

MEMORANDUM

REDBANK COPPER LIMITED

TO: Peter Remta
FROM: Bruce Morrin
DATE: 20 December 2011
SUBJECT: Wologorang Joint Venture Update: Masterton Operation Report 2011

The Wologorang Joint Venture was negotiated during the early part of 2011 between Hartz Range Mines Pty Ltd and Redbank Operations Pty Ltd and their parent companies Gulf Mines Limited and Redbank Copper Limited on the northern section of EL10335 (map attached).

Data on previous exploration work was acquired from the Earville Office, Queensland of Hartz Range/Gulf Mines by Redbank's Exploration Manager, John Ceplecha.

Following the signing of the Wologorang Joint Venture on 26 July 2011, Redbank was involved in the planning and budgeting for the exploration work necessary for the Farm-in requirement of the Joint Venture.

A comprehensive exploration programme using HeliTEM was originally planned to assist in the identification of RC drilling targets.

As the year progressed the exploration programme was reduced due to funding constraints.

The HeliTEM programme was cancelled for 2011, but the RC drill programme got underway late in the exploration season in November 2011 and targeted the Masterton mineralised area.

A Mining Management Plan (MMP) was prepared and approved by NT Department of Resources to cover 8 selected drill sites (7 – 10 sites estimated) at Masterton and a Security Bond paid.

The Masterton sites were on uneven terrain required earthwork for access track and drill pads.

Earthmoving gear arrived on site at about the same time as the RC drill rig. The earthmoving equipment was coordinated by Brash Construction through the Exploration Manager, and the drill contractor was OME Drilling of Charters Towers, Queensland.

Whilst the Masterton drill pads were being prepared the drill rig was utilised on exploration work on ERL 94 (a Redbank lease).

The drill rig moved to the first Masterton site on 20 November 2011.

The metres drilled were:

- 11MSTRC 01 139m
- 11MSTRC 02 82m
- 11MSTRC 03 19m pulled out due to rain making the site unworkable

Local rainfalls at Redbank were recorded as:

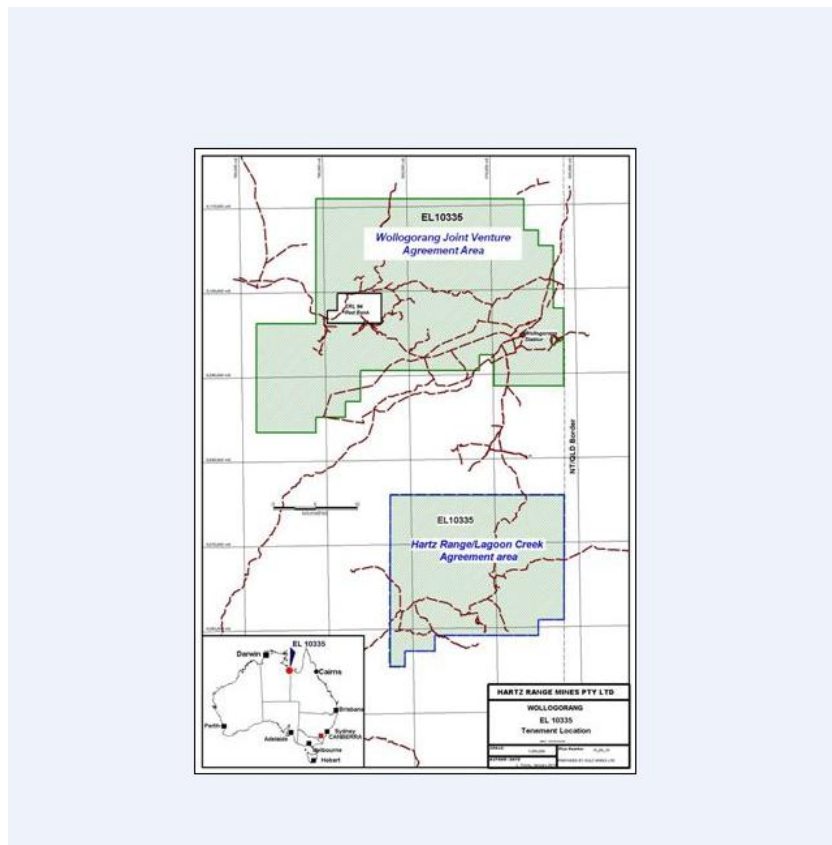
- 21 November 37mm
- 22 November 7mm
- 23 November 7mm
- 24 November 37mm
- Total November rain 132mm

At the time reports of rain fall and resultant conditions on main access roads indicated that delays to demobilisation could lead to the drill rig being left on site for the remainder of the rain season with resultant cost penalties. The rig was loaded on to a low trailer and demobilised on 26 November 2011.

Costs have been reported separately

An exploration report will be presented in January 2011.

Map of Wollgorang Joint Venture on a section of EL10335



Location of Masterton drill sites

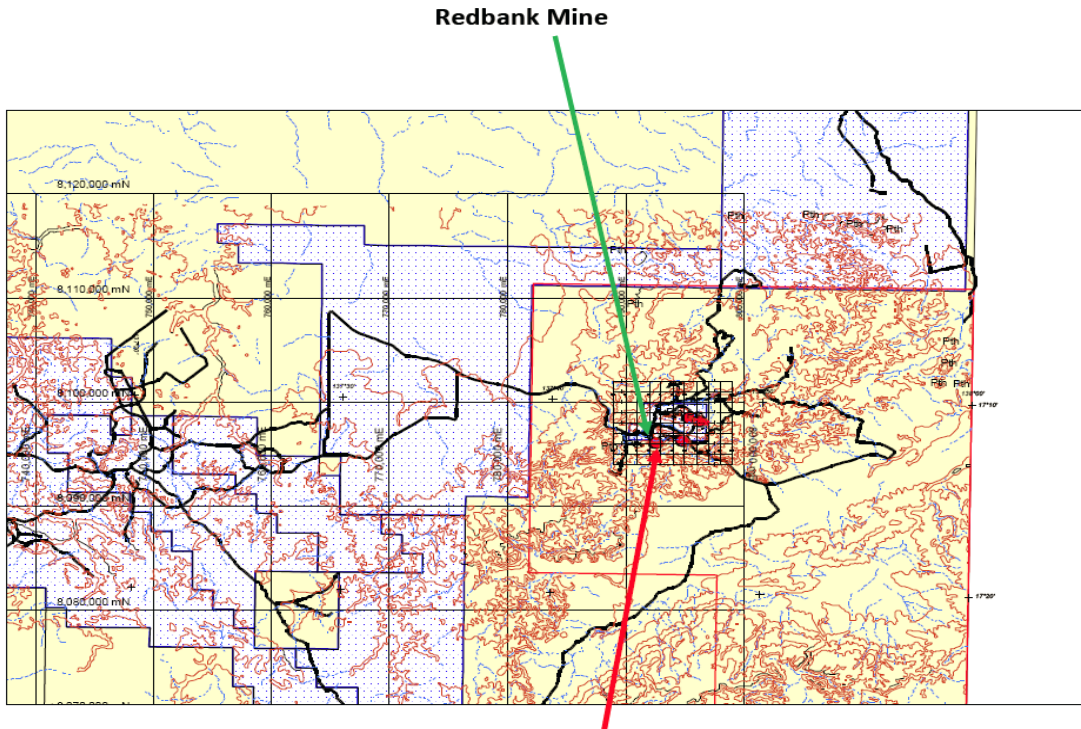


Figure 1. Regional setting of Masterton Prospect - EL10335

Proposed Collar point locations,
Masterton

Mga94, Zone 53

Easting	Northing
792753.2	8096139
792731.4	8096139
792702.6	8096132
792675.4	8096126
792649.1	8096126
792620.6	8096130
792594.2	8096128
792568.6	8096123

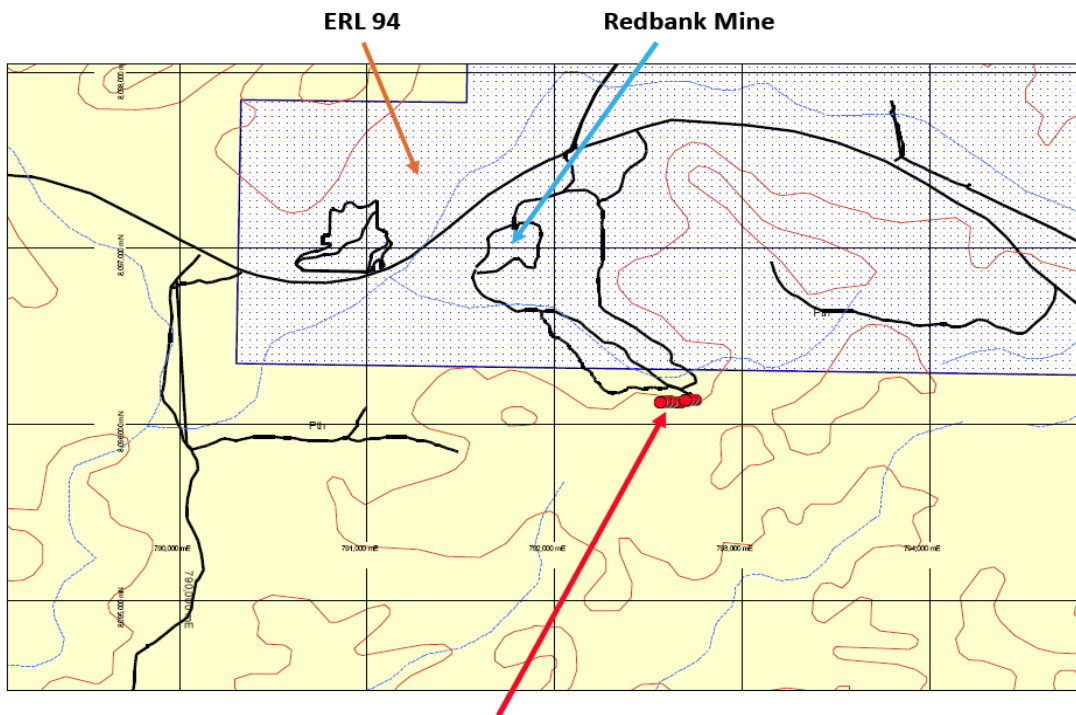


Figure 2. 7-10 RC holes proposed for the *Masterton Prospect* (within EL 10335) during 2011, just south of Redbank's ERL 94.

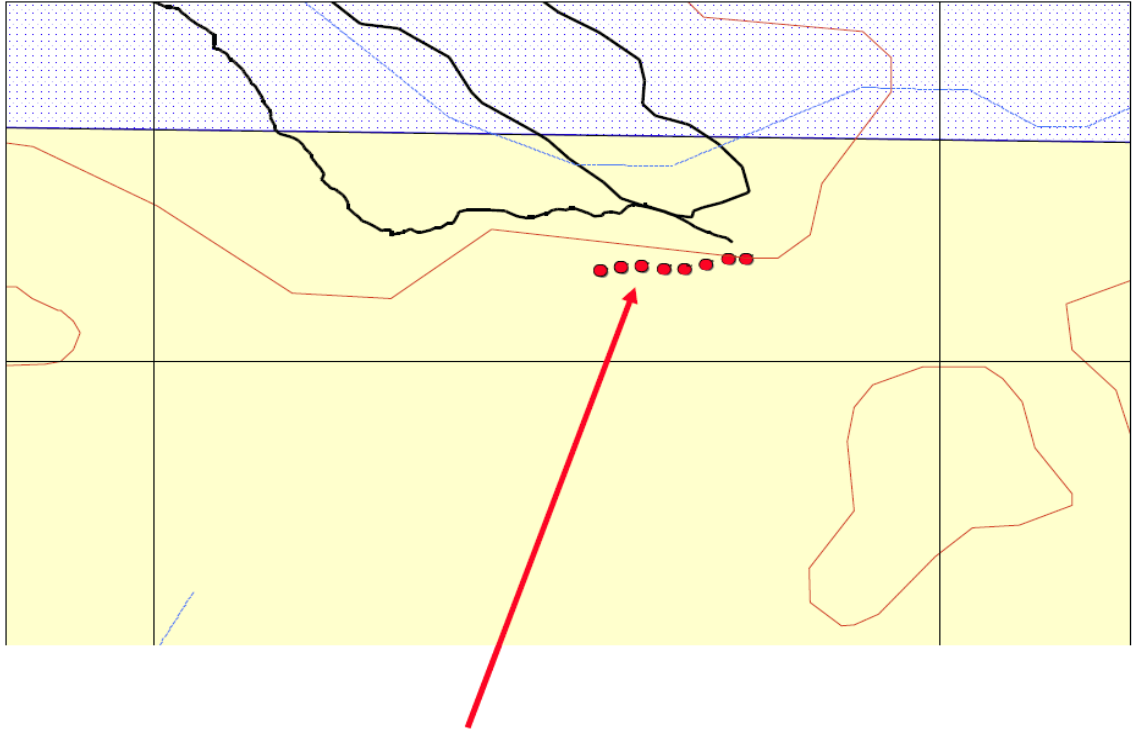


Figure 3. 7-10 RC drill holes planned for the *Masterton Prospect* 2011.