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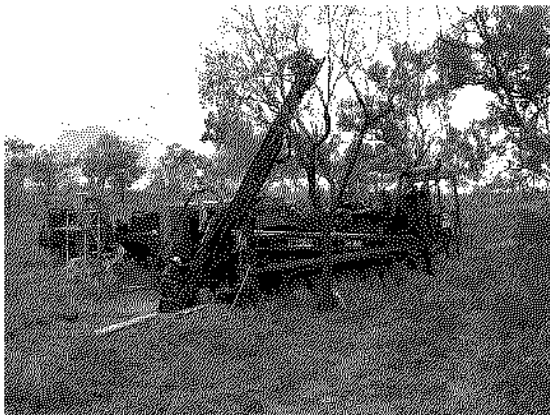
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**ASX Code:** "RBM" - shares  
"RBMO" - options



Redbank Copper Project – Bluff RC Drilling (Dec 06)



Redbank Copper Project – Diamond Drill Core Breccia Pipe Material from Punchbowl (Jan 2007)

*e-lodgement 8 pages*

19 February 2007

## **NEW COPPER PIPE DISCOVERY AT PUNCHBOWL**

### **MORE HIGH GRADE COPPER AT BLUFF**

### **MULTIPLE COPPER BRECCIA PIPES TO BE TARGETED on RBM GROUND**

#### **Punchbowl**

RC Drilling at **Punchbowl** has delineated a new copper mineralised breccia pipe starting 14m below surface to a depth of at least 300m. Highlights from latest results:

- **Hole PB06-9** returned **59m at 1.6% Cu** from 38m including **27m at 2.1%** from 38m;
- **Hole PB06-8** returned **29m at 2.18% Cu** from 96m, with higher grades at depth including **6m at 4.03% Cu** from 108m and **last 5m of hole ending in mineralisation and returning 3.10% Cu** from a depth of 120m.

#### **Bluff**

The final 3 Holes from this campaign have confirmed the geometry and consistency of copper mineralisation down to an expected open pit mining depth of 100m. The latest assay returns from **Bluff** include the following:

- **30m at 3.41% Cu from surface**, including first **18m at 4.21% Cu (Hole BL06-13)**;
- **61m at 2.70% Cu** from 47m, including **9m at 5.31% Cu** from 59m (**Hole BL06-15**), with **hole ending in mineralisation**;
- **29m at 1.69% Cu** from 21m in **Hole BL06-14**, with **hole ending in mineralisation**.

#### **Other Breccia Pipe Targets**

In addition to Bluff, Punchbowl and Sandy Flat, **15 other potentially mineralised breccia pipes** have been identified from limited historical drilling within the **Company's tenements**. These will now be progressively drilled and evaluated as part of the Company's planned staged development of the project.

**Redbank Mines Limited** is pleased to report the final instalment of results from its reverse circulation drilling program completed at the **Redbank Copper Project** in the Northern Territory during December 2006 and early January 2007. The program was focussed on the Bluff and Punchbowl areas (refer site map below showing location of main prospects). At Bluff the drilling has confirmed the geometry of the mineralisation down to an expected open cut mining depth of about 100m and returned spectacular high grade intercepts. At Punchbowl the drilling has resulted in the discovery of another mineralised breccia pipe that extends from near surface to at least 290m depth.

## Punchbowl

At Punchbowl the drilling program has successfully located a mineralised breccia pipe (**Figure 1**) that extends from about 14m below surface to at least 300m. The drilling to date does not fully define the pipe geometry but it appears to be generally consistent with the known dimensions of the other pipes in the Redbank area. This round of drilling by the Company has tested the pipe to a vertical depth of about 100m. However a single diamond drill hole was drilled in the area in 1971 by a Newmont Australia Pty Ltd led consortium. This hole clearly demonstrates that the mineralisation extends to at least 300m immediately beneath this latest drilling.

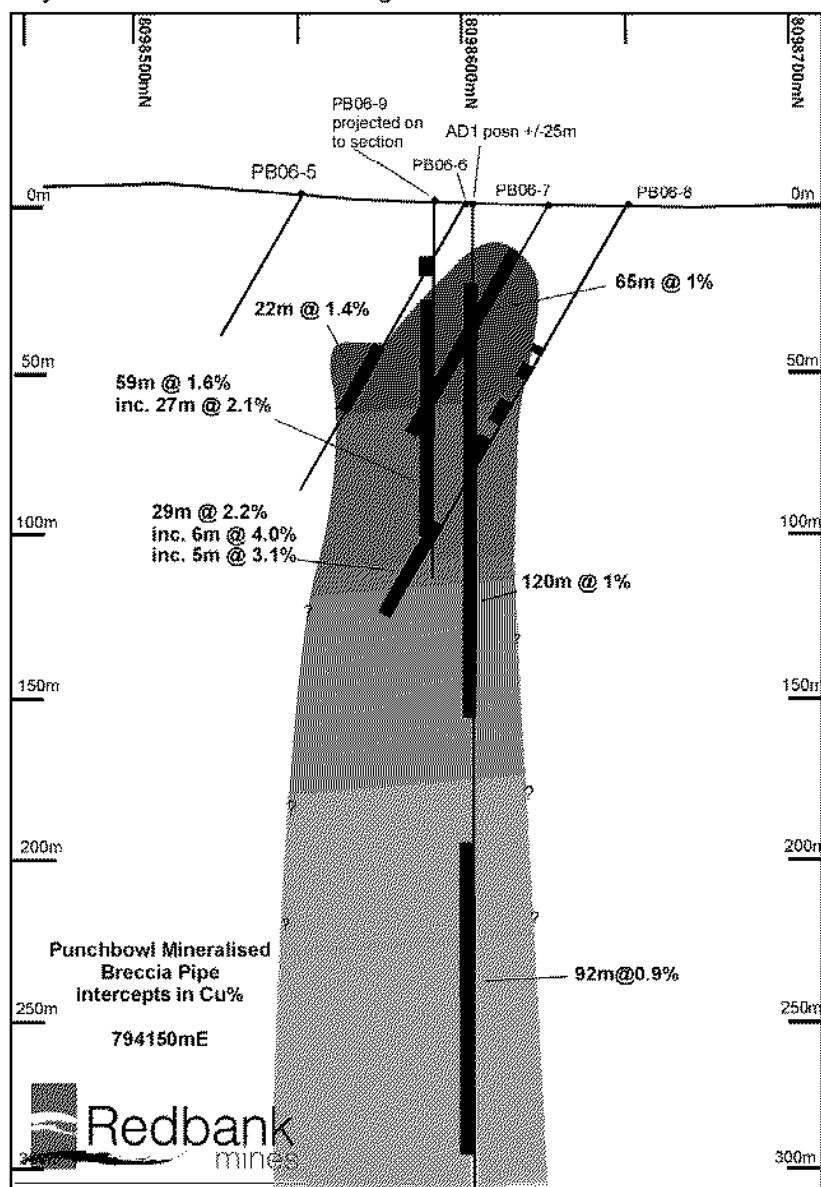


Figure 1 - Punchbowl

The Company believes that success in locating a mineralised pipe at Punchbowl has very positive implications for finding similar pipes beneath the other mineralised pipe targets in the project area. The significant intercepts obtained in the Punchbowl area from this drilling program are tabulated at the rear of this report (**Table 1**).

Further drilling is required before a resource can be calculated for the Punchbowl breccia pipe.

**Bluff**

At Bluff the drilling has confirmed the geometry and consistency of the mineralisation down to an expected open cut mining depth of about 100m (**Figure 2**). It has also returned a number of exceptionally high grades intercepts some starting at the surface. The drilling has also confirmed that the oxidation profile extends down to a depth of around 40m vertically and is exposed at surface. The Bluff breccia pipe therefore could provide the initial supply of ore for the Stage 2 oxide leach expansion of the Redbank Copper Operation with the underlying sulphide ore forming part of the Stage 3 Redbank sulphides expansion. The significant intercepts obtained from Bluff from this drilling program are tabulated at the rear of this report (**Table 2**).

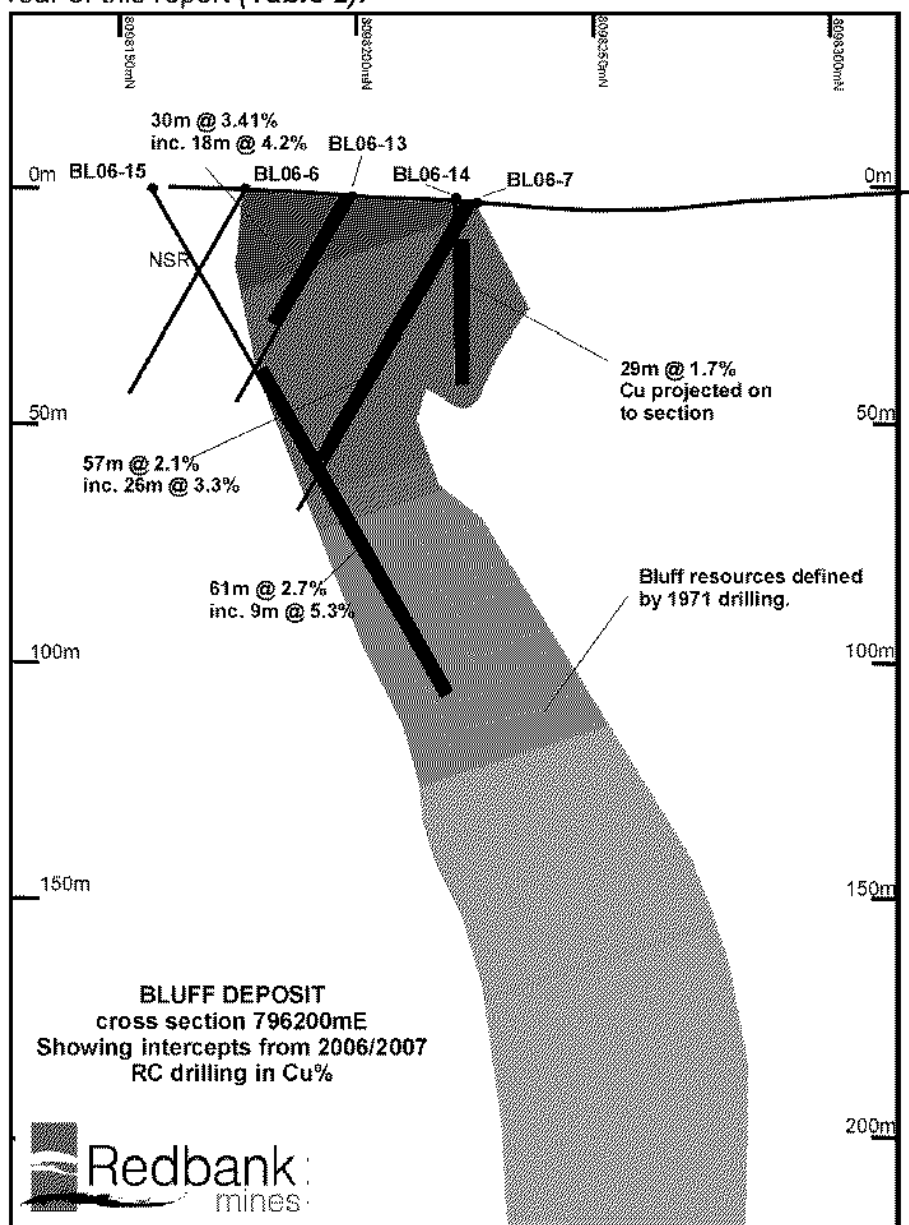
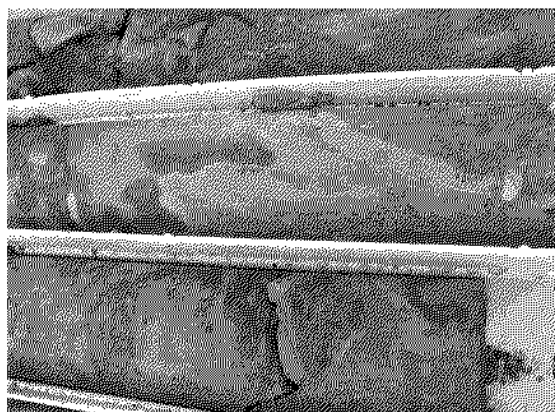
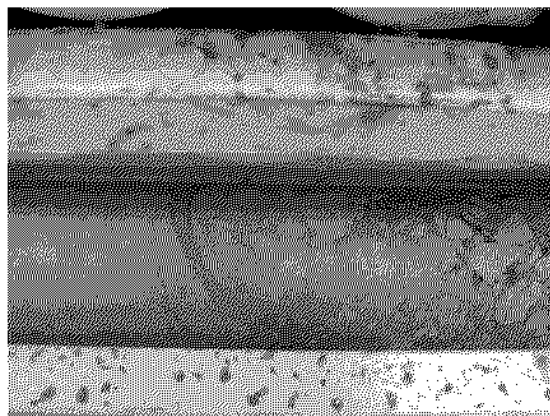


Figure 2 - Bluff



Redbank Copper Project:  
- Diamond Drill Core from Punchbowl (Jan 2007)



Redbank Copper Project:  
- Diamond Drill Core from the Bluff (Jan 2007)

### Redbank Volcanic Breccia Pipes

The Redbank Copper Project is located in the Northern Territory near the Queensland border within the mid-Proterozoic MacArthur River Basin (MCB) (**Figure 3**). The MCB is host to a number of world class base metal deposits in both Queensland (the Mt Isa area) and the Northern Territory (McArthur River area). In the Redbank area copper mineralisation is hosted by clusters of sub-vertical volcanic breccia pipes that extend through much of the 400 to 500m thick stratigraphic sequence of the Gold Creek Volcanics host rocks.

There are known to be numerous possible breccia pipes in the area, but so far detailed drilling and resource estimates have only been completed for two of these, namely

- **Sandy Flat**, remaining Inferred and Indicated Mineral Resources of 2 million tonnes at 1.3% Cu (after mining of high grade cap with average recorded processing grade through plant of 4.6% Cu in top 40m during mid 1990's), and
- **Bluff**, Inferred Mineral Resources of 1.6Mt at 1.6%Cu (refer the Company's 2006 Annual Report, page 6 for mineral resources statement).

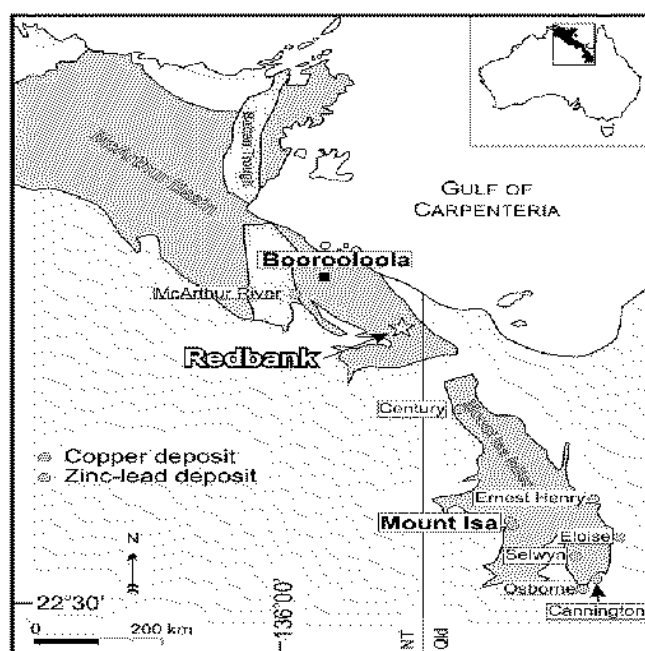


Figure 3 - Location of the Redbank Copper Project

The pipes are ovoid to circular in plan and typically measure 40 to 100m across. Both the Bluff and Sandy Flat pipes have been shown to be consistently mineralised to depths of at least 300m. Including Bluff, Sandy Flat and now Punchbowl, there are 5 known mineralised breccia pipes in the project area where limited drilling has previously been completed (*highlighted with red dots in Figure 4*). There are in addition 13 other potentially mineralised breccia pipe targets (ie 18 in total) within the Company's ERL 94 area with high grade surface exposed copper mineralisation or high level copper anomalies in the soil profile. These generally coincide with the location of 14 priority drillholes proposed (but never drilled) by a joint venture led by CRA Exploration Pty Ltd (CRAE, a subsidiary of CRA Limited, now Rio Tinto Ltd), in 1995 following a comprehensive data review and extensive soil geochemistry programme. The Company intends to progressively drill and evaluate these breccia targets as part of its planned staged development of the project.

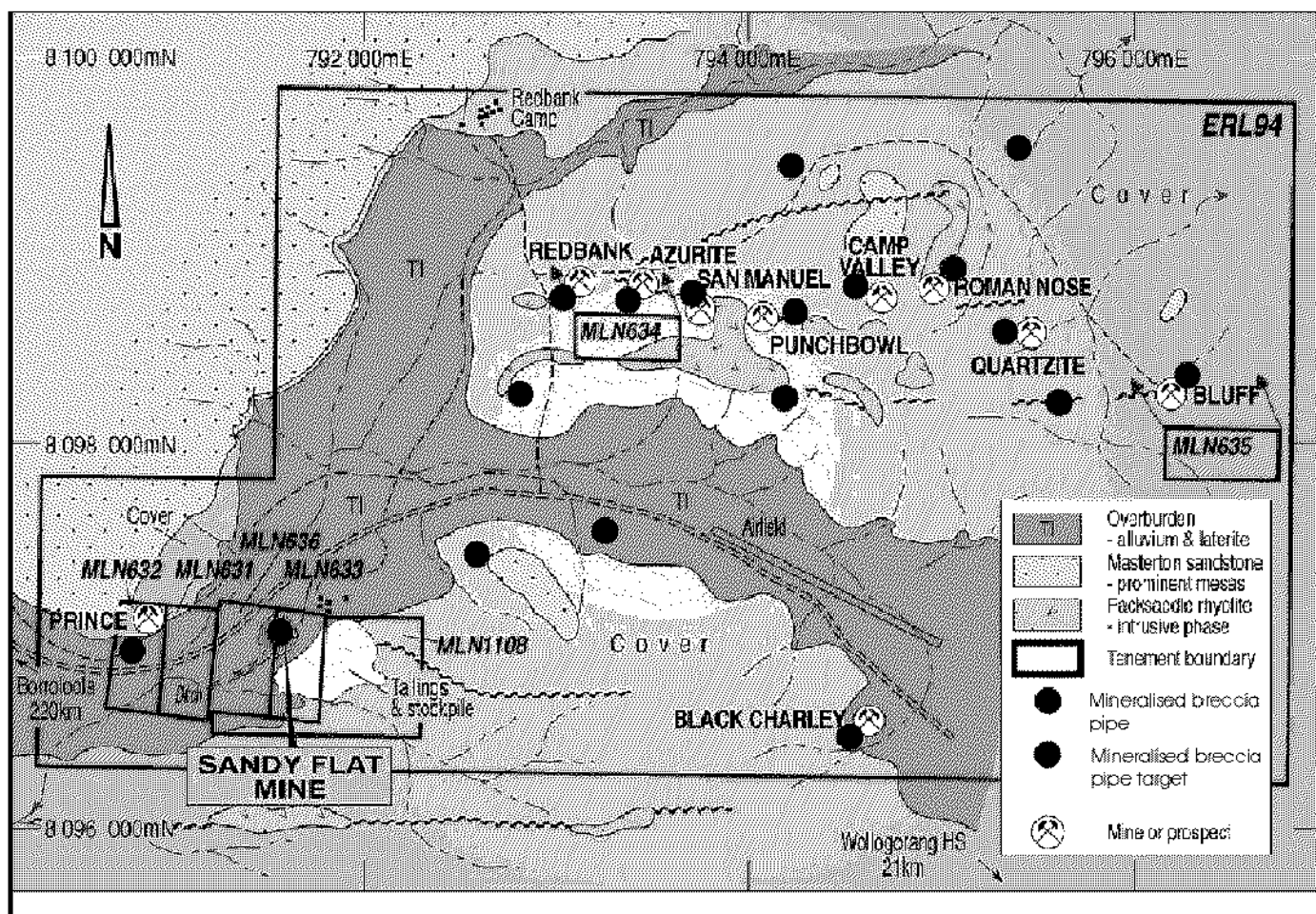


Figure 4 - Mineralised Breccia Pipes and Targets

### Exploration Context and Priorities

Redbank Mines Ltd is currently targeting to produce 800-1,000tpa of copper from its stockpile leach operations from Stage 1 of the Redbank Copper Project. Based on existing resources the Company plans to substantially expand its operations by mining oxides (Stage 2), initially at the Bluff deposit and then by mining and treating the underlying sulphide mineralisation at Bluff and Sandy Flat (Stage 3).

The Company has also begun a process of systematic evaluation of mineralised targets in the project area which could further substantially expand the scope of the project. The first priority has been to confirm the resources already defined at Bluff and to establish if there was a mineralised breccia pipe at Punchbowl. The other targets will be progressively evaluated in a priority order to be determined by the tenor of associated mineralisation, geological controls, physical access on the ground and their proximity to the existing resources.

With the results from the 2006/2007 drilling program Redbank Mines now has a clear model of the breccia pipe style of mineralisation at Redbank and a good indication of how that is expressed in surface mineralisation indications and soil geochemistry. The Company will now seek to build its resource inventory by progressively drilling the 15 of the 18 identified breccia pipe targets (**Figure 4**) yet to be drilled with the intention of finding repetitions of the Sandy Flat, Bluff and Punchbowl breccia pipes. The Company plans to recommence drilling as soon as possible depending on weather conditions in the Northern Territory and drilling rig availability.

**Yours faithfully,**  
**Redbank Mines Limited**

**Jerome G Vitale**  
**Managing Director**

**James Searle**  
**Executive Director, Exploration**

**Note**

The information contained in this announcement, insofar as it relates to the current drilling, 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.

**Table 1 - PUNCHBOWL:** Significant (>2m at >0.5%Cu) drilling results from Punchbowl area (all holes drilled at a declination of 60 deg. towards 180 deg., except PB06-9 which was drilled towards 090 deg.). There has been no cropping of high grade assays. New results not reported to the ASX previously are highlighted with ▲ symbol.

Hole		MGA94 Easting m	MGA94 Northing m	From m	Intercept m	Cu %	
PB06-3		794 225	8098 600	32	2	0.79	
				43	2	2.43	
PB06-4		794 225	8098 625	34	2	0.55	
				52	2	1.16	
PB06-6		794 150	8098 600	37	2	1.83	
				46	2	0.64	
				50	22	1.37	
				78	2	0.82	
PB06-7*#		794 150	8098 625	3	3	0.50	
				9	2	0.57	
				19	65	0.98	
				including	54	8	1.36
				71	13	1.52	
PB06-8#	▲	794 150	8098 650	55	2	0.90	
				60	3	0.50	
				73	7	1.32	
				87	5	0.81	
				96	29	2.18	
				including	108	6	4.03
				including	120	5	3.10
PB06-9	▲	794125	8098 600	23	8	0.69	
				38	59	1.58	
				including	38	27	2.10
PB06-15		794 200	8098 650	49	6	0.64	
PB06-16		794 200	8098 675	66	2	1.16	
				92	3	1.12	
PB06-19		794 175	8098 600	30	6	1.03	
				41	12	1.17	
				60	6	0.64	

Notes:

- \* Hole PB06-7 was terminated at 84m down hole in mineralisation due to a collar 'blow out'.
- # Holes that terminated in mineralisation.

**Table 2 - BLUFF:** - significant (>2m and >0.5% copper) intercepts. There has been no cropping of high grade assays. New results not reported to the ASX previously are highlighted with ▲ symbol.

Hole	Easting (m)	Northing (m)	Az deg.	Dec deg.	From m	Metres	% copper
BL06-1	796 250	8098 225	050	60	80	44	1.51
				including	87	8	2.73
				including	99	3	3.41
BL06-2	796 225	8098 225	180	60	surface	34	1.18
				including	20	7	2.17
BL06-3	796 225	8098 250	180	60	surface	25	1.00
					25	1	0.55
					36	3	1.15
					39	1	0.62
BL06-7	796 200	8098 225	180	60	surface	11	0.51
					12	57	2.06
				including	29	25	3.26
BL06-10	796 175	8098 275	180	60	surface	9	0.63
					73	37	0.96
BL06-11	796 150	8098 225	90	60	17	8	0.63
BL06-13 ▲	796200	8098 160	270	60	surface	30	3.41
				including	surface	18	4.21
BL06-14 <sup>#</sup> ▲	796200	8098 225	180	60	surface	2	1.23
					21	29	1.69
BL06-15 <sup>#</sup> ▲	796200	8098 200	000	60	47	61	2.70
				including	59	9	5.31

# Holes that terminated in mineralisation.

▲ Indicates newly reported result.