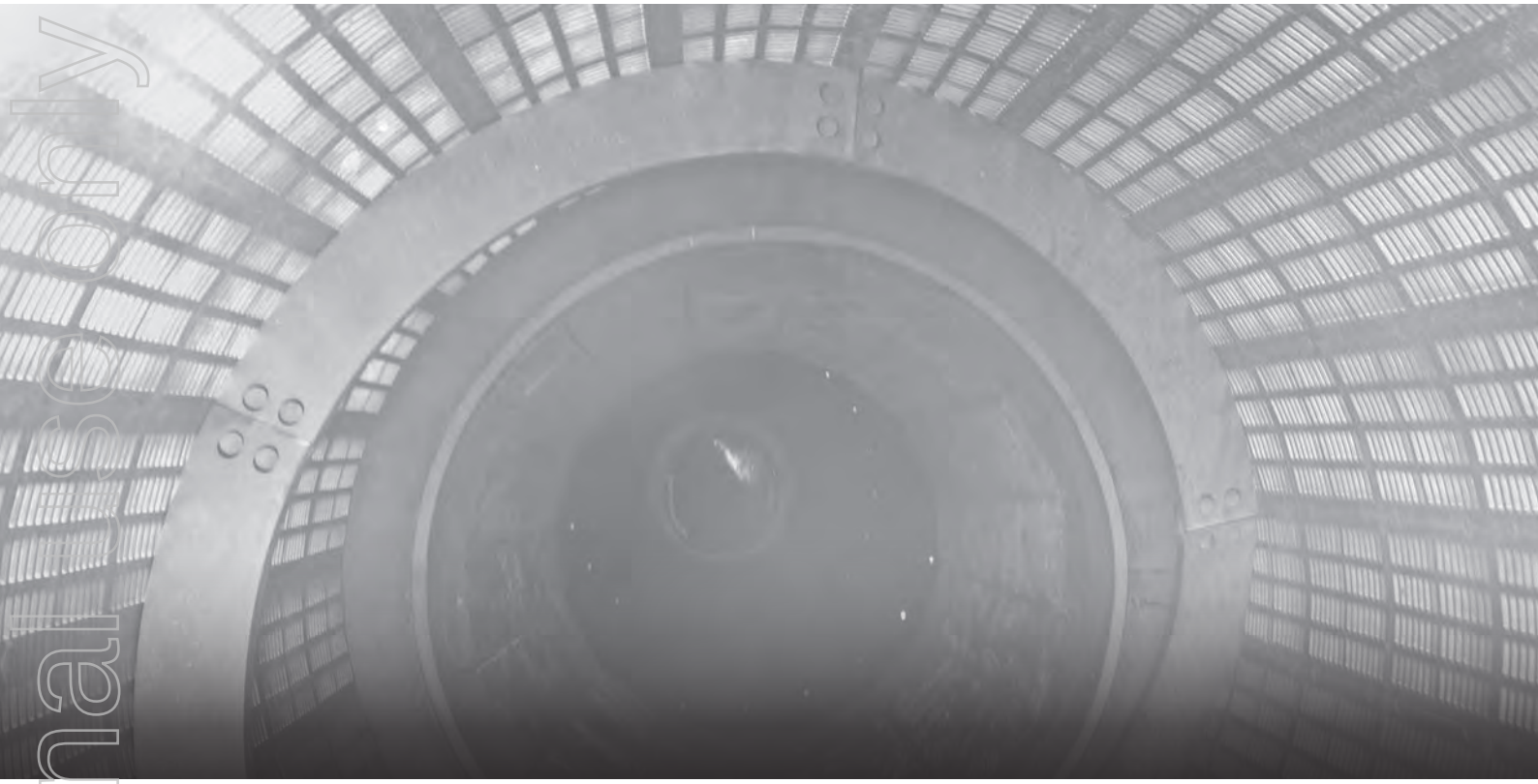
Red 5 Limited



Annual Report 2015

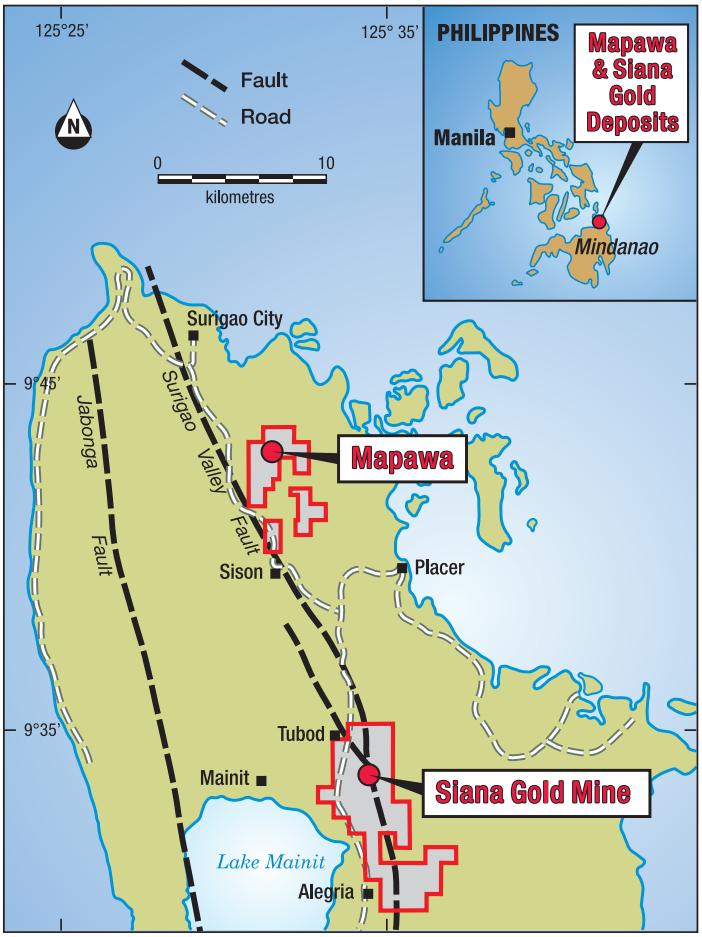
Corporate Profile

Red 5 Limited (ABN 73 068 647 610) is listed on the Australian Securities Exchange (ticker RED) and OTCQX International (ticker RDFLY) with around 4,200 shareholders.

The Company's principal asset is the Siana Gold Project situated on the island of Mindanao in the Philippines. The project is held under a Mineral Production Sharing Agreement (MPSA) by Greenstone Resources Corporation (a Red 5 Philippine affiliate company).

The deposit is mined by open pit methods with a planned transition to underground mining in the future. Ore is treated through a conventional modern gravity and carbon-in-leach plant to produce gold doré, which is then shipped for refining.

The second principal asset is the Mapawa MPSA, located 20 kilometres north of Siana which has the potential to provide satellite ore to the Siana processing plant. The property hosts a gold porphyry system with a number of significant grade gold occurrences within the project area. The area has had little exploration activity in the past and is considered to have significant potential.



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2015 Highlights

Year in review

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OPERATIONS – SIANA GOLD PROJECT, PHILIPPINES

- Construction of new tailings management facilities completed on schedule and under budget together with processing plant additions, paving the way for operations to recommence in January 2015.
- Initial mining, processing and production milestones achieved with a total of 23,645 ounces of gold recovered for FY15 from a total of 298,163 tonnes of ore processed for the six months to 30 June 2015.
- The operational performance has continued subsequent to the end of the 2015 financial year with the Company increasing its guidance for FY16 to 50,000–60,000 ounces from ~40,000 ounces.
- Detailed Technical Study of open pit mining strategy completed including independent geotechnical assessment. The implementation of the new mine plan, based on an updated Probable Ore Reserve, is forecast to deliver ~181,000 recovered ounces from 1 July 2015 to December 2017 through a revised staged cut-back strategy of the open pit.

SIANA UNDERGROUND

- A new Underground Concept Study completed by independent consultants, Mining One Pty Ltd, confirmed the potential to extract the resources below the -130mRL level and will form the basis of additional studies targeting the development of a future long-term underground mining operation at Siana.
- The Company currently expects that underground development activities will commence in the second half of 2016 calendar year, funded from internal cash resources generated from the open pit.

RESOURCE AND RESERVE UPDATE AND IMPAIRMENT

- Updated JORC 2012 compliant Mineral Resources and Ore Reserves completed for the Siana open pit:
  - JORC 2012 Indicated and Inferred Open Pit Mineral Resource of 5.8Mt at 2.6g/t gold for 490,000 ounces
  - JORC 2012 Probable Ore Reserve estimate of 1.9Mt at 3.5g/t gold for 181,000 ounces recovered
- Due to the implementation of the revised open pit mining strategy, the Company has elected to remove 74,000 ounces from its last reported open pit reserves. The Company will seek to a recover a portion of these ounces in the underground mining phase of the operation.
- Based on a detailed financial model prepared following completion of the revised open pit mining strategy and Underground Concept Study, an impairment of $56.6 million was incurred in the carrying value of mine properties and development in the FY 2015 results.

EXPLORATION

- Preparations continued on a number of fronts to ramp up near-mine and regional exploration.
- A JORC 2012 resource statement in preparation for Mapawa Gold-Copper Project, ~20km north of Siana.

Message to shareholders
from the Chairman

Dear Shareholders,

I am pleased to report on what has been a challenging year for Red 5. Most of the key objectives set out in last year's Annual Report have been achieved, paving the way for the resumption of mining and processing operations and the restart of gold production at the Siana Gold Project at the start of the calendar year.

Construction of a new tailings management facility was completed on schedule and under budget, with the Company receiving formal notification from the Philippines Mines and Geoscience Bureau (MGB) in early January 2015 that the Cease and Desist Order (CDO) over the processing operations had been lifted. This followed a site inspection to verify the completeness of key construction activities and the completion, upgrade and sign-off of the independently designed Tailings Storage Facilities, as outlined in more detail in the body of this report.

Additions to the processing plant were completed ahead of the restart of processing operations in January 2015 and mining activities recommenced during the year.

Operations have progressed well, with a total of 23,645 ounces recovered for the 2015 financial year, reflecting the six months of production to 30 June 2015. Notwithstanding a significant material movement in the East wall of the open pit which occurred in early July, operations have continued into the new financial year with nearly 11,000 ounces of gold recovered for July and August 2015 (a monthly record for the project), putting Siana on track to recover over 16,000 ounces for the September Quarter. Red 5 has recently increased its production guidance for the 2016 financial year to 50,000–60,000 ounces from ~40,000 ounces.

The Group's response to the East pit wall material movement has been rapid and effective, with a focused management plan implemented and the necessary engineering, contracting and technical expertise mobilised to identify the likely causes and design of a modified mining schedule. At the time of finalising this report, more than 70 per cent of the sloughed material had already been removed.

The Company has also recently completed a detailed Technical Study of the open pit mining strategy at Siana, including an independent geotechnical assessment. The revised mining strategy, developed with specialist input from external geotechnical consultants and engineers, is designed to optimise the extraction of open pit Ore Reserves over the remaining life of the open pit operation up until December 2017 while mitigating as far as possible geotechnical risks and striving to preserve the integrity and safety of the open pit mine.

The Group has signed off on the implementation of this revised open pit mining strategy, which is forecast to recover approximately 181,000 ounces from 1 July 2015 via a progressively staged cut-back of the East pit wall to allow the base of the open pit to be mined to a final depth of approximately 180m below surface.

As a result of the implementation of the open pit mine plan, the Company has elected to remove 74,000 ounces from the Ore Reserve category in its updated Mineral Resource and Ore Reserve inventory as at 30 June 2015. This in turn has resulted in the Company incurring an impairment charge of $56.6 million in its FY2015 financial results. The Board believes this is a prudent and responsible measure which brings the Group's balance sheet into line with the expected production outcomes from the open pit and underground reserves.

The impairment expense is a non-cash item and, while it is reflected in the Company's bottom line financial results, it does not have any impact on cash flows and will not have any impact on operations. Red 5 remains in a sound financial position with cash reserves of approximately A$10 million at the time of finalising this report and no external financing facility.

Our intention is that the cash-flows generated by the open pit operation will provide the foundation for the longer term development of the Siana Gold Project via a future underground mining operation. In this regard, we are very pleased with the preliminary results of an independent Underground Concept Study completed by specialist mining consultants Mining One Pty Ltd.

This represents the first broad update of the 2009 Siana Bankable Feasibility Study and presents a revitalised approach to the underground mine development based on a specialist independent review of the existing JORC 2004 resources, an assessment of underground mining conditions and geotechnical parameters and the incorporation of a new mining method.

Our current expectation is that we will commence underground development activities in the second half of calendar 2016, funded from internal cash resources generated from the open pit. Further updates will be provided as we upgrade the existing JORC 2004 resources for the underground mine to JORC 2012 status and complete detailed technical studies to support the development of the underground mine.

Looking further afield, the Group also took some important initial steps during the year towards unlocking the potential of our highly prospective ground position in the Philippines.

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Geologically, Mindanao offers world-class opportunities and our longer term strategy is to leverage off our established production and cash-flow base at Siana by targeting prospects that can deliver incremental sources of ore feed as well as opportunities for further discoveries.

We commenced preparations to resume exploration activities during the 2016 financial year, subject to available funds, and also commissioned an updated JORC 2012 compliant resource for the nearby Mapawa satellite deposit, located 20km north of Siana. This inaugural JORC 2012 resource, which is expected to be finalised in October 2015, will underpin initial technical studies on development options for an initial open pit mining operation which could provide an incremental source of ore to be processed at the Siana operation.

One of the keys to our operational performance during the year has been the strong management team we now have in place, led by our Managing Director Mark Williams. I would like to extend my appreciation to them and to our team of staff and consultants, both in the Philippines and Australia, for their dedication and hard work during the year.

I am confident that, with a continued strong focus on technical and operational excellence, an outstanding team of people, and a prospective asset base which we are now just beginning to unlock, the Company is well placed to realise its vision of becoming a successful international gold producer and generating returns for our shareholders in a manner that is consistent with our vision and values.

Finally, I would like to thank our shareholders for their continued support during what has been a challenging period for the Company. I am confident that we now have all the right ingredients in place to rebuild shareholder value and look forward to keeping you informed of our progress over the year ahead.

Kevin Dundo
Chairman

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."

Message to shareholders
from the Managing Director

The 2015 financial year has been a positive year of hard work, operational achievement and tangible progress for Red 5, with the Company re-commencing gold production at its flagship Siana Gold Project in the Philippines and beginning to lay the foundations for its future growth and success as an international gold producer.

Restart of Gold Production and Production Update

Mining operations were suspended at Siana in April 2013 following the detection of a crack in the wall of a tailings facility. Immediate stabilisation and remedial work was successfully undertaken to ensure that there was no impact to the local environment. A Cease and Desist Order (CDO) over the processing operations was subsequently issued in June 2013 by the Philippines Mines and Geoscience Bureau (MGB).

The Company has since worked closely and cooperatively with the MGB, the Department of Environment and Natural Resources (DENR) and other Philippine government agencies, and in December 2014 completed the necessary construction activities required to have the CDO lifted. This was a critical milestone for Red 5, enabling mining and processing operations to recommence and signalling a return to cash-flow at Siana following more than 18 months of the mine being on care and maintenance.

The construction activities completed over the 2015 financial year to facilitate the lifting of the CDO comprised:

1. The construction of a new High Density Poly Ethylene (HDPE) lined tailings storage facility downstream of tailings storage facility 4 (TSF4) for additional storage capacity and strength;
2. The installation of a thickener and cement mixing facility to allow for production of dry tailings product with greater residual strength; and
3. Necessary modifications to existing tailings storage facilities (TSF3 and TSF4) to accommodate the new thickened cement tailings.

Following the completion of these projects, mining activities recommenced at Siana in January 2015. Mining and processing operations over the remainder of the reporting period progressed very well, with strong production performance over the period between January 2015 to June 2015 with a total of 23,645 ounces of gold recovered. Pleasingly, reconciliations of actual ore tonnes and grade mined against the block model has exceeded expectations since mining recommenced. This is considered to be a positive indication for the grade profile of the open pit over the next 28 months.

The operational performance at Siana has continued into the new financial year, with a record 6,025 ounces of gold recovered for the month of August 2015, from processing 68,387 tonnes of ore at an estimated 88% recovery. Together with the 4,916 ounces recovered for July 2015, the total recovered to the end August 2015 is 10,941 ounces.

The Company now expects to recover over 16,000 ounces of gold in the September 2015 Quarter, exceeding previous guidance of 11,000–13,000 ounces. In addition, Red 5 has recently increased its production guidance for the 2016 financial year to ~50,000–60,000 ounces from ~40,000 ounces.

The integration of the construction projects outlined above has also progressed very well, with the new HDPE-lined tailing storage facility (HDPE TSF5) successfully commissioned during the March 2015 Quarter, and all three TSFs (3, 4 and HDPE 5) are available for the deposition of tails. Development work on the next stage of the tailings storage facility construction, comprising upstream embankment rises for TSF3 and TSF4 plus a downstream raise for HDPE TSF5, commenced in May 2015.

At the end of the reporting period, the HDPE TSF5 Stage 2 embankment had been completed, with the liner placement completed early in August 2015. The TSF3 Stage 2 embankment was approximately 35 per cent complete as at 30 June 2015 and is on track to be completed in December quarter.

Planning is also underway for additional long-term tailings storage capacity. The Company has narrowed its selection of potential sites from six to two options with studies ongoing to determine the optimal location. A multi-criteria analysis process is being used in conjunction with the Company's consultant engineers, Knight Piésold, to assist in weighting the various factors involved in finalising the selection process.

East Pit Wall Material Movement

A significant movement of material from the eastern pit wall into the open pit occurred subsequent to the financial year-end in early July 2015. The Company responded rapidly to this event with the implementation of a focused management plan, mobilising the necessary engineering, contracting and technical expertise to identify the likely causes and design of a modified mining schedule.

At the time of writing this report, remedial activities were well advanced, with the removal of the sloughed material progressing ahead of schedule with approximately 70 per cent of the material already removed. Re-siting of the perimeter ring drain on the Eastern side of the open pit is also advancing well, estimated to be 60 per cent complete at the time of finalising this report.

Geotechnical drilling in this area is also continuing with six diamond holes completed at the time of writing this report to gain further understanding of the rock lithology and material strength in this area. Weak mineralisation and alteration has been intersected in hole GT3 (SMDD158). Following completion of geotechnical assessment, the core has now been dispatched for assaying with results expected during the December 2015 Quarter.

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Open Pit Mining Strategy – Technical Review

As part of an ongoing geotechnical assessment of the open pit mining operations at the Siana Gold Project and the material movement on the East pit wall in July 2015, Red 5 has recently completed an extensive Technical Study to determine the optimal mining schedule for the remainder of the open pit Ore Reserves. The key elements of the review included:

- Hydrological review;
- Geotechnical review;
- Open pit mine planning and mine schedule; and
- Review of existing open pit resources and further evaluation of underground resources.

The key objective of this review was to maximise the economic extraction of ounces from the open pit, while giving priority to the safety and integrity of the open pit mining operation.

The review took into consideration a number of significant factors which have changed since the original 2009 Siana Feasibility Study, at a time when the historical pit was under water. These factors include practical mining experience, updated cost structures and advanced understanding of the geotechnical characteristics of the open pit.

As part of this review, the Company commissioned an independent geotechnical review of the Siana open pit mining operation and the proposed open pit mine design and schedule by Perth-based consultants in mining geo-mechanics, Peter O'Bryan & Associates. The analysis and review conducted by Peter O'Bryan & Associates included geotechnical assessment of the recent East pit wall material movement, as well as the mining schedule developed by Red 5 for a staged cut-back of the East pit wall aiming to maximise extraction by more economic open pit methods.

The original Siana open pit designs from the 2009 Feasibility Study required and relied on a significant draw-down of the groundwater table to prevent transient pressures acting in the pit walls. The recommended design parameters, based on 18m high batters and 6m wide berms, specified 60 degree batter angles for the East pit wall with the major pre-requisite being that all wall rocks needed to be de-pressurised to >100m behind the wall positions and maintained in that condition.

However, practical experience from actual mining operations has demonstrated that these pre-requisite conditions cannot be consistently maintained. The report from Peter O'Bryan & Associates confirms this, stating that: "It is our opinion that in the Siana setting it is simply unreasonable to assume or expect that this condition can be practicably reached and maintained."

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The key recommendations from the report are that a substantial reduction of overall slope angles needs to be adopted in conjunction with continued dewatering and de-pressurisation and a staged approach to mining in the East pit wall.

After taking into consideration the recommendations of the report from Peter O'Bryan & Associates and its own internal review, the Group has resolved to implement an open pit mining strategy involving a staged cut-back strategy for the East pit wall combined with comprehensive slope stability monitoring and increased surface drainage, pit de-watering and de-watering and de-pressurisation of the slope materials.

The Company's independent consulting engineers, Mining One Pty Ltd and Peter O'Bryan & Associates, have provided guidance in the redesign of the open pit. Mining One has also reviewed the associated mining schedule and has used that schedule to estimate the Ore Reserves. Following these independent reviews and technical audits, the Group has endorsed the adoption of this mining strategy.

The key components of this mining strategy include:

- Pit redesign based on geotechnical guidelines provided by Peter O'Bryan and Associates;
- Staged cut-back of the East and west pit walls, Stages 2, 3 and 4;
- Modified pit wall slope angles of 25° to 35°;
- Ongoing monitoring;
- Mine to ultimate depth of -130mRL;
- Implementation of radar monitoring of pit walls; and
- Ongoing dewatering.

The 2016 financial year forecast production profile from the open pit under this plan is shown in the table below:

Quarter	Estimated Au oz recovered
Quarter 1	16,000+
Quarter 2	7,000 – 10,000
Quarter 3	7,000 – 10,000
Quarter 4	20,000 – 23,000
Total 2015/2016 year	**50,000 – 60,000**

The implementation of the revised open pit mining strategy will deliver the following headline outcomes:

Summary, from 1 July 2015	
Total Ore Tonnes	1.90 million
Ore Grade	3.5g/t Au
Strip ratio	~4.5:1
Recovered Ounces (Au)	181,000oz
Cash Cost per Ounce (US$/oz)	$470-520/oz
All-in Sustaining Cost per Ounce (US$/oz)	$740-790/oz

Underground Concept Study

The Group commissioned underground mining consultants Mining One Pty Ltd to undertake a detailed Underground Concept Study and technical review of previous work assessing the Siana underground resource. The purpose of the study was to provide an updated evaluation of the mine-ability of the resource beneath the proposed final open pit.

This study represents a comprehensive update of the underground mining component of the original 2009 Siana Gold Project Feasibility Study. It should be noted that the Concept Study included both Indicated and Inferred material in the technical and economic assessment of the resource. Consequently, the results of the study cannot be used as the basis of a JORC 2012 Reserve declaration. However, the results of the Concept Study did validate the previous JORC 2004 Siana underground Reserve declaration.

Mining One found that the current projected metal price, estimated cost of mining and proposed mine plan are not likely to have a significant net material effect on the current JORC 2004 underground Reserve declaration. Mining One has undertaken a detailed review of the mining methods adopted in previous studies. The updated mine plan is based on the use of a conservative short up-hole retreat mining method with cemented paste-fill for the majority of the orebody. Previous studies (including the 2009 Feasibility Study) proposed mining of the underground resource using a cut-and-fill method with road headers.

A geotechnical assessment of the proposed mining method and tunnel development was also conducted as part of the Concept Study. Although a cut-and-fill method using road headers is technically viable, Mining One believes there are significant advantages in the up-hole retreat mining method using conventional jumbo drill and blast for tunnel development and stoping.

The Underground Concept Study has recommended that further work be undertaken to upgrade the existing JORC 2004 compliant underground Reserve to JORC 2012 status. This would involve developing a feasibility level study and associated underground mine plan.

Exploration and Regional Growth

The Company has continued work towards calculating a JORC 2012 Mineral Resource for the Mapawa LSY deposit, located approximately 20km north of Siana. The maiden JORC 2012 Resource is expected to be completed in October 2015 and will provide the foundation for a Scoping Study to be undertaken to evaluate development options for this strategic deposit, which could provide a future source of ore feed to the Siana processing plant.

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Mapawa is a significant gold-copper porphyry prospect for the Group, which has returned some impressive historical intersections including 167m @ 1.06g/t Au and 0.17% Cu (MDD001); 156m @ 1.23g/t Au and 0.19% Cu (MDD003); 69m @ 1.06g/t Au and 0.16% Cu (MDD007); and 33m @ 3.4g/t Au and 0.08% Cu (MDD017 – targeting the St Nino prospect approximately 660 metres to the NW of the LSY deposit).

On the exploration front, the Group has identified a number of priority exploration targets within its highly prospective tenement holding. Preparations are now well advanced for a significant ramp-up in exploration activities, focussed initially on the near-mine environment targets to generate a longer term growth pipeline. Key personnel have been recruited for planned drilling and field activities; de-bottlenecking of the core shed has progressed and equipment has been prepared for upcoming exploration programs.

Summary and Outlook

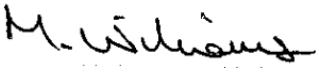
Leveraging off the positive outcomes delivered at Siana over the past 12 months, capped off by the return to commercial gold operations in January 2015, I believe Red 5 is in a strong position to deliver strong growth for shareholders well into the future.

The completion of the detailed Technical Review of the open pit mining schedule, together with the positive results from the Underground Concept Study, represent important milestones for the Company. This body of work collectively maps out the prospect of a strong long-term future for the Siana Gold Project as a low-cost open pit mining operation transitioning to a long-term, low-cost underground gold mine.

We are also mindful of our strong strategic position in the highly prospective Surigao del Norte mining province of the Philippines, where the 1.1Mtpa Siana mill is the only modern operating gold treatment facility. This gives us an important competitive advantage which will allow us to begin to pursue regional growth opportunities, both on our own tenements and, potentially further into the future, beyond.

In conclusion, I would like to sincerely thank our staff and contractors, whose tireless efforts and hard work during the year have enabled us to recommence gold production at Siana and progress the operation to the point where we can develop an appropriate mining and operational strategy to unlock the true potential of this asset for our shareholders.

Finally, I would like to thank you, our shareholders, for your ongoing support. I am confident that we now have a strong platform to deliver future growth and I look forward to reporting on our continued progress in the year ahead.



Mark Williams
Managing Director

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Resources & Reserves Statement

Mineral Resources and Ore Reserves Statement – Siana Gold Project

OPEN PIT MINERAL RESOURCE AND ORE RESERVE

Red 5 has completed the annual review and update to its Mineral Resource and Ore Reserve estimates for the year to 30 June 2015. The total JORC 2012 Indicated and Inferred Mineral Resources for the Siana Open Pit Mineral Resource is now estimated at 5.8 million tonnes at 2.6g/t gold for 490,000 contained ounces. The new resource has been based on the additional drilling since 2011 resource update and incorporates the historical open pit drilling, grade control sampling and mapping during the initial start of mining in 2010.

As part of an ongoing geotechnical assessment of the open pit mining operations at the Siana Gold Project and the material movement on the East pit wall in July 2015, Red 5 has completed an extensive Technical Study to determine the optimal mining schedule for the remainder of the open pit Ore Reserves. The key elements of the review included:

- Hydrological review;
- Geotechnical review;
- Open pit mine planning and mine schedule; and
- Review of existing open pit resources and further evaluation of underground resources.

The key objective of this review is to maximise the economic extraction of ounces from the open pit, while giving priority to the safety and integrity of the open pit mining operation.

The review took into consideration a number of significant factors which have changed since the original 2009 Siana Feasibility Study, at a time when the historical pit was under water. These factors include practical mining experience, updated cost structures and advanced understanding of the geotechnical characteristics of the open pit.

The Company's independent consulting engineers, Mining One Pty Ltd and Peter O'Bryan & Associates, have provided guidance in the redesign of the open pit. Mining One has also reviewed the associated mining schedule and has used that schedule to estimate the Ore Reserves. Following these independent reviews and technical audits, as well as a review by the Board, the Directors of Red 5 have endorsed the adoption of this mining strategy.

The key components of this mining strategy include:

- Pit redesign based on geotechnical guidelines provided by Peter O'Bryan and Associates;
- Staged cut-back of the East and west pit walls, Stages 2, 3 and 4;
- Modified pit wall slope angles of 25° to 35°;
- Ongoing monitoring;
- Mine to ultimate depth of -130mRL;
- Implementation of radar monitoring of pit walls; and
- Ongoing dewatering.

SIANA JORC 2012 OPEN PIT MINERAL RESOURCE AND ORE RESERVE AS AT 30 JUNE 2015

Siana Open Pit Mineral Resource as at 30 June 2015

Estimate	Classification	Cut Off Au (g/t)	Tonnes (Mt)	Au g/t	Ag g/t	Contained Au (koz)	Contained Ag (koz)
30 June 2015 JORC 2012	Indicated	0.7	4.9	2.8	7.1	436	1,117
	Inferred	0.7	0.9	1.8	2.0	54	60
	ROM stockpile	0.7	0.09	1.8	5.5	5	15
	Total	**0.7**	**5.9**	**2.6**	**6.3**	**495**	**1,192**
30 June 2014 JORC 2004	Indicated	0.8	9.3	2.5	4.2	740	1,254
	Inferred	0.8	1.2	2.7	4.5	104	176
	ROM stockpile	Variable	0.04	2.8	7.0	4	9
	Total	**0.8**	**10.5**	**2.5**	**4.2**	**848**	**1,439**
difference	*Indicated*	*Variable*	*-4.4*	*0.3*	*2.9*	*-304*	*-137*
	Inferred	*Variable*	*-0.3*	*-0.9*	*-2.5*	*-50*	*-116*
	ROM stockpile	*Variable*	*0.05*	*-1*	*-1.5*	*1*	*6*
	Total	***Variable***	***-4.7***	***0.1***	***2.1***	***-353***	***-247***

The changes in the 2015 Mineral Resource are due to revised variography and search parameters, the estimate included all available grade control data (gold only as silver was not assayed) established at the start of mining in 2010 and incorporated the historic drilling by Suricon for the historic open pit.

As part of calibrating the 2015 resource updated model against actual production data a modifying factor of 1.15 for gold was applied for grades above 1.2g/t gold and a modifying factor of 3.0 was used for silver to bring the resource into line with what has been mined since 2010.

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Siana Open Pit Ore Reserve as at 30 June 2015

Estimate	Classification	Cut Off Au (g/t)	Tonnes (Mt)	Au g/t	Ag g/t	Recovered Au (koz)	Recovered Ag (koz)
as at 30 June 2015 JORC 2012	Probable	0.70	1.90	3.5	8.2	181	224
	ROM stockpile	0.70	0.09	1.8	5.5	4	7
	Total	**0.70**	**2.0**	**3.4**	**8.1**	**185**	**231**
as at 30 June 2014 JORC 2004	Probable	0.90	3.60	2.8	8.2	282	347
	ROM stockpile	Variable	0.04	2.8	7.0	3	5
	Total	**Variable**	**3.6**	**2.8**	**8.2**	**285**	**352**
Production for 2015			**0.34**	**2.9**	**6.0**	**27**	**30**
difference	*Probable*	*Variable*	*-1.70*	*0.7*	*0.0*	*-101*	*-123*
	ROM stockpile	*Variable*	*0.05*	*-1.0*	*-1.5*	*1*	*2*
	Total	***Variable***	***-1.65***	***0.6***	***-0.1***	***-99***	***-120***
after 2015 production (depletion)		***Variable***	***-1.4***	***0.6***	***-0.4***	***-74***	***-93***

The Open Pit resource was previously reported within an optimised pit shell based on marginal costings at the time. For 2015, the resource is reported on all material above -165mRL. The updated open pit estimation is based on the resource reported above the -165mRL.

The changes in the 2015 Ore Reserves are due to the updated pit optimisations and cost structure along with the updated geotechnical parameters as per the Company's mining strategy review.

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UNDERGROUND MINERAL RESOURCE AND ORE RESERVE

Reason for the differences between 2015 reported resource to 2014 resource are the figures for the 2015 resource are quoted for all material below the -165mRL (~215 metres below current surface), all material above the -165mRL are reported as the JORC 2012 Open Pit Mineral Resource. The figures quoted for the 2014 resource are the expected underground material outside of an optimised pit shell calculated on a marginal cost structure.

As at the reporting date, there were no changes to any of the Ore Reserve estimates for the Siana Underground Reserve since the end of the previous reporting period. Accordingly, no comparison of the estimates between the current and previous reporting period is included in this report.

SIANA JORC 2004 UNDERGROUND MINERAL RESOURCE AND ORE RESERVE AS AT 30 JUNE 2015

Siana Underground Mineral Resource as at 30 June 2015

Estimate	Classification	Cut Off Au (g/t)	Tonnes (Mt)	Au g/t	Ag g/t	Contained Au (koz)	Contained Ag (koz)
30 June 2015 JORC 2004	Indicated	3.0	1.7	6.8	10.6	363	569
	Inferred	3.0	1.2	7.7	11.9	292	451
	Total	**3.0**	**2.8**	**6.1**	**11.2**	**655**	**1,020**
30 June 2014 JORC 2004	Indicated	2.0	0.9	6.7	12.2	199	359
	Inferred	2.0	1.1	7.6	12.0	276	433
	Total	**2.0**	**2.0**	**7.2**	**12.1**	**475**	**792**
difference	*Indicated*	*Variable*	*0.8*	*0.1*	*-1.6*	*164*	*210*
	Inferred	*Variable*	*0.1*	*0.1*	*-0.1*	*16*	*18*
	Total	***Variable***	***0.8***	***-1.1***	***-0.9***	***180***	***228***

Siana Underground Ore Reserve as at 30 June 2015

Estimate	Classification	Cut Off Au (g/t)	Tonnes (Mt)	Au g/t	Ag g/t	Recovered Au (koz)	Recovered Ag (koz)
as at 30 June 2015 JORC 2004	Probable	3.0	1.9	5.8	9.1	308	255
	Total	**3.0**	**1.9**	**5.8**	**9.1**	**308**	**255**

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Competent Person's Statement for JORC 2012 Resource and Reserve

Mineral Resource

Mr Byron Dumpleton, confirms that he is the Competent Person for the Exploration results and the open pit Mineral Resource estimates summarised in this Report and Mr Dumpleton has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Dumpleton is a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Dumpleton is a Member of the Australian Institute of Geoscientists, No. 1598. Mr Dumpleton has reviewed the Report to which this Consent Statement applies. Mr Dumpleton has been engaged as a consultant to Red 5 Limited through his company BKD Resources Pty Ltd.

Mr Dumpleton verifies that the Exploration Results and Mineral Resource estimate section of this Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in his supporting documentation relating to Exploration results and Open Pit Mineral Resource estimate.

Ore Reserve

Mr Mark Van Leuven, confirms that he is the Competent Person for the open pit Ore Reserves estimates summarized in this Report and Mr Van Leuven has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Van Leuven is a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Van Leuven is a Fellow of The Australasian Institute of Mining and Metallurgy, No. 104479. Mr Van Leuven has reviewed the Report to which this Consent Statement applies. Mr Van Leuven has been engaged as a consultant to Red 5 Limited and is a full time employee of Mining One Pty Ltd.

Mr Van Leuven verifies that the Ore Reserve section of this Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in his supporting documentation relating to the open pit Ore Reserves.

Governance and internal controls

Mineral Resources and Ore Reserves are estimated by suitably qualified consultants in accordance with the applicable JORC Code and using industry standard techniques and internal guidelines for the estimation and reporting of Mineral Resources and Ore Reserves. All data is collected in accordance with applicable JORC Code requirements. Ore Reserve estimates are based on pre-feasibility or feasibility studies which consider all material factors.

The estimates and supporting data and documentation are reviewed by qualified Competent Persons (including estimation methodology, sampling, analytical and test data).

Competent Person's Statement for JORC 2004 Resource and Reserve

Mineral Resource

Mr Byron Dumpleton, confirms that he is the Competent Person for the Exploration results and Mineral Resource estimates summarised in this Report and Mr Dumpleton has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Dumpleton is a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralisation and type of deposit described in the Report and to the activity for which he is accepting responsibility. Mr Dumpleton is a Member of the Australian Institute of Geoscientists, No. 1598. Mr Dumpleton has reviewed the Report to which this Consent Statement applies. Mr Dumpleton has been engaged as a consultant to Red 5 Limited through his company BKD Resources Pty Ltd.
Mr Dumpleton has accepted being the Competent Person for the underground mineral resource based on the work conducted on the 2009 Bankable Feasibility Study which was conducted at industry accepted standards suitable for reporting JORC 2004 compliant resource and reserve.

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported in June 2014.

The Mineral Resources statement is based on and fairly represents information and supporting documentation prepared by a Competent Person, Mr Byron Dumpleton and has been approved as a whole by Mr Dumpleton.

Ore Reserve

The information in this report that relates to Ore Reserves is based on information compiled by Dr David Trembath, who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Trembath has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Trembath consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported in June 2014.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the resources and reserves table and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed the reserve estimate.

The Ore Reserves statement is based on and fairly represents information and supporting documentation prepared by a Competent Person, Dr David Trembath and has been approved as a whole by Dr David Trembath.

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Notes on JORC 2012 Mineral Resources and Ore Reserves

1. Mineral Resources are inclusive of Ore Reserves.
2. Discrepancies in summations may occur due to rounding.
3. Open Pit Resource has only been reported above the -165mRL (~215 metres below current surface).
4. The resource cu off is based on the current Open Pit Ore Reserve marginal cut off of 0.7g/t gold.
5. The Open Pit Mineral Resource was estimated by BKD Resource Pty Ltd.
6. Lithology Defined Resource Model is best suited for bulk mining evaluation and can be utilised below the -165mRL if this choice of method is elected. Note current JORC 2004 Resource is based on different model design for narrow vein mining evaluation.
7. Within the resource block model a 15% upgrade factor on gold values above 1.2g/t has been applied. Actual mill reconciliation is closer to 25%. As a result, the variance between the upgrade factor and mill reconciliation has been used as a de facto dilution factor. Siana Open Pit Ore Reserve is mined using conventional open pit mining methods using top hammer drill rigs, CAT 40 tonne articulated Dump Trucks and CAT 374 (~80t) hydraulic excavators.
8. Gold price of US$1200/oz and silver price of US15/oz were used, along with a PHP:USD exchange rate of 47:1.
9. Processing recoveries of 85% for gold and 45% for silver were used.
10. No Inferred Resources have been used in the derivation of the Ore Reserve estimate.
11. Refer to announcement "Siana Gold Project – Open Pit Mining Review and Reserve Update" dated 24 September 2015 for JORC 2012 Table 1 for the Open Pit Mineral Resource and Ore Reserve.
12. The Siana resource is located in NE Mindinao, Surigao Del Norte, Philippines within Mineral Production Sharing Agreement (MPSA) No. 184-2002-XIII, granted on 11 December 2002 and registered in Surigao on 27 December 2002 for a term of 25 years (renewable for a further 25 years. The MPSA tenements are in good standing and also have the license to operate Mining within the Partial Declaration of the Project Mining Feasibility (PDPMF) of 245ha within the MPSA. The MPSA is held by Greenstone Resources Corporation (GRC) a Red 5 affiliated company.

Notes on JORC 2004 Mineral Resources and Ore Reserves

1. Mineral Resources are inclusive of Ore Reserves.
2. Discrepancies in summations may occur due to rounding.
3. Reason for the differences between 2015 reported resource to 2014 resource are the figures for the 2015 resource are quoted for all material below the -165mRL (~215 metres below current surface), all material above the -165mRL are reported as the JORC 2012 Open Pit Mineral Resource. The figures quoted for the 2014 resource are the expected underground material outside of an optimised USD900 pit shell calculated on a marginal cost structure which developed a nominal pit base of ~-270mRL.
4. Figures quoted for the 2015 underground resource and reserve are reported at the 2009 BFS reserve cut off of 3.0g/t gold.
5. The underground Mineral Resource was estimated by Cube Consulting Pty Ltd, January 2009.
6. The proposed mining method in the 2009 BFS was a version of underhand cut and fill utilising road headers for tunnel development and ore production. Although the proposed mine plan has its advantages, Mining One believe it introduces some technical risks that would need to be dealt with in any further detailed study (such as a definitive feasibility study). In any case, sufficient work was completed to show that the mine plan was technically viable. Moreover, work completed by Mining One using a more conventional mining approach validated the current reserve estimate.
7. The metallurgical recoveries and performance of the mill is consistent with what was estimated in the 2009 BFS for the purpose of reporting reserves. It should be noted that recovery estimates are complicated by the presence of zinc. For low zinc domains test work indicates a metallurgical recovery for gold of 87.5% and silver recovery of 52.7%. For high zinc domains a gold recovery of 84.1% and silver recovery of 61.6% has been estimated. The current mill is achieving 85% metallurgical recovery for gold and 45% recovery silver.
8. As at the reporting date, there were no changes to any of the Ore Reserve estimates for the Siana Underground Reserve since the end of the previous reporting period. Accordingly, no comparison of the estimates between the current and previous reporting period is included in this report.

Financial Statements

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for the year ended 30 June **2015**

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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 financial year ended 30 June 2015.

DIRECTORS

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

Kevin Anthony Dundo
Mark James Williams
Mark Francis Milazzo
Ian Keith Macpherson
John Colin Loosemore *(appointed 12 December 2014)*

Unless otherwise indicated, all directors held their position as a director throughout the entire financial year and up to the date of this report.

PRINCIPAL ACTIVITIES

The principal activities of Red 5 and the consolidated entity (which includes controlled entities of Red 5) during the financial year were related to the Siana gold project in the Philippines.

RESULTS OF OPERATIONS

The net loss of the consolidated entity after income tax was $60,304,510 (2014: $6,935,115). This includes impairment on Mine Properties of $56,612,988 (2014: $Nil).

REVIEW OF OPERATIONS

Project description

The Siana Gold Project, located on the southern Philippine Island of Mindanao, continued to be the main focus for the Group during the year. The mine is currently in the open pit phase and is expected to be followed by an underground mining operation. Ore is treated through a conventional modern gravity and carbon-in-leach plant to produce gold ore.

During the reporting period, the Cease and Desist Order (CDO) placed over the Siana processing operations by the Philippines Mines and Geoscience Bureau (MGB) in June 2013 was lifted, enabling the recommencement of production in January 2015.

Approval was received following a site inspection by the MGB to verify the completeness of the three construction activities which had been identified by the MGB as pre-conditions to the lifting of the CDO. These construction activities comprised:

- Construction of a new High Density Poly Ethylene (HDPE) lined tailing storage facility for additional storage capacity and strength;
- Installation of a thickener and cement mixing facility to allow for production of dry tailings product with greater residual strength; and
- Necessary modifications to existing tailings storage facilities (TSF3 and TSF4) to accommodate the new thickened cement tailings.

The construction activities were completed below budget in the December 2014 Quarter.

Production summary

Following the lifting of the CDO, solid progress was made with the ramp-up of commercial gold production, with a total of 23,645 ounces of gold recovered for the 2015 financial year after operations restarted at Siana in January 2015.

The recommissioning of the processing plant commenced in the March 2015 Quarter and was completed during the June 2015 Quarter, with a total of 298,163 tonnes of ore processed. The average head grade was 2.9 g/t Au and average recovery was 84%. A number of initiatives are underway or in the planning stage as part of a recovery enhancement program.

Processing costs averaged A$30 per tonne, reflecting higher costs relating to transition from care and maintenance back to steady state operations plus the additional cost of adding cement to tailings which was one of the conditions relating to the lifting of the CDO.

Mining performance to 30 June 2015 exceeded expectations, with mining activities focused on the western and southern wall cut backs, and the clean-up of silt material which had accumulated at the bottom of the open pit during the care and maintenance period and over the wet season. The removal of this silt material was completed ahead of schedule in the June 2015 Quarter.

Ore stockpiles on hand at the end of the 2015 financial year totalled approximately 87,000 tonnes at an average grade of 1.8g/t Au.

	Units	*2014/2015*
Mine Production		
Waste Mined	*BCM '000s*	898
Ore Mined	*t*	340
Mined grade – gold	*g/t*	2.4
Mill Production		
Ore Processed	*t*	298,163
Head Grade - gold	*g/t*	2.9
Head Grade – Silver	*g/t*	6.0
Recovery - Gold	*%*	84
Recovery - Silver	*%*	45
Gold Recovered	*oz*	23,645
Silver Recovered	*oz*	25,341
Gold Sold	*oz*	19,382
Silver Sold	*oz*	18,559
Average Gold Price received	*US$/oz*	1,187
Cash Operating Costs	*A$/oz*	876
Total Operating Costs	*A$/oz*	1,354
All in Sustaining Cost	*A$/oz*	1,666

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Production costs

The total operating cost for the financial year (including depreciation and amortisation charges) was A$1,354 per ounce, reflecting higher maintenance and processing costs during the ramp up period from care and maintenance. The All-In Sustaining Cost (AISC) (including actual waste removal costs, corporate costs and sustaining capital) was A$1,666 per ounce, mainly due to the high volume of waste material moved since the restart of mining operations.

	2014/2015	
	A$m	***A$/oz***
Mining Costs Open Pit	2.8	143
Processing Costs	9.0	462
G&A Costs	6	309
Other Costs (including selling costs)	0.1	5
Silver Credits	(0.4)	(20)
Total Cash Operating Costs	**17.5**	**899**
Depreciation P&E	2.7	132
Amortisation – MPD	8.9	323
Total Depreciation and Amortisation	**11.6**	**455**
Total Costs	**26.3**	**1,354**

Gold sales

Gold sales for the reporting period totalled A$27.6 million from the sale of 19,382 ounces at an average price received of US$1,187 per ounce.

Financial Summary

The consolidated entity made an operating loss of A$60.3 million before tax and spent a total of A$35.7 million on capital expenditure during the year.

Financial Summary	***Year ending June***	
	2015	***2014***
Sale proceeds	27.6	0.1
Cost of goods sold/Care and Maintenance	(26.3)	(8.3)
Gross profit (loss) from Operations	**1.3**	**(8.2)**
Administration and other expenses	(5.3)	1.3
Net Profit/(Loss) before Tax and Impairment	**(3.7)**	**(6.9)**
Capital expenditure		
Waste Stripping Costs	14.8	4.2
Plant and Equipment and Development	23.0	4.9

Exploration

Preparations have commenced for an increase in exploration activities, both in the near-mine environment and regionally to generate a longer term growth pipeline. Key personnel have been recruited for planned drilling and field activities; de-bottlenecking of the core shed has progressed and equipment has been prepared for upcoming exploration programs.

The Company has commenced work towards producing a JORC 2012 Mineral Resource for the Mapawa LSY deposit, located approximately 20km north of Siana. The maiden JORC 2012 Resource is expected to be completed for Mapawa in the December 2015 Quarter, and will provide the foundation for a Scoping Study to be undertaken to evaluate development options for this strategic deposit, which could provide a future source of ore feed to the Siana processing plant.

The Company has previously identified a number of priority exploration targets within its highly prospective tenement holding and will continue to develop exploration plans for these important regional growth opportunities.

Future Strategy

Red 5 undertook a first-principles review of its life of mine open pit mining schedule at Siana. The key elements of the review included:

- Hydrological review;
- Geotechnical review;
- Open pit mine planning and mine schedule; and
- Review of existing open pit resources and further evaluation of underground resources.

The technical review took into consideration a number of significant factors which have changed since the 2009 Feasibility Study, at a time when the historical pit was under water. These factors include mining experience gained during the first two years of mining, updated cost structures and a more advanced understanding of the geotechnical characteristics of the open pit. The review has been completed by the end of the September 2015 Quarter and provided the foundation for the next stage of sustainable development and efficient mining of the Siana Gold Project.

Technical reviews and studies on underground resources, as well as underground mining methods and development capital requirements have commenced, and are expected to be completed later in the 2015 year. Key elements of this review will include in-fill drilling to update the underground Resource and Reserve model and a review of the mining strategy and underground Feasibility Study completed in 2009 by an independent engineering firm.

Impairment Assessment

An impairment charge to the carrying value of Mine Properties and Development has been recorded in the financial statements, following completion of the updated technical study for the open pit and underground mining plan.

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The impairment testing model considered the following:

- Independent geotechnical review and assessment of the Siana open pit;
- Independent mining assessment of the open pit recoverable ounces;
- Independent mining review of the underground mining plan;
- The baseline gold price and foreign exchange rates are sourced from forecasts by a consensus of reputable financial institutions;
- A WACC discount rate of 12.2%; and
- Forecast inflation rates for Australia, USA and Philippines were incorporated into the model based on forecasts published by "Trading Economics" which are considered reasonable estimates.

An impairment expense of $56.6 million made up of $31.4 million in capitalised pre-production mine development and $25.2 million in capitalised deferred mining waste has been recorded for the financial year. The impairment expense is a non-cash item and does not have any impact on cash flow or mining operations.

DIVIDENDS

No amounts were paid by way of dividend since the end of the previous financial year (2014: nil). The directors do not recommend the payment of a dividend.

OPTIONS GRANTED OVER SHARES

At the date of this report, there were 110,000 options granted over ordinary fully paid shares. The terms of these options are:

	Number
- at $4.00 each on or before 30 April 2016	70,000
- at $4.30 each on or before 31 December 2016	40,000
	110,000

No options were granted during or since the end of the financial year. No person entitled to exercise the options has any right by virtue of the option to participate in any share issue of the parent entity or any other corporation.

PERFORMANCE RIGHTS

At the date of this report, there were 12,000,000 performance rights convertible into ordinary fully paid shares.

	Number
- Vest date: 15 April 2017 (subject to satisfactory performance conditions)	6,000,000
- Vest date: 15 April 2018 (subject to satisfactory performance conditions)	6,000,000
	12,000,000

EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

In early July 2015, mining operations at Siana were impacted by a significant movement of material from the Eastern wall into the open pit. The Company responded rapidly to this event with the implementation of a focused management plan, mobilising the necessary engineering, contracting and technical expertise to identify the likely causes and design of a modified mining schedule.

All regular operational activities were maintained including processing of ore from existing stockpiles. Mine access ramps to the pit floor were not affected and some ore remains accessible at the base of the pit. No injury to personnel or equipment damage occurred.

Pit wall stability in this area was being closely monitored as part of the Company's normal operating procedures and as part of a strategic review of the longer term open pit and underground mining plan at Siana (see above). A preliminary assessment has indicated that an earthquake registering 6.1 off the north-east coast of Surigao del Norte on 3 July 2015 may have been a possible contributing factor. Key elements of the management plan implemented by the Company have included:

- Removal of the sloughed material, with this program well advanced with approximately 70 per cent of the material already removed as at the end of September 2015;
- Revising the open pit mining schedule;
- Commencing extensions to the perimeter ring drain on the Eastern side of the open pit. This program is approximately 70 per cent complete; and
- Geotechnical drilling to gain further understanding of the rock lithology and material strength in this area.

In September 2015, the Company announced the completion of a Technical review of the open pit mining strategy taking into consideration the following key elements:

- Hydrological review;
- Geo-technical review;
- Open pit mine plan and schedule review; and
- Geological resources evaluation.

As a result of the review, the company announced a new open pit mine plan to recover an updated reserve of 181,000 recoverable gold ounces.

Also in September 2015, the Company announced the completion of a new Underground Concept Study which was prepared by independent mining consultants. The study highlighted the potential to extract the resources below the -130RL level of the open pit and will form the basis of additional studies targeting the development of a future long-term underground mining operation at Siana.

LIKELY DEVELOPMENTS

In the opinion of the directors there is no additional information available as at the date of this report on any likely developments which may materially affect the operations of the Group and the expected results of those operations in subsequent years.

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INFORMATION ON DIRECTORS

Kevin Dundo
(Non-Executive Chairman)
B.Com, LLB, FCPA

A non-executive director since March 2010 and Chairman since November 2013. Mr Dundo practices as a lawyer and specialises in commercial and corporate areas with experience in the mining sector, the service industry and the financial services industry. Mr Dundo is chairman of the remuneration committee as well as a member of the audit committee.
Other current public listed company directorships:
Imdex Limited (since January 2004) and Cash Converters International Limited (since February 2015).
Former public listed company directorships in the last 3 years:
ORH Limited (March 2013 to December 2013) and Synergy Plus Limited (July 2006 to August 2015).

Mark Williams
(Managing Director)
Dip CSM Mining, GAICD

A non-executive director since January 2014 and managing director since April 2014. Mr Williams was previously General Manager of the Tampakan Copper-Gold Project in southern Philippines from 2007 to 2013. He has over 20 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.
Mr Williams has not held directorships in any other listed companies in the last 3 years.

Mark Milazzo
(Non-Executive Director)
B.Eng. Mining, FAusIMM

A non-executive director since May 2011. Mr Milazzo is a mining engineer with 30 years' experience in mining operations. He was previously General Manager of the Olympic Dam mine and Kambalda Nickel Operations with WMC Limited and General Manager for HWE Mining Pty Ltd where he was responsible for managing a portfolio of surface and underground mining contracts for a wide range of clients across a range of commodities. Mr Milazzo is chairman of the health, safety, environment and community committee and a member of the audit committee.
Other current directorships:
Aurelia Metals Limited (since August 2012). .
Former directorships in the last 3 years:
Mirabela Nickel Limited (June 2014 to September 2015) and Cortona Resources Limited (May 2011 to January 2013).

Ian Macpherson
(Non-Executive Director)
B.Comm, CA

A non-executive director since April 2014. Mr Macpherson is a chartered accountant with over 30 years' experience in the provision of financial and corporate advisory services. He was a former partner at Arthur Anderson & 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. Mr Macpherson is chairman of the audit committee and a member of the remuneration committee.
Other current directorships:
Avita Medical Limited (since March 2008) and Rubicon Resources Ltd (since October 2010).
Former directorships in the last 3 years:
Navigator Resources Limited (July 2003 to January 2013) and Kimberly Rare Earth Limited (December 2010 to November 2012).

Colin Loosemore
(Non-Executive Director)
B.Sc.Hons., M.Sc., DIC., FAusIMM

A non-executive director since December 2014. 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 development of the Toka Tindung Gold Mine in Sulawesi Indonesia. Mr Loosemore is a member of the remuneration committee and the health, safety, environment and community committee.
Mr Loosemore has not held directorships in any other listed companies in the last 3 years.

INFORMATION ON COMPANY SECRETARY

Frank Campagna
B.Bus (Acc), CPA

Company Secretary of Red 5 since June 2002. Mr Campagna is a Certified Practicing Accountant with over 25 years experience as Company Secretary, Chief Financial Officer and Commercial Manager for listed resources and industrial companies. He presently operates a corporate consultancy practice which provides corporate secretarial and advisory services to both listed and unlisted companies.

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Details of directors' interests in the securities of Red 5 as at the date of this report are as follows:

Director	Fully paid shares	Options	Performance Rights
K Dundo	–	–	–
M Williams	–	–	12,000,000
M Milazzo	175,000	–	–
I Macpherson	–	–	–
C Loosemore	4,224,153	–	–

MEETINGS OF DIRECTORS

The number of meetings of the Board of Directors of Red 5 and of each Board committee held during the year ended 30 June 2015 and the number of meetings attended by each director whilst in office are as follows:

	Board meetings		Audit committee		Remuneration committee		HSEC * committee	
	Number held	*Number attended*	*Number held*	*Number attended*	*Number held*	*Number attended*	*Number held*	*Number attended*
K Dundo	11	11	2	2	2	2	1	1
M Williams	11	11	-	-	-	-	-	-
M Milazzo	11	11	2	2	2	2	2	2
I Macpherson	11	10	2	2	2	2	-	-
C Loosemore	6	6	-	-	-	-	1	1

* Health, Safety, Environment and Community committee.

REMUNERATION REPORT (AUDITED)

This report sets out the current remuneration arrangements for directors and executives of Red 5. For the purposes of this report, key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling major activities of the consolidated entity, including any director (whether executive or non-executive) of Red 5.

Principles used to determine the nature and amount of remuneration

Directors and executives remuneration

Red 5's remuneration policies are designed to align executives' remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of Red 5. The main principles of the policy are:

- reward reflects the competitive market in which Red 5 operates; and
- individual reward should be linked to performance criteria.

Overall remuneration policies are determined by the Board and are adapted to reflect competitive market and business conditions. Within this framework, the remuneration committee considers remuneration policies and practices generally, and determines specific remuneration packages and other terms of employment for the managing director and senior management. Executive remuneration and other terms of employment are reviewed annually by the committee having regard to performance, relevant comparative information and expert advice.

During the 2015 financial year, the Committee did not seek any external advice in relation to executive remuneration related matters.

Red 5's remuneration policy for the managing director and senior management is designed to promote superior performance and long term commitment to Red 5. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing Red 5's operations. The managing director and senior executives receive a base remuneration which is market related, together with performance based remuneration linked to the achievement of pre-determined milestones and targets.

The structure of remuneration packages for the managing director and other senior executives comprises:

- A fixed sum base salary plus superannuation benefits;
- Short term incentives through eligibility to participate in a performance bonus scheme if deemed appropriate; and
- Long term incentives through the managing director and other senior executives being eligible to participate in share option schemes or performance rights plans with the prior approval of shareholders as required.

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The proportion of fixed and variable remuneration is established for the managing director and senior executives by the remuneration committee. The objective of short term incentives is to link achievement of Red 5's operational targets with the remuneration received by executives charged with meeting those targets. The short term incentive is an "at risk" component of remuneration for key management personnel and is payable based on performance against key performance indicators set at the beginning of each financial year. The objective of long term incentives is to reward executives in a manner which aligns this element of their remuneration with the creation of shareholder wealth. As such, long term incentives are only granted to executives who are able to directly influence the generation of shareholder wealth.

In considering the relationship between the consolidated entity's performance and the benefits for shareholder wealth, the Board issued 12,000,000 performance rights to Managing Director, Mr William during the year subject to shareholder approval. The Board continues to assess methods of remuneration that appropriately link remuneration to company performance and shareholder wealth given the size and operations of the company.

	2015 $	2014 $	2013 $	2012 $	2011 $
Loss attributable to owners of the company	(60,304,510)	(6,935,115)	(8,813,753)	(1,682,914)	(8,111,524)
Dividends paid	-	-	-	-	-
Share price at 30 June	0.09	0.09	0.62	1.46	1.15

Performance incentives may be offered to the managing director and senior management through the operation of performance bonus schemes. The performance bonus is based on a percentage of annual salary and is payable upon the achievement of agreed key performance indicators ("KPIs") for each executive, which comprise a combination of agreed milestones and relative peer group share price performance. KPIs are reviewed and agreed annually by the remuneration committee and based on a combination of group and specific role related operational targets and above median share price performance compared to a relative peer group such as the S&P/ASX All Ordinaries Gold Index. The KPIs comprise financial and non-financial objectives and include out-performance against the annual operating budget, health and safety targets and specific operations-related milestones. Measures chosen directly align the individual's reward to the KPIs of the group and to its strategy and performance. A declared bonus may be payable in a proportion of cash and shares, subject to shareholder approval, if required.

Non-executive directors' remuneration

In accordance with current corporate governance practices, the structure for the remuneration of non-executive directors and senior executives is separate and distinct. Shareholders approve the maximum aggregate remuneration payable to non-executive directors, with the current approved limit being $500,000 per annum. The remuneration committee recommends the actual payments to directors and the Board is responsible for ratifying any recommendations. The Chairperson receives fees of $90,000 per annum and non-executive directors receive $70,000 per annum, with additional amounts for chairing of board committees, namely $10,000 per annum for audit committees and $5,000 per annum for other committees, all exclusive of superannuation. Committee members are not paid a fee. Non-executive directors are entitled to statutory superannuation benefits. The Board approves any consultancy arrangements for non-executive directors who provide services outside of and in addition to their duties as non-executive directors.

Non-executive directors are not entitled to participate in equity based remuneration schemes.

All directors are entitled to have premiums on indemnity insurance paid by Red 5. During the financial year, Red 5 paid premiums of $135,569 (2014: $142,711) to insure the directors and other officers of the consolidated entity. 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.

Share-based compensation

The Board has adopted the Red 5 Employee Share Option Plan ("ESOP") and a Performance Rights Plan ("PR Plan"). The primary purposes of these plans are to increase the motivation of employees, promote the retention of employees, align employee interests with those of Red 5 and its shareholders and to reward employees who contribute to the growth of Red 5. Specific performance hurdles or vesting schedules are determined by the Board at the time of grant under the ESOP or PR Plan and are aligned with the stage of development and operations of the Group and market conditions.

Red 5's share trading policy prohibits key management personnel 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.

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Details of remuneration

The following table discloses details of the nature and amount of each element of the remuneration of each key management personnel including the directors of Red 5 for the year ended 30 June 2015.

2015	Short term			Post-employment	Other long term		
Name	Salary or directors fees $	Expenses $	Bonus $	Super-annuation $	Leave $	Share based payments $	Total $
Executive directors							
M Williams [1]	446,325	–	276,000	50,425	11,398	42,439	826,587
Non-executive directors							
K Dundo	95,000	–	–	9,025	–	–	104,025
M Milazzo	75,000	–	–	7,125	–	–	82,125
I Macpherson	80,000	–	–	7,600	–	–	87,600
C Loosemore [2]	37,917	–	–	3,602	–	–	41,519
Executives							
J Mobilia [3]	360,625	–	–	31,250	49,156	–	441,031
D Jerdin [4]	185,687	10,786	–	–	11,111	–	207,584
Total	**1,280,554**	**10,786**	**276,000**	**109,027**	**71,665**	**42,439**	**1,790,471**

(1) Short term incentive bonus component of remuneration based on achievement of group and specific role related operational targets for the year ended 30 June 2015 including completion of construction projects under budget and within schedule, lifting of the Cease and Desist Order on the Siana gold project, recommencement of gold production and achievement of gold production and cost targets for the financial year. 50% of the performance bonus is payable in shares, subject to shareholder approval and which are escrowed for a period of two years.

(2) Appointed as a non-executive director on 12 December 2014.

(3) One-off recognition payment of $68,750 was paid to Mr Mobilia relating to the 2013/2014 financial year.

(4) Appointed General Mining Operations Manager on 1 January 2015.

2014	Short term		Post-employment			
Name	Salary or directors fees [1] $	Consulting fees $	Super-annuation $	Termination payment $	Share based payments $	Total $
Executive directors						
S Norregaard [2]	306,407	–	32,063	285,000	–	623,470
M Williams [3]	95,982	–	8,183	–	–	104,165
Non-executive directors						
C Jackson [4]	28,897	59,563	2,673	–	–	91,133
M Williams [3]	18,545	70,379	1,715	–	–	90,639
K Dundo	73,539	–	6,802	–	–	80,341
M Milazzo	72,884	–	6,742	–	–	79,626
I Macpherson [5]	16,840	–	1,558	–	–	18,398
Executives						
J Mobilia	266,858	–	25,000	–	–	291,858
R Williams [6]	130,443	–	14,000	–	–	144,443
Total	**1,010,395**	**129,942**	**98,736**	**285,000**	**–**	**1,524,073**

(1) Salary as noted in the table includes adjustment for movements in the current value of employee leave provisions, being $7,521 for Mr M Williams and ($10,642) for Mr Mobilia.

(2) Up to date of resignation on 15 April 2014.

(3) Appointed as a non-executive director on 16 January 2014 and as managing director on 15 April 2014. Mr Williams provided technical consultancy services to the Group during the period he was a non-executive director of Red 5. The services were Philippines based in relation to the Cease and Desist Order on the Siana project and were in addition to his role as a non-executive director and were requested and approved by the Board.

(4) Up to date of retirement on 28 November 2013.

(5) Appointed as a non-executive director on 15 April 2014.

(6) Up to date of resignation on 31 October 2013. Remuneration includes payment in lieu of notice of $60,000.

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

	Fixed remuneration		At risk – short term incentives		At risk – long term incentives	
	2015	2014	2015	2014	2015	2014
Executive directors						
S Norregaard	-	100%	–	–	–	–
M Williams	62%	100%	33%	–	5%	–
Non-executive directors						
C Jackson	100%	100%	–	–	–	–
M Williams	100%	100%	–	–	–	–
K Dundo	100%	100%	–	–	–	–
M Milazzo	100%	100%	–	–	–	–
I Macpherson	100%	100%	–	–	–	–
Executives						
J Mobilia	100%	100%	–	–	–	–
R Williams	100%	100%	–	–	–	–

Options granted to key management personnel

No options over ordinary shares were granted during the year to executive officers of the parent entity 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. There were no alterations to the terms and conditions of options granted as remuneration since their grant date. There were no forfeitures during the period. Options held by Mr Mobilia expired during the year at a fair value of nil. No options have been granted since the end of the financial year.

Share holdings of key management personnel

The numbers of shares in the parent entity held during the financial year by key management personnel, including their personally-related entities, are set out below.

2015	Balance at 1 July 2014	Received during the year through the issue of shares to meet bonus payment	Other purchases during the year	Balance at 30 June 2015
M Williams	–	–	–	–
I Macpherson	–	–	–	–
K Dundo	–	–	–	–
M Milazzo	175,000	–	–	175,000
C Loosemore [1]	–	–	–	4,224,153
J Mobilia	194,958	–	–	194,958
D Jerdin	–	–	–	–
Total	**369,958**	**–**	**–**	**4,594,111**

[1] *appointed 12 December 2014. Balance of shares held at date of appointment.*

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Option holdings of key management personnel

The numbers of options in the parent entity held during the financial year by key management personnel are set out below.

2015	Held at 1 July 2014	Granted as compensation	Exercised	Other changes *	Held at 30 June 2015	Vested during the year	Vested and exercisable at 30 June 2015
J Mobilia	120,000	–	–	(40,000)	80,000	–	80,000
Total	**120,000**	**–**	**–**	**(40,000)**	**80,000**	**–**	**80,000**

* *Other changes represent options that expired or were forfeited during the year.*

Performance Rights held by key management personnel

The numbers of performance rights in the parent entity held during the financial year by key management personnel are set out below.

2015	Number of rights granted during 2015	Vesting Condition	Vesting date	Grant date	Fair value at grant date	Expiry Date
M Williams	6,000,000	TSR	14 April 2017	4 December 2014	$0.0172	15 April 2019
M Williams	6,000,000	TSR	14 April 2018	4 December 2014	$0.0172	15 April 2019

Each Performance Right entitles the holder to be issued with one ordinary fully paid share subject to the satisfaction of vesting conditions. 50% of the Performance rights vest after 3 years and 50% after 4 years from commencement or grant subject to satisfaction of performance hurdles including above median share price scaled performance against the S&P/ASX All Ordinaries Gold Index, a positive share price performance and minimum share price thresholds at the end of the performance period. Company's shares as quoted on ASX must be above $0.125 per share at the end of the performance period.

The Company's TSR is measured as a percentile ranking compared to the S&P/ASX All Ordinaries Gold Index. The proportion of TSR performance rights which are eligible to vest at the end of the performance period will be determined as follows:

Red 5's TSR relative to the S&P/ASX All Ordinaries Gold Index	Proportion of TSR share performance rights that are eligible to vest
Less than 50th percentile	0%
Between 50th and 75th percentile	50%
At or above 75th percentile	100%

No performance rights were held in the previous financial year.

Details of vesting profiles of the rights and options held by each key management person of the Company are detailed below.

2015	Number of rights granted during 2015	Grant date	% Vested during the year	% Forfeited in the year	Financial years in which grant vests	Expiry Date
M Williams	6,000,000	4 December 2014	-%	-%	1 July 2016	15 April 2019
M Williams	6,000,000	4 December 2014	-%	-%	1 July 2017	15 April 2019

The movements during the reporting period, by value, of rights and options over ordinary shares in the Company held by each key management person.

2015	Granted in the year (1) $	Value of rights exercised during the year (2) $	Lapsed in the year
M Williams	206,400	-	-%
J Mobilia	-	-	33%

(1) The value of rights and options granted in the year is the fair value of the rights calculated at grant date. The total value of the rights granted is included in the table above. This amount is allocated to remuneration over the vesting period.

(2) The value of rights options exercised during the year is calculated as the market price of shares of the Company as at close of trading on the date the options were exercised after deduction the price paid to exercise the right if any.

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Service agreements

The terms of employment for executive directors and key management personnel are formalised in service agreements. Major provisions of the agreements are set out below.

Mark Williams – Managing Director

Term of agreement: no defined period.

Remuneration: base salary of $450,000 per annum plus statutory superannuation contributions.

Performance bonus: short term incentive bonus of up to 80% of annual salary. Entitlement is weighted between above median peer group share price performance (20%) and the achievement of Group budget, production and costs targets plus annually agreed KPIs (80%). KPIs are based on a combination of Group and specific role related operational targets. To receive 100% of the peer group share price performance component, the Red 5 share price must be in the top quartile of the S&P/ASX All Ordinaries gold index. To receive 50% of the share price performance component, the Red 5 share price must be in the second quartile of the S&P/ASX All Ordinaries Gold Index. No component is received for median or below median performance. Payment of a performance bonus is 50% cash and 50% shares (escrowed for two years). 100% of the performance bonus will be paid in cash in the event necessary shareholder or regulatory approvals are not obtained for the share component of the performance bonus.

Equity compensation: entitlement to be granted performance rights under the PR Plan vesting 50% after 3 years and 50% after 4 years from commencement or grant subject to satisfaction of performance hurdles including above median share price scaled performance against the S&P/ASX All Ordinaries Gold Index, a positive share price performance and minimum share price thresholds at the end of the performance period.

Termination provisions: termination by the Company (other than for unsatisfactory performance, gross misconduct or long term incapacity) upon giving 12 months' notice or payment in lieu of notice and by Mr Williams giving 3 months' notice.

Joe Mobilia – Chief Financial Officer

Term of agreement: no defined period.

Remuneration: base salary of $300,000 per annum plus 10% superannuation contributions.

Performance bonus: short term incentive bonus of up to 45% of annual salary weighted equally between the achievement of annually agreed KPIs (which are based on a combination of Group and specific role related operational targets) and above median share price performance compared to the relative peer group S&P/ASX All Ordinaries Gold Index.

Equity compensation: entitlement to participate in the ESOP or PR Plan with performance hurdles or vesting schedules determined at time of grant.

Termination provisions: termination by the Company (other than for unsatisfactory performance, gross misconduct or long term incapacity) upon giving 6 months' notice or payment in lieu of notice and by Mr Mobilia giving 2 months' notice.

David Jerdin – General Mining Operations Manager

Term of agreement: 2 years from 1 January 2015.

Remuneration: base salary of US $290,000 per annum.

Performance bonus: short term incentive bonus of up to seven months' salary based on successfully achieving agreed KPI milestones (which are based on a combination of Group and specific role related operational targets).

Termination provisions: termination by the Company (other than for unsatisfactory performance, gross misconduct or long term incapacity) upon giving the legally required notice period or payment in lieu of notice and by Mr Jerdin giving 90 days' notice.

End of Audited Remuneration Report.

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 $41,730 for taxation services. Further details of remuneration of the auditors are set out in Note 20.

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.

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.

ENVIRONMENTAL REGULATIONS

The consolidated entity is subject to significant environmental regulation in respect to its mineral exploration activities. These obligations are regulated under relevant government authorities within Australia and overseas. The consolidated entity is a party to exploration and development licences and has beneficial interests in Mineral Production Sharing Agreements. Generally, these licences and agreements specify the environmental regulations applicable to exploration and mining operations in the respective jurisdictions. The consolidated entity aims to ensure that it complies with the identified regulatory requirements in each jurisdiction in which it operates.

Compliance with environmental obligations is monitored by the Board of Directors. No environmental breaches have been notified to the consolidated entity by any government agency during the year ended 30 June 2015.

Signed in accordance with a resolution of the directors.

Kevin Dundo
Chairman

Perth, Western Australia
30 September 2015

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Auditor's Independence Declaration

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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 for the financial year ended 30 June 2015 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

Brent Steedman
Partner

Perth
30 September 2015

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2015

	Note	CONSOLIDATED 2015 $	2014 $
Continuing operations			
Revenue		**27,658,941**	70,829
Cost of sales	5	**(26,311,449)**	-
Care and maintenance		**-**	(8,330,923)
Gross profit / (loss)		**1,327,492**	(8,260,094)
Other income	5	**23,399**	11,204,499
Administration and other expense	5	**(5,347,427)**	(4,953,680)
Exploration expense	13	**(55,482)**	(4,623)
Impairment expense	5	**(56,612,988)**	-
Operating loss		**(60,665,006)**	(2,013,898)
Financing income	5	**364,976**	773,530
Financing expenses	5	**(4,480)**	(5,694,747)
Net financing (loss)/income		**360,496**	(4,921,217)
Loss before income tax expense		**(60,304,510)**	(6,935,115)
Income tax expense	6	**-**	-
Net loss after income tax for the year		**(60,304,510)**	(6,935,115)
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss:			
Movement in foreign currency translation reserve		**33,270,899**	(7,172,426)
Total comprehensive loss for the year		**(27,033,611)**	(14,107,541)
Net loss after income tax attributable to:			
- Non-controlling interest		**(1,447,308)**	(168,180)
- Members of parent entity		**(58,857,202)**	(6,766,935)
		(60,304,510)	(6,935,115)
Total comprehensive (loss)/income attributable to:			
- Non-controlling interest		**(648,806)**	(340,318)
- Members of parent company		**(26,384,805)**	(13,767,223)
		(27,033,611)	(14,107,541)
		Cents	*Cents*
Basic and diluted loss per share (cents per share)	25	**(7.94)**	(1.23)

The accompanying notes form part of these financial statements.

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Statement of Financial Position

as at 30 June 2015

	Note	CONSOLIDATED 2015 $	2014 $
CURRENT ASSETS			
Cash and cash equivalents	7	**10,033,274**	37,913,020
Trade and other receivables	8	**12,152,836**	1,097,921
Inventory	9	**9,395,803**	4,391,127
TOTAL CURRENT ASSETS		**31,581,913**	43,402,068
NON-CURRENT ASSETS			
Receivables	10	**2,226,060**	6,711,804
Property, plant and equipment	11	**69,058,896**	60,066,493
Mine development	12	**79,822,090**	92,073,157
TOTAL NON-CURRENT ASSETS		**151,107,046**	158,851,454
TOTAL ASSETS		**182,688,959**	202,253,522
CURRENT LIABILITIES			
Trade and other payables	14	**7,524,480**	1,595,035
Employee benefits	15	**113,108**	72,745
Provisions	16	**1,116,104**	1,116,104
TOTAL CURRENT LIABILITIES		**8,753,692**	2,783,884
NON-CURRENT LIABILITIES			
Employee benefits	15	**32,195**	-
Provisions	16	**2,435,375**	1,876,474
TOTAL NON-CURRENT LIABILITIES		**2,467,570**	1,876,474
TOTAL LIABILITIES		**11,221,262**	4,660,358
NET ASSETS		**171,467,697**	197,593,164
EQUITY			
Contributed equity	17	**236,416,512**	236,416,512
Other equity	17	**930,285**	930,285
Reserves	18	**35,335,482**	1,981,376
Accumulated losses		**(99,988,195)**	(41,157,429)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**172,694,084**	198,170,744
Non-controlling interest		**(1,226,387)**	(577,580)
TOTAL EQUITY		**171,467,697**	197,593,164

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

for the year ended 30 June 2015

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY					
	Issued capital	Other equity [2]	Accumulated losses	Other reserves [1]	Non controlling interest	Total
	$	$	$	$	$	$
CONSOLIDATED						
Balance at 1 July 2013	177,124,726	930,285	(34,436,319)	9,027,489	(237,262)	152,408,919
Net loss	-	-	(6,766,935)	-	(168,180)	(6,935,115)
Other comprehensive income for the year	-	-	-	(7,000,288)	(172,138)	(7,172,426)
Total comprehensive income for the year	-	-	(6,766,935)	(7,000,288)	(340,318)	(14,107,541)
Shares issued during the year	62,396,300	-	-	-	-	62,396,300
Issue of performance shares	-	-	-	-	-	-
Transaction costs	(3,104,514)	-	-	-	-	(3,104,514)
Expired options – transfers from reserves	-	-	45,825	(45,825)	-	-
Balance at 30 June 2014	**236,416,512**	**930,285**	**(41,157,429)**	**1,981,376**	**(577,580)**	**197,593,164**
Balance at 1 July 2014	236,416,512	930,285	(41,157,429)	1,981,376	(577,580)	197,593,164
Net loss	-	-	(58,857,202)	-	(1,447,308)	(60,304,510)
Other comprehensive loss for the year	-	-	-	32,472,397	798,502	33,270,899
Total comprehensive loss for the year	-	-	(58,857,202)	32,473,397	(648,807)	(27,033,611)
Shares issued during the year	-	-	-	-	-	-
Transaction costs	-	-	-	-	-	-
Issue of performance shares	-	-	-	42,439	-	42,439
Other reserves	-	-	-	865,706	-	865,706
Expired options – transfers from reserves	-	-	26,436	(26,436)	-	-
Balance at 30 June 2015	**236,416,512**	**930,285**	**(99,988,195)**	**35,335,482**	**(1,226,387)**	**171,467,697**

(1) Other reserves represent foreign currency translation reserve and the share based payment reserve.

(2) Refer to note 19(c) for further explanation.

The accompanying notes form part of these financial statements

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Statement of Cash Flows

for the year ended 30 June 2015

	Note	CONSOLIDATED 2015 $	2014 $
Cash flows from operating activities			
Receipts from sale of gold		**23,684,445**	70,829
Payments to suppliers and employees		**(19,786,152)**	(16,331,376)
Payments for exploration and evaluation		**(55,482)**	(4,623)
Interest received		**481,023**	657,344
Interest paid		**(4,480)**	(608,982)
Insurance receipts		**-**	11,200,177
Sundry receipts		**23,399**	73,568
Net cash used from operating activities	*24*	**4,342,752**	(4,943,063)
Cash flows from investing activities			
Payments for plant and equipment		**(644,584)**	(2,845,288)
Payments for development		**(33,824,813)**	(404,565)
Net cash used in investing activities		**(34,469,397)**	(3,249,853)
Cash flows from financing activities			
Proceeds from issues of shares		**-**	62,396,300
Payments for share issue expenses		**-**	(3,104,514)
Proceeds from payout of gold collar derivative		**-**	3,443,278
Repayment of borrowings		**-**	(22,509,581)
Finance facility expenses		**-**	(1,097,735)
Net cash from financing activities		**-**	39,127,748
Net increase/(decrease) in cash held		**(30,126,645)**	30,934,832
Cash at the beginning of the financial year		**37,913,020**	7,582,253
Effect of exchange rate fluctuations on cash held		**2,246,900**	(604,065)
Cash at the end of the financial year	*7*	**10,033,274**	37,913,020

The accompanying notes form part of these financial statements.

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1. REPORTING ENTITY

Red 5 Limited ("the Company") is a for profit company domiciled in Australia. The address of the Company's registered office is Level 2, 35 Ventnor Avenue, West Perth Western Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2015 comprise the Company and its subsidiaries, associates and jointly controlled entities (together referred to as the "Group" and individually as "Group entities"). The Group is primarily involved in the exploration and mining of gold.

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 30 September 2015.

2.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for share based payments, derivative financial instruments and rehabilitation provisions. 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 4.12. Rehabilitation provisions are based on net present value and are discussed in Note 4.14.

2.3 Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgements or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed further in Note 4.17.

3. 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 29.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the consolidated entity. No additional standards or amendments have been early adopted in the current year.

4.1 Principles of consolidation

The consolidated financial report incorporates the assets and liabilities of all entities controlled by the Company as at 30 June 2015 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.

4.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognised:

Gold and silver sales

Revenue from the sale of gold and silver is measured at fair value of the consideration received or receivable. Revenue is recognised when the significant risks and rewards of ownership have transferred to the buyer upon receipt of doré in the gold room. Income received by the consolidated entity for silver sales is deducted from the cost of sales.

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4.3 Finance income and expenses

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 and amortisation of loan borrowing costs. Loan borrowing costs are amortised using the effective interest rate method.

4.4 Property, plant and equipment

All assets acquired, including property, plant and equipment and intangibles other than goodwill, are initially recorded at their cost of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses. Items of plant and equipment are depreciated using a combination of the 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. No depreciation has been calculated on mine plant and equipment whilst the Siana mine was in a state of care-and-maintenance.

4.5 Inventories

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. 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.

4.6 Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is 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. 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.

When production commences, the accumulated costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of reserves. 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.

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.

4.7 Mine Development

Pre-production

Costs incurred in the development of a mine before production commences are capitalised as part of the mine development costs. Mine development costs are deferred until production commences, at which time they are amortised over the productive life of the project on a unit-of-production basis, based on reserves.

Deferred waste mining costs

In the production phase all costs associated with waste removal are capitalised and amortised over the productive life of the open pit on a unit-of-production basis based on reserves and current mine schedule.

4.8 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 to sell and value in use. It is determined for an individual asset, 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.

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4.9 Income tax

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 reporting date, and any adjustment to tax payable in respect of previous years. Deferred income tax is provided using the balance sheet liability method on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised. A deferred income tax asset is not recognised where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the balance date. Income taxes relating to items recognised directly in equity are recognised in equity and not in the Statement of Profit or Loss and Other Comprehensive Income.

4.10 Financial instruments

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 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.

Derivative financial instruments

Derivatives financial instruments are recognised initially at fair value; any attributable transaction costs are recognised in profit and loss as incurred. Subsequent to initial recognition, derivatives are measured at fair-value, and changes therein are accounted for as described below.

4.11 Employee benefits

Provision for employee entitlements represents the amount which the consolidated entity has a present obligation to pay resulting from employees' service provided up to the balance date.

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. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the balance date. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

4.12 Share based payments

The consolidated entity may provide benefits to employees (including directors) 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 Black-Scholes 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.

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4.13 Foreign currency

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.

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 currency of the Philippine entities is the Philippine Peso.

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.

4.14 Rehabilitation costs

Full provision for rehabilitation costs is made based on the net present value of the estimated cost of restoring the environmental disturbance that has occurred up to the balance date. Increases due to additional environmental disturbances are capitalised and amortised over the remaining lives of the operations where they have future economic benefit, else 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 and other comprehensive income as an interest expense. The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances.

4.15 Provisions

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.

4.16 Earnings per share

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.

4.17 Accounting estimates and judgements

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.

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 relating to the Siana gold project is determined as the higher of value-in-use and fair value less costs to sell. Value-in-use is generally determined as the present value of the estimated future cash flows. Present values are determined using a risk adjusted discount rate appropriate to the risks inherent in the asset.

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.

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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 and Other Comprehensive Income unless the asset has previously been revalued.

Refer to Note 12 for details on assumptions applied in determination of impairment expense as of 30 June 2015.

Rehabilitation and mine closure provisions

As set out in Note 4.14, this provision represents the discounted value of the present obligation to restore, dismantle and rehabilitate certain items of property, plant and equipment. 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. 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 and Other Comprehensive Income.

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 2004 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 12), amortisation of capitalised development expenditure (refer to note 12), 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; and
- Decommissioning, site restoration and environmental provisions may change where changes in estimated reserves alter expectations about the timing or cost of these activities.

4.18 New standards and interpretations not yet adopted

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting period, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

AASB 9 Financial Instruments

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

Effective date (annual reporting periods beginning on or after 1 January 2018).

The entity has not yet assessed the full impact of AASB 9 as this standard does not apply mandatorily before 1 January 2018 and the IASB is yet to finalise the remaining phases of its project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 in Australia).

AASB 15 Revenue from Contracts with Customers

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (e.g. 1 July 2017), i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.

AASB 2014-1 Amendments to Australian Accounting Standards (Part D: Consequential Amendment arising from AASB 14).

Effective date (annual reporting periods beginning on or after 1 January 2016).

When these amendments become effective for the first time for the year ending 30 June 2017, they will not have any impact on the entity.

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Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)

The amendments to IAS 16 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.

The amendments to IAS 38 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (i.e. a revenue-based amortisation method might be appropriate) only in two limited circumstances:

- the intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold (for instance, the right to operate a toll road could be based on a fixed total amount of revenue to be generated from cumulative tolls charged); or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

The Australian Accounting Standards Board (AASB) is expected to issue the equivalent Australian amendment shortly.

Effective date (annual reporting periods beginning on or after 1 January 2016).

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the transactions and balances recognised in the financial statements.

The entity has not yet assessed the full impact of these amendments.

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5. REVENUE AND EXPENSES

	CONSOLIDATED 2015 $	2014 $
(a) Other income		
Insurance claim receipts	**-**	11,130,931
Sundry revenue	**23,399**	73,568
	23,399	11,204,499
(b) Administration and other expenses		
Superannuation contributions	**(130,049)**	(116,272)
Other employee and consultancy expenses	**(2,096,130)**	(2,156,956)
Occupancy costs	**(324,639)**	(295,996)
Regulatory expenses	**(729,940)**	(289,464)
Provision for doubtful debts	**(1,891,820)**	16,200
Foreign exchange gains/(losses)	**1,406,051**	(407,167)
Depreciation	**(102,711)**	(100,834)
Other administration overheads	**(1,478,189)**	(1,603,191)
	(5,347,427)	(4,953,680)
(c) Impairment		
Mine development (refer to note 12)	**(56,612,988)**	-
	(56,612,988)	-
(d) Financing income/(expenses)		
Interest received	**364,976**	773,530
	364,976	773,530
Interest expense	**(4,480)**	(608,982)
Fair value of gold collar derivative	**-**	(3,988,030)
Finance facility fees	**-**	(1,097,735)
	(4,480)	(5,694,747)
	(360,496)	(4,921,217)
(e) Cost of Sales		
Operating costs	**(14,636,093)**	-
Depreciation and amortisation	**(11,675,356)**	-
	(26,311,449)	-

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	CONSOLIDATED	
	2015	2014
	$	$
6. INCOME TAX (Prima Facie)		
Current income tax		
Current income tax charge	**-**	-
Adjustment for prior year (under provided)	**-**	-
	-	-
Deferred income tax	**-**	-
Income tax expense	**-**	-
A reconciliation between income tax expense and the numerical loss before income tax at the applicable income tax rate is as follows:		
Loss before income tax	**(60,304,510)**	(6,935,115)
At statutory income tax rate of 30% (2014: 30%)	**(18,091,353)**	(2,080,534)
Items not allowable for income tax purposes:		
Non-deductible expenses	**710,164**	963
Impairment for which no deferred tax asset was recognised	**16,983,896**	-
Current year deferred tax not brought to account	**397,293**	2,079,571
Income tax expense	**-**	-
(b) Tax losses and temporary differences not brought to account		
Deductible temporary differences	**11,405,872**	1,913,480
Tax losses	**11,658,813**	8,500,549

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2015 and 2014 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets at this point in time because it is not probable that future taxable profits will be available against which the Group can use the benefits there from.

7. CASH AND CASH EQUIVALENTS

Cash at bank	**10,032,974**	14,912,907
Cash on deposit	**-**	23,000,000
Cash on hand	**300**	113
	10,033,274	37,913,020

8. TRADE AND OTHER RECEIVABLES

Interest receivable	**3,133**	119,179
Prepayments	**1,621,670**	401,654
Debtors	**3,181,173**	-
Sundry debtors	**688,772**	532,449
VAT receivable	**6,580,582**	-
GST receivable	**77,506**	44,639
	12,152,836	1,097,921

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	CONSOLIDATED	
	2015	2014
	$	$
9. INVENTORY		
Consumables	**4,076,075**	4,106,286
Rom stockpiles	**1,046,645**	284,841
Crushed ore stockpile	**12,925**	-
Gold in circuit	**2,161,344**	-
Gold bullion – at cost	**2,099,814**	-
	9,395,803	4,391,127
10. RECEIVABLES		
Security deposit	**134,883**	134,883
VAT receivable	**2,091,177**	6,576,921
	2,226,060	6,711,804
11. PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment - at cost		
Opening balance	**63,188,591**	61,154,946
Additions	**644,585**	4,905,857
Foreign currency translation adjustment	**11,818,429**	(2,872,212)
Closing balance	**75,651,605**	63,188,591
Accumulated depreciation		
Opening balance	**3,122,098**	2,591,925
Depreciation for the year	**2,741,304**	656,857
Foreign currency translation adjustment	**729,307**	(126,684)
Closing balance	**6,592,709**	3,122,098
Net book value	**69,058,896**	60,066,493

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	CONSOLIDATED	
	2015	2014
	$	$
12. MINE DEVELOPMENT		
(a) Pre-Production		
Opening balance	**81,059,664**	81,028,036
Development expenditure incurred in current year	**22,323,619**	4,151,753
Foreign currency translation adjustment	**13,328,637**	(4,120,125)
	116,711,920	81,059,664
Accumulated amortisation		
Opening balance	**1,791,609**	1,878,035
Amortisation for the year	**3,445,153**	-
Impairment	**31,443,757**	-
Foreign currency translation adjustment	**209,311**	(86,426)
Closing balance	**36,889,830**	1,791,609
Pre-production net book value	**79,822,090**	79,268,055
(b) Deferred Mining Waste Costs		
Opening balance	**17,649,275**	18,500,664
Deferred waste mining expenditure incurred during the year	**14,861,162**	-
Foreign currency translation adjustment	**3,550,742**	(851,389)
	36,061,179	17,649,275
Accumulated amortisation		
Opening balance	**4,844,173**	5,077,851
Amortisation for the period	**5,488,899**	-
Impairment	**25,169,231**	-
Foreign currency translation adjustment	**558,876**	(233,678)
Closing balance	**36,061,179**	4,844,173
Deferred mining waste costs net book value	**-**	12,805,102
Total development net book value	**79,822,090**	92,073,157

In recent months the Company completed a review of the Siana Gold Project including preparation of a new mining plan for both the open pit and underground mines. This resulted in an impairment expense of $56.6 million allocated $31.4 million to pre-production mine development and $25.2 million to deferred mining waste. The Siana Gold Project is an independent cash generating unit and included in the Philippines reported segment. The impairment expense was determined applying a value in use discounted cash flows. The key assumptions in the discounted cash flow model include:

- production levels and operating costs based on the mine plans;
- gold prices based on a USD average consensus price sourced independently. The average USD gold price was $1,216 per ounce over the life of mine;
- foreign exchange rates sourced from consensus broker reports; and
- a nominal post tax discount rate of 12.2%.

The impairment expense is a non-cash item and does not have any impact on cash flow or mining operations.

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	CONSOLIDATED	
	2015	2014
	$	$
13. EXPLORATION AND EVALUATION EXPENDITURE		
Opening balance	**-**	-
Exploration and evaluation expenditure incurred	**55,482**	4,623
Exploration expenditure written-off	**(55,482)**	(4,623)
	-	-
14. TRADE AND OTHER PAYABLES		
Creditors and accruals	**7,524,480**	1,595,035
15. EMPLOYEE BENEFITS		
Provision for employee entitlements		
Opening balance	**72,745**	126,390
Increase in provision during the period	**72,558**	(53,645)
	145,303	72,745
Current	**113,108**	72,745
Non-current (Long service leave)	**32,195**	-
	145,303	72,745
16. PROVISIONS		
MCC final acquisition	**1,116,104**	1,116,104
Rehabilitation provision	**472,310**	341,443
Finance changes	**1,458,624**	1,316,435
Withholding tax	**504,441**	218,596
	3,551,479	2,992,578
Current	**1,116,104**	1,116,104
Non-current	**2,435,375**	1,876,474
	3,551,479	2,992,578

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	CONSOLIDATED	
	2015	2014
	$	$

17. CONTRIBUTED EQUITY

(a) Share capital

759,451,008 (2014: 759,451,008) ordinary fully paid shares	**236,416,512**	236,416,512

	CONSOLIDATED 2015		CONSOLIDATED 2014	
	Shares	***$***	*Shares*	*$*
(b) Movements in ordinary share capital				
On issue at 1 July	**759,451,008**	**236,416,512**	135,488,008	177,124,726
Share placements	**-**	**-**	500,000,000	50,000,000
Share purchase plan	**-**	**-**	123,963,000	12,396,300
Less share issue expenses	**-**	**-**	-	(3,104,514)
On issue at 30 June	**759,451,008**	**236,416,512**	759,451,008	236,416,512

Ordinary shares 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.

	Shares	***$***
(c) Other Equity		
Opening balance 1 July 2014 [(i)]	**581,428**	**930,285**
Balance 30 June 2015	**581,428**	**930,285**

(i) Red 5 has provided for 581,428 shares to be issued at a value of $930,285 to settle the outstanding tax liability in relation to the prior year acquisition of the Merrill Crowe Corporation (MCC).

	CONSOLIDATED	
	2015	2014
	$	$

18. RESERVES

Foreign currency translation reserve	**34,346,740**	1,874,343
Other reserves	**865,706**	-
Share based payment reserve	**123,036**	107,033
	35,335,482	1,981,376

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where the functional currency is different to the presentation currency of the reporting entity, as well as from the translation of liabilities that hedge the parent entity's net investment in a foreign subsidiary.

Share based payment reserve

The share based payment reserve arises on the granting and vesting of equity instruments. Refer to Note 27 for further details.

	Share Options	***Options Reserve***
(a) Movements in share options		
Opening balance 1 July 2014	150,000	107,033
Expired options	(40,000)	(26,436)
Balance 30 June 2015	**110,000**	**80,597**
(b) Movement in performance rights		
Opening balance 1 July 2014	**-**	-
Issued during the period	12,000,000	42,439
Balance 30 June 2015	**12,000,000**	**42,439**

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19. RELATED PARTIES

The following were key management personnel of the consolidated entity at any time during the reporting period and unless otherwise indicated, were key management personnel for the entire reporting period:

Executive directors

Mark Williams – Managing Director

Non-executive directors

Kevin Dundo
Mark Milazzo
Ian Macpherson
Colin Loosemore (appointed 12 December 2014)

Other executives

Joe Mobilia – Chief Financial Officer
David Jerdin - General Mining Operations Manager (appointed 1 January 2015)

Compensation of key management personnel

A summary of the compensation of key management personnel is as follows:

	CONSOLIDATED	
	2015	2014
	$	$
Key management personnel		
Short term benefits	**1,567,340**	1,425,337
Post-employment benefits	**109,027**	98,736
Long term benefits	**71,665**	-
Other benefits	**42,439**	-
	1,790,471	1,524,073

Loans to key management personnel

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

Other transactions with directors

Other than as disclosed in the remuneration report, there were no other transactions during the year between the consolidated entity and directors or their director-related entities.

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 25.

Individual directors and executives compensation disclosures

Information regarding individual directors and executives' compensation and some equity instruments disclosures as permitted by Corporations Regulation 2M.3.03 is provided in the remuneration report section of the directors' report

Key management personnel transactions

During the year, fees were paid in the normal course of business to HopgoodGanim of which Kevin Dundo is a partner, for the provision of legal services to the Group on normal commercial terms.

	Transaction values		**Balance outstanding**	
	2015	2014	**2015**	2014
	$	$	**$**	$
HopgoodGanim	116,585	348,815	12,109	4,017

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	CONSOLIDATED	
	2015	2014
	$	$

20. REMUNERATION OF AUDITOR

Amounts paid or due and payable to the auditor for:			
Auditing and reviewing financial reports			
	– KPMG Australia	**92,830**	100,935
	– overseas KPMG firms	**33,863**	29,174
Other services – advisory (KPMG Australia)		**-**	8,000
Taxation advisory services	– KPMG Australia	**23,850**	24,700
	– overseas KPMG firms	**7,867**	7,213
		158,410	170,022

21. EXPENDITURE COMMITMENTS

Commitments in relation to capital expenditure commitments are payable as follows:		
- not later than one year	**1,391,303**	16,471,220
	1,391,303	16,471,220
Commitments in relation to operating lease expenditure commitments are payable as follows:		
- not later than one year	**366,082**	366,741
- later than one year but not later than two years	**2,232**	143,917
- later than two years but not later than five years	**-**	2,232
	368,314	512,890

22. SEGMENT INFORMATION

Identification of reportable segments

The Group has identified its operating segments on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of its Siana gold assets in the Philippines. Operating segments are therefore determined on the same basis. Reportable segments disclosed are based on aggregating tenements where the development and exploration interests are considered to form a single project. This is in indicated by:

- Having the same ownership structure;
- Exploration being focused on the same mineral or type of mineral;
- Exploration programs targeting the tenements as a group, indicated by the use of the same exploration team, shared geological data and knowledge across the tenements; and
- Shared mining economic considerations such as mineralisation, metallurgy, marketing, legal environmental, social and government factors.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

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

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22. SEGMENT INFORMATION *(continued)*

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Interest and other revenue;
- Income tax expense; and
- Deferred tax assets and liabilities.

	Philippines $	Unallocated $	Total $
(i) Segment performance			
Year ended 30 June 2015			
Revenue [(i)]	27,658,941	-	27,658,941
Interest received	10,338	354,638	364,976
Other income	1,376	22,023	23,399
	27,670,655	**376,661**	**28,047,316**
Segment result	**(58,313,536)**	**(1,990,974)**	**(60,304,510)**
Included within segment result:			
Impairment	(56,612,988)	-	(56,612,988)
Exploration written off	(55,482)	-	(55,482)
Other income – sundry revenue	1,376	22,023	23,399
Provision for doubtful debts	(1,891,820)	-	(1,891,820)
Year ended 30 June 2014			
Revenue [(i)]	70,829	-	70,829
Interest received	5,668	767,862	773,530
Other income	73,568	-	73,568
	150,065	**767,862**	**917,927**
Segment result	**(3,942,835)**	**(2,992,280)**	**(6,935,115)**
Included within segment result:			
Depreciation and amortisation	(655,371)	(1,486)	(656,857)
Exploration written off	(4,623)	-	(4,623)
Other income – insurance proceeds	11,204,499	-	11,204,499
Provision for doubtful debts	16,000	-	16,000
(ii) Segment assets			
As at 30 June 2015			
Segment assets	**177,413,840**	**5,275,119**	**182,688,959**
Additions to non-current assets:			
Deferred waste expenditure	14,861,162	-	14,861,162
Plant and equipment expenditure	639,594	4,991	644,585
Development expenditure	22,323,619	-	22,323,619
As at 30 June 2014			
Segment assets	**165,816,415**	**36,437,107**	**202,253,522**
Additions to non-current assets:			
Capital expenditure	4,903,949	1,908	4,905,857
Exploration expenditure	4,623	-	4,623
Development expenditure	4,151,753	-	4,151,753
(iii) Segment liabilities			
As at 30 June 2015			
Segment liabilities	**10,598,983**	**622,279**	**11,221,262**
As at 30 June 2014			
Segment liabilities	**4,068,877**	**591,481**	**4,660,358**

(i) Revenue is attributable to one customer only.

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23. INVESTMENTS IN CONTROLLED ENTITIES

Name of controlled entities	Country of incorporation	Class of shares	Equity holding 2015 %	Equity holding 2014 %
Bremer Resources Pty Ltd	Australia	Ordinary	100	100
Estuary Resources Pty Ltd	Australia	Ordinary	100	100
Greenstone Resources (WA) Pty Ltd	Australia	Ordinary	100	100
Oakborough Pty Ltd	Australia	Ordinary	100	100
Opus Resources Pty Ltd	Australia	Ordinary	100	100
Red 5 Philippines Pty Ltd	Australia	Ordinary	100	100
Red 5 Mapawa Pty Ltd	Australia	Ordinary	100	100
Red 5 Dayano Pty Ltd	Australia	Ordinary	100	100
Bremer Binaliw Corporation	Philippines	Ordinary	100	100
Red 5 Mapawa Incorporated	Philippines	Ordinary	100	100
Red 5 Dayano Incorporated	Philippines	Ordinary	100	100
Red 5 Asia Incorporated	Philippines	Ordinary	100	100
Greenstone Resources Corporation (i)	Philippines	Ordinary	40	40
Surigao Holdings and Investments Corporation (i)	Philippines	Ordinary	40	40

(i) The Company holds a 40% direct interest in Greenstone Resources Corporation (GRC) and a 40% 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 127 Consolidated and Separate Financial Statements, relating to company control, Red 5 has consolidated these companies as subsidiaries in these financial statements.

24. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES

	CONSOLIDATED 2015 $	CONSOLIDATED 2014 $
Operating loss after income tax	**(60,655,006)**	(6,935,115)
Amortisation and depreciation	**11,675,356**	656,857
Provision for stock obsolescence	**-**	(80,637)
Impairment expense	**56,612,988**	-
Doubtful debt expenses	**1,891,820**	(16,200)
Superannuation accrual	**1,900**	8,620
Exchange (gain)/loss	**(1,406,051)**	407,167
Cost of sales adjustment	**1,234,688**	(819,947)
Income tax expense	**-**	-
Changes in operating assets and liabilities		
(Increase)/decrease in inventories	**(5,004,676)**	850,927
(Increase)/decrease in receivables	**(6,569,171)**	6,577,264
Increase/(decrease) in payables	**5,929,445**	(5,759,379)
Increase/(decrease) in provisions	**631,459**	167,380
Net cash inflow/(outflow) from operating activities	**(4,342,752)**	(4,943,063)

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25. EARNINGS PER SHARE

	2015 *Number*	2014 *Number*
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share	**759,451,008**	561,592,417
Issued ordinary shares at commencement of financial year	**759,451,008**	135,488,008
Effect of shares issued 13 September 2013	**-**	16,184,384
Effect of shares issued 24 October 2013	**-**	328,561,644
Effect of shares issued 31 October 2013	**-**	35,127,148
Effect of shares issued 6 November 2013	**-**	46,231,233
Weighted average number of ordinary shares for the financial year	**759,451,008**	561,592,417

The potential ordinary shares existing at balance date are not dilutive, therefore diluted earnings per share is equal to basic earnings per share.

26. SUBSEQUENT EVENTS

In early July 2015, mining operations at Siana were impacted by a significant movement of material from the Eastern wall into the open pit.

In September 2015, the Company announced the completion of a Technical review of the open pit mining strategy. As a result of the review, the Company announced a new open pit mine plan to recover an updated reserve of 181,000 recoverable gold ounces.

Also in September 2015, the Company announced the completion of a new Underground Concept Study which was prepared by independent mining consultants. The study highlighted the potential to extract the resources below the -130RL level of the open pit and will form the basis of additional studies targeting the development of a future long-term underground mining operation at Siana.

27. SHARE BASED PAYMENTS

An Employee Option Plan (Plan) was approved by shareholders at the annual general meeting of the parent entity held on 27 November 2007. All staff (including executive directors) are eligible to participate in the scheme.

Shares and options are issued on the following terms:

(a) The Board may from time to time determine that any eligible person is entitled to participate in the plan and the extent of that participation. In making that determination, the Board may consider, where appropriate:

- the seniority of the eligible person and the position the eligible person occupies within the consolidated entity;
- the length of service of the eligible person with the consolidated entity;
- the record of employment or engagement of the eligible person with the consolidated entity;
- the contractual history of the eligible person with the consolidated entity;
- the potential contribution of the eligible person to the growth of the consolidated entity;
- the extent (if any) of the existing participation of the eligible person (or any permitted nominee in relation to that eligible person in the plan; and
- any other matters which the Board considers relevant.

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27. SHARE BASED PAYMENTS *(continued)*

(b) A 5% limit is imposed on the number of shares to be received on exercise of the options issued under the plan. This includes all shares issued (or which might be issued pursuant to the exercise of an option under each outstanding offer), the number of shares in the same class that would be issued if offers under the plan were accepted or if options over them were exercised and the number of shares in the same class issued under the previous five years pursuant to the plan. Options are granted under the plan for no consideration. Options granted under the plan carry no dividend or voting rights.

(c) When exercisable, each option is convertible into one ordinary share. The exercise price of options is determined by the Board when it resolves to offer the option and will be not less than 80% of the average closing sale price of the shares on ASX Limited over the five trading days immediately preceding the date of issue of any offer document in relation to the offer, or the date of resolving to issue the options or the date of issue of options by the Board, as the case may be.

Amounts receivable on the exercise of options are recognised as share capital. Set out below are summaries of options granted under the scheme.

Grant date	Expiry date	Exercise price	Balance at start of the year	Granted during the year	Exercised during the year	Expired/ forfeited during the year	Balance at end of the year	Vested and exercisable at end of the year
		$	*Number*	*Number*	*Number*	*Number*	*Number*	*Number*
2015								
28/04/11	30/04/16	4.00	70,000	–	–	–	70,000	70,000
22/03/12	31/12/14	2.70	40,000	–	–	(40,000)	–	–
22/03/12	31/12/16	4.30	40,000	–	–	–	40,000	40,000
			150,000	**–**	**–**	**(40,000)**	**110,000**	**110,000**
Weighted average exercise price			$3.73	–	–	$2.70	$4.11	$4.11
2014								
28.04.11	30.04.14	2.50	70,000	–	–	(70,000)	–	–
28.04.11	30.04.16	4.00	70,000	–	–	–	70,000	70,000
22.03.12	31.12.14	2.70	40,000	–	–	–	40,000	40,000
22.03.12	31.12.16	4.30	40,000	–	–	–	40,000	40,000
			220,000	**–**	**–**	**(70,000)**	**150,000**	**150,000**
Weighted average exercise price			$3.34	–	–	$2.50	$3.73	$3.73

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. In estimating the expected volatility of the underlying shares, the consolidated entity has considered the extent to which past experience is expected to be reasonably predictive of future experience. Consequently, the expected share price volatility has been calculated using daily closing share price observations for the most recent twelve month period from grant date of the underlying shares.

Performance Rights granted during the year

Following Shareholder approval at the Annual General Meeting on 20 November 2014, Mr. Williams was granted 12,000,000 performance rights.

The performance rights may only be exercised only to the extent that the best conditions are met. On exercise, the Company will issue one ordinary share per performance right to Mr. Williams for nil cash consideration. Vesting of the rights is dependent on the conditions detailed in the table below. Provided Mr. Williams remains as Managing Director of the Company, each class of Performance Rights will vest immediately following the end of the relevant period, if the following criteria are met in respect of the period.

27. SHARE BASED PAYMENTS *(continued)*

Tranche and number of Performance Rights	Performance Period	
	Vesting 15 April 2017	Vesting 15 April 2018
	Tranche 1 6,000,000	***Tranche 2 6,000,000***
Vesting performance conditions		
TSR ranking [1] 75% or higher	3,000,000	3,000,000
TSR ranking [1] 50-75%	1,500,000	1,500,000
TSR ranking [1] below 50%	nil	nil

In addition, vesting of Performance Rights is also conditional on:

- the market price of the Company's shares as quoted on the ASX being greater at the end of the relevant performance period compared to the share price at commencement of the relevant performance period; and
- the share price of the Company's shares as quoted on the ASX must be above $0.125 per share at the end of the performance period.

[1] *Performance of Company's share price relative to the S&P/ASX All Ordinaries Gold Index during the period prior to the third anniversary and fourth anniversary as applicable.*

Information about the Performance Rights outstanding at year end

The following unvested Performance Rights were outstanding at year end:

	CONSOLIDATED	
	2015	2014
	Number	*Number*
The following unvested Performance Rights were outstanding at year end:		
Balance at the start of the year	**-**	-
Granted during the year	**12,000,000**	-
Vested during the year	**-**	-
Expired during the year	**-**	-
Balance at the end of the year	**12,000,000**	-

Share based payments expense for the year in relation to the Performance Rights were $42,439 (2014: nil).

28. FINANCIAL RISK MANAGEMENT

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.

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 exclusively in the Philippines. At the balance sheet date there were no significant concentrations of credit risk.

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28. FINANCIAL RISK MANAGEMENT *(continued)*

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.

Trade and other receivables

The Group's trade and other receivables relate mainly to gold sales and VAT 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 VAT refunds are due from a Government tax body namely the Philippines Bureau of Internal Revenue.

The consolidated entity has established an allowance for impairment that represents their estimate of incurred losses in respect of VAT receivables.

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	
	2015	2014
	$	$
Trade and other receivables	**12,152,836**	1,097,921
Cash and cash equivalents	**10,033,274**	37,913,020
Non-current receivables	**2,226,060**	6,711,804

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.

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	6 months or less	6-12 months	More than 1 year
30 June 2015					
Trade and other payables	7,524,480	(7,524,480)	(7,524,480)	-	-
Provisions	3,551,479	(3,551,479)	-	(1,116,104)	(2,435,375)
	11,075,959	(11,075,959)	(7, 524,480)	(1,116,104)	(2,435,375)
30 June 2014					
Trade and other payables	1,595,035	(1,595,035)	(1,595,035)	-	-
Provisions	3,065,323	(3,596,718)	(36,373)	(1,371,072)	(2,189,273)
	4,660,358	(5,191,753)	(1,631,408)	(1,371,072)	(2,189,273)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the consolidated entity income or the value of its holdings of financial instruments. The 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.

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28. FINANCIAL RISK MANAGEMENT *(continued)*

Currency risk

The consolidated entity is exposed to currency risk on investments, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the subsidiaries within the consolidated entity being AUD and Philippine PESO. The currencies in which these transactions primarily are denominated are United States dollars (USD).

The consolidated entity has not entered into any derivative financial instruments to hedge such transactions. The Company's investments in its subsidiaries are not hedged as those currency positions are considered to be long term in nature.

Exposure to currency risk

The consolidated entity's exposure to USD$ foreign currency risk at balance date was as follows, based on notional amounts:

	CONSOLIDATED Carrying Amount	
	2015	2014
	$AUD	*$AUD*
Cash	**5,682,629**	9,200,863
Trade payables	**(344,232)**	(148,659)
Gross balance sheet exposure	**5,338,397**	9,052,204

Sensitivity analysis

A 10 per cent strengthening of the Australian dollar against the following currencies at 30 June 2015 would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2015.

	CONSOLIDATED Profit or Loss
	$AUD
30 June 2015 – USD	**(533,840)**
30 June 2014 – USD	(905,220)

A 10 per cent weakening of the Australian dollar against the above currencies at 30 June 2015 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

The consolidated entity is exposed to interest rate risk, primarily on its cash and cash equivalents which 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 use derivatives to mitigate these exposures.

The consolidated entity adopts a policy of ensuring that as far as possible it maintains excess cash and cash equivalents in short term deposit with more than one counterparty at interest rates maturing over 90 day rolling periods. At the reporting date the interest rate profile of the consolidated entity and the Company's interest-bearing financial instruments were:

	CONSOLIDATED Carrying Amount	
	2015	2014
	$	*$*
Variable rate instruments		
Cash and cash equivalents	**10,033,274**	37,913,020
Security deposits	**134,883**	134,883
	10,168,157	38,047,903

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28. FINANCIAL RISK MANAGEMENT *(continued)*

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2014.

CONSOLIDATED	Profit or loss		Equity	
	100bp increase	*100bp decrease*	*100bp increase*	*100bp decrease*
30 June 2015				
Variable rate instruments	**101,682**	**(101,682)**	101,682	(101,682)
30 June 2014				
Variable rate instruments	**380,479**	**(380,479)**	380,479	(380,479)

Net Fair values

The carrying value of financial assets and liabilities equates their fair value.

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 reporting by the board and key management personnel.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

29. PARENT ENTITY DISCLOSURES

	2015	2014
	$	$
(a) Financial position		
Assets	**5,130,626**	36,295,711
Current assets	**166,954,731**	172,110,253
Non-current assets	**172,085,357**	208,405,964
Total assets		
Liabilities	**590,084**	1,862,945
Current liabilities	**32,195**	-
Non-current liabilities	**622,279**	1,862,945
Total liabilities		
Contributed equity	**236,416,512**	236,416,512
Other equity	**930,285**	930,285
Reserves	**123,036**	107,033
Accumulated losses	**(66,006,755)**	(30,910,811)
Total equity	**171,463,078**	206,543,019
(b) Financial performance		
Loss for the year	**(35,095,944)**	(3,138,063)
Other comprehensive income	**-**	-
Total comprehensive loss	**(35,095,944)**	(3,138,063)

Declaration by Directors

The Board of Directors of Red 5 Limited declares that:

(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 2015 and of its performance for the financial year ended on that date; and
- complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.1; and

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

The Board of Directors has received the declaration by the Managing Director and Chief Financial Officer required by Section 295A of the Corporations Act 2001, for the year ended 30 June 2015.

Signed in accordance with a resolution of the directors.

Kevin Dundo
Chairman

Perth, Western Australia
30 September 2015

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Independent Auditor's Report

to the members of Red 5 Limited

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Report on the financial report

We have audited the accompanying financial report of Red 5 Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2015, and 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 ended on that date, notes 1 to 29 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error. In note 2.1, the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements of the Group comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Group's financial position and of its performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of the Group is in accordance with the *Corporations Act 2001*, including:
  (i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
  (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.1.

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. 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 responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of Red 5 Limited for the year ended 30 June 2015, complies with Section 300A of the *Corporations Act 2001*.

KPMG

KPMG

Brent Steedman
Partner
Perth, 30 September 2015

Corporate Governance Statement

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A description of the main corporate governance practices is set out below. These practices, unless otherwise stated, were in place for the entire financial year. Copies of relevant corporate governance policies and charters are available in the corporate governance section of the Company's web-site at www.red5limited.com.

The Board and management are committed to high standards of corporate governance practices. Good corporate governance will evolve with the changing circumstances of a company and must be tailored to meet these circumstances.

This Corporate Governance Statement is current as at 30 June 2015 and was approved by the Board on 30 September 2015.

BOARD OF DIRECTORS

The Board has the responsibility for protecting the rights and interests of shareholders and the enhancement of long-term shareholder value. The Board's primary role is to formulate the strategic direction of the Company and to oversee the Company's business activities and management. The Company has established functions reserved for the Board and those delegated to senior management. Day to day management of the Company's affairs and the implementation of corporate strategies are delegated by the Board to the Managing Director.

The Board charter states that the Board is responsible for:

- the corporate governance of the Company;
- the overall strategic direction and leadership of the Company;
- approving and monitoring management implementation of objectives and strategies;
- reviewing performance against stated objectives by receiving regular management reports on the business situation, opportunities and risks; and
- the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Company.

The Board is responsible for the appointment and removal of the Company Secretary. The Board charter sets out that the Company Secretary is accountable to the Board on all matters relating to the proper functioning of the Board.

Board composition and independence

The Company has a five member Board comprising one executive director and four non-executive directors, including the Chairman. The roles of Chairman and Managing Director are not combined. Mr Williams is not considered independent by virtue of his executive role in the Company. Messrs Dundo, Milazzo, Macpherson and Loosemore are independent non-executive directors based on the principles set out below.

The current composition of the Board is considered suitable for the Company's current size and level of operations and includes an appropriate mix of skills, expertise and experience relevant to the Company's business. Details of the experience, qualifications and term of office of directors are set out in the Directors' Report.

The Board has adopted ASX recommended principles in relation to the assessment of directors' independence, which identifies shareholdings, executive roles and contractual relationships which may affect independent status. The Board does not believe that length of service is a potential indicator that independence may have been compromised. Materiality has been determined from both a quantitative and qualitative perspective. Financial materiality thresholds used in the assessment of directors' independence are set at 5% of the annual gross expenditure of the Company and/or 25% of the business turnover of the director. Notwithstanding that a legal firm, HopgoodGanim, of which Mr Dundo is a partner, provided legal services to the Company during the year, the Board has determined that on the above principles, Mr Dundo is independent.

Board skills matrix

The current mix of skills and experience on the Board is as follows:

Experience and skills	Number of directors
Mining operations	3
Mining engineering	2
Geology	2
Finance and accounting	3
Strategic planning and risk management	5
Governance and compliance	2
Business development	4
Public company directorship and management	4
Geographical	
Australia	4
South-East Asia	3

Each director and senior executive of the Company has an agreement in writing with the Company which sets out the key terms and conditions of their appointment including their duties, rights and responsibilities.

Directors have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense, subject to the prior written approval of the Chairman, which will not be unreasonably withheld.

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The Audit Committee comprises three non-executive directors, Mr Macpherson (chairman), Mr Dundo and Mr Milazzo. The Remuneration and Nomination Committee comprises three non-executive directors, Mr Dundo (chairman), Mr Milazzo and Mr Loosemore. Details of the qualifications of committee members and attendance at committee meetings are set out in the Directors' Report.

Performance assessment

The Board has adopted a formal process for an annual self assessment of its collective performance, the performance of individual directors and of Board committees. The Board is required to meet annually with the purpose of reviewing the role of the Board, assessing its performance over the previous 12 months and examining ways in which the Board can better perform its duties. A formal assessment was undertaken in September 2014, using a self-assessment checklist as the basis for evaluation of performance against the requirements of the Board charter.

The performance of senior executives is reviewed annually by the Managing Director through a formal performance appraisal meeting, incorporating measurement against pre-determined key performance indicators. Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and where appropriate, expert advice. A formal evaluation of senior executives was undertaken during the year in accordance with the Company's performance appraisal procedures.

AUDIT COMMITTEE

The Audit Committee charter sets out the responsibilities of the Audit Committee, including:

- reviewing and approving statutory financial reports and all other financial information distributed externally;
- reviewing the effectiveness of the Company's internal control environment including compliance with applicable laws and regulations;
- the nomination of the external auditors and review of the adequacy of existing external audit arrangements; and
- considering whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence.

The Managing Director and Chief Financial Officer provide a declaration to the Board that the Company's external financial reports present a true and fair view of the Company's financial position and operational results and that the declaration in relation to the integrity of the Company's external financial report is founded on sound risk management and internal control systems and that those systems are operating effectively in relation to financial reporting risks.

The external auditors provide an annual declaration of their independence to the Board. The current audit engagement partner has conducted the audit since December 2012. The performance of the external auditors is reviewed annually.

The Company does not have a separate internal audit function as the Board believes that existing internal controls and management systems provide sufficient assurance that the Company's risk management, governance and internal control processes are operating effectively. Operational, financial, legal, compliance and strategic risks are managed primarily by senior executives as part of the day-to-day management of the Company's affairs with the support of relevant external professional advisers as required.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee operates in accordance with a formal written charter. The Remuneration and Nomination Committee advises the Board on remuneration and incentive policies and practices generally and makes specific recommendations in relation to compensation arrangements for executive and non-executive directors and in respect of all equity based remuneration plans. Details of the Company's remuneration policies are set out in the Remuneration Report section of the Directors' Report.

The Remuneration and Nomination Committee is also responsible for regularly reviewing the composition and membership of the Board and when a Board vacancy exists, initiating the selection process for potential directors. This includes an assessment of the necessary and desirable competencies of Board members, Board succession plans and an evaluation of the Board's performance.

The appropriate mix of skills and diversity for membership of the Board is considered by the Remuneration and Nomination Committee as part of ongoing nomination and succession planning and which recognises the value of balanced gender representation. Prior to a candidate being considered for appointment as a director of the Company, appropriate enquiries will be made as to the person's character, experience, education, criminal record and bankruptcy history. Shareholders are provided with relevant information on any directors standing for re-election at a general meeting of the Company, including relevant qualifications and experience.

New directors will be provided with an induction including comprehensive briefings with the Chairman and senior executives, visits to operating sites and provision of information on the Company including Company and Board policies and other relevant documents.

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All directors are expected to maintain the skills required to effectively discharge their obligations to the Company. Directors are encouraged to undertake professional development programmes to develop and maintain the skills and knowledge needed to perform their role as directors of the Company.

HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY COMMITTEE

A Health, Safety, Environment and Community (HSEC) Committee has been established to assist the Board in its oversight and review of issues relating to health, safety, the environment and sustainable development as they affect the Company's employees, contractors and the communities in which the Company operates. The HSEC operates under a written charter. Membership of the HSEC Committee comprises two non-executive directors, Mr Milazzo (chairman) and Mr Loosemore, with the permanent invitation and participation of the Managing Director.

DIVERSITY AND EMPLOYMENT PRACTICES

The Board has adopted a formal diversity policy which is designed to encourage diversity in employment and in the composition of the Board, as a means of enhancing the Company's performance and organisational capabilities.

The Company aims to achieve an appropriate mix of diversity on its Board, in senior management and throughout the organisation. A summary of the proportion of females employed throughout the Company is as follows:

	Actual 30 June 2015	Objectives 2016/2017
Whole organisation	14%	15 to 25%
In senior management positions	9%	20 to 30%
Appointed to the Board	0%	20%

Senior management is defined as a professional or manager reporting to the Managing Director or General Manager Operations.

The Company recognises that the mining and exploration industry is historically male dominated in many of the operational sectors and the pool of women with appropriate skills has been limited in some instances. The Company also recognises the need to set diversity measures in each of its operating locations taking into account the differing diversity issues within each geographic location in which it operates.

The Remuneration and Nomination Committee monitors and reports on the progress of achieving diversity objectives.

RISK MANAGEMENT

The Board is responsible for the oversight of the Company's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Managing Director having ultimate responsibility to the Board for the risk management and control framework. The Board works closely with management to identify and manage operational, financial and compliance risks which could prevent the Company from achieving its objectives.

The Managing Director is required to report to the Board on material business risks and whether those risks are being managed effectively. A risk register has been established which details material business risks arising from the Company's operations. Changes to key risk factors and mitigation measures are reported to the board on a regular basis.
The effectiveness of the Company's management of material business risks is monitored and reported on a regular basis and accordingly, no formal report is required from management.

The Company undertakes mining and exploration activities and recognises that there are inherent risks in conducting its business operations. Material risks associated with economic, environmental and social sustainability are included in the Company's risk register to ensure that they form part of a robust risk assessment and management process.

Some of these risks are beyond the Company's direct control and require risk mitigation strategies whilst other risks are directly within the control of the Company and can be managed through operational and management procedures. Major risk areas for the Company include operational risks, occupational, health and safety, community and environmental risks, mineral resource estimates, metal prices and exchange rate fluctuations, financing and working capital requirements, sovereign and political risks, compliance and regulatory.

The systems and processes implemented to manage material risks include monthly operations and financial reporting; regular reports to the Board by management and/or independent advisers outlining the nature of particular risks and related risk mitigation measures; clearly defined management responsibilities and organisational structure; delegated limits of authority; treasury and accounting controls and reconciliations; comprehensive management reporting systems; budgeting and strategic planning processes; segregation of duties; appropriate policies and procedures that are widely disseminated to employees; development of integrated management systems; and specific occupational, health and safety policies and procedures.

The Audit Committee supports the Board in reviewing the systems and processes employed to manage the Company's financial risks and the Health, Safety, Environment and Community Committee assists the Board in monitoring the performance of the Company in respect of health, safety and sustainability risks, including environmental exposures.

RESPECT THE RIGHTS OF SHAREHOLDERS AND STAKEHOLDERS

The Board has adopted a formal written policy covering arrangements to promote communications with shareholders and to encourage effective participation at general meetings. The Company and the share registry offer mechanisms for electronic communication by shareholders, including an e-mail alert facility available through the Company's web-site. The external auditor is requested to attend annual general meetings and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

The Board has established a code of conduct to guide compliance with the legitimate interests of all stakeholders. The code aims to encourage the appropriate standards of conduct and behaviour of the directors, employees and contractors of the Company. All personnel are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company. The Company has established a whistleblower policy which provides an independent mechanism for legitimate reporting of illegal or unethical practices by company employees.

TIMELY AND BALANCED DISCLOSURES

The Board recognises the obligations of continuous disclosure and the Company has a formal written policy for the continuous disclosure of any price sensitive information concerning the Company. A record of the circumstances surrounding each material continuous disclosure announcement is maintained and presented at the next board meeting.

Material information is lodged immediately with the ASX and then disseminated by posting to the Company's web-site. Shareholders, potential investors and interested parties can avail themselves of an email alert facility. A strict protocol is practiced for all investor/analyst/media meetings, group briefings and conference calls.

DEALINGS IN COMPANY SHARES

The Company's share trading policy prohibits the purchase or disposal of shares by directors, officers and specified employees in the period of two weeks prior to the release of quarterly reports and four weeks prior to the release of half year and full year results and for one business day thereafter. Any proposed transactions to be undertaken must be notified to the Chairman or Managing Director in advance.

Where the Company grants securities under an equity based remuneration scheme, participants are prohibited from entering into arrangements for the hedging, or otherwise limiting their exposure to risk in relation to unvested shares, options or rights issued or acquired under the scheme.

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Statement of Shareholders

as at 28 September 2015

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DISTRIBUTION OF SHARE AND OPTION HOLDERS

			Number of Holders	
			Fully paid shares	Unlisted options
1	–	1,000	844	–
1,001	–	5,000	1,081	–
5,001	–	10,000	564	–
10,001	–	100,000	1,289	3
100,001		and over	498	–
			4,276	3
Including holdings of less than a marketable parcel			2,215	

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.

SUBSTANTIAL SHAREHOLDERS

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

Shareholder	Number of shares	%
Franklin Resources Inc	127,170,719	16.75
Ruffer LLP	89,293,000	11.76
Acorn Capital Limited	61,749,072	8.13
Matchpoint Asia Fund Limited	51,016,742	6.71

TWENTY LARGEST HOLDERS OF FULLY PAID SHARES

	Shareholder	Number of shares	%
1.	National Nominees Limited	233,209,916	30.71
2.	BBY Nominees Limited	66,352,078	8.74
3.	HSBC Custody Nominees (Australia) Limited	49,973,629	6.58
4.	Citicorp Nominees Pty Ltd	33,845,303	4.46
5.	JP Morgan Nominees Australia Limited	31,629,429	4.16
6.	BNP Paribas Noms Pty Ltd	22,584,604	2.97
7.	HSBC Custody Nominees (Australia) Limited	21,788,864	2.87
8.	Citicorp Nominees Pty Ltd	13,536,021	1.78
9.	Gwynvill Trading Pty Ltd	10,000,000	1.32
10.	Huy Minh Tran	9,110,000	1.20
11.	ABN Amro Clearing Sydney Nominees Pty Ltd	8,079,847	1.06
12.	Roger Craig Adams	7,000,000	0.92
13.	Insight Capital Management Pty Ltd	6,329,114	0.83
14.	Bart Superannuation Pty Ltd	4,454,254	0.59
15.	Colin Loosemore & Susan Loosemore	4,224,153	0.56
16.	Equitas Nominees Pty Ltd	3,989,707	0.53
17.	Pershing Australia Nominees Pty Ltd	3,663,106	0.48
18.	CS Fourth Nominees Pty Ltd	3,506,843	0.46
19.	Keng Huat Goh	3,004,510	0.40
20.	Foreign Dimensions Pty Ltd	2,900,000	0.38
		539,181,378	71.00

UNQUOTED SECURITIES

The following classes of unquoted securities are on issue:

		Holders of greater than 20% of each class of security		
Security	Number on issue	Name of holder	Number	%
Performance rights	12,000,000	MOE Williams Pty Ltd	12,000,000	100.00
Options over fully paid shares exercisable:				
– at $4.00 each on or before 30.04.16	70,000	Mobilia Enterprises Pty Ltd	40,000	57.14
		Gabrielle Metcalf	30,000	42.86
– at $4.30 each on or before 31.12.16	40,000	Mobilia Enterprises Pty Ltd	40,000	100.00

Investor Information

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ANNOUNCEMENTS

The Company makes both statutory announcements (quarterly activities and cash flow reports, financial reports, changes to directors' interests) and specific announcements under continuous disclosure provisions. Significant announcements made during the financial year include:

Release date	Announcement subject
30.07.14	June 2014 quarter activities and cash flow reports
03.09.14	Siana gold project progress report
29.09.14	Annual financial statements
08.10.14	Siana gold project progress report
16.10.14	Red 5 2014 annual report
16.10.14	Notice of annual general meeting
31.10.14	September 2014 quarter activities and cash flow reports
20.11.14	AGM chairman's address
20.11.14	AGM presentation
20.11.14	Results of annual general meeting
15.12.14	Appointment of director
07.01.15	Siana gold project – progress update
21.01.15	Investor presentation
30.01.15	December 2014 quarter activities and cash flow reports
05.03.15	Siana gold project – production update
10.03.15	Half year accounts
17.03.15	Siana gold project
29.04.15	March 2015 quarter activities and cash flow reports
24.06.15	Siana gold project – operations update
07.07.15	Trading halt
09.07.15	Voluntary suspension
14.07.15	Update on Siana mining operations
14.07.15	Reinstatement to official quotation
31.07.15	June 2015 quarter activities and cash flow reports

SHARE PRICE MOVEMENTS

Share prices on the Australian Securities Exchange during the 2014–15 year were:

Quarter ended	High *(cents)*	Low *(cents)*
September 2014	9.8	7.7
December 2014	9.3	7.7
March 2015	13.5	8.8
June 2015	11.5	7.9

The closing price on 30 June 2015 was 9.6 cents.

INVESTOR RELATIONS

Announcements, statutory reports and information on the Company's projects are available on the Company's web-site at www.red5limited.com.

SHAREHOLDER ENQUIRIES

Enquiries relating to shareholdings, tax file number and notification of change of address should be directed to:

Security Transfer Registrars Pty Ltd
770 Canning Highway,
Applecross, Western Australia 6153
Telephone: +61 8 9315 2333
Facsimile: +61 8 9315 2233
Email: registrar@securitytransfer.com.au
Web-site: www.securitytransfer.com.au

TENEMENT DIRECTORY

Project	Tenement Number	Registered Holder	Equity Interest Red 5	Other
Philippines				
Siana	MPSA 184-2002-XIII	Greenstone	40%	SHIC 60%
	APSA 46-XIII	Greenstone	40%	SHIC 60%
Mapawa	MPSA 280-2009-XIII	Greenstone	40%	SHIC 60%
Western Australia				
Montague	ML 57/429, ML 57/485, EL57/793		25% free carried	

Abbreviations: Greenstone : *Greenstone Resources Corporation*
SHIC : *Surigao Holdings and Investments Corporation*
MPSA : *Mineral Production Sharing Agreement*
APSA : *Application for MPSA*
ML : *Mining Lease*
EL : *Exploration Licence*

Corporate Directory

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Board of Directors

Kevin Dundo (Chairman)

Mark Williams (Managing Director)

Mark Milazzo (Non-Executive Director)

Ian Macpherson (Non-Executive Director)

Colin Loosemore (Non-Executive Director)

Company Secretary

Frank Campagna

Registered Office

Level 2, 35 Ventnor Avenue,
West Perth, Western Australia, 6005

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Facsimile: (61-8) 9481 5950
Email: info@red5limited.com
Website: www.red5limited.com

Manila Office

5th Floor, NOL Building,
Cnr Acacia / Commerce Avenue,
Madrigal Business Park
Ayala Alabang
Muntinlupa City
Philippines, 1770

Telephone: (63-2) 807 2790
Facsimile: (63-2) 807 6658

Share Registry

Security Transfer Registrars Pty Ltd
770 Canning Highway,
Applecross, Western Australia, 6153

Telephone: (61-8) 9315 2333
Facsimile: (61-8) 9315 2233
Email: registrar@securitytransfer.com.au
Website: www.securitytransfer.com.au

Bankers

National Australia Bank Limited

Auditors

KPMG

Solicitors

Squire Patton Boggs

HopgoodGanim

SyCip Salazar Hernandez & Gatmaitan (Philippines)

Stock Exchange Listing

Australian Securities Exchange
Trading code: RED

OTCQX International
Trading code: RDFLY

Red 5 Limited

ABN 73 068 647 610

www.red5limited.com

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