



Announcement Summary

Entity name

RED 5 LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday April 2, 2020

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
RED	ORDINARY FULLY PAID	11,450,000

Proposed +issue date

Thursday April 9, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

RED 5 LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

73068647610

1.3 ASX issuer code

RED

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Thursday April 2, 2020

1.6 The Proposed issue is:

☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +Security Code and Description

RED : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

11,450,000

Purpose of the issue

Consideration for the purchase of the Great Western project comprising mining tenement M37/54; the grant of a licence to enter and bring plant and machinery into a defined area within the mining tenement E37/1214; and any related mining information.

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.19230



Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Oversubscription & Scale back details

May a scale back be applied to this event?

☒ No

Part 7C - Timetable

7C.1 Proposed +issue date

Thursday April 9, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

To be determined by dividing the amount of A\$2,200,000 by the price determined by the VWAP for shares in RED for the 5 trading days immediately prior to the completion date pursuant to the Sale and Purchase Agreement, up to a maximum of 14,092,484 shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ No

7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses



7E.1 Will there be a lead manager or broker to the proposed issue?

☒ No

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

Both the maximum number of securities to be issued and the issue price provided are indicative. The actual number of ordinary fully paid shares in Red 5 to be issued will be determined by dividing the amount of A\$2,200,000 by a price equal to the VWAP in RED for the 5 trading days immediately prior to the completion date, pursuant to a tenement sale and purchase agreement announced on 3 April 2020 between Terrain Minerals Limited (Terrain) and Darlot Mining Company Pty Ltd (Darlot) (a wholly owned subsidiary of RED) (SPA), with the completion date expected to be 9 April 2020. The actual issue price will be the price equal to the VWAP in RED for the 5 trading days immediately prior to the completion date.