

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2020

Redbank Copper Limited ('the Company' or 'Redbank') (ASX: RCP) provides the following review of activities for the quarter ended 31 March 2020.

HIGHLIGHTS

Exploration

Sandy Flat Rehabilitation Project

On 16 March, directors, investors and geologists visited the Sandy Flat Mine to view Northern Territory wet season conditions and undertake a site assessment prior to submitting a proposal to the Northern Territory Government to rehabilitate the Sandy Flat Mine Site.

On 17 March, Redbank submitted a proposal to rehabilitate the Sandy Flat Mine Site to the Northern Territory Department of Primary Industry and Resources, the Traditional Owners and the Northern Land Council. A detailed proposal incorporating a fully costed hydro-metallurgical process to remove copper from pit water will be submitted in May.

Redbank consider this proposal and future operation of a rehabilitation project as a first stage in creating a social licence to operate as an active exploration company in the far northeast of the Northern Territory.

Redbank Project

Activity focused on proving technology to remove copper from pit water and surface stockpiled rock as part of the Sandy Flat Mine Site Rehabilitation Project.

Redbank continues to collate data from Redbank Project fieldwork completed in 2019 with historic exploration data. 14 pallets of archived technical reports and drill core delivered by Delta Resource Management Pty Ltd to Redbank in March reveal multiple feasibility studies which have not been integrated into a single database. Collation of these studies will enable rapid evaluation of the Redbank Project.

Project Funding

Successful loan funding secured of \$1M on 21 January and \$1.5M secured on 10 February. The '21 January' \$1M loan facility has since been fully repaid on 11 February.

Capital Raising of \$4M to \$6M announced on 10 February has been postponed until later this year after the Shareholder Meeting scheduled for 21 May.

Cash Position

Redbank's cash at bank as at 31 March is \$723K with expenditure reduced to manage core activities.

COVID-19

Redbank continues to monitor public information on the virus and remains focused on the health and wellbeing of contractors through the implementation of suitable protocols to minimise the potential transmission of COVID-19 and strict adherence to Government directives. A meeting with traditional owners at Borroloola in the Northern Territory on 17 March was cancelled and instead this meeting was held via teleconference from the Northern Territory Department of Industry and Resources offices in Darwin. All directors and contractors in the Northern Territory returned to Western Australia by 20 March, prior to closure of the WA/NT border on 24 March.

ASX
ANNOUNCEMENT
ASX Code: RCP

30 April 2020

DIRECTORS & MANAGEMENT

Michael Hannington
Executive Chairman

Daryl Henthorn
Non-Executive Director

Keith Middleton
Non-Executive Director

Kelly Moore
Company Secretary

A: 1A Agnew Way,
Subiaco WA 6008

P: PO Box 924,
SUBIACO WA 6904

PH: +61 8 6558 1859
FAX: +61 8 9380 8300

e: info@redbankcopper.com.au
www.redbankcopper.com.au

ACN: 059 326 519
ABN: 66 059 326 519

EXPLORATION ACTIVITIES

SANDY FLAT REHABILITATION PROJECT, NORTHERN TERRITORY

The Company first investigated the potential to extract copper from pit water in the Sandy Flat open pit in 2006 (see ASX announcement on 18 October 2006). In 2006, Ammtec Ltd (now ALS Metallurgy), undertook testwork using resin technology to provide a hydro-metallurgical solution to extract copper from pit water. This test work did not result in any commercial copper extraction operation.

In September 2019, following appointment of new management in August 2019 and meetings in Darwin with the Northern Territory Department of Primary Industry and Resources ('DPIR'), it was clear that the copper in pit water had not changed, however, the status of the Sandy Flat Mine Site had materially changed.

On 29 June 2016, Redbank's wholly owned subsidiary, Redbank Operations entered into an agreement with the Northern Territory and the Northern Territory's Controller of Water Resources.

This agreement stated that:

1. The Sandy Flat Mining Site was the subject of mining activities by a previous operator (not being Redbank) and prior to Redbank's purchase (see ASX announcement on 31 August 2005 by Burdekin Pacific Limited (as Redbank was then called)) that caused disturbance of the mining site. Redbank is not required under any law applying in the Northern Territory to remediate or rehabilitate or provide security bonding in relation to that disturbance.
2. It is believed that the Mining Site is the source of pollution which affects the surrounding environment.
3. To facilitate the Northern Territory's access to the Mining Site to carry out works to enable improved environmental outcomes for the Mining Site and its surrounds, Redbank wishes to surrender the Mineral Leases and remove certain items of Redbank's equipment from Site.

Following this agreement, Redbank relinquished 5 MLs over the Sandy Flat Mine Site and these were replaced with a single exploration licence, EL31316.

Consequently, since 29 June 2016, the Northern Territory has borne the liability to undertake environmental remediation of the Sandy Flat Mine Site using funds levied from miners and explorers operating in the Northern Territory.

This quarter, ALS Metallurgy completed hydro-metallurgical test work on a sample of Sandy Flat pit water collected on a site visit in October 2019. Test work confirms current resin-bead technology in an existing ion exchange unit can successfully extract copper from Sandy Flat pit water. Redbank will secure the rights to this ion exchange (IX) unit. This IX unit is capable of being transported to the Sandy Flat Mine Site to undertake copper extraction from pit water. This work was identified in Redbank's Investor Presentation in February (see ASX announcement on 10 February, in particular, slides on p10 and p13).

On 17 March, Redbank submitted a proposal to rehabilitate the Sandy Flat Mine Site to the Northern Territory Department of Primary Industry and Resources, the Traditional Owners and the Northern Land Council.

The Proposal to rehabilitate the Sandy Flat Mine Site provides a number of advantages to Redbank including:

1. Re-establish activity at the Redbank Project and re-engage with Traditional Owners and Pastoralists as part of a social licence to operate
2. Contribute to environmental remediation at the Sandy Flat Mine Site and the creek system downstream
3. Refurbish the Redbank Exploration Camp as a base of exploration for the large tenement holding
4. Generate cash flow from the extraction and sale of copper in the form of liquid copper sulphate

Sandy Flat Operations Pty Ltd, a wholly owned subsidiary of Redbank is preparing a detailed proposal to undertake this rehabilitation, including a costed process flow sheet with the ability to discharge potable water into the creek systems downstream of the Sandy Flat Mine Site (see figure 1).

The detailed rehabilitation proposal will be delivered to the Redbank Working Group in May 2020.

Redbank considers that rehabilitation of the Sandy Flat Mine Site is critical to securing a 'social licence to operate' with the Traditional Owners and Northern Territory Government Departments.

The detailed proposal will take advantage of advances in ion exchange resin bead technology, use of large solar panel arrays and batteries to provide off-grid power, as already exists nearby at Borroloola and the immediate availability of an ion exchange unit capable of being mobilised to commence operation at the Sandy Flat Mine Site following permission by Traditional Owners and the Northern Territory Government.

In addition, some repair work was undertaken at the Redbank Exploration Camp located 2km from the Sandy Flat Mine Site. Refurbishment of the camp will provide accommodation for personnel undertaking the rehabilitation and Traditional Owners and Northern Territory Government agency staff to monitor the rehabilitation project as de-watering and removal of copper progresses.



Figure 1. View of the Sandy Flat Mine Site showing the flooded open pit and surface infrastructure

REDBANK PROJECT, NORTHERN TERRITORY

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

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 Wologorang Station and one located close to the Redbank Camp (see figure 2).

Redbank continues to collate data from Redbank Project fieldwork completed in 2019 with historic exploration data. 14 pallets of archived technical reports and drill core delivered by Delta Resource Management Pty Ltd to Redbank in March reveal multiple feasibility studies which have not been integrated into a single database. Collation of these studies will enable rapid evaluation of the Redbank Project.

A site visit to the Redbank Project in March reviewed two core sheds containing approximately 21,000m of diamond drill core. Once restrictions on movement of personnel is removed, key drillholes from this core will be scanned to collect high resolution images and XRF (elemental composition). This work will provide information to include in an update to the existing mineral resource estimate of 6.27Mt @ 1.5% Cu

(JORC2004)(refer to Annual Mineral Resource Statement and announcements released to ASX on 27 October 2011 and Prospectus released on 13 February 2013).

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 (see figure 3).

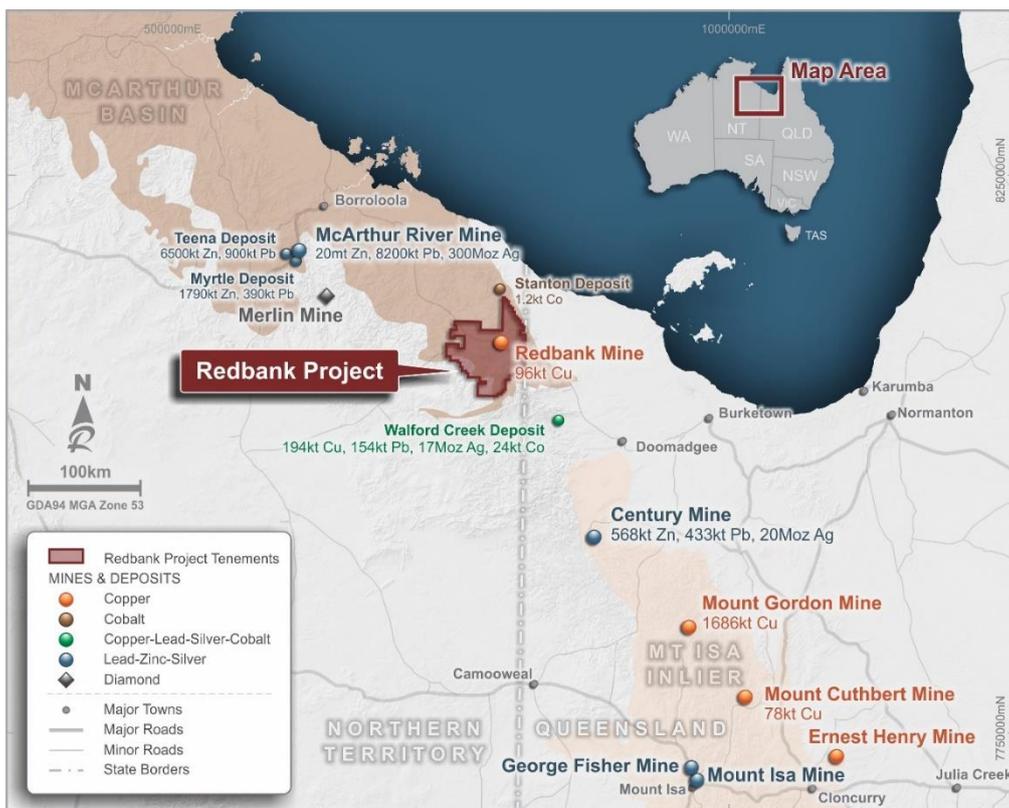


Figure 2. Redbank Project location relative to significant deposits

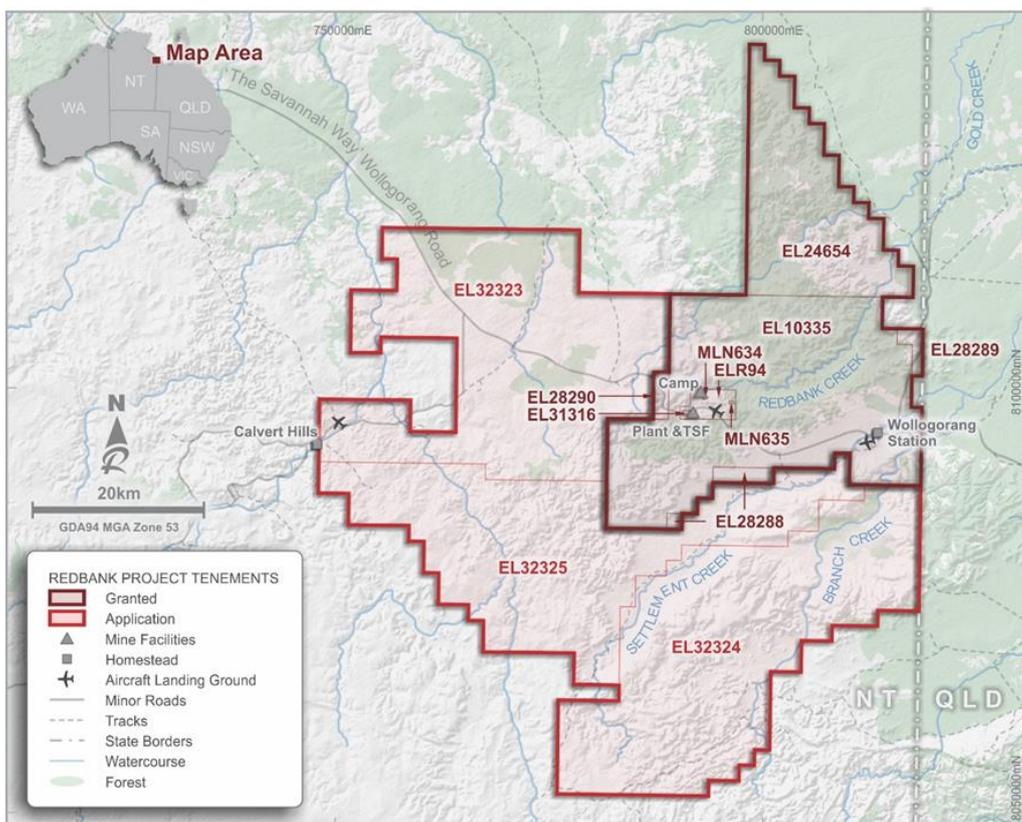


Figure 3. Redbank Project tenement location map

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 Belt, hosting IOCG deposits including Olympic Dam, Prominent Hill, and Carrapateena (see figure 5). 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.

On Friday 3 April, the Minister for Energy and Mining in South Australia, Dan van Holst Pellekaan announced the immediate deferral of mineral exploration licence fees due in the next six months. These licence fees will now not be due until 31 December 2020. The Minister also confirmed a 12-month waiver of committed expenditure for all mineral exploration licence holders.

Consequently, Redbank will conserve its cash and defer expenditure on the Millers Creek project and re-assess once COVID-19 border restrictions on movement of Company personnel between WA and SA are removed.

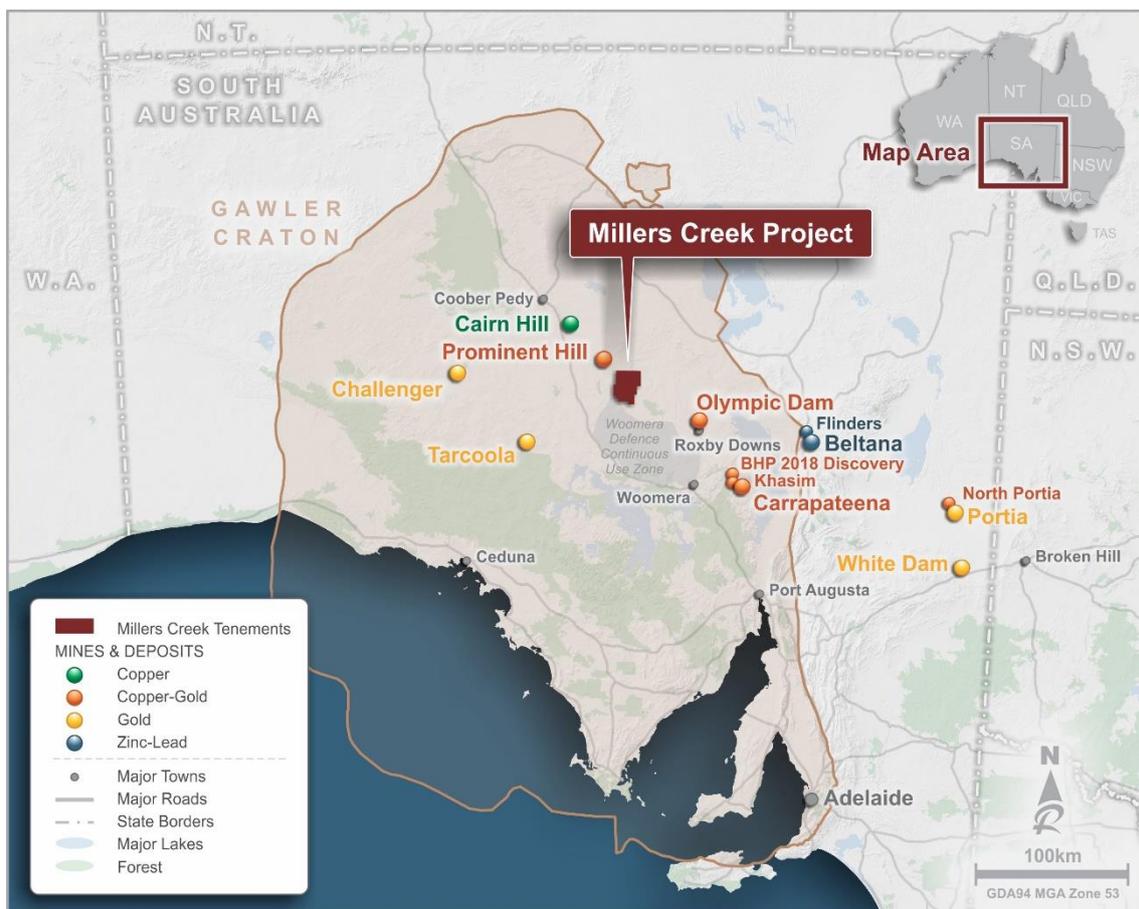


Figure 4. Millers Creek Project, South Australia relative to significant deposits

CORPORATE ACTIVITY

Cash Position

Redbank's cash at bank as at 31 March is \$723K with expenditure reduced to manage core activities pending a capital raising later this year after the Shareholder Meeting on 21 May.

Unmarketable Parcel Facility

The Small Share parcel sale facility closed on 11 March (see ASX announcement on 12 March). This facility enabled shareholders with less than \$500 of Redbank shares to sell their shares in the Company without incurring any brokerage fees.

Project Funding

During the quarter, the Company successfully entered into two loan facilities: one for \$1M (see ASX announcement on 21 January) and one for \$1.5M (see ASX announcement on 10 February).

The loans provided funding towards:

1. Hydro-metallurgical testwork to determine the amenability of extracting copper from pit water contained within the Sandy Flat open pit; and
2. Ongoing evaluation of the Redbank mineral resources.

On 10 February, Redbank announced a capital raising of \$4M to \$6M and provided an Investor Presentation on the Company's activities, the status of the Redbank and Millers Creek Projects and intended use of funds for the capital raising.

A Notice of Meeting ('NoM') to Redbank shareholders was drafted to, amongst other things, seek approval from Shareholders to issue new shares in the Company to sophisticated investors subscribing for \$4M to \$6M of shares. The NoM was submitted to the ASX on 12 February for approval. The resolution to issue new shares for the capital raising was declined by the ASX.

The Company's cash position as reported this quarter has substantially improved and expenditure on the Projects is now being capitalised with a clear strategy on exploration and development of the Sandy Flat, Redbank and Millers Creek Projects.

The Company remains in voluntary suspension and anticipates coming out of voluntary suspension later this year and after the Meeting of Shareholders on 21 May.

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

Nil

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
Sandy Flat Project	70
Redbank Project	77
Millers Creek Project	87
Total	234