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ASX Code: "RBM" "RBMO"

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21 April 2008

NOI Lodged for Oxides Phase at Redbank Copper Project NT

The Company is pleased to announce that it has lodged a formal Notice of Intent (NOI) with the Northern Territory authorities for the Oxides Stage of the Redbank Copper Project.

The Company is working toward the fast track development of the operation commencing with the mining of three oxide deposits within close proximity to the mine processing area. This will involve heap leaching of the available oxides at the Bluff, Azurite and Redbank deposits, containing oxide mineral resources of approximately 1.0 million tonnes grading 1.4% Cu within 35 metres of the surface (*refer ASX announcement of 14 November 2007*).

Rapid progress is being made with the definitive feasibility study (DFS) on the oxides stage. An infill and resource definition diamond and RC drilling program that commenced in March is now almost complete. Interim results have been very positive, including

- at **Redbank** deposit:
 - **29 m at 7.7 Cu** from 13m down hole;
 - **24m at 4.5% Cu** from 15 down hole, and
- at **Azurite** deposit:
 - **8.0m at 2.1% Cu** from 4m down hole;
 - **12m at 1.7 Cu** from 4m down hole;
 - **14m at 1.5% Cu** from 5m down hole, and
 - **17m at 1.3% Cu** from 7m down hole(*refer ASX announcements of 3 and 7 April 2008*).

Results from the drilling program will be utilized for re-optimization of the pit designs and detailed mine planning and scheduling.

The results of a preliminary feasibility study released in November 2007 showed the project is technically viable and financially robust. Based on the then forward curve copper price of US\$3.10 per pound (presently US\$3.96/lb), the oxides stage is expected to generate revenue of A\$61 million, with a pre-tax cash surplus of \$20.0 million over 2.5 years. Estimated capital costs of \$5.2 million (+/-25%) show a rapid payback of just over 12 months.

The cash flow generated from the mining of oxides is expected to drive the development of the Project's sulphide resources comprising approximately 4.0 million tonnes at a grade of 1.4% Cu at a later stage (*refer ASX announcement of 14 November 2007*).

The Company is presently treating high-grade stockpiles to clear the processing area for the new heap leach pads in anticipation of the commencement of mining later in the year. Copper produced during this pre-mining phase is generating a cash flow and establishing Redbank Mines as a niche operator producing a high grade, low impurity concentrate grading 85-90% Copper suitable for direct smelter feed.

Yours faithfully,

Jerome G Vitale
Managing Director

Competent Person:

The information contained in this announcement, insofar as it relates to the Company's latest drilling results at the Redbank Copper Project, is sourced from information compiled by **Dr D James Searle**, B.Sc, PhD, MAusIMM,. 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.