


A growing, low-cost gold producer in the Philippines

Investor Presentation – June 2016

Mark Williams, Managing Director

RED5 Limited

ASX Code: RED

Presentation Overview: 5 Key Pillars

ASX-listed gold producer operating in the Philippines

1. **Low-cost production from open pit operations at Siana**
   - Projected to achieve higher end of FY2015/16 guidance at 57-60,000oz
   - Operating cost profile expected to reduce with expected significant reduction in waste-to-ore ratio from July 2016 onwards
   - Forecast to produce 72-80,000oz at AISC of US$740-780/oz in FY2016/17
2. **Robust and viable long-term underground mine confirmed**
   - Updated Feasibility Study completed in June 2016, with forecast production of ~60,000ozpa over 8-year production life
   - Forecast life-of-mine AISC of US$930-US$980 per ounce
   - Underground development to commence in 2H CY2016
   - Pre-production CAPEX of US$60M to be funded from free cash generated from open pit
3. **Highly prospective tenements**
   - Exploration plans and targets in one of the most mineralised provinces in the Philippines
4. **Only modern gold plant in a highly prospective province**
   - Modern 1.1Mtpa gravity and carbon-in-leach (CIL) processing facility
5. **Experienced management team**

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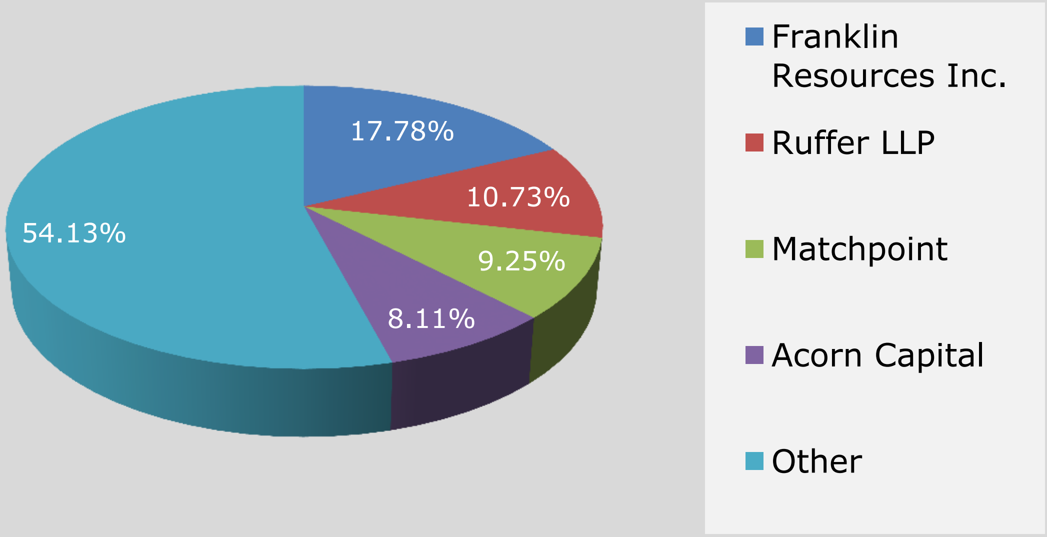
Corporate Snapshot

Unhedged and debt-free ASX-listed gold producer operating in the Philippines

ASX Code	RED
Share price (as at 10 June 2016)	A$0.088
Issued shares	761.9M
Market capitalisation (at 8.8 cps)	~A$67.0M
Cash (at 10 June 2016)	~A$13.0M
Enterprise Value	~A$54.0M
Debt and Hedging	Nil

Shareholders



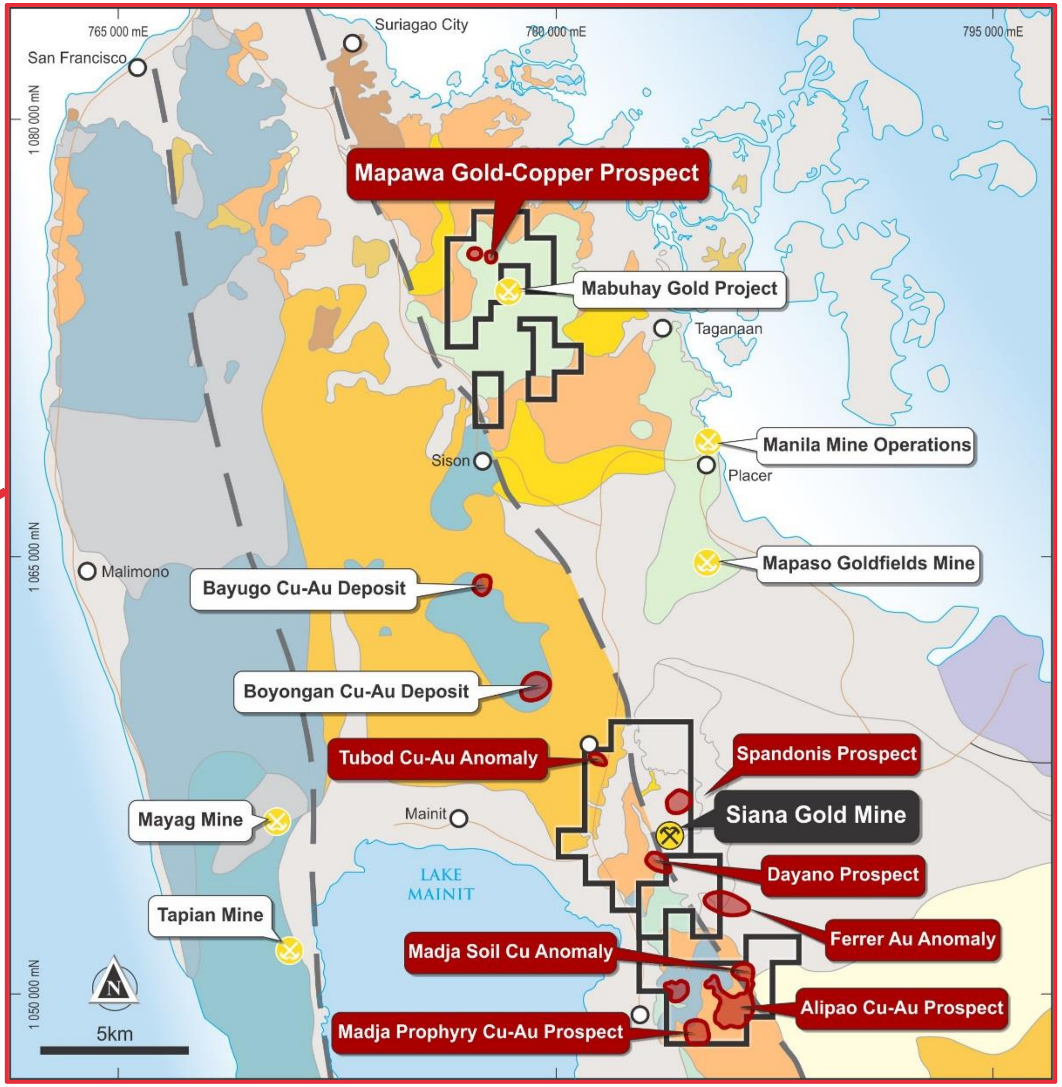
Directors and Management
Kevin Dundo – *Chairman*
Mark Williams – *Managing Director*
Mark Milazzo – *Non-Executive Director*
Ian Macpherson – *Non-Executive Director*
Colin Loosemore – *Non-Executive Director*
Frank Campagna – *Company Secretary*
Joe Mobilia – *Chief Financial Officer*

Our Company Vision

"To be a successful multi-operational mineral resource company, providing benefits to all stakeholders, through the consistent application of responsible and sustainable industry practices."

Siana Gold Project – Location

Located in a highly prospective and well-established mining region



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Open Pit Mining Schedule and Production Guidance

Open pit on track to achieve guidance with reducing cost profile

1. Low cost open pit production

2. Underground development

3. Exploration and growth

4. Regional processing hub

5. Management track record

2015/16 financial year forecast production profile:

Quarter	Estimated Au oz recovered	
September 2015 quarter (Actual)	17,737	FY2016 YTD: 41,616oz
December 2015 quarter (Actual)	14,431	
March 2016 quarter (Actual)	9,448	
June 2016 quarter	16-19,000	
Total 2015/16 year	**57-60,000**	

Open Pit forecast production profile:

Year	Estimated Au oz recovered
Total 2015/16 year	57-60,000
Total 2016/17 year	72-80,000
Total 2017/18 year	45-55,000*

* Subject to completion of annual work plan and budget

Open Pit Update and FY 2017 Guidance

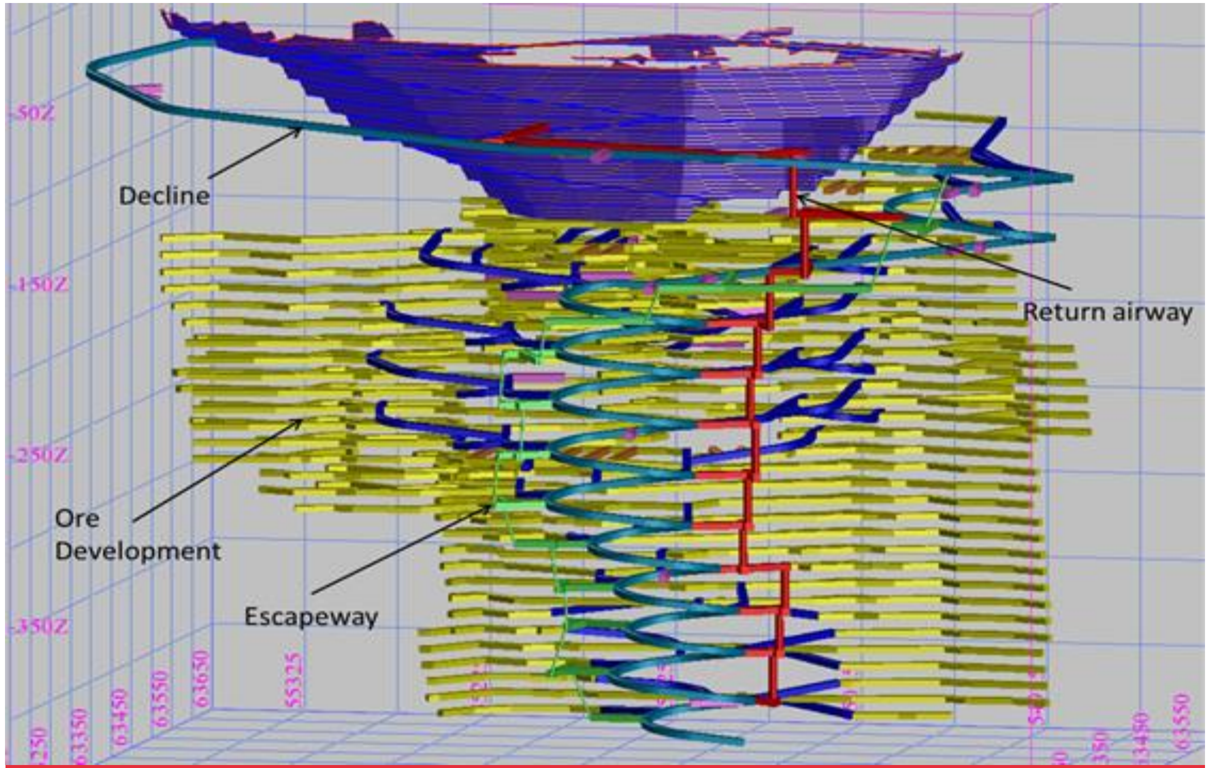
- Strong open pit performance continuing with 12,145oz Au recovered for April and May
- On track to achieve upper end of guidance for FY 2016 of 57-60,000oz
- Updated production guidance for FY 2017 of 72-80,000oz at AISC of US$740-780/oz
- Reducing cost profile of open pit reflects reduction in waste:ore ratio from ~8:1 currently to ~3:1 from July 2016 onwards

Siana – Underground Feasibility Study

A blueprint to deliver future growth at Siana

1. Low cost open pit production
2. Underground development
3. Exploration and growth
4. Regional processing hub
5. Management track record

- Updated Feasibility Study completed in June 2016 by underground mining consultants Mining One Pty Ltd:
  - Forecast production of ~60,000ozpa over initial 8-year production mine life
  - Forecast life-of-mine AISC of ~US$930-US$980 per ounce
  - Estimated pre-tax NPV of US$50M and IRR of 22%
  - Pre-production CAPEX of ~US$60M
- Feasibility Study also considered a long-term mine plan based on the whole UG resource – which resulted in a significantly improved financial evaluation
- Underground development to commence 2H CY2016



Isometric view of the proposed underground ore development at Siana

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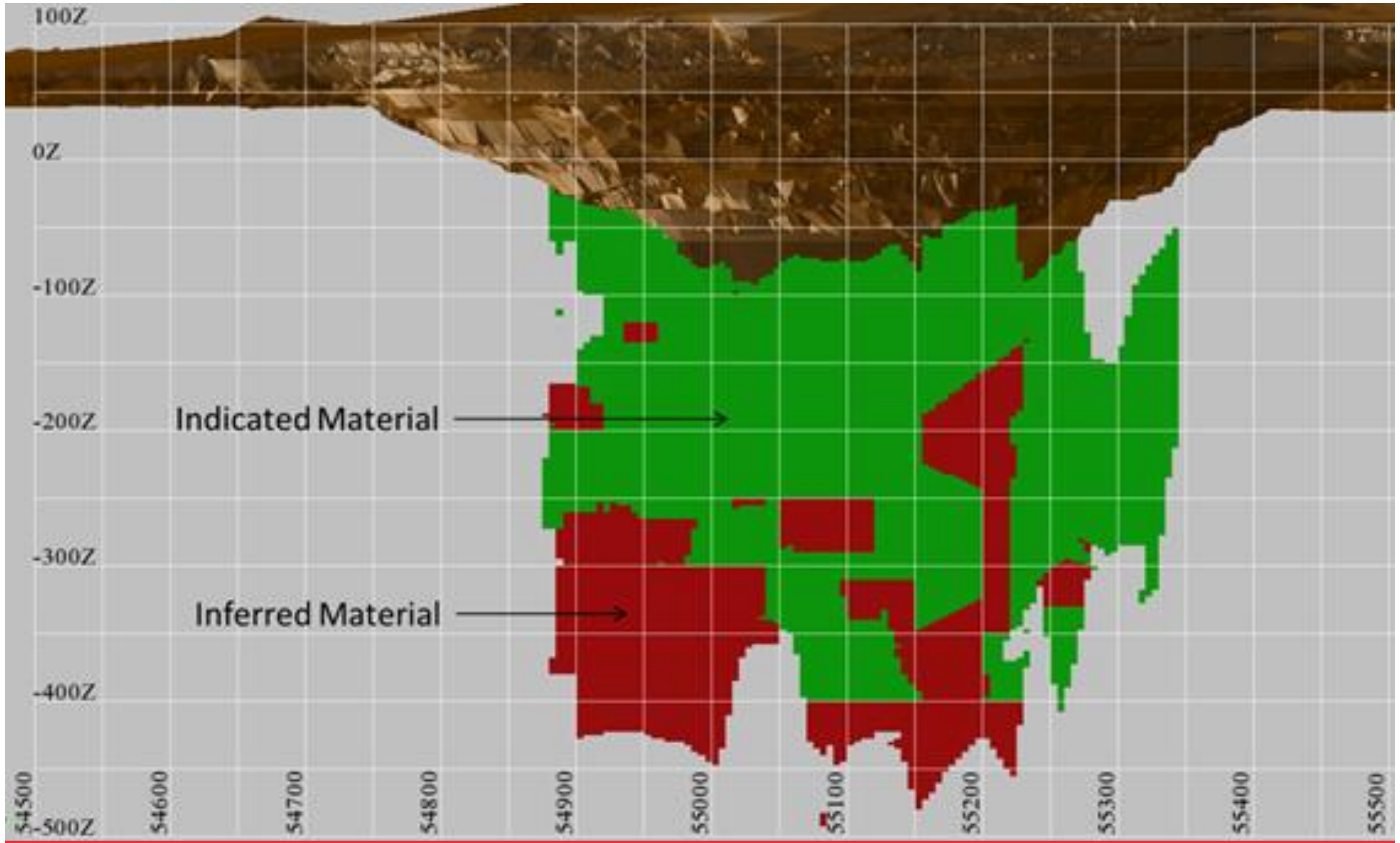
Siana – Underground Resources & Reserves

Underpins robust long-term underground mine development

1. Low cost open pit production
2. Underground development
3. Exploration and growth
4. Regional processing hub
5. Management track record



Long-section of the resource model above 1.0g/t Au equivalent

Siana Underground deposit:

- Indicated and Inferred Mineral Resource of **3.8Mt @ 5.8g/t Au for 704,000oz**
- Maiden Probable Ore Reserve of **3.01Mt @ 4.1g/t Au for 396,000oz**
- Strike length of ~450m
- Vertical depth of ~300m below Stage 4 open pit design, some 480 metres below surface
- Up to ~40m width for the upper section of the main zone of the resource
- Reserve equates to 1,300 ozs per vertical metre
- Open at depth

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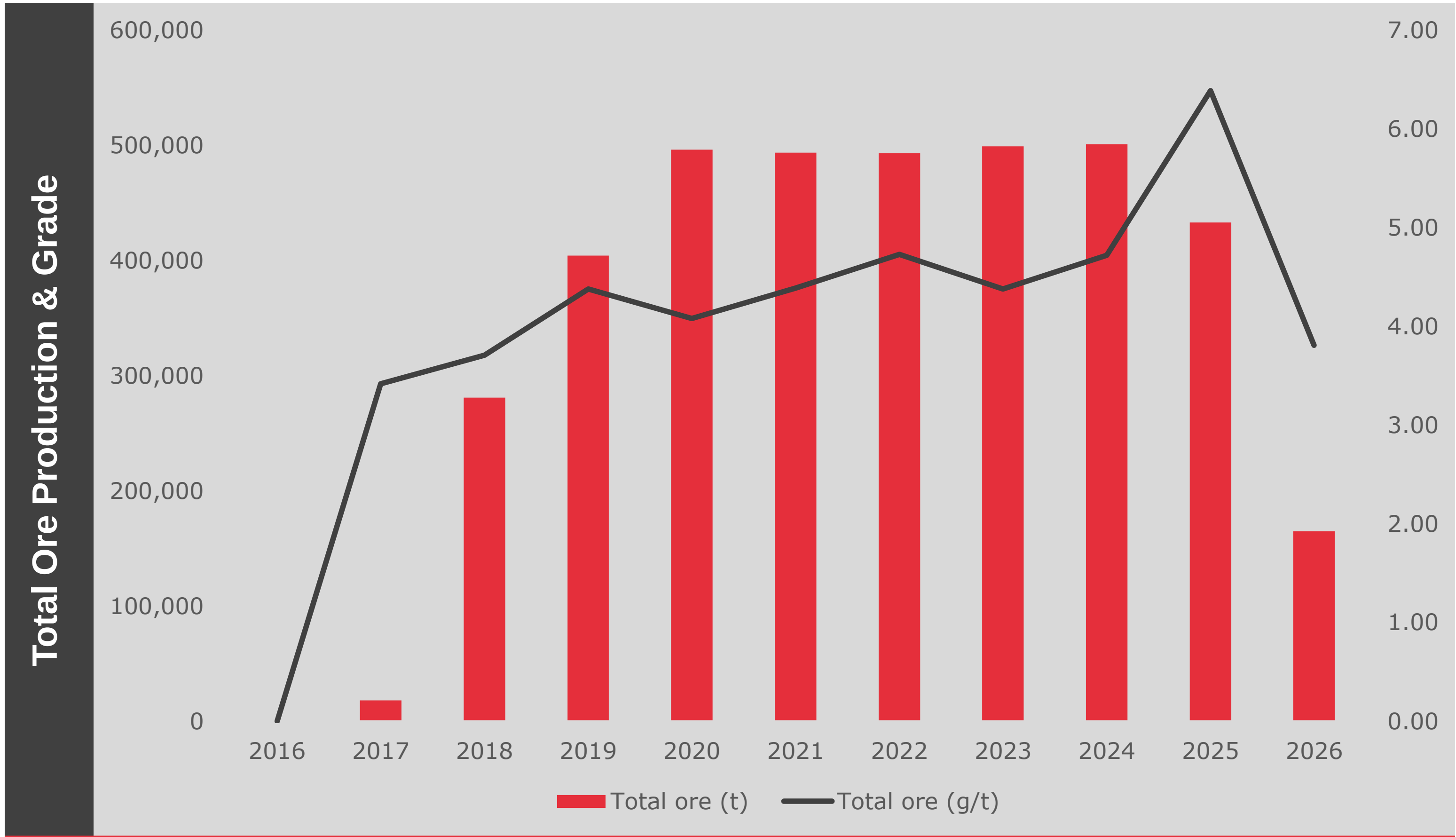
Siana – Underground Production Profile

Robust economics with relatively modest capital cost estimate

1. Low cost open pit production
2. Underground development
3. Exploration and growth
4. Regional processing hub
5. Management track record



Average annual forecast recovered gold production of ~60,000oz per annum at estimated AISC of US$930 to US$980/oz over 8-year production life

- Projected 12-month timeline to access underground ore
- Potential to fund underground development by utilising cash-flows generated from existing open pit
- Recently secured short-term loan facility provides ability to accelerate UG development
- Opportunities to supplement UG ore feed with material from nearby Mapawa prospect plus additional near-mine prospects

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Siana – Underground Mining Method

A blueprint to deliver future growth at Siana

1. Low cost open pit production
2. Underground development
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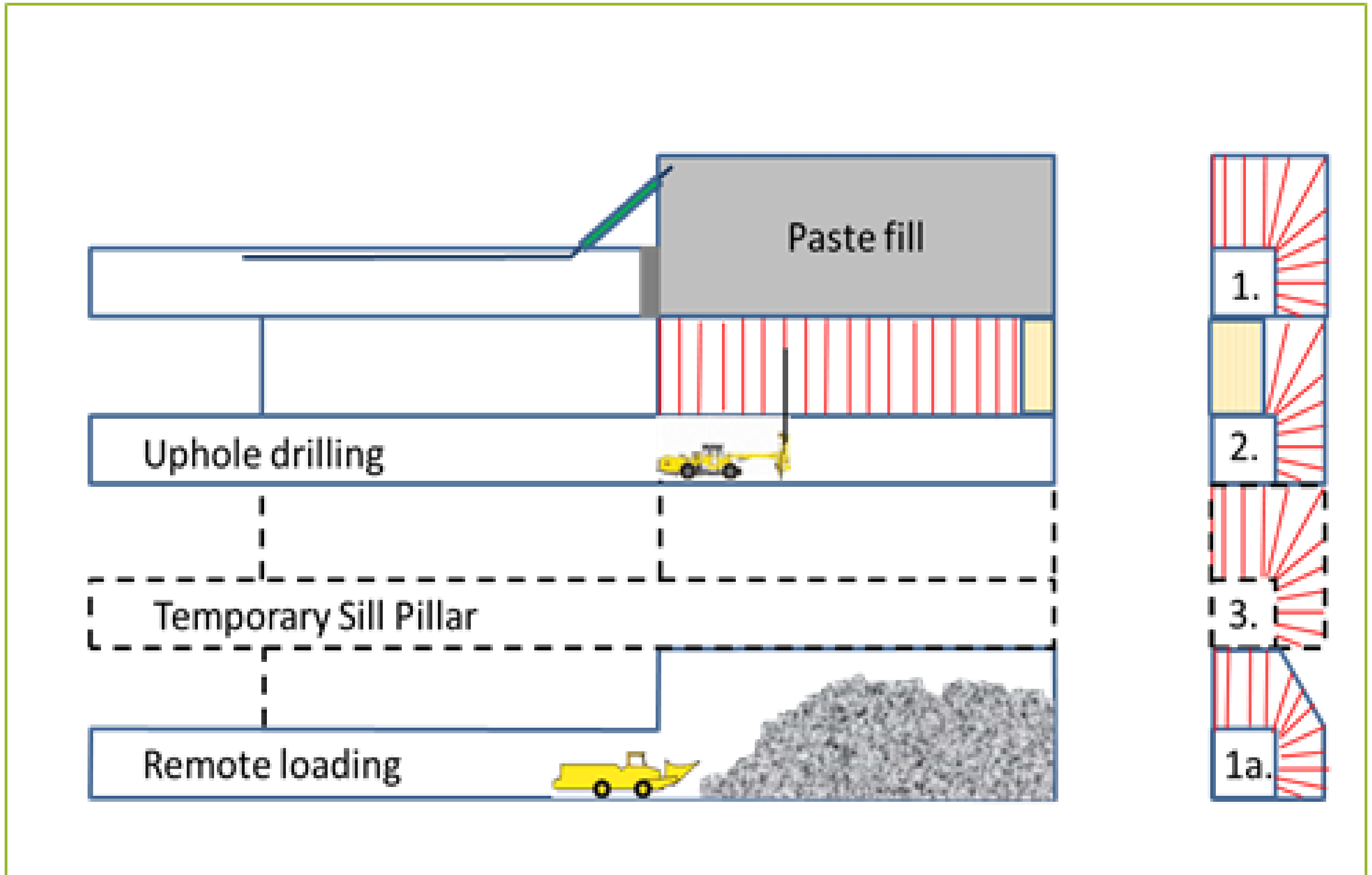
5. Management track record

- Mine plan based on use of a conservative short up-hole retreat mining method with cemented paste-fill for ore extraction
- Proven mining method with good productivities and reasonable costs – plus good control of mining voids and drill-and-blast
- Cemented paste-fill allows mining to be undertaken on several levels
- Conventional jumbo drill-and-blast method to be used for tunnel development



Schematic of proposed short up-hole retreat mining method

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Siana – Long-Term Underground Mine Plan

Includes assessment of entire resource beneath the Siana open pit

1. Low cost open pit production

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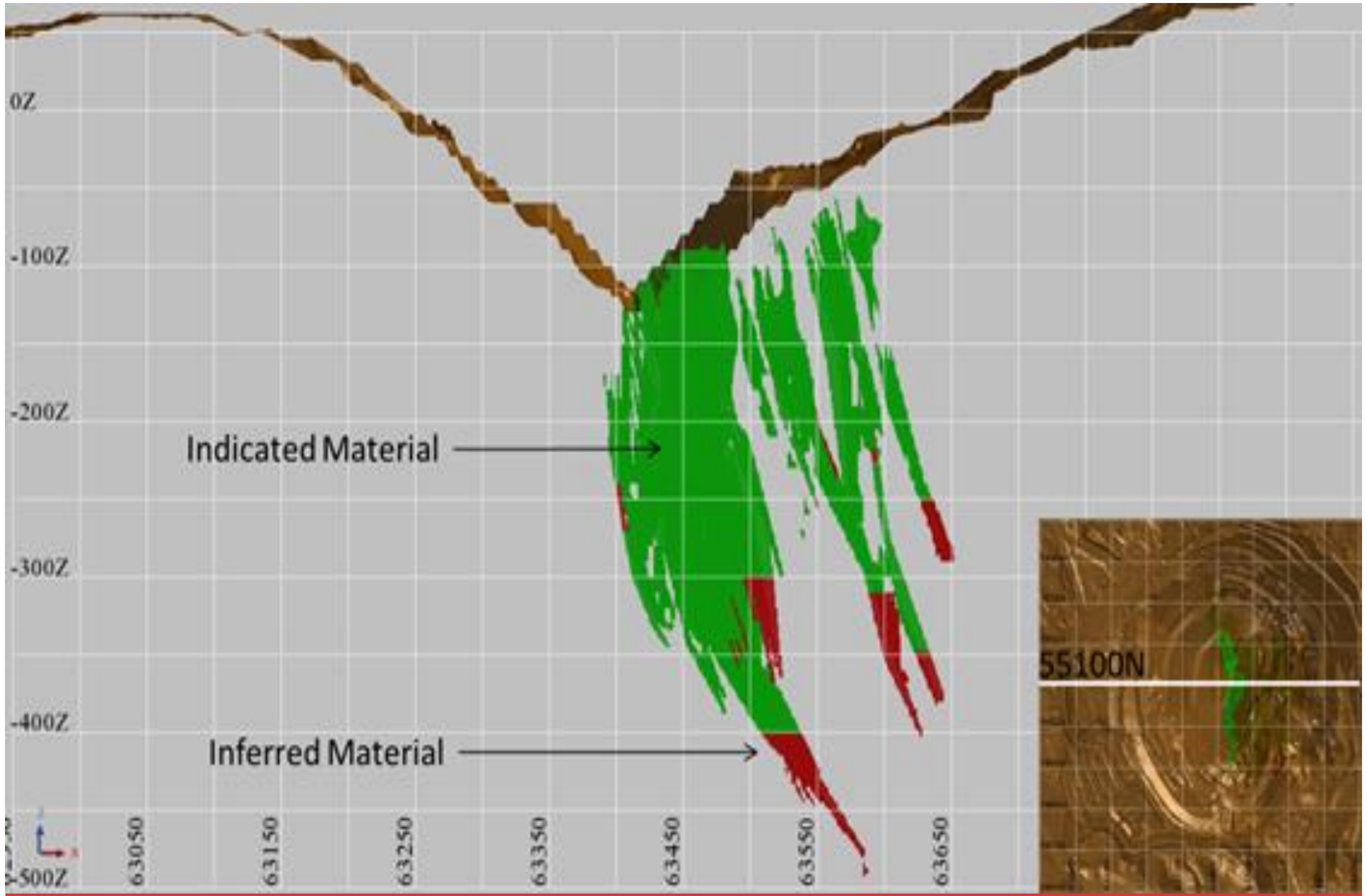

Cross-section at 55100N

- Feasibility Study also considered technical and economic viability of the entire UG resource – including Indicated and Inferred material
- Most of the Inferred material scheduled to be mined in last half of the mine life – represents ~10% of total resource
- High level of confidence in ability to convert to Indicated Resources with further drilling
- Based on 9-year mine life (including development) mining 3.8Mt at head grade of 4.6g/t gold equivalent to produce 504,000 ounces of gold

Key Parameters

From updated Underground Feasibility Study Financial Model

1. Low cost open pit production

2. Underground development

3. Exploration and growth

4. Regional processing hub

5. Management track record

Summary of Key Parameters from Underground Feasibility Study Financial Model		
Life of Mine (LOM) including development	Years	~ 9
LOM Ore Mined	Mt	3.8
Maximum Plant Feed Rate	Mtpa	1.1
Average Gold Head Grade	g/t	4.6
Average Gold Recovery	%	90
Average Forecast Gold Price	US$/oz	1,200
Forecast FX Rate	AUD:USD	0.72
Initial Capital Cost	US$M	60
Average LOM Operating Cost	US$/oz	700-750
Average AISC Costs	US$/oz	930-980
NPV (10% Discount Rate, Pre-Tax)	US$M	50
IRR	%	22

View of ramp up to proposed underground portal location in the Siana open pit

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Major Capital Expenditure Items for FY 2016-17

Estimated costs

1. Low cost open pit production
2. Underground development
3. Exploration and growth
4. Regional processing hub
5. Management track record

Open Pit Development	A$17.2M
Underground Development	A$13.6M
Paste-Fill Plant	A$18.2M
Power Station Upgrade	A$ 4.7M
Long Term Tailings Facility	A$12.8M
De-watering Bores	A$ 3.8M
Exploration	A$ 3.6M

- Short-term loan facility of 300 million Philippine pesos (~A$8.8M) secured from Philippines-based Metrobank to accelerate early development of the Siana underground operation

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Siana Underground – Major Project Risks

Risk Management Strategies

1. Low cost open pit production

2. Underground development

3. Exploration and growth

4. Regional processing hub

5. Management track record

Risk Area	Risk Mitigation Strategies
• **Water ingress into underground mine**	▪ Upgrade open pit dewatering capability to 1000 litres/second ▪ Install additional four 250m deep water bores in West Wall Volcaniclastics and shear zone to extract an additional 200 litres per second ▪ Install dewatering capacity in the underground of 200 litres per second to allow management of water inflows underground should they be encountered ▪ Diamond drill holes into the ore zone and old workings drilled from the decline to progressively de-water this shear zone
• **Ground Conditions**	▪ All development headings supported with 50mm fibrecrete and rock bolts ▪ Stoping method involves working under engineered cemented paste-fill rather than sheared ore zone

Siana Underground – Major Project Risks
Risk Management Strategies

1. Low cost open pit production

2. Underground development

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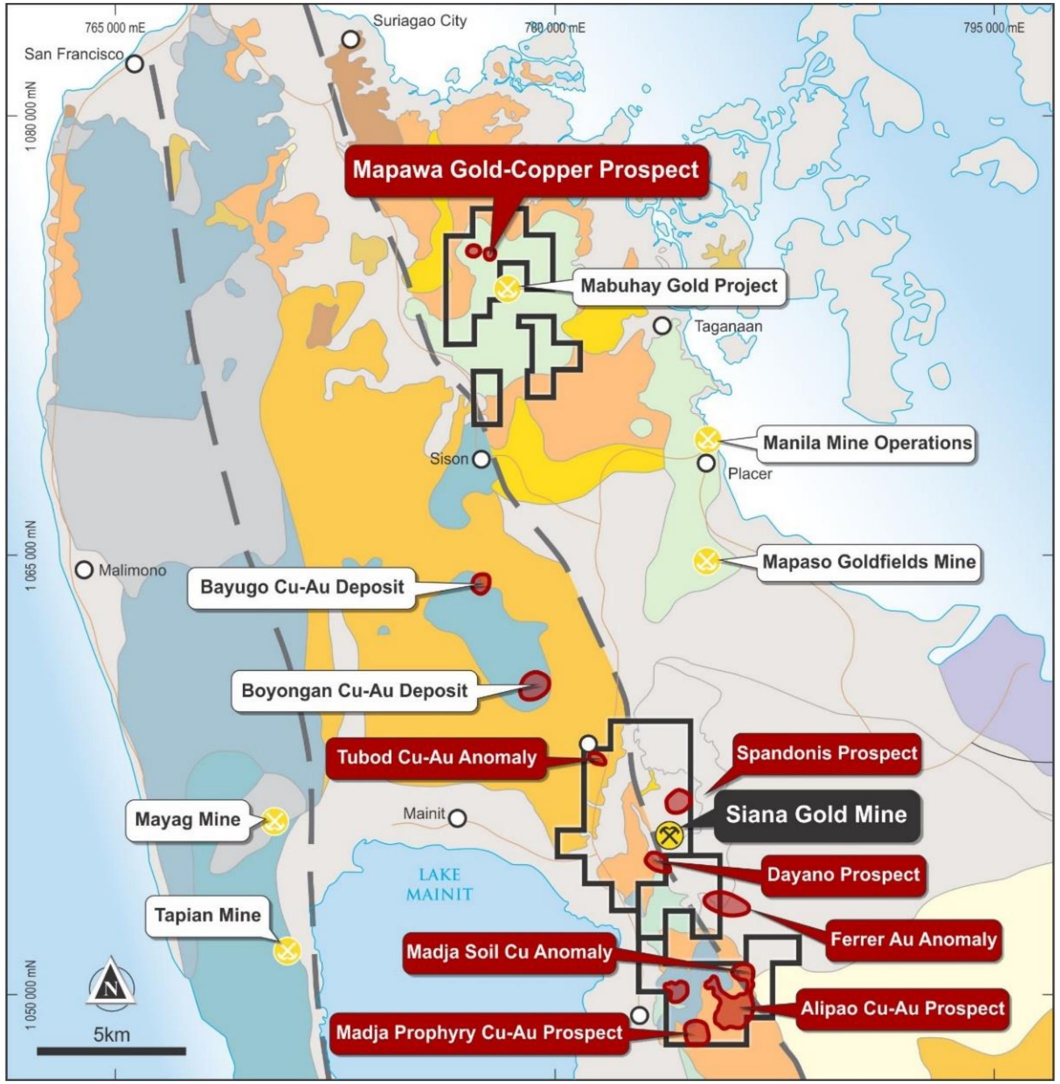
5. Management track record

Risk Area	Risk Management Strategies
• **Development rates**	▪ Conservatively targeting advance rates of 70m per month in the decline and 30m per month in any ore drive ▪ Commence portals early using local contractor, who will use air-leg miners while the surface infrastructure is being installed ▪ Contract out up to the first three years of development to an experienced underground contractor
• **Production rates**	▪ Schedule has allowed for many stoping areas to be worked concurrently ensuring production flexibility ▪ Conduct production activities in-house
• **Old workings**	▪ Original underground mine was closed in 1960 and there are several areas of ore with a core of old workings in their centre: Mining One has developed a non-entry method to safely and efficiently mine these areas. A trough undercut stoping system has been devised to extract these ore blocks with the stopes progressively filled with cemented paste-fill as the ore is extracted

The Future – Exploration and Growth

Surigao del Norte – one of the most mineralised provinces in one of the most mineralised countries globally

1. Low cost open pit production
2. Underground development
3. **Exploration and growth**
4. Regional processing hub
5. Management track record



- Exploration targets identified
- Increase in near-mine and regional exploration activities
  - *Near-mine:*
    - Siana Gold Project – underground in-fill drilling
    - Dayano prospect
    - Alegria prospect
  - *Regional:*
    - Mapawa LSY – maiden resource
    - St Nino prospect
    - Number of strong IP and magnetic anomalies

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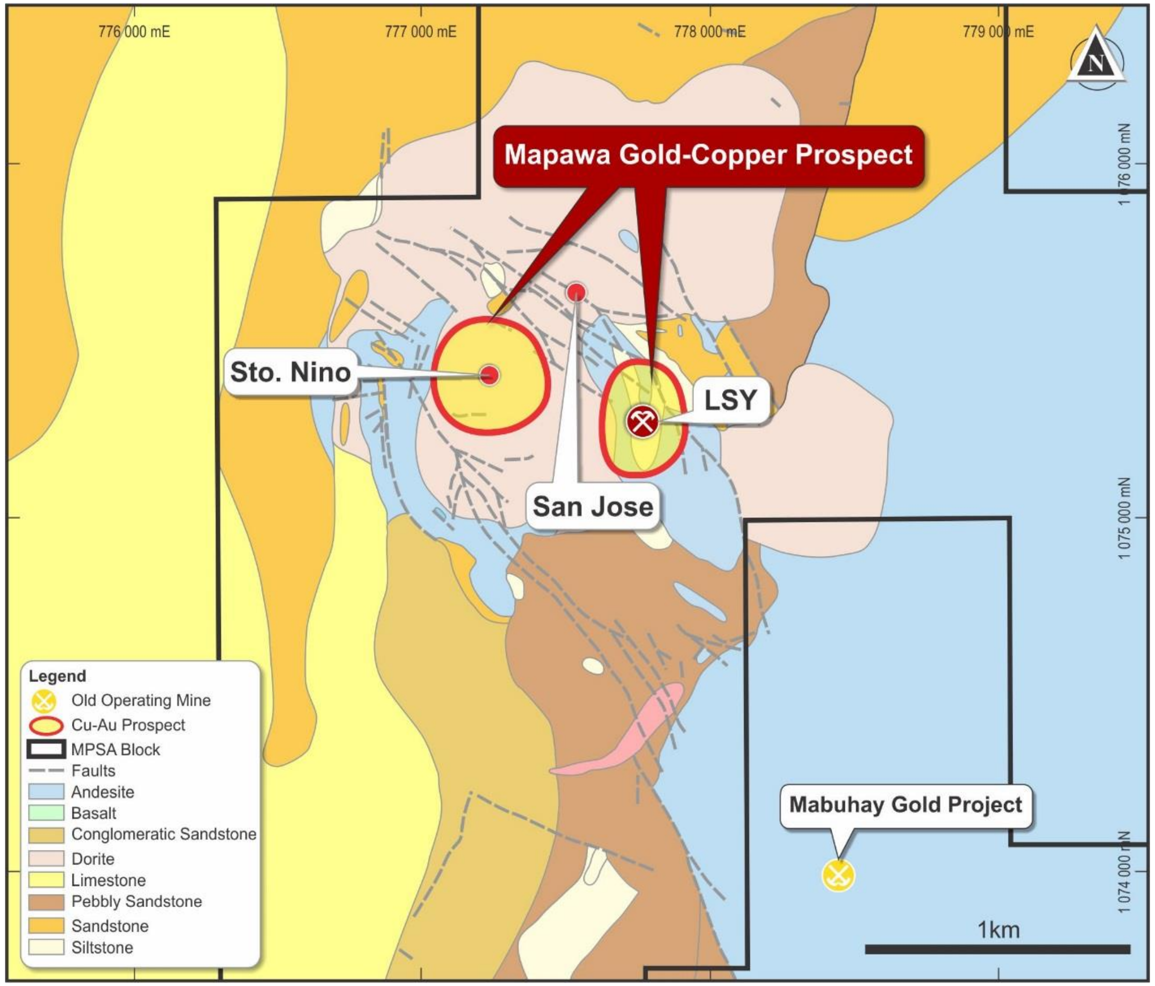
Mapawa Project

Maiden resource paves the way for Scoping Study; longer term exploration upside

1. Low cost open pit production
2. Underground development
3. Exploration and growth
4. Regional processing hub
5. Management track record

- 20km north of Siana
- JORC 2012 Indicated and Inferred Mineral Resource for LSY deposit of **8.8Mt @ 1.0g/t Au for 289,000oz**
- Resource based on 13,798m of drilling
- Includes 5,628m of historical drilling by Suricon (previous operator) and 8,170m of additional diamond drilling completed by Greenstone Resource Corporation
- Brownfields site
- Resource remains open down-plunge and along strike
- Numerous magnetic and geophysical targets remain to be tested



Mapawa Project

Scoping Study paves the way for engineering studies; longer term exploration upside

1. Low cost open pit production

2. Underground development

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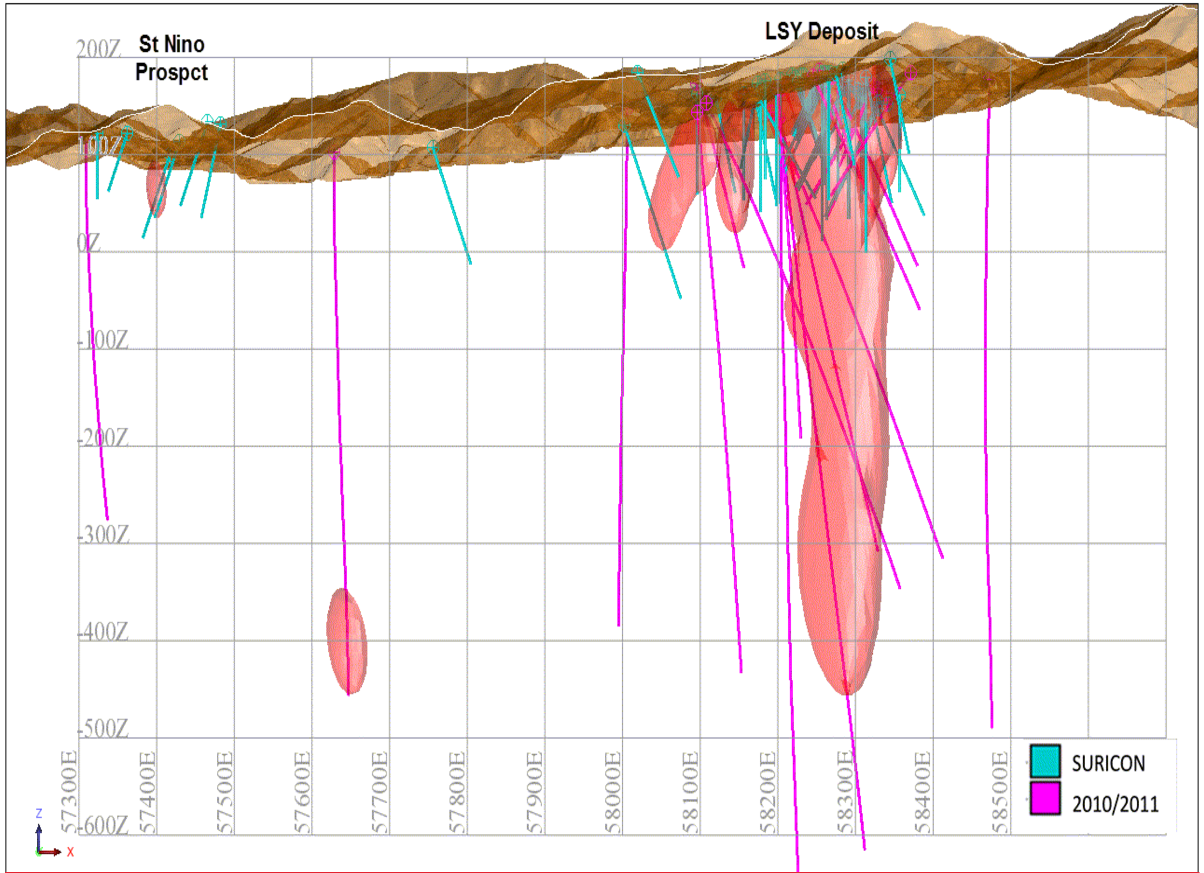
4. Regional processing hub

5. Management track record

- Successful 2016 Scoping Study indicates potential to develop an initial open pit operation based on the Mapawa LSY deposit, with ore delivered by road to the process plant at Siana

- Feasibility Study now underway

- Longer term potential to be assessed:
  - Further exploration activities planned with the aim of increasing the Mineral Resource sufficiently to enable a possible stand-alone gold-copper operation



Cross-section view of Mapawa LSY deposit showing previous drilling

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Processing Plant

Only modern operating gold plant in a highly endowed world-class mining region

1. Low cost open pit production

2. Underground development

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4. Regional processing hub

5. Management track record

- Modern 1.1Mtpa gravity and carbon-in-leach (CIL) processing facility
- Constructed in 2011
- Heart of the plant is an Outotec Mill (1.1Mtpa nameplate)
- On track for annual production of 57-60,000oz for FY2016
- Potential to establish Siana as a central processing hub for gold deposits in the region

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Management Track Record – Recent Achievements

Realising our potential at Siana and beyond

1. Low cost open pit production

2. Underground development

3. Exploration and growth

4. Regional processing hub

5. Management track record

- ☑ Gold production on track to achieve higher end of FY2016 guidance at 57-60,000oz
- ☑ Operational improvements completed – upgrade of haul roads, re-build of ring drainage system and desilting ponds
- ☑ Delivery of new open pit mining strategy confirmed and being implemented
- ☑ Updated Underground Feasibility Study delivered June 2016 – outlining a strong long-term future for Siana Project
- ☑ Inaugural JORC resource delivered for Mapawa LSY deposit – Scoping Study completed and Feasibility Study underway

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Sustainable Development Initiatives

Strong commitment to health and safety, community and environmental programs

1.
Low cost open pit production

2.
Underground developmenjt

3.
Exploration and growth

4.
Regional processing hub

5.
Management track record

Support continues in the areas of:

- Health
- Community education
- Welfare
- Agricultural
- Infrastructure
- Clean water

Committed to high environmental standards:

- Continual water quality monitoring
- Water drainage systems
- Silt ponds
- Cyanide destruction
- Tree planting

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Summary: Key Investment Takeaways

ASX-listed gold producer operating in the Philippines

1. **Low-cost production from open pit operations at Siana**
   - Projected to achieve higher end of FY2015/16 guidance at 57-60,000oz
   - Operating cost profile expected to reduce with expected significant reduction in waste-to-ore ratio from July 2016 onwards
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4. **Only modern gold plant in a highly prospective province**
   - Modern 1.1Mtpa gravity and carbon-in-leach (CIL) processing facility
5. **Experienced management team**

Red 5 has a clear strategy to build shareholder value by delivering reliable, consistent production, demonstrating technical strength and excellence in all aspects of its operations. Laying the foundations for its future growth through the development of a long-life underground mine at Siana together with exploration to grow its resource inventory

Disclaimer and Competent Person’s Statement

Competent Person’s Statement for JORC 2012 Mineral Resource and Ore Reserve

The information in this report that relates to Mineral Resources and Ore Reserves for the Siana Open Pit is extracted from the report titled Siana Open Pit Mining Review and Reserve Update dated 24 September 2015 and is available on the ASX web-site. The information in this report that relates to Mineral Resources for the Siana Underground is extracted from the report titled Siana Underground Mineral Resource dated 23 February 2016 and is available on the ASX web-site. The information in this report that relates to Ore Reserves at the Siana Underground is extracted from the report titled Siana Gold Project: Underground Mine Approved for Development Following Completion of Positive Updated Feasibility Study dated 14 June 2016 and is available on the ASX web-site. The information in this report that relates to Mineral Resources at the Mapawa Project is extracted from the report titled Maiden Resource for Mapawa LSY deposit dated 21 October 2015 and is available on the ASX web-site.

Red 5 confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Production forecasts

The Company confirms that all material assumptions underpinning the Siana Underground production target and financial information derived from the production target referred to in this report continue to apply and have not materially changed from when they were first reported on 14 June 2016, within the report titled Siana Gold Project: Underground Mine Approved for Development Following Completion of Positive Updated Feasibility Study, which is available on the ASX web-site. In addition, the ore reserves underpinning the production forecast at the Siana Open Pit in this report are probable ore reserves and have been prepared by a competent person in accordance with the requirements of JORC 2012.

Forward-Looking Statements

Certain statements made during or in connection with this statement contain or comprise certain forward-looking statements regarding Red 5’s Mineral Resources and Reserves, exploration operations, project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Red 5 believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements and no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. Except for statutory liability which cannot be excluded, each of Red 5, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. Red 5 undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly you should not place undue reliance on any forward looking statement.

Thank you.

Mark Williams (Managing Director)
Kevin Dundo (Chairman)

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