



Redbank Copper Limited

Quarterly Activities Report for the Quarter ending 30 June 2014

HIGHLIGHTS

- Mining Management Plan (“MMP”) for Reverse Circulation and Diamond Drilling program at Redbank awaiting approval from Northern Territory Department of Mines and Energy (“DME”)
- Heritage Site clearance completed with Traditional Owners
- MMP for Care and Maintenance and Site Remediation, and a Water Management Plan at Sandy Flat submitted to DME

Redbank Copper Limited (ASX: RCP) provides the following review of activities for the quarter ended 30 June 2014.

EXPLORATION & OPERATIONS

The Company holds 3680 square kilometres of tenure within the McArthur River Basin in the Northern Territory that is prospective for copper, as well as base metal mineralisation (“Project”).

The Company’s focus is the Redbank area on the eastern side of the Project, where copper mineralisation has been identified in steep dipping cylindrical breccia pipes that have been drilled to a depth of approximately 300m. Approximately 50 breccia pipes have been identified in the Redbank area, of which approximately 15 have been drill tested. Open cut mining for copper oxide ore has occurred historically at the Sandy Flat area, as well as smaller excavations on the Redbank and Azurite targets.

Going forward, the Company’s focus will be on defining additional oxide and sulphide resources sufficient to warrant commencement of a feasibility study to investigate the scale and viability of future mining and processing operations.

Redbank Copper
ASX: RCP

ASX Announcement
31 July 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 30/6/14
A\$1.42 million

Board of Directors

Mr Michael Fotios
Executive Chairman

Mr Craig Readhead
Non-executive Director

Mr Damian Delaney
Non-executive Director

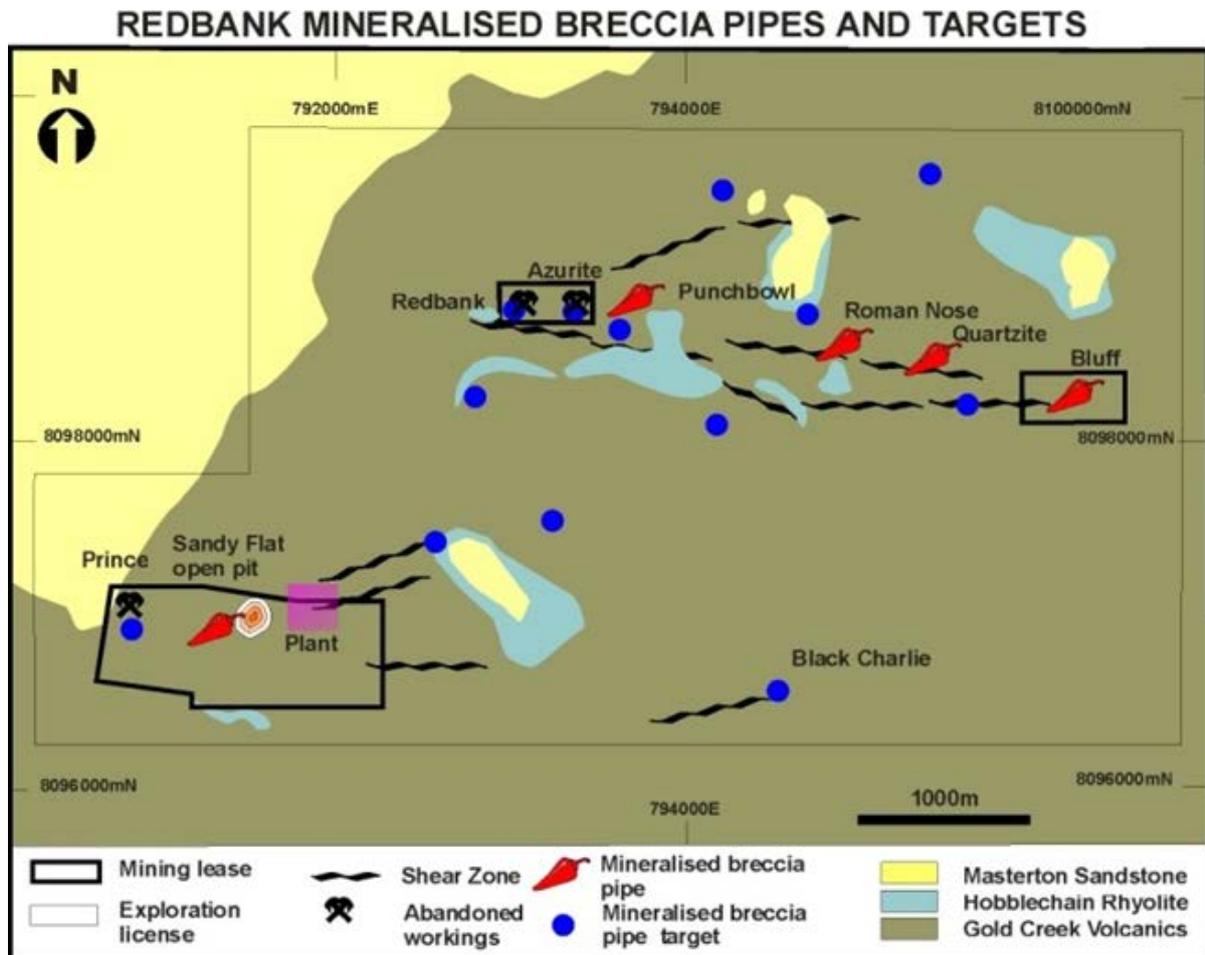
Company Secretary
Ms Shannon Coates

Contact Details

24 Mumford Place
Balcatta WA 6021
Ph: 08 6241 1888
Fax: 08 6241 1811

Projects

Redbank Copper
Project



Redbank

The MMP for reverse circulation and diamond drilling on advanced copper targets within breccia pipes in the Redbank mine area are still waiting on approval from the Northern Territory Department of Mines and Energy (“DME”). During the quarter, the Company provided additional information to the DME to address issues it had raised on the initial submission.

On 21 May 2014, the Company completed heritage site clearance with the Traditional Owners over the access tracks and drill pads proposed for the drilling program. The Company is currently waiting for the Aboriginal Areas Protection Authority (“AAPA”) licence to be issued. The Company believes it has met all regulatory conditions under the MMP and is awaiting approval to be given so it can commence drilling before the coming wet season.

The planned drill program will test seven breccia pipes, Bluff, Quartzite, Roman Nose, Punchbowl, Redbank, Prince as well as below the Sandy Flat pipe which has been previously mined. Past drilling on each of the targets has indicated copper mineralisation, and the program’s objective is to confirm



the earlier vertical drilling with inclined holes across the breccia pipes, and expand the mineralised footprint down plunge.

Sandy Flat

During the June quarter, the Company:

- Continued with its water monitoring programme at Sandy Flat as part of its submitted MMP requirement;
- Submitted to the DME an MMP for Care and Maintenance and Site Remediation, and a Water Management Plan. The implementation of these plans is pending approval by the DME; and
- Continued preparation of a submission to the EPA for a Waste Discharge Licence for the Sandy Flat Pit.

As previously announced the Company recognises the significant environmental issues associated with previous mining activities at Sandy Flat and is currently attempting to address the remediation of these legacy issues with relevant stakeholders. A project stakeholder consultation group has been formed to address this issue and comprises Redbank Copper, the DME, AAPA, Northern Territory Environmental Protection Authority, Northern Land Council, Carpentaria Land Council and selected Traditional Owners.

The Company is willing to attempt to address the legacy environmental issues and to contribute equally and fairly with other relevant stakeholders to remediate the site.

Tenement Review

The Company continued to review its regional ground holdings and surrendered a number of un-prospective, remote exploration licences to allow it to focus on the most prospective areas.

Corporate

Mr Steve Sickerdick was appointed as Processing & Operations Consultant. Mr Sickerdick has previously successfully completed remediation work at contaminated sites in South Australia and Western Australia on behalf of state and local Government and the private sector. He is responsible for managing the design, construction and commissioning of suitable technology to remediate the Redbank Mine site area via the processing of contaminated matter in the surface stockpile, which is



the source of contaminated discharge from the mine using a process that produces saleable product extracted from the contaminated material. The Company notes this is not a production target.

For more information:

Michael Fotios

Executive Chairman

Tel: +61 8 6241 1888

Shannon Coates

Company Secretary

Tel: + 61 8 9322 1587

Media:

Read Corporate

Paul Armstrong/Nicholas Read

08 9388 1474

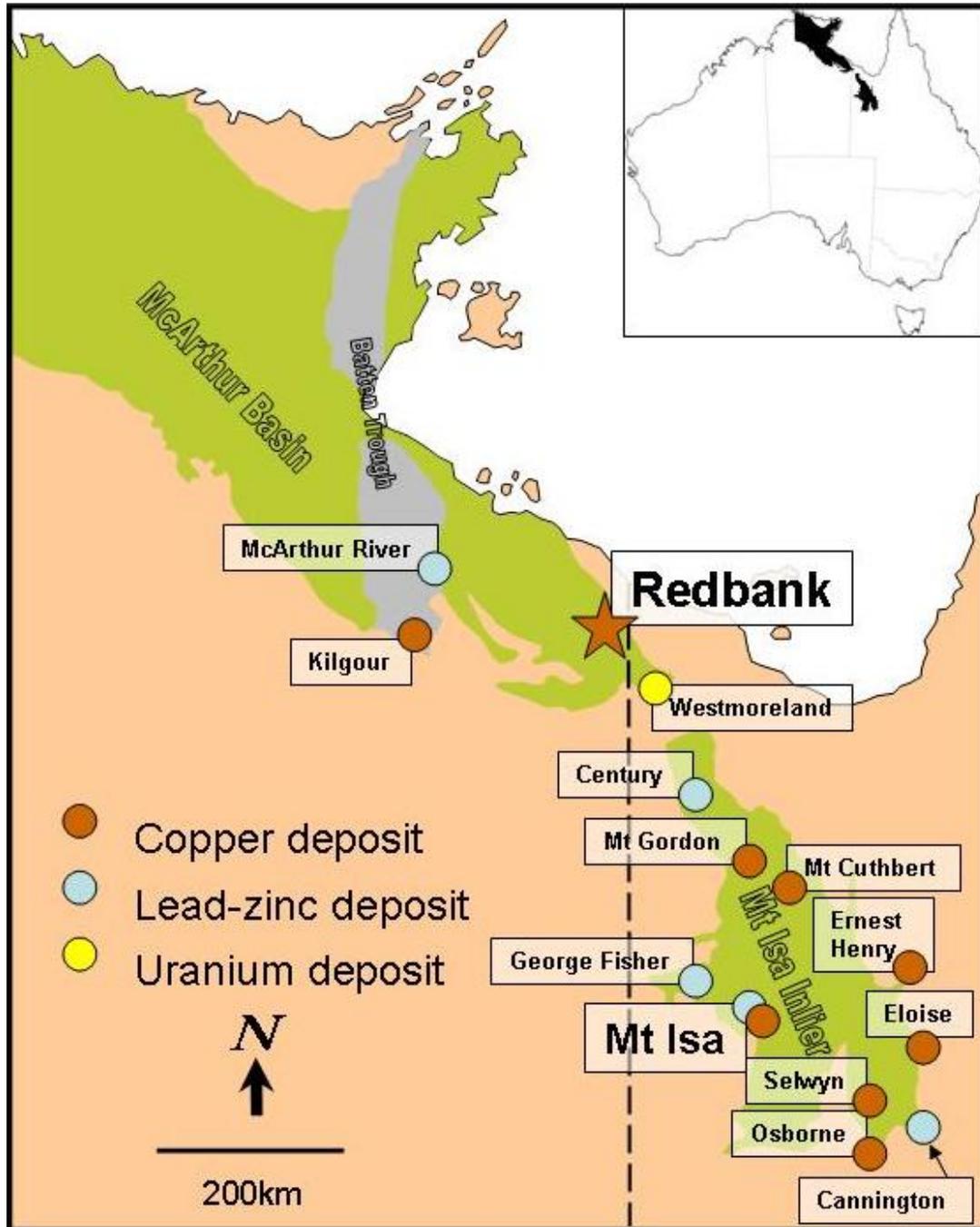


Figure 1: Location of Redbank mine area.



Tenement Table: ASX Listing Rule 5.3.3

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

| Tenement | Location | Holder |
|----------|----------|---|
| MLN 634 | NT | Redbank Operations Limited ¹ |
| MLN 635 | NT | Redbank Operations Limited ¹ |
| MLN 631 | NT | Redbank Operations Limited ¹ |
| MLN 636 | NT | Redbank Operations Limited ¹ |
| MLN 633 | NT | Redbank Operations Limited ¹ |
| MLN 632 | NT | Redbank Operations Limited ¹ |
| ELR 94 | NT | Redbank Operations Limited ¹ |
| MLN 1108 | NT | Redbank Operations Limited ¹ |
| EL 24654 | NT | Redbank Operations Limited ¹ |
| EL 26781 | NT | Redbank Operations Limited ¹ |
| EL 26779 | NT | Redbank Operations Limited ¹ |
| EL 26780 | NT | Redbank Operations Limited ¹ |
| EL 26778 | NT | Redbank Operations Limited ¹ |
| EL 27241 | NT | Redbank Operations Limited ¹ |
| EL 27240 | NT | Redbank Operations Limited ¹ |
| ML 27385 | NT | Redbank Operations Limited ¹ |
| EL 27737 | NT | Redbank Operations Limited ¹ |
| EL 28003 | NT | Redbank Operations Limited ¹ |
| EL 28290 | NT | Redbank Operations Limited ¹ |
| EL 28288 | NT | Redbank Operations Limited ¹ |
| EL 28289 | NT | Redbank Operations Limited ¹ |
| EL 28487 | NT | Redbank Operations Limited ¹ |
| EL 28535 | NT | Redbank Operations Limited ¹ |

The mining tenements acquired and disposed of during the quarter and their location.

EL 26965 and EL 26999 both in the Northern Territory were relinquished during the quarter.

No tenements were acquired during the quarter.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter.

| | | |
|----------|----|---|
| EL 10335 | NT | 49% beneficial interest held by Redbank Operations Limited ¹ |
|----------|----|---|

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Not applicable.

Note 1: Redbank Operations Limited is a wholly owned subsidiary of Redbank Copper Limited.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

REDBANK COPPER LIMITED

ABN

66 059 326 519

Quarter ended ("current quarter")

30 June 2014

Consolidated statement of cash flows

| | | Current quarter \$A'000 | Year to date \$A'000 |
|---|--|----------------------------|-------------------------|
| Cash flows related to operating activities | | | |
| 1.1 | Receipts from product sales and related debtors | - | - |
| 1.2 | Payments for: | | |
| | (a) exploration and evaluation | (32) | (438) |
| | (b) development | - | - |
| | (c) administration | (99) | (719) |
| | (d) Site care and maintenance costs | (39) | (414) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | 20 | 79 |
| 1.5 | Interest and other costs of finance paid | - | (4) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Other: | | |
| | (a) Reclass of cash on hand to security deposits | (253) * | 43 |
| Net Operating Cash Flows | | (403) | (1,453) |
| Cash flows related to investing activities | | | |
| 1.8 | Payment for : | | |
| | (a) prospects | - | - |
| | (b) investments | - | - |
| | (c) other fixed assets | - | - |
| 1.9 | Proceeds from sale of: | | |
| | (a) prospects | - | - |
| | (b) other fixed assets | - | - |
| | (c) equity investments | - | - |
| 1.10 | Loans from other entities | - | - |
| 1.11 | Loans repaid to other entities | - | - |
| 1.12 | Other-security deposits refund | - | - |
| Net investing cash flows | | - | - |
| 1.13 | Total operating and investing cash flows (carried forward) | (403) | (1,453) |

- * The company's accounting policy states that cash and cash equivalents in the Statement of Financial Position are comprised of cash at bank and in hand and short term deposits with an original maturity of three months or less. Whilst the security deposits are cash term deposits sitting with the company's bankers the maturity dates are greater than 3 months have therefore been re- classified as non-current receivables.

| | | | |
|------|--|-------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (403) | (1,453) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc. | - | - |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other - share issue expenses | - | - |
| | Net financing cash flows | - | - |
| | Net increase (decrease) in cash held | (403) | (1,453) |
| 1.20 | Cash at beginning of quarter/year to date | 1,827 | 2,877 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | Cash at end of quarter | 1,424 | 1,424 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 67 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

| | |
|--|--|
| <u>\$A'000</u> | |
| 27 | Directors Fees |
| 2 | Personnel charges payable to Delta Resource Management Pty Ltd* |
| 38 | Office rent payable to Delta Resource Management Pty Ltd* for the period 1 July 2013 to 30 June 2014 |
| * Delta Resource Management Pty Ltd is a company controlled by Mr Michael Fotios | |

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | - | - |
| 3.2 Credit standby arrangements | - | - |

Estimated cash outflows for next quarter

| | \$A'000 |
|---|------------|
| 4.1 Exploration and evaluation | 100 |
| 4.2 Development | - |
| 4.3 Production | - |
| 4.4 Administration (includes site care and maintenance costs) | 225 |
| Total | 325 |

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 24 | 6 |
| 5.2 Deposits at call | 1,400 | 1,821 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other: (a) Funds on deposit as security over tenements | - | - |
| Total: cash at end of quarter (item 1.22) | 1,424 | 1,827 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|--------------------|-------------------------------|----------------------------------|----------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed | EL26965 | Tenement holder | 100% | 0% |
| | EL26999 | Tenement holder | 100% | 0% |
| 6.2 Interests in mining tenements acquired or increased | n/a | n/a | n/a | n/a |

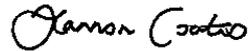
Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|---------------|---------------|---|--|
| 7.1 Preference securities <i>(description)</i> | | | | |
| 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 +Ordinary securities | 2,339,430,263 | 2,339,430,263 | | |
| 7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, share buy-backs | | | | |
| 7.5 +Convertible debt securities Convertible notes convertible to 1 ordinary share per note maturing 30 Jul 2014 | | | | |
| 7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 Options <i>(description and conversion factor)</i> | | | | |
| 7.8 Issued during quarter | | | | |
| 7.9 Exercised during quarter | | | | |
| 7.10 Decrease during the quarter - lapsed | | | | |
| 7.11 Debentures <i>(totals only)</i> | | | | |
| 7.12 Unsecured notes <i>(totals only)</i> | | | | |

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 31 July 2014

Print name: Shannon Coates

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==