

Appendix 5B

Mining exploration entity quarterly report –

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Redbank Mines Limited

ABN

66 059 326 519

Quarter ended ("current quarter")

31 December 2007

Consolidated statement of cash flows

Cash flows related to operating activities

	Current quarter \$A'000	Year to date 6 months \$A'000
1.1 Receipts from copper sale and related debtors	858	1,793
1.2 Payments for:		
(a) exploration and evaluation	(59)	(135)
(b) development (including scoping studies)	(187)	(211)
(c) rehabilitation	(24)	(27)
(d) production	-	-
(e) project management and care and maintenance – Mt Kasi, Fiji	(122)	(259)
(f) administration/corporate	(168)	(387)
(g) compliance	(91)	(191)
(h) operational expenses – Redbank Copper, NT	(1,143)	(2,058)
1.3 Dividends received	-	-
1.4 Interest received	4	9
1.5 Interest and other costs of finance paid	(32)	(149)
1.6 Income taxes paid	-	-
1.7 Other (Fiji Inland Revenue)	-	(158)
Net Operating Cash Flows	(964)	(1,773)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) plant and equipment and capital works in progress	(104)	(292)
(b) equity investments	-	-
(c) capitalised exploration costs	(65)	(330)
(d) consumables and stores	(336)	(336)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) subsidiary	280	300
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Payment for security term deposits	-	-
1.13 Payment for security rental bond	-	-
Net investing cash flows	(225)	(658)
Total operating and investing cash flows (carried forward)	(1,189)	(2,431)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Current quarter \$A'000	Year to date 6 months \$A'000
Total operating and investing cash flows (brought forward)	(1,189)	(2,431)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares	850	2,072
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	1,000	1,000
1.17 Repayment of borrowings	(384)	(439)
1.18 Dividends paid	-	
1.19 Other (provide details if material)		
(a) Net proceeds from Directors loans	-	-
(b) Share Issue Expenses	(55)	(130)
Net financing cash flows	1,411	2,503
Net increase (decrease) in cash held	222	72
1.20 Cash at beginning of quarter/year to date	167	317
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter ***	389	389

*** The Company also plans to complete an equity based issue during the March quarter to provide funds to complete a Definitive Feasibility Study at the Redbank Copper Project and to provide funds for exploration activities.

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	99
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

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

+ See chapter 19 for defined terms.

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	50	0
3.2 Credit standby arrangements	160	130

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development including technical studies	155
Total	405

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	389	167
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	389	167

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	N/A		
6.2	Interests in mining tenements acquired or increased	N/A		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	142,091,196	142,091,196		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	10,625,000 -	- -		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	7,894,737 250,000 250,000 250,000 38,115,864 4,000,000	- - - - - -	Exercise price \$0.38 \$0.38 \$0.50 \$0.60 \$0.28 \$0.09	Expiry date 28 Feb 2008 28 Feb 2010 28 Feb 2010 28 Feb 2010 31 May 2008 20 Dec 2008
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter *	-			
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

Compliance statement

+ See chapter 19 for defined terms.

- 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: **Date: 31 January 2008**
Executive Director & Company Secretary

Print name: **Susan J Field**

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.

== == == == ==