlot, Rainbow, Centauri and Cerebus-Eclipse. Sugar Zone Ore Reserves were estimated using C$2,610/oz. Deflector Ore Reserve NSR was estimated using A$2,900/oz gold price and A$13,000/t copper price.

	Proved Ore Reserves			Probable Ore Reserves			Total Ore Reserves		
June 2024	**Tonnes ('000s)**	**Grade (g/t Au)**	**Ounces (Au '000s)**	**Tonnes ('000s)**	**Grade (g/t Au)**	**Ounces (Au '000s)**	**Tonnes ('000s)**	**Grade (g/t Au)**	**Ounces (Au '000s)**
Mount Monger									
Aldiss Mining Centre									
French Kiss	-	-	-	404	1.9	25	404	1.9	25
Total Aldiss Mining Centre	**-**	**-**	**-**	**404**	**1.9**	**25**	**404**	**1.9**	**25**
Daisy Mining Centre									
Daisy Complex	129	7.1	30	310	7.4	73	439	7.3	103
Total Daisy Mining Centre	**129**	**7.1**	**30**	**310**	**7.4**	**73**	**439**	**7.3**	**103**
Mount Belches Mining Centre									
Cock-eyed Bob	25	3.6	3	194	3.9	24	219	3.8	27
Maxwells	20	3.2	2	154	3.5	17	174	3.5	19
Rumbles	-	-	-	316	1.3	13	316	1.3	13
Santa	7	1.4	0	5,961	1.5	327	5,968	1.5	328
Total Mount Belches	**52**	**3.2**	**5**	**6,625**	**1.8**	**382**	**6,677**	**1.8**	**387**
Mount Monger Stockpiles	1,844	1.1	64	-	-	-	1,844	1.1	64
Total Mount Monger	**2,024**	**1.5**	**99**	**7,338**	**2.0**	**480**	**9,363**	**1.9**	**579**
Deflector									
Deflector OP	-	-	-	140	3.1	14	140	3.1	14
Deflector UG	206	5.2	34	794	4.2	108	1,000	4.4	142
Stockpile	449	2.4	34	-	-	-	449	2.4	34
Total Deflector	**654**	**3.3**	**69**	**934**	**4.1**	**122**	**1,589**	**3.7**	**190**
Rothsay									
Rothsay	-	-	-	403	5.0	65	403	5.0	65
Stockpile	148	1.8	8	-	-	-	148	1.8	8
Total Rothsay	**148**	**1.8**	**8**	**403**	**5.0**	**65**	**551**	**4.1**	**73**
Total Deflector Region	**803**	**3.0**	**77**	**1,337**	**4.3**	**187**	**2,140**	**3.8**	**264**
Sugar Zone									
Sugar Zone	-	-	-	1,942	5.2	325	1,942	5.2	325
Stockpile	-	-	-	-	-	-	-	-	-
Sugar Zone	**-**	**-**	**-**	**1,942**	**5.2**	**325**	**1,942**	**5.2**	**325**

RESOURCES AND RESERVES Statement *(cont.)*

ORE RESERVE STATEMENT AS AT 30 JUNE 2024 *(cont.)*

	Proved Ore Reserves			Probable Ore Reserves			Total Ore Reserves		
June 2024	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)	Tonnes ('000s)	Grade (g/t Au)	Ounces (Au '000s)
King of the Hills									
KOTH OP	4,152	0.7	97	50,961	0.9	1,554	55,113	0.9	1,651
KOTH UG	-	-	-	3,338	2.0	216	3,338	2.0	216
Centauri	-	-	-	331	1.2	13	331	1.2	13
Cerebus-Eclipse	-	-	-	1,561	0.9	47	1,561	0.9	47
Rainbow	-	-	-	2,173	0.8	58	2,173	0.8	58
Stockpile	5,349	0.5	84	1,577	0.4	22	6,925	0.5	106
Total King of the Hills	**9,501**	**0.6**	**181**	**59,940**	**1.0**	**1,910**	**69,441**	**0.9**	**2,091**
Darlot									
Darlot	-	-	-	1,580	2.8	144	1,580	2.8	144
Stockpile	25	2.2	2	-	-	-	25	2.2	2
Total Darlot	**25**	**2.2**	**2**	**1,580**	**2.8**	**144**	**1,605**	**2.8**	**146**
Total Leonora Region	**9,526**	**0.6**	**183**	**61,520**	**1.0**	**2,055**	**71,046**	**1.0**	**2,238**
Group									
Total Gold Ore Reserves	**12,353**	**0.9**	**359**	**72,137**	**1.3**	**3,047**	**84,490**	**1.3**	**3,405**

	Proved Ore Reserves			Probable Ore Reserves			Total Ore Reserves		
June 2024	Tonnes ('000s)	Grade (% Cu)	Copper (Tonnes)	Tonnes ('000s)	Grade (% Cu)	Copper (Tonnes)	Tonnes ('000s)	Grade (% Cu)	Copper (Tonnes)
Deflector									
Deflector OP	-	-	-	140	0.3%	400	140	0.3%	400
Deflector UG	206	0.3%	600	637	0.1%	700	842	0.2%	1,400
Stockpile	449	0.1%	500	-	-	-	449	0.1%	500
Total Deflector	**654**	**0.2%**	**1,100**	**777**	**0.2%**	**1,200**	**1,431**	**0.2%**	**2,300**
Group									
Total Copper Ore Reserves	**654**	**0.2%**	**1,100**	**777**	**0.2%**	**1,200**	**1,431**	**0.2%**	**2,300**

Notes to Mineral Resource and Ore Reserve tables:

1. *Mineral Resources are reported inclusive of Ore Reserves.*
2. *Data is rounded to thousands of tonnes, thousands of ounces gold, and hundreds of tonnes copper. Discrepancies in totals may occur due to rounding.*
3. *All Mineral Resource and Ore Reserve estimates are produced in accordance with the 2012 Edition of the Australian Code for Reporting of Mineral Resources and Ore Reserves (the 2012 JORC Code).*

MINERAL RESOURCE AND ORE RESERVE GOVERNANCE AND INTERNAL CONTROLS

Red 5 ensures that the Mineral Resource and Ore Reserve estimates quoted are subject to governance arrangements and internal controls at site and corporately. Internal reviews of Mineral Resource and Ore Reserve estimation procedures and results are carried out through a technical review team which is comprised of competent and qualified professionals. The Company has finalised its governance framework in relation to the Mineral Resource and Ore Reserve estimates in line with the conduct of its business. Red 5 reports its Mineral Resources and Ore Reserves on an annual basis in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2012 Edition (except where stated). Mineral Resources are quoted inclusive of Ore Reserves. Competent Persons named by Red 5 are Members or Fellows of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined in the JORC Code. The Mineral Resources and Ore Reserves statements are based upon, and fairly represent, information and supporting documentation prepared by the Competent Persons named below. The Mineral Resources statement, as a whole, as presented in this Annual Report, has been approved by Phillip Stevenson a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. The Ore Reserves statement, as a whole, as presented in this Annual Report, has been approved by Sam Larritt a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy.

COMPETENT PERSON'S STATEMENT

The information in this Annual Report that relates to the Mineral Resources for the King of the Hills (KOTH), Darlot, Great Western, Rainbow, Severn, Centauri and Cerebus-Eclipse deposits is based upon information compiled by Patrick Huxtable, a Competent Person who is a member of The Australasian Institute of Geoscientists. Mr Huxtable is a full-time employee of the Company. Mr Huxtable 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 Huxtable consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears. The information in this Annual Report that relates to the Mineral Resources for the Harrys Hill, Santa, Cock-eyed Bob, Maxwells, Daisy Combined, Mirror/Magic, Tank/Atreides, Spice, Aspen, French Kiss, Italia/Argonaut, Lorna Doone, Rumbles, Costello, Randalls Dam and Karonie deposits is based upon information compiled by Aslam Awan, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Awan is a full-time employee of the Company. Mr Awan 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 Awan consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears. The information in this Annual Report that relates to the Mineral Resources for the Deflector deposit is based upon information compiled by David Buckley, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Buckley is a full-time employee of the Company. Mr Buckley 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 Buckley consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears. The information in this Annual Report that relates to the Mineral Resources for the Sugar Zone deposit is based upon information compiled by Kane Hutchinson, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Hutchinson is a full-time employee of the Company. Mr Hutchinson 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 Hutchinson consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears. The information in this Annual Report that relates to the Mineral Resources for the Rothsay deposit is based upon information compiled by Lee Rummer, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Rummer is a full-time employee of the Company. Mr Rummer 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 Rummer consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears.

All other information in this Annual Report relating to Mineral Resources is based on information compiled by Phillip Stevenson, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Stevenson is employed by Red 5 Limited. Mr Stevenson 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 Stevenson consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears.

COMPETENT PERSON'S STATEMENT *(cont.)*

The information in this Annual Report that relates to Ore Reserves for Deflector, Daisy, Maxwells, Cock-eyed Bob, Santa, Rumbles, Tank and French Kiss is based upon information compiled by Sam Larritt, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Larritt is a full-time employee of the Company. Mr Larritt 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 Larritt consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears. The information in this Annual Report that relates to Ore Reserves for Rothsay and Sugar Zone is based upon information compiled by Jigar Patel, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Patel is a full-time employee of the Company. Mr Patel 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 Patel consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears.

The information in this Annual Report that relates to Ore Reserves for King of the Hills, Darlot, Rainbow, Centauri and Cerebus-Eclipse is based upon information compiled by Kevin Oborne, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Oborne is a full-time employee of the Company. Mr Oborne 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 Oborne consents to the inclusion in the Annual Report of matters based on his information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

This Annual Report may contain forward looking statements that are subject to risk factors associated with gold exploration, mining, and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, Reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Red 5. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE Summary

ENVIRONMENT, COMMUNITY AND SOCIAL GOVERNANCE OBJECTIVES

ENVIRONMENT STEWARDSHIP

Recognising the potential impacts of our operations on the environment, we are committed to responsibly managing the land and resources on which we operate. We continue to adopt approaches to responsibly manage resources, prevent contamination and reduce waste, prioritising the sustainability of the surrounding environment.

COMPLIANCE

Red 5 operates in the Western Australia (WA) and Ontario, Canada jurisdictions, which are governed by strict environment and social legislation. All sites operate within an environment management system to ensure accordance with the applicable legislation and standards.

BIODIVERSITY CONSERVATION

Our operations are designed to reduce disruptions to local ecosystems where possible. We minimise the clearing of native vegetation, manage invasive species and engage in rehabilitation activities aligned with the Mine Closure Plans.

COMMUNITY ENGAGEMENT

We aim to foster positive and engaging relationships with the communities in which we operate. This involves regular consultations, transparent communication, and initiatives aimed at ensuring that local communities' benefit from our presence. Local businesses and people are engaged where feasible to do so.

WORKPLACE HEALTH AND SAFETY

The safety and well-being of our workforce is paramount. We aim to provide a safe, supportive and productive work environment for all of our employees and contract partners by providing rigorous safety protocols, regular training and information sessions, along with targeted health initiatives.

ETHICAL GOVERNANCE AND ANTI-CORRUPTION

We operate with the highest standards of integrity and transparency. Our governance structures are designed to prevent bribery, corruption, and other unethical practices, ensuring that we remain accountable to our stakeholders.

KEY ENVIRONMENT ACTIVITIES

GREENHOUSE GAS (GHG) MANAGEMENT

Emissions of both greenhouse gases and pollutants are reported through the mandatory National Pollutions Inventory (NPI) and the National Greenhouse and Energy Reporting Scheme (NGERS).

In FY23, activities at the King of the Hill (KOTH) operations exceeded the national Safeguard Mechanism generating over 100,000 tonnes CO2e and an emissions intensity audit commenced in FY24. The audit findings will inform energy efficiency and carbon sequestration opportunities and review to reduce emissions in line with Australia's emission reduction targets.

All other operations use predominantly natural gas fired powered stations with a 2 MW solar farm operated at the KOTH facility. Solar arrays are used to power production/reclamation bores where possible.

WATER MANAGEMENT

Groundwater is a limited resource and mining activities pose potential risks to the aquifer quantity and quality, the surrounding environment, and other local resource users. Red 5 manages optimal water use by implementing effective handling strategies, monitoring quality and quantity, and mandatorily reporting on the findings.

Dewatered groundwater to facilitate mining is primarily reused in processing facilities and for dust suppression, provided the water quality is appropriate, before additional groundwater is drawn from production bores. Where feasible, Reverse Osmosis plants are utilised to enhance groundwater quality for specific purposes, reducing the need for scheme or trucked water. Where inadequate volumes of groundwater are dewatered only the minimum 'make up water' is extracted.

Dust generation is a potential impact at all Red 5 mining areas and is required to be suppressed to meet air quality obligations. Groundwater, often hypersaline, along with dust suppressants are used responsibly to reduce potential dust impacts to the receiving environment.

Sugar Zone is situated in a freshwater environment and all water/snow melt within the catchment is treated to ensure discharges meet strict Canadian regulatory requirements.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE Summary *(cont.)*

WASTE MANAGEMENT

All sites are committed to reducing waste generation, implementing recycling and reusing resources where possible. Hazardous waste is managed in accordance with legal obligations and waste storage is compliant with internal and external requirements.

TSF MANAGEMENT

Responsible tailings storage facility (TSF) management includes designing and operating our TSFs according to industry standards and conformance with regulations. Design, construction and operations of all TSFs is undertaken by qualified, experienced and competent personnel. Monitoring, measuring and review is undertaken as per specialist advice and reported annually to the regulatory bodies. This ensures the safety of our workers and surrounding communities, whilst minimising potential environmental impacts.

BIODIVERSITY

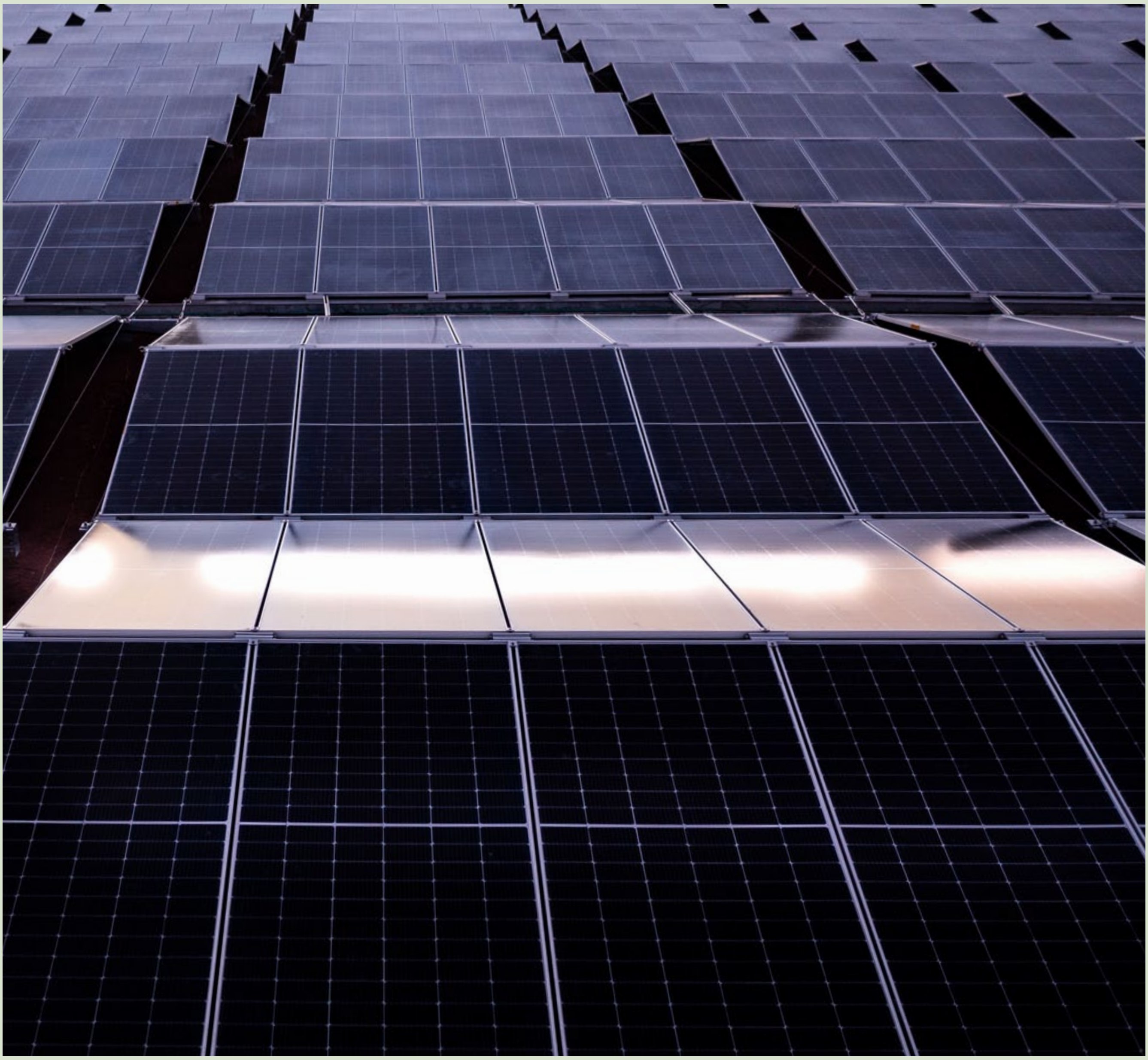
The clearing of native vegetation is protected by law in all jurisdictions. Reducing clearing of native vegetation to the minimum areas required to safely operate is a primary objective in project planning.

Locations of conservation significant flora and vegetation are understood, with no unauthorised impacts to any species recorded. Weeds are actively managed with an observed increase in populations during FY24 following normal rainfall after many years of drought conditions across WA operational areas.

Feral and pest fauna species are actively targeted and removed from all WA operations, engaging local assistance as required. No impacts to conservation significant species have been recorded.

MINE CLOSURE AND LAND REHABILITATION

Red 5 has made adequate and audited financial provision for required mine closure activities and to support development of appropriate post-mining land uses. Mine Closure Plans have regulatory approval in all jurisdictions with triennial updates at a minimum. Closure activities in FY24 included the rehabilitation and seeding of large open pit landforms at the Mount Monger operations and compliant exploration rehabilitation across the group. Progressive rehabilitation is conducted where practicable.



KEY SOCIAL ACTIVITIES

HUMAN RIGHTS, DIVERSITY AND INCLUSION

Our commitment to human rights includes ensuring fair treatment of employees, avoiding discrimination, statutory reporting of gender equity and fair remuneration in line with peer companies. A zero tolerance to discrimination is enforced at all operations.

EMPLOYEE ENGAGEMENT

The primary focus in FY24, was to attract and retain the best talent in the industry. Our employee engagement initiatives focused on key areas designed to enhance workforce satisfaction and drive company success. Key highlights include:

- **Talent Acquisition & Retention:** We implemented a recruitment plan to attract talented individuals, while bolstering retention through performance reviews and employee development initiatives.
- **Competitive Remuneration:** A thorough review of our compensation framework ensured that we remain competitive within the market, offering attractive salary packages and performance-based incentives to reward high achievers and retain top talent.
- **Leadership Development:** Our leadership programs were expanded, focusing on upskilling current and emerging leaders, equipping them with the tools to guide teams effectively and drive organisational growth.

These initiatives have strengthened our ability to attract, retain, and develop high-calibre talent, positioning the Company for continued success.

WORKPLACE HEALTH AND SAFETY

With the introduction of the new Workplace Health and Safety legislation, regulations and codes of practice, Red 5 commenced the implementation of the revised Mine Safety Management System (MSMS) to meet these new requirements.

The MSMS clearly outlines how our operations will meet their legal obligations while providing our personnel with simple and robust processes to manage safety.

Red 5 operations have experienced an overall improvement in the safety lag indicators and the business continues to focus field leadership and critical control verification as a method to further improve our safety performance in FY24.

CULTURAL HERITAGE

It is understood all cultural heritage sites, either known or unknown, archaeological and/or ethnographic, are protected by law and hold significance with indigenous people. We are committed to engaging and consulting with local traditional owners to ensure identification and protection of important cultural heritage areas. Surveys involving specialist archaeologists, anthropologists and the traditional owners have been undertaken at all areas of our operations to identify areas of avoidance. This understanding is considered in mine planning process to ensure their preservation for generations to come.

NATIVE TITLE

All of Red 5's operations are on land claimed or determined under Indigenous Native Title legislation. Agreements continue to be negotiated and/or implemented and there were no non-compliance incidents involving the rights of indigenous peoples throughout the year. It is Red 5's objective to foster positive and ongoing relationships with local aboriginal groups.

COMMUNITY RELATIONS

During FY24, Red 5 continued to support the communities where we operate by sponsoring local sporting teams, educational facilities and community events in Leonora, Perenjori, Kalgoorlie and Morawa.

KEY GOVERNANCE ACTIVITIES

ENVIRONMENTAL APPROVALS AND COMPLIANCE

During FY24, we conducted continuous routine (monthly, quarterly, and annual) compliance monitoring, sampling, and reporting across the operations. There were no fines or penalties imposed on the Company, no serious environmental incidents and no material environmental harm. All Mines were operated within the obligations of the regulatory instruments and relative legislation, with transparent reporting of performance to the applicable government departments.

DIRECTORS' Report

The Directors of Red 5 Limited ("Red 5" or "parent entity") present their report on the results and state of affairs of Red 5 and its subsidiaries ("the Group" or the "consolidated entity") for the year ended 30 June 2024.

1. DIRECTORS AND COMPANY SECRETARY

The names of the Directors of Red 5 in office during the course of the financial period and at the date of this report are as follows:

- **Russell Clark** *(Non-executive Chair, appointed 1 July 2023)*
- **Luke Tonkin** *(Managing Director, appointed 19 June 2024)*
- **Ian Macpherson** *(Non-executive Director)*
- **Andrea Sutton** *(Non-executive Director)*
- **David Quinlivan** *(Non-executive Director, appointed 19 June 2024)*
- **Peter Johnston** *(Non-executive Director, appointed 10 July 2023)*
- **Kelvin Flynn** *(Non-executive Director, appointed 19 June 2024)*
- **Rebecca Prain** *(Non-executive Director, appointed 19 June 2024)*
- **Mark Williams** *(Managing Director, resigned 19 June 2024)*
- **Colin Loosemore** *(Non-executive Director, retired 6 November 2023)*
- **Steve Tombs** *(Non-executive Director, retired 6 November 2023)*

Mr Tonkin, Mr Quinlivan, Mr Flynn and Ms Prain were appointed to the Board of Directors upon the merger of the Company with Silver Lake Resources Limited (Silver Lake) on 19 June 2024. Previously they were Directors of Silver Lake.

Unless otherwise indicated, all Directors held their position as a Director throughout the entire financial period and up to the date of this report.

1.1 INFORMATION ON DIRECTORS

Russell Clark	Non-Executive Chairman
Appointment date	1 July 2023
Qualifications	BSc Mineral Resources Eng. (Hons), GradDip FinInv, FAICD
Experience	Mr Clark is an internationally experienced mining professional and director with over 40 years of experience in senior corporate, operational and project development roles. During his career, Mr Clark served as Managing Director and CEO of Grange Resources for five years, as Group Executive of Operations for Newmont he managed the group's Australian and New Zealand Operations including the KCGM mine in Kalgoorlie, and he held a number of mine general manager roles for Normandy Mining. Mr Clark is a qualified Mining Engineer and has worked across Australia, North and South America, Africa, Europe and the Asia Pacific.
Other listed company directorships	Chair of CZR Resources Ltd (since September 2021); Chair of Pearl Gull Iron Ltd (since July 2021); and Non-executive director of Tungsten Mining NL (since February 2020)

Luke Tonkin	Executive Director
Appointment date	Managing Director from 19 June 2024, since the merger of the Group with Silver Lake
Special responsibilities	Managing Director
Qualifications	BEng, Min Eng, MAusImm
Experience	Mr Tonkin is a Mining Engineering graduate of the Western Australian School of Mines and his extensive operations and management career spans over 38 years within the minerals and mining industry. He is a past Chairman of the Western Australian School of Mines Advisory Board. Mr Tonkin has held senior management roles at WMC Resources Ltd, Sons of Gwalia Ltd and was Managing Director of Mount Gibson Iron Ltd for 7 years and Chief Executive Officer and Managing Director of Reed Resources Ltd.
Other listed company directorships	Mr Tonkin was previously the Managing Director of Silver Lake (June 2024). He has held no other directorships in public listed companies in the last three years.

1. DIRECTORS AND COMPANY SECRETARY (cont.)

1.1 INFORMATION ON DIRECTORS (cont.)

Mark Williams	Executive Director
Appointment date	16 January 2014 and Managing Director from 16 April 2014 to 19 June 2024 (departed upon the merger of the Group with Silver Lake)
Special responsibilities	Managing Director
Qualifications	Dip CSM Mining, GAICD
Experience	Mr Williams was previously General Manager of the Tampakan Copper-Gold Project in the southern Philippines from 2007 to 2013. He has over 27 years' of mining experience operating within a diverse range of open cut, underground, quarrying and civil engineering environments across the developed markets of Australia, United Kingdom and New Zealand as well as the emerging markets of Philippines, Vietnam, Thailand and South Pacific.
Other listed company directorships	Mr Williams has not held directorships in any other listed companies in the past three years.

David Quinlivan	Non-Executive Director
Appointment date	19 June 2024, since the merger of the Group with Silver Lake
Qualifications	BApp Sci, Min Eng, Grad Dip Fin Serv, FAusImm, FFINSA, MMICA
Experience	Mr Quinlivan is a Mining Engineer with significant mining and executive leadership experience having 11 years of service at WMC Resources Ltd, followed by a number of high-profile mining development positions. Since 1989, Mr Quinlivan has served as Principal of Borden Mining Services, a mining consulting services firm, where he has worked on multiple mining projects in various capacities. He has previously served as Chief Executive Officer of Sons of Gwalia Ltd (post appointment of administrators), as Chief Operating Officer of Mount Gibson Iron Ltd and President and Chief Executive Officer of Alacer Gold Corporation.
Other listed company directorships	Mr Quinlivan was previously the Non-Executive Director of Silver Lake (until June 2024). He has previously served as Chief Executive Officer of Sons of Gwalia Ltd (post appointment of administrators), as Chief Operating Officer of Mount Gibson Iron Ltd and President and Chief Executive Officer of Alacer Gold Corporation. Mr Quinlivan is currently non-executive Chairman of Dalaroo Metals and served as a Non-Executive Director of Ora Banda Mining Limited until 28 September 2022. He has held no other directorships in public listed companies in the last three years.

Ian Macpherson	Non-Executive Director
Appointment date	15 April 2014
Special responsibilities	Chair of the Audit Committee; and Member of the Remuneration and Nomination Committee.
Qualifications	B.Comm, CA
Experience	Mr Macpherson is a Chartered Accountant with over 35 years' experience in the provision of financial and corporate advisory services. He was a former partner at Arthur Andersen & Co, managing a specialist practice providing corporate and financial advice to the mining and mineral exploration industry. Mr Macpherson established Ord Partners in 1990 (later to become Ord Nexia) and has specialised in the area of corporate advice with particular emphasis on capital structuring, equity and debt raising, corporate affairs and stock exchange compliance for publicly listed companies.
Other listed company directorships	Chair of RBR Group Limited (since October 2010).

Andrea Sutton	Non-Executive Director
Appointment date	18 November 2020
Special responsibilities	Chair of the Sustainability Committee. Member of the Audit and Risk Committee. Member of the Remuneration and Nomination Committee.
Qualifications	B.Eng Chemical (Hons), GradDipEcon, GAICD
Experience	Ms Sutton is a qualified Chemical Engineer and has over 25 years' experience with Rio Tinto and ERA. Between 2013 and 2017, Ms Sutton was Chief Executive and Managing Director of ERA, then a Non-executive Director from 2018 to 2020. Ms Sutton had extensive executive and operational leadership roles across Rio Tinto. This experience included Head of Health, Environment, Safety and Security; General Manager Operations at the Bengalla Mine and General Manager of Infrastructure, Iron Ore.
Other listed company directorships	Iluka Resources Limited (since March 2021); Perenti Limited (since October 2023); DDH1 Holdings Pty Ltd (February 2021 to October 2023).

1. DIRECTORS AND COMPANY SECRETARY (cont.)

1.1 INFORMATION ON DIRECTORS (cont.)

Peter Johnston	Non-Executive Director
Appointment date	10 July 2023
Qualifications	BA, FAICD, FAusIMM
Experience	Mr Johnston is a highly experienced Australian mining executive and Board Director who has more than 35 years of operational and project development experience. Mr Johnston's distinguished career has seen him hold senior roles with major resource companies including Head of Global Nickel Assets for Glencore, Managing Director and Chief Executive Officer of Minara Resources and Executive General Manager at WMC Resources for Olympic Dam, the Nickel Division and the Copper and Fertilisers Division.
Other listed company directorships	Chair of Jervois Mining (since 2018). Non-Executive Director of: Tronox (US) (since 2012); and NRW Holdings Limited (2016 to November 2023).

Kelvin Flynn	Non-Executive Director
Appointment date	19 June 2024, since the merger of the Group with Silver Lake
Qualifications	B.Com, CA
Experience	Mr Flynn is a qualified Chartered Accountant with over 30 years' experience in investment banking and corporate advisory roles including private equity and special situations investments in the mining and resources sector. He has held various leadership positions in Australia and Asia, having previously held the position of Executive Director/Vice President with Goldman Sachs and Managing Director of Alvarez & Marsal in Asia. He has worked in complex financial workouts, turnaround advisory and interim management.
Other listed company directorships	Mr Flynn was previously a Non-Executive Director of Silver Lake (until June 2024). He was also previously a director of privately held Global Advanced Metals Pty Ltd and was previously a Non-Executive Director of Mineral Resources Limited. Kelvin is the Managing Director of the specialist alternative funds manager Harvis, which focuses on investments and financing in the real estate and real assets sectors.

Rebecca Prain	Non-Executive Director
Appointment date	19 June 2024, since the merger of the Group with Silver Lake
Qualifications	BSc (Geology)
Experience	Ms Prain has 30 years' experience in the mining industry as a geologist and mining services provider. She has held a variety of technical and management roles throughout her career and is currently the Managing Director of Cube Consulting, a specialist resource estimation and mining engineering services group that provides geological and mining engineering expertise and systems. Ms Prain's experience includes technical and advisory roles to multiple Australian, North American and Southeast Asian mining companies, with a particular focus on the implementation and use of specialist resource estimation and mining software.
Other listed company directorships	Ms Prain was previously a Non-Executive Director of Silver Lake (until June 2024). She has held no other Directorships in public listed companies in the last three years.

Colin Loosemore	Non-Executive Director
Appointment date	12 December 2014, retired 6 November 2023
Special responsibilities	Member of the Sustainability Committee. Member of the Audit Committee.
Qualifications	B.Sc.Hons., M.Sc., DIC., FAusIMM
Experience	Mr Loosemore is a Geologist with over 40 years' experience in multi-commodity exploration including over 30 years as a director of public exploration companies within Australia and overseas. He graduated from London University in 1970 and the Royal School of Mines in 1977. Mr Loosemore was most recently Managing Director of Archipelago Resources plc where he oversaw the development of the Toka Tindung Gold Mine in Sulawesi, Indonesia.
Other listed company directorships	Mr Loosemore has not held directorships in any other listed companies in the last 3 years.

1. DIRECTORS AND COMPANY SECRETARY *(cont.)*

1.1 INFORMATION ON DIRECTORS *(cont.)*

Steve Tombs	Non-Executive Director
Appointment date	1 August 2018, retired 6 November 2023
Special responsibilities	Chair of the Remuneration and Nomination Committee. Member of the Sustainability Committee.
Qualifications	B.Sc.Hons, FAusIMM
Experience	Mr Tombs is a Mining Engineer with over 40 years' experience in the mining industry in Australia and overseas. Mr Tombs graduated from Nottingham University in 1976 and was previously Red 5's General Manager at Darlot and the Underground Project Manager at Siana. Mr Tombs previously held Senior Management positions at AngloGold Ashanti, Placer Dome and Newcrest.
Other listed company directorships	Mr Tombs has not held directorships in any other public companies in the last 3 years.

1.2 INFORMATION ON COMPANY SECRETARY

David Berg	Company Secretary
Appointment date	19 June 2024, since the merger of the Group with Silver Lake
Qualifications	LLB BComm (General Management)
Experience	Mr Berg is a corporate and commercial lawyer with 25 years' experience, having spent more than 15 years working for listed mining companies. Mr Berg's areas of expertise include advising on corporate governance, M&A, capital raisings, commercial contracts and litigation. Mr Berg previously held the position of General Counsel and Company Secretary at Silver Lake and has held similar positions with Mount Gibson Iron Limited and Ascot Resources Limited. Mr Berg began his legal career in private practice working for the predecessor firms of Herbert Smith Freehills and King & Wood Mallesons.

Lisa Wynne	Company Secretary (Joint)
Appointment date	18 August 2023 to 18 July 2024
Qualifications	B.Bus, CA, FGIA, MAICD
Experience	Ms Wynne is a Chartered Accountant with over 18 years' experience in finance, accounting, corporate governance, strategy, risk management and mergers & acquisitions. Ms Wynne has held senior roles as Chief Financial Officer, Company Secretary and Non-Executive Director for ASX-listed and not-for-profit companies.

David Coyne	Company Secretary (Joint)
Appointment date	4 September 2023 to 18 June 2024 (departed upon the merger of the Group with Silver Lake)
Qualifications	B.Com, CPA, Grad. Dip, MAICD
Experience	Mr Coyne is a CPA with over 30 years' experience in the mining, and engineering and construction industries, both within Australia and internationally. He is experienced in debt and equity financing, corporate governance, risk management, accounting and acquisitions and divestments. In addition to previous company secretarial roles, Mr Coyne has also served as a director for ASX-listed mining companies in both executive and non-executive capacities.

1. DIRECTORS AND COMPANY SECRETARY *(cont.)*

1.3 DIRECTOR'S MEETINGS

The number of meetings of the Board of Directors of Red 5 and of each Board committee held during the year ended 30 June 2024 and the number of meetings attended by each Director whilst in office are as follows:

	Board meetings		Audit Committee		Remuneration & Nomination Committee		Sustainability Committee	
Director	**Eligible**	**Attended**	**Eligible**	**Attended**	**Eligible**	**Attended**	**Eligible**	**Attended**
Russell Clark	16	16	3	3	3	3	-	-
Mark Williams	15	15	-	-	-	-	-	-
Ian Macpherson	16	15	5	3	3	2	-	-
Andrea Sutton	16	16	5	5	1	1	2	2
Colin Loosemore	2	2	2	1	-	-	-	-
Steven Tombs	2	2	-	-	1	1	-	-
Peter Johnston	16	16	-	-	2	2	2	2
Luke Tonkin	1	1	-	-	-	-	-	-
David Quinlivan	1	1	-	-	-	-	-	-
Kelvin Flynn	1	1	-	-	-	-	-	-
Rebecca Prain	1	1	-	-	-	-	-	-

2. PRINCIPAL ACTIVITIES

The principal activities of Red 5 and the consolidated group (which includes associated entities of Red 5) during the financial period were gold mining and mineral exploration.

3. RESULTS OF OPERATIONS

Red 5 incurred a loss after income tax for the year ended 30 June 2024 of $5.4 million (FY23: $8.7 million loss).

The current year results include an unaudited underlying EBITDA [(a)] of $192.7 million (FY23: $96.1 million).

The board considers EBITDA as an important metric in assessing the underlying operating performance of the Group. A reconciliation between statutory profit after tax and the Group's EBITDA is set out below.

	30 June 2024	30 June 2023
	$'000	$'000
Net loss after income tax	**(5,438)**	(8,730)
Finance income	**(863)**	(61)
Finance expenses	**20,440**	21,721
Depreciation and amortisation	**135,145**	83,151
Acquisition and stamp duty costs on business combination	**43,388**	-
EBITDA [(a)]	**192,672**	**96,081**

(a) *Earnings before interest, taxes, depreciation and amortisation (EBITDA) is an unaudited non-IFRS measure and is a common measure used to assess profitability before the impact of different financing methods, income taxes, depreciation of property, plant and equipment, amortisation of intangible assets and fair value movements. Business combination costs including stamp duty have been excluded from EBITDA.*

3.1 REVIEW OF OPERATIONS

The Company successfully completed the merger with Silver Lake which become effective from 19 June 2024. The combination of the Silver Lake and Red 5 balance sheets transformed Red 5's balance sheet with the combined group ending the period with $428.8 million of cash on hand. Post period end Red 5 repaid the $92.9 million outstanding on the Project Financing Facility and sold the 411.7 million Red 5 shares which were acquired prior to the merger with Silver Lake for proceeds of approximately $136.8 million.

3. RESULTS OF OPERATIONS (cont.)

3.1 REVIEW OF OPERATIONS (cont.)

The operations acquired through the merger with Silver Lake comprise Mount Monger, Deflector and Sugar Zone. The implementation of the merger on 19 June 2024 resulted in 12 days of attributable production to Red 5 in FY24 and do not comprise a material part of Red 5's FY24 result. As such the review presented below is largely confined to Red 5 operations. A brief description of the acquired operations is presented further below and full FY24 production and costs can be found in Red 5's June 2024 Quarterly Activities Report released to the ASX on 31 July 2024.

King of the Hills (KOTH) mine and processing facility, located in the Eastern Goldfields region of Western Australia delivered record gold production of 210,940 ounces for the year and built 37,000 ounces in ore stockpiles in its second full year of operations. Gold sales were 211,939 ounces at A$2,043 per ounce meeting the FY24 guidance range.

Mine production through FY24 was predominantly from the KOTH open pit, KOTH underground and Darlot underground. The KOTH processing facility is the largest, lowest cost and most scalable processing facility in the Leonora district with FY24 throughput of 5.01 million tonnes, a 17% increase on prior year. The operation is mill constrained, which presents a significant opportunity through optimisation programs and implementation of efficient operating practices to deliver performance metrics consistent with industry standards to increase throughput.

(a) Operational performance

A summary of key production statistics (excluding Silver Lake operations) for the year ended 30 June 2024 and 30 June 2023 is provided below:

		Year ended	
	Units	**30 June 2024**	**30 June 2023**
Mined tonnes	*T*	**7,994,884**	2,074,034
Mined grade	*g/t*	**1.05**	1.00
Tonnes milled	*T*	**5,009,240**	4,252,673
Average head grade	*g/t*	**1.41**	1.31
Recovery	*%*	**92.7**	92.2
Gold produced [(i)]	*Oz*	**210,940**	165,544
Gold sold [(i)]	*Oz*	**211,939**	164,974

(i) In addition to the above, Silver Lake operations produced 7,259 gold ounces and sold 11,559 gold ounces for the 12 days from 19 June 2024 to 30 June 2024.

The production results illustrate the growing maturity of the KOTH operations with all the mines operating consistently and the processing plant continuing to improve its throughput rate. Given the recent results and year on year improvements it is easy to lose sight of the fact that the KOTH operating configuration is still in its infancy and this presents a tremendous opportunity for optimisation and implementation of more efficient operating practices and realise economies of scale to drive growth in one of the most active gold districts globally.

Exploration and Resource Development

The Company invested $10.7 million (FY23: $24.8 million) in exploration activities during the year to advance projects within established and proven mineralised corridors proximal to established infrastructure. The Group has committed to exploration spend of $30.9 million in FY25 across all mining centres.

KOTH and Darlot

At KOTH, underground drilling during FY24 focused on grade control drilling of key mine production areas for FY24 and FY25. Extensional drilling was also completed to identify major trends and new mineralised zones down dip of the key mining horizons. Drilling results confirmed Ore Reserve areas that underpin the FY25 mine plan and proved that mineralisation continues below current mining fronts. Further extensional drilling down the nose of the granodiorite intrusion is planned in FY25 with the inclusion of a dedicated drill platform to remove drill limitations.

In addition, in the Open Pit, a new mineralised fault structure was identified as part of the Stage 1 cutback of the KOTH open pit. The open pit drilling indicated the presence of gold mineralisation below the current level of the Stage 1 pit, with additional drilling being designed to test the viability of deepening Stage 1.

Darlot underground drilling focused on extending active mining areas, de-risking FY25 planned stope mining areas, and defining future ore sources for FY26 and beyond. This will be continued in FY25 with continuous underground drilling planned to both de-risk the plan through grade control drilling and extend known mineralisation through exploration.

Red 5 successfully completed aircore (AC) and reverse circulation (RC) drilling at its jointly owned Gale Prospect in the Mt Zephyr Project area which forms part of the Red 5/Ardea Joint Venture. The drill programs consisted of scout AC and infill RC drilling aimed at assessing the grade and continuity of gold mineralisation within the Gale Prospect area. The expenditure for work completed at Gale, combined with previous exploration costs at Mt Zephyr, has fulfilled the conditions of the second part of the Farm-In agreement.

Mount Monger

Drilling during the year focused on Mineral Resource definition and extensions at established underground and open pit mines targeting lode infill and extensions proximal to current workings.

At the Daisy Complex, underground resource definition drilling targeted direct extensions and splays to the Easter Hollows and Haoma West lodes. At Mount Belches, highly successful resource definition drilling enabled improved optimisations at both Santa and Flora Dora.

Regional discovery exploration activity was focused on the Mount Belches and Aldiss Mining Centres. Drilling success and the re-optimisation of open pit shells of existing Mineral Resources, given the buoyed Australian Dollar gold price, has identified potential open pits at both French Kiss and Rumbles.

Further drilling is planned in FY25 aiming to extend and improve the resource confidence of known deposits that will feed into optimisations leveraged by the prevailing gold price.

3. RESULTS OF OPERATIONS *(cont.)*

3.1 REVIEW OF OPERATIONS *(cont.)*

Deflector

Deflector underground drilling in FY24 was focused on grade control drilling of the South West production areas, and targeted direct extensions to the southern and lower margins of the South West lode system. The Spanish Galleon prospect located 300 metres west from Deflector South West underground infrastructure was further defined with extensional and infill underground drilling. Optimisation studies are underway as to the potential for underground expansion to Spanish Galleon.

FY25 in-mine resource definition drilling will target further southern extensions to the South West lodes and Spanish Galleon where mineralisation remains open in multiple directions. Further drilling is also planned in the eastern corridor following up along strike and beneath historical targets in the Contact, Central and Poseidon corridors. This strategy builds on the learnings of the successful discovery at Spanish Galleon which was targeted based off historical shallow surface drilling anomalies.

Deflector regional exploration activity focused on greenstone belt corridors targeting highly prospective geology and structural features which are underexplored. Aircore, RC and diamond drilling programs were completed in FY24 on both greenfield and brownfield targets. A program at the historical Mugga King area provided extensions to known mineralisation whilst a deep stratigraphic diamond drillhole, supported by a state government grant, significantly advanced the understanding and improved target generation at Brandy Hill. Reverse circulation drilling at Goldilocks identified a new target area with further exploration to be completed in FY25 in these highly prospective areas.

Sugar Zone

FY24 saw the completion of an extensive 93,000 metre drill program at Sugar Zone targeting infill areas of the Sugar Main and Middle Zone to increase the data density of near to medium term production fronts and build on the exploration success at Sugar South.

Further drilling of the emerging Sugar South Zone, located immediately South of the Sugar Main Zone lodes, is planned in FY25 with additional regional exploration already underway in the Company's significant land holding within the Dayohessarah greenstone belt of Northern Ontario.

Silver Lake Operations

The Mount Monger Operation is located approximately 50 kilometres southeast of Kalgoorlie and is a highly endowed gold camp with an established track record of gold production. Through exploration and development Mount Monger has transitioned to larger, longer life Mining Centres which feed the 1.3mtpa Randalls Mill. In January 2024, Silver Lake announced the next project to progress through to development with an upgraded operating strategy to mine the larger stage 2 Santa open pit and Flora Dora deposit from the commencement of mining and enhance base load mill feed visibility and supplement high grade underground feed sources.

The Deflector Region Operation is in the Midwest region of Western Australia and comprises the Deflector and Rothsay underground mines and the Deflector mill. Mine production is sourced from the Deflector underground mine and the Rothsay satellite underground mine. The Deflector mine comprises two main mining areas – Deflector Main and Deflector South West – and is adjacent to the Deflector processing facility. The Rothsay underground mine is a high-grade satellite ore source, with ore road-hauled approximately 197 kilometres to Deflector.

Sugar Zone is located in the established mining province of Northern Ontario, Canada, approximately 30 kilometres north of White River or midway between Thunder Bay and Sault St. Marie. Mining at Sugar Zone commenced in 2019, with Silver Lake acquiring the operation in February 2022 following the acquisition of Harte Gold Corp ("Harte Gold") through a process under the Companies' Creditors Arrangement Act (Canada) (CCAA), following the default by Harte Gold Corp. under its finance facilities. In July 2023, Silver Lake announced a 93,000 metre drill program to be completed throughout FY24 to deliver a step change in ore body knowledge. To facilitate the program, including the development of three dedicated exploration drives, mining and processing activities were idled in August 2023. The drill program was successfully completed in June 2024 with analysis of the results and incorporation into internal studies evaluating various production scenarios for future production between 800 – 1,000tpd and defining priority targets for follow up drilling.

(b) Corporate

In line with the Company's announcement on 5 February 2024, the Company merged with Silver Lake during the financial year, whereby the Company acquired all of the issued shares in Silver Lake via a scheme of arrangement. The transaction was completed on 19 June 2024.

As part of the scheme of arrangement, the Company issued 3,284,722,929 new shares as consideration to Silver Lake shareholders whose Silver Lake shares were acquired by the Company. Further details of the arrangement can be found on the Company's website and in Note 25 of the financial statements.

(c) Sustainability

Red 5 is acutely aware of the unique challenges and responsibilities that come with operating in the mining industry. Red 5's commitment is to build a sustainable business that delivers superior returns to its shareholders without negatively impacting the environment, the community and other stakeholders.

(d) Workplace Health and Safety

The operational focus on safety field leadership during the reporting period has contributed to an improved safety performance at both the KOTH and Darlot sites. The continued improvement in safety performance reflects our focus on ensuring the health and safety of our workforce.

(e) Regulations

Red 5 is subject to significant environmental regulation in respect to its mineral exploration activities. These obligations are regulated under relevant government authorities within Australia.

Compliance with environmental obligations is monitored by the Sustainability Committee. There have been no significant environmental breaches during the year ended 30 June 2024.

3. RESULTS OF OPERATIONS *(cont.)*

3.2 FINANCIAL REVIEW

(a) Income statement

Gold and silver sales for the reporting period totalled $620.0 million including $38.4 million of Silver Lake sales for the period from 19 June 2024 to 30 June 2024. Red 5 operations sold 223,498 ounces of gold at an average price of $2,758 per ounce (FY23: $422.7 million with 164,974 gold ounces sold at an average price of $2,542 per ounce). Cost of sales for the period of $529.6 million comprised of production costs, royalties, movement in stockpiles and depreciation charge and includes $50.3 million of Silver Lake costs.

The Group recorded a loss after income tax for the year ended 30 June 2024 of $5.4 million in comparison to a net loss for the year ended 30 June 2023 of $8.8 million. The financial results include acquisition and stamp duty costs on business combination of $43.4 million in relation to the merger with Silver Lake.

(b) Balance sheet

The merger with Silver Lake has transformed the balance sheet of Red 5 with the year-on-year movement being primarily attributed to the assets and liabilities acquired through the business combination. Summarised financial position at 30 June 2024:

- Total assets increased by $1,497.1 million to $2,167.6 million.
- Total liabilities increased by $206.4 million to $546.8 million.

(c) Cash flow

During the year, cash and cash equivalents increased by $408.7 million.

Cash inflows from operating activities for the year were $206.6 million. Cash receipts of $630.4 million reflect the sale of gold and associated by-products. This was offset by other net operating cash outflows of $423.8 million, driven by higher payments to suppliers and employees resulting from increased operational costs.

Cash inflows from investing activities for the year were $270.0 million, largely reflective of the cash acquired through the merger with Silver Lake of $378.3 million. Investing outflows for the period were $108.3 million, reflecting expenditure of $84.1 million on development activities in all three KOTH mining operations, and purchases of property, plant and equipment amounting to $21.3 million and exploration expenditure of $2.9 million.

Net financing outflows of $68.0 million are primarily from the debt repayment of $34.9 million, payments of interest of $9.8 million and lease liability payments of $24.7 million.

4. DIVIDENDS

No amounts were paid by way of dividends since the end of the previous financial year (FY23: Nil). At the time of this report, the Directors have not declared a dividend.

5. OPTIONS GRANTED OVER SHARES

No options were granted during or since the end of the financial year.

6. PERFORMANCE RIGHTS

At the date of this report, there were no performance rights outstanding as they were all converted or cancelled as part of the merger with Silver Lake.

7. INDEMNIFICATION AND INSURANCE OF DIRECTORS, OFFICERS

The Company has made an agreement indemnifying all the Directors and officers of the Company against all losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Company to the extent permitted by the Corporations Act 2001. The indemnification specifically excludes wilful acts of negligence.

8. EVENTS SUBSEQUENT TO THE END OF THE YEAR

On 8 July 2024 the Company repaid the full outstanding balance of $92.9 million of the syndicate loan facility. In line with the loan repayment, the Company entered into a restructured hedge facility and security package which incorporates the gold forward sales held by Silver Lake prior to the merger with Red 5. The new terms of the package have limited covenants which are reflective of a standalone hedging facility.

On 7 August 2024 the Company sold the 411.7 million Red 5 shares in which it acquired an interest following the implementation of the merger with Silver Lake in June 2024.

9. LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

In the opinion of the Directors, the merger with Silver Lake positions Red 5 as a leading, diversified mid-tier gold producer of relevant scale, today. The complementary nature of the respective businesses and the strength of the consolidated portfolio is expected to generate significant free cash flow for the foreseeable future.

Red 5 retains a strong balance sheet with sector leading financial flexibility to optimise the King of the Hills operation and unlock the full value of the established infrastructure without the constraints of a project finance facility, whilst continuing to pursue broader growth and life of mine extension opportunities across the portfolio.

10. BUSINESS STRATEGY AND PROSPECTS FOR FUTURE YEARS

(a) Business strategy

The Group's business strategy is firmly anchored in the Company's vision of being 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.

The merger with Silver Lake has resulted in a leading intermediate gold producer primed to create meaningful growth.

10. BUSINESS STRATEGY AND PROSPECTS FOR FUTURE YEARS (cont.)

Key factors which will drive this growth:

- Diversified, intermediate gold business, underpinned by a strategic long-life asset in the prolific Leonora district;
- Extensive, established infrastructure across the portfolio removes the cost, complexity and timeline of greenfield developments in the prevailing environment;
- Sector leading financial capacity provides the flexibility to internally fund investment in operations to realise long term value without the noise of short-term market fluctuations;
- Diversified portfolio provides an organic pipeline of low capital intensity growth and life of mine extension opportunities through implementation of efficient operating practices, project optimisation and exploration;
- Refreshed leadership capability with a track record of achieving guidance, free cash flow generation and delivering growth.

(b) Material Business Risks

Red 5's business, operating and financial results and performance are subject to various risks and uncertainties, some of which are beyond the Company's reasonable control. Set out below are matters that the Directors consider relevant and that have the potential to impact the achievement of the business strategies. The matters identified are not necessarily listed in order of importance and are not intended as an exhaustive list of all business risks and uncertainties.

- External economic drivers (including macroeconomic, metal prices and exchange rates):
  - The Company is exposed to fluctuations in the Australian dollar gold price, which can impact future revenue streams. As a mitigation, the Company has a partial gold price hedging program to assist in offsetting variations in the Australian dollar gold price, providing price certainty over a fixed portion of future production;
  - The Company is exposed to global inflationary pressures across a range of input costs such as oil and gas, operating and maintenance parts and consumables and labour. As a mitigation, the company collaborates with its suppliers to identify ways to manage these cost pressures.
- Reserves and Resources:
  - The Mineral Resources and Ore Reserves for the Group's assets are estimates only in compliance with industry standards, and no assurance can be given that future production will achieve the expected tonnages and grades.
- Operational risks:
  - The Group's operations are subject to operational risks that could result in decreased production, increased costs and reduced revenues. To manage this risk the company seeks to attract and retain high calibre employees and implement suitable systems and processes to ensure production targets are achieved.
- Legal compliance and maintaining title:
  - The Company has systems and processes in place to ensure title to all its properties, but these can be subject to dispute or unforeseen regulatory changes.
- Climate Change:
  - Changes to climate-related regulations and government policy have the potential to impact our future financial results.
- Capital and Liquidity:
  - The Company has processes in place to monitor and manage its liquidity and capital structure to ensure sufficient funds are available to meet the Group's financial commitments. As of early July 2024, Red 5 is debt free with substantial cash on hand.
- Health and Safety:
  - Red 5 has implemented management systems which promote a strong safety culture and support a genuine commitment to keep its people and stakeholders safe and healthy.
- Environmental:
  - The Company has environmental liabilities associated with its tenements. The Company monitors its ongoing environmental obligations and risks and implements preventative, rehabilitation and corrective actions as appropriate.
- Community relations:
  - Red 5 has an established community relations function that includes principles, policies and procedures designed to provide a structured and consistent approach to community activities. Red 5 recognises that a failure to manage local community stakeholder expectations appropriately may lead to dissatisfaction, potentially disrupting production and exploration activities.

11. NON-AUDIT SERVICES

During the year, Red 5's external auditors, KPMG, have provided other services in addition to their statutory audit function. Non audit services provided by the external auditors comprised $215,027 (FY23: $95,428) for non-audit services. Further details of the remuneration of the auditors are set out in Note 28.

The Board has considered the non-audit services provided during the year and is satisfied that the provision of those services is compatible with the general standard of independence for auditors imposed by the Corporations Act and did not compromise the auditor independence requirements of the Corporations Act, for the following reasons:

- All non-audit services were subject to the corporate governance guidelines adopted by Red 5;
- Non-audit services have been reviewed by the audit committee to ensure that they do not impact the impartiality or objectivity of the auditor; and
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity, acting as an advocate for Red 5 or jointly sharing economic risks and rewards.

12. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act is included immediately following the Directors' Report and forms part of the Directors' Report.

13. ROUNDING

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, all financial information has been rounded to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors.

Russell Clark
Non-executive Chair

Perth, Western Australia

14. REMUNERATION REPORT

LETTER FROM THE CHAIR OF BOARD

Dear Shareholders,

I am pleased to present Red 5 Limited's (Red 5) Remuneration Report for the Financial Year to 30 June 2024 (FY24).

FY24 Performance Highlights

The past year marked a historic year for Red 5 with the successful completion of the merger with Silver Lake Resources Limited (Silver Lake) (Transaction). The Transaction saw the immediate establishment of a leading mid-tier diversified gold producer presenting a compelling investment proposition amongst the global mid-tier gold sector, with a strong balance sheet positioned for growth.

In addition to the merger, the past financial year has seen a number of significant achievements including gold production of 223,498 ounces and a substantial improvement in safety.

Executive KMP changes and remuneration

The merger saw the business transitioning to a new executive leadership team effective 19 June 2024 reflecting the depth and significant expertise of both Red 5 and Silver Lake to deliver long-term success for the merged company.

Executive key management personnel (KMP) changes included the appointment of Mr Luke Tonkin as the Managing Director (MD) & Chief Executive Officer (CEO) of the merged business, and Mr Struan Richards, Mr Len Eldridge and Mr David Berg to the Chief Financial Officer (CFO), Corporate Development Officer, and General Counsel and Company Secretary roles respectively. Please refer to Section 14.9.1 for a high-level summary of their Executive Service Contracts.

Mr Mark Williams (MD & CEO) and Mr David Coyne (CFO & Joint Company Secretary) ceased to be Executive KMP on 19 June 2024, and in accordance with the Red 5 policy, Mr Mark Williams and Mr David Coyne received a redundancy payment of $728,281 and $225,000 respectively in addition to actual remuneration received for their term during FY24. Please refer to Section 14.8 for further details.

FY24 Remuneration Outcomes

The Board is proud of the excellent results achieved by the leadership team in FY24 through the merger process and in the former Red 5 and Silver Lake operations. The results have been reflected in our FY24 KMP remuneration outcomes outlined below and in further detail in this report.

14. REMUNERATION REPORT *(cont.)*

LETTER FROM THE CHAIRMAN OF BOARD *(cont.)*

The Board believes the KMP remuneration outcomes are reasonable (as outlined below), providing appropriate alignment between executive performance, shareholder returns and recognition of executive retention which is critical over the next business phase. Refer to Section 14.5 for further details.

- Fixed Remuneration: total fixed remuneration for Mr Richard Hay, Chief Operating Officer (COO) increased by 3.6% (from $574,600 to $590,000 effective 1 July 2023) to ensure market competitiveness based on external remuneration benchmarking analysis and was subsequently revised to $621,668 following the merger reflecting the new Executive Service Contract. Mr Mark Williams (former MD & CEO), Mr Patrick Duffy (former CFO to 4 September 2023 / Chief Corporate Development Officer) and Mr David Coyne (former CFO & Joint Company Secretary) ceased to be a KMP during the year. Refer to Section 14.5.1 for further details.
- Short Term Incentive Plan (STI): the Board approved a 158.5% STI outcome to two executive KMP (Mr Mark Williams and Mr David Coyne) based on 108.4% achievement of company Key Performance Indicators (KPIs) and 40.0% of personal KPIs and 10.1% additional redundancy amount. For Mr Richard Hay, the Board approved a 148.4% STI outcome based on 108.4% achievement of company KPIs and 40.0% of personal KPIs. The STI award for FY24 was settled 100% in cash for KMP and all other employees awarded an STI. Refer to Section 14.5.2 for further details.
- Long Term Incentive Plan (LTI): As a result of the merger with Silver Lake, the Board approved the accelerated vesting of 100% of all performance rights at the time of implementation of the Transaction. Accelerated vesting of all performance rights for both Red 5 and Silver Lake was consistent with the premise of the 'merger of equals' concept to treat all employees from each company on an equal basis to the extent possible. Refer to Section 14.5.3 for further details.
- One-off retention grant: as part of enhancing the employee value proposition (EVP) to attract, engage and retain existing and prospective talent, the Board made a one-off grant of retention rights (valued at $65,660 and $50,080) to Mr Richard Hay and Mr David Coyne on 1 January 2024 with a 12-month vesting period following the grant. On the date of implementation of the merger with Silver Lake, the Rights vested in full, also in keeping with the premise of the 'merger of equals' concept to treat all employees from each company on an equal basis to the extent possible.
- Non-Executive Directors (NED) Fees: The fee for the position of Chair of the Board increased from $145,000 to $190,000 on 1 December 2023. Ms Andrea Sutton was awarded a one-off fee of $25,000 in recognition of her tenure as interim Chair prior to my appointment on 1 July 2023. As a result of the Silver Lake merger, non-executive director fees increase on 1 July 2024 to levels befitting a gold mining company of this scale. Refer to Section 14.7.

Looking forward

During FY25, the Board will remain focused on working with the Nomination and Remuneration Committee of the merged company to ensure the ongoing appropriateness of the KMP remuneration framework and the ability to support the financial and strategic goals of the business as a leading mid-tier gold company.

On behalf of the Board, I invite you to review the full report and thank you for your continued support of Red 5.

Sincerely

Russell Clark
Non-executive Chair

14. REMUNERATION REPORT *(cont.)*

TABLE OF CONTENTS

This Remuneration Report (Report) outlines the remuneration arrangements in place for key management personnel (KMP) of Red 5 for the year ended 30 June 2024 (FY24) in accordance with the requirements of the Corporations Act 2001 and its Regulations. The Report contains the following main sections:

14.1 WHO IS COVERED BY THIS REMUNERATION REPORT

For the purposes of this Report, KMP's are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, including any Director (whether Executive KMP or Non- Executive Director (NED)) of Red 5.

The following were the KMP's of the Company at any time during the year ended 30 June 2024 and unless otherwise indicated, KMP for the entire period:

Name	Position	Term as KMP
Executive Director		
Mark Williams	Managing Director & Chief Executive Officer (MD/CEO)	Part year [a]
Luke Tonkin	Managing Director & Chief Executive Officer (MD/CEO)	Part year [b]
Executive KMP's		
Richard Hay	Chief Operating Officer (COO)	Full year
Patrick Duffy	Corporate Development Officer	Part year [c]
David Coyne	Chief Financial Officer (CFO) & Joint Company Secretary	Part year [d]
Struan Richards	Chief Financial Officer	Part year [e]
Len Eldridge	Corporate Development Officer	Part year [f]
David Berg	General Counsel and Company Secretary	Part year [g]
Non-Executive Directors		
Russell Clark	Independent Non-Executive Chair	Full year
Peter Johnston	Independent Non-Executive Director	Part year [h]
David Quinlivan	Independent Non-Executive Director	Part year [i]
Andrea Sutton	Independent Non-Executive Director	Full year
Ian Macpherson	Independent Non-Executive Director	Full year
Kelvin Flynn	Independent Non-Executive Director	Part year [i]
Rebecca Prain	Independent Non-Executive Director	Part year [i]
Colin Loosemore	Independent Non-Executive Director	Part year [j]
Steven Tombs	Independent Non-Executive Director	Part year [j]

14. REMUNERATION REPORT *(cont.)*

14.1 WHO IS COVERED BY THIS REMUNERATION REPORT *(cont.)*

Note:

(a) Mr Williams ceased to be a KMP on 19 June 2024.

(b) Mr Tonkin commenced the MD/CEO role on 19 June 2024.

(c) Mr Duffy ceased being the Chief Financial Officer on 4 September 2023 and reverted back to the role of Chief Corporate Development Officer. He resigned from this role on 31 December 2023.

(d) Mr Coyne was appointed as the CFO & Joint Company Secretary on 4 September 2023 and ceased to be a KMP on 19 June 2024.

(e) Mr Richards was appointed to the role of CFO on 19 June 2024.

(f) Mr Eldridge was appointed to the role of Corporate Development Officer on 19 June 2024.

(g) Mr Berg was appointed to the role of General Counsel and Company Secretary on 19 June 2024.

(h) Mr Johnston was appointed as a non-executive director on 10 July 2023.

(i) Mr Quinlivan, Mr Flynn and Ms Prain were appointed as non-executive directors on 19 June 2024.

(j) Mr Loosemore and Mr Tombs resigned from the Board on 6 November 2023.

14.2 REMUNERATION GOVERNANCE

KMP remuneration decision making is directed by Red 5's remuneration governance framework as follows:

Board	Take an active role in the governance and oversight of Red 5's remuneration policies and have overall responsibility for ensuring that the Company's remuneration strategy aligns with Red 5's short- and long-term business objectives and risk profile.
Nomination and Remuneration Committee (Committee)	Responsible for reviewing the remuneration arrangements for KMP's and make recommendations to the Board including: ◢ reviewing remuneration levels and other terms of employment on an annual basis having regard to relevant market conditions, qualifications and experience of the KMP, and performance against targets set for each year where applicable. ◢ advising the Board on the appropriateness of remuneration packages / structures of the Company, given trends in comparative peer companies both locally and internationally with the overall objectives of ensuring maximum stakeholder benefit from the retention of a high-calibre board and executive team. The Committee's charter can be found on the Company's website at: https://vaultminerals.com/about/corporate-governance
External Remuneration Consultants	To ensure the Committee is fully informed when making remuneration decisions, it may seek external, independent remuneration advice on remuneration related issues. During the year, the Committee engaged a consultant, The Reward Practice Pty Ltd (TRP), to provide remuneration services in respect to external benchmarking and general insights for executive incentive arrangements and remuneration report drafting. No remuneration recommendations were received during the year.
Share trading policy	Red 5's share trading policy prohibits a KMP (that are granted share-based payments as part of their remuneration) from entering into other arrangements that limit their exposure to losses that would result from share price decreases. Entering into such arrangements is also prohibited by law.

14. REMUNERATION REPORT *(cont.)*

14.3 PRINCIPLES OF REMUNERATION

Four principles guide Red 5's remuneration policies and practices:

- Remuneration quantum should target the middle to upper quartile of the market that Red 5 operates in to attract and retain the key talent required.
- At-risk reward should be based on the achievement of challenging targets over the short term (1 year) and long term (3+ years).
- Emphasis of reward programs should be to motivate and retain key talent over the long term.
- An appropriate mix of cash and equity awards so that over time executives and employees are aligned with the long-term interests of shareholders.

It should be noted, Non-Executive Directors do not receive performance-related remuneration or participate in any incentive plans.

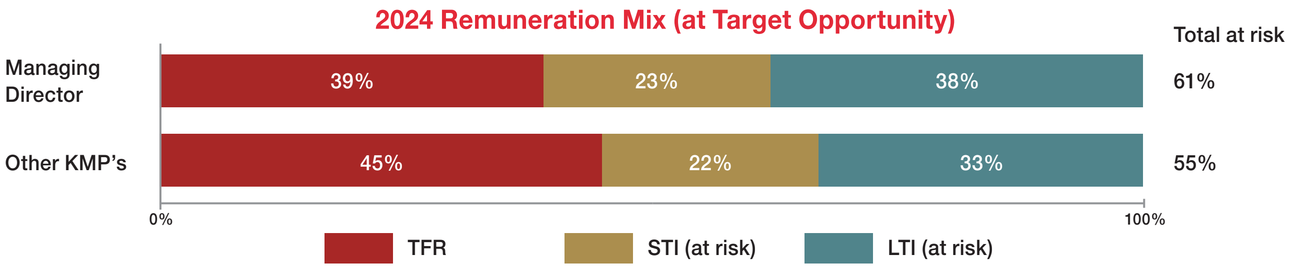
14.4 EXECUTIVE REMUNERATION FRAMEWORK AND COMPONENTS

Executives receive fixed and variable remuneration consisting of short- and long-term incentive opportunities. Executive remuneration levels are reviewed annually by the Remuneration Committee with reference to the remuneration guiding principles and market movements.

The following diagram presents a high-level summary of remuneration components for executive KMP's for FY24:

Fixed remuneration		
Base salary + superannuation + benefits		
Variable remuneration		
STI Plan		LTI Plan
Cash	Service Rights (1 year)	Rights (3 years)
80% company KPIs 20% personal KPIs		70% relative TSR 30% growth

The following diagram sets out the mix for fixed and "at risk" remuneration for executive KMP at target opportunity level for FY24 based on the potential of a 100% vesting of STI and LTI. Note given the one-off nature of the retention grants, it is excluded from the remuneration mix analysis:



* *The Executive KMP who commenced roles following the merger with Silver Lake are excluded from the analysis due to their incentive arrangements only being effective from 1 July 2024.*

Fixed remuneration

Fixed remuneration consists of base salary, superannuation and optional salary sacrifice benefits. It is designed to recognise the execution of business strategy and executives' qualifications, experience and accountability. It is set with reference to comparable roles in similar companies.

14. REMUNERATION REPORT *(cont.)*

14.4.1 STI

The following table outlines the FY24 STI arrangements in detail:

What is the purpose?	◢ Reward executive KMP for the achievement of Red 5's annual targets linked to business strategy and shareholder value; ◢ Ensure that executives have commonly shared objectives related to the delivery of annual business plans; ◢ Encourage share ownership among senior roles; and ◢ Provide a component of remuneration to enable the Company to compete effectively for the calibre of talent required for it to be successful on a short to medium term basis.
How is it paid?	For FY24, the Board elected to pay 100% of the STI in cash. As all performance rights held by previous Silver Lake employees (now Red 5 employees) and for all Red 5 employees were subject to accelerated vesting due to the implementation of the Silver Lake Scheme of Arrangement on 19 June 2024, the Board determined that it was appropriate to pay the STI on the same basis as that paid to the Silver Lake employees and ensure that the Group commenced FY25 with nil rights on issue.
What is the target incentive opportunity?	The STI target opportunity is set as a percentage of TFR. Subject to performance, the MD was entitled to an STI of up to 60% on Total Fixed Remuneration and other executive KMP's were entitled to an STI of up to 50% of Base Salary.
What is the performance period?	The STI is offered annually and is measured over a single financial year.
How is performance assessed?	An executive's actual award is based on meeting KPIs set in advance of the financial year. The KPIs comprise financial and non-financial objectives which directly align the individual's reward to the Company's annual business plans. The KPIs set for the FY24 awards were: ◢ Company Financial: budgeted Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) (20%); ◢ Gold production: across both Darlot and KOTH (20%); ◢ Safety: assessed by Total Recordable Injury Frequency Rate (TRIFR) and no fatalities (20%); ◢ Cost management: via All-in-Sustaining-Cost (AISC) per ounce (20%); ◢ Individual effectiveness: personal contribution as measured by Board or Managing Director (where applicable) (20%). KPIs are set at threshold, target, and stretch levels resulting in payout at 50%, 100% and 200% of the target opportunity.
What is the gateway?	No gateway applies in line with external market peers and the business need to support retention of key talent over the long term.
How is the STI award treated at cessation of employment?	Unless subject to a bona fide redundancy, participants will not be eligible for an STI outcome where they are not employed with the Company or have provided notice to cease employment, at the time of any STI payment. Any unvested Rights on issue for the participant will lapse by default unless the Board exercises its discretion to allow vesting, in whole or in part.
How is the STI award treated upon a change of control?	In the event of a change of control as defined in the Plan Rules, the equity awards may vest in full or be pro-rated based on time and performance as determined by the Board.

14. REMUNERATION REPORT *(cont.)*

14.4.2 LTI

The following table outlines the FY24 LTI arrangements in detail:

<table>
<tr><td>What is the purpose?</td><td>To promote the alignment of interests between executives and shareholders through the holding of equity in the Company. As such, LTI awards are generally granted to executives and management who are able to influence the future of Red 5, and/or are in a position to contribute to shareholder wealth creation;
Ensure that executives have commonly shared goals related to producing relatively high returns for shareholders;
Encourage share ownership among senior roles;
Provide a component of remuneration to enable the Company to compete effectively for the calibre of talent required for it to be successful on a long-term basis; and
Help retain employees, thereby minimising turnover and providing a stable workforce.</td></tr>
<tr><td>How is it paid?</td><td>LTI awards are paid in Performance Rights for nil cash consideration.</td></tr>
<tr><td>What is the LTI opportunity</td><td>The LTI opportunity is set as a percentage of TFR. Subject to performance, the MD was entitled to an LTI of up to 100% and other executive KMP were entitled to an LTI of up to 75%.</td></tr>
<tr><td>What is the performance period</td><td>The LTI is considered annually and is measured over a 3-year performance period.</td></tr>
<tr><td>How is performance assessed?</td><td>LTI awards are granted at the beginning of the performance period and vest based on:
Total Shareholder Return (TSR) compared to a custom peer group comprising 17 ASX entities as approved by the Board considering. These peer companies are considered directly comparable to Red 5 (e.g. based on size, stage of operations and geographical location of mines) (70%); and
Growth of the Company's proved and probable ore reserves (30%).</td></tr>
<tr><td>What is the gateway?</td><td>The following gateway must be satisfied in order for the awards to vest:
A positive TSR being achieved.</td></tr>
<tr><td>How the LTI vesting is determined?</td><td>LTI vesting is subject to the following sliding scale:
<table>
<tr><th colspan="2">Relative TSR (70%)</th></tr>
<tr><th>Performance level to be achieved</th><th>Percentage vesting</th></tr>
<tr><td>Threshold: < 50th percentile of the peer group</td><td>0%</td></tr>
<tr><td>Target = 50th percentile of the peer group</td><td>50%</td></tr>
<tr><td>Performance between Target and Stretch</td><td>Sliding scale vesting</td></tr>
<tr><td>Stretch: = > 75th percentile of the peer group</td><td>100%</td></tr>
<tr><th colspan="2">Growth in ore reserves (30%)</th></tr>
<tr><th>Performance level to be achieved</th><th>Percentage vesting</th></tr>
<tr><td><15%</td><td>0%</td></tr>
<tr><td>Threshold = 15%</td><td>25%</td></tr>
<tr><td>Target = 20%</td><td>50%</td></tr>
<tr><td>Stretch = > 35%</td><td>100%</td></tr>
</table></td></tr>
<tr><td>What are the restrictions of the equity components of the LTI awards?</td><td>There are no further restrictions to the vested awards following the end of the performance period.</td></tr>
<tr><td>How is the LTI award treated at cessation of employment</td><td>Generally, should a Participant voluntarily cease employment or engagement with the Company they will forfeit any unvested Rights unless the Board exercises its discretion to allow vesting, in whole or in part.</td></tr>
<tr><td>How the LTI award is treated at change of control</td><td>In the event of a change of control as defined in the Plan Rules, the equity awards may vest in full or be pro-rated based on time and performance as determined by the Board.</td></tr>
<tr><td></td><td>While the Silver Lake Scheme of Arrangement did not result in a change of control for the Company, under the 'merger of equals' concept, and with a view to treat Company employees as equal as possible to their Silver Lake counterparts, the Board exercised the discretion available to it under the Plan Rules to accelerate vesting of all Performance / Retention Rights on 19 June 2024.</td></tr>
</table>

14. REMUNERATION REPORT *(cont.)*

14.4.3 One-off retention rights

To ensure the retention of key critical talent to support Red 5 through the progression toward a steady-state production at the King of The Hills mine, the Board approved the implementation of a one-off retention plan (in addition to existing STI and LTI plans) to further enhance the employee value proposition (EVP) to attract, engage and retain existing and prospective talent.

Under the plan, the award was offered in the form of Retention Rights which were granted at the start of calendar year 2024. The Rights will vest over a 12-month period subject to continued employment. The grant is one-off, and the Board has the discretion to make further grants in the future based on business need. Grant quantum of either 10% or 15% of fixed remuneration applies.

For those ceasing employment with the Company, any unvested Retention Rights will lapse unless the Board exercises its discretion to vest, in whole or in part, the Retention Rights or allow them to continue unvested.

If, prior to conversion of the Retention Rights, a Change of Control Event occurs, then the Vesting Condition will be deemed to be waived and each Retention Right will automatically vest. As noted in Section 14.4.2 above, the Board exercised the discretion available to it under the Plan Rules to accelerate vesting of the Retention Rights on 19 June 2024, the implementation date of the Silver Lake Scheme of Arrangement.

14.5 FY24 EXECUTIVE REMUNERATION OUTCOMES

The following table summarises key measures of Company performance for FY24 and the previous four financial years:

Performance outcomes over the past five Financial Years

	FY24	FY23	FY22	FY21	FY20
ASX share price at year end	**$0.36**	$0.19	$0.25	$0.19	$0.20
Profit/(loss) after income tax attributable to owners of the company for continuing operations ($'000)	**(5,438)**	(8,730)	(48,664)	(9,478)	4,544
Profit/(loss) after income tax attributable to owners of the company ($'000)	**(5,438)**	(8,730)	(28,615)	(43,245)	4,544
Dividends paid ($'000)	**-**	-	-	-	-
Underlying EBITDA [(a)] ($'000)	**192,672**	96,081	(4,258)	11,635	53,978

(a) Underlying EBITDA is a non-IFRS measure that is unaudited.

14.5.1 Fixed remuneration outcomes

Following the review of executive remuneration levels against relevant market comparators (with the benchmarking analysis provided by The Reward Practice Pty Ltd), the following table outlines fixed remuneration (FR) changes for executive KMP's in FY24.

FY24 Executive KMP Fixed Remuneration Outcomes

	FY24 FR	FY23 FR
Mark Williams, Managing Director (ceased to be a KMP on 19 June 2024)	**$728,281**	$725,000
Richard Hay, Chief Operating Officer	**$590,000**	$356,596
Patrick Duffy, Corporate Development Officer (ceased to be a KMP on 4 September 2023)	**$452,036**	$373,562
David Coyne, CFO & Joint Company Secretary (ceased to be a KMP on 19 June 2024)	**$450,000**	N/A

Please refer to Section 14.9.1 for the executive KMP's who commenced the roles of the merged company towards the end of the reporting period.

The Board will continue to monitor remuneration levels based on the factors set out in the executive remuneration framework.

14. REMUNERATION REPORT *(cont.)*

14.5.2 FY24 STI outcome

While determining the STI outcomes, the Board carefully assessed the FY24 performance against set targets considering the requirements arising from the merger. Due to the transaction with Silver Lake completing on 19 June 2024, the Board determined that it was appropriate to use annualised performance for the 11 months to 31 May 2024 as the basis to determine the outcome of the FY24 STI. Accordingly, the Board approved to proceed with a 148.4% of STI outcome based on 108.4% achievement of company KPIs and 40.0% of personal KPIs for executive KMP's, with 158.5% for executives who were made redundant as a result of the merger. The STI award was fully satisfied in cash.

The following table outlines KPI performance outcomes for FY24:

FY24 STI KPIs and Performance Outcomes

FY24 Actual — Threshold — Target — Stretch

KPI	KPI Weighting	Performance Outcomes		STI Outcomes
TRIFR	20%	Stretch Target achieved	8 / 7 / 6	40.0%
Gold production (oz)	20%	Below Target achieved	193,025oz / 214,472oz / 235,919oz	17.5%
Group EBITDA ($m)	20%	Above target achieved	$161.5 / $179.5 / $197.4	38.5%
AISC ($)	20%	Below target achieved	$2,125/oz / $1,935/oz / $1,742/oz	12.4%
Individual effectiveness	20%	Stretch target achieved	50% / 100% / 200%	40.0%
STI performance outcomes (FY24 awards):				**148.4%**

Based on the above outcomes, the following provides further detail for the FY24 STI awards:

FY24 Executive KMP STI Award Outcomes

	Target STI Opportunity $	STI Awarded %	STI Outcomes [(a)] $	Number of Service Rights awarded
Mark Williams, MD *(until 19 June 2024)*	486,354	158.5%	770,871	-
Richard Hay, COO	295,000	148.4%	437,780	-
David Coyne, CFO & Joint Company Secretary *(until 19 June 2024)*	188,242	158.5%	298,363	-
Total	**969,596**		**1,507,014**	**-**

(a) *STI awards were paid in cash, includes superannuation.*

14.5.3 FY24 LTI outcome

As result of the implementation of the Scheme of Arrangement with Silver Lake on 19 June 2024, the Board exercised the discretion available to it to accelerate the vesting of all Performance and Retention Rights on issue. The discretion exercised was in keeping with the 'merger of equals' concept between the Company and Silver Lake during negotiations prior to execution of the Scheme Implementation Deed (SID).

Under the terms of the SID, the Company acquired Silver Lake, with Red 5 shareholders controlling 51.7% of the post completion group. This triggered a change of control event for Silver Lake, resulting in accelerated vesting of Silver Lake performance rights held by Silver Lake employees prior to the implementation of the Scheme. To assist with integration activities and to treat employees from both Red 5 and Silver Lake equal to the maximum extent possible, the Board deemed it appropriate to accelerate the vesting of all rights held by Red 5 employees.

As Mr Williams and Mr Coyne were subject to redundancy as a result of the Silver Lake Scheme of Arrangement, their respective Performance / Retention Rights were subject to acceleration due to their redundancies.

14. REMUNERATION REPORT (cont.)

14.5.3 FY24 LTI outcome (cont.)

FY24 LTI KPIs and Performance Outcomes

FY22-24 Actual | Threshold | Target | Stretch

KPI	KPI Weighting	Performance Outcomes		LTI Outcomes
Relative TSR (against the TSR of a comparator peer group)	70%	Target achieved	<=Index / >10% / >20%	70%
Growth in ore reserves	30%	Target achieved	15% / 20% / 35%	30%
Gateways: ◢ A positive Company TSR ◢ 90% of budgeted gold production met	-	Target achieved, accelerated vesting approved.		-
LTI performance outcomes (FY22-24 awards):				**100%**

Executive KMP – FY22-24 LTI Awards Vesting Outcomes

Executive KMP	Maximum LTI Opportunity $	Number of LTI Rights held	LTI Rights vested %	LTI Rights Forfeited $	Number of LTI Rights forfeited
Mark Williams	1,567,482	8,697,951	100%	-	-
Richard Hay	596,692	3,521,125	100%	-	-
Patrick Duffy (a)	365,221	1,922,255	0%	(365,221)	(1,922,255)
David Coyne	254,672	1,334,096	100%	-	-
Total	**2,784,067**	**15,475,427**	**88%**	**(365,221)**	**(1,922,255)**

(a) Mr Duffy's performance rights were forfeited due to his resignation from the Company prior to their vesting.

14.5.4 Vesting of Retention Rights

The Retention Rights granted to Mr Richard Hay and Mr David Coyne (valued at $65,661 and $50,580 respectively) on 1 January 2024 vested in full on the date of Transaction.

14.6 NON-EXECUTIVE DIRECTORS' REMUNERATION

In accordance with current corporate governance practices, the structure for the remuneration of NEDs and executive KMP is separate and distinct. Shareholders approve the maximum aggregate fees payable to NEDs, with the current limit being $850,000 per annum. Under the terms of the Silver Lake Scheme Booklet, it is the merged group's intention to seek shareholder approval to raise the NED fee cap to $1.8 million for FY25 and beyond, so as to accommodate the additional NEDs on the merged group board, and to ensure that the merged group's remuneration arrangement is market-competitive such that it can attract and retain high calibre individuals with the requisite skills, competence and experience for the merged group.

14.6.1 FY24 Non-Executive Director Fee Policy

The following table sets out the policy fee for NEDs for FY24 (exclusive of statutory superannuation of 11%):

	Chair		Member	
Board and Committee Fees	**FY24**	**FY23**	**FY24**	**FY23**
Board	**$171,250 (a)**	$135,000	**$100,000**	$100,000
Audit and Risk Committee	**$15,000**	$15,000	**Nil**	Nil
Remuneration and Nomination Committee	**$10,000**	$10,000	**Nil**	Nil
Sustainability Committee	**$10,000**	$10,000	**Nil**	Nil
Health, Safety and Community Committee	**n/a**	$10,000	**Nil**	Nil

(a) The fee for the Chair of the Board increased from $145,000 to $190,000 on 1 December 2023.

14. REMUNERATION REPORT *(cont.)*

14.6.1 FY24 Non-Executive Director Fee Policy *(cont.)*

The Board may approve any consultancy arrangements (at a rate) for NEDs providing additional services outside their Board and/or Committee duties.

NEDs are not entitled to participate in performance-based incentive schemes. The Board may seek annual shareholder approval for a share plan, under which NEDs can elect to receive a portion of their fees in shares in Red 5.

All Directors are entitled to have premiums on indemnity insurance paid by Red 5. The liabilities insured are for costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity.

14.6.2 FY24 Non-Executive Director Statutory Remuneration Disclosures

The following table outlines the fees paid to NEDs in FY24 as prepared in accordance with the requirements of the Corporations Act 2001 and the relevant Australian Accounting Standards.

		Base fees	Committee Chair fees	Consulting fees	Superannuation	Total
NED		**$**	**$**	**$**	**$**	**$**
Russell Clark, Chair	FY24	171,250	-	-	18,838	190,088
(appointed 1 July 2023)	FY23	-	-	-	-	-
Peter Johnston, NED	FY24	100,000	10,000	-	12,100	122,100
(appointed 10 July 2023)	FY23	-	-	-	-	-
David Quinlivan, NED	FY24	9,105	-	-	1,002	10,107
(appointed 19 June 2024)	FY23	-	-	-	-	-
Andrea Sutton, NED	FY24	125,000 [(a)]	10,000	-	14,850	149,850
	FY23	100,000	10,000	-	11,550	121,550
Ian Macpherson, NED	FY24	100,000	15,000	-	12,650	127,650
	FY23	100,000	15,000	-	12,075	127,075
Kelvin Flynn, NED	FY24	5,249	-	-	577	5,826
(appointed 19 June 2024)	FY23	-	-	-	-	-
Rebecca Prain, NED	FY24	5,249	-	-	577	5,826
(appointed 19 June 2024)	FY23	-	-	-	-	-
Colin Loosemore, NED	FY24	35,055	3,505	-	4,242	42,802
(resigned 6 November 2023)	FY23	100,000	10,000	-	11,688	121,688
Steven Tombs, NED	FY24	35,055	3,505	-	4,242	42,802
(resigned 6 November 2023)	FY23	100,000	10,000	-	11,688	121,688
Kevin Dundo, Chair	FY24	-	-	-	-	-
until 12 March 2023	FY23	94,125	-	-	9,883	104,008
Fiona Harris, NED	FY24	-	-	-	-	-
(until 6 December 2022)	FY23	43,207	-	-	4,537	47,744
TOTAL	**FY24**	**585,963**	**42,010**	**-**	**69,078**	**697,051**
	FY23	**537,332**	**45,000**	**-**	**61,421**	**643,753**

(a) Included in Ms Sutton's base fee is an ex-gratia payment of $25,000 in lieu of her time as Acting Chair during FY23.

14. REMUNERATION REPORT *(cont.)*

14.7 FY25 PLANNED NON-EXECUTIVE DIRECTORS FEES

Following the merger with Silver Lake and the increase in the number of members of the Board, the Company is proposing to seek shareholder approval at the 2024 Annual General Meeting for an increase in the annual non-executive director fee pool to $1,800,000. If approved, the FY25 Non-Executive Directors fees will be as follows:

	Chair	Member
Board and Committee Fees FY25	**$**	**$**
Board	$260,000	$168,000
Audit and Risk Committee	$20,000	-
Remuneration and Nomination Committee	$15,000	-
Sustainability Committee	$15,000	-

14.8 DETAILS OF REMUNERATION

The following table discloses details of the nature and amount of each element of the remuneration paid to executive KMP for the years ended 30 June 2024 and 30 June 2023.

				Short term			Long term				
		Cash salary (a)	**Termination benefits**	**Cash**	**STI service rights (d)**	**Superannuation**	**Annual and long service leave**	**PIO cash award**	**Performance rights expense (e)**	**Performance rights forfeited (f)**	**Total**
Executive remuneration		**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Executive Director											
Mark Williams	FY24	697,500	728,281	770,871	34,669	27,500	28,600	-	1,095,384	-	3,382,805
	FY23	697,500	-	-	69,338	27,500	48,862	55,000	602,831	(515,872)	985,159
Luke Tonkin (b)	FY24	31,892	-	-	-	3,508	-	-	-	-	35,400
	FY23	-	-	-	-	-	-	-	-	-	-
Executive KMP's											
Richard Hay	FY24	562,500	-	437,780	-	27,500	4,232	-	545,046	-	1,577,058
	FY23	329,096	-	86,049	-	27,500	18,583	54,839	21,961	-	538,028
Patrick Duffy (c)	FY24	68,490	-	-	9,927	6,850	5,221	-	20,290	(215,047)	(104,269)
	FY23	346,062	-	-	46,277	27,500	14,097	55,000	255,958	(198,230)	546,664
David Coyne (c)	FY24	336,150	225,000	298,363	-	24,080	25,858	-	244,622	-	1,154,073
	FY23	-	-	-	-	-	-	-	-	-	-
Struan Richards (b)	FY24	14,728	-	-	-	1,543	-	-	-	-	16,271
	FY23	-	-	-	-	-	-	-	-	-	-
Len Eldridge (b)	FY24	13,635	-	-	-	1,435	-	-	-	-	15,070
	FY23	-	-	-	-	-	-	-	-	-	-
David Berg (b)	FY24	13,908	-	-	-	1,462	-	-	-	-	15,370
	FY23	-	-	-	-	-	-	-	-	-	-
TOTAL	**FY24**	**1,738,803**	**953,281**	**1,507,014**	**44,596**	**93,878**	**63,911**	**-**	**1,905,342**	**(215,047)**	**6,091,778**
	FY23	**1,372,658**	**-**	**86,049**	**115,615**	**82,500**	**81,542**	**164,839**	**880,750**	**(714,102)**	**2,069,851**

(a) Includes salary and any superannuation contributions above the concessional cap that are expensed.

(b) Mr Tonkin, Mr Richards, Mr Eldridge and Mr Berg joined the Company as executives upon the merger of the Company with Silver Lake on 19 June 2024. Their remuneration has been apportioned for the period between the date of joining to the end of the financial year.

(c) Mr Duffy resigned as Chief Finance Officer on 4 September 2023. Mr Coyne was appointed as Chief Finance Officer from 4 September 2023 to 19 June 2024. Their salaries have been apportioned accordingly for the period that they were KMP's.

(d) No share-based service rights were granted to KMP's for FY24. However, service rights granted to KMP's in respect of FY22, vested on 31 December 2023 having been expensed up to the vesting date.

14. REMUNERATION REPORT *(cont.)*

14.8 DETAILS OF REMUNERATION *(cont.)*

(e) Relates to performance rights expense for the 2024, 2025 and 2026 series. The fair value at the grant date of Tranche A, which has market-based performance conditions, was estimated using a Monte Carlo simulation. The fair value at the grant date of Tranche B which has market and non-market-based performance conditions, was valued using a single share price barrier model incorporating a Monte Carlo simulation. Due to the merger with Silver Lake, vesting of all outstanding performance rights was accelerated and took place on the date of the merger. These were fully expensed during FY24.

(f) Performance rights of employees who resigned from the Company prior to the vesting dates were forfeited. Forfeited performance rights in the prior year relates to non-achievement of their performance conditions.

The relative proportions of remuneration that are fixed and those that are linked to performance are as follows:

	Fixed		At risk – short term incentives		At risk – long term incentives	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Executive Director						
Mark Williams	**21%**	79%	**24%**	7%	**55%**	14%
Luke Tonkin	**100%**	-	**-**	-	**-**	-
Executives						
Richard Hay	**37%**	70%	**28%**	16%	**35%**	14%
Patrick Duffy	**N/A**	71%	**N/A**	8%	**N/A**	21%
David Coyne	**31%**	-	**26%**	-	**43%**	-
Struan Richards	**100%**	-	**-**	-	**-**	-
Len Eldridge	**100%**	-	**-**	-	**-**	-
David Berg	**100%**	-	**-**	-	**-**	-
Non-Executive Directors						
Russell Clark	**100%**	-	**-**	-	**-**	-
Peter Johnston	**100%**	-	**-**	-	**-**	-
David Quinlivan	**100%**	-	**-**	-	**-**	-
Andrea Sutton	**100%**	100%	**-**	-	**-**	-
Ian Macpherson	**100%**	100%	**-**	-	**-**	-
Kelvin Flynn	**100%**	-	**-**	-	**-**	-
Rebecca Prain	**100%**	-	**-**	-	**-**	-
Colin Loosemore	**100%**	100%	**-**	-	**-**	-
Steven Tombs	**100%**	100%	**-**	-	-	-

14.9 ADDITIONAL REMUNERATION DISCLOSURES

14.9.1 Executive Service Contracts

The following remuneration and other terms of employment for executive KMP's were formalised in service agreements commencing from 19 June 2024. The service agreements specify the components of remuneration, benefits and notice periods. Participation in STI and LTI plans is subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out below:

Executive KMP's	Position	Terms of agreement	FR including superannuation at FY24 rate	Notice period	Termination benefit
Luke Tonkin	MD/CEO	No fixed term	$1,064,000	6 months	12 months
Richard Hay [(a)]	COO	No fixed term	$621,668	6 months	6 months
Struan Richards	CFO	No fixed term	$506,160	6 months	6 months
Len Eldridge	Corporate Development Officer	No fixed term	$470,640	6 months	6 months
David Berg	General Counsel & Company Secretary	No fixed term	$479,520	6 months	6 months

(a) Richard Hay's salary rate for FY24 was $590,000. The new rate of $621,668 is effective from 19 June 2024.

14. REMUNERATION REPORT (cont.)

14.9.1 Executive Service Contracts (cont.)

Former Executive KMP's	Position	Terms of agreement	FR including superannuation at FY24 rate	Notice period	Termination benefit
Mark Williams [b]	MD/CEO	No fixed term	$728,281	3 months	12 months
Patrick Duffy [c]	Corporate Development Officer	No fixed term	$452,036	3 months	3 months
David Coyne [d]	CFO & Joint Company Secretary	No fixed term	$450,000	3 months	3 months

(b) Mr Williams ceased to a KMP on 19 June 2024.

(c) Mr Duffy ceased being the CFO on 4 September 2023 and reverted back to the role of Chief Corporate Development Officer. Mr Duffy resigned from this role on 31 December 2023.

(d) Mr Coyne was appointed as the CFO & Joint Company Secretary on 4 September 2023 and ceased to be a KMP on 19 June 2024.

14.9.2 Shareholdings of directors and KMP's

The number of shares in Red 5 held during the financial year by key management personnel, including personally related entities, are set out below:

2024	Balance at previous year reporting date	Received through vesting of performance rights	Received through conversion of SLR shares on merger with the Company	Other purchases / (disposals) during the year	Balance at date of this report
Executive Director					
Mark Williams	16,048,391	9,568,964	-	-	**25,617,355** [a]
Luke Tonkin	-	-	11,664,766	(5,388,000)	**6,276,766**
Executive KMP's					
Richard Hay	-	3,650,311	-	-	**3,650,311**
Patrick Duffy	559,037	-	-	-	**559,037** [a]
David Coyne	-	1,334,096	-	-	**1,334,096** [a]
Struan Richards	-	-	1,899,854	-	**1,899,854**
Len Eldridge	-	-	3,704,916	-	**3,704,916**
David Berg	-	-	4,948,446	-	**4,948,446**
Non-Executive Directors					
Russell Clark	-	-	-	-	**-**
Peter Johnston	-	-	5,151,000	200,000	**5,351,000**
David Quinlivan	25,000	-	-	-	**25,000**
Andrea Sutton	500,000	-	-	-	**500,000**
Ian Macpherson	2,047,500	-	-	-	**2,047,500**
Kelvin Flynn	-	-	-	-	**-**
Rebecca Prain	-	-	-	-	**-**
Colin Loosemore	10,108,190	-	-	-	**10,108,190** [a]
Steven Tombs	2,719,579	-	-	-	**2,719,579** [a]
Total	**32,007,697**	**14,553,371**	**27,368,982**	**(5,188,000)**	**68,742,050**

(a) Balance held by the NED or KMP at the date that they left the Company or ceased to be a KMP.

14. REMUNERATION REPORT *(cont.)*

14.9.3 Service rights held by KMP’s under the STI

There were no new service rights awarded during the financial year. Service rights held by KMP’s relating to the previous performance measurement period are set out below:

KMP	Grant Date	Vesting Date	Fair Value at Grant Date	Granted	Exercised up to reporting date	Outstanding at reporting date
Mark Williams [a]	25-Oct-22	31-Dec-23	$104,007	671,013	(671,013)	-
Patrick Duffy [a]	09-Aug-22	31-Dec-23	$83,848	274,912	(274,912)	-
Total			**$187,855**	**945,925**	**(945,925)**	**-**

(a) Service Rights for Mr Williams and Mr Duffy were issued under the Red 5 FY22 Rights Plan. They had an 18 month service test and vested on 31 December 2023.

14.9.4 Performance rights of KMP’s under the LTI

The number of performance rights in Red 5 held as at the date of this report by executive KMP’s are set out below:

KMP	Balance at prior year reporting date	Received through issuing of LTI performance rights [a]	LTI performance rights vested and exercised [b]	LTI performance rights forfeited [c]	Balance at reporting date
Mark Williams	4,625,196	4,072,755	(8,697,951)	-	-
Luke Tonkin	-	-	-	-	-
Richard Hay	-	3,650,311	(3,650,311)	-	-
Patrick Duffy	1,922,255	-	-	(1,922,255)	-
David Coyne	-	1,334,096	(1,334,096)	-	-
Struan Richards	-	-	-	-	-
Len Eldridge	-	-	-	-	-
David Berg	-	-	-	-	-
Total	**6,547,451**	**9,057,162**	**(13,682,358)**	**(1,922,255)**	**-**

(a) During the year LTI performance rights were issued to employees with a three year measurement period to 30 June 2026. These performance rights have a market based tranche comparing the Company’s TSR performance relative to a peer group of similar companies’ TSR, and a non-market tranche which is based on the growth of the Company’s reserves.

In addition, the Company issued further performance rights with a one year measurement period with the objective of the retention of senior employees. These have a vesting date of 31 December 2024 for employees still employed at the Company at the time.

(b) In light of the merger with Silver Lake Resources, the Board authorised the accelerated vesting of all LTI performance rights held at the date of the merger.

(c) Mr Duffy resigned from the Company during the year and his performance rights were forfeited.

Share based payments expense for the shares issued, service and performance rights for KMP’s was $1,734,891 (FY23: $1,141,240). The fair value is based on the observable market share price at the grant date.

14.9.5 Options granted to KMP’s

No options over ordinary shares were held by or granted to executive officers of Red 5 during the year as part of their remuneration. No shares were issued during the year as a result of the exercise of options granted as part of remuneration.

14.9.6 Transactions with KMP and their related parties

The NEDs Andrea Sutton, Ian Macpherson, Peter Johnson and Kelvin Flynn invoiced for their directors’ fees through their private companies. They were not separate entities that provided consulting services to the Company. NEDs Russell Clark, Colin Loosemore, Steven Tombs, David Quinlivan and Rebecca Prain were paid directors fees through the Company’s payroll. All the NEDs met the definition and maintained their status as independent NEDs, thus retaining objectivity and their ability to meet their oversight role.

END OF AUDITED REMUNERATION REPORT

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Red 5 Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Red 5 Limited for the financial year ended 30 June 2024 there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Jane Bailey

Jane Bailey
Partner
Perth
28 August 2024

Consolidated Statement of

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2024

		CONSOLIDATED	
		30 June 2024	30 June 2023
	Note	$'000	$'000
Revenue	4(a)	**620,002**	422,745
Cost of sales	4(b)	**(529,605)**	(394,620)
Gross profit		**90,397**	28,125
Other income	4(c)	**1,073**	811
Exploration expensed	13	**(8,710)**	(7,181)
Acquisition and stamp duty costs on business combination		**(43,388)**	-
Administration and other expenses	4(d)	**(25,233)**	(8,825)
Results from operating activities		**14,139**	12,930
Finance income	5(a)	**863**	61
Finance expenses	5(b)	**(20,440)**	(21,721)
Net finance expenses		**(19,577)**	(22,661)
Loss before income tax		**(5,438)**	(8,730)
Income tax	6	**-**	-
Loss for the year		**(5,438)**	(8,730)
Other comprehensive loss			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		**(9)**	(54)
Total comprehensive loss attributable to the owners of the Company		**(5,447)**	(8,784)
Earnings per share attributable to shareholders		**Cents**	Cents
Basic earnings/(loss) per share	7	**(0.15)**	(0.31)
Diluted earnings/(loss) per share	7	**(0.15)**	(0.31)

The accompanying notes form part of these financial statements.

Consolidated Statement of FINANCIAL POSITION *as at 30 June 2024*

		CONSOLIDATED	
		30 June 2024	30 June 2023
	Note	$'000	$'000
Assets			
Current assets			
Cash and cash equivalents	*8*	**428,812**	20,112
Trade and other receivables	*9*	**34,334**	28,973
Inventories	*10*	**144,042**	76,550
Total current assets		**607,188**	125,635
Non-current assets			
Property, plant and equipment	*11*	**568,220**	289,329
Mine properties	*12*	**799,997**	228,498
Exploration and evaluation assets	*13*	**46,898**	10,767
Trade and other receivables	*9*	**6,182**	8,168
Inventories	*10*	**136,098**	7,911
Investments	*14*	**2,471**	-
Intangible assets		**499**	169
Total non-current assets		**1,560,365**	544,842
Total assets		**2,167,553**	670,477
Liabilities			
Current liabilities			
Trade and other payables	*15*	**160,240**	63,683
Financial liability	*19*	**92,723**	21,854
Provisions	*16*	**35,123**	447
Employee benefits	*17*	**25,244**	7,130
Lease liabilities	*18*	**37,629**	18,557
Total current liabilities		**350,959**	111,671
Non-current liabilities			
Financial liability	*19*	**-**	104,286
Provisions	*16*	**114,130**	59,239
Employee benefits	*17*	**1,060**	797
Lease liabilities	*18*	**77,483**	64,413
Deferred tax liabilities	*6*	**3,163**	-
Total non-current liabilities		**195,836**	228,735
Total liabilities		**546,795**	340,406
Net assets		**1,620,758**	330,071
Equity			
Contributed equity	*23*	**2,085,423**	596,668
Other equity	*23*	**(185,248)**	930
Reserves	*24*	**370**	8,168
Accumulated losses		**(279,770)**	(275,678)
Total equity attributable to equity holders of the Company		**1,620,775**	330,088
Non-controlling interests		**(17)**	(17)
Total equity		**1,620,758**	330,071

The accompanying notes form part of these financial statements.

Consolidated Statement of **CHANGES IN EQUITY** *for the year ended 30 June 2024*

ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY

	Contributed equity	Other equity	Accumulated losses	Foreign currency translation reserve	Share-based payments	Non-controlling interest	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2023	**596,668**	**930**	**(275,678)**	**379**	**7,789**	**(17)**	**330,071**
Net loss for the year	-	-	(5,438)	-	-	-	(5,438)
Foreign currency translation	-	-	-	(9)	-	-	(9)
Total comprehensive income/ (loss) for the period	-	-	(5,438)	(9)	-	-	(5,447)
Issue of ordinary shares	1,478,125	-	-	-	-	-	1,478,125
Share issue expenses	(585)	-	-	-	-	-	(585)
Transferred to accumulated losses	-	(930)	1,346	-	(416)	-	-
Treasury shares reclassified	-	(185,248)	-	-	-	-	(185,248)
Vested performance rights (LTI)	10,824	-	-	-	(10,824)	-	-
Service and deferred rights (STI) converted to ordinary shares	391	-	-	-	(391)	-	-
Performance rights (LTI) forfeited	-	-	-	-	(4,339)	-	(4,339)
Share based payments (LTI & STI)	-	-	-	-	8,181	-	8,181
Balance at 30 June 2024	**2,085,423**	**(185,248)**	**(279,770)**	**370**	**-**	**(17)**	**1,620,758**
Balance at 1 July 2022	**443,160**	**930**	**(268,196)**	**433**	**6,485**	**(17)**	**182,795**
Net loss for the year	-	-	(8,730)	-	-	-	(8,730)
Foreign currency translation	-	-	-	(54)	-	-	(54)
Total comprehensive income/ (loss) for the period	-	-	(8,730)	(54)	-	-	(8,784)
Issue of ordinary shares	158,904	-	-	-	-	-	158,904
Share issue expenses	(6,838)	-	-	-	-	-	(6,838)
Vested performance rights (LTI)	1,367	-	-	-	(1,367)	-	-
Service and deferred rights (STI)	75	-	-	-	(75)	-	-
Performance rights (LTI) forfeited	-	-	1,248	-	(1,248)	-	-
Share based payments (LTI & STI)	-	-	-	-	3,994	-	3,994
Balance at 30 June 2023	**596,668**	**930**	**(275,678)**	**379**	**7,789**	**(17)**	**330,071**

The accompanying notes form part of these financial statements.

Consolidated Statement of CASH FLOWS *for the year ended 30 June 2024*

		CONSOLIDATED	
		30 June 2024	30 June 2023
	Note	$'000	$'000
Cash flows from operating activities			
Cash received from customers		**630,396**	420,013
Payments to suppliers and employees		**(417,665)**	(366,325)
Payments for exploration and evaluation		**(7,656)**	(7,181)
Sundry receipts		**1,331**	473
Interest received		**1,560**	61
Interest paid		**(1,331)**	(376)
Net cash from operating activities	*8*	**206,635**	46,665
Cash flows from investing activities			
Payments for property, plant equipment and intangibles		**(21,313)**	(29,499)
Payments for mine development		**(84,051)**	(95,786)
Payments for exploration and evaluation		**(2,920)**	(880)
Cash acquired in a business combination	*25*	**378,318**	-
Net cash from/(used in) investing activities		**270,034**	(126,165)
Cash flows from financing activities			
Proceeds from issue of shares		**-**	158,904
Payments for share issue transaction costs		**(585)**	(6,838)
Repayment of loans	*19*	**(34,873)**	(47,250)
Receipt from restricted cash		**2,000**	-
Payments of borrowing costs and interest		**(9,792)**	(12,021)
Payments of lease liabilities		**(24,735)**	(25,616)
Net cash (used in)/from financing activities		**(67,985)**	67,179
Net increase/(decrease) in cash and cash equivalents		**408,684**	(12,321)
Cash at the beginning of the period		**20,112**	32,526
Effects of exchange rate fluctuations on cash and cash equivalents		**16**	(93)
Cash and cash equivalents at the end of the period	*8*	**428,812**	20,112

The accompanying notes form part of these financial statements.

CORPORATE INFORMATION AND BASIS OF PREPARATION

1. REPORTING ENTITY

Red 5 Limited ("parent entity" or "the Company") is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The Consolidated Financial Report for the year ended 30 June 2024 comprises the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in any associates and jointly controlled entities. The Company successfully completed the merger with Silver Lake Resources Limited (Silver Lake) on 19 June 2024 and the Silver Lake entities have been included in the Group from 19 June 2024.

The Group is primarily involved in the exploration and mining of gold and gold/copper concentrate in Australia and Canada.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements were authorised for issue by the Board of Directors on 28 August 2024.

2.2 BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on the historical cost basis, except for derivative financial instruments and certain other financial assets and liabilities which are required to be measured at fair value. Share based payments are measured at fair value. The methods used to measure fair values of share based payments are discussed further in the Note 27. Rehabilitation provisions are based on net present value and are discussed in Note 16.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial report is presented in Australian dollars, which is the Group's presentation currency. The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. For the Australian subsidiaries in which the Group holds its Australian assets the functional currency is Australian dollars, and for the Canadian subsidiaries it is Canadian dollars.

2.4 ROUNDING

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, all financial information has been rounded to the nearest thousand dollars, unless otherwise stated.

2. BASIS OF PREPARATION (cont.)

2.5 REMOVAL OF PARENT ENTITY FINANCIAL STATEMENTS

The Group has applied amendments to the Corporations Act 2001 that remove the requirement for the Group to lodge parent entity financial statements. Parent entity financial statements have been replaced by the specific parent entity disclosures in Note 32.

2.6 PRINCIPLES OF CONSOLIDATION

The consolidated financial report incorporates the assets and liabilities of all entities controlled by the Company as at 30 June 2024 and the results of all controlled entities for the year then ended. The Company and its controlled entities together are referred to in this financial report as the consolidated entity. The financial statements of controlled entities are prepared for the same reporting period as the parent entity, using consistent accounting policies. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Where control of an entity is obtained during a financial period, its results are included only from the date upon which control commences. Where control of an entity ceases during a financial period, its results are included for that part of the period during which control existed. Non-controlling interests in equity and results of the entities which are controlled by the consolidated entity are shown as a separate item in the consolidated financial statements.

2.7 FOREIGN CURRENCIES

Foreign currency transactions:

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Profit or Loss and Other Comprehensive Income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Australian dollars at foreign exchange rates ruling at the dates the fair value was determined.

The following significant exchange rates have been applied:

	Average rate		Year-end spot rate	
AUD:	**2024**	**2023**	**2024**	**2023**
Canadian dollar (CAD)	**1.13**	1.11	**1.10**	1.13
United States dollar (USD)	**0.66**	0.67	**0.67**	0.66
Philippine peso (PHP)	**37.25**	37.55	**38.99**	36.83

Financial statements of foreign operations:

Each entity in the consolidated entity determines its functional currency, being the currency of the primary economic environment in which the entity operates, reflecting the underlying transactions, events and conditions that are relevant to the entity. The functional currency of the Australian entities is the Australian dollar and the functional currencies of the Canadian and Philippine entities is Canadian dollars and the Philippine Peso respectively. The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated from the entity's functional currency to the consolidated entity's presentation currency of Australian dollars at foreign exchange rates ruling at reporting date. The revenues and expenses of foreign operations are translated to Australian dollars at the exchange rates approximating the exchange rates ruling at the date of the transactions. Foreign exchange differences arising on translation are recognised directly in a separate component of equity.

2.8 IMPAIRMENT

At each reporting date, the consolidated entity reviews and tests the carrying value of assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Where an indicator of impairment exists, the consolidated entity makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the Statement of Profit or Loss and Other Comprehensive Income.

Calculation of recoverable amount

Recoverable amount is the greater of fair value less costs of disposal and value in use. It is determined for a cash-generating unit, unless it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

2.9 KEY ESTIMATES AND JUDGEMENTS

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2. BASIS OF PREPARATION *(cont.)*

2.9 KEY ESTIMATES AND JUDGEMENTS *(cont.)*

In particular, the Group has identified a number of areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described with the associated accounting policy note within the related qualitative and quantitative note.

The selection and disclosure of the consolidated entity's critical accounting policies and estimates and the application of these policies, estimates and judgements is the responsibility of the Board of Directors. The estimates and judgements that may have a significant impact on the carrying amount of assets and liabilities are discussed below.

- Inventories: refer Note 10
- Mine properties: refer Note 12
- Rehabilitation and mine closure provisions: refer Note 12
- Reserves and resources: refer Note 12
- Capitalised exploration and evaluation assets: refer Note 13
- Share based payment transactions: refer Note 27
- Business Combinations: refer Note 25

Impairment of Assets:

At each reporting date, the Group makes an assessment for impairment of all assets if there has been an impairment indicator by evaluating conditions specific to the Group and to the particular assets that may lead to impairment. The recoverable amount of Property, Plant & Equipment and Mine Development Expenditure is determined as the higher of value-in-use and fair value less costs of disposal.

Given the nature of the Group's mining activities, future changes in assumptions upon which these estimates are based may give rise to a material adjustment to the carrying value. This could lead to the recognition of impairment losses in the future. The inter-relationship of the significant assumptions upon which estimated future cash flows are based is such that it is impracticable to disclose the extent of the possible effects of a change in a key assumption in isolation.

Future cash flow estimates are based on expected production volumes and grades, gold price and exchange rate estimates, budgeted and forecasted development levels and operating costs. Management is required to make these estimates and assumptions which are subject to risk and uncertainty. As a result, there is a possibility that changes in circumstances may alter these projections, which could impact on the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be impaired. Impairment losses are recognised in the Statement of Profit or Loss unless the asset has previously been revalued.

Management considered if there were any indicators of impairment of the operational assets as at 30 June 2024 and determined that no such indicators of impairment existed.

Business Combinations:

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. Estimates and judgements are required by the Group, via valuation methods such as discounted cashflow rates, to measure the fair value of the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Going concern:

A key assumption underlying the preparation of the financial statements is that the Group will continue as a going concern. An entity is a going concern when it is considered to be able to pay its debts as and when they are due, and to continue in operation without any intention or necessity to liquidate or otherwise wind up its operations.

The Directors believe it is appropriate to prepare the consolidated financial report on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

FINANCIAL PERFORMANCE

3. SEGMENT INFORMATION

The Group is managed primarily on the basis of its production, development and exploration assets. Separate operating segments are determined on that basis. The King of the Hills operations and Mount Monger operation produce gold bullion. The Deflector operation produces gold bullion and gold-copper concentrate, and the Sugar Zone operation, which had been placed into an idle state as at the reporting date, produced gold bullion and gold concentrate. Sugar Zone is based in Canada, while the other operations all based in Western Australia.

Unless otherwise stated, all amounts reported to the Board of Directors with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the consolidated annual financial statements of the Group.

3. SEGMENT INFORMATION (cont.)

(i) Segment performance

	King of the Hills [b]	Mount Monger	Deflector [c]	Sugar Zone	Unallocated [a]	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Year ended 30 June 2024						
Revenues	**581,620**	**15,958**	**22,424**	**-**	**-**	**620,002**
Segment result before tax	**74,717**	**(12,556)**	**(5,597)**	**(1,320)**	**(60,682)**	**(5,438)**
Included within the segment result:						
Other income	907	-	-	-	166	**1,073**
Interest income	105	358	146	-	254	**863**
Finance expenses	(8,151)	(285)	(43)	(63)	(11,898)	**(20,440)**
Stamp duty and business combination	-	-	-	-	(43,388)	**(43,388)**
Exploration costs expensed	(7,656)	(75)	(943)	(36)	-	**(8,710)**
Depreciation and amortisation	(122,402)	(5,901)	(6,516)	(391)	(341)	**(135,551)**
Year ended 30 June 2023						
Revenues	**422,745**	**-**	**-**	**-**	**-**	**422,745**
Segment result before tax	**9,480**	**-**	**-**	**-**	**(18,210)**	**(8,730)**
Included within the segment result:						
Other income	445	-	-	-	366	811
Interest income	9	-	-	-	52	61
Finance expenses	(8,549)	-	-	-	(13,172)	(21,721)
Exploration costs expensed	(7,181)	-	-	-	-	(7,181)
Depreciation and amortisation	(82,820)	-	-	-	(331)	(83,151)

(ii) Segment Assets

	King of the Hills	Mount Monger	Deflector	Sugar Zone	Unallocated	Total
As at 30 June 2024						
Segment assets	**645,844**	**446,768**	**381,848**	**231,859**	**461,234**	**2,167,553**
Additions to non-current assets:						
Plant and equipment expenditure	24,552	535	-	-	-	**25,087**
Mine properties	84,053	-	-	-	-	**84,053**
As at 30 June 2023						
Segment assets	**648,311**	**-**	**-**	**-**	**22,166**	**670,477**
Additions to non-current assets:						
Plant and equipment expenditure	31,007	-	-	-	81	31,088
Mine properties	95,786	-	-	-	-	95,786

iii) Segment liabilities

	King of the Hills	Mount Monger	Deflector	Sugar Zone	Unallocated	Total
As at 30 June 2024						
Segment liabilities	**206,735**	**97,333**	**78,626**	**23,111**	**140,990**	**546,795**
As at 30 June 2023						
Segment liabilities	204,028	-	-	-	136,378	340,406

(a) Includes corporate and administrative costs of the group.

(b) King of the Hills operation includes the Darlot mine.

(c) Deflector operation includes the Rothsay mine.

4. REVENUE AND EXPENSES

Accounting policy

Gold sales:

The Group recognises revenue when control has passed to the buyer; the Company has no significant continuing involvement; and the amount of revenue and costs incurred or costs to be incurred in respect of the transaction can be measured reliably. The Group's assessment is that this occurs when the sales contract has been entered into and the customer has physical possession of the gold as this is the point at which the customer obtains the ability to direct the use and obtains substantially all of the remaining benefits of ownership of the asset.

The transaction price is determined based on the agreed upon price and the number of ounces delivered. Payment is due upon delivery into the sales contract.

Concentrate sales:

The Group recognises revenue upon receipt of the bill of lading when the concentrate is delivered for shipment or when control has passed to the buyer. Contract terms for concentrate sales allow for a final price adjustment after the date of sale, based on average market prices and final assays in the period after the concentrate is sold. Average market prices are derived from independently published data with material adjustments between the provisional and final price separately disclosed below. This typically occurs between 60-80 days after the initial date of sale.

Gold forward contracts:

As part of the risk management policy, the Group enters into gold forward contracts to manage the gold price of a proportion of anticipated gold sales. The counterparties to the gold forward contracts are BNP Paribas, Australia Branch, the Hongkong and Shanghai Banking Corporation Limited, Sydney Branch, Macquarie Bank Limited ("MBL") and the Commonwealth Bank of Australia (the counterparties).

It is management's intention to settle each contract through physical delivery of gold and as such, the gold forward sale contracts disclosed below do not meet the criteria of financial instruments for accounting purposes. This is referred to as the "normal purchase/sale" exemption. Accordingly, the contracts will be accounted for as sale contracts with revenue recognised once the gold has been delivered to the counterparties.

	CONSOLIDATED YEAR ENDED	
	30 June 2024 $'000	30 June 2023 $'000
(a) Revenue		
Gold sales (1)	**614,534**	419,763
Silver sales	**5,306**	2,982
Copper sales (1)	**162**	-
	620,002	422,745
(b) Cost of sales		
Operating costs	**(394,460)**	(311,875)
Depreciation and amortisation of mine assets	**(135,145)**	(82,745)
	(529,605)	(394,620)
(c) Other income		
Royalty income	**165**	366
Other income	**908**	445
	1,073	811

(1) Included in the current year's gold sales are 111,931 ounces of gold delivered into various hedge programs at an average price of A$2,309 per ounce. At 30 June 2024 the group has a total of 291,188 ounces of gold left to be delivered under these programs over the next 27 months, at an average price of A$2,769 per ounce (FY23: 313,119 ounces, at an average of A$2,526 per ounce). Included in gold and copper sales is $1.25 million of revenue attributable to provisionally priced contracts (FY23: Nil).

4. REVENUE AND EXPENSES *(cont.)*

	CONSOLIDATED YEAR ENDED	
	30 June 2024 $'000	**30 June 2023 $'000**
(d) Administration and other expenses		
Employee related expenses	**(8,325)**	(1,987)
Share based-payments expense	**(3,842)**	(3,994)
Consultancy costs	**(4,282)**	(886)
Employee termination costs	**(1,841)**	-
Corporate and other costs	**(6,943)**	(1,958)
	(25,233)	(8,825)

5. FINANCE INCOME AND EXPENSES

Accounting policy

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest rate method.

Finance expenses comprise interest expense on borrowings, amortisation of loan borrowing costs, leases, unwinding discount on provisions and change in the value of investments measured at fair value through the profit of loss. Loan borrowing costs are amortised using the effective interest rate method. Interest incurred on loans for the construction of a qualifying asset is capitalised to the qualifying asset.

	CONSOLIDATED YEAR ENDED	
	30 June 2024 $'000	**30 June 2023 $'000**
(a) Finance income		
Interest income	**863**	61
	863	61
(b) Finance expenses		
Interest expense on borrowings and leases	**(16,851)**	(18,881)
Unwinding of discount on rehabilitation provision	**(2,322)**	(1,720)
Amortisation of borrowing costs	**(896)**	(1,120)
Change in fair value of listed investments (Note 14)	**(371)**	-
	(20,440)	(21,721)

6. INCOME TAX AND DEFERRED TAX

Accounting policy

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

6. INCOME TAX AND DEFERRED TAX (cont.)

Tax consolidation

The Company and its Australian wholly owned entities are part of a tax-consolidated group. As a consequence, all members of the Australian tax-consolidated group are taxed as a single entity (Red 5 Limited is the head entity within the tax-consolidation group).

Current tax expense/benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within the group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group and are recognised by the Company as amounts payable/(receivable) to/(from) other entities in the tax-consolidated group. Any differences between these amounts are recognised by the Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that the future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

Tax losses

The potential benefit of carried forward tax losses will only be obtained if taxable profits are derived of a nature, and of an amount sufficient, to enable the benefit from the deductions to be realised or the benefit can be utilised by the Group provided that:

i) the provisions of deductibility imposed by law are complied with; and

ii) no change in tax legislation adversely affects the realisation of the benefit from the deductions.

In accordance with the Group's accounting policies for deferred taxes, a deferred tax asset is recognised for unrecognised tax losses only if it is probable that future taxable profits will be available to utilise those losses. Determination of future taxable profits requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. This includes estimates and judgments about commodity prices, ore resources, exchange rates, future capital requirements, future operational performance and the timing of estimated cash flows. Changes in these estimates and assumptions could impact on the amount and probability of estimated taxable profits and accordingly the recoverability of deferred tax assets.

	CONSOLIDATED YEAR ENDED	
	30 June 2024 $'000	30 June 2023 $'000
Current income tax		
Current income tax charge	-	-
Adjustment for prior period	-	-
	-	-
Deferred income tax		
Deferred income tax	-	1,018
Adjustment for prior period	-	(1,018)
	-	-
Income tax (benefit)/charge	-	-

6. INCOME TAX AND DEFERRED TAX (cont.)

A reconciliation between income tax charge and the loss before income tax at the applicable income tax rate is as follows:

	CONSOLIDATED YEAR ENDED	
	30 June 2024 $'000	30 June 2023 $'000
Loss before income tax	**(5,438)**	(8,730)
At statutory income tax rate of 30% (FY23: 30%)	**1,632**	2,619
Temporary difference not recognised / (recognised)	**-**	59
Items not allowable for income tax purposes:		
Non-deductible items	**(1,300)**	(1,256)
Prior year and current year movement for which net deferred tax asset is not recognised	**(332)**	-
Current year losses for which deferred tax asset is not recognised	**-**	(404)
Prior period adjustment	**-**	(1,018)
Income tax benefit (benefit)/charge	**-**	-
Tax losses and temporary differences not brought to account (tax effected):		
Tax losses	**119,602**	17,930

A portion of the tax losses and deductible temporary differences have not been recognised as a deferred tax asset at 30 June 2024 because the Directors do not presently believe that their realisation can be regarded as probable, except to the extent that they offset deferred tax liabilities.

Movement in deferred tax balances:

	Net balance at 1 July 2023 $'000	Recognised in profit or loss $'000	Recognised in equity $'000	Over/(under) provision $'000	Business combin-ation $'000	Recognised/ (un-recognised $'000	Net balance at 30 June 2024 $'000
Deferred tax assets							
Inventories	4,120	617	-	(2,275)	(2,302)	-	**160**
Leases	786	909	-	(394)	1,510	-	**2,811**
Provisions and employee benefits	18,742	13,363	-	1,614	17,048	-	**50,767**
Other items	1,802	(855)	176	410	(7,411)	-	**(5,878)**
Tax losses (Revenue)	69,900	(17,411)	-	39,509	97,778	(93,851)	**95,925**
Tax losses (Capital)	-	-	-	25,750	-	(25,750)	**-**
	95,350	**(3,377)**	**176**	**64,614**	**106,623**	**(119,601)**	**143,785**
Deferred tax liabilities							
Property, plant and equipment	(92,383)	2,037	-	(8,070)	(13,909)	-	**(112,325)**
Exploration and evaluation assets	(2,967)	(402)	-	(18)	(28,804)	-	**(32,191)**
Intangible assets	-	395	-	(2,827)	-	-	**(2,432)**
	(95,350)	**2,030**	**-**	**(10,915)**	**(42,713)**	**-**	**(146,948)**
(Unrecognised)/recognised net deferred tax asset	-	1,347	(176)	(53,699)	(67,073)	119,601	**-**
	-	**-**	**-**	**-**	**(3,163)**	**-**	**(3,163)**

6. INCOME TAX AND DEFERRED TAX *(cont.)*

	Net balance at 1 July 2022	Recognised in profit or loss	Recognised in equity	Over/(under) provision	Business combin-ation	Recognised / (un-recognised	Net balance at 30 June 2023
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Property, plant and equipment and intangible assets	(71,074)	(21,309)	-	-	-	-	(92,383)
Exploration and evaluation assets	(11,941)	8,974	-	-	-	-	(2,967)
Inventories	3,994	126	-	-	-	-	4,120
Provisions and employee benefits	17,000	1,742	-	-	-	-	18,742
Leases	(460)	1,246	-	-	-	-	786
Other items	2,029	(227)	-	-	-	-	1,802
Tax losses recognised	60,452	9,448	-	-	-	-	69,900
	-	-	-	-	-	-	-

7. EARNINGS PER SHARE

Accounting policy

Earnings per share ("EPS") is the amount of post-tax profit or loss attributable to each share. The Group presents basic and diluted EPS data for ordinary shares.

Basic earnings per share is determined by dividing net operating results after income tax attributable to members of the parent entity, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to potential ordinary shares, being unlisted employee performance and service rights on issue.

	CONSOLIDATED	
	30 June 2024 $'000	**30 June 2023 $'000**
Net loss after income tax used in calculating basic and diluted earnings per share	**(5,438)**	(8,730)

7. EARNINGS PER SHARE *(cont.)*

Weighted-average number of ordinary shares (basic):

	CONSOLIDATED	
	Weighted average number of shares	
	2024	2023
	Thousands	Thousands
Opening issued ordinary shares	**3,459,483**	2,356,359
Effect of shares issued 14 September 2023	**2,158**	-
Effect of shared issued 3 January 2024	**792**	-
Effect of shares issued 19 June 2024	**1,769**	-
Effect of shares issued 19 June 2024	**107,696**	-
Effect of shares issued 4 July 2022	**-**	409
Effect of shares issued 28 August 2022	**-**	4,535
Effect of shares issued 10 October 2022	**-**	256,279
Effect of shares issued 2 November 2022	**-**	36,746
Effect of shares issued 28 November 2022	**-**	12,179
Effect of shares issued 2 March 2023	**-**	138,876
Effect of shares issued 13 April 2023	**-**	16,032
Effect of shares issued 18 April 2023	**-**	35,210
Weighted average number of ordinary shares at 30 June (basic)	**3,571,898**	2,856,625
Weighted-average number of ordinary shares (basic):	**3,571,898**	2,856,625
Effect of performance rights contingently issuable	**-**	-
Effect of service rights contingently issuable	**-**	-
Weighted average number of ordinary shares at 30 June (diluted)	**3,571,898**	2,856,625
Earnings per share (cents per share)		
Basic earnings/(loss) per share	**(0.15)**	(0.31)
Diluted earnings/(loss) per share	**(0.15)**	(0.31)

OPERATING ASSETS AND LIABILITIES

8. CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less. The Group ensures that as far as possible it maintains excess cash and cash equivalents in short-term high interest bearing deposits. Cash at bank earns interest at floating rates based on bank deposit rates. The Group's exposure to interest rate risk and sensitivity analysis of financial assets and liabilities are disclosed in Note 22.

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$'000	$'000
Cash at bank [(a)]	**428,811**	20,111
Cash on hand	**1**	1
	428,812	20,112

(a) The Group is required to maintain a minimum cash balance of $7.5 million in its account at Hongkong and Shanghai Bank Corporation Limited. Upon repayment of the syndicate loan in July 2024, this minimum cash balance requirement is no longer necessary.

8. CASH AND CASH EQUIVALENTS *(cont.)*

Reconciliation of profit/(loss) after income tax to net cash flow from operating activities:

	CONSOLIDATED	
	30 June 2024	**30 June 2023**
	$'000	**$'000**
Operating loss after income tax	**(5,438)**	(8,730)
Adjustments for:		
Amortisation and depreciation	**135,552**	83,151
Deferred tax	**3,163**	-
Share based payment	**3,842**	3,994
Interest expenses	**16,851**	19,257
Write down of obsolete inventory	**2,058**	769
Write down of gold-in-circuit inventory	**59**	2,133
Change in fair value of investments	**(371)**	-
Unwinding of asset retirement obligation	**2,322**	1,720
Amortisation of borrowing costs	**896**	1,120
Changes in operating assets and liabilities:		
(Increase)/decrease in inventories	**(8,601)**	(47,745)
(Increase)/decrease in receivables	**11,349**	(9,948)
Increase/(decrease) in payables	**15,040**	2,238
Increase/(decrease) in other liabilities	**(12,679)**	741
Increase/(decrease) in provisions	**42,592**	(2,035)
Net cash flow from operating activities	**206,635**	46,665

9. TRADE AND OTHER RECEIVABLES

Accounting policy

Trade and other receivables are carried at amortised cost. Where there is evidence that a receivable is not recoverable, it is impaired with a corresponding charge to the profit or loss statement. Trade receivables are non-interest bearing. Exposure to credit risk in relation receivables is not material.

	CONSOLIDATED	
	30 June 2024	**30 June 2023**
	$'000	**$'000**
Current		
Trade debtors [(a)]	**13,297**	10,933
Restricted cash [(b)]	**7,500**	7,500
Prepayments	**3,383**	5,273
Sales tax receivable	**8,395**	4,656
Sundry debtors	**1,759**	611
	34,334	28,973
Non-current		
Security deposits [(c)]	**6,162**	8,162
VAT receivable	**20**	6
	6,182	8,168

(a) Trade debtors includes amounts receivable for 1,750 ounces of gold sold on 30 June 2024, equivalent to $6.1 million (FY23: 3,563 ounces equivalent to $10.1 million).

(b) Restricted cash is made up of $7.5 million of funds in a debt service reserve account which may be utilised for syndicate loan repayments. Upon repayment of the syndicate loan in July 2024, the debt service reserve account was released to operating cash and cash equivalents.

(c) Security deposits mainly includes a bank guarantee in place over a leased asset. This was reduced by $2.0 million during the year in terms of the leased asset contract.

10. INVENTORIES

Accounting policy

Gold in circuit, bullion on hand and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to perform the sale.

Stockpiles that are not forecast to be processed over the next 12 months are classified as non-current inventory. At the reporting date the Group carried out a net realisable value assessment of inventory and assessed that all inventory was carried at the lower of cost and net realisable value.

Cost represents the weighted average cost and comprises direct material, labour, and an appropriate portion of fixed and variable production overhead expenditure on the basis of normal operating capacity, including depreciation and amortisation incurred in converting materials to finished products.

Inventories of consumable supplies and spare parts expected to be used in production are valued at the lower of cost and net realisable value. Any provision for obsolescence or damage is determined by reference to specific stock items identified. The carrying value of those items identified, if any, is written down to net realisable value.

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$'000	$'000
Current		
Stores, spares and consumables at cost	**46,922**	20,810
Provision for slow-moving stores, spares and consumables [(a)]	**(8,209)**	(6,151)
	38,713	14,659
Run of mine stockpiles [(b)]	**9,310**	52,236
Gold in circuit	**18,013**	6,326
Crushed ore stockpile	**66,865**	3,329
Gold Bullion	**11,141**	-
	144,042	76,550
Non-current		
Run of mine stockpiles [(b)]	**136,098**	7,911
	136,098	7,911

(a) During the period the provision for slow-moving stores, spares and consumables inventory at the Darlot and King of the Hills mines was increased by $2.1 million (FY23: $0.6 million).

(b) Net realisable value adjustments of $21.9 million were made during the year (FY23: $5.9 million).

11. PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Property, plant and equipment includes land and buildings, plant and equipment, fixtures and fittings, right-of-use assets and assets under construction. All assets acquired are initially recorded at their cost of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Land and buildings are measured at cost less accumulated depreciation on the buildings. Buildings are depreciated on a straight-line basis over the life of mine.

Plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Items of plant and equipment are depreciated using a combination of units of production, straight line and diminishing value methods, commencing from the time they are installed and ready for use, or in respect of internally constructed assets, from the date the asset is completed and ready for use. Depreciation of the processing plant is based on life of mine. The expected useful lives of plant and equipment are between 3 and 13 years. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Fixtures and fittings include office equipment and computer hardware and are depreciated on a straight-line basis over their expected useful lives between 3 and 13 years.

11. PROPERTY, PLANT AND EQUIPMENT (cont.)

Right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses. They are depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term, or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use assets are depreciated over the useful life of the underlying asset.

Intangible assets mainly comprise capitalised software. Intangible assets are initially recorded at cost of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. Capitalised software is amortised on a straight-line basis over three years commencing when it is available for use.

	Land and buildings	Plant and equipment	Right of use assets	Assets under construction	Total
	$'000	$'000	$'000	$'000	$'000
Cost					
Balance at 1 July 2023	35,410	250,745	128,278	1,692	416,125
Additions	226	10,527	1,822	12,512	25,087
Acquired in business combination (Note 25)	21,649	228,220	43,273	14,668	307,810
Transfer from assets under construction	106	1,538	4	(1,648)	-
Balance at 30 June 2024	**57,391**	**491,030**	**173,377**	**27,224**	**749,022**
Balance at 1 July 2022	35,170	216,652	126,639	6,576	385,037
Additions	240	27,849	1,639	1,360	31,088
Transfer from assets under construction	-	6,244	-	(6,244)	-
Balance at 30 June 2023	**35,410**	**250,745**	**128,278**	**1,692**	**416,125**
Accumulated depreciation					
Balance at 1 July 2023	(11,050)	(70,137)	(45,609)	-	(126,796)
Depreciation for the year	(2,688)	(25,951)	(25,367)	-	(54,006)
Balance at 30 June 2024	**(13,738)**	**(96,088)**	**(70,976)**	**-**	**(180,802)**
Balance at 1 July 2022	(7,507)	(49,574)	(24,578)	-	(81,659)
Depreciation for the year	(3,543)	(20,563)	(21,031)	-	(45,137)
Balance at 30 June 2023	**(11,050)**	**(70,137)**	**(45,609)**	**-**	**(126,796)**
Carrying amounts					
At 1 July 2022	27,663	167,078	102,061	6,576	303,378
At 30 June 2023	24,360	180,608	82,669	1,692	289,329
At 30 June 2024	**43,653**	**394,942**	**102,401**	**27,224**	**568,220**

12. MINE PROPERTIES

Accounting policy

Production stripping costs and Other mine development:

Pre-Production: Costs incurred in the development of a mine before production commences are capitalised as part of the mine development costs, with the exception of any costs relating to the pre-production sale of products which is expensed to the Statement of Profit or Loss. These include pre-strip costs which are costs incurred in open pit mining operations, to remove overburden and waste materials to access the ore. The Group capitalises stripping costs incurred during the development of a mine as part of the investment in constructing the mine.

All capitalised development costs incurred within that area of interest are carried at cost. They are amortised from the commencement of commercial production over the productive life of the project according to the mine plan, on a units-of-production basis.

12. MINE PROPERTIES *(cont.)*

Post-Production: Costs incurred in developing further areas of the mine are capitalised as part of the mine development costs and are amortised over the productive life of the project on a unit-of-production basis, based on reserves.

Deferred waste mining costs: Stripping costs incurred after the commencement of production are generally considered to create two benefits, being either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories. Where the benefits are realised in the form of improved access to ore to be mined in the future, the costs are capitalised, if the following criteria is met:

- Future economic benefits (being improved access to the ore body) are probable;
- The component of the ore body for which access will be improved can be accurately identified; and
- The costs associated with the improved access can be reliably measured.

If all the criteria are not met, the production stripping costs are charged to profit or loss as they are incurred.

Depreciation of the stripping activity asset is determined on a unit of production basis over the life of the asset based on reserves for each area of interest.

Asset retirement obligation:

Asset retirement obligation represents the estimated future cost of closure and rehabilitation of the mine site. It is amortised over the life of the mine. Changes in the asset retirement obligation (also referred to as a rehabilitation provision, refer Note 16) resulting from changes in the size or timing of the cost or from changes in the discount rate are also recognised as part of the asset cost.

Mineral rights:

Mineral rights comprise identifiable exploration and evaluation assets, mineral resources and ore reserves, which are acquired as part of a business combination or joint venture acquisition and are recognised at fair value at the date of acquisition. Where possible, mineral interests are attributable to specific areas of interest and are classified within mine properties and are amortised over the life of the mine.

	Production stripping costs	Other mine development	Asset retirement obligation	Mineral rights	Total
	$'000	$'000	$'000	$'000	$'000
Cost					
Balance at 1 July 2023	129,513	141,885	26,997	30,717	329,112
Additions	58,250	25,689	-	114	84,053
Acquired in a business combination (Note 25)	-	560,951	-	-	560,951
Transfer from exploration and evaluation	-	3,498	-	-	3,498
Rehabilitation cost estimate change	-	-	6,781	-	6,781
Rehabilitation economic variables change	-	-	(2,467)	-	(2,467)
Balance at 30 June 2024	**187,763**	**732,023**	**31,311**	**30,831**	**981,928**
Balance at 1 July 2022	53,348	91,018	19,106	30,717	194,189
Additions	76,165	19,621	-	-	95,786
Transfer from exploration and evaluation	-	31,246	-	-	31,246
Rehabilitation cost estimate change	-	-	9,765	-	9,765
Rehabilitation economic variables change	-	-	(1,874)	-	(1,874)
Balance at 30 June 2023	**129,513**	**141,885**	**26,997**	**30,717**	**329,112**

12. MINE PROPERTIES *(cont.)*

	Production stripping costs	Other mine development	Asset retirement obligation	Mineral rights	Total
	$'000	$'000	$'000	$'000	$'000
Accumulated amortisation					
Balance at 1 July 2023	(20,717)	(52,578)	(5,914)	(21,405)	(100,614)
Amortisation	(36,029)	(38,184)	(5,323)	(1,781)	(81,317)
Balance at 30 June 2024	**(56,746)**	**(90,762)**	**(11,237)**	**(23,186)**	**(181,931)**
Balance at 1 July 2022	(79)	(39,370)	(3,190)	(20,134)	(62,773)
Amortisation	(20,638)	(13,208)	(2,724)	(1,271)	(37,841)
Balance at 30 June 2023	**(20,717)**	**(52,578)**	**(5,914)**	**(21,405)**	**(100,614)**
Carrying amounts					
At 1 July 2022	53,269	51,648	15,916	10,583	131,416
At 30 June 2023	108,796	89,307	21,083	9,312	228,498
At 30 June 2024	**131,017**	**641,261**	**20,074**	**7,645**	**799,997**

Key estimates and judgements

Impairment testing of assets in the development or production phase:

The carrying amounts of assets in the development or production phase are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal (FVLCD). In assessing FVLCD, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit or Loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

Long term development and production phase assets that relate to unmined resources are assessed in light of current economic conditions. Assumptions on the economic returns on and timing of specific production options may impact on the timing of development of these assets. The carrying values of these assets are assessed where an indicator of impairment exists using a fair value less cost to sell technique. This is done based on implied market values against their existing resource and reserve base and an assessment on the likelihood of recoverability from the successful development or sale of the asset. The implied market values are calculated based on recent comparable transactions within Australia converted to a value per ounce. This is considered to be a Level 3 valuation technique.

Stripping costs:

The Group capitalises mining costs incurred during the production stage of its operations in accordance with the accounting policy described above. Once it has identified its production stripping for each surface mining operation, it identifies the separate components of the ore bodies for each of its mining operations. An identifiable component is a specific volume of the ore body that is made more accessible by the stripping activity. Significant judgement is required to identify and define these components, and also to determine the expected volumes (e.g. in tonnes) of waste to be stripped and ore to be mined in each of these components. These assessments are undertaken for each individual mining operation based on the information available in the mine plan. The mine plans and, therefore, the identification of components, will vary between mines for a number of reasons. These include, but are not limited to, the type of commodity, the geological characteristics of the ore body, the geographical location and/or financial considerations.

12. MINE PROPERTIES *(cont.)*

Judgement is also required to identify a suitable production measure to be used to allocate production stripping costs between inventory and any stripping activity asset(s) for each component. The Group considers that the ratio of the expected volume (e.g. in tonnes) of waste to be stripped for an expected volume (e.g. in tonnes) of ore to be mined for a specific component of the ore body, is the most suitable production measure.

Reserves and resources:

The Group determines and reports ore reserves under the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves Code ("JORC") as revised December 2012 JORC for underground reserves and the JORC 2012 edition for open pit reserves. The JORC code requires the use of reasonable investment assumptions to calculate reserves. Reserves determined in this way are taken into account in the calculation of depreciation of mining plant and equipment (refer to Note 11), amortisation of capitalised development expenditure (refer to Note 12 above), and impairment relating to these assets.

Changes in reported reserves may affect the Group's financial results and financial position in a number of ways, including:

- Asset carrying values may be impacted due to changes in estimated cash flows;
- Depreciation and amortisation charged in the statement of profit or loss and other comprehensive income may change where such charges are calculated using the units of production basis;
- Deferred waste amortisation, based on estimates of reserve to waste ratios;
- Decommissioning, site restoration and environmental provisions may change where changes in estimated reserves alter expectations about the timing or cost of these activities.

13. EXPLORATION AND EVALUATION

Accounting policy

Exploration and evaluation assets are accumulated at cost in respect of each identifiable area of interest. Costs incurred in respect of generative, broad scale exploration activities are expensed in the period in which they are incurred, other than costs relating to acquisitions. Costs incurred for each area of interest where a resource or reserve estimated in accordance with JORC guidelines has been identified, are capitalised. The costs are only carried forward to the extent they are expected to be recouped through the successful development of the area, or where further work is to be performed to provide additional information.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. When production commences, the accumulated costs for the relevant area of interest will be reclassified to mine properties and amortised over the life of the area according to the rate of depletion of reserves. No amortisation is charged during the exploration and evaluation phase.

Accumulated costs in relation to an abandoned area will be written off in full to the Statement of Profit or Loss and Other Comprehensive Income in the year in which the decision to abandon the area is made.

	CONSOLIDATED	
	30 June 2024	**30 June 2023**
	$'000	**$'000**
Opening balance	**10,767**	41,133
Acquired in a business combination (Note 25)	**37,683**	-
Exploration and evaluation expenditure incurred in current period	**10,656**	8,061
Exploration expenditure transferred to profit or loss	**(8,710)**	(7,181)
Exploration expenditure transferred to mine development	**(3,498)**	(31,246)
Closing balance	**46,898**	10,767

13. EXPLORATION AND EVALUATION (cont.)

Key estimates and judgements

Impairment testing of exploration and evaluation assets:

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation assets are tested for impairment when any of the following facts and circumstances exist:

- the term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration and evaluation of mineral resources in the specific area are not budgeted or planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resource and the decision was made to discontinue such activities in the specific area; or
- sufficient data exists to indicate that, although development in the specific area of interest is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When a potential impairment is indicated, an assessment is performed for each cash generating unit which is no larger than the area of interest.

Exploration expenditure commitments:

Exploration expenditure commitments represent tenement rentals and minimum spend requirements that are required to be met under the relevant legislation should the Group wish to retain tenure on all its current tenements.

14. INVESTMENTS

Accounting policy

Financial assets designated at fair value through profit or loss comprise investments in equity securities.

A financial asset is classified at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets are measured at fair value and changes are recognised in the profit or loss.

The fair values of investments in equity securities are determined with reference to their quoted ASX closing price at balance date (considered a Level 1 fair value measurement).

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$'000	$'000
Opening balance	**-**	-
Acquired in a business combination	**2,471** (a)	-
Closing balance	**2,471**	-

(a) Represents Silver Lake's investments in entities other than Red 5.

15. TRADE AND OTHER PAYABLES

Accounting policy

Trade and other payables are recognised at the value of invoices received from suppliers. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. They are non-interest bearing and are normally settled in 15 to 45 day terms.

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$'000	$'000
Current		
Creditors and accruals	**149,409**	56,527
Royalties and other indirect taxes	**8,170**	6,666
Other creditors	**2,661**	490
Total	**160,240**	63,683

16. PROVISIONS

Accounting policy

A provision is recognised in the Statement of Financial Position when the consolidated entity has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at the pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risk specific to the liability.

Rehabilitation and mine closure provisions:

A provision for rehabilitation costs is made based on the net present value of the Group's estimated cost of restoring the environmental disturbance that has occurred up to the balance date. Increases due to additional environmental disturbances are capitalised to the asset retirement obligation (refer Note 12) and amortised over the remaining lives of the operations where they have future economic benefit, otherwise they are expensed. These increases are accounted for on a net present value basis.

Annual increases in the provision relating to the change in the net present value of the provision and inflationary increases are accounted for in the Statement of Profit and Loss as a finance expense. The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances.

In the case of provisions for assets which remain in use, adjustments to the carrying value of the provision are offset by a change in the carrying value of the related asset. Where the provisions are for assets no longer in use or for obligations arising from the production process, the adjustment is reflected directly in the Statement of Profit or Loss.

Key estimates and judgements

The discounted value reflects a combination of the Group's assessment of the costs of performing the work required, the timing of the cash flows and the discount rate. A change in any, or a combination, of the three key assumptions used to determine the provisions could have a material impact to the carrying value of the provision.

16. PROVISIONS (cont.)

Risks that could affect the cost of the work required are unforeseen changes in regulations, changes in levels of contamination or changes in the risk-free rate of the applicable government bond being used as the discount rate.

	CONSOLIDATED		
	Rehabilitation provision	Other provisions [(a)]	Total
	$'000	$'000	$'000
Opening balance	57,293	2,393	59,686
Acquired in a business combination (Note 25)	48,255	-	48,255
Provisions made [(a)]	-	34,676	34,676
Provisions utilised	-	-	-
Change in estimate of rehabilitation disturbance cost [(b)]	6,781	-	6,781
Change in economic variables of rehabilitation estimate	(2,467)	-	(2,467)
Unwinding of discount	2,322	-	2,322
Closing balance	**112,184**	**37,069**	**149,253**
Current	-	35,123	35,123
Non-current	112,184	1,946	114,130
Total	**112,184**	**37,069**	**149,253**

(a) *Other provisions: Includes provision for stamp duty resulting from the business combination of $33.5 million, and provision for Mine Rehabilitation Fund (MRF) Levy.*

(b) *At the end of the reporting period a review of the Group's closure and rehabilitation provision was undertaken using updated cost assumptions and updated rehabilitation plans. As a result of this review the provision was increased by $6.8 million (FY23: $9.8 million increase).*

17. EMPLOYEE BENEFITS

Accounting policy

Defined Contribution Superannuation Funds:

Obligations for contributions to defined contribution superannuation funds and pension plans are recognised as an expense in the profit or loss when they are incurred.

Other long-term employee benefits:

The Group's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods plus related on-costs. The obligation is measured at the present value of the estimated future cash outflow to be made in respect of those services provided by employees up to the balance date.

Short-term benefits:

Liabilities arising in respect of employee benefits expected to be settled within twelve months of the balance date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$'000	$'000
Provision for employee entitlements		
Provision for annual leave	**10,368**	3,823
Provision for long-service leave	**4,119**	1,690
Provision for other employee benefits	**11,817**	2,414
Total	**26,304**	7,927
Current	**25,244**	7,130
Non-current	**1,060**	797
Total	**26,304**	7,927

18. LEASE LIABILITIES

Accounting policy

At the inception of a contract the Group assesses whether the contract is or contains a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises it as a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy (as outlined in the financial report for the annual reporting period).

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in profit or loss.

As a practical expedient, AASB 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

18. LEASE LIABILITIES (cont.)

	CONSOLIDATED					
	Future minimum lease payments		Interest		Present value of minimum lease payments	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Less than one year	**44,959**	24,393	**7,330**	5,836	**37,629**	18,557
Between one and five years	**74,131**	56,772	**11,837**	12,155	**62,294**	44,617
Five years and later	**17,098**	23,190	**1,909**	3,394	**15,189**	19,796
Total	**136,188**	104,355	**21,076**	21,385	**115,112**	82,970
Current	**44,959**	24,393	**7,330**	5,836	**37,629**	18,557
Non-current	**91,229**	79,962	**13,746**	15,549	**77,483**	64,413
Total	**136,188**	104,355	**21,076**	21,385	**115,112**	82,970

Lease liabilities include electricity and gas power plants, vehicles and equipment, and corporate office buildings. Ownership of the vehicles and equipment will revert to the Company at the end of the leases at no additional cost.

The Company's obligations under the leases are secured by the lessor's title to the leased assets. They expire between August 2024 and April 2032 and bear interest at rates between 2.3% and 8.4%.

Variable lease payments on right-of-use assets amounted to $304.0 million for the year (FY23: $164.4 million).

CAPITAL STRUCTURE AND FINANCIAL RISK MANAGEMENT

19. FINANCIAL LIABILITY

	Bank syndicate debt facility	
	30 June 2024	30 June 2023
	$'000	$'000
Nominal Interest Rate	**BBSY bid rate + 4.5%**	BBSY bid rate + 4.5%
Loan Term	**69 months**	69 months
Carrying Value	**92,723**	126,140
Current	**92,723**	21,854
Non-current	**-**	104,286
Total	**92,723**	126,140

Red 5 has a $175.0 million debt facility commitment which was entered into in May 2021 with a syndicate comprising BNP Paribas, Australia branch, The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch and Macquarie Bank Limited (Syndicated Facility Agreement). The terms of the Syndicated Facility were varied in March, October and November 2023. These were non-substantial variations relating to the calculation method of one of the covenants, the payment profile and interest rate, resulting in a fair value loss of $0.8 million which is being amortised over the remaining duration of the debt facility.

The key terms of the Syndicated Facility include:

- $160.0 million senior secured project loan facility;
- $15.0 million cost overrun and working capital facility;
- Loan term of 5.5 years, maturing on 30 June 2026;
- An interest rate in respect of the senior secured project loan facility of BBSY-bid plus a margin of 4.5% p.a.;
- Certain financial covenants; and
- Guaranteed and secured on a first-ranking basis over all Australian assets of Red 5, Greenstone Resources (WA) Pty Ltd, Opus Resources Pty Ltd and Darlot Mining Company Pty Ltd.

19. FINANCIAL LIABILITY *(cont.)*

The initial draw-down on the debt facility took place in July 2021 and $82.1 million was repaid up to 30 June 2024 with $34.9 million repaid in the current financial year. The remaining balance of $92.9 million was repaid on 8 July 2024. Loan acquisition costs of $2.8 million have been offset against the $175.0 million drawn down.

Under the Syndicated Facility Agreement which governs the long-term debt, the Company was subject to amended covenants from the March 2023 quarter for which it has to report on a quarterly basis or in the event of a default. The Company has been compliant under those amended financial covenants. On 28 June 2024, following the acquisition of Silver Lake, a refinancing implementation deed was entered into that substantially reduced the covenants around the debt facility.

20. FAIR VALUE MEASUREMENT

The fair values of financial assets and financial liabilities carried at amortised cost approximate their carrying value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest - level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest - level input that is significant to the fair value measurement is unobservable

The following financial assets and liabilities are classified as level 2:

- Financial liabilities - borrowings of $92.7 million (FY23: $126.1 million)

21. FINANCIAL INSTRUMENTS

Accounting policy

Non-derivative financial instruments:

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other creditors. Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Trade and other receivables are carried at amortised cost. Trade receivables are non-interest bearing. Loans and borrowings are measured at amortised cost using the effective interest method, less any impairment losses. Liabilities for trade creditors and other amounts are carried at amortised cost. Trade payables are non-interest bearing and are normally settled on 30 day terms.

For trade receivables, the Group uses the simplified approach to recognise impairments based on the lifetime expected credit loss. For other receivables, the Group applies the general approach and recognises impairments based on a 12-month expected credit loss. Impairment allowances are based on a forward-looking expected credit loss model. Where there has been a significant increase in credit risk, a loss allowance for lifetime expected credit losses is required.

Exposures are grouped by external credit rating and security options and an expected credit loss rate is calculated accordingly. Where applicable, actual credit loss experience is also taken into account. For remaining receivables without an external credit rating or security option, a rating of BB (Standard and Poor's) is used, on the basis that there is no support that it is investment grade, nor is there any evidence of default.

For the purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdrafts.

Gold hedges:

It is management's intention to settle each contract through physical delivery of gold and as such, the gold forward sale contracts entered into by the Company do not meet the criteria of financial instruments for accounting purposes which is referred to as the "own use" exemption. Accordingly, the contracts will be accounted for as sale contracts with revenue recognised once the gold has been delivered to the counterparty.

22. FINANCIAL RISK MANAGEMENT

(a) Overview

This note presents information about the consolidated entity's exposure to credit, liquidity and market risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the consolidated entity through regular reviews of the risks.

The Board has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

(b) Credit risk

Credit risk is the risk of financial loss to the consolidated entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the consolidated entity receivables from customers and investment securities. For the Company it arises from receivables due from subsidiaries.

Presently, the consolidated entity undertakes exploration, mining and gold production activities.

The Group sells gold to several customers in Australia and has managed its exposure to credit risk by analysing the creditworthiness of the customers.

(i) Cash and cash equivalents

The consolidated entity limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating. Any excess cash and cash equivalents are maintained in short term deposits with more than one major Australian commercial bank at interest rates maturing over 30 to 120 day rolling periods.

(ii) Trade and other receivables

The Group's trade and other receivables relate mainly to gold sales and sales tax refunds. The Group has determined that its exposure to trade receivable credit risk is low, given that it sells gold bullion to a single reputable refiner with short contractual payment terms and sales tax refunds are due from Government tax bodies namely the Australian Tax Office, Canada Revenue Agency and the Philippines Bureau of Internal Revenue.

(iii) Exposure to credit risk

The carrying amount of the consolidated entity's financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	CONSOLIDATED	
	Carrying amount	
	30 June 2024	30 June 2023
	$'000	$'000
Cash and cash equivalents	**428,812**	20,112
Trade and other receivables	**34,334**	28,973
Non-current receivables	**6,182**	8,168

(c) Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the consolidated entity.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows.

22. FINANCIAL RISK MANAGEMENT *(cont.)*

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	CONSOLIDATED				
	Carrying amount	Contractual cash flows	Less than one year	Between one and five years	More than five years
	$'000	$'000	$'000	$'000	$'000
As at 30 June 2024					
Trade and other payables [(a)]	160,240	(160,240)	(160,240)	-	-
Lease liabilities	115,112	(136,188)	(44,959)	(74,131)	(17,098)
Financial liabilities	92,723	(92,877)	(92,877)	-	-
	368,075	**(389,305)**	**(298,076)**	**(74,131)**	**(17,098)**
As at 30 June 2023					
Trade and other payables [(a)]	63,683	(63,683)	(63,683)	-	-
Lease liabilities	82,970	(104,355)	(24,393)	(56,772)	(23,190)
Financial liabilities	126,140	(150,638)	(32,961)	(117,677)	-
	272,793	**(318,676)**	**(121,037)**	**(174,449)**	**(23,190)**

(a) The carrying value at balance sheet date approximates fair value.

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and commodity prices will affect the consolidated entity's income or the value of its holdings of financial instruments. Changes in the market gold price will affect the derivative valuation at each reporting date. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Commodity risk and gold price sensitivity

The Group's exposure to commodity price risk arises largely from the underlying commodity spot price and from Australian dollar and Canadian dollar gold price fluctuations. The Group's exposure to movements in the gold price is managed through the use of Australian dollar gold forward contracts. The gold forward sale contracts do not meet the criteria of financial instruments for accounting purposes on the basis that they meet the normal purchase/sale exemption because physical gold will be delivered into the contracts.

At balance sheet date, there were commitments over future sales of gold from the King of the Hills and Mount Monger operations (refer to Note 34). No sensitivity analysis is provided for these contracts as they are outside the scope of AASB 9 *Financial Instruments*.

(ii) Currency risk

Currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group does not hedge currency risks.

At reporting date the Group held US$0.6 million in USD bank accounts (FY23: US$0.3 million), C$4.5 million in CAD bank accounts relating to Sugar Zone (FY23: Nil) and had outstanding receivables of C$4.3 million relating to Sugar Zone (FY23: Nil). An increase/decrease in the AUD:USD and AUD:CAD foreign exchange rates of 10% would result in a $1.1 million impact to net assets and pre-tax profit (FY23: $0.1 million).

The Group is exposed to translation-related risks arising from the Sugar Zone Operation having a functional currency (CAD) difference from the Group's presentation currency (AUD). An increase/decrease in AUD:CAD foreign exchange rate of 10% would result in $12.2 million impact to net assets and equity reserves.

(iii) Interest rate risk

The consolidated entity is exposed to interest rate risk, primarily on its borrowings and on its cash and cash equivalents. This is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The consolidated entity does not currently use derivatives to mitigate these exposures.

For cash and cash equivalents, the consolidated entity adopts a policy of ensuring that any excess cash is utilised to pay down long term debt under the terms of the Syndicated Facility Agreement.

22. FINANCIAL RISK MANAGEMENT (cont.)

At the reporting date the interest rate exposure of the consolidated entity's interest-bearing financial instruments was:

	CONSOLIDATED	
	Carrying amount	
	30 June 2024	30 June 2023
	$'000	$'000
Cash and cash equivalents	**428,812**	20,112
Restricted cash	**7,500**	7,500
Security deposits	**6,162**	8,162
Borrowings	**(92,723)**	(126,140)
	349,751	(90,366)

Cash flow sensitivity analysis for variable rate instruments

An increase of 200 basis points or decrease of 200 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below:

	CONSOLIDATED			
	Profit or loss		Equity	
	200pb increase	200bp decrease	200bp increase	200bp decrease
	$'000	$'000	$'000	$'000
30 June 2024				
Variable rate instruments	**6,995**	**(6,995)**	**6,995**	**(6,995)**
30 June 2023				
Variable rate instruments	(1,807)	1,807	(1,807)	1,807

(iv) Equity price risk

Equity investments are long-term investments that have been classified as financial assets at fair value through profit or loss.

(e) Net fair values

The carrying value of financial assets and financial liabilities is considered to a fair approximation of their fair values. The carrying amounts of equity investments are valued at year end at their quoted market price.

(f) Capital management

The consolidated entity's objective when managing capital is to safeguard its ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the consolidated entity may return capital to shareholders, issue new shares or sell assets to reduce debt.

Risk management is facilitated by regular monitoring and by reporting to the Board and key management personnel. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

23. CONTRIBUTED EQUITY

Accounting policy

Ordinary shares are classified as equity. They entitle the holder to participate in dividends and proceeds on the winding up of the parent entity in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$'000	$'000
(a) Share capital		
6,802,473,382 (FY23: 3,459,483,380) ordinary fully paid shares	**2,085,423**	596,668

	CONSOLIDATED	
	Thousand shares	$'000
(b) Movements in ordinary share capital		
On issue at 30 June 2022	2,356,361	443,160
Capital raising for cash	1,097,319	158,904
Performance rights vested and converted to shares	5,391	1,367
Service rights vested and converted to shares	412	75
Share issue costs	-	(6,838)
On issue at 30 June 2023	3,459,483	596,668
On issue at 1 July 2023	3,459,483	596,668
Issued on business combination (refer Note 25)	3,284,723	1,478,125
Performance rights vested and converted to shares	56,656	10,824
Service rights vested and converted to shares	1,611	391
Share issue costs	-	(585)
On issue at 30 June 2024	**6,802,473**	**2,085,423**
(c) Other equity		
On issue at 30 June 2023	581	930
Released to retained earnings [(a)]	(581)	(930)
Treasury shares [(b)]	(411,662)	(185,248)
On issue at 30 June 2024	**(411,662)**	**(185,248)**

(a) *In 2010 Red 5 provided for 581,428 shares to be issued at a value of $930,285 to settle possible outstanding tax liabilities in relation to the acquisition of Merrill Crowe Corporation (MCC) by Philippine subsidiaries of the Red 5 Group. It is considered highly unlikely that any such liability will now materialise following the divestiture of the Philippine mining operation by the Group in September 2021.*

(b) *Treasury shares relating to Silver Lake's investment in the Company prior to the merger between the Company and Silver Lake. These were reclassified as treasury shares on merger and were sold on market in August 2024.*

24. RESERVES

Accounting policy

Share-based payment reserve:

The share-based payment reserve is used to record the value of share-based payments and performance rights provided to employees (including KMP's) as part of their remuneration.

Foreign currency translation reserve:

The foreign currency translation reserve comprises of foreign currency differences arising from the translation of the financial information of foreign operations where the functional currency is different from the presentation currency of the reporting entity.

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$'000	$'000
Share-based payment reserve	-	7,789
Foreign currency translation reserve	370	379
Total	**370**	8,168

OTHER DISCLOSURES

25. BUSINESS COMBINATION

Accounting policy

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Merger with Silver Lake Resources Limited

On 19 June 2024 the Group obtained control of Silver Lake by acquiring 100 percent of the shares and voting interests in that company. The merger created a diversified, leading mid-tier gold company with a strong balance sheet positioned for growth.

Since acquisition date, Silver Lake contributed revenue of $38.4 million to the Group's results. If the acquisition had occurred on 1 July 2023, management estimates that Silver Lake would have contributed revenue of $773.7 million and profit after tax of $34.2 million to the Group's annual results. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 July 2023.

The Group incurred acquisition-related costs of $9.9 million on fees associated with the merger, including legal fees and due diligence costs. These have been included in the Statement of Profit and Loss under administrative expenses as well as estimated stamp duty of $33.5 million payable to Western Australian Office of State Revenue.

In addition to recognising the effects of acquiring the assets and liabilities of Silver Lake, the transaction has resulted in Red 5 obtaining control over Silver Lake, and thus is deemed the acquirer in respect of AASB 3, *Business Combinations*.

The following summarises the consideration transferred, and the fair value of assets and liabilities acquired at the acquisition date:

Purchase consideration

	30 June 2024
	$'000
Ordinary shares issued [(a)]	1,478,125

(a) 3,284,722,929 ordinary shares were issued to Silver Lake shareholders as consideration with a deemed fair value based on the spot share price on Implementation date of $0.45 per share.

25. BUSINESS COMBINATION *(cont.)*

The assets and liabilities recognised as a result of the acquisition are as follows:

	30 June 2024
	$'000
Cash and cash equivalents	378,318
Trade and other receivables	16,710
Inventories	187,077
Prepayments	1,022
Exploration, evaluation and development expenditure	598,634
Property, plant and equipment	307,810
Investments	187,660
Total assets	**1,677,231**
Trade and other payables	(81,411)
Lease liabilities	(49,293)
Employee benefits	(16,653)
Rehabilitation and restoration provision	(48,255)
Deferred tax liabilities	(3,494)
Total liabilities	**(199,106)**
Net assets acquired	**1,478,125**

The value of assets acquired and liabilities assumed has been measured on a provisional basis. If new information is obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition, then the accounting for the acquisition will be revised.

26. RELATED PARTIES

Compensation of key management personnel:

	CONSOLIDATED	
	30 June 2024	**30 June 2023**
	$	**$**
Key management personnel		
Short term benefits including service rights [(a)]	**4,827,071**	2,012,948
Post-employment benefits	**162,956**	104,057
Long term benefits	**63,911**	97,559
Share based payments [(b)]	**1,734,891**	(423,290)
Total	**6,788,829**	1,791,274

(a) FY24 includes redundancy costs associated with the corporate merger with Silver Lake.

(b) FY23 includes share based payments expensed and cancelled.

Loans to key management personnel

There were no loans to key management personnel during the period.

Transactions with related parties in the wholly owned group

During the financial year, unsecured loan advances were made between the parent entity and its controlled entities. All such loans were interest-free. Intra entity loan balances have been eliminated in the financial report of the consolidated entity. The ownership interests in related parties in the wholly owned group are set out in Note 29.

27. SHARE-BASED PAYMENT ARRANGEMENTS

Accounting policy

The consolidated entity may provide benefits to employees (including the managing director) and other parties as necessary in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares ("equity settled transactions").

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date they are granted. The value is determined using a Monte Carlo model or equivalent valuation technique. The cost of equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date").

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired and the number of awards that, in the opinion of the Directors, will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

Following the announcement of the merger with Silver Lake, the Board authorised the vesting of all performance rights held by eligible employees on the date of the merger. This is to ensure like for like treatment of employees of both companies prior to the merger.

The following is the movement in performance rights during the period:

For the year ended 30 June 2024:

	Balance at 30 June 2023	Granted [(a)]	Vested [(b)]	Cancelled [(c)]	Balance at 30 June 2024
Performance Rights Series	**No. rights**	**No. rights**	**No. rights**	**No. rights**	**No. rights**
2023 Series	7,945,729	-	-	(7,945,729)	-
2023 PIO Series	11,550,613	-	(2,705,780)	(8,844,833)	-
2024 Series	18,410,000	-	(9,637,684)	(8,772,316)	-
2025 Series	16,779,780	1,245,791	(12,469,727)	(5,555,844)	-
2026 Series	-	28,292,616	(28,292,616)	-	-
Retention Award	-	3,549,877	(3,549,877)	-	-
Total	**54,686,122**	**33,088,284**	**(56,655,684)**	**(31,118,722)**	**-**

For the year ended 30 June 2023:

	Balance at 30 June 2022	Granted (a)	Vested	Cancelled	Balance at 30 June 2023
Performance Rights Series	**No. rights**	**No. rights**	**No. rights**	**No. rights**	**No. rights**
2023 Series	7,945,729	-	-	-	7,945,729
2023 PIO Series	11,550,613	-	-	-	11,550,613
2024 Series	18,410,000	-	-	-	18,410,000
2025 Series	-	16,779,780	-	-	16,779,780
Total	**37,906,342**	**16,779,780**	**-**	**-**	**54,686,122**

(a) Performance rights granted during the year

LTIP Performance rights were granted to the Managing Director, Key Management Personnel, Senior Management and other operational employees during the period. The performance rights for the 2025 and 2026 Series are split into two tranches based on different performance conditions measured over a period commencing 1 July 2023 to the vesting date which is 30 June 2026 if the conditions are met. The vesting conditions are outlined in sections 14.4.2 and 14.4.3 of the Remuneration Report.

27. SHARE-BASED PAYMENT ARRANGEMENTS (cont.)

Details of the performance rights granted during the period are summarised below:

	2025 Series	2026 Series	Retention Award
Number of performance rights	18,025,571	28,292,616	3,549,877
Exercise price	$0.00	$0.00	$0.00
Issue date	24 November 2022	22 December 2023	12 January 2024
Measurement period	1 Jul 2022 – 30 Jun 2025	1 Jul 2023 – 30 Jun 2026	1 Jan 2024 – 31 Dec 2024
Weighted valuation per right	$0.147	$0.168	n/a
Underlying 20 day VWAP	n/a	n/a	$0.336
Dividend yield	nil	nil	nil
Risk free rate	3.29%	3.83%	n/a
Volatility	70%	70%	n/a
Total valuation	$2,649,759	$4,753,159	$1,192,759

The fair value of the performance rights was measured using a hybrid employee share option pricing model (correlation simulation and Montecarlo model) and was calculated by independent consultants.

The total expense recognised in the Statement of Comprehensive Income for performance rights for the current financial year is $3.8 million (FY23: $4.0 million).

(b) Performance rights vested during the year ended 30 June 2024:

As result of the implementation of the Scheme of Arrangement with Silver Lake on 19 June 2024, the Board exercised the discretion available to it to accelerate the vesting of all Performance and Retention Rights on issue. The discretion exercised was in keeping with the 'merger of equals' concept between the Company and Silver Lake during negotiations prior to execution of the Scheme Implementation Deed (SID).

Under the terms of the SID, the Company acquires Silver Lake, yet Red 5 shareholders control 51.7% of the post completion group. This was a change of control for Silver Lake, resulting in accelerated vesting of Silver Lake performance rights held by Silver Lake employees prior to the implementation of the Scheme. To assist with integration activities and to treat employees from both Red 5 and Silver Lake equal to the maximum extent possible, the Board deemed it appropriate to accelerate the vesting all rights held by Red 5 employees.

(c) Performance rights cancelled during the year ended 30 June 2024:

Performance rights were cancelled due to either performance hurdles not being satisfied, or where employees had resigned from the Company prior to their vesting.

Service rights in issue

The following is the movement in service rights during the period:

	Fair value at grant date	Granted	Vested	Cancelled	Outstanding at 30 June 2024
Name	**$**	**No. rights**	**No. rights**	**No. rights**	**No. rights**
Mark Williams	206,250	671,016	(671,016)	-	-
John Tasovac	100,000	325,340	-	(325,340)	-
Patrick Duffy	84,500	274,912	(274,912)	-	-
Jason Greive	125,000	406,674	-	(406,674)	-
Other employees	204,517	665,374	(665,374)	-	-
Total	**720,267**	**2,343,316**	**(1,611,302)**	**(732,014)**	**-**

Services rights were granted on 19 August 2022 under the Red 5 FY22 Rights Plan. They had an 18-month service test and vested on 1 January 2024 if the holder was still employed by the Company on 31 December 2023. Previous KMP's, Mr Tasovac and Mr Greives, had resigned prior to the vesting date and their rights were cancelled.

27. SHARE-BASED PAYMENT ARRANGEMENTS *(cont.)*

Key estimates and judgements

Share based payment transactions:

The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Monte Carlo modelling. This estimate also requires determination of the most appropriate inputs to the valuation model, including the expected life of the equity instrument, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in the note above.

28. REMUNERATION OF THE AUDITOR

During the year the following fees were paid or payable for services provided by the auditor of the parent entity and its related practices:

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$	$
Audit services		
Audit and review of financial statements - KPMG Australia	**488,800**	219,900
Non-audit services		
Tax advisory services - KPMG Australia	**215,027**	95,428
Other assurance services (sustainability)	**121,080**	-
	824,907	315,328

The FY24 audit cost relates to the combined audit services for both Red 5 and Silver Lake merged group. Tax advisory services provided by the auditor also includes tax advice relating to the merger.

29. INVESTMENTS IN CONTROLLED ENTITIES

Accounting policy

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group's subsidiaries at the end of the year are set out in the table below:

		Equity holding	
		2024	2023
Name of controlled entity	Country of incorporation	%	%
Bremer Resources Pty Ltd	Australia	**100**	100
Estuary Resources Pty Ltd	Australia	**100**	100
Greenstone Resources (WA) Pty Ltd	Australia	**100**	100
Oakborough Pty Ltd	Australia	**100**	100
Opus Resources Pty Ltd	Australia	**100**	100
Red 5 Philippines Pty Ltd	Australia	**100**	100
Red 5 Mapawa Pty Ltd	Australia	**100**	100
Red 5 Dayano Pty Ltd	Australia	**100**	100
Darlot Mining Company Pty Ltd	Australia	**100**	100
Red 5 Mapawa Incorporated	Philippines	**100**	100
Red 5 Dayano Incorporated	Philippines	**100**	100
Red 5 Asia Incorporated	Philippines	**100**	100
Surigao Holdings and Investments Corporation [a]	Philippines	**40**	40

29. INVESTMENTS IN CONTROLLED ENTITIES *(cont.)*

Name of controlled entity	Country of incorporation	Equity holding 2024 %	Equity holding 2023 %
Silver Lake Resources Limited	Australia	**100**	-
Backlode Pty Ltd	Australia	**100**	-
Brandy Hill Iron Pty Ltd	Australia	**100**	-
Brandy Hill Iron SPV Pty Ltd	Australia	**100**	-
Central Infrastructure Pty Ltd	Australia	**100**	-
Central Infrastructure SPV Pty Ltd	Australia	**100**	-
Cue Minerals Pty Ltd	Australia	**100**	-
Deflector Gold Pty Ltd	Australia	**100**	-
Deflector Gold SPV Pty Ltd	Australia	**100**	-
Doray Gold Operations Pty Ltd	Australia	**100**	-
Egan Street Victoria Bore Pty Ltd	Australia	**100**	-
Gullewa Gold Project Pty Ltd	Australia	**100**	-
Gullewa Gold Project SPV Pty Ltd	Australia	**100**	-
Loded Pty Ltd	Australia	**100**	-
Meehan Minerals Pty Ltd	Australia	**100**	-
Murchison Resources Pty Ltd	Australia	**100**	-
MYG Tenement Holdings Pty Ltd	Australia	**100**	-
MYG Tenement Holdings SPV Pty Ltd	Australia	**100**	-
Paylode Pty Ltd	Australia	**100**	-
Silver Lake (Deflector) Pty Ltd	Australia	**100**	-
Silver Lake (Doray) Pty Ltd	Australia	**100**	-
Silver Lake (Egan Street) Pty Ltd	Australia	**100**	-
Silver Lake (Integra) Pty Ltd	Australia	**100**	-
Silver Lake (Rothsay) Pty Ltd	Australia	**100**	-
Roonela Pty Ltd	Australia	**100**	-
Silver Lake (SPV) Pty Ltd	Australia	**100**	-
Silver Lake Canada Inc	Canada	**100**	-
Silver Lake Ontario Inc	Canada	**100**	-

(a) The Company holds a 40% direct interest in Surigao Holdings and Investments Corporation (SHIC) voting stock. Agreements are in place which deals with the relationship between Red 5 and other shareholders of these entities. In accordance with Australian accounting standard, AASB 10 Consolidated Financial Statements, Red 5 has consolidated these companies in these financial statements.

30. JOINT OPERATIONS

As at 30 June 2024, the Group had the following interests in unincorporated joint ventures:

- Mt Zephyr - Darlot Mining Company Pty Ltd (80% interest) / Ardea Exploration Pty Ltd (20% interest)
- Darlot South/CIO – South Darlot Mines Pty Ltd (51%) / Darlot Mining Company Pty Ltd (49%)
- Darlot South B – Darlot Mining Company Pty Ltd (83.5%) / Panaust Limited (16%) / Baker, Robert Albert Lawrence (0.5%)

31. DEED OF CROSS GUARANTEE

Pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785, the wholly owned subsidiaries listed below are relieved from the Corporations Act 2001 requirements for the preparation, audit and lodgement of financial reports and Directors' Reports.

It is a condition of the Instrument that the Company and each of the subsidiaries enter into a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees each creditor payment in full of any debt in the event of the winding up of any of the subsidiaries under certain provisions of the Corporations Act 2001. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that, after six months, any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that the Company is wound up.

The subsidiaries subject to the Deed are:

- Opus Resources Pty Ltd
- Darlot Mining Company Pty Ltd
- Greenstone Resources (WA) Pty Ltd
- Silver Lake Resources Pty Ltd
- Silver Lake (Integra) Pty Ltd
- Silver Lake (Doray) Pty Ltd
- Silver Lake (Deflector) Pty Ltd
- Silver Lake (Egan Street) Pty Ltd
- Silver Lake (Rothsay) Pty Ltd

Opus Resources Pty Ltd and Darlot Mining Company Pty Ltd both became parties to the Deed of Cross Guarantee on 30 June 2018. Greenstone Resources (WA) Pty Ltd became a party to the Deed of Cross Guarantee on 30 June 2021. Silver Lake Resources Pty Ltd, Silver Lake (Integra) Pty Ltd, Silver Lake (Doray) Pty Ltd, Silver Lake (Deflector) Pty Ltd, Silver Lake (Egan Street) Pty Ltd and Silver Lake (Rothsay) Pty Ltd became parties to the Deed of Cross Guarantee on 28 June 2024.

A consolidated statement of comprehensive income and a consolidated statement of financial position, comprising of the Company and controlled entities which are party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 30 June 2024, is set out as follows:

Statement of Comprehensive Income:

	CLOSED GROUP YEAR ENDED	
	30 June 2024 $'000	30 June 2023 $'000
Revenue	**620,002**	422,745
Cost of sales	**(528,383)**	(394,620)
Gross profit	**91,619**	28,125
Other income	**907**	446
Exploration expensed	**(8,674)**	(7,181)
Acquisition and stamp duty costs on business combination	**(33,515)**	-
Administration and other expenses	**(34,812)**	(8,514)
Results from operating activities	**15,525**	12,876
Financing income	**863**	61
Financing expenses	**(20,378)**	(21,722)
Net financing income/(expenses)	**(19,515)**	(21,661)
Profit/(loss) before income tax	**(3,990)**	(8,785)
Income tax benefit/(expense)	**-**	-
Profit/(loss) for the year	**(3,990)**	(8,785)
Other comprehensive income		
Foreign currency translation differences	**-**	-
Total comprehensive profit/(loss) for the year	**(3,990)**	(8,785)

31. DEED OF CROSS GUARANTEE *(cont.)*

Statement of Financial Position:

	CLOSED GROUP	
	YEAR ENDED	
	30 June 2024	30 June 2023
	$'000	$'000
Current assets		
Cash and cash equivalents	**423,633**	20,075
Trade and other receivables	**33,574**	28,456
Inventories	**139,327**	76,550
Total current assets	**596,534**	125,081
Non-current assets		
Property, plant and equipment	**490,153**	289,329
Mine properties	**651,512**	228,498
Exploration and evaluation assets	**46,898**	10,767
Trade and other receivables	**6,145**	7,499
Inventories	**135,605**	7,911
Intangible assets	**498**	168
Investments	**2,471**	658
Total non-current assets	**1,333,282**	544,830
Total assets	**1,929,816**	669,911
Current liabilities		
Trade and other payables	**158,958**	63,564
Employee benefits	**24,258**	7,130
Borrowings	**92,723**	21,854
Provisions	**35,123**	-
Lease liabilities	**33,940**	18,557
Total current liabilities	**345,002**	111,105
Non-current liabilities		
Employee benefits	**1,060**	797
Provisions	**105,887**	59,239
Borrowings	**-**	104,286
Lease liabilities	**71,163**	64,413
Total non-current liabilities	**178,110**	228,735
Total liabilities	**523,112**	339,840
Net assets	**1,406,704**	330,071
Equity		
Contributed equity	**1,914,443**	598,919
Other equity	**(185,248)**	930
Reserves	**368**	38,491
Accumulated losses	**(322,859)**	(308,269)
Total equity	**1,406,704**	330,071

32. PARENT ENTITY DISCLOSURES

The following details information relating to the parent entity, Red 5 Limited:

	PARENT ENTITY YEAR ENDED	
	30 June 2024 $'000	30 June 2023 $'000
Results of the parent entity:		
Loss for the year	**(140,308)**	(18,263)
Other comprehensive income	**-**	-
Total comprehensive loss for the year	**(140,308)**	(18,263)
Financial position of the parent entity:		
Current assets	**17,113**	20,641
Non-current assets	**1,738,438**	396,202
Total assets	**1,755,551**	416,843
Current liabilities	**132,521**	29,329
Non-current liabilities	**2,272**	106,483
Total liabilities	**134,793**	135,812
Equity of the parent entity comprising of:		
Contributed equity	**2,085,422**	596,668
Other equity	**-**	930
Reserves	**-**	7,789
Accumulated losses	**(464,664)**	(324,356)
Total equity	**1,620,758**	281,031
Financial commitments of the parent entity:		
Low value and short term leases:		
- not later than one year	**-**	-
Total financial commitments	**-**	-

Contingent liabilities of the parent entity:

The parent entity did not have any contingent liabilities at 30 June 2024 (FY23: Nil).

The parent entity has entered into a Deed of Cross Guarantee with the effect that the Company guarantees debts in respect of certain subsidiaries.

Further details of the Deed of Cross Guarantee and the subsidiaries subject to the deed are disclosed in Note 31.

33. SILVER LAKE RESOURCES LIMITED: ASIC DISCLOSURE

On 3 July 2024 ASIC granted relief to Silver Lake analogous to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 for the company's financial year ending 30 June 2024 without applying the disclosing entity exclusion in subparagraph 6(1)(b)(i) but subject to all other requirements in the legislative instrument and a further requirement that Red 5 will include the following additional notes for Silver Lake in the notes to Red 5's financial statements for the financial year ending 30 June 2024.

a. a statement of comprehensive income for Silver Lake setting out the information specified by paragraphs 82 to 87 of Accounting Standard AASB 101 *Presentation of Financial Statements* (AASB 101) in force at the end of the financial year; and

b. opening and closing retained earnings, dividends provided for or paid, and transfers to and from reserves.

There has been no change in ownership of any of the members of the closed group as parties to the Deed of Cross Guarantee between Red 5 and any of its controlled entities that occurs following the year ended 30 June 2024 and the date of lodgement of the consolidated financial statements.

The tables below represent the full 12 months of Silver Lake (1 July 2023 to 30 June 2024), notwithstanding that Red 5 only obtained its 100% ownership in Silver Lake from 19 June 2024. Accordingly, the Statement of Comprehensive Income and Equity tables in items (a) and (b) below is not all attributable to the Company. The basis of preparation of the disclosures in this note is consistent with the basis of preparation referenced in the Silver Lake Annual Financial Statements for the year ended 30 June 2023.

a. Statement of Comprehensive Income

		CONSOLIDATED	
		30 June 2024	30 June 2023
	Note	$'000	$'000
Silver Lake Resources Limited [1]			
Revenue		**773,706**	719,628
Cost of sales		**(618,529)**	(639,031)
Gross profit		**155,177**	80,597
Other income		**21**	228
Exploration expensed / impaired		**(6,738)**	(5,044)
Profit on sale of assets		**1,156**	412
Administration and other expenses		**(43,218)**	(23,744)
Impairment losses	*2*	**(62,630)**	-
Results from operating activities		**43,768**	52,449
Finance income		**47,711**	13,516
Finance expenses		**(4,129)**	(6,640)
Net finance income		**43,582**	6,876
Profit before income tax		**87,350**	59,325
Income tax expense		**(53,163)**	(28,489)
Profit for the year		**34,187**	30,836
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		**1,320**	1,963
Total comprehensive profit attributable to the owners of Silver Lake		**35,507**	32,799

1. *The Statement of Comprehensive Income above represents Silver Lake and its subsidiaries (Group Entities) for the years ended 30 June 2024 and 30 June 2023 respectively.*
2. *Red 5 engaged an independent valuation report for the purposes of purchase price allocation associated with the Business Combination between Red 5 and Silver Lake (Refer to Note 25 for additional information). The fair value ascribed to the Sugar Zone operation was below the carrying value of the asset held by Silver Lake, resulting in a $62.6 million impairment to the stand-alone Silver Lake Group as at 30 June 2024.*

33. SILVER LAKE RESOURCES LIMITED: ASIC DISCLOSURE (cont.)

b. Retained Earnings / Reserves / Dividends

		CONSOLIDATED	
		30 June 2024	30 June 2023
	Note	$'000	$'000
Silver Lake Resources Limited [1]			
Reserves	2	**249**	17,710
Retained earnings		**9,452**	(24,735)
Dividends	3	**-**	-

1. *The above table represents Silver Lake and its subsidiaries (Group Entities) for the year ended 30 June 2024 and 30 June 2023 respectively.*
2. *Movement in reserves relates to vesting and exercising of all outstanding performance rights as a result of the Red 5 merger. Please refer to the Scheme Booklet registered with ASIC as published on 26 April 2024 for additional information.*
3. *Silver Lake has not paid any dividends or provided for any dividends in respect of the financial years ending 30 June 2024 and 30 June 2023.*

34. COMMITMENTS

	CONSOLIDATED	
	30 June 2024	30 June 2023
	$'000	$'000
Capital expenditure commitments		
Contracted but not provided for:		
- not later than one year	**10,253**	-
	10,253	-
Contractual sale commitments		
Sale commitments: [(a)]		
- not later than one year	**425,315**	247,005
- later than one year but not later than two years	**352,467**	257,302
- later than two years but not later than five years	**28,596**	286,728
	806,378	791,035
Contractual expenditure commitments		
Non-capital expenditure commitments:		
- not later than one year	**-**	267
	-	267
Tenement expenditure commitments:		
- not later than one year	**10,917**	6,493
	10,917	6,493

(a) *Gold forward contracts in place at 30 June 2024 relating to gold produced at the King of the Hills and Mount Monger operations, total 291,188 ounces (FY23: 313,119 ounces for King of the Hills operation) of gold produced amounting to $806.4 million (FY23: $791.0 million for King of the Hills operation) at an average price of A$2,769 per ounce (FY23: $2,526 per ounce) and settle between July 2024 and September 2026.*

Included in the above, gold forward contracts relating to gold produced at the Mount Monger operation, total 86,000 ounces of gold produced amounting to $262.5 million at an average price of A$3,053 per ounce and settle between July 2024 and December 2025.

It is management's intention to settle each contract through the physical delivery of gold and, accordingly, are accounted for as sale contracts with revenue recognised once the gold has been delivered to the purchaser or agent.

35. CONTINGENT LIABILITIES

The consolidated entity had no material contingent liabilities as at the reporting date and as at the end of the year.

36. SUBSEQUENT EVENTS

On 8 July 2024 the Company repaid the full outstanding balance of $92.9 million of the syndicate loan facility. In line with the loan repayment, the Company entered into a restructured hedge facility and security package which incorporates the gold forward sales held by Silver Lake prior to the merger with Red 5. The new terms of the package have limited covenants which are reflective of a standalone hedging facility.

On 7 August 2024 the Company sold the 411.7 million Red 5 shares in which it acquired an interest following the implementation of the merger with Silver Lake in June 2024 for consideration of $136.8 million.

Apart from the items mentioned above, there has not arisen in the interval between the end of the reporting period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

37. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not effective for the 30 June 2024 reporting period. The Group has not elected to early adopt any new standards.

END OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Entity DISCLOSURE STATEMENT *for the year ended 30 June 2024*

Set out below is relevant information relating to entities that are consolidated in the consolidated financial statements as the end of the financial year as required by the Corporations Act 2001 (s.295(3A)(a)) and Australian Accounting Standards.

Entity name	Body corporate, partnership or trust	Place incorporated /formed	% of share capital held by the Company	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident
Red 5 Limited	Body corporate	Australia	N/A	Australian	N/A
Bremer Resources Pty Ltd	Body corporate	Australia	100	Australian	N/A
Estuary Resources Pty Ltd	Body corporate	Australia	100	Australian	N/A
Greenstone Resources (WA) Pty Ltd	Body corporate	Australia	100	Australian	N/A
Oakborough Pty Ltd	Body corporate	Australia	100	Australian	N/A
Opus Resources Pty Ltd	Body corporate	Australia	100	Australian	N/A
Red 5 Philippines Pty Ltd	Body corporate	Australia	100	Australian	N/A
Red 5 Mapawa Pty Ltd	Body corporate	Australia	100	Australian	N/A
Red 5 Dayano Pty Ltd	Body corporate	Australia	100	Australian	N/A
Darlot Mining Company Pty Ltd	Body corporate	Australia	100	Australian	N/A
Red 5 Mapawa Incorporated	Body corporate	Philippines	100	Foreign	Philippines
Red 5 Dayano Incorporated	Body corporate	Philippines	100	Foreign	Philippines
Red 5 Asia Incorporated	Body corporate	Philippines	100	Foreign	Philippines
Surigao Holdings and Investments Corporation [(a)]	Body corporate	Philippines	40	Foreign	Philippines

(a) The Company holds a 40% direct interest in Surigao Holdings and Investments Corporation (SHIC) voting stock. Agreements are in place which deals with the relationship between Red 5 and other shareholders of these entities. In accordance with Australian accounting standard, AASB 10 Consolidated Financial Statements, Red 5 has consolidated these companies in these financial statements.

Entity name	Body corporate, partnership or trust	Place incorporated /formed	% of share capital held by the Company	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident
Silver Lake Resources Limited	Body corporate	Australia	100	Australian	N/A
Backlode Pty Ltd	Body corporate	Australia	100	Australian	N/A
Brandy Hill Iron Pty Ltd	Body corporate	Australia	100	Australian	N/A
Brandy Hill Iron SPV Pty Ltd	Body corporate	Australia	100	Australian	N/A
Central Infrastructure Pty Ltd	Body corporate	Australia	100	Australian	N/A
Central Infrastructure SPV Pty Ltd	Body corporate	Australia	100	Australian	N/A
Cue Minerals Pty Ltd	Body corporate	Australia	100	Australian	N/A
Deflector Gold Pty Ltd	Body corporate	Australia	100	Australian	N/A
Deflector Gold SPV Pty Ltd	Body corporate	Australia	100	Australian	N/A
Doray Gold Operations Pty Ltd	Body corporate	Australia	100	Australian	N/A
Egan Street Victoria Bore Pty Ltd	Body corporate	Australia	100	Australian	N/A
Gullewa Gold Project Pty Ltd	Body corporate	Australia	100	Australian	N/A
Gullewa Gold Project SPV Pty Ltd	Body corporate	Australia	100	Australian	N/A
Loded Pty Ltd	Body corporate	Australia	100	Australian	N/A
Meehan Minerals Pty Ltd	Body corporate	Australia	100	Australian	N/A
Murchison Resources Pty Ltd	Body corporate	Australia	100	Australian	N/A
MYG Tenement Holdings Pty Ltd	Body corporate	Australia	100	Australian	N/A
MYG Tenement Holdings SPV Pty Ltd	Body corporate	Australia	100	Australian	N/A
Paylode Pty Ltd	Body corporate	Australia	100	Australian	N/A
Silver Lake (Deflector) Pty Ltd	Body corporate	Australia	100	Australian	N/A
Silver Lake (Doray) Pty Ltd	Body corporate	Australia	100	Australian	N/A
Silver Lake (Egan Street) Pty Ltd	Body corporate	Australia	100	Australian	N/A
Silver Lake (Integra) Pty Ltd	Body corporate	Australia	100	Australian	N/A
Silver Lake (Rothsay) Pty Ltd	Body corporate	Australia	100	Australian	N/A
Roonela Pty Ltd	Body corporate	Australia	100	Australian	N/A
Silver Lake (SPV) Pty Ltd	Body corporate	Australia	100	Australian	N/A
Silver Lake Canada Inc [(b)]	Body corporate	Canada	100	Foreign	Canada
Silver Lake Ontario Inc	Body corporate	Canada	100	Foreign	Canada

(b) *Silver Lake Canada Inc may be considered as a tax resident of both Canada and Australia. A formal determination of tax residency is currently being undertaken by the Group.*

Basis of preparation

Section 295 (3A) of the Corporation Acts 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, “Australian resident” has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as it is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation’s public guidance in Tax Ruling TR 2018/5.

END OF CONSOLIDATED ENTITY DISCLOSURE STATEMENT

DIRECTORS' Declaration

In the opinion of the Board of Directors of Red 5 Limited:

(a) the consolidated financial statements, accompanying notes and the remuneration disclosures that are contained in the Remuneration Report in the Directors' Report are in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- declaring that the consolidated entity disclosure statement as required by the Treasury Laws Amendment *(Making Multinationals Pay Their Fair Share – Integrity and Transparency)* Act 2024 *(Amendments)*, is true and correct as at 30 June 2024.

(b) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.1; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due; and

(d) as at 30 June 2024, there are reasonable grounds to believe that the Company and each Group entity identified in Note 31 will be able to meet any liabilities to which they are, or may become, subject because of the Deed of Cross Guarantee between the Company and that Group entity pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the *Corporations Act 2001* by the Managing Director and Chief Financial Officer, for the year ended 30 June 2024.

Signed in accordance with a resolution of the Directors.

Russell Clark
Chairman

Perth, Western Australia
28 August 2024

Independent Auditor's Report

To the shareholders of Red 5 Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Red 5 Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2024;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards.* We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Acquisition of Silver Lake Resources Limited; and
- Rehabilitation provision.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

<table>
<tr><th colspan="2">Acquisition of Silver Lake Resources Limited ($1,478m)</th></tr>
<tr><td colspan="2">Refer to Note 25 to the Financial Report</td></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>
The Group's acquisition of Silver Lake Resources Limited on 19 June 2024, for a total consideration of $1,478 million, was a significant transaction. This was a key audit matter due to the additional audit effort for the following reasons:

The acquisition's size had a pervasive impact on the financial statements.
The Group made significant judgements related to the determination of the accounting acquirer and the purchase price allocation (PPA). The Group engaged an external expert to assist in the identification and valuation of acquired assets and liabilities.

Our audit focused on the significant assumptions the Group applied in their assessment of the allocation of purchase consideration to Mine properties, property, plant and equipment, and the rehabilitation provision.
For Mine properties, the determination of the fair value included significant assumptions such as:

Forecast sales volume and production costs.
Forecast gold prices.
Forecast foreign exchange rate.
Discount rate.
Quantum of mineral reserves.
Resource multiple of comparable companies.

For property, plant and equipment, this included the valuation methodology applied to each class of assets.
For rehabilitation, this included the quantum and expected timing of rehabilitation expenditure, and the associated inflation and discount rate to determine the net present value of the rehabilitation provision.
We involved our valuation specialists to supplement our senior audit team members in assessing this key audit matter.
</td><td>
Our procedures included:

We read the Scheme of Arrangement related to the acquisition to understand its structure, key terms, conditions, and purchase consideration.
We then assessed the Group's acquisition accounting against accounting standards, focusing on the determination of the accounting acquirer and purchase consideration.
We assessed the scope, competence and objectivity of the Group's external expert involved in estimating the PPA.
We worked with our valuation specialists to assess and challenge the key assumptions used in the PPA. We challenged the Group's methodology valuing the identified Mine properties, and property plant and equipment by comparing to accepted industry practice and the requirements of the accounting standards.

Valuation of Mine properties

We assessed key assumptions including forecast sales volume and production costs, comparing them to Silver Lake's past performance, their underlying life of mine plan and our industry experience.
We compared the forecast gold prices to published views of market commentators on expected future trend.
Working with our valuation specialist, we independently developed a discount rate range considered comparable, using publicly available market data for comparable entities.
We assessed the scope, competence and objectivity of Group's internal expert involved in the estimation process of mineral reserves.
We compared the life of mineral reserves in the valuation of the reserves statement for consistency, in particular application across production assumptions.
We assessed the adequacy of the resource multiple by assessing the list of comparable companies the external expert used.

Valuation of property, plant, and equipment

Working with our property, plant, and equipment valuation specialists, we assessed the valuation

</td></tr>
</table>

	methodologies applied to each class of property plant and equipment. *Rehabilitation provision* • Our approach to testing the rehabilitation provision was consistent with the approach outlined in the section on the rehabilitation provision key audit matter. We assessed the adequacy of disclosures in the financial report using our understanding from our testing and against the requirements of the accounting standard.

Rehabilitation provision ($112m)

Refer to Note 16 to the Financial Report

The key audit matter	**How the matter was addressed in our audit**
The Group has a significant rehabilitation provision as a consequence of its operational activities. This provision increased significantly following the acquisition of Silver Lake Resources Limited during the year. The rehabilitation provision is identified as a key audit matter due to the additional audit effort required for the following reasons: • The Group's estimation of future environmental restoration and rehabilitation costs is inherently complex. • The Group applies significant judgement, and we exert considerable effort in gathering persuasive audit evidence on the expected costs, especially for those costs to be incurred several years in the future. The estimate of the rehabilitation provision is influenced by: • The complexity in current environmental and regulatory requirements, and the impact to completeness of the rehabilitation provision. • The expected environmental strategy of the Group and the nature of the costs incorporated into the rehabilitation provision. • The expected timing of expenditure which is planned to occur several years into the future, and the associated inflation and discounting of costs in the present value calculation of the rehabilitation provision.	Our procedures included: • Comparing the basis for recognition and measurement of the rehabilitation provision for consistency with environmental and regulatory requirements and criteria in the accounting standards. • Evaluating the methodology applied by the Group's internal and third-party experts in determining the nature and extent of rehabilitation activities by comparing to industry practice. • Critically evaluating the Group's rehabilitation provision estimation by: – Involving our closure specialists, we tested key environmental related assumptions incorporated into the financial modelling of closure cost activities against environmental laws and regulations and industry guidelines. – Assessing the planned timing of rehabilitation activities through comparison to the Group's strategy and plans for commencement and completion of rehabilitation activities. – Assessing the competence, scope and objectivity of the Group's internal and third-party experts used in the determination of the rehabilitation provision estimate. – Working with our valuation specialists, comparing inflation rate and discount rate assumptions in the Group's rehabilitation provision determination to published reports for Australian bond rates and Australian inflation targets.

KPMG

The Group uses third party and internal experts when assessing their obligations for restoration and rehabilitation activities and associated estimates of future costs. We involved our closure and valuation specialists to supplement our senior audit team members in assessing this key audit matter.	• Evaluating the completeness of the rehabilitation provision against the Group's analysis of where disturbance requires rehabilitation and comparing to our understanding of the Group's operations. Assessing the disclosures in the financial report against the requirements of the accounting standard. This included evaluating the current and non-current rehabilitation provision disclosure for consistency to the planned timing of the rehabilitation expenditure.

Other Information

Other Information is financial and non-financial information in Red 5 Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report and the Corporate Information. The Chairman's Review, Managing Director's Report, Resources and Reserves Statement, Tenement Schedule and Statement of Shareholders are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- Implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

KPMG

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Red 5 Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 15 to 27 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Jane Bailey

Jane Bailey
Partner
Perth
28 August 2024

ADDITIONAL ASX Information *as at 20 September 2024*

SECURITIES

At 20 September 2024, the Company had on issue 6,802,473,382 fully paid ordinary shares (24,349 holders).

DISTRIBUTION OF SHAREHOLDERS

			Number of fully paid shareholders	Percentage of fully paid shareholders
1	-	1,000	753	0.00%
1,001	-	5,000	6,271	0.26%
5,001	-	10,000	3,751	0.41%
10,001	-	100,000	10,586	5.49%
100,001		and over	2,988	93.83%
			24,349	**100.00%**

1,587 holders held less than a marketable parcel (<$500) of fully paid ordinary shares.

CLASSES OF SHARES AND VOTING RIGHTS

At meetings of members or classes of members, each member entitled to vote may vote in person or by proxy or attorney. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and on a poll, every person present in person or by proxy has one vote for each ordinary share held.

TOP 20 SHAREHOLDERS OF QUOTED SECURITIES

Holder Name		Number held	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,107,780,626	30.99%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,372,900,236	20.18%
3	CITICORP NOMINEES PTY LIMITED	721,923,517	10.61%
4	BNP PARIBAS NOMS PTY LTD	195,871,329	2.88%
5	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	110,631,029	1.63%
6	VBS EXCHANGE PTY LTD	86,672,804	1.27%
7	NATIONAL NOMINEES LIMITED	84,474,097	1.24%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	75,055,306	1.10%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO EDA	69,573,099	1.02%
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	63,641,199	0.94%
11	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	50,464,316	0.74%
12	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	29,677,096	0.44%
13	UBS NOMINEES PTY LTD	27,569,357	0.41%
14	GANNET CAPITAL PTY LTD (THE VICTOR SMORGON PARTNERS GLOBAL MULTI-STRATEGY FUND)	26,984,029	0.40%
15	MOORGATE INVESTMENTS PTY LTD	23,851,265	0.35%
16	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	22,193,547	0.33%
17	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	18,782,589	0.28%
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	18,484,654	0.27%
19	GARY B BRANCH PTY LIMITED <GARY BRANCH P/L STF SF A/C>	13,800,000	0.20%
20	BRIKEN NOMINEES PTY LTD <BRIKEN A/C>	13,736,000	0.20%
Totals		**5,134,066,095**	**75.47%**

ADDITIONAL ASX Information *as at 20 September 2024 (cont.)*

SUBSTANTIAL SHAREHOLDERS

The following shareholders have lodged a notice of substantial shareholding in the Company.

Registered Holder	Beneficial Owner	Number of Shares	Percentage of Issued Shares
Various entities as set out in a Notice of Change of Interests of Substantial Holder given to ASX on 25 June 2024	Van Eck Associates Corporation and its associates	625,597,214	9.27%
Various entities as set out in a Notice of Initial Substantial Holder given to ASX on 24 August 2024	UBS and its related bodies corporate	451,008,351	6.63%
UBS Nominees Pty Ltd	Regal Funds Management PTY Limited	421,247,496	6.19%
HSBC Custody Nominees(Australia) Limited A/C 2	Regal Partners Limited		
Merrill Lynch (Aus) Nominees Pty Ltd	Regal Asian Investments Management Pty Limited		
J.P. Morgan Prime Nominees Ltd	Regal Asian Investments Limited		
HSBC Custody Nominees (Australia) Limited			
HSBC Custody Nominees (Australia) Limited-Gsco Ecsa			
Brown Brothers Harriman BNY Mellon JP Morgan Chase Bank, N.A. State Street Bank and Trust Company	The Vanguard Group, Inc. and its controlled entities	340,156,966	5.00%

CORPORATE GOVERNANCE STATEMENT

The Company's 2024 corporate governance statement can be viewed at https://vaultminerals.com/about/corporate-governance

RED 5 Limited

ABN 73 068 647 610