

## ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2018

Redbank Copper Limited (ASX: RCP) provides the following review of activities for the quarter ended 31 December 2018.

### MILLERS CREEK, SOUTH AUSTRALIA

During the quarter the company announced the granting and additional application for IOCG prospective tenements in the Gawler Craton in South Australia (refer ASX:RCP 7/11/2018). EL6247 (to be known as Millers Creek), is 154 km<sup>2</sup> in size, and located in the Millers Creek area approximately 140 km northwest of Woomera.

The Company has also applied for an additional licence contiguous with the Millers Creek tenement. Application EL2008-164 ("Kingoonya") is 957 km<sup>2</sup> in size, and brings the combined project size under grant and application to 1,111 km<sup>2</sup>. The second application takes in two partially drill-tested gravity anomalies (Billa Kalina and Mt Paisley) in the vicinity of Millers Creek.

The company regards the Gawler Craton as a world-class IOCG Belt, and as a premier search location for IOCG deposits such as Olympic Dam, Prominent Hill, and Carrapateena, reinforced by the recent Oak Dam IOCG discovery announced by BHP (refer ASX:BHP 27/11/2018)

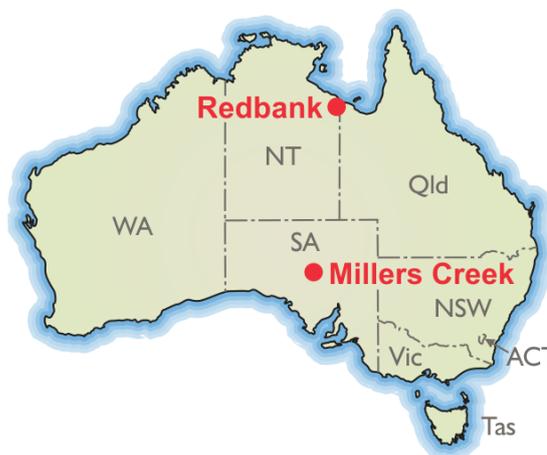


Figure 1. Location of Millers Creek in SA relative to the Redbank Project in NT.

The Company has identified at least one compelling undrilled gravity anomaly at Millers Creek from density modelling imagery generated from open file gravity data, which it intends to confirm and drill test. The company considers it has at least one compelling undrilled gravity anomaly on EL6247 from density modelling imagery generated from open file gravity data that it intends to confirm and drill test, around 100km northwest of Olympic Dam. The company considers the target may represent an Iron Ore Copper-Gold (IOCG) system underneath basement cover.

### BOARD OF DIRECTORS

Mr Michael Fotios  
*Executive Chairman*

Mr Craig Hall  
*Non-Executive Director*

Mr Neil Porter  
*Non-Executive Director*

Ms Carol New  
*Company Secretary*

### REDBANK COPPER LIMITED

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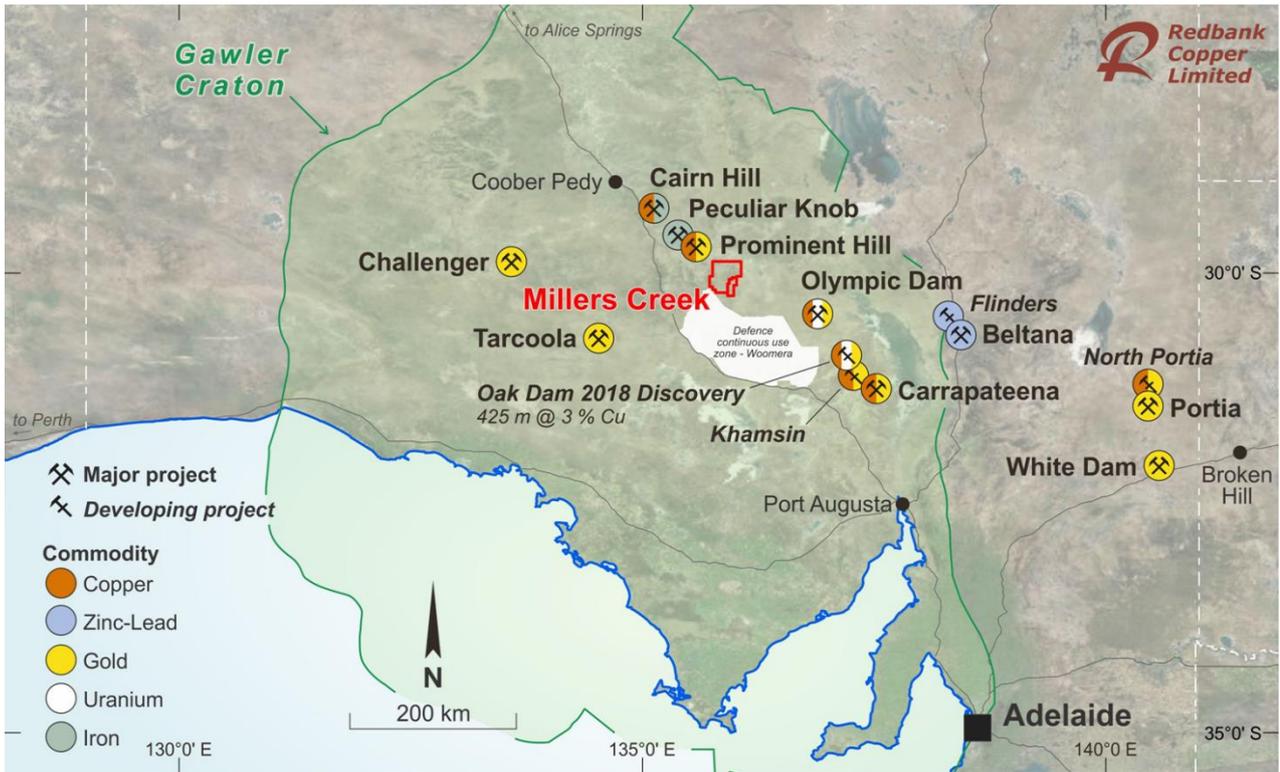
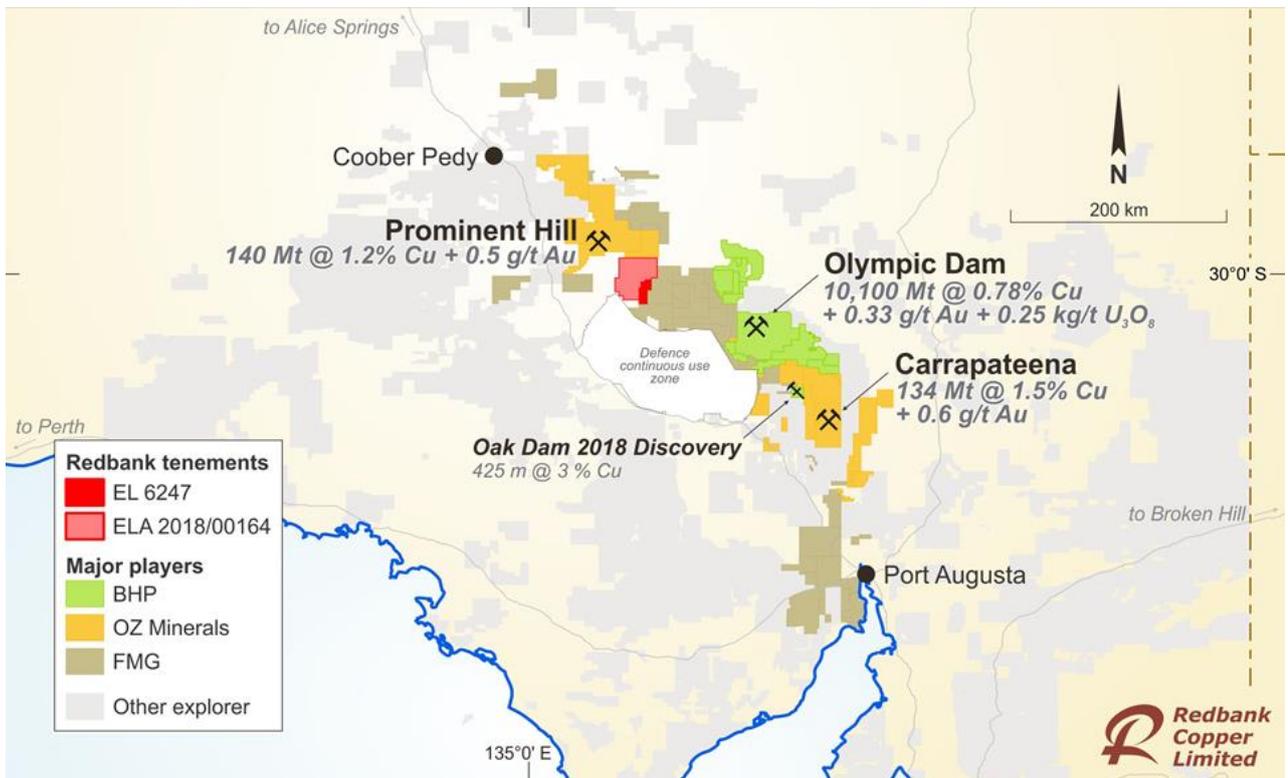


Figure 2. Location of Millers Creek relative to significant base and precious metal mines and deposits.



[https://www.ozminerals.com/uploads/media/171121\\_Prominent\\_Hill\\_2017\\_Mineral\\_Resource\\_and\\_Ore\\_Reserve.pdf](https://www.ozminerals.com/uploads/media/171121_Prominent_Hill_2017_Mineral_Resource_and_Ore_Reserve.pdf) p1  
<https://www.bhp.com/-/media/documents/investors/annual-reports/2018/bhpanualreport2018.pdf> p259  
[https://www.ozminerals.com/uploads/docs/170824\\_ASX\\_Release\\_Resource\\_and\\_Reserve\\_Statement\\_-\\_Carrapateena\\_August\\_2017.pdf](https://www.ozminerals.com/uploads/docs/170824_ASX_Release_Resource_and_Reserve_Statement_-_Carrapateena_August_2017.pdf) p5

Figure 3. Location of Millers Creek relative to significant mines and major company tenure

## Discussion of Geology and mineralisation.

The Gawler Craton (see Figure 2) is a region of Archaean to Mesoproterozoic crystalline basement, underlying most of South Australia, which has not undergone substantial deformation in the past 1450 million years. Significant middle Proterozoic deposits (and the Millers Creek target) are typically covered by conductive post-mineral cover sedimentary rocks of the Stuart Shelf.

These sediments are usually barren, and can be of variable thickness, for example at Prominent Hill, depth to basement (mineralisation) is approximately 100 m; at Olympic Dam, 350 m; and at Carrapeteena, 450 m. Depth to basement can vary significantly in short lateral extent, for example at the Acropolis deposit, south-west of Olympic Dam, depth to basement can vary from 600-1000 m over several hundred metres lateral extent.

The depth to mineralising systems deems conventional surface geochemistry and most electrical geophysical techniques ineffective. Significantly, large mineralised systems typically show a density contrast between stratigraphy and alteration systems, and to a certain extent show sub-vertical, cylindrical geometry, which can be targeted as potential field anomalies, typically through examination of gravity surveys. Systems tend to be paleo-topographic highs (i.e. resistant ridges in the basement terrain) which amplify the anomaly contrast. However, post-mineral cover can subdue the response to the level of geological noise if basement depth is excessive.

The Company has selected Millers Creek from available open ground and utilised images from available gravity data in order to discriminate gravity anomalies, after preparation of a density model and targets selected from the 1500 m depth slice (refer Figures 4, 5). The Millers Creek gravity anomaly compares favourably with known deposits and prospects in the region. The Company considers anomalies which persist at depth are more likely to represent mineralised systems.

Examining the well-documented discovery history of the larger known IOCG deposits (refer Figures 3, 4 and 5) highlights the risk and reward in the exploration for such systems.

- At Olympic Dam (approximately 350 m of cover), a target was modelled on a coincident magnetic and gravity high, and discovery hole RD1 drilled in June 1975 intersected 38 m @1.05% Cu, 0.27 g/t Au, 70 ppm U<sub>3</sub>O<sub>8</sub> from 353 m immediately after passing through the cover, however four of the next five completed holes were barren. The deposit was finally confirmed in September 1976 when hole RD10 intersected 174 m @ 2.03% Cu, 0.66 g/t Au and 620 ppm U<sub>3</sub>O<sub>8</sub> from 344 m.
- At Prominent Hill (approximately 100 m of cover) high-grade copper-gold mineralization at was discovered in October 2001 through drill testing of the non-magnetic portion on the flank of a gravity anomaly. Results from discovery hole URAN1 included; 20 metres @ 3.0g/t Au, 107 metres @ 1.9% Cu and 0.65g/t Au and, deeper, 152 metres @ 1.1% Cu and 0.6 g/t Au.
- At Carrapeteena (approximately 450 m of cover) two drill holes were planned in mid-2005, one on the bullseye gravity anomaly, with a near coincident magnetic response; and a second designed to test the MIMDAS (then propriety IP and MT) conductivity anomaly. The first hole CAR01 was barren, intersecting an extremely copper-depleted mafic, while discovery hole CAR02, sited south 800 m south, intersected 178.2 m @ 1.83% Cu, and 0.64 g/t Au, from 476 m, including 75 m @ 2.89% Cu & 0.4 g/t Au.

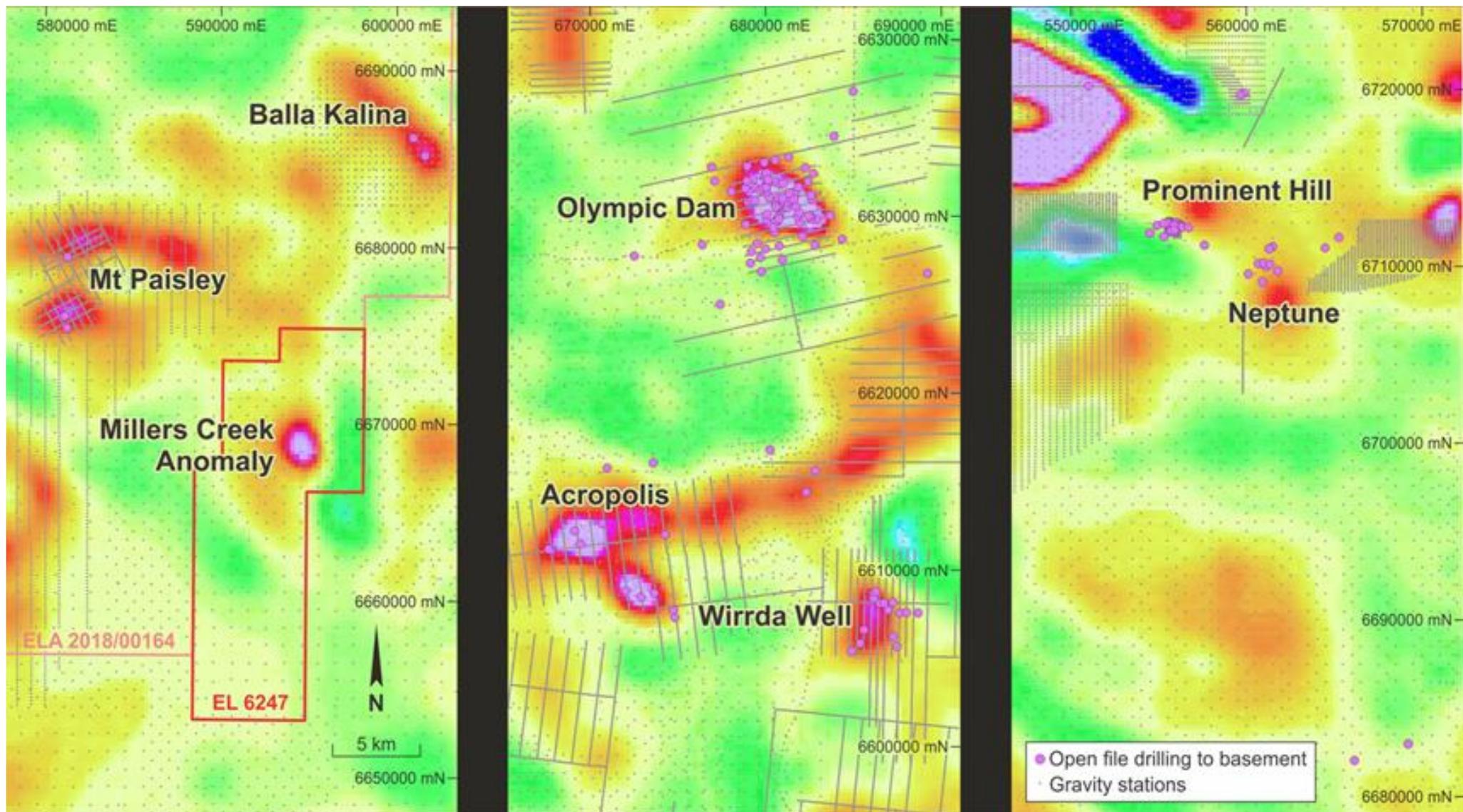


Figure 4. Location of Millers Creek gravity anomaly relative to Olympic Dam and Prominent Hill deposit footprints at same scale (refer Figure 3). Base image is 1500 m vertical depth slice of gravity model, anomalies are red to magenta.

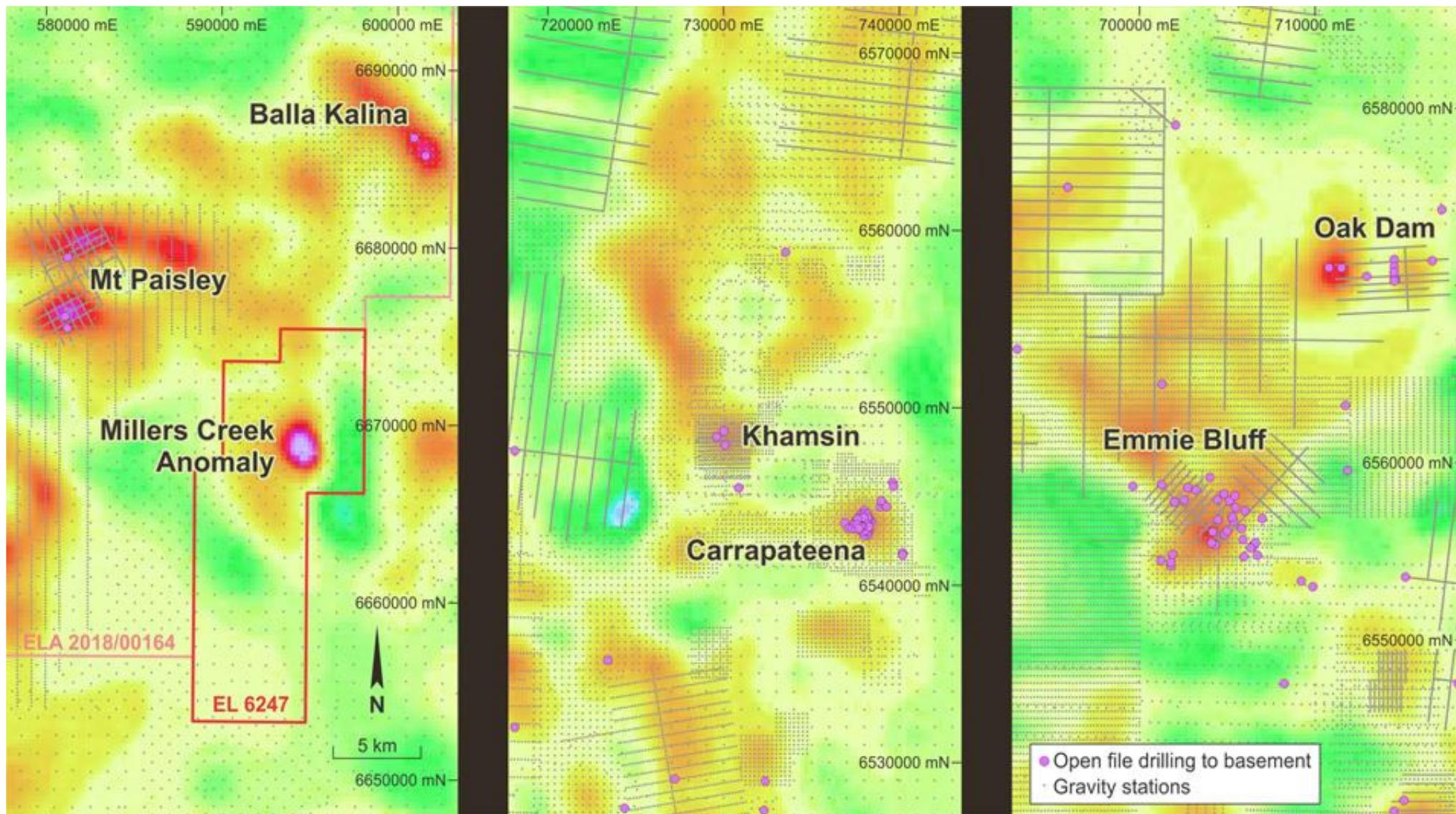


Figure 5. Location of Millers Creek gravity anomaly relative to Carrapateena and Oak Dam deposit footprints at same scale (refer Figure 3). Base image is 1500 m vertical depth slice of gravity model, anomalies are red to magenta.

Two local gravity prospects have been partially drilled-tested in proximity to Millers Creek (refer Figures 4, 5). The company has recently applied for ground which takes in these prospects.

- At the Billa Kalina prospect, some 18 km to the north of the Millers Creek anomaly, Eromanga Uranium Limited (earning 50% under JV with Maximus Resources) drilled 2 holes in 2007. Drillhole BKDDH01, sited on the peak of the gravity anomaly, intersected 248 m of Mesozoic and Permian sedimentary cover before penetrating into a sequence of alternating mafic and andesitic volcanics, with the hole terminated at 600 m depth. Drillhole BKDDH02, sited on the flank of the gravity anomaly some 800 m to the north-west of BKDDH01, intersected 317 m of Mesozoic and Permian sedimentary cover before penetrating into a similar sequence of alternating mafic and andesitic volcanics to the bottom of hole at 596 m. Within the mafic units intersected, common quartz-hematite veining and minor pyrite was noted, however no iron-oxide copper gold mineralisation was intersected. Eromanga advised that while these two holes drilled did not fully explain the source of the gravity anomaly it was satisfied that the target had been adequately tested within current acceptable economic limits.

The Company intends to review this drilling and lithologies encountered for confirmation that the mafic sequence did in fact constitute basement, and assess residual targets in the area.

- At Mt Paisley, some 15 km north west of Millers Creek, Esso completed grid-based gravity and ground magnetic surveys further outline two broad gravity highs associated with discrete magnetic anomalies, which it was hoped might have potential for Olympic Dam style Cu-U-Au deposits in the early 1980's. These features were tested by 2 diamond drillholes. DP1 (total depth 616.6 m) entered volcanics of a similar density to the Pandurra Formation at 166 m depth. DP2 entered un-mineralised Pandurra Formation below the Mesozoic cover, and remained in it over the depth interval 204.5 - 860 m. Neither tested basement. A subsequent detailed gravity survey indicated the existence of a fault between the two drill sites, which was thought to account for the major stratigraphic displacement between them.

In February 2008, IMX Resources drilled a single vertical diamond hole, MPD001, to a depth of 1683.7 m, intersecting basement rocks at 1288 m, testing what was referred to as the Marshall gravity anomaly. Core from the basement included a 185 m thick sequence of dense hematite-rich banded iron formation with minor zones of brecciation, underlain and intruded by dolerite dykes. The combination of a dense BIF sequence and intrusions of magnetic dolerites was thought to explain the geophysically modelled deep-sourced, large gravity and magnetic anomaly. No haematitic alteration or other distal vectors to an IOCG mineralised system were observed in the basement drill core. Although trace chalcopyrite was present in the BIF and shales, this copper sulphide mineralisation was not regarded with any significance.

The Company considers that the Mt Paisley gravity anomalism is complex and large, and the presence of mineralised systems in the area cannot be discounted on the basis of the single hole to basement completed to this point.

The Company expects to undertake work at Millers Creek as a compliment to its Redbank Project during the wet season in the Northern Territory. The Company anticipates that the government release of the new depth to basement model in conjunction with the new aeromagnetic data in 2019, in conjunction with its own studies, will assist in the understanding of the potential of this area, and the Company looks forward to updating the market with advances at this exciting project.

## REDBANK, NORTERN TERRITORY

The Company holds over 1,000 km<sup>2</sup> of granted tenure within the South McArthur River Basin in the Northern Territory (see Figures 6, 7) that it considers prospective for copper, cobalt and other base metal mineralisation. Known copper mineralisation at the historic mining centre of Redbank is hosted by multiple occurrences of steeply-dipping brecciated zones forming cylindrical ‘pipes’ of up to and over 100 metres in diameter and drilled to depths of approximately 300 metres at certain deposits.

The Redbank Copper Project currently contains an indicated and inferred Mineral Resource of some 96,000 tonnes of copper, from an inventory of 6.2Mt of ore averaging 1.5% Cu (refer Appendix 2- also refer 2011 Annual Report released to ASX on 27 October 2011 and Prospectus released to ASX 13 February 2013). While the Redbank pipes are predominantly copper-mineralised, the Company believes that the cobalt tenor may change in targets to the east and north.



Figure 6. Redbank location map (relative to significant and relevant deposits).

Open cut mining and processing of sulphide copper ore was undertaken briefly between 1994 and 1996 at the Sandy Flat mine with the concentrate transported to Mt Isa for smelting. High grade (>5% average) copper oxide ore from the mine was stockpiled and later treated via vat leaching. Smaller-scale mining also occurred at the Redbank, Azurite and Prince prospects between 1916 and 1960. The site is currently on care and maintenance.

The Company recently undertook a review of cobalt prospectivity within its tenure. The review included geochemical databases and historic drilling records, with the work highlighting an area of some 50km<sup>2</sup> about 5km to the east of Redbank on EL10335, where anomalous cobalt values (>50ppm) are recorded in stream sediment samples (refer Figure 8). This priority area contains numerous copper showings and targets, most of which remain untested for copper, and in particular for associated cobalt, to the east of the known copper resources at Redbank. The company also reviewed previous work on its GC2 prospect on EL24654 for cobalt prospectivity.

Ground gravity surveys are planned on both EL10335 and EL24654, to assist in the definition of prospective targets within the priority areas from aeromagnetic lows, certain topographic features and the inversion of gravity data. From previous work, the Company considers coincident magnetic and gravity lows, combined with TEM highs are indicators of breccia-style copper and copper-cobalt mineralisation. The company was unable to undertake this work in the December quarter prior to the wet season hiatus.

The Company has also planned a comprehensive helicopter-supported Versatile Time Domain Electromagnetic (VTEM) programme on 80m line spacing to discern advanced targets for further field reconnaissance, for the coming field season.

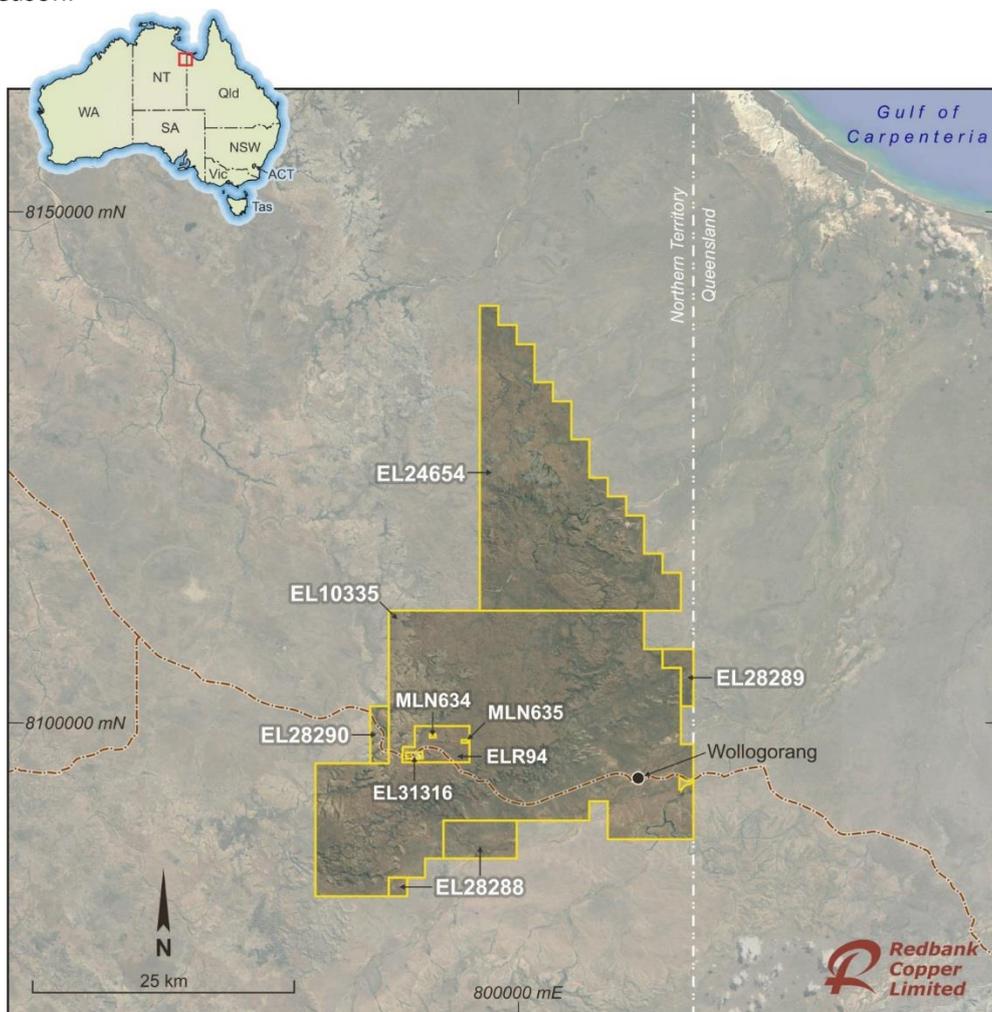


Figure 7: Redbank -Northern Territory tenure location map

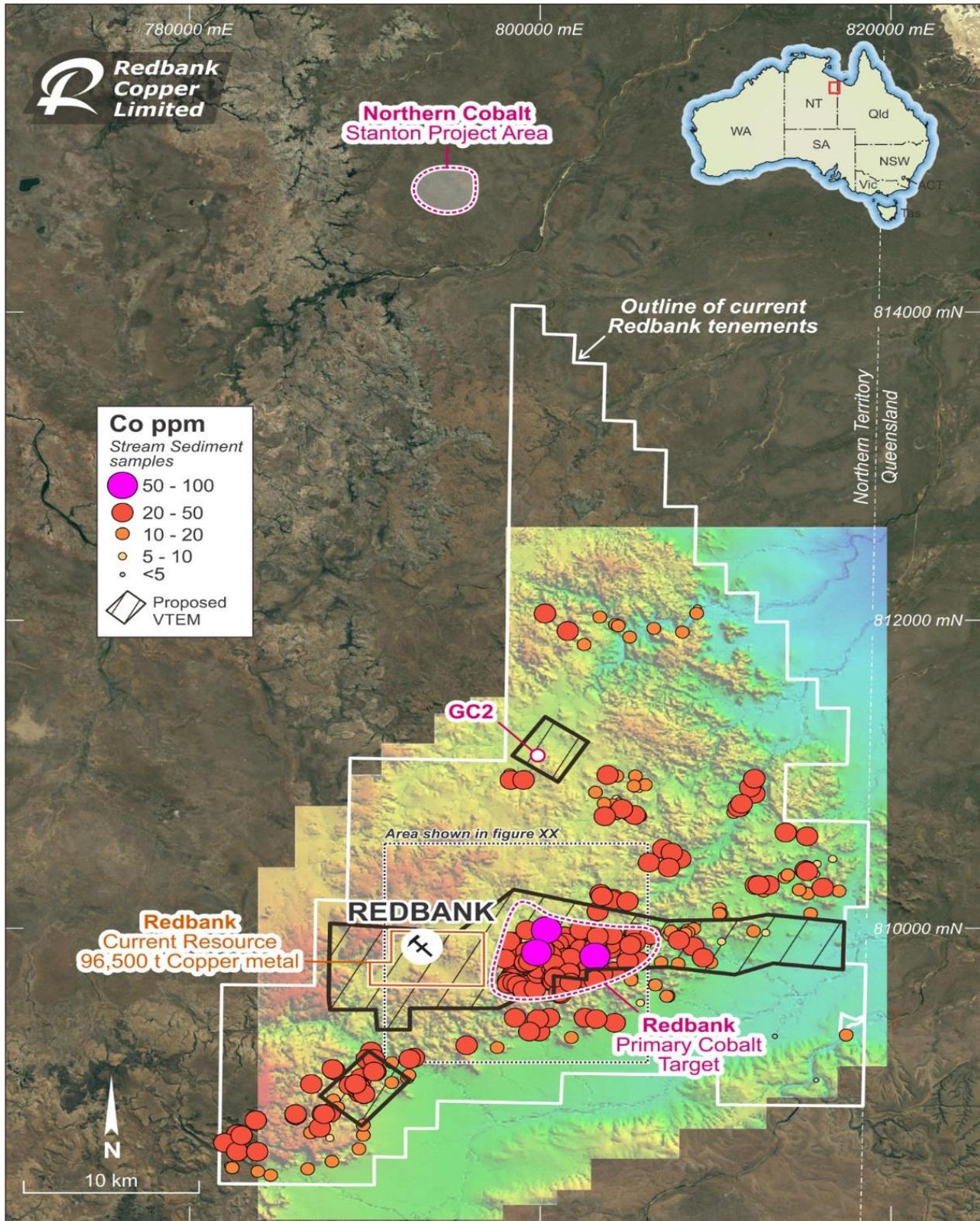


Figure 8: Regional Cobalt stream sediment values, overlain on local DTM imagery, highlighting areas of interest, and proposed area for VTEM surveys.

**CORPORATE**

During the quarter the company conducted its AGM (refer ASX:RCP 29/11/18), with Messers Craig Readhead and Neil Porter being returned as Directors. A 10% placement capacity was approved. The Remuneration report

received more than 25% of votes cast against its adoption, constituting a first strike for the purposes of the Corporations Act 2001 (Cth).

Post quarter end, on the 16<sup>th</sup> January, the Company received the resignation of Mr Brendon Morton, whom was replaced in the role of company secretary by Ms Carol New. On the 21<sup>st</sup> January, the company received the resignation of Mr Craig Readhead, whom was replaced in the role by Mr Craig Hall.

During the quarter, the Company continued its efforts to identify and review suitable corporate, copper and base metal opportunities within Australia.

### *Enquiries*

#### **Michael Fotios**

Executive Chairman

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### **Competent Person Statement**

The information in this report that relates to the Exploration Results and Mineral Resources at the Redbank is based on information reviewed by Mr Craig Hall, whom is a member of the Australian Institute of Geoscientists. Mr Hall is a contractor to Redbank Copper Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the data in the form and context in which it appears.

The information in this report that relates to the Redbank Mineral Resource is based on information originally compiled by Mr Phil Jankowski, whom is a full time director of Baltica Consulting; then employed by SRK Consulting, and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Redbank increases copper resource and grade", released to the ASX on 8th December 2009. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements. The information 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.

## Appendix 1: Tenement Schedule (ASX Listing Rule 5.3)

### *Mining tenements held at the end of the quarter and their location.*

TENEMENT No.	LOCATION	INTEREST %	HOLDER
EL10335	NT	100	Gulf Copper Pty Ltd <sup>1</sup>
EL24654	NT	100	Redbank Operations Pty Ltd <sup>2</sup>
EL28288	NT	100	Redbank Operations Pty Ltd <sup>2</sup>
EL28289	NT	100	Redbank Operations Pty Ltd <sup>2</sup>
EL28290	NT	100	Redbank Operations Pty Ltd <sup>2</sup>
EL31316	NT	100	Redbank Operations Pty Ltd <sup>2</sup>
ELR94	NT	100	Redbank Operations Pty Ltd <sup>2</sup>
MLN634	NT	100	Redbank Operations Pty Ltd <sup>2</sup>
MLN635	NT	100	Redbank Operations Pty Ltd <sup>2</sup>
*ELA 2018/00077	SA	100	Redbank Copper Limited <sup>3</sup>

**Note 1:** The tenement is currently in the process of being transferred to Redbank.

**Note 2:** Redbank Operations Pty Ltd is a wholly owned subsidiary of Redbank Copper Limited.

**Note 3:** \*Application, number is SARIG file reference.

### *Mining tenements acquired during the quarter and their location*

Nil

### *Mining tenements disposed of during the quarter and their location*

Nil

### *The beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter*

Nil

### *The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter*

Nil



Total Sulfide	2,035,000	1.57	32,100	3,294,000	1.53	50,500	5,329,000	1.55	82,600
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Total Project	2,766,000	1.55	43,100	3,502,000	1.52	53,400	6,268,000	1.53	96,500
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***Notes accompanying Mineral Resource Statement***

1. Rounding may result in apparent summation differences between tonnes, grade and contained Cu metal content.
2. Rounding is to the nearest 1,000 tonnes, 0.1% Cu and 100 tonnes Cu metal.
3. Significant figures do not imply an added level of precision.
4. The Roman Nose Resource is wholly classified as Inferred, as there is currently insufficient drill-hole density.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

REDBANK COPPER LIMITED

**ABN**

66 059 326 519

**Quarter ended ("current quarter")**

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for	-	
(a) exploration & evaluation	(22)	(108)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(27)	(79)
(f) Site care and maintenance costs	-	-
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(49)</b>	<b>(187)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	(2)
(c) investments	-	-
(d) other non-current assets	-	-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(2)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	47	140
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>47</b>	<b>140</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3	50
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(49)	(187)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(2)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	47	140
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1</b>	<b>1</b>

## Mining exploration entity and oil and gas exploration entity quarterly report

5. <b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1	3
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1</b>	<b>3</b>

6. <b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	-
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
N/A	

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
N/A	

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	1,500	663*
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
On 26 September 2018 the loan facility with entities associated with director Mr Michael Fotios was increased to \$1.5 million.		
*Misstated previous quarter		

## Mining exploration entity and oil and gas exploration entity quarterly report

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	60
9.2	Development	-
9.3	Production	-
9.4	Staff costs	-
9.5	Administration and corporate costs	40
9.6	Other (provide details if material)	-
<b>9.7</b>	<b>Total estimated cash outflows</b>	<b>100<sup>1</sup></b>

1. To be financed through the loan facility referred to in section 8 above.

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 January 2019

Sign here: .....  
(Director/Company secretary)

Date: .....

MICHAEL FOTIOS

Print name: .....

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.