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*or*

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**ASX Code:** "RBM"  
"RBMO"

*e-lodgement*  
*3 Pages*

8 February 2007

**Media Release –  
Redbank Drilling Confirms Major New  
Sulphide Zone Open at Depth**

A media release pertaining to the ASX Announcement made by the Company earlier today is attached.

Yours faithfully  
**Redbank Mines Limited**

**Susan J Field**  
Executive Director



**Redbank Copper Project**  
– *Diamond Drill from Punchbowl (Jan 07)*

# REDBANK DRILLING CONFIRMS MAJOR NEW SULPHIDE ZONE OPEN AT DEPTH

*INDICATES SIGNIFICANT DISSEMINATED COPPER SULPHIDES AT PUNCHBOWL DEPOSIT FROM NEAR-SURFACE*

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Redbank Mines Limited (ASX: **RBM**) plans to accelerate test drilling of a new broad zone of disseminated copper sulphide at one of the key copper deposits at its wholly-owned **Redbank Copper Project** in the Northern Territory, following RC drilling results which indicate the zone extends from near surface to below 290m in depth.

The latest results from drilling of the **Punchbowl** deposit include the following intercepts from adjacent holes:

- **65m @ 1.0% Cu** from 19m; and
- **22m @ 1.4% Cu** from 50m.

The drill hole producing the 65m intercept was terminated in mineralisation with the last 13m assaying 1.5% copper. These results are consistent with a nearby 1975 diamond core drill hole that returned results of **120m @ 1% Cu** from 38m and **92m @ 0.9% Cu** from 200m.

These latest results and the 1975 drill hole intercepts indicate the copper sulphide mineralised zone at Punchbowl is broad and remarkably consistent in grade to a depth below 290m.

Redbank will release further results from another five Punchbowl holes drilled as part of the latest drilling program, as they become available.

The Perth-based copper producer will now test, as a priority, both the depth and lateral extent of the newly identified disseminated copper sulphide zone at Punchbowl.

“The confirmation of significant disseminated sulphide mineralisation at Punchbowl is extremely encouraging,” Redbank’s Managing Director, Mr Gino Vitale said. “The results complement the excellent grades and consistent mineralisation we also encountered at the **Bluff** deposit during this program, but our priority now is to test this significant new copper sulphide zone at Punchbowl.”

Redbank is yet to receive results from the final two holes drilled at Bluff during the December-January program, but interim results include:

- **25m @ 1.0% Cu** from surface;
- **34m @ 1.18% Cu** from surface, including **7m @ 2.17% Cu**;
- **44m @ 1.51% Cu** from 80m, including **8m @ 2.73% Cu** and **3m @ 3.41% Cu**;
- **57m @ 2.06 % Cu** from 11m, including **25m @ 3.26% Cu** from 29m; and
- **37m @ 0.96% Cu** from 73m.

“The drilling program at Bluff has confirmed the grade and strongly consistent copper mineralisation within the volcanic pipe, and at Punchbowl we have confirmed the presence of a significant copper sulphide system that remains open at depth,” Mr Vitale said. “We have also completed diamond drilling at two Punchbowl and two Bluff holes, to collect metallurgical and geotechnical information for mine planning purposes as part of our project feasibility review.”

“We are also yet to further test our **Sandy Flat** deposit where previous open cut mining in the 1990s reached a level of 50m below surface and plan to drill beneath the Sandy Flat pit as soon as the tropical wet season is over,” he added.

Redbank’s latest drilling program is part of a 3-stage redevelopment program designed to expand the Redbank Project from a small-scale, short-term operation based on the treatment of high-grade existing stockpiles to a 5-year plus oxide leach and sulphide flotation operation producing 6-8,000tpa of contained copper. The Punchbowl, Bluff and Sandy Flat deposits represent key future ore sources to underpin this growth strategy.

The Company commenced production last year, and is targeted to produce approximately 800 - 1,000 tonnes of contained copper on an annualised basis from Stage 1, which is based on a vat leaching operation treating high-grade oxide copper together with heap leaching of transitional oxide and sulphide ore to produce a copper cement concentrate. Stage 2 envisages copper production of 3-4,000tpa from oxide deposits, which is targeted to commence by the late 2007, while Stage 3 envisages production from sulphide material to produce 3-4,000tpa from mid-2008.

The success of the current drilling program follows a key copper off-take agreement for the life-of-mine secured by Redbank in November last year with international commodities group, Swiss-based **Glencore International AG**. As part of the agreement, Glencore agreed to underwrite \$1.0 million of a \$2.0 million rights issue also announced to underpin Redbank's growth objectives as an emerging Australian copper producer.

The Company acquired the Redbank Project, located near the Northern Territory/Queensland border, in December 2005.

- ENDS -

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### **Competent Person Statements**

1. *This information, insofar as it relates to the current drilling, is sourced from information compiled by Dr D James Searle, B.Sc, PhD, MAusIMM, MAICD. Dr Searle is an Executive Director of Redbank Mines Limited and has sufficient expertise 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 2004 Edition of the 'Australasian Code for Reporting of Mineral Resources and Reserves'. Dr Searle has approved the inclusion of the statement in the form and context which it appears.*
2. *The announcement refers to a detailed statement of Mineral Resources at the Redbank Copper Project contained in Appendix 1 of the ASX Announcement and the 2006 Annual Report based on information compiled by Phil Jankowski, who is a Member of The Australasian Institute of Mining and Metallurgy. Phil Jankowski is a full-time employee of SRK Consulting (Australasia) Pty Ltd. and 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 (2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'). Phil Jankowski has approved the inclusion of the statement in the Annual Report in the form and context in which it appears.*