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*Enquiries regarding this  
announcement can be directed to  
either:*

**Mr Jerome G Vitale**  
Managing Director and  
Chief Executive Officer

*or*

**Ms Susan J Field**  
Executive Director and  
Company Secretary

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

*e-lodgement*  
*6 Pages*

31 October 2008

## **First Quarter Cash Flow Report**

The Consolidated Entity's Cash Flow Report for the first quarter ending 30 September 2008 is attached.

Yours faithfully  
**Redbank Mines Limited**

A handwritten signature in blue ink, appearing to read "S. Field".

**Susan J Field**  
**Director and Company Secretary**

# 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

<b>Redbank Mines Limited</b>
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ABN

<b>66 059 326 519</b>
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Quarter ended ("current quarter")

<b>30 September 2008</b>
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### Consolidated statement of cash flows

#### Cash flows related to operating activities

	Current quarter \$A'000	Year to date 3 months \$A'000
1.1 Receipts from copper sale and related debtors	521	521
1.2 Payments for:		
(a) exploration and evaluation	(21)	(21)
(b) development (including scoping studies)	-	-
(c) rehabilitation	-	-
(d) production	-	-
(e) project management and care and maintenance – Mt Kasi, Fiji	(20)	(20)
(f) administration/corporate	(115)	(115)
(g) compliance	(34)	(34)
(h) operational expenses – Redbank Copper, NT	(432)	(432)
1.3 Dividends received	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(55)	(55)
1.6 Income taxes paid	-	-
1.7 Other	-	-
<b>Net Operating Cash Flows</b>	<b>(153)</b>	<b>(153)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) plant and equipment and capital works in progress	-	-
(b) equity investments	-	-
(c) capitalised exploration costs	(70)	(70)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) subsidiary	-	-
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	-	-
Proceeds received on behalf of Copperado JV	135	135
Payments made on behalf of Copperado JV	(107)	(107)
<b>Net investing cash flows</b>	<b>(42)</b>	<b>(42)</b>
<b>Total operating and investing cash flows (carried forward)</b>	<b>(195)</b>	<b>(195)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

	<b>Current quarter \$A'000</b>	<b>Year to date 12 months \$A'000</b>
<b>Total operating and investing cash flows</b> (brought forward)	<b>(195)</b>	<b>(195)</b>
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares	407	407
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	(51)	(51)
1.18 Dividends paid	-	-
1.19 Other (provide details if material)		
(a) Net proceeds from Directors loans	10	10
(b) Share Issue Expenses	(77)	(77)
<b>Net financing cash flows</b>	<b>289</b>	<b>289</b>
<b>Net increase (decrease) in cash held</b>	<b>94</b>	<b>94</b>
1.20 Cash at beginning of quarter/year to date	39	39
1.21 Exchange rate adjustments to item 1.20	(21)	(21)
1.22 <b>Cash at end of quarter ***</b>	<b>112</b>	<b>112</b>

- \*\*\* (i) The Company issued 12,500,000 fully paid ordinary shares at a price of 1.5 cents a share in October 2008 to raise \$187,500 in working capital.
- (ii) The Company anticipates an operating surplus from copper production at the Redbank Copper Project which is expected to make a contribution to the Company's working capital requirements during the December quarter.
- (iii) Subject to shareholder approval at AGM to be held on 28 November 2008, the Company plans to complete a share placement during the December quarter to raise additional working capital.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

	<b>Current quarter \$A'000</b>
1.23 Aggregate amount of payments to the parties included in item 1.2	44
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

**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.*

	<b>Amount available \$A'000</b>	<b>Amount used \$A'000</b>
3.1 Loan facilities	50	13
3.2 Credit standby arrangements	160	140

### **Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development including technical studies	50
<b>Total</b>	<b>100</b>

### **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.

	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Cash on hand and at bank	<b>101</b>	6
5.2 Deposits at call	<b>24</b>	59
5.3 Bank overdraft	<b>(13)</b>	(26)
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>112</b>	39

### **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 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	206,363,750	206,363,750		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	22,595,666 -	22,595,666 -		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	Expiry date
	4,000,000	-	\$0.090	20 Dec 2008
	4,000,000	-	\$0.096	30 Jan 2011
	18,294,444	-	\$0.020	31 May 2009
7.8 Issued during quarter	18,294,444	-	\$0.020	31 May 2009
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter *	-	-		
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

## **Compliance statement**

- 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 October 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.

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