Redbank Copper Limited

Significant Drill results from RC and Diamond drilling at Bluff Prospect Redbank Project, NT

Redbank Copper
ASX: RCP

ASX Announcement
4 March 2015

Shares on Issue
2,339,430,263
Current Share Price
A$ 0.001
Market Capitalisation
$2.34M
Cash at 31/12/14
A$0.74 million

Board of Directors
Mr Michael Fotios
Executive Chairman

Mr Craig Readhead
Non-executive Director

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Projects
Redbank Copper Project

HIGHLIGHTS

- **Drilling confirms broad Copper sulphide mineralisation within breccia pipe structures**
- **High grade sulphide Copper mineralisation shown to be continuous between drill sections**
- **Broad and deep Copper mineralisation within oxide zone tested**
- **Significant intercepts include:**
  - **REDRC001 68m at 1.21% Cu from 92m incl. 21m at 2.24% Cu from 97m**
  - **REDRC003 12m at 1.39% Cu from 108m**
  - **REDRC004 56m at 1.21% Cu from 0m incl. 25m at 2.12% Cu from 15m**
  - **REDRCD012 9.5m at 3.60% Cu from 162m**
- **Further drilling planned for Bluff and several other Redbank prospects in the upcoming dry season**

Redbank Copper Limited (ASX: RCP) is pleased to announce significant drill results from its flagship Redbank Project in the McArthur Basin, Northern Territory (Figure 1).

Copper mineralisation at Redbank is hosted by moderate to steeply dipping altered and partially brecciated zones generally in the shape of cylindrical 'pipes.' Within these pipes, grades of over 30% copper have occurred in the oxide zone and historic open cut mining has focused on mining this high grade copper oxide ore at Sandy Flat, as well as smaller excavations at the Redbank, Azurite and Prince prospects (Figure 2).

Drilling commenced in mid-October, after receiving the final approval required, an Aboriginal Areas Protection Authority certificate in early October 2014. The aim of the recent drilling was to test the interpreted geological model which can be used to guide further work. The end goal is to define sufficient additional oxide and sulphide resources to warrant commencement of a feasibility study to investigate the scale and viability of future mining and processing operations.

Significant assay results are summarised in Table 1, and significant drill results are discussed by prospect area below:

BLUFF

- Sulphide mineralisation in drill hole REDRC1 confirmed the geological interpretation of a broad mineralised breccia, intersecting 68m @ 1.21%Cu from 92m (Figure 3). Most importantly, within the breccia pipe a higher grade zone, which is continuous between drill holes, was intersected with 21m @ 2.24% Cu (REDRC1) and 9.5m @ 3.6% Cu (REDRCD12). This confirms the geological interpretation based on historical drilling and provides confidence in the robustness of the previous resource estimate.

- In addition, oxide mineralisation was intersected with 44m @ 1.42% Cu (REDRC4) and 24m @ 0.44% Cu (REDRC7) from surface within the weathered zone. The oxide material at the Redbank project has previously been successfully processed in heap leach.

PUNCHBOWL

- A deep weathering profile is present, with 35m @ 0.46% Cu from 33m (REDRC8) intersected within the oxidised zone. The deep weathering provides opportunities for additional oxide tonnes to be identified.

Executive Chairman Mr Michael Fotios said "*Redbank Copper is pleased to report on the results from its maiden drill campaign under new management. The results to date have confirmed geological interpretations, and the robustness of the mineralisation. This is an important first step in developing the Redbank Project towards a potential copper mining operation once again*".

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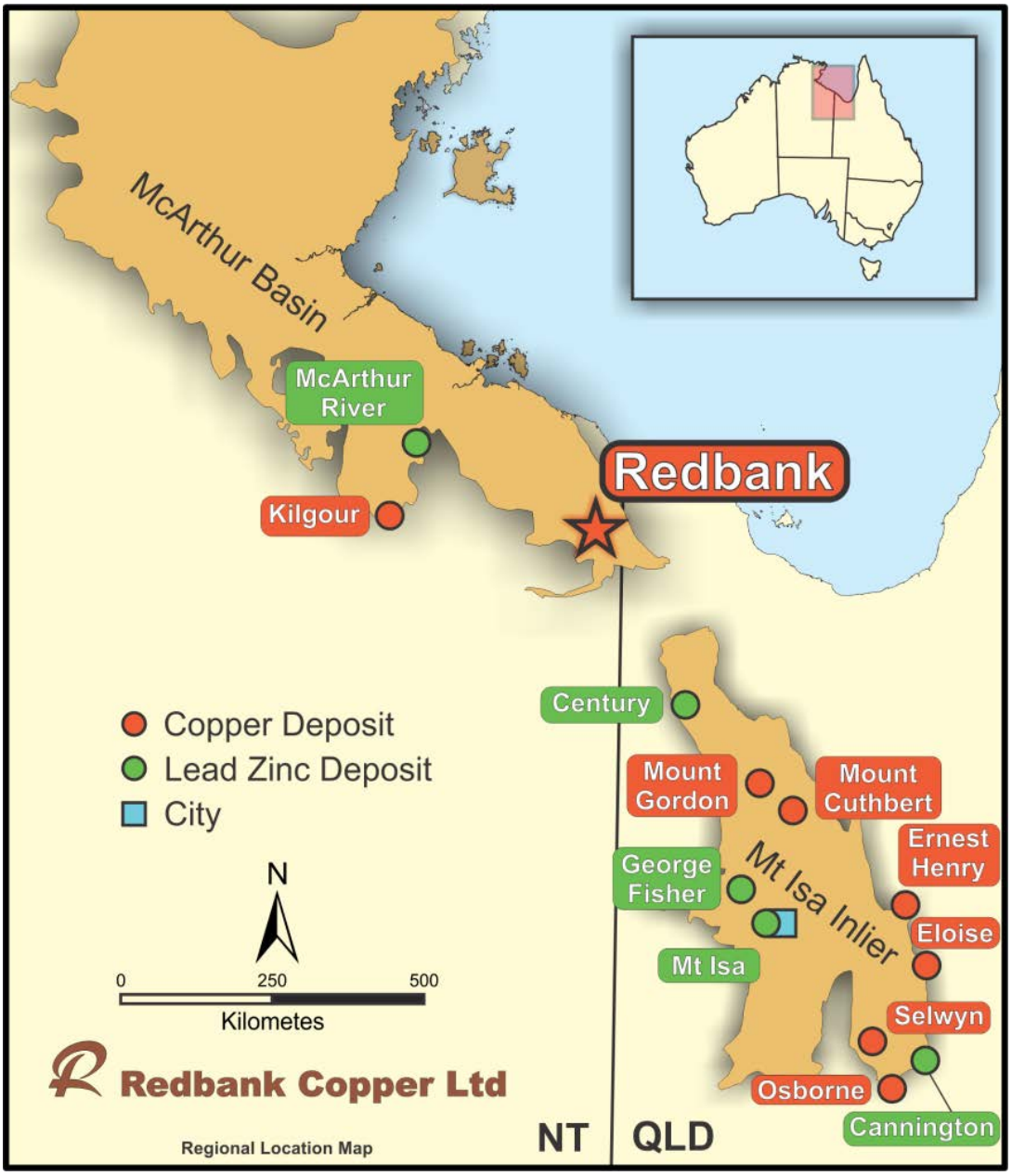

Figure 1. Regional Location, Redbank Project.

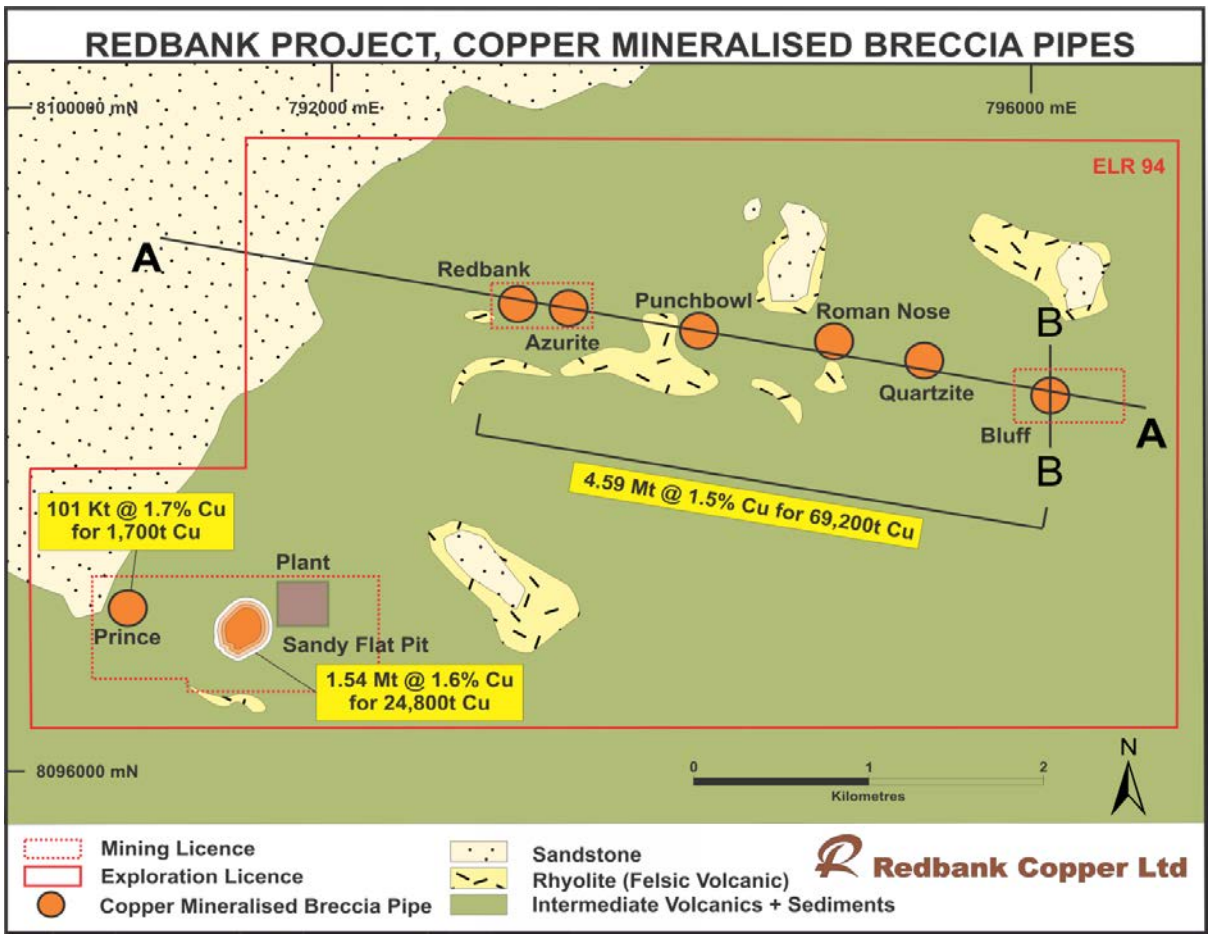

Figure 2: Prospect Location and significant mineralised breccia pipes. Section lines AA and BB displayed in Figure 3 and Figure 4

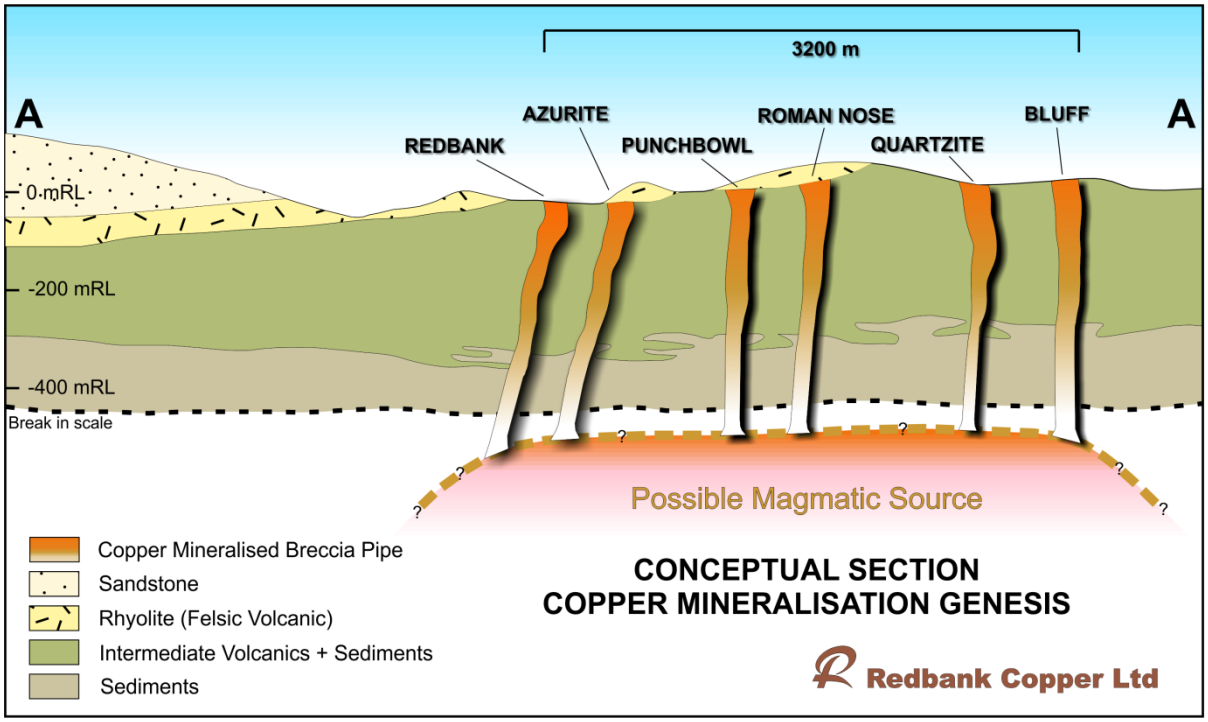

Figure 3. Conceptual long-section of copper mineralisation at Redbank

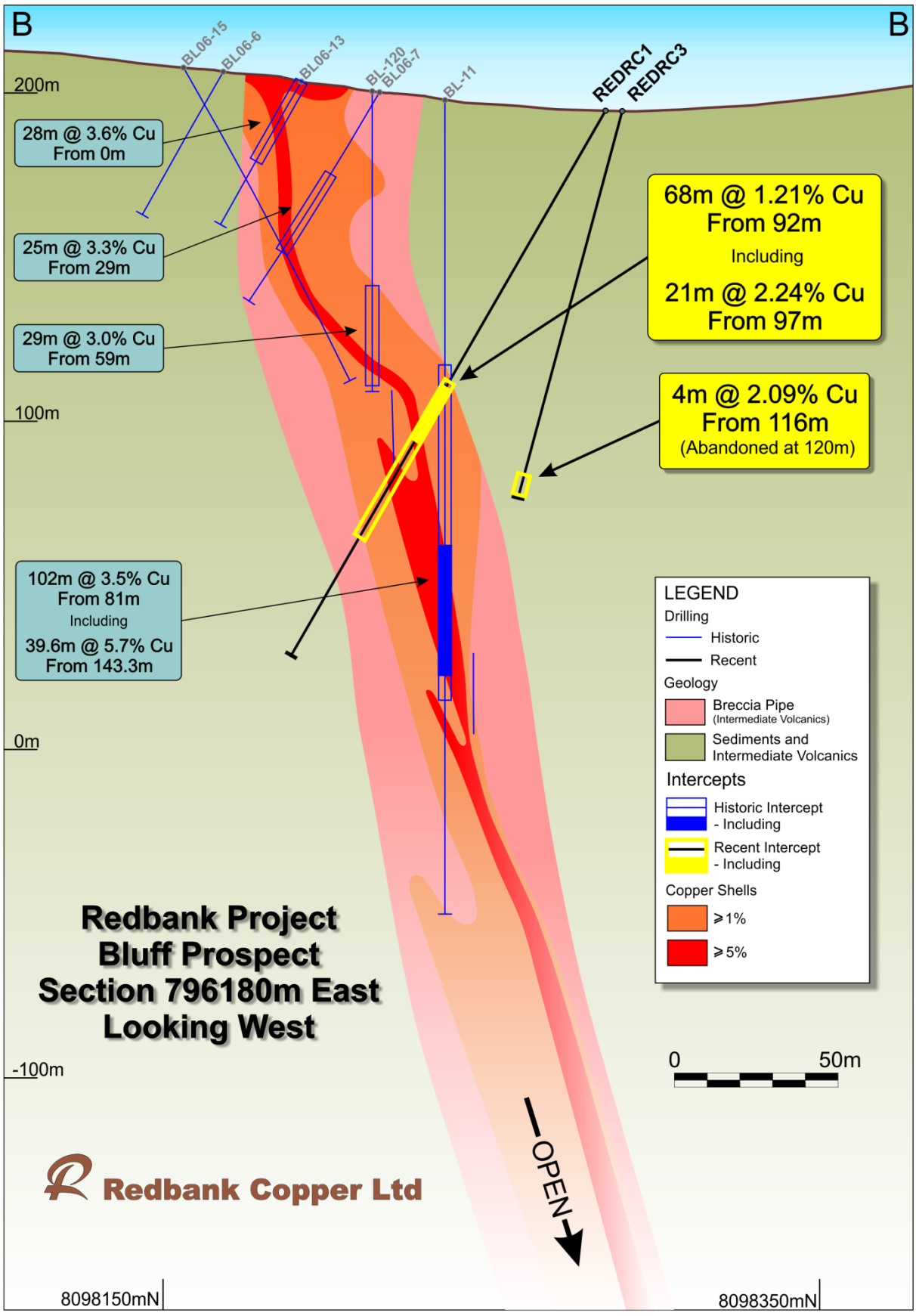

Figure 4: Conceptual cross-section of copper mineralisation model.

Table 1: Significant drill results from Redbank Project drilling of November 2014

Redbank Prospects - Significant Copper Intercepts										
HoleID	**Northing GDA94z53 (m)**	**Easting GDA94z 53 (m)**	**RL AHD (m)**	**End of hole depth (m)**	**Dip (degrees)**	**Azimuth True (degrees)**	**From (m)**	**To (m)**	**Down hole length (m)**	**Cu % (0.2% cut)**
BLUFF										
REDRC1	8098288	796180	194	192	-60	185	92.00	160.00	68.00	1.21
						Including	***97.00***	***118.00***	***21.00***	***2.24***
						Including	***101.00***	***102.00***	***1.00***	***7.73***
REDRC3	8098285	796178	194	120	-80	180	108.00	120.00	12.00	1.39
						Including	***116.00***	***120.00***	***4.00***	***2.09***
Abandoned at 120m due to intersection of historic hole, and loss of sample return. Did not reach target, only tested margin of pipe mineralisation.										
REDRC4	8098208	796199	200	72	-60	180	0.00	56.00	56.00	1.21
						Including	***15.00***	***40.00***	***25.00***	***2.12***
						Including	***24.00***	***25.00***	***1.00***	***5.18***
REDRC6	8098289	796198	194	78	-60	180	5.00	8.00	3.00	0.52
Abandoned at 78m due to intersection of historic hole, and loss of sample return. Did not reach target, only tested supergene zone.										
REDRC7	8098212	796137	199	78	-55	180	0.00	24.00	24.00	0.44
REDRC11	8098320	796199	193	49	-70	180				
Abandoned at 49m of planned 250m hole due to drilling difficulties										
REDRCD12	8098296	796197	193	270.8	-77	180	132.00	134.50	2.50	1.16
							162.00	171.50	9.50	3.60
						Including	***163.60***	***166.00***	***2.40***	***9.16***
						Including	***170.00***	***170.80***	***0.80***	***5.12***
							181.50	189.10	7.60	0.61
PUNCHBOWL										
REDRC8	8098613	794178	201	120	-60	270	33.00	68.00	35.00	0.46
REDBANK										
REDRC9	8098837	793173	187	102	-65	270	0.00	9.00	9.00	0.66
							25.00	29.00	4.00	0.50
							35.00	38.00	3.00	0.51
REDRC10	8098862	793179	187	102	-60	270	7.00	9.00	2.00	0.58

Notes
REDRCD12 is an RC pre-collar with a diamond tail.
Drillhole coordinates collected by DGPS.
Northing, Easting and RL values have been rounded for tabulation display.
True intersection width is dependent upon specific drill holes, ranging from 75% of drill width in fresh material to 100% in oxide.
REDRC2 and REDRC5 abandoned at collar depth (6m), and not sampled.

Competent Person Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by Mr Bruce Armstrong, an employee of Redbank Copper Ltd. Mr Armstrong is a member of the Australasian Institute of Geoscientists, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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" (JORC Code). Mr Armstrong consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Forward Looking Statements

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Appendix

The following information is provided to comply with the JORC Code (2012) requirement s for the reporting of the above reverse circulation drill results on tenement ELR 94 and EL10335

Section 1 Sampling Techniques and Data

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.*	• Most of the results were obtained from Reverse circulation drilling on a 5.25 inch face sampling hammer. Drill spoil was collected on one meter intervals. Most of the results reported originate from samples of 1m interval, subsampled on the drill site down to about 3kg via a either a 25/75 riffle splitter, or more commonly, a cone splitter mounted below the cyclone. A minority of results reported are derived from 4m composites generated from scoop sampling of the residues after the initial subsample was taken. • Results from Diamond core drilling are also presented. These were sampled mostly on 1m intervals, with a minimum of 0.4m and a maximum of 1.1m. Samples are half core from NQ2 drilling. • All samples were pulverized at BV Mt Isa before analysis of pulps at BV Ultratrace in Perth for ICP OES read from a "total" 4 acid digest.
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).*	• Reverse circulation on 4 inch drill string, face sampling hammer. • Diamond core drilling on NQ2 core size.
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*	• Subsample mass was recorded, along with sample condition (dry, moist, wet). Almost all samples are recorded as dry.

Criteria	JORC Code explanation	Commentary
	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.*	
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All the RC drill material has been logged to a level appropriate for exploration level work. • All the diamond core material has been logged for exploration level work only.
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.* • *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.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Diamond drill core was half core sampled from NQ2 core size of about 50mm diameter, which provides a sample mass of about 2kg pre metre. • RC sample was almost all riffle split on one metre basis, using 25/75 splitter. A minority of results presented are derived from 4m composite samples from spear sampling of bulk material after initial riffle split. Samples of 3 to 5kg were submitted. • Field duplicates were collected submitted as part of the QAQC procedures. • Samples were collected mostly from dry drilling conditions, with
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.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and*	• The techniques are considered “total” digestion, and are considered appropriate for the concentrations and elements reported. • Both blind CRM and lab CRM’s were used in the assay process to check on assay accuracy. Results from the CRMs indicated suitable performance of

Criteria	JORC Code explanation	Commentary
	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.*	the assay technique.
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.*	• Assay database results entry has been verified against hard copy results as supplied by BV with no issues identified. No adjustment to assay results has occurred.
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.*	• Drill collars are located with differential GPS systems, with down hole surveys conducted within the drill string, hence providing dip readings only.
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.*	• Drill holes are located on nominal 20m spaced sections which is appropriate for the dimensions of the target mineralisation. Grade continuity from previous drilling is confirmed.
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*	• The mineralised structures are sub-vertical pipe like shapes, with most drilling at -55 to -80 degrees, as listed in results table.

Criteria	JORC Code explanation	Commentary
	should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• Sample security was appropriate for the stage of exploration activity and site location.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits of sampling techniques has taken place outside of industry standard QAQC monitoring.

Section 2 Reporting of Exploration Results

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.*	• Results reported are from granted mining tenements MLN635 and exploration tenement ELR94, all owned 100% by RCP.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The area has been subject to intermittent mining and exploration since discovery of Cu mineralisation in the area in 1916. Previous mining has centred on Sandy Flat and Redbank.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Redbank is located with the McArthur Basin, which is host to world class base metal deposits. Mineralisation style is a series of breccia pipes located in alignment with a larger scale structural control. There is low grade Cu mineralisation halos within the oxide zone
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*	• All data is presented in Table 1 the body of the report.

Criteria	JORC Code explanation	Commentary
	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 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.*	• Reported drill intersections are derived using length weighted averages using a 0.2% Cu lower cut off, and no top cut applied. A maximum internal dilution of 2m was used. • Composited intervals are shown with sub-sets of compositing in results table to demonstrate this. • No metal equivalents are 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').*	• Interpreted true widths are generally about 70% of drill intersection in fresh material, based on geological interpretation of breccia pipes, and 100% of oxide zones. There is typically an acute angle between drilling and primary mineralisation due to the sub-vertical nature of mineralisation, whilst oxide mineralisation tends to be sub –horizontal in nature and near perpendicular to drilling.
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*	• Example sections and location plans are provided in the body of the report.

Criteria	JORC Code explanation	Commentary
	appropriate sectional views.	
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.*	• Complete reporting of every drill interval is not practicable, results pertaining to significant results have been displayed showing various composition widths.
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.*	• There is no other meaningful or material exploration data.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-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.*	• The pipe structures and Cu mineralisation remain open at depth for all prospects. Further interpretation of the reported results is required before follow up exploration can be planned.