

31 January 2020

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ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2019

Redbank Copper Limited (ASX: RCP) ('the Company or Redbank') provides the following review of activities for the quarter ended 31 December 2019.

Since 2 August 2019, when new management took over, your directors have only provided an update on activity in the September 2019 quarterly report, having placed the Company in voluntary suspension on Wednesday, 7 August 2019 pending a comprehensive review of the financial status of the Company and assessment of the two exploration Projects: Redbank in the Northern Territory and Millers Creek in South Australia.

Up to the end of December 2019, your directors have now had 5 months to assess the financial position of the Company and evaluate the exploration potential of the Redbank and Millers Creek Projects.

Field work has been completed at the Redbank Project, applications have been made for additional areas with copper mineralisation to expand the Redbank Project and the financial position of the Company has been substantially improved.

A series of meetings have been held with the Northern Territory ('NT') Government to restore the reputation of the Redbank Project to enable active exploration for copper to occur over the project area while the NT Government prepares a plan within the Department or Primary Industry and Resources to fast track rehabilitation of the legacy mine site at Sandy Flat.

In October, a site visit to the Redbank Project was undertaken to assess the condition of the Redbank exploration camp and ability to re-commence exploration activities over the existing copper deposits and surrounding exploration leases.

As previously reported, the Redbank Project was abandoned in November 2015 and consequently, the exploration camp was in a state of dis-repair. The geological exploration office has since been reinstated with all historic maps now scanned and digitised within the Company's geological database. The core shed has been repaired to ensure that approximately 30,000m of diamond drill core from previous explorers' activities is protected against 'wet season' weather conditions.

A field program was planned and commenced in November 2019 to cover as much of the project area as possible and to integrate geological mapping by previous explorers. Field activity ceased in December 2019 due to commencement of the north Australian wet season. This 6 week field program collected 6,000 records of outcrop which now form a comprehensive geological database. Numerous previously unidentified breccia pipes have been mapped and collated with old pre-first World War surface workings. Many of these old working had shallow shafts to follow copper mineralisation beneath surface exposures.

Geological mapping has sought to place the high concentration of 'vertically oriented' cylindrical breccia pipes in some context to understand the ultimate source of high copper grades within these breccias. Locating breccia pipes exposed at surface is an easy exploration method. Some of these breccia pipes contain copper mineralisation; some do not.

These breccia pipes will be prioritised for follow up investigation including drilling. The ultimate prize at the Redbank Project is identification of horizontal oriented stratabound sediment hosted copper deposits.

Analogues to this style of deposit are the deposits at McArthur River, Century and Mt Isa. Potential host rocks for this type of deposit exist throughout the project area and have been correlated with the host rocks to the McArthur River and Century deposits. The potential for this deposit style has been appreciated by previous explorers over the project area such as Newmont, MIM (now Glencore) and CRA (now Rio Tinto). These companies were attracted to the Redbank Project area with a simple copper exploration philosophy of “hunting for elephants in elephant country”. However, these explorers got distracted by making large discoveries somewhere else or because all the copper mineralisation over the Redbank Project appeared to be hosted in vertically oriented breccia pipes which were economically difficult to mine with historic low copper prices and before modern mining techniques like block caving became common place.

During field mapping in November 2019, and following a review of publicly available data, the potential for copper mineralisation outside the existing Redbank Project tenements but in similar host rock became apparent. On 7 November 2019, Redbank applied for three new exploration licences covering an area of 2,336.77km². Once granted, these tenements will triple the Redbank Project area to 3,386.77km².

REDBANK PROJECT, NORTHERN TERRITORY

The Redbank Project is located in the far northeast of the Northern Territory with the eastern boundary of the tenement package along the Northern Territory / Queensland State border. Access to the Project area is via the Savannah Way, a well used road connecting Darwin with far north Queensland and two airstrips; one located at the Wollongorang Station and one located close to the Redbank Camp (see figure 2).

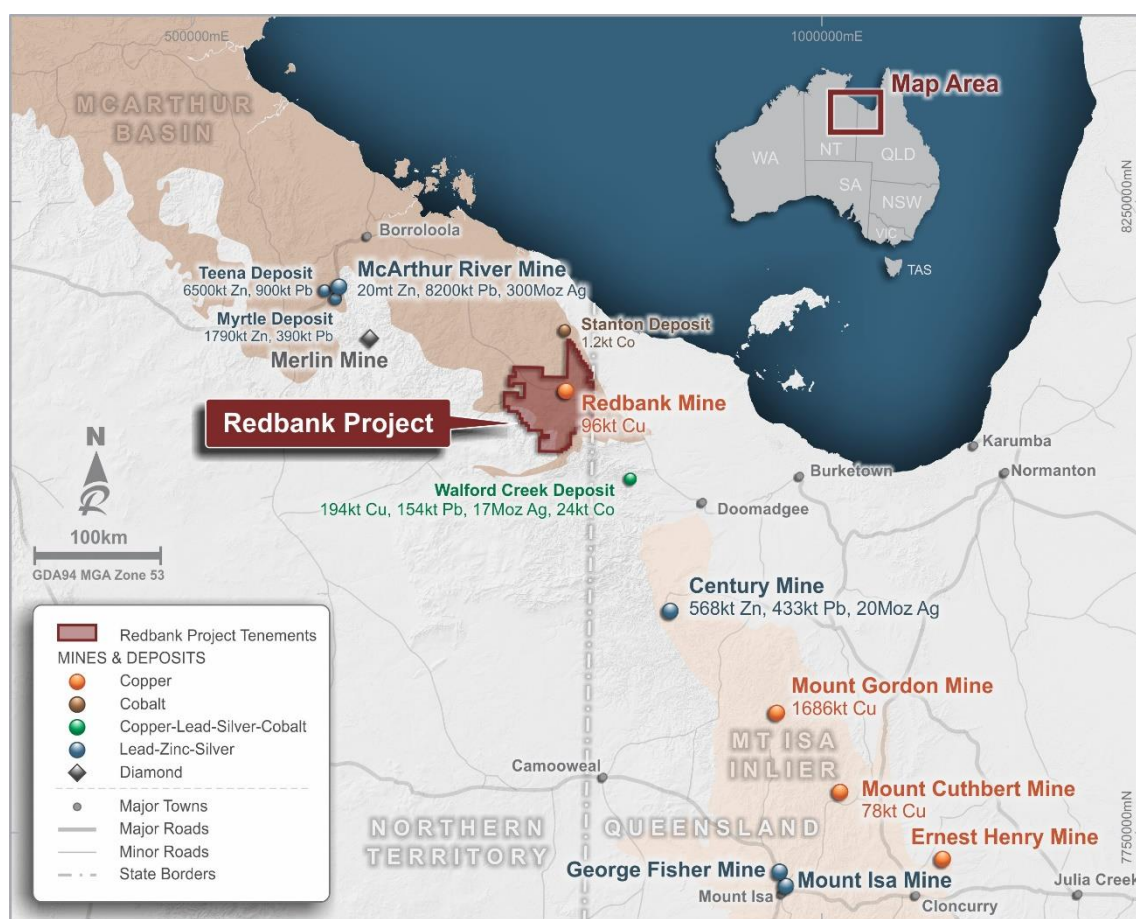


Figure 1. Redbank Project location relative to significant deposits

The Redbank Project comprises a total of 12 mining tenements: 2 mining leases both granted in 1973, 7 exploration licences and 3 exploration licence applications.

The Company is the largest holder of exploration tenements in the far-eastern McArthur Basin.

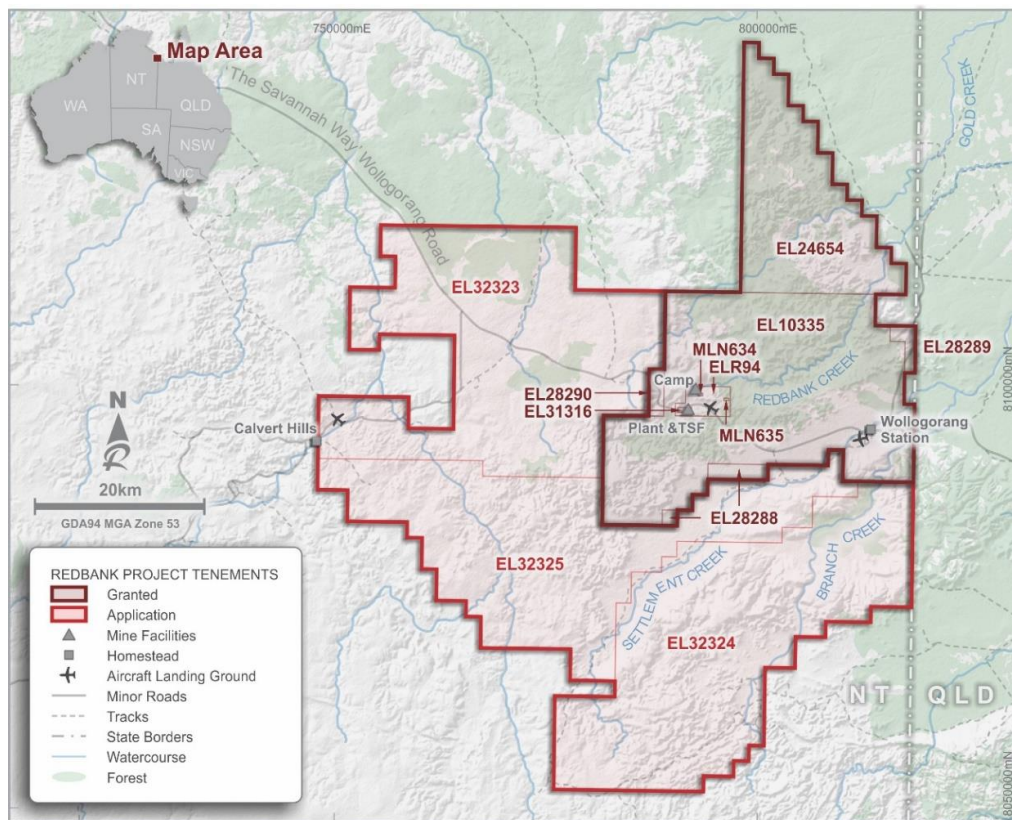


Figure 2. Redbank Project tenement location map

MILLERS CREEK, SOUTH AUSTRALIA

The Millers Creek Project comprises two exploration licenses over 1110 km² of tenure in the Gawler Craton in South Australia. The tenements, EL6247 (Millers Creek), and EL6321 (Kingoonya) are located in a well recognised IOCG (iron-oxide copper-gold) Belt, hosting IOCG deposits including Olympic Dam, Prominent Hill, and Carrapateena (see figure 3). Millers Creek and Kingoonya are located approximately 140km northwest of Woomera. EL6247 was granted on 7 September 2018 and EL6321 was granted on 28 February 2019.

The majority of the project area was previously held by IMX Resources Limited (previously known as Goldstream Mining NL). Limited exploration has occurred over the tenement area due to the long period in which the tenement was held by IMX Resources who focused on mining the Cairn Hill Deposit closer to Coober Pedy and exploration within the Mt Woods Inlier in joint venture with OZ Minerals Limited. The Project area was previously known as the Mt Paisley Project and exhibits two prominent coincident gravity and magnetic highs.

Gravity highs are a method of targeting IOCG mineralisation by detecting the increased density of iron within the broadly vertical cylindrical geometry of the IOCG system compared with less dense low-iron host rocks. There needs to be enough of a density contrast between the rocks forming the IOCG and the host rocks to record a gravity high anomaly.

Redbank has undertaken a new evaluation of the potential of the Millers Creek Project area to host IOCG mineralisation based on the observations of previously discovered IOCGs in the Gawler Craton using now standard and well understood mineralogically zoning patterns common to IOCG deposits. The project area exhibits a prominent series of NW-SE oriented faults. Esso undertook a gravity survey over an area then called Devils Playground identifying two discrete gravity highs (~12mGal anomalies) and drilled two holes commencing with pre-collar drilling in October 1980. These two holes, DP1 and DP2 were completed in 1981 and drilled approximately 4km apart. The holes intersected completely different rocks, suggesting that a major fault existed between the drill holes and that this fault had a significant 'throw' and was a horst-graben bounding fault. The drilling in 1981 by Esso was stimulated by Western Mining Corporation's discovery of the Olympic Dam deposit in 1975, however, the large coincident gravity and magnetic anomalies have never been explained by the rocks intersected in DP1 and DP2. Further geophysical interpretation work will be required to understand whether the host rocks intersected were close to the edge of IOCG style alteration.

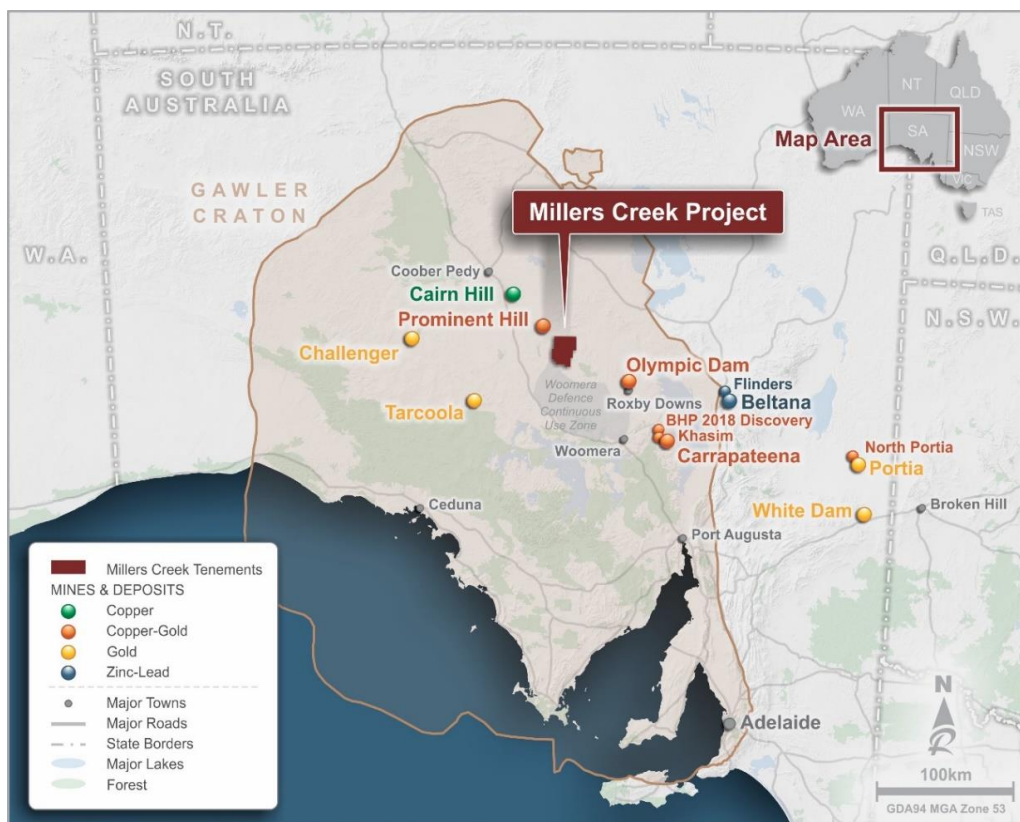


Figure 3. Millers Creek Project, South Australia relative to significant deposits

CORPORATE

Since new management was appointed, Redbank has actively engaged with creditors to settle outstanding debts for services supplied to Redbank. Most of these debts relate to services undertaken many years ago. A small group of creditors remain; these are companies primarily related to Michael Fotios. Commercial settlement of these outstanding claims, with offers to settle a reduced percentage of the amounts owing has resulted in a saving to Redbank of \$371,250.52.

On 26 October 2017, Redbank entered into a loan facility agreement with Delta Resource Management Pty Ltd ('Delta'), Investmet Limited ('Investmet') and Michael Fotios Family Trust ('MFFT'). These two companies and the family trust supported Redbank's ongoing exploration activities at the Redbank Project and at the Millers Creek Project since grant of the first tenement in September 2018. The total sum of money requested and loaned to Redbank was \$141,500. In addition, Delta, Investmet and MFFT paid a total of \$626,402.58 directly to companies supplying services to Redbank. On 23 December 2019, Delta, Investmet and MFFT requested payment of the outstanding debt from Redbank. Redbank has offered to settle this debt with a negotiated settlement.

On Tuesday 1 October 2019, Redbank Operations Pty Ltd ('Redbank Operations'), a wholly owned subsidiary of Redbank Copper Limited received a Magistrates Court General Procedure Claim from Ora Banda Mining Limited ('Ora Banda Mining') claiming \$34,962.44 against Redbank Operations following correspondence between Redbank Operations and Ora Banda Mining on 9 September 2019, regarding invoices issued by Ora Banda Mining to Redbank Operations for work during a period from 1 July 2014 to 15 June 2017. Redbank Operations will follow the process instigated by Ora Banda Mining to resolve the matter.

After the end of the Quarter on 21 January 2020, Redbank secured a loan facility of up to \$1M.

The Company remains in voluntary suspension and anticipates coming out of voluntary suspension on Monday, 24 February 2020.

This announcement has been approved and authorised for release by the Board of RCP.

Appendix 1: Tenement Schedule (ASX Listing Rule 5.3)

Mining tenements held at the end of the quarter and their location.

TENEMENT No.	LOCATION	INTEREST %	HOLDER
EL10335	NT	100	Redbank Operations Pty Ltd ¹
EL24654	NT	100	Redbank Operations Pty Ltd ¹
EL28288	NT	100	Redbank Operations Pty Ltd ¹
EL28289	NT	100	Redbank Operations Pty Ltd ¹
EL28290	NT	100	Redbank Operations Pty Ltd ¹
EL31316	NT	100	Redbank Operations Pty Ltd ¹
ELR94	NT	100	Redbank Operations Pty Ltd ¹
MLN634	NT	100	Redbank Operations Pty Ltd ¹
MLN635	NT	100	Redbank Operations Pty Ltd ¹
EL6247	SA	100	Redbank Copper Limited
EL6321	SA	100	Redbank Copper Limited

Note 1: Redbank Operations Pty Ltd is a wholly owned subsidiary of Redbank Copper Limited.

Mining tenements acquired during the quarter and their location

On 7 November 2019, applications were submitted for EL32323, EL32324 and EL32325 in the Northern Territory. These tenement applications are south and contiguous with the existing Redbank Project tenements. The applications are currently being reviewed by the NT Department of Primary Industry and Resources under a standard process which requires consultation with local aboriginal groups. It is expected that these tenements will have progressed through this process and be in a position to be granted by September 2020.

Mining tenements disposed of during the quarter and their location

Nil

The beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

Nil

The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Nil

SUMMARY OF CASH EXPENDITURE PER PROJECT

Project	Cash Expenditure \$'000
Redbank Project	-
Millers Creek Project	-
Total	-