Redbank Copper Limited

Assays of up to 4.29% copper highlight development potential of Redbank Copper Project in the NT

Redbank Copper
ASX: RCP

ASX Announcement
31 January 2014

Shares on Issue
2,339,430,263
Current Share Price
A$ 0.002
Market Capitalisation
$4.68M (based on A$0.002)
Cash at 30/09/13
A$2.3 million

Board of Directors
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Projects
Redbank Copper Project

HIGHLIGHTS

- **Assays from historic but untested drill samples from the Charlie prospect at Redbank Copper Project in the NT return several high-grade results over significant widths.**
- **Results reveal broad zones of oxide and transitional copper mineralisation.**

Results include:

- **11BCRC03 20m at 1.03% Cu from 45m**
- **11BCRC03 19m at 1.17% Cu from 67m**
- **11BCRC05 26m at 1.00% Cu from 21m**
- **11BCRC06 27m at 1.58% Cu from 3m**
- **11BCRC06 9m at 2.48% Cu from 34m**

- **Further drilling planned for Charlie and several other Redbank prospects in the upcoming dry season**

Redbank Copper Limited (ASX: RCP) is pleased to announce that assays undertaken on historic drilling samples at the Company's Redbank Copper Project in the Northern Territory have highlighted the significant development potential of the prospects.

The samples stemmed from reverse circulation drilling completed in 2011 on the Charlie and Masterton prospects within the Redbank Copper Project.

The assay results revealed mineralised intersections of up to 27m wide with grades as high as 4.29 per cent copper.

The new management team at Redbank discovered the drill samples stored in a Mt Isa freight yard. The Company has completed a number of checks which confirmed the origin and validity of these samples. This included sending a senior field supervisor to Mt Isa to check, sort and re-bag the samples. In addition, Redbank obtained original drillers' sheets, digital geology logs and results of hand-held XRF analysis of the drill samples recorded during the drilling.

Based on this information, selected intervals were submitted to ALS Minerals Laboratory in Mt Isa for analysis.

The program comprised eleven holes for 1,062m, including eight holes drilled on the Charlie Prospect within the Company's 100% owned ELR 94 and three holes drilled on the Masterton Prospect, which is within the Wollogorang Joint Venture between Redbank and Gulf Mines Limited (ASX: GLM)

CHARLIE PROSPECT

Redbank Area (RCP 100%)

The Charlie Prospect appears to be a vein-plus-breccia pipe-style deposit that has been structurally remobilised by later shearing. The prospect is south-east from the Sandy Flats breccia pipes and may be sitting on a lower mineralised corridor (see figure 1). Initial reverse circulation drilling on the prospect was completed in 2010 when fourteen RC holes were completed. Several of these holes returned broad zones of anomalous copper mineralisation.

The 2011 program was aimed at identifying near-surface oxide and transitional copper mineralisation. The location of the drill holes within the prospect and a drill section through hole 11BCRC06 is provided in the attached figures 2 and 3. The erratic nature of the drilling is a function of the circular shape of the breccia pipe and the existing access at the site.

The results of the 2011 drilling for intervals greater than 0.5% copper are provided in *Table 1*. The intersections represent down-hole intervals and are not intended to give an indication of the true width of the mineralisation.

Redbank considers the results encouraging because they intersected broad zones of near-surface oxide to transitional copper mineralisation which could be developed in a future heap leaching operation. These zones may also provide a vector toward deeper sulphide targets which are the priority targets for the Company's future exploration programs.

The Redbank Copper Project has approximately 50 known breccia pipe occurrences, of which around 15 have been systematically drill-tested. The results from the Charlie drilling have provided encouragement for further targeted drilling around the known targets in the immediate Redbank area.

MASTERTON PROSPECT

Wollogorang JV (RCP 49%, earning up to 85%)

Hand-held XRF scanning of the three holes drilled into the Masterton Prospect did not record any anomalous copper mineralisation so no samples from Masterton were submitted for analysis (see *Table 2*).

FURTHER EXPLORATION PROPOSED

The Company is using the low-level aeromagnetic and radiometric data it acquired, combined with open file reports and its exploration database, to identify additional breccia and strataform targets for testing. A full audit of Redbank Copper's legacy exploration data has been undertaken to ensure confidence during definition of future exploration programmes.

Redbank has submitted a Mine Management Plan to undertake further drilling on the Sandy Flats, Redbank, Bluff, Roman Nose, Quartzite and Punchbowl targets during the upcoming dry season.

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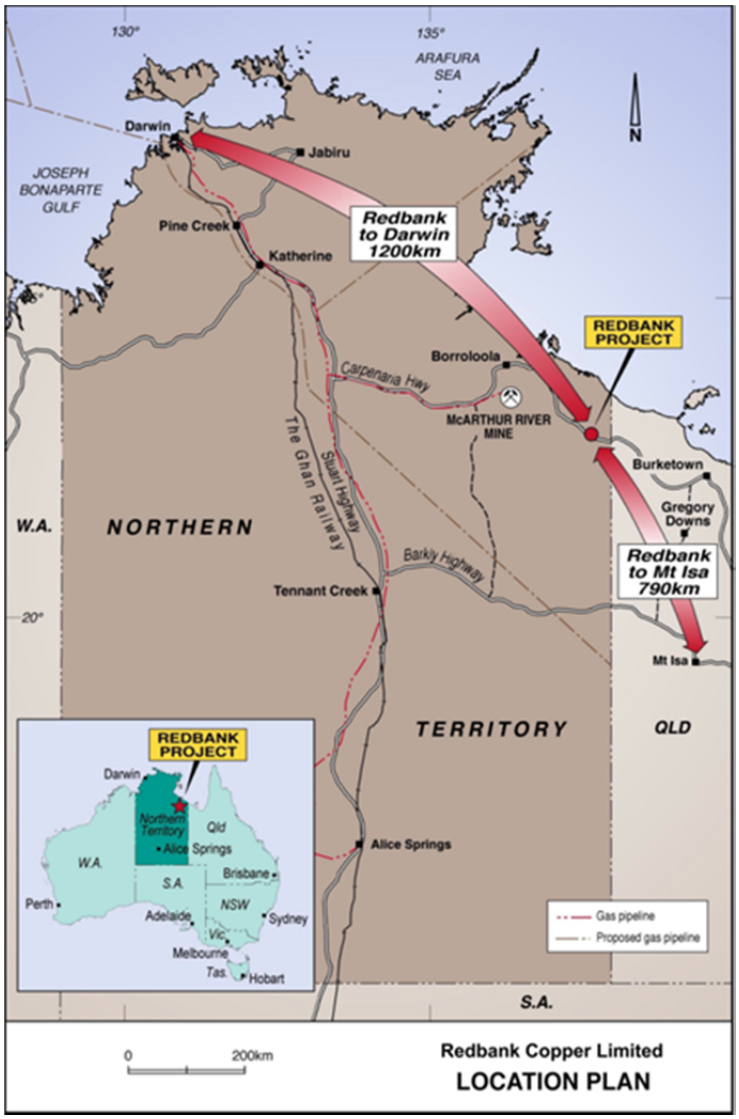

CHARLIE PROSPECT										
HoleID	**Northing (m)**	**Easting (m)**	**RL (m)**	**End of hole depth (m)**	**Dip (degrees)**	**Azimuth (degrees)**	**From (m)**	**To (m)**	**Downhole length (m)**	**Cu % (0.5% cut)**
11BCRC01	8096320	794972	205	90	-60	180			NA	
11BCRC02	8096323	794935	205	96	-60	180	34	37	3	0.87
							38	39	1	0.55
							48	50	2	0.53
							52	60	8	0.69
							67	70	3	0.58
							76	77	1	0.50
							78	81	3	0.63
11BCRC03	8096324	794909	206	104	-60	180	38	40	2	1.83
							40	41	1	SD
							41	42	1	2.40
							42	44	2	SNR
							44	45	1	SD
							45	65	20	1.03
							65	67	2	SNR
							67	86	19	1.17
							86	88	2	SNR
							88	104	16	0.83
11BCRC04	8096322	794887	206	103	-60	180	5	6	1	0.58
							23	26	3	1.20
							36	37	1	0.67
							39	43	4	0.54
							63	65	2	0.64
							65	66	1	SD
							66	67	1	0.53
							67	69	2	SD
							69	70	1	0.98
							70	71	1	SD
							72	73	1	0.63
							73	74	1	SD
							75	76	1	0.53
							82	84	2	0.92
11BCRC05	8096287	794895	206	97	-60	0	2	14	12	0.56
							16	17	1	0.52
							21	47	26	1.00
						Including	*33*	*35*	*2*	*2.54*
11BCRC06	8096289	794919	206	121	-60	0	3	30	27	1.58
						Including	*12*	*17*	*5*	*2.91*
						Including	*18*	*22*	*4*	*2.09*
							34	43	9	2.48
						Including	*38*	*42*	*4*	*4.29*
							44	45	1	0.50
							45	47	2	SD
11BCRC07	8096288	794942	205	91	-60	0	2	3	1	0.53
							3	4	1	SNR
							6	11	5	0.60
							40	41	1	0.71
							41	42	1	SNR
11BCRC08	8096289	794965	205	22	-60	0			NSI	

Notes
NA = Not assayed
NSI = No significant intercepts
SD = Sample destroyed (loss of sample integrity)
SNR = Sample listed as not received at laboratory
Compositing of data was terminated at SD or SNR boundaries.

Table 1 – Charlie Prospect Significant Intercept Results

MASTERTON PROSPECT										
HoleID	Northing (m)	Easting (m)	RL (m)	End of hole depth (m)	Dip (degrees)	Azimuth (degrees)	From (m)	To (m)	Downhole length (m)	Cu % (0.5% cut)
11MSTRC01	8096121	792569	208	139	-60	165			NA	
11MSTRC02	8096121	792593	208	82	-60	180			NA	
11MSTRC03	8096115	792668	207	19	-60	180			NA	
Notes NA = Not assayed										

Table 2 – Masterton Prospect Significant Intercept Results

Competent Persons Statement

The information in this report that relates to Exploration Potential and Results is based on information compiled by Mr James Guy, who is a consultant geologist and a Member of the Australian Institute of Mining and Metallurgy. The information in this report relating to exploration targets should not be misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature since there has been insufficient work completed to define the prospects as anything beyond exploration target. It is uncertain if further exploration will result in the determination of a Mineral Resource. Mr Guy 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Guy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

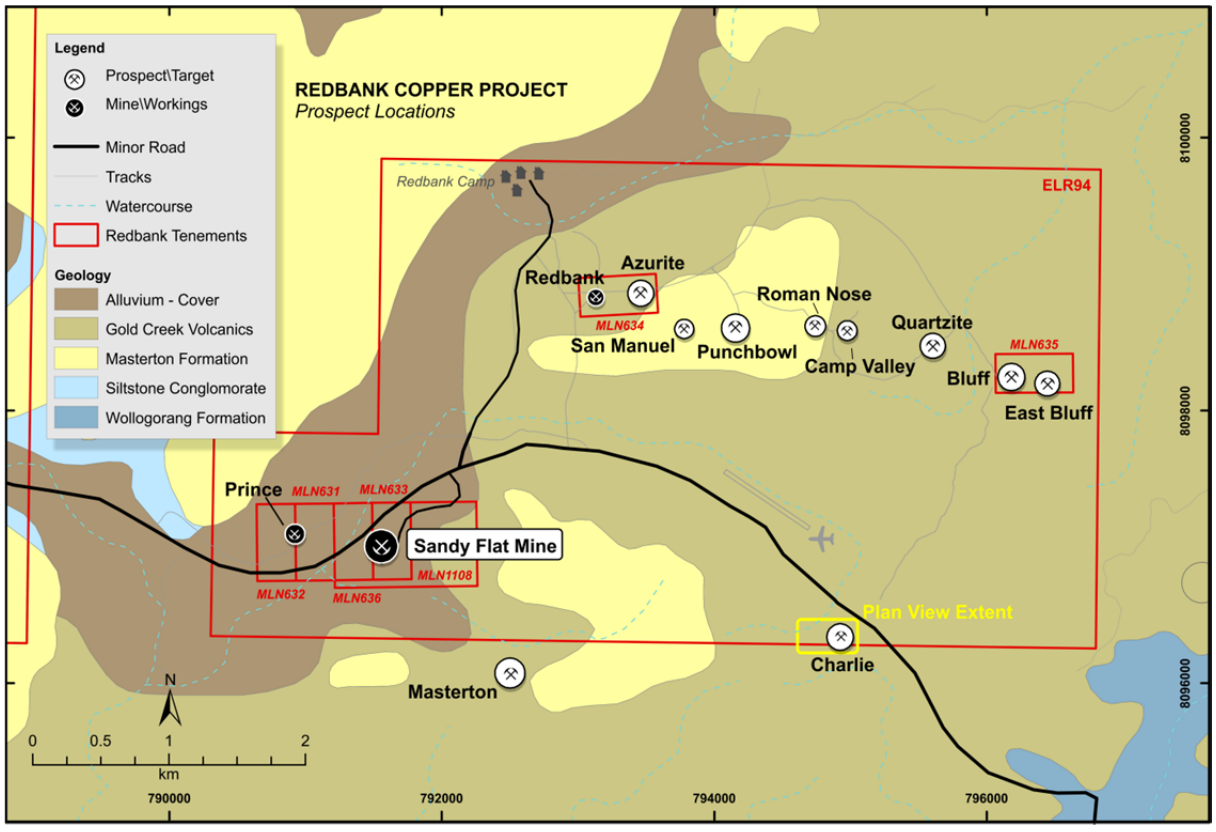

Figure 1: Prospect Location Plan

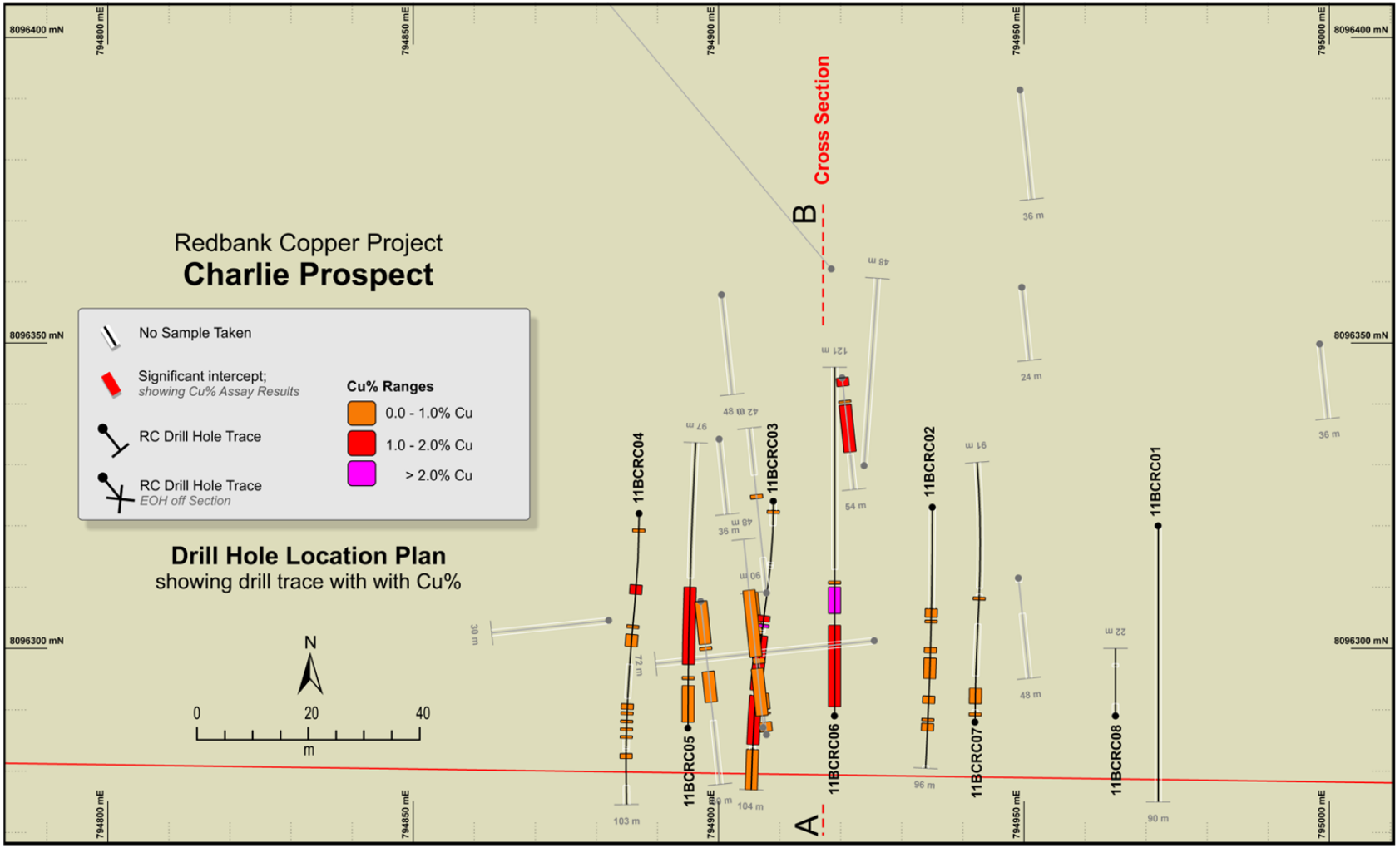

Figure 2: Charlie Prospect Plan Showing RC Drill Hole Collar Location

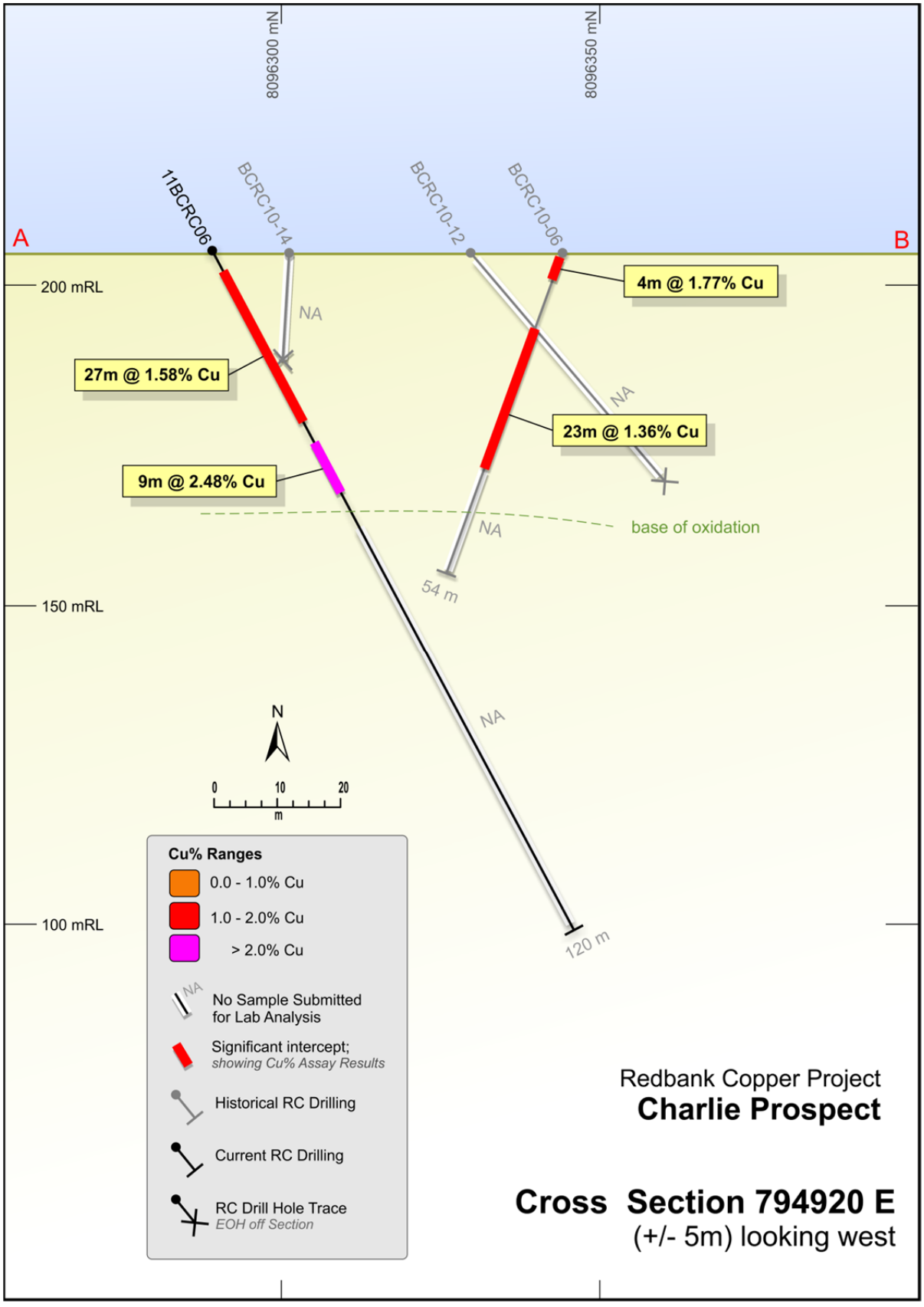

Figure 3: Charlie Prospect Drill Hole Cross Section Showing Results Downhole.

Appendix

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of the above reverse circulation drill results on tenement ELR 94 and EL 10335

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• The Charlie and Masterton Prospects were sampled by reverse circulation (RC) drilling on an irregular drill pattern. A total of 11 reverse circulation holes were drilled for 1,062m. All holes were inclined • During the drilling phase, XRF data was collected in the field using handheld Niton XRF analyser. Mineralisation was determined by referencing the field geological log & XRF data. Sample intervals returning a value of >0.1% Cu were sent to the analytical lab for assaying *The XRF (model: Niton XL 3t Gold) used in this instance relies on the manufacturer's internal calibration cycle & consistent data recording methods in the field to maintain data accuracy. No QA\QC data verifying this legacy data has been discovered at this stage.* • Individual 1 metre samples were collected at the rig. Each sample weighed between 2- 3 kg. The samples were transported from site to Mt Isa where they were stored for approximately 2 years. Before submission to the laboratory the samples were sorted and re-bagged. Samples were crushed, dried and pulverised and split to produce a 30 gm sample which was analyzed using aqua regia digestion with ME-ICP finish
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling technique used was by Reverse Circulation with a 5.5inch face sampling hammer
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No legacy data relating to the weighing of bulk or representative samples to determine recoveries was discovered. Wet samples, poor and no recovery of samples are recorded on the drill logs. • No information on measures to maximise recoveries are known. • No information on the relationship of between sample recovery and grade is available.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate*	• All drill holes were geologically logged at one metre intervals to a level of detail to support appropriate mineral resource estimation.

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation, mining studies and metallurgical studies.	
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Qualitative logging recorded colour, degree of weathering primary rock type, oxide and sulphide mineralogy using a company standard logging code.
	• *The total length and percentage of the relevant intersections logged.*	• Total length of all drill holes were logged
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry* .	• Not Applicable. No core samples taken during this report period • RC samples were split using a splitter attached to the rig cyclone at 1m intervals to generate a ~2-3kg representative sample which is collected in a pre-numbered calico bag to be submitted for assaying. Once submitted, the (2-3kg) are pulverised by 80% passing 75 microns during sample preparation by the laboratory.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• The field sample collection method is considered industry standard and appropriate to the sampling method.
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	• No field duplicates were taken. • The sample sizes are considered adequate for the mineralisation grain size
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	The drill samples were analysed by ALS Mineral Laboratories Mount Isa. • The 2 -3 kg drill samples were riffle split down to 1 kg and pulverised to a nominal 85% passing 75 micron. A 30gm subsample was digested in an aqua regia solution and liquor analysed for Ag, Ca, Co, Cu, Fe, Hg, S, and U by the ME_ICP41 technique. Samples that returned copper values in excess of 10,000ppm were reanalysed by the ore grade CuOG46 technique.
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Internal laboratory control procedures involve duplicate assaying of randomly selected assay pulps, as well as internal laboratory standards and blanks. All these data are reported to the company and analysed for discrepancies and inconsistencies All QA\QC results controlling reported data are within acceptable limits. *Company data QA\QC procedure dictates that Job batches reporting over x2 standard deviations is automatically reviewed & marked for re-submission to audit\referee lab*

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All significant intersections are compiled by one of Delta Resource Management's Database Administrators then verified\reviewed by another DBA before being checked by a consultant geologist. • No twinned holes were completed as part of this program, • Personnel involved in the drilling were not available to assist in processing the samples or analysing the results. Field data entry procedure is unknown as all associated field data was captured by previous management. Sample numbers & intervals were recorded in geological logs. The original sample dispatch records could not be located. Because the legacy sample numbering system incorporated hole ID & to depth of sample interval the company was able to verify submitted samples. The sample data was verified by a Database Administrator from Delta Resource Management Pty Ltd. All legacy data captured during the drilling programme was received in digital format. This was then verified by cross referencing all available information including drill plods etc… Data consistency was validated during compilation of the database by a Database Administrator from Delta Resource Management Pty Ltd. Laboratory data is supplied electronically to office for automated import into database. All data is stored on the Perth Office server & backed up daily. • There was no adjustment to the assay data provided from the laboratory
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Collar positions were determined by handheld GARMIN GPS unit. Location accuracy for GARMIN GPS used is estimated at +/- 3- 5 metres by manufacturer Down holes surveys were completed by driller using a single shot camera. Down hole survey data is available for 11BCRC1 to 11BCRC7. 11BCRC8 was not surveyed down hole. No information on the calibration of the downhole camera is available. • The geographic datum as GDA 94 MGA zone 53. • No calibration or topographical control point data discovered with legacy dataset to ensure accuracy. Current collar positions are adequate for the prospects at the current level of development. Accurate collar surveys will be required if the prospects advance to resource calculations.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The drill hole spacing was irregular. • It is too early in the exploration process to determine if the prospect hosts economic resources • No sample compositing occurred.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Insufficient data to determine the orientation of the mineralisation and geology. At this stage it is not possible to determine if there is any bias. • The drilling was targeting oxide and transitional mineralisation which can have an erratic distribution.
Sample security	• *The measures taken to ensure sample security.*	• Individual one metre samples were collected in numbered calico bags and stored in bulk bags for transported to Mt Isa by local freight company. Due to financial difficulties facing company, the samples were not immediately forwarded to the laboratory but stored in a sealed container in the freight company's yard. In November 2013 the company sent an experienced senior field supervisor to investigate the condition of the samples, sort and rebag the samples into new numbered calico bags using the same numbering system. Original sample bags, where sample ID could not be recognised or sample bag integrity was compromised, were destroyed. All observations & processes were recorded. The company recognises there has been a disruption to the sample custody chain, but has taken what it believes to be reasonable steps to re-establish sample security.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A full audit of Redbank Copper's legacy exploration data has been undertaken by Delta Resource Management Pty Ltd to ensure confidence in future resource targeting and definition of exploration programmes. This included reviewing & documenting all historical sampling techniques to verify data quality & integrity.

1.1 Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The drilling on the **Charlie Prospect** is located on granted exploration retention licence ELR 94. Redbank Copper Limited has 100% ownership of this mineral lease. *See figure 1 for the location of the project & prospects mentioned in this report* The **Masterton Prospect** is located on EL10335. This tenement is a joint venture between Gulf Mines Limited 51% and Redbank Copper Limited 49%. Redbank has the right to earn up to 85% interest in the tenement by meeting certain expenditure conditions • The tenements are in good standing & no known impediments exist to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• In 2010, Redbank Copper Limited, under previous management, completed a RC drill program of the Charlie Prospect. The figures included in this report show their location in relation to current results. Historical exploration of this area is documented back to the 1970's. Reported Geochemical, Geophysical & Geological observations support the presence of mineralisation within the target area
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The principle target is breccia hosted copper mineralisation. Within the Redbank area approximately 50 breccia pipes have been identified. Typically the pipes are circular with a diameter of between 10 - 200 m in diameter; to date the deepest intersection of copper mineralisation in the field is approximately 300m below surface. Copper mineralisation is a mixture of disseminated, interclast fill, and massive sulphide. Primary copper mineralisation is chalcopyrite with minor bornite
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this*	• *Refer to drill results table in body of report*

Criteria	JORC Code explanation	Commentary
	exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All significant intervals reported in the results table have been calculated using Micromine's Drillhole Grade Compositing tool to define the weighted average length of intercept with a > 0.5% Cu lower cut and no upper cut. Intercepts include maximum internal dilution of 2 metres. There was no conversion or averaging adjustment to the Cu% assay data provided from the laboratory • All samples intervals were one metre. There were no irregular sample intervals. • No metal equivalent values used
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The prospect is in the early stages of evaluation. At this stage the mineralisation has been intersected in the oxide and transition zones where remobilisation of mineralisation is known to occur. The strike and dip of the mineralised structure has not as yet been determined with any accuracy. • The results reported do not reflect the true width of the mineralisation
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See figures included with the report
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Missing sample data is also documented for mineralised sample intervals down hole to ensure continuity of material information.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The company flew low level aeromagnetic and radiometric surveys across the project area including both drill prosects last year which has aided in the interpretation of the prospects.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-*	• Further RC and diamond drilling on the Charlie Prospect is required to define the extent of the mineralisation. The company has not defined an

Criteria	JORC Code explanation	Commentary
	out drilling). • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	exploration programme and budget at this stage.