



Redbank Copper Limited

143 Hay Street Subiaco
Western Australia 6008

Telephone: + 61 8 6389 6400

Facsimile: + 61 8 6389 6410

19 August 2009

Dear Shareholder

Invitation to Participate in Shareholder Share Purchase Plan

The Board of Directors of Redbank Copper Limited (ABN 66 059 326 519) (**Redbank** or **Company**) has approved the introduction of a Shareholder Share Purchase Plan (**Plan**).

Shareholders Eligible to Participate in the Plan

The right to participate in the offer under the Plan is available exclusively to those persons who are registered as holders of fully paid ordinary shares in the capital of Redbank (**Shares**) at 5pm (WST) on the Record Date of **18 August 2009** and whose registered address is in Australia (**Eligible Shareholders**).

Share Purchase Plan

The Board is pleased to offer to all Eligible Shareholders an opportunity to participate in the Plan. Details of the offer are set out in this letter and the enclosed Terms and Conditions together with an Entitlement and Acceptance Form.

The Plan entitles Eligible Shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares at a price equal to a **15% discount** to the volume weighted average trading price of the Company's shares on ASX during the 5 trading days immediately prior to the closing date of this offer, free of brokerage and commission (**Offer**).

The average trading price of the Shares on ASX Limited (**ASX**) during the 5 trading days immediately prior to the announcement date of this Offer was (\$0.024).

Current Projects

Details of the Company's current activities are set out in the announcements made by Redbank to the ASX and are available from the ASX or Redbank's website at www.redbankcopper.com.au

The funds raised under the Plan will be used by the Company to increase working capital and to fund the Company's current activities.

Subscription and Application Procedure

If you would like to participate in the Offer, please return your completed Entitlement and Acceptance Form (enclosed), together with your cheque for the subscription monies for the Shares you wish to acquire to Computershare Investor Services Pty Limited, on or before the **Closing Date of 5pm (WST) on 4 September 2009**. No late applications will be accepted.



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Once the purchase price has been established, the number of Shares to which you are entitled will be calculated by dividing the subscription amount you have elected by the purchase price per Share.

The amount you may invest under the Plan is limited. You may only apply for **one** of the following parcels of Shares:

- (a) an investment of \$2,500;
- (b) an investment of \$5,000;
- (c) an investment of \$7,500; or
- (d) an investment of \$15,000.

The maximum investment any shareholder may apply for will remain \$15,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account). The Company reserves the right to reject any applications where there is non-compliance with this rule or any other term of the Plan.

Additional Information and Important Dates

The Offer cannot be transferred and the Directors of the Company reserve the right to reject any application over \$15,000 or not in accordance with the restrictions set out above. Shares allotted under the Plan will be issued no later than 5 business days after the Closing Date of the Offer. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

The maximum number of Shares that may be issued pursuant to this Offer is 242,577,375. In the event of an oversubscription by the Closing Date the Directors may, in their absolute discretion, scale-back all applications on a pro-rata basis.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

On the trading day immediately prior to the announcement date of the Offer, the closing price of the Shares traded on ASX was 2.1 cents. The market price of the Shares in the Company may rise and fall between the date of the Offer and the date that any Shares are allotted to you as a result of your acceptance of this Offer. This means that the subscription price you pay for the Shares may exceed the market price of the Shares at the date of allotment of Shares under this Offer. The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of Shares in the Company prior to accepting this Offer.



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Shortfall Placement

In the event that less than 242,577,375 Shares are applied for pursuant to this Offer, the shortfall may be placed at the discretion of the directors.

Indicative Timetable

Announcement Date of Plan	18 August 2009
Record Date (5.00pm WST)	18 August 2009
Opening Date of Offer	19 August 2009
Closing Date of Offer	4 September 2009
Issue of Shares under the Plan	7 September 2009
Dispatch date for holding statements	8 September 2009
Quotation of Shares on ASX	15 September 2009

These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, shareholders are encouraged to submit their Entitlement and Acceptance Forms as early as possible.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company Secretary, Ms Ildiko Wowesny, on (08) 6389 6800.

Yours faithfully

Bruce Morrin
Managing Director
Redbank Copper Limited



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Shareholder Share Purchase Plan - Terms and Conditions

Purpose

The purpose of the Shareholder Share Purchase Plan (**Plan**) is to offer shareholders of Redbank Copper Limited ABN 66 059 326 519 (**Redbank** or **Company**) the opportunity to acquire additional fully paid ordinary shares in the Company (**Redbank Shares**) up to a maximum of A\$15,000 in any 12 month period at, potentially, a discount to the market price of Redbank Shares on the financial market operated by ASX Limited (**ASX**) without the need to pay brokerage costs and without the need for Redbank to issue a Prospectus, upon such terms and conditions as the board of directors of Redbank, in its absolute discretion, sees fit.

Shareholders eligible to participate

Eligible shareholders of Redbank Shares that are registered with an Australian address at the relevant record date may participate in the Plan. Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

Participation in the Plan is optional and is subject to these terms and conditions. Offers made under the Plan are non-renounceable (i.e. eligible shareholders may not transfer their rights to any Redbank Shares offered under the Plan).

An offer may, at the discretion of the directors of Redbank, be made under the Plan once a year. The maximum amount, which any shareholder may subscribe for in any consecutive 12 month period, is A\$15,000. The directors of Redbank may also determine in their discretion the minimum amount for participation, the multiple of Redbank Shares to be offered under the Plan and the period the offer is available to eligible shareholders.

Price of Redbank Shares

The price of Redbank Shares to be issued under the Plan will be determined by calculating a discount to the volume weighted average market price of Redbank Shares quoted on ASX during the period 5 trading days immediately prior to the date of the Offer or the date Shares are issued pursuant to the Offer.

Applications and Notices

At the discretion of the directors of the Company, Redbank will send eligible shareholders a letter of offer and acceptance procedures, inviting them to subscribe for Redbank Shares under the Plan, and accompanied by the terms and conditions of the Plan and an entitlement & acceptance form. Applications will not be accepted after the closing date of an offer. Over subscriptions to an offer may be refunded without interest.

Notices and statements made by Redbank to participants may be given in any manner prescribed by its Constitution.

Underwriting

An Offer may be underwritten and the underwriters and/or sub-underwriters may be issued with Shares pursuant to the Plan where one or more of the eligible shareholders fail to subscribe for the maximum number of shares available to them under the Offer. The Directors may pay a broker's fee to Underwriters.

Issue of Redbank Shares

Redbank Shares to be issued under the Plan will be issued as soon as reasonably practicable after the closing date specified by the Directors of Redbank in the relevant offer.

Redbank Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in Redbank from the date of issue.

Shareholding statements or CHESSE notification will be issued in respect of all Redbank Shares issued under the Plan. The Company will, promptly after the issue of Redbank Shares under the Plan, make application for those Redbank Shares to be listed for quotation on the official list of ASX.

Modification and Termination of the Plan

Redbank may modify or terminate the Plan at any time.

Redbank will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, Redbank may issue to any person fewer Redbank Shares than the person applied for under the Plan if the issue of the Redbank Shares applied for would contravene any applicable law or the Listing Rules of ASX.

Dispute Resolution

Redbank may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or Redbank Shares. The decision of Redbank in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

Redbank reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of Redbank under these conditions may be exercised by the directors of Redbank or any delegate of the directors of Redbank.

Questions and Contact Details

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stockbroker or professional adviser or Company Secretary, Ms Ildiko Wowesny, on (08) 6389 6800.



Redbank Copper Limited

ABN 66 059 326 519



All correspondence to:
Computershare Investor Services Pty Limited
GPO Box D182 Perth
WA 6840 Australia
Enquiries (within Australia) 1300 557 010
(outside Australia) 61 3 9415 4000
web.queries@computershare.com.au
www.computershare.com

< BARCODE OF SRN / HIN >

Record Date: 5pm (WST) on 18 August 2009

Holder Identification Number (HIN):
X000000000

Shareholder Share Purchase Plan Entitlement and Acceptance Form Offer Closes 5.00pm (WST) 4 September 2009

This is an offer to eligible shareholders to subscribe for additional shares in Redbank Copper Limited (**Redbank or Company**) under the Terms and Conditions of the Redbank Shareholder Share Purchase Plan (**Plan**) accompanying this form and letter from the Managing Director.

- The **maximum subscription** you can make is \$15,000.
- The **minimum subscription** you can make is \$2,500.
- Alternatively, you can subscribe for \$5,000 or \$7,500 worth of Shares. However, the number of Redbank shares offered under the Plan is limited. The Directors reserve the right to accept oversubscriptions although in the event that oversubscriptions are received, the Directors may, in their absolute discretion, scale-back all applications on a pro-rata basis.

The price per Share will be equal to a **15% discount** to the volume weighted average trading price of the Company's shares on ASX during the 5 trading days immediately prior to the closing date of the Offer (**Purchase Price**).

The market price of shares in Redbank may rise or fall between the date of this offer and the date that the shares are allotted to you. This means that the subscription price you pay for the shares may exceed the market price of the shares at the date of allotment of the shares under this offer. We recommend that you obtain your own financial advice in relation to this offer and consider price movements of shares in Redbank prior to accepting this offer.

The maximum subscription for each shareholder will apply **even if a shareholder received more than one offer** (whether in respect of a joint holding or because the shareholder has more than one holding under separate share accounts). Redbank reserves the right to reject any application where this rule has not been complied with.

By accepting the Offer you agree to be bound by the Terms and Conditions of the Redbank Shareholder Share Purchase Plan and the Constitution of Redbank.

APPLICATION FOR SHARES

I/we being the above mentioned, being registered as ordinary shareholder(s) in Redbank as at the record date of 5pm (WST) on 18 August 2009, do hereby apply for the number of ordinary shares in Redbank as indicated below at the Purchase Price per share issued in accordance with the Terms and Conditions of the Redbank Shareholder Share Purchase Plan. I/we confirm that the total cost of shares purchased by us (including through joint holding(s), multiple share accounts or any holding in which I/we have a beneficial interest(s) does not exceed \$15,000 in accordance with the Applicants Certification and Confirmation.

To participate in the Shareholder Share Purchase Plan shareholders must select only one of the following options. Please mark the selected box.

Paperclip cheque(s) here
Do not staple

Please see overleaf for Payment Options

\$15,000 INVESTMENT

\$7,500 INVESTMENT

\$5,000 INVESTMENT

\$2,500 INVESTMENT

Please complete the following cheque payment details:

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Cheques should be made payable to "Redbank Share Purchase Plan Account" and crossed "Not Negotiable".

Contact Name

Telephone Number - Business Hours / After Hours
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Applicant's Certification and Confirmation

- 1 By lodging this Entitlement and Acceptance Form you certify that the aggregate of the application price for the following does not exceed \$15,000 of:
- (a) the Redbank ordinary shares that are the subject of this application; and
 - (b) any other Redbank ordinary shares applied for by you under the Plan (or any similar arrangement in the 12 months prior to the application), whether:
 - (i) in your own right, or
 - (ii) jointly with one or more persons, or
 - (iii) in your capacity as a beneficiary (as defined below),
- but not including in your capacity as a trustee or nominee where it is expressly noted on Redbank's register of members that your shareholding is held on account of another person.
- If 2 or more persons are recorded in the register of members as jointly holding the Redbank shares to which this entitlement relates, they are taken to be a single registered holder and this certificate given by any of them is taken to be given by all of them.
- If a trustee or nominee is expressly noted on Redbank register of members as holding the shares to which this entitlement relates on account of another person (the "beneficiary"), this certification and confirmation is taken to be given by the beneficiary in respect of him/her/itself (and not the trustee or nominee).
2. By lodging this form with your cheque you confirm that you have read, understood and agreed to the terms and conditions of the Plan.

Notes

- The terms and conditions of the Shareholder Share Purchase Plan accompanying this form should be read carefully.
- No priority will be afforded to applications on the basis of the date of receipt of such applications.
- Payments may only be made by cheque or bank draft in Australian dollars and drawn on an Australian branch of a financial institution.
- Cheques or bank drafts are to be made payable to: "**Redbank Share Purchase Plan Account**" and crossed with "Not Negotiable".
- Cheques will be deposited on their day of receipt. Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured. Receipts for payment will not be issued.
- Cash payments will not be accepted via the mail.
- If you wish to accept this offer please return this Entitlement and Acceptance Form duly completed together with a cheque for the subscription amount, in the envelope provided, by **5.00pm (WST) on 4 September 2009**.
- Redbank may reject an acceptance of this offer, in its absolute discretion, if this form is not completed in accordance with this offer, is incomplete or if the exact amount payable is not tendered with this form.

Receipt by Redbank of this form duly completed, together with the full subscription amount, will constitute acceptance in accordance with the terms and conditions of the Shareholder Share Purchase Plan and the Constitution of Redbank by the shareholder named on this form. A signature on this form is not required.

This offer is non-renounceable and as such may only be transferred after the shares are allotted.

QUESTIONS AND CONTACT DETAILS

If you have any questions regarding the Shareholder Share Purchase Plan or how to deal with this Offer, please contact your stockbroker or professional adviser or Ildiko Wowesny, Company Secretary, on (08) 6389 6800.

Addresses:

By Post

PO Box 870, West Perth, Perth WA 6872

By Hand

Level 1, 143 Hay St, Subiaco, Western Australia 6008

Return this form and cheque in the enclosed business reply paid envelope provided.

Offer Closes 5.00pm (WST) 4 September 2009