

Auditors' Report
To the Shareholders of Red Back Mining Inc.

We have audited the consolidated balance sheet of **Red Back Mining, Inc.** as at June 30, 2006, and the consolidated statement of operations and deficit and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The consolidated financial statements as at June 30, 2005 and for the year then ended were audited by other auditors who expressed an opinion without reservation on those statements in their report dated September 23, 2005.

Our report dated September 26, 2006 has been withdrawn because of incorrect wording and is being replaced by our report dated herewith.

(signed) PricewaterhouseCoopers LLP

Chartered Accountants

Vancouver, B.C.

October 3, 2006