



Redbank Mines Limited

A.C.N. 059 326 519
Level 2, BGC Centre
28 The Esplanade
Perth WA 6000

Phone:

+61 8 9322 6045

Fax:

+61 8 9481 5557

Email:

info@redbankmines.com.au

Website:

www.redbankmines.com.au



ASX Code: "RBM"

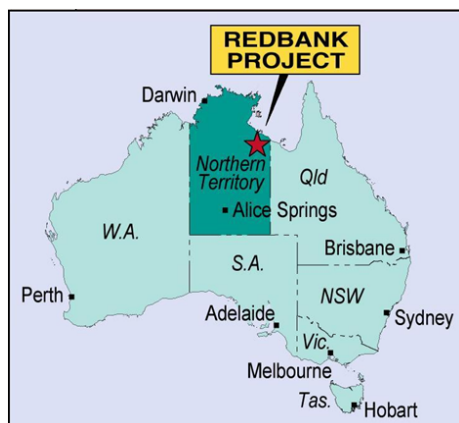
Enquiries regarding this announcement can be directed to either:

Mr Jerome G Vitale
Managing Director and
Chief Executive Officer

or

Ms Susan J Field
Executive Director and
Company Secretary

Phone +61 8 9322 6045



e-lodgement
2 pages

14th November 2008

**\$6.0 million Funding Package Agreed with
Crawley Investments Group**

The Company is pleased to announce that it has reached agreement with Crawley Investments Pty Ltd ("Crawley") to provide a funding package for a total of \$6.0 million.

Under the agreement Crawley has agreed to:

1. subscribe to \$1,000,000 in unsecured Convertible Notes;
2. underwrite a rights issue for up to \$3,500,000 to be completed on or before 31 March 2009, and
3. satisfy the Company's obligations under an existing facility of \$1,500,000 loan it owes to Macquarie Bank Limited and which matures at the end of February 2009.

Convertible Notes

The agreement with Crawley provides that the Company will issue 50.0 million convertible notes in two equal tranches, with each note to be convertible to one ordinary share. The notes will be interest free. Crawley holds approximately 19.88% of the Company and its right to convert the notes is subject to the Corporations Act, including the potential requirement of the approval of shareholders. The first tranche of 25m notes to raise \$500,000 is to be issued on 17 November 2008 and the second tranche of 25m notes on or before 15 December 2008. If not converted beforehand, the notes are to be redeemed by 31 December 2009.

Rights Issue

The rights issue will be fully underwritten by Crawley for a fee of 4.0% of funds raised. Pricing for the issue is to be determined by reference to the volume weighted average price (VWAP) of the Company's shares traded on ASX in the 30 days preceding the announcement of the details of the issue and the final timetable. The underwriting is subject to formal documentation and the usual termination events, including if ASX All Ordinaries Index falls by 15% or the price of copper on the London Metals Exchange falls by 20%.

Re-financing of Macquarie Bank Facility

Crawley may satisfy the facility through either (i) an assignment of the loan, in which case the loan will be extended for 2 years with an option to convert the loan to equity at 30 day VWAP prior to the date of conversion and or (ii) making debt or equity available to the Company on arms length terms to enable the loan to be repaid.

Under an existing agreement with Glencore International AG, Glencore has the first right of refusal to provide the Company with loan funds with which to refinance the Macquarie loan (refer Prospectus issued by the Company on 13 December 2007, at page 21). The re-financing arrangements with Crawley are subject to Glencore not exercising this right.

The raising of these funds will considerably enhance the Company's financial position and enable the Company to pursue its stated business objectives, including the completion of the Definitive Feasibility Study for its high grade Redbank Copper Project in the Northern Territory.

**Yours faithfully,
Redbank Mines Limited**



**Jerome G Vitale
Managing Director**

Redbank Mines Limited – Background Information

Redbank Mines is an Australian based ASX-listed mining company (ASX: **RBM**) focused on the development of the Redbank Copper Project in the north-eastern part of the Northern Territory. The Company holds a substantial ground position (> 2,200 km² granted or under application) including the centre of the Redbank Mineral Field which hosts significant economic copper mineralization and is highly prospective for copper, cobalt, phosphate, manganese and uranium.

The Redbank Copper Project comprises a number of mineralised breccia pipes with known copper mineralization at least to the depth of drilling of around 300 metres from surface. The key pipes comprising the Bluff, Sandy Flat, Azurite, Redbank and Punchbowl deposits contain delineated JORC classified resources of **5.2m tonnes at a grade of 1.44% copper (75,000t of contained Cu metal)** as reported on Page 17 of the Company's 2008 Annual Report. Numerous additional breccia pipes have been identified and an ongoing exploration effort is planned to test these pipes for further economic grade mineralization that could add to and extend the mine life of the project.

The Company acquired the project in December 2005 and is presently treating high grade (~5.0% Cu) oxide stockpiles via a vat leaching of ore to produce a high grade, high quality concentrate in the form known as copper cement (approx 85% copper on a dry weight basis). The treatment of these stockpiles is expected to continue until Q2 of calendar 2009 by which time the minesite area will be cleared in readiness for development.

The Company completed a preliminary feasibility study (PFS) on the project in November 2007. The study demonstrated the technical and financial viability of the project based on a staged development plan comprising mining and treatment of oxides from the Bluff, Azurite and Redbank deposits followed by mining of sulphides from the Sandy Flat and Bluff deposits. Existing mine infrastructure, camp facilities, airstrip and roads will result in a relatively low capital cost to bring the project into commercial production, which will ramp up to annual copper metal production of 6,000 tpa over 2 years. The initial mine life based solely on mining of the top 100 metres of the known deposits is five years.

The Company has commenced a definitive feasibility study (DFS) scheduled for completion in the second half of 2008 with commercial scale operation for the oxides stage of the project to start by the third quarter of 2009.

Redbank Mines has an exploration joint venture with Glencore International covering approximately 805km² of its overall ground position, to the north east of the minesite area which is 100% owned by the Company (within ERL 94). Glencore has the opportunity to earn a 50% interest in the JV (EL 24654) by sole spending \$1.0m over two years, with a minimum expenditure requirement during calendar 2008 of \$0.5m.

The Company has also signed an off-take agreement with Glencore for the life of mine, based on market based spot price of copper, confirming the high quality of its concentrates and ensuring that it has a ready market for the mine output.

Additional information is available at www.redbankmines.com.au