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RED 5 Limited ABN 73 068 647 610

DRILLING COMMENCES AT SIANA GOLD PROJECT

Red 5 Limited is pleased to announce that it has commenced drilling operations at its Siana Gold Project in the Philippines today. The initial drilling programme will consist of a combination of Reverse Circulation and diamond core drilling targeted at potential mineralised zones near the surface northeast of and below the current Mineral Resource.

The 2000 metre drilling programme has been designed to test predicted mineralised targets that would augment the current Mineral Resource of 7.96 million tonnes at 3.33 grams per tonne gold for 825,000 ounces of gold previously reported by the Company. Specifically, RC drilling will be undertaken in the vicinity of the old mill and plant where there are indications of gold mineralisation that had not previously been followed up by modern exploration methods. In addition, diamond core drilling will be undertaken to test a major target approximately 250 to 300 metres below the surface under the current Mineral Resource.

The commencement of drilling operations was marked by a major festivity attended by 500 local political, religious and indigenous leaders and other guests to consummate a Memorandum of Understanding with the Indigenous People of the region. Significantly, this agreement is the first of its kind in the Philippines and allows exploration and development to proceed to a mining operation within the framework of normal mining development. The MOU that was signed by the National Commission of Indigenous People (NCIP) and Tribal Leaders is similar in nature and intent to Native Title Agreements in Australia.

The commencement of exploration drilling is a major step forward in the development of the Siana Gold Project. Results from the drilling will be reported periodically during March and April when the initial analytical results are expected to be received.

Greg Edwards
Managing Director
17 February 2003

ASX Shareholders Report

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

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Red 5 Limited is a publicly listed company on the ASX-ticker symbol RED.

The Board of Directors has mandated the executive to upgrade the gold focused exploration portfolio through rationalising existing properties whilst acquiring advanced properties.