

RED BACK MINING INC.



Third Quarter Report

March 31, 2005

RED BACK MINING INC.
INTERIM CONSOLIDATED BALANCE SHEET
(in United States Dollars)
(Unaudited)

	March 31, 2005 (Unaudited)	June 30, 2004 (Audited)
ASSETS		
Current Assets		
Cash	\$ 8,085,709	\$ 15,128,019
Accounts receivable	524,028	76,236
Inventories	392,935	-
Prepaid expenses	310,543	50,933
	9,313,215	15,255,188
Investment (Note 3)	-	66,897
Property, plant and equipment, Net (Note 4)	1,817,691	337,309
Mineral properties and related expenditures (Note 5) - Schedule	54,968,651	24,898,231
	\$ 66,099,557	\$ 40,557,625
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,429,600	\$2,109,182
Non Current Liabilities		
Loan Payable (Note 6)	17,672,917	-
	20,102,517	2,109,182
SHAREHOLDERS' EQUITY		
Share capital (Note 7)		
Authorized - Unlimited common shares without par value		
Issued and outstanding - 69,213,368 (June 2004 – 62,253,882) common shares	53,422,749	43,397,588
Stock based compensation	1,907,768	1,743,812
Deficit - Statement 2	(9,249,128)	(6,608,608)
Cumulative translation adjustment	(84,349)	(84,349)
	45,997,040	38,448,443
	\$ 66,099,557	\$ 40,557,625

Approved by the Board:

“Richard P. Clark”

Director

“Lukas H. Lundin”

Director

See accompanying notes to interim consolidated financial statements

RED BACK MINING INC.
INTERIM CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT
(in United States Dollars)
(Unaudited)

	Three months ended March 31		Nine months ended March 31	
	2005	2004	2005	2004
Expenses				
Amortization and depreciation	\$ 11,666	\$ 4,132	\$ 39,773	\$ 12,275
Interest and bank charges	285	19,881	835	55,382
Management fees	102,324	-	214,814	-
Consulting	25,047	176,195	171,159	208,706
Office and general	305,294	98,891	608,807	170,948
Professional fees	154,077	109,626	308,614	206,314
Promotion and public relations	22,957	16,241	66,970	42,956
Salaries and other benefits	418,486	34,908	723,100	142,094
Stock exchange and filing fees	21,465	7,641	166,260	25,501
Transfer agent and shareholder information	16,213	23,182	43,567	32,805
Travel	181,994	7,534	281,751	73,158
	<u>1,259,808</u>	<u>498,231</u>	<u>2,625,650</u>	<u>970,139</u>
Other (income) expenses				
Interest income	(36,518)	(10,865)	(102,234)	(58,674)
Exchange difference	(49,830)	-	25,057	-
Reclassification of expenses to Mineral properties	-	(180,650)	-	(180,650)
Profit on sale of investment	(90,562)	-	(90,562)	-
	<u>(176,910)</u>	<u>(191,515)</u>	<u>(167,739)</u>	<u>(239,324)</u>
Loss before undernoted	1,082,898	306,716	2,457,911	730,815
Stock based compensation	64,186	-	182,609	-
Loss for period	1,147,084	306,716	2,640,520	730,815
Deficit, beginning of the period	8,102,044	4,034,131	6,608,608	3,610,032
Deficit, end of the period	<u>\$ 9,249,128</u>	<u>\$ 4,340,847</u>	<u>\$ 9,249,128</u>	<u>\$ 4,340,847</u>
Basic and diluted loss per common share	<u>(\$ 0.02)</u>	<u>(\$ 0.01)</u>	<u>(\$0.04)</u>	<u>(\$ 0.02)</u>
Weighted average number of shares outstanding	<u>64,002,360</u>	<u>44,890,251</u>	<u>64,004,574</u>	<u>44,890,251</u>

See accompanying notes to interim consolidated financial statements

RED BACK MINING INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(in United States Dollars)
(Unaudited)

	Three months ended		Nine months ended	
	March 31 2005	2004	March 31 2005	2004
Cash flows (used in) operating activities				
(Loss) income for the period	\$(1,147,084)	\$ (306,716)	\$(2,640,520)	\$ (730,815)
Items not effecting cash				
Amortization and depreciation	11,666	4,132	39,773	12,076
Stock based compensation	64,186	-	182,029	-
Gain on disposal of investments	(90,562)	-	(90,562)	-
Exchange difference	-	4,499	-	76,934
	<u>(1,161,794)</u>	<u>(298,085)</u>	<u>(2,509,280)</u>	<u>(641,805)</u>
Net changes in non-cash working capital items				
Accounts receivable and other current assets	(820,889)	21,598	(1,100,337)	(41,333)
Accounts payable and accrued liabilities	111,372	(260,616)	612,014	91,253
	<u>(709,517)</u>	<u>(239,018)</u>	<u>(488,323)</u>	<u>49,920</u>
Cash flows (used in) investing activities				
Mineral properties and related expenditures	(11,282,099)	(1,261,534)	(30,070,420)	(2,542,990)
Purchase of property, plant and equipment	(332,899)	(307,393)	(1,520,155)	(898,358)
Proceeds from sale of investments	157,459	-	157,459	-
	<u>(11,457,539)</u>	<u>(1,568,927)</u>	<u>(31,433,116)</u>	<u>(3,441,348)</u>
Cash flows from financing activities				
Common shares issued, net	21,729	301,714	9,715,492	4,013,567
Proceeds from debt	12,161,239	-	17,672,917	-
	<u>12,182,968</u>	<u>301,714</u>	<u>27,388,409</u>	<u>4,013,567</u>
(Decrease) increase in cash	(1,145,882)	(1,804,316)	(7,042,310)	(19,666)
Cash, beginning of the period	9,231,591	2,351,717	15,128,019	567,068
Cash, end of the period	<u>\$8,085,709</u>	<u>\$547,401</u>	<u>\$8,085,709</u>	<u>\$547,402</u>
Supplemental Schedule of Non-Cash Transactions:				
Shares issued for debt	-	-	291,596	-
Fair value of stock options exercised transferred to share capital	18,073	-	18,073	-

See accompanying notes to interim consolidated financial statements

RED BACK MINING INC.
INTERIM CONSOLIDATED SCHEDULE OF MINERAL PROPERTIES AND RELATED
EXPENDITURES
(in United States Dollars)
(Unaudited)

	Chirano Gold Project (Ghana)	Other Ghana Projects (Ghana)	Farim Project (G Bissau)	Total
Balance, June 30, 2004	\$ 19,788,008	\$ 1,170,012	\$ 3,940,211	\$ 24,898,231
Exploration and evaluation costs	-	1,022,981	126,251	1,149,232
Development expenditure	17,639,089	-	-	17,639,089
Balance, December 31, 2004	37,427,097	\$ 2,192,993	\$ 4,066,462	\$ 43,686,552
Exploration and evaluation costs	297,099	491,920	68,981	858,000
Development expenditure	10,424,099	-	-	10,424,099
Balance, March 31, 2005	\$ 48,148,295	\$ 2,684,913	\$ 4,135,443	\$ 54,968,651

See accompanying notes to interim consolidated financial statements

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2005
(Unaudited)

1. Nature of Operations, Going Concern and Basis of Presentation

Nature of Operations

Red Back Mining Inc. (the "Company") together with its subsidiaries, is a mineral resource corporation engaged in exploring, acquiring and developing mineral properties. The Company holds a 95% interest in the Chirano Gold Project ("Chirano") in Ghana, West Africa. Chirano is currently under development and commercial production is anticipated in the September quarter of 2005. The Company also holds various other exploration properties in Ghana along with a 100% interest in the Farim Phosphate Project ("Farim") located in Guinea Bissau, West Africa.

The recoverability of the costs of mineral properties and related deferred exploration expenditures is dependent upon the discovery of economically recoverable reserves, preservation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the project, and future profitable production or alternatively, upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material reductions in the carrying amount of mineral properties and related expenditures.

The mineral properties are also subject to sovereign risks, including political and economic instability, government regulations relating to exploration and mining, military repression, civil disorder, currency fluctuations and inflation, all or any of which may impede the Company's activities or may result in the impairment or loss of part or all of the Company's interest in the properties.

Going Concern

The viability of the projects and the ability for the Company to continue as a going concern are dependent on future financing. If financing is not achieved, the Company may not be able to meet its obligations as they become due. These financial statements have been prepared on the going concern basis that assumes continuity of operations and realization and settlement of liabilities in the normal course of business. A different basis of measurement may be appropriate if the going concern assumption does not prevail.

Basis of Presentation

These financial statements include all adjustments that are, in the opinion of management, necessary for a fair presentation.

These interim consolidated financial statements do not contain all of the information required by the Canadian generally accepted accounting principles for annual financial statements and therefore should be read in conjunction with the consolidated financial statements included in the Company's Annual Report for the year ended June 30, 2004.

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2005
(Unaudited)

2. Significant Accounting Policies

(a) Significant Accounting Policies

These unaudited interim consolidated financial statements of Red Back Mining Inc. (the "Company") are prepared by management in accordance with accounting principles generally accepted in Canada using the same accounting policies and methods of application as those disclosed in Note 2 to the Company's consolidated financial statements for the year ended June 30, 2004.

(b) Basis of Presentation and Reverse Takeover Accounting

Effective June 30, 2004, the Company's reporting currency was changed from Australian dollars to U.S. dollars. The Company anticipates that its future sales, if any, will be earned in U.S. dollars and significant expenditures of the Company costs are incurred in U.S. dollars. The comparative financial statements from prior periods have been restated to reflect this change.

Effective May 3, 2004, the Company entered into an agreement, with Red Back Mining NL of Australia ("RBK") pursuant to which the parties agreed to complete a merger of the Company and RBK. As a result, the shareholders of RBK control the combined entity on the effective date of the transaction. The business combination of the Company and RBK has been accounted for using the reverse takeover method of purchase accounting. In accordance with the principles of reverse takeover accounting, the consolidated financial statements have been prepared on the basis that RBK is the deemed acquirer. Accordingly, the interim consolidated financial statements for the period from July 1, 2003 to March 31, 2004 reflect only the assets, liabilities and results of operations of RBK, the legal subsidiary. The interim consolidated financial statements for the period from July 1, 2004 to March 31, 2005 reflect the assets, liabilities and results of operations of RBK and the assets, liabilities and results of operations of the Company. The interim consolidated financial statements are issued under the name of the legal parent (the Company) but are deemed to be a continuation of the legal subsidiary, RBK. Comparative figures for the period ended March 31, 2004 are those of RBK, the deemed acquirer for accounting purposes, except that they have been converted from Australian dollars to U.S. dollars.

(c) Basis of Consolidation

These interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. The Company's material subsidiaries are Red Back Mining NL (an Australian company), Red Back Mining Ghana Limited (a Ghanaian company), Chirano Gold Mines Limited (a Ghanaian company) and Champion Industrial Minerals Inc. ("CIM") (a Barbados company). The purchase method of accounting is used to consolidate these subsidiaries. All significant inter-company balances and transactions have been eliminated upon consolidation.

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2005
(Unaudited)

3. Investments

	March 31, 2005	June 30, 2004
TNR Resources Ltd. – Nil (2003 - 409,902) common shares with a market value of approximately \$Nil (June 30, 2004 - \$39,530)	\$ -	\$ 66,897

This investment represents a nominal interest in the investee.

During the quarter ended March 31, 2005, the investment was sold on market for net proceeds of \$157,459. \$90,562 has been recognized as profit on sale of investments in the statement of loss and deficit.

4. Property, Plant and Equipment

	Cost	Accumulated Depreciation	March 31 2005 Net Book Value	June 30, 2004 Net Book Value
Plant & equipment	\$ 814,768	\$ 69,361	\$ 745,407	\$ 221,043
Motor Vehicles	1,030,055	42,888	987,167	31,150
Buildings	92,470	7,354	85,116	85,116
	\$ 1,937,293	\$ 119,603	\$ 1,817,690	\$ 337,309

5. Mineral Properties and Related Expenditures

	Acquisition	Mine Development and Exploration	March 31, 2005	June 30, 2004
Mineral Properties				
Chirano Gold Project, Ghana	\$ 2,880,658	\$ 45,267,637	\$ 48,148,295	\$ 19,788,008
Other Ghanaian Exploration Projects	197,790	2,487,123	2,684,913	1,170,012
Farim Project, Guinea Bissau	278,591	3,856,852	4,135,443	3,940,211
	\$ 3,357,039	\$ 51,611,612	\$ 54,968,651	\$ 24,898,231

(a) Chirano Gold Project, Ghana

The Chirano project comprises one mining lease and one prospecting licence held through the company's 95% subsidiary, Chirano Gold Mines Limited.

(b) Other Ghanaian Exploration Projects

The Company owns interests in a number of other exploration properties in Ghana. These interests are represented by various prospecting licences and call options. Exploration on these properties is ongoing.

(c) Farim Project, Guinea Bissau, West Africa

The Company owns a 100% interest in four Mining Leases covering a total area of 30,625 hectares, which comprise the Farim property. The Mining Leases have a term of twenty-five years.

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2005
(Unaudited)

6. Loans Payable

On September 7, 2004, the Company accepted a credit approved offer from Macquarie Bank Limited ("Macquarie") for financing facilities totaling US\$43 million (including a US\$10 million standby facility) for the Chirano Gold Project in Ghana. The facilities are secured by charges on the shares of the chain of corporations ultimately holding title to the Chirano Gold Project and parent company guarantees. Interest, which is capitalized prior to commercial production, is payable at LIBOR plus 2.25%. A repayment schedule has been agreed resulting in the retirement of the facilities by March 2009. As a condition of the debt financing, the Company agreed to put in place downside gold price protection such that 400,000 ounces are protected at a minimum gold price of US \$400 per ounce. The Company sold 300,000 ounces at US \$404.38 on September 1, 2004 and this position will be rolled into a hedging structure that will satisfy the entire price protection requirement prior to first draw down under the loan facilities. At first draw down, the Company issued to Macquarie 1,000,000 share purchase warrants exercisable at C\$2.25 on or before December 13, 2007. If the US\$10 million standby facility is drawn down, additional warrants will be issued to Macquarie entitling it to acquire up to a further 3,450,000 common shares at a price of C\$2.25 each for a period of three years from the date of issuance. The additional warrants are issuable on the basis of 345,000 warrants for each US\$1,000,000 drawn down under the standby facility. Funds received from the exercise of all warrants will be applied against outstanding principal under the credit facilities.

7. Share Capital

(a) The authorized and issued share capital is as follows:

Authorized:

Unlimited common shares without par value

	<u>Number of Shares</u>	<u>Amount</u>
Shares Issued and Outstanding:		
Balance, June 30, 2004	62,253,882	\$ 43,397,588
Issued on settlement of debt (i)	184,176	291,596
Issued on private placement (ii)	5,789,474	9,115,768
Issued on exercise of options and warrants	985,836	599,724
Fair value of stock options exercised	-	18,073
Balance, March 31, 2005	<u>69,213,368</u>	<u>\$ 53,422,749</u>

- (i) On July 7, 2004, the Company issued 184,176 shares at C\$2.00 in settlement of debt in the amount of C\$368,352 (US\$291,596).
- (ii) On December 16, 2004, the Company issued, by private placement, 5,789,474 units at C\$1.90 per unit for gross proceeds of C\$11,000,000 (US\$9,115,768).

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2004
(Unaudited)

7. Share Capital – Continued

(c) Incentive stock options outstanding at March 31, 2005 are as follows:

	Number of Options	Exercise Price
Expiring 15 May 2005	50,666	\$1.35
Expiring 2 October 2005	25,000	\$0.57
Expiring 22 October 2005	93,333	\$1.46
Expiring 11 December 2005	10,000	\$1.35
Expiring 2 June 2007	1,815,000	\$2.00
Expiring 23 November 2007	160,000	\$2.00
Expiring 25 November 2007	83,333	\$1.46
Expiring 12 January 2008	75,000	\$2.00
	<u>2,312,332</u>	

(d) As at March 31, 2005, the following non-transferable share purchase warrants were outstanding:

Number of <u>Warrants</u>	Common Share <u>Entitlement</u>	Exercise <u>Price</u>	<u>Expiry Date</u>
130,000	130,000	C\$1.50	May 8, 2005
1,999,999	1,999,999	C\$2.25	December 4, 2005
12,500,000	12,500,000	C\$2.25	June 9, 2006
1,000,000	1,000,000	C\$2.25	December 13, 2007
<u>15,629,999</u>	<u>15,629,999</u>		

8. Litigation

In July 2003, the Company entered into a letter agreement with Geysler Ltd. ("Geysler"), a company based in Dubai, U.A.E. for the sale of Champion Industrial Minerals (CIM), a subsidiary of the Company, for a cash payment of C\$10,550,000. CIM is the legal owner of the mining leases comprising the Farim Project. Geysler advanced a C\$250,000 deposit (the "Deposit") against the purchase price, refundable only in the event that the Company did not obtain shareholder and regulatory approval to the sale and purchase. These approvals were received on August 25, 2003 and September 8, 2003, respectively and Geysler was notified. The closing of the purchase and sale was to take place on September 9, 2003. In breach of the express provisions of the Purchase Agreement, Geysler failed to advance the remaining C\$10,300,000. The Company has commenced an action in the Supreme Court of British Columbia against Geysler. The Company is seeking damages from Geysler for its failure to fulfill its obligations under the Purchase Agreement and intends to pursue this matter vigorously. In the first quarter of 2004, Geysler filed a defense with a counter claim in the amount of the deposit. A trial date has been set for September, 2005.

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2005
(Unaudited)

9. Related Party Transactions

Transactions for the nine months ended March 31, 2005 and balances with related parties not disclosed elsewhere in these financial statements are as follows:

- (a) Paid \$150,377 (\$nil for the nine months ended March 31, 2004) for management services provided by a company related to the President of the Company. At March 31, 2005, \$nil was due to this company.
- (b) Paid \$81,267 (\$nil for the nine months ended March 31, 2004) to a company related to a director for engineering consulting fees. At March 31, 2005, \$nil was due to this party.
- (c) Paid \$95,404 (\$38,877 for the nine months ended March 31, 2004) to a company controlled by a director for geological consulting fees. At March 31, 2005, \$nil was due to this party.
- (d) Paid \$82,632 (\$74,919 for the nine months ended March 31, 2004) to a firm related to a director for legal services. At March 31, 2005, \$nil was due to this firm.
- (e) Paid \$93,876 (\$nil for the nine months ended March 31, 2004) to a company controlled by a director for management services. At March 31, 2005, \$nil was due to this company.
- (f) Paid \$20,586 (\$12,828 for the nine months ended March 31, 2004) to Mr. H. Michael for directors' fees. At March 31, 2005, \$nil was due to Mr Michael.
- (g) Paid \$20,586 (\$nil for the nine months ended March 31, 2004) to Mr. L. Lundin for directors' fees. At March 31, 2005, \$nil was due to Mr Lundin.
- (h) Paid \$20,586 (\$19,330 for the nine months ended March 31, 2004) to Mr. M. Hunt for directors' fees. At March 31, 2005, \$nil was due to Mr Hunt.
- (i) Paid \$24,698 (\$nil for the nine months ended March 31, 2004) to Mr. R. Ashton for directors' fees. At March 31, 2005, \$nil was due to Mr Ashton.

10. Stock Based Compensation

- a) For the newly granted options, compensation expense is based on the fair value of the options at the grant date. For any options that have alteration in their conditions, compensation expense is based on the fair value of the options on the alteration date less the fair value of the original options based on the shorter of the remaining expanded life of the old option or the expected life of the modified option.
- b) During the current period the Company granted 75,000 stock options exercisable at C\$2.00 on or before 12 January 2008. These options vested on the date of grant. Current period stock-based compensation amounted to \$64,766. The stock option compensation expense is calculated using the Black-Scholes Option Pricing Model with the following assumptions from the date of grant: a risk-free rate of 4.8%, expected volatility of 76%, expected option life of three years, and no dividend payments.

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2005
(Unaudited)

10. Stock Based Compensation - Continued

- (c) Option pricing models require the input of highly subjective assumptions, particularly as to the expected price volatility of the stock. Changes in these assumptions can materially affect the fair value estimated, and therefore it is management's view that the existing models do not necessarily provide a single reliable measure of the fair value of the Company's stock option grants.

11. Income Taxes

- (a) The company has income tax losses carried forward of approximately C\$2,960,000 available to reduce future taxable income in Canada. The income tax benefits, if any, of these losses has not been recognized in the accounts and expire as follows:

2005	C\$ 681,000
2006	823,000
2007	426,000
2008	366,000
2009	182,000
2010	178,000
2012	<u>304,000</u>
	<u>C\$2,960,000</u>

- (b) The company has accumulated deferred resource property expenditures of approximately C\$4,800,000 which may be used to reduce future taxable income in Canada. The income tax benefits, if any, of these deferred resource property costs have not been recorded in these financial statements.

12. Segmented Information

The company's only business activity is the exploration for and development of mineral reserves. This activity is carried out primarily in Ghana. The breakdown by geographic region is as follows:

	Canada	Guinea Bissau	Ghana	Australia	Other	Consolidated
March 31, 2005						
Segment revenue	\$ 109,065	\$ -	\$ -	\$ 58,674	\$ -	\$ 167,739
Segment operating loss	\$ 1,826,373	\$ -	\$ 309,026	\$ 302,396	\$ 202,725	\$ 2,640,520
Identifiable assets	\$ 6,828,719	\$ 4,135,444	\$ 55,096,888	\$ 38,403	\$ 103	\$ 66,099,557

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2005
(Unaudited)

12. Segmented Information - Continued

	Canada	Guinea Bissau	Ghana	Australia	Other	Consolidated
June 30, 2004						
Segment revenue	\$ 4,795	\$ -	\$ -	\$ 58,773	\$ -	\$ 63,568
Segment operating Loss	\$ 224,043	\$ -	\$ 33,612	\$ 1,065,727	\$ 17,354	\$ 1,340,736
Identifiable assets	\$12,830,568	\$ 3,940,211	\$ 23,701,586	\$ 79,623	\$ 5,637	\$ 40,557,625

13. Contingencies and Commitments

- (a) In 2000 the Company's Mexican subsidiary was advised that certain mining duties may remain payable with respect to the El Rubi property in the approximate amount of \$55,000. No accrual has been recorded as management is of the view that the Mexican claim for the payment of these duties is unsupportable. Any attempt to collect these duties will be defended by the Company.
- (b) During the current period the Company signed a number of contracts relating to development and operations of the mine in Ghana. The commitments period is for five years. Under one of the contracts, the Company will have to pay \$5,000,000, \$3,500,000, \$2,000,000 or \$1,000,000 if the contract is cancelled in the first, second, third or a fourth year respectively.

RED BACK MINING INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2005
(Unaudited)

14. Business Combination

On November 4, 2003, the Company entered into an agreement, as amended, (the "Merger Agreement") with Red Back Mining NL of Australia ("RBK") pursuant to which the parties agreed to complete a merger of the Company and RBK, subject to the satisfaction of certain conditions precedent, including the receipt of the requisite shareholder, Court and regulatory approvals. Pursuant to the Merger, the Company acquired all of the issued and outstanding shares of RBK and:

- (a) Each RBK shareholder of record as of the effective date received in exchange for each three RBK shares held, one post-consolidation Company share; and
- (b) All RBK convertible securities were cancelled, and each holder of RBK options as of the effective date received for each three RBK options held, one post-consolidation Company option, exercisable on terms equivalent to the RBK options.

As a result of the Merger, RBK shareholders became the majority shareholders of the Company and RBK became a wholly-owned subsidiary of the Company. On April 14, 2004, shareholders of the Company approved the Merger and the merger closed on May 3, 2004.

The acquisition of the net identifiable assets of the Company on a reverse takeover basis was recorded as follows:

Number of the Company shares outstanding at May 2, 2004	14,035,984
Estimated fair value of the Company price per share	C\$ 0.63
Convert to US\$	<u>0.7433</u>
	<u><u>\$ 6,572,714</u></u>
Net identifiable assets of the Company	
Per May 2, 2004 financials	\$ 7,257,603
Adjustment to mineral property	<u>(684,889)</u>
	<u><u>\$ 6,572,714</u></u>

**RED BACK MINING INC.
CORPORATE DIRECTORY
MARCH 31, 2005**

OFFICERS

Richard Clark,
President & CEO
Ross Ashton
Chairman of the Board
Simon Jackson,
Chief Financial Officer
Kathy Love,
Corporate Secretary

DIRECTORS

Ross Ashton
Richard Clark
* Michael Hunt
* Lukas Lundin
* Harry Michael

* *Audit Committee*

AUDITORS

Staley, Okada & Partners
Vancouver, British Columbia, Canada

BANKERS

Canadian Imperial Bank of Commerce
Vancouver, British Columbia, Canada

Macquarie Bank Limited
Perth, Western Australia, Australia

LAWYERS

Blake, Cassels & Graydon
Vancouver, British Columbia, Canada

CORPORATE OFFICE

Suite 2101 - 885 West Georgia Street
Vancouver, British Columbia
Canada V6C 3E8
Telephone: (604) 806-3070
Fax: (604) 689-5452

REGISTERED AND RECORDS OFFICE

Suite 2600
P.O. Box 49314
595 Burrard Street
Vancouver, BC V7X 1L3

SHARE CAPITAL

Authorized: Unlimited
Issued and outstanding: 69,393,034 shares

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada
Vancouver, British Columbia and
Toronto, Ontario
Canada

SHARE LISTING

TSX
Symbol: RBI
CUSIP No.: 756297107
S.E.C.: 12g3-2(b)
Exemption Number: 82-4286