



Redbank inks Glencore deal

Wednesday, 29 November 2006

COPPER miner Redbank Mining has signed up Swiss-based metals trading group Glencore International for a life-of-mine offtake agreement on production on production from Redbank's namesake project in the Northern Territory.

The agreement covers current and future copper cement and cathode production from the project, which is currently in Stage 1 of a three-stage ramp up to produce 6000-8000 tonnes per annum of copper.

As part of the deal, Glencore has agreed to underwrite \$1 million of Redbank's \$1.8 million rights issue also announced today. The three-for-one non-renounceable rights issued will be carried out at 7.2c per share, while a separate public share placement to raise a further \$500,000 will be done at 7.5c/share.

Redbank managing director Gino Vitale said the offtake agreement with Glencore represented "a significant vote of confidence" in the project.

"Securing a long-term buyer for output from the Redbank copper project, and the establishment of an ongoing relationship with Glencore, will enhance the bankability of the project and expedite the development of Stages 2 and 3," Vitale said.

Redbank is currently vat-leaching old tailings under the project's first stage, and the company is close to reaching its targeted production output of 80-100t copper per month. The current stage is forecast to generate \$6-7.5 million over 15-18 months, to help fund the two-year ramp up to 6000-8000tpa copper production.



Gino Vitale

Aspermont Limited

Street Address 613-619 Wellington Street, Perth WA Australia 6000

Postal Address PO Box 78, Leederville, WA Australia 6902

Head Office Tel +61 8 6263 9100 Head Office Fax +61 8 6263 9148

e-mail contact@aspermont.com website www.aspermont.com ABN 66 000 375 048