

# **RED BACK MINING INC.**

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## **RENEWAL**

## **ANNUAL INFORMATION FORM**

For the Fiscal Year  
Ended December 31, 2009

Dated: March 30, 2010

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## PRELIMINARY NOTES

**Documents Incorporated by Reference**

Certain of the information contained in this Annual Information Form may be found in other documents filed by the Corporation with Canadian Securities regulators, which are made available via SEDAR and which can be accessed at [www.sedar.com](http://www.sedar.com) under the Corporation's profile, Red Back Mining Inc. Please also see the section in this Annual Information Form entitled "Additional Information".

**Currency**

Unless otherwise indicated, the financial statements, summaries of financial information, and all other references to monies contained in this Circular are reported in United States dollars. All financial statements have been prepared in accordance with Canadian GAAP. Where referred to in this Circular "C\$" refers to lawful currency of Canada.

**CAUTIONARY STATEMENT**

This annual information form contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold, silver and copper, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to the integration of acquisitions; risks related to international operations; risks related to joint venture operations; actual results of current exploration activities; conclusions of economic evaluations; changes in mine parameters as plans continue to be refined; future prices of gold, possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Risk Factors" in this AIF. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

**DATE OF ANNUAL INFORMATION FORM**

This AIF is dated March 30, 2010. Except as otherwise indicated, the information contained in this AIF is stated as at December 31, 2009.

## CORPORATE STRUCTURE

### Name, Address and Incorporation

Red Back Mining Inc. (the “Corporation” or “Red Back” or “RBI”) continued under the *Canada Business Corporations Act* under the name “Red Back Mining Inc.” on April 23, 2004. The Corporation is authorized to issue an unlimited number of common shares. The Corporation was originally incorporated under the *Company Act* (British Columbia) on March 16, 1988 under the name of Champion Resources Inc. with an authorized capital of 10,000,000 common shares without par value. Effective September 26, 1995, the authorized capital of the Corporation was increased to 25,000,000 common shares without par and effective June 24, 1998, the Corporation’s authorized capital was further increased to 100,000,000 common shares without par value. Effective January 25, 2002, the issued and unissued capital of the Corporation was consolidated on a one for ten basis. Concurrent with the consolidation, the authorized capital of the Corporation was increased from 10,000,000 post-consolidated common shares without par value to 100,000,000 post-consolidated common shares without par value, all shares issued and unissued ranking *pari passu*. Effective April 23, 2004 the issued and unissued capital of the Corporation was consolidated on a one for three basis. Concurrent with the consolidation, the authorized capital of the Corporation was increased from 33,333,333 to an unlimited number of common shares upon the continuance of the Corporation under the *Canada Business Corporations Act*.

The share capital of the Corporation consists of an unlimited number of common shares without par value, of which 232,434,435 common shares (or 237,442,771 common shares on a fully-diluted basis) are issued and outstanding as of March 30, 2010.

The fiscal year end of the Corporation changed from December 31 to June 30 in 2005. The change was necessary in order for the Corporation to comply with certain applicable accounting and regulatory requirements following its merger with Champion Resources Inc. on May 3, 2004. Effective September 28, 2006 the Corporation changed its fiscal year end back to December 31.

The Corporation is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. The Corporation’s common shares are listed for trading on the Toronto Stock Exchange (the “Exchange”) since December 8, 2004, prior to which the Corporation’s common shares were listed on the TSX Venture Exchange and its predecessors since April 3, 1989.

The Corporation’s head office and principal address is located at 2101 - 885 West Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8. The Corporation’s registered and records office is located at 2600, Three Bentall Centre, 595 Burrard Street, Vancouver British Columbia, Canada, V7X 1L3.

### Intercorporate Relationships

The diagram attached hereto as Schedule “B” illustrates the inter-corporate relationships among the Corporation and its principal subsidiaries. Each of the principal subsidiaries is wholly owned by the Corporation, with the exception of Chirano Gold Mines Ltd (“CGML”). Although the Corporation currently holds a 100% interest in CGML, the Government of Ghana has a right to back-in to a 10% ownership interest in CGML, at no cost. None of the Corporation’s subsidiaries have any non-voting securities outstanding.

Unless the context otherwise indicates, a reference to “Red Back” or the “Corporation” includes Red Back Mining Inc. and its subsidiaries.

## GENERAL DEVELOPMENT OF THE BUSINESS

The Corporation is a British Columbia based mineral resource company engaged in the exploration, development and commercial production of mineral properties. Red Back currently owns a number of mineral properties located in West Africa, including two operating gold mines, Chirano and Tasiast.

Red Back was formed in 2004 by the reverse takeover of Champion Resources Inc. (“Champion”) by Red Back Mining NL, an Australian Stock Exchange listed company with mineral properties in West Africa. Under the terms of the transaction, the former Red Back Mining NL shareholders were issued approximately 91% (87% on a fully-diluted basis) of the outstanding shares of Champion and Red Back Mining NL became a wholly-owned subsidiary of Champion, which then changed its name to Red Back Mining Inc.

During 2004 and 2005 Red Back built the Chirano gold mine in Ghana, with its first gold pour occurring in October 2005. The Chirano gold mine is situated in south-western Ghana, approximately 100 km southwest of Kumasi, Ghana’s second largest city.

On August 2, 2007 Red Back completed the acquisition from Lundin Mining Corporation (“Lundin”) of a 100% interest in the Tasiast gold mine located in Mauritania, West Africa, through the purchase of two holding companies, Tasiast Mauritania Limited (“TML”) and Tasiast Mauritania Limited S.A. (“TMLSA”). Lundin had recently acquired TML and TMLSA as part of its acquisition of Rio Narcea Gold Mines, Ltd. Red Back filed a business acquisition report on Form 51-102F4 on SEDAR with respect to the acquisition, which can be accessed at [www.sedar.com](http://www.sedar.com) under the Corporation’s profile, Red Back Mining Inc.

The Tasiast mine is located in north-western Mauritania, approximately 300 km north of the capital city of Nouakchott. The Tasiast mine permit area comprises one mining lease and five contiguous exploration licences, totalling approximately 4,806 km<sup>2</sup>. Tasiast commenced commercial production at the beginning of 2008 and Red Back is currently conducting an exploration program in the areas surrounding the existing development.

The Corporation also holds various other exploration properties in Ghana, Mauritania and Côte D’Ivoire.

### Significant Acquisitions and Dispositions

#### Tasiast Mine

On August 2, 2007, Red Back completed the acquisition from Lundin Mining Corporation of a 100% interest in the Tasiast gold project located in Mauritania, West Africa, through the purchase of Tasiast Mauritanie Limited (“TML”) and Tasiast Mauritanie Limited S.A. (“TMLSA”). The Acquisition was completed pursuant to a share purchase agreement, dated as of August 1, 2007, among Tasiast Holdings S.A., Rio Narcea Tasiast Luxembourg S.A., Lundin and Blokvink Holdings B.V. (a subsidiary of Red Back now known as Red Back Mining B.V.).

As consideration for the acquisition, Red Back: (a) paid \$225 million to Lundin; (b) repaid the outstanding amount of the project financing facilities of TML and TMLSA in the amount of \$42.5 million plus \$0.3 million in interest immediately prior to closing; and (c) retired the gold hedging facilities of TML and TMLSA at a cost of \$10.1 million immediately prior to closing. Red Back is now the 100% owner of the Tasiast gold project, which is debt free and unhedged.

To fund the acquisition of Tasiast, Red Back issued 69,444,000 units at a price of Cdn. \$5.40 per unit for gross proceeds of approximately Cdn. \$375 million. Each unit consisted of 0.2 special warrants and 0.8

subscription receipts, all of which were exercised in conjunction with the closing of the acquisition of Tasiast, resulting in the issuance of a total of 69,444,000 common shares of Red Back.

## **DESCRIPTION OF THE BUSINESS**

### **Mineral Properties of RBI**

#### ***Chirano Project***

##### ***Introduction***

On May 14, 2009, Red Back filed compliant NI 43-101 technical reports (the “Chirano Report”) on the Chirano Project. The Chirano Report was prepared by Hugh Stuart, B.Sc., M.Sc, MAusIMM, the Corporation’s Vice President Exploration and a “qualified person” as defined in NI 43-101. Unless stated otherwise, information in this AIF of a scientific or technical nature regarding the Chirano Project is summarized, derived or extracted from the Chirano Report. For a complete description of assumptions, qualifications and procedures associated with the information in the Chirano Report, reference should be made to the full text of the Chirano Report, which is available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

In October, 2004, Red Back announced its formal decision to develop the Chirano Gold Project.

The discovery of the high grade resource at Akwaaba and Paboase and the subsequent development of the Akwaaba underground mining operation has highlighted the potential for further higher grade plunging shoots below the Chirano surface deposits. Exploration continues to test a number of these areas.

##### ***Location***

The mine is situated in southwestern Ghana, 100 kilometers south-west of Kumasi, which is Ghana's second largest city. The township of Bibiani lies 15 kilometers north-northeast of the mine (37 kilometers by road). Access to the mine from the capital Accra is via a sealed highway via Kumasi and Sefwi-Bekwai. The final approach is via a 13 kilometer gravel road whose junction is approximately 9 kilometers beyond Sefwi-Bekwai.

The Chirano mine is based on a granted Mining Lease (PL2/56) which covers an area of 36.34 square kilometers.

Mine infrastructure comprises a centrally located processing plant, tailings storage facility, water storage facility, staff village, workshops and offices.

##### ***Ownership***

The Chirano mine and the mining lease on which it is based are owned 100% by CGML, a Ghanaian subsidiary of Red Back. CGML is currently 100% owned by Red Back through its intermediate subsidiary, Red Back Mining (Ghana) Limited. On April 8, 2004, CGML was issued a mining lease (PL2/56) in respect of the Chirano mine valid for a period of 15 years. The Government of Ghana retains the right to back-in to a 10% carried interest in the Chirano mine under Section 8 of the Ghana Mining Act, which interest may be increased to 30% by negotiation and arbitration. If the back-in right is exercised, the interest acquired by the Government of Ghana would reduce Red Back’s interest in the mine by 10%. The mining lease is exclusive to CGML, and is not subject to any option or joint venture arrangement. No back-in rights are held by any party other than the Government of Ghana.

In February 2010 the Government notified the Ghana Chamber of Mines of its intention to raise the royalty from 3% to 5% with immediate effect. The royalty may be increased up to a ceiling of 6%. An additional royalty equal to 0.6% of gross revenue is payable in relation to minerals extracted from Ghana's productive forest reserves. Production from most of the Chirano open pits is subject to this additional royalty.

### ***Climate, Local Resources, Infrastructure and Physiography***

The climate at the mine is fairly typical of that for southern inland Ghana, with a dry season from November to February, a humid season from March to April with high temperatures and humidity and occasional moderate rain, then a wet season from May to October with peaks in May - June and September - October. The Chirano mine area has a mean annual rainfall of 1,420mm. Annual evaporation is about 1,500mm. Average relative humidity ranges from a low of 64% in January to a high of 85% in July.

### ***Topography, Elevation and Vegetation***

The Chirano mine area is mostly drained by the Suraw River and its tributaries, except for the area from Mamnao northward which drains into the Ankobra River. The western side of the area is dominated by the south Bibiani Range which forms a major range of hills, which run roughly north-south. The Chirano gold deposits lie halfway up the steep eastern slopes, such that the open pits have high western walls and low eastern walls. The site elevations rise from a height for about 250 meters above sea level near the river to about 550 meters at the open pit crests. The hill slopes are steep, commonly 15° to 25° and locally up to 35°. The eastern face of the range is corrugated by numerous ridges and valleys that run easterly down the slope toward the river. There is a tendency for the gold deposits to occur under these ridges, with gaps in the mineralization under the gullies. The range is mostly comprised of hard mafic rocks.

Land around the Suraw River, in the middle of the mine area, is relatively flat lying and parts are swampy after rain. Most of the mine infrastructure has been built on the gently sloping edges of this low-lying area. The current exploration camp and the mine village have been sited on hills near the edges of the floodplain. The Suraw River drains to the south and overall its flood plain slopes gently southward. This basin is mostly underlain by Tarkwaian arkosic sandstones and shales. East of the Suraw River the country rises again to steep forested hills.

Part of the mining lease (42%) lies within forest reserves, and is covered by tall, primary, semi-deciduous rain forest. Most of this area is reserved for commercial timber production. Some logging has taken place in the past, and further logging is currently in progress. Parts of the reserves have been degraded by illegal farming activity.

The remainder of the area is farmland. The main food crops grown locally are cocoa, plantain, maize, cocoyam, cassava, and rice. There are also several small oil palm plantations.

### ***Recent History - Exploration***

In the mid 1930s two concessions covered the Chirano area; one held by Gold Coast Selection Trust and one by Anglo-African Goldfields Ltd. Billiton International Metals BV held the area in the late 1980s.

In early 1990s Mr Johnson Gyamfi applied for two prospecting concessions at Chirano in the names of Johnsons Limited and Chirano Goldfields Company Limited. In November 1993 an agreement was reached with Placer Outokumpu Exploration Ltd (POE) which carried out the first systematic reconnaissance exploration of the area. POE joint ventured the project to the British company Reunion Mining Plc (Reunion) in May 1995, which carried out the first detailed exploration work focused on shallow oxide mineralization. Work was halted in March 1996 by a government imposed moratorium on exploration work in Forest Reserves. In November 1997 Reunion was given permission to resume exploration under strict

environmental constraints and temporary permits. Expenditure by POE and Reunion from 1993 to 1998 has been estimated at approximately US\$2.4 million.

Red Back negotiated an option agreement with Reunion in mid 1998. By April 1999, Red Back's subsidiary company CGML had acquired 95% interest in the project. The remaining 5% held by the estate of Mr Gyamfi was purchased by Red Back in November 2005.

Between 1998 and 2004 CGML's work included extensive soil geochemistry, geological and regolith mapping, trenching, ground geophysics (magnetics and induced polarization), and RC and diamond core drilling. New discoveries by CGML have brought the number of known Chirano gold deposits to fourteen, distributed along a strike length of nine kilometers.

By mid 2004 all of the deposits had been drilled sufficiently to define their gold resources. CGML had collected 15,000 soil samples, dug 81 trenches with a total length of 4,063 meters, and completed 605 drill holes totaling 60,489 meters. A prefeasibility study for establishing a mining operation was completed by CGML in 2000, and a Bankable Feasibility Study was completed in early 2003. Pre-development exploration expenditure totaled US\$17.5 million.

Exploration has continued both during and after the development of the mine. Most significantly drilling below the planned Akwaaba open pit has delineated a high grade underground resource in excess of 1Moz. Recent exploration expenditure at Chirano: 2007 - US\$8.8 million, 2008 - US\$12.3 million and 2009 – US\$6.3 million.

All of the CGML exploration samples have been prepared and analyzed by the Analabs laboratory in Bibiani. Analabs in Bibiani has employed appropriate and systematic quality control measures.

The QA/QC programmes implemented by Red Back to ensure the quality and representativity of the drill hole data provide the appropriate level of assurance and have been undertaken at a level expected of the industry. The available data indicates that the analytical accuracy of the Analabs gold fire assay for the mine is within industry accepted standards. These programmes are described in detail in Section 14 of the Technical Report filed in August 2007 and May 2009, which can be accessed at [www.sedar.com](http://www.sedar.com) under the Corporation's profile, Red Back Mining Inc.

### ***Resource History***

The original resources and reserves associated with the Chirano Gold Project were calculated by Hellman and Schofield ("H&S") and AMC Consultants Pty. Ltd. ("AMC"), respectively, using data available up to June 2004 as part of the Bankable Feasibility Study. The project resources and reserves were updated in July 2007, December 2008 and December 2009 and consistently comply with the requirements of both Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and the Australasian JORC Code. These are respectively discussed below and in detail in Sections 17 and 18 of the Technical Report filed in May 2009, which can be accessed at [www.sedar.com](http://www.sedar.com) under the Corporation's profile, Red Back Mining Inc.

### *Recent Production History*

CGML poured the first gold at Chirano on October 10, 2005.

<b>Year</b>	<b>Tonnes Milled (Mt)</b>	<b>Grade (g/t)</b>	<b>Recovery</b>	<b>Gold Produced (‘000 ozs)</b>	<b>Cash Operating Cost (\$/oz)</b>
2009	2.72	2.38	90.4%	181	444
2008	2.21	1.90	91.8%	121	478
2007	1.98	2.17	90.3%	127	372

### *Geology*

The Chirano mine area lies within the Proterozoic terrain of southwest Ghana, along a major structure separating the Sefwi Belt to the west from the Kumasi Basin to the east known as the Bibiani Shear zone. The belt and basin architecture comprises rocks of Birimian age, with the belts being dominated by mafic volcanics and the basins typified by fine grained, deep marine sediments. Both are intruded by granites.

The Chirano gold deposits lie close to a splay off the main Bibiani shear zone known as the Chirano Shear. The two are separated by a small inlier of younger Tarkwaian epiclastic sediments. The deposits occur at regular intervals along a mineralized zone eleven kilometers long. The mineralized horizon is characterized by foliation, veining and brecciation, and is interpreted as a splay fault off the Chirano Shear with mineralization occurring within 200 meters to the west of the Chirano Shear.

### *Mineralisation*

The Chirano gold deposits comprise fractured and altered granite, and include stacked arrays of parallel veinlets, veinlet stockworks and mineralized cataclasites. The geometry and shape of the deposits range from tabular (Obra), or pipe-like (Tano), to multiple parallel lodes (Paboase). The mineralized zone thickness ranges from a few meters to over 70 meters. Most deposits dip very steeply towards the west or southwest, and also plunge very steeply. Generally, the tenor of the gold mineralization correlates with the intensity of alteration, veining and brecciation. The gold mineralization is associated with 1% to 5% pyrite, and the distribution of gold appears to be closely associated with the presence of pyrite. The hydrothermal alteration assemblage is characterized by ankerite, albite, muscovite and pyrite which overprint earlier hematite dusting of the granite.

### *Exploration Concept*

Exploration in the early phases of the project was largely empirical with the fourteen known deposits discovered through routine soil geochemistry followed up by trenching and later drilling. Over the last two years and driven in part by the discovery of the Akwaaba and Paboase underground resources, exploration is becoming more conceptual in the search for deeper, possibly blind deposits along the Chirano Shear.

### *Status of Exploration*

Exploration is at a very advanced stage. The known open pit resources have been fully defined by drilling and drilling continues to infill and extend the Akwaaba underground resource. Since the onset of mining in 2005, access to the open pits for geological mapping continues to advance knowledge of the mineralization and controls. Sophisticated ground geophysics has been utilized to probe deeper parts of the 11km strike length of the Chirano Shear.

During the financial year ended December 31, 2009 activity at Chirano was focused on two areas:

- At the Paboase deposit, drilling focused on upgrading inferred resources and defining the limits of the underground orebody. In July 2009, an initial underground resource estimation was completed.
- Elsewhere mapping continued to target other potential high grade, underground targets throughout the 10km of the Chirano Shear Zone.

### *Mineral Resources*

Hellman & Schofield Pty Ltd. (“H&S”) have been retained to estimate resources as at the end of December 2009 for input into the revised open pit optimization and mining planning for the Chirano mine.

The summarized resource statements are reported in accordance with NI 43-101 and the classifications adopted by CIM Council in August 2000. The resource classification is also consistent with the Australasian Code for the Reporting of Mineral Resources and Ore Reserves of September 1999 as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia (JORC). The resource statements are summarized below:

<b>Summary Resource Statement at December 31, 2009</b> (variable cutoff, see tables below)			
	<b>Tonnes (Mt)</b>	<b>Au g/t</b>	<b>Moz</b>
Measured	16.8	1.99	1.08
Indicated	21.4	3.08	2.12
Stockpiles	3.4	1.23	0.14
<b>Measured, Indicated and Stockpiles Total</b>	<b>41.7</b>	<b>2.49</b>	<b>3.34</b>
Inferred	12.6	3.38	1.3

Numbers may not add correctly due to rounding.

<b>Summary Open Pit Resource Statement at December 31, 2009</b> 1g/t Au cutoff			
	<b>Tonnes (Mt)</b>	<b>Au g/t</b>	<b>Moz</b>
Measured	16.1	1.88	0.98
Indicated	11.6	1.69	0.63
Stockpiles	3.2	1.00	0.11
<b>Measured, Indicated and Stockpiles</b>	<b>30.9</b>	<b>1.73</b>	<b>1.72</b>
Inferred	5.6	1.7	0.3

<b>Summary Akwaaba Underground Resource Statement at December 31, 2009</b> 1.5g/t Au cutoff			
<b>Category</b>	<b>Mt</b>	<b>Au g/t</b>	<b>Moz</b>
Measured	0.7	4.32	0.10
Indicated	7.0	5.23	1.18
Broken Stocks	<b>0.2</b>	<b>3.43</b>	<b>0.03</b>
<b>Measured, Indicated and Stockpiles</b>	<b>8.0</b>	<b>5.08</b>	<b>1.31</b>
Inferred	0.8	2.7	0.1

<b>Summary Paboase South Underground Resource Statement at December 31, 2009</b> 1.5g/t Au cutoff			
<b>Category</b>	<b>Mt</b>	<b>Au g/t</b>	<b>Moz</b>
Indicated	2.8	3.52	0.31
Inferred	4.2	4.9	0.7

<b>Summary Suraw Underground Resource Statement at December 31, 2009</b>			
<b>1.5g/t Au cutoff</b>			
	<b>Mt</b>	<b>Au g/t</b>	<b>Moz</b>
Inferred	2.0	3.9	0.3

Open pit Resources are reported above a 1g/t cut off and have been depleted to the December 31, 2009 pit surfaces. Gold grades for the reported open pit resource have been determined using Multiple Indicator Kriging (MIK) incorporating a change of support to provide estimated resources recoverable by open pit mining. The model uses block dimensions of 12.5m (east) x 25m (north) x 6m (elevation) and a selective mining unit of 2m (east) by 5m (north) by 2.5m (elevation). Gold estimation and model blocks were constrained within geologically derived wireframes.

Underground Akwaaba Resources are reported above a 1.5g/t cut off. Measured resources are reported from the top of the upper level of stoping (2200mRL to 2125mRL) to the top of development at the 2100mRL level. This represents the area that has been subject to infill drilling and gold grades have been estimated using Conditional Simulation using a block size of 3m (east) by 5m (north) by 3m (RL). Gold estimation and model blocks were constrained within geologically derived wireframes, a 60g/t top cut has been applied. Indicated and Inferred Resources are reported as the material below the top of development at the 2100mRL level. Gold grades have been estimated by Ordinary Kriging (OK) with grades interpolated into parent blocks with dimensions of 5m (east) by 25m (north) by 10m (elevation). Gold estimation and model blocks were constrained within geologically derived wireframes. Due to the homogenous nature of the data no top cut has been applied to the Indicated and Inferred Resource data prior to estimation. It is observed that higher values in the dataset have little influence on the grade of the deposit.

Paboase and Suraw Underground Resources are reported above a 1.5g/t cut off and below the 2236m and 2263m elevations respectively which are the approximate bases of current open pit designs. Gold grades for the reported underground resource model have been determined using Ordinary Kriging (OK) with grades interpolated into parent blocks with dimensions of 5m (east) by 25m (north) by 10m (elevation). Gold estimation and model blocks were constrained within geologically derived wireframes.

### ***Mineral Reserves***

The Ore Reserve estimate is based on the H&S December 2009 resource block model and depleted to the 31<sup>st</sup> December 2009 pit surfaces. The statement includes ROM and low grade stockpiles. The resource estimate is inclusive of the Ore Reserve estimate.

The Ore Reserve statements set out below have been determined and reported in accordance with NI 43-101 and the classifications adopted by CIM Council in August 2000. The reserve classifications are also consistent with the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' of September 1999 as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia (JORC). The reserve statements are summarized below:

<b>Summary Reserve Statement at December 31, 2009</b>			
<b>Category</b>	<b>Mt</b>	<b>Au g/t</b>	<b>Moz</b>
Proven	16.4	1.55	0.82
Probable	13.6	3.00	1.31
Stockpiles	3.2	1.07	0.11
<b>Proven, Probable and Stockpiles Total</b>	<b>33.2</b>	<b>2.10</b>	<b>2.24</b>

Numbers may not add correctly due to rounding

<b>Open Pit Reserve Statement at December 31, 2009</b>			
<b>Category</b>	<b>Mt</b>	<b>Au g/t</b>	<b>Moz</b>
Proven	16.4	1.55	0.82
Probable	4.7	1.34	0.20
Stockpiles	3.2	1.04	0.11
<b>Proven, Probable and Stockpiles Total</b>	<b>24.4</b>	<b>1.44</b>	<b>1.13</b>

<b>Underground Reserve Statement at December 31, 2009</b>			
<b>Category</b>	<b>Mt</b>	<b>Au g/t</b>	<b>Moz</b>
Proven			
Probable	8.9	3.91	1.11
Stockpiles			
<b>Proven, Probable and Stockpiles Total</b>	<b>8.9</b>	<b>3.91</b>	<b>1.11</b>

Open Pit Ore Reserves have been estimated by AMC Consultants using a gold price of US\$800 and an average breakeven cut-off grade in the range of 0.60g/t and 0.65g/t.

Underground Ore Reserves for Akwaaba are based on a Sub-level Caving mine design ("SLC") as estimated by AMC Consultants using a gold price of US\$800 and a 2.2 g/t cutoff.

### ***Development and Operations***

Red Back commissioned the Chirano gold plant in September 2005 with the first gold pour on October 10, 2005. On November 21, 2007 the Corporation announced the approval of the development of the Akwaaba underground mine and an expansion of the Chirano processing plant to a capacity 3.5 million tonnes per annum. During the fourth quarter of 2009, the Chirano plant expansion was completed and production from Akwaaba Underground was declared commercial. The forecast production at Chirano in 2010 is expected to increase to between 240,000 and 260,000 ounces.

During the year ended December 31, 2009 the Chirano Gold mine mined 3.5 million tonnes of ore, treated 2.7 million tonnes at a grade of 2.3g/t with a recovery of 90.4% to produce a total of 183,425 ounces of gold.

Ore at Chirano is mined by open pit and underground methods:

- The open pit mining methods are conventional and utilize selective mining techniques to separate ore and waste. The contractor's mining fleet is a combination of 250 tonne hydraulic excavators with 14 cubic metre buckets loading 90 tonne trucks. Provision has been made for drilling and blasting all primary materials.

- The underground mining method is Sub Level Caving (“SLC”). SLC is a top down mass mining method which uses gravity flow of the blasted ore. Broken ore is extracted from the sublevels by LHDs which is then loaded into trucks for transport to surface via the decline developed in the footwall of the orebody.

Following the completion of the plant expansion in late 2009, the treatment plant flow sheet is based on three stage crushing, primary and secondary ball milling, pre-leach thickening, a single stage of leaching and a nine stage CIL circuit. Gold is recovered by a Zadra elution circuit with electro-winning of the gold onto stainless steel cathodes. The gold is removed from the cathodes with high pressure water sprays and smelted to a final bullion product.

At the end of 2009, CGML employed 686 people, of which 16 are expatriates. 85 employees (including 2 expatriates) worked on the mill expansion construction.

The Chirano mine has a peak continuous power demand of approximately 19MW with an installed power capacity of 29MW. The supply of power in this region is controlled by the Electricity Commission of Ghana (ECG) and power is sourced from the national grid at 161kV, stepped down at the Asawinso substations and reticulated to the mine by a new 33kV overhead power line. A 13MW diesel powered station has been installed at Chirano for use as back up generators.

The primary source of raw water is the Water Storage Facility (“WSF”) which has been designed to store approximately 400,000m<sup>3</sup>. The WSF is located in a natural stream valley about 2km east of the treatment plant site. The WSF is confined by a dividing embankment between the WSF and the tailings storage facility (TSF) and a saddle dam located to the south. The WSF is recharged by runoff from its 165 hectare upstream catchment, from pit dewatering pumped to the facility and from pumped inflows from the Suraw River Water Pond. An emergency spillway has been incorporated into the WSF design.

Gold produced at the mine site is shipped from site, under secured conditions, to a refining company. Under pre-established contractual instructions, the refiner delivers the refined gold directly to an account held by Chirano with an international financial institution. Once received at the financial institution, the refined gold is sold in the market at spot with proceeds automatically credited to a Chirano bank account. Chirano is not a party to any contract for the sale of its gold.

Chirano’s annual taxable profits are taxed at a flat rate of 25%. To date, amortization and depreciation of Chirano’s significant capital expenditure, from its initial development costs to its current expansion and ongoing exploration, has been applied using the established tax rates of amortization to offset the income otherwise subject to tax. In addition, the government of Ghana has established an additional 5% tax levy on accounting profits applicable to the second half of 2009 and in 2010.

The mine is estimated to have a minimum life of a further 10 years.

### ***Environmental Issues***

The initial Environmental Impact Statement (“EIS”) was completed by environmental consultants SGS and submitted to the Environmental Protection Authority (“EPA”) and the EPA permit was granted on April 5, 2004.

The EIS identified an increase in dust and noise levels and deterioration in water quality as potential impacts of the mine. Knight Piesold (KP) undertook investigations of the waste materials in order to characterize them and concluded that the waste rock from the Chirano Gold mine is non-acid generating.

The Akwaaba Underground EIS was submitted to the EPA in May 2008. The Environmental Permit thereon was issued on the 24<sup>th</sup> September 2008 by the EPA. The Akwaaba operation was incorporated into CGML operations with one application to the Minerals Commission for one common Mining Permit for both surface and underground operations. The mining permit is renewed and issued upon payment of the required fees on annual basis.

### ***Tasiast Mine***

#### ***Introduction***

On May 8, 2009 Red Back filed a compliant NI 43-101 technical report (the “Tasiast Report”) on the Tasiast mine. The Tasiast Report was prepared by Hugh Stuart, B.Sc., M.Sc, MAusIMM, the Corporation’s Vice President Exploration and a “qualified person” as defined in NI 43-101. Unless stated otherwise, information in this AIF of a scientific or technical nature regarding the Tasiast mine is summarized, derived or extracted from the Tasiast Report. For a complete description of assumptions, qualifications and procedures associated with the information in the Tasiast Report, reference should be made to the full text of the Tasiast Report, which is available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

Tasiast Mauritaine Limited S.A. (“TMLSA”), a subsidiary of RBI, holds a 100% interest in the 312km<sup>2</sup> El mining licence or “PE”. A second subsidiary, Tasiast Mauritania Ltd (“TML”) has land holdings in Mauritania which consist of two exploration permit areas totaling 5,938 km<sup>2</sup>: Tasiast and Ahmeyim-Tijirit.

TML and TMLSA hold a 100% interest in all permit areas except for the Ahmeyim Est permit (PRM 110.), in which Société Arabe des Mines de l’Inchiri S.A (“SAMIN”) holds a 10% free carried interest.

TMLSA has been issued the necessary permits to enter into production and achieved commercial production in 2008.

#### ***Location***

The Tasiast permit area (the “Tasiast Permit Area”) is located in north-western Mauritania, approximately 300 km north of Nouakchott and 250 km southeast of the city of Nouâdhibou. The Tasiast Permit Area falls within the administrative purview of the Inchiri and Dakhlet Nouâdhibou Districts and comprises five individual and contiguous permits totalling 4,494 km<sup>2</sup> in area which surround the 312km<sup>2</sup> mining licence.

The Tasiast Permit Area is accessed from Nouakchott by using the paved Nouakchott to Nouâdhibou highway and then via 66km of graded mine access road which is maintained by TMLSA. An airstrip has been constructed at the mine Site and is used for light aircraft from Nouakchott.

#### ***Ownership***

Red Back acquired the Tasiast mine from Lundin Mining Corporation in August, 2007 following Lundin’s acquisition of Rio Narcea Gold Mines, Ltd. See “General Development of the Business – Significant Acquisitions and Dispositions” herein. The Tasiast mine and the mining lease on which it is based are owned 100% by TMLSA. TMLSA is owned by the Corporation through Red Back Mining B.V., a Dutch company.

The mining lease is exclusive to TMLSA and is not subject to any option or joint venture arrangement. No back-in rights are held by any party.

The taxation of mining operations is legislated within the mining law of Mauritania and is not generally affected by changes to taxation in other areas. The corporate tax rate for mining companies is 25%. A

royalty is payable to the Government of Mauritania equal to 3% of gross revenue. Tasiast is also subject to minimum expansion fees of \$8 million per year during 2009 and 2010. In addition to government royalties, Tasiast is subject to a 2% royalty payable to Franco-Nevada Corporation on life of mine gold production in excess of 600,000 ounces.

### *Climate, Local Resources, Infrastructure and Physiography*

The topography of the Tasiast Permit Area consists mainly of flat, barren plains which are primarily covered by regolith and locally by sand dunes, or eroded paleo-lateritic profiles. Locally, the drainage pattern within and outside of the Tasiast Permit Area consists of several intermittent dendritic first and second order streams that generally flow southwesterly. Vegetation found on the Tasiast Permit Area is sparse and consists primarily of grasses and the occasional acacia trees. The climate is hot most of the year and characterized by low rainfall and strong prevailing NE-SW winds. Maximum temperatures can exceed 45°C and reach lows of approximately 10°C.

The average elevation is approximately 500 feet above sea level.

Current land use in the mine area consists of limited nomadic livestock farmers. There are no villages, agricultural farms, nor artisanal mining activity within or around the mine area. The nearest permanent settlements are located some 100 km north of the mine area, on the Société Nationale Industrielle et Minière (“SNIM”) rail line at the railway maintenance station PK22.

### *History - Exploration*

The Tasiast Permit Area has been subject to extensive exploration by several of companies. From 1962 to 1993, the Tasiast region saw three regional exploration programs which were carried out by the Bureau de Recherches Géologique et Minières (“BRGM”) exploring for beryllium, lithium, and nickel, and by SNIM exploring for iron.

Upon the completion of regional reconnaissance exploration program carried out by the Office Mauritanien de Recherches Géologiques (“OMRG”) in 1996, the areas within and around the Tasiast area were made available to third parties.

Between 1996 and 2001, Normandy LaSource Development (“NLSD”) completed a major exploration program within the Tasiast Permit Area, including some 32,000 m of RC drilling and 3,300 m of diamond drilling. The drilling programs completed the preliminary delineation of the Piment and West Branch Resources.

In 2003 Midas Gold plc (“Midas”) began an evaluation of the Tasiast area and data, completing a resource estimation for the West Branch, Piment South and North areas, and in April 2003 Geomaque Explorations Inc. (“Geomaque”) announced the acquisition of Midas and the extension of a loan allowing Midas to complete the acquisition of the Tasiast Project from NLSD. The merger of Geomaque and Midas ultimately created a new entity- Defiance Mining Corporation.

Between March 2003 and October 2004 Defiance completed approximately 415 RC holes totalling 32,700 m of drilling, and 33 diamond drill holes totaling 2,270 m of drilling on the Piment Zone.

Rio Narcea resumed drilling in early 2007, completing 148 holes for 17,198m.

Since it's acquisition of the Tasiast Project in August 2007, Red Back has completed 4,688 holes (372,607m) continuing the full delineation of the Piment and West Branch deposits and in reconnaissance drilling. Exploration expenditure during 2008 was US\$13.1 million and US\$15.9 million in 2009.

Samples from the exploration programme at Tasiast are analysed at both the onsite SGS facility and at the SGS laboratories at Kayes and Morila in Mali and Ouagadougou in Burkina Faso. The QA/QC programmes implemented by Red Back to ensure the quality and representativity of the drill hole data provide the appropriate level of assurance and have been undertaken at a level expected of the industry. The available data indicates that the analytical accuracy of the assaying for the mine is within industry accepted standards. These programmes are described in detail in Section 14 of the Technical Report filed in May 2009, which can be accessed at [www.sedar.com](http://www.sedar.com) under the Corporation's profile, Red Back Mining Inc.

### ***Resource History***

The resources and reserves associated with the Tasiast Gold Project were calculated by ACA Howe in December 2006. The resources and reserves were updated by H&S and AMC as at December 2007 with a further resource update announced in June 2008, December 2008, August 2009 and December 2009.

### ***Production History***

Historically there has been no gold production at Tasiast. Commercial production of gold at Tasiast was commenced by the Corporation in the first quarter of 2008.

<b>Year</b>	<b>Tonnes Milled (Mt)</b>	<b>Grade (g/t)</b>	<b>Recovery</b>	<b>Gold Produced (<sup>'000</sup> ozs)</b>	<b>Cash Operating Cost (\$/oz)</b>
2009	1.69	3.1	91.6%	161	341
2008	1.49	3.10	93.6%	140	384

### ***Geology & Mineralisation***

The Tasiast mine Area is underlain by Archean age Aouéouat greenstone belt, a 70 km long by 15 km wide N-S trending belt situated within the SW sector of the Reguibat Shield. Gold mineralization in this area is similar to that found in Canadian Archean terranes such as the Abitibi Greenstone Belt. Deposit types that occur within the Tasiast area consist primarily of gold-bearing Banded Iron Formation or "BIF" deposits, as well as Archean vein-type gold mineralization in the adjacent volcanic units.

Exploration has identified two major, BIF hosted, mineralized zones that have now been defined over a combined strike length of 8km at Tasiast. The BIF units consist of oxide-silicate facies ferruginous magnetite quartzite.

The Piment Zone is situated along the east limb of an interpreted broad, regional antiform that is cored by a felsic volcanic unit approximately 200 m wide at the present surface elevation. The West Branch is located approximately 200 m to the west in the reverse limb of this antiform. Both zones dip between 40° and 60° to the east and mineralization plunges south with the antiform. In 2009 the West Branch deposit was expanded through the discovery of the "Greenschist Zone" which lies in the hanging wall of the West Branch Deposit, within the core of the antiform.

### ***Exploration Concept***

The Tasiast deposit lies within an extensive gold system that is largely under-explored. The deposit is open along strike and at depth. Tasiast is the first mine in the highly prospective 70 kilometre long by 15 kilometre wide north-south trending Archean age Aouéouat greenstone belt, which is geologically similar to other Archean greenstone belts in the world that host major gold deposits.

Exploration in the early phases of the project was largely empirical with the known deposits discovered through routine soil geochemistry followed up by trenching and later drilling. Detailed exploration drilling to date has focused on delineating the known deposits and in 2010 will aim to expand resources by extending drilling on the known structures based on a combination of soil geochemistry and geological mapping.

### *Status of Exploration*

#### *Resources*

H&S have updated the resource estimate as at December 2007, June 2008, December 2008, August 2009 and December 2009.

Gold grades for the reported open pit resource have been determined using Multiple Indicator Kriging (MIK) based on block dimensions of 15m (east) x 25m (north) x 5m (elevation) and using a selective mining unit of 3m (east) by 5m (north) by 2.5m (elevation). Gold estimation and model blocks were constrained within geologically derived wireframes.

The summarised resource statements below are reported in accordance with Canadian National Instrument 43-101, Standards of Disclosure for Mineral Projects of February 2001 and the classifications adopted by CIM Council in August 2000. Furthermore, the resource classification is also consistent with the Australasian Code for the Reporting of Mineral Resources and Ore Reserves of September 1999 as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia (JORC). For a detailed subdivision of the open pit resources by deposit and material type, indicating the applicable cutoff grade in each case, please see the Technical report on the Tasiast mine filed in May 2009, which can be accessed at [www.sedar.com](http://www.sedar.com) under the Corporation's profile, Red Back Mining Inc.

Due to the inclusion of the dump leach process in the calculation of Ore Reserves and initial indications that fresh material will also be amenable to Heap Leach treatment the mine Mineral Resources will now be quoted at a lower cut off grades as follows. Mineral Resources are tabled below as of December 31, 2009.

Zone	Cut-Off	Measured			Indicated			Measured + Indicated			Inferred		
		Mt	Au g/t	MOz	Mt	Au g/t	MOz	Mt	Au g/t	MOz	Mt	Au g/t	MOz
Oxide	0.2	21.0	0.83	0.56	22.2	0.70	0.50	43.2	0.76	1.06	6.3	0.6	0.12
Fresh	0.5	41.2	1.55	2.05	70.4	1.50	3.40	111.6	1.52	5.45	26.5	1.4	1.18
<b>Total</b>		<b>62.2</b>	<b>1.30</b>	<b>2.61</b>	<b>92.6</b>	<b>1.30</b>	<b>3.90</b>	<b>154.9</b>	<b>1.30</b>	<b>6.51</b>	<b>32.8</b>	<b>1.2</b>	<b>1.30</b>

#### *Reserves*

Following the Tasiast acquisition, AMC re-estimated the Tasiast ore Reserves in February 2008 and on completion of the February 2009 Mineral Resource Estimate completed an updated Ore Reserve Calculation.

The reserve study was based on the H&S February 2009 block model and involved pit optimizations calculated at a US\$800 gold price, pit designs, mineral reserve estimation and mine production scheduling. A summary of the reserve estimate is shown in the table below.

In addition to the CIL processing, additional low grade oxide ore from the Piment is now being treated by dump leach and this process was included in the calculation of the Piment Zone Ore Reserves. The reserve

is reported using the following cut-offs: CIL oxide 0.78g/t, CIL fresh 0.86g/t, dump leach oxide 0.12g/t; and includes 10% dilution where the diluting material is assumed to have a grade of zero grams of gold per tonne, and 95% mining recovery.

The Reserve Statements reported as at December 31, 2009, set out below have been determined and reported in accordance with Canadian National Instrument 43-101, 'Standards of Disclosure for Mineral Projects' of February 2001 and the classifications adopted by CIM Council in August 2000. Furthermore, the reserve classifications are also consistent with the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' of September 1999 as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia (JORC).

<b>Classification</b>	<b>Tonnes (Mt)</b>	<b>Au (g/t)</b>	<b>In situ Au (Moz)</b>
Total Proven	49.4	1.36	2.17
Total Probable	61.5	1.40	2.77
Total Stockpile	4.3	0.68	0.09
<b>Total</b>	<b>115.2</b>	<b>1.36</b>	<b>5.03</b>

### *Development and Operations*

The Tasiast gold mine was officially opened by the President of Mauritania, His Excellency Sidi Mohamed Ould Cheikh Abdallahi, on July 18, 2007. Red Back completed the purchase of Tasiast on August 2, 2007. Commissioning of the Tasiast plant continued through 2007 with commercial production declared in January 2008.

Mining commenced in April 2007 with commissioning of the plant commencing in July 2007. In 2009 1.68 million tonnes at a grade of 2.9 g/t were treated to produce 158,660 ounces.

All ore and waste is mined via conventional, open pit mining methods. The operation utilises selective mining techniques to separate ore and waste. The mining fleet is a combination of 120 tonne hydraulic excavators loading 90 tonne trucks. Provision has been made for drilling and blasting all primary materials.

The treatment plant flow sheet is based on three stage crushing, ball milling, pre-leach thickening and a six stage CIL circuit. Gold is recovered by an elution circuit with electro-winning of the gold onto wire wool cathodes. The loaded wire wool is smelted to produce a final bullion product. A gravity circuit installed in the grinding circuit prevents build up of coarse gold during processing of the higher grade primary ores.

Low grade oxide material is now being processed by dump leach.

As of December 2009 TMLSA employed 454 people, of which 64 are expatriates.

The mine power is generated by three 2.7MW HFO generators with eight 1.0MW diesel generators as standby.

Water is drawn from a semi-saline underground aquifer located 60 km west of the mine, which is exploited by twenty wells. Water is pumped to the mine site through a 400mm and 500mm water delivery pipeline to a 4,000m<sup>3</sup> storage facility at the mine site. The capacity of the system is estimated to be 14,000m<sup>3</sup> per day. A reverse osmosis water treatment plant provides drinking water.

Gold produced at the mine site is shipped from site, under secured conditions, to a refining company. Under pre-established contractual instructions, the refiner delivers the refined gold directly to an account held by Tasiast with an international financial institution. Once received at the financial institution, the refined gold is sold in the market at spot with proceeds automatically credited to a Tasiast bank account. Tasiast is not a party to any contract for the sale of its gold.

In 2009, Tasiast's profits have been exonerated from income taxes under a Mining Convention signed in 2006 with the government of Mauritania. Tasiast's future profits, once the exoneration from income taxes ceases at the end of 2010, will be subject to tax based on a 25% income tax rate. Amortization and depreciation of Tasiast's past and future capital projects can be applied using the established tax rates of amortization to reduce the income otherwise subject to tax.

The mine is estimated to have a minimum life of a further 15 years.

### *Environmental Issues*

The initial Environmental Impact Study (EIS) at Tasiast was undertaken by SNC Lavalin in 2004. The EIS report was submitted to the Ministry of Petroleum and Mines (MPM) on 31<sup>st</sup> May 2004 and subsequently approved by the Director of Mines and Geology on 12<sup>th</sup> April 2005.

Following the publication of new legislation, namely Decrees No. 2004-094 and No. 2007-105, TMLSA was subsequently requested to update the application to be in compliance with new EIS legislation, and the following was therefore required:

- Terms of Reference for the EIS;
- A conforming Environmental Management Plan (EMP);
- Formal public inquiry;
- Rehabilitation and Closure Plan; and
- Non-technical summary of the EIS aimed at the public and decision-makers.

TMLSA commissioned Scott Wilson, an international environmental and engineering mining consultancy, to undertake the necessary environmental reporting required to comply with Mauritanian legislation. This was completed in the third quarter of 2009.

### *Ahmeyin Tijirit Project*

The project area covers 1,444km<sup>2</sup> to the east of the Tasiast Project tenements covering further prospective Archaean Greenstone belts. Exploration to date is limited to soil geochemistry, rock chip sampling and trenching (2009). A number of target areas have been defined and the Corporation is in the process of re-assessing these areas and will re-start exploration in 2010.

## **RISK FACTORS**

The operations of the Corporation are speculative due to the high risk nature of its business which includes the acquisition, financing, exploration, development and operation of mining properties. These risk factors could materially affect the Corporation's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Corporation.

## **Estimation of Mineralization, Resources and Reserves**

There is a degree of uncertainty attributable to the calculation of mineralization, resources and reserves and corresponding grades being mined or dedicated to future production. Until reserves or mineralization are actually mined and processed, the quantity of mineralization and reserve grades must be considered estimates only. In addition, the quantity of reserves and mineralization may vary depending on commodity prices. Any material change in quantity of reserves, mineralization, grade or stripping ratio may affect the economic viability of a mine. In addition, there can be no assurance that recoveries from laboratory tests will be duplicated in tests under on-site conditions or during production.

## **Infrastructure**

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges and power and water supply are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Corporation's activities and profitability.

## **Title Matters**

Any changes in the laws of Ghana, Mauritania or Côte D' Ivoire relating to mining could materially affect the rights and title to the interests held there by the Corporation. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties.

## **Competition**

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Corporation competes with other exploration and mining companies, many of which have greater financial resources than the Corporation, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

## **Mineral Prices**

Factors such as inflation, foreign currency fluctuation, interest rates, supply and demand and industrial disruption have an adverse impact on operating costs, commodity prices and stock market prices and on the Corporation's ability to fund its activities. The Corporation's revenues, costs and share price can be affected by these and other factors which are beyond the control of the Corporation. There is no assurance that, even if commercial quantities of ore are discovered, a profitable market will continue to exist for the sale of products from that ore. Factors beyond the control of the Corporation may affect the marketability of any minerals discovered. Mineral prices have fluctuated widely, particularly in recent years. The marketability of minerals is also affected by numerous other factors beyond the control of the Corporation, including government regulations relating to royalties, allowable production and importing and exporting of minerals, the effect of which cannot be accurately predicted.

Presently, the Corporation sells its gold production in the market at spot. Therefore, revenues and operating profits are influenced by fluctuations in the world gold price. In 2009, a 10% variation in the average realized gold price would have resulted in a \$34 million effect on revenues and operating profits for the year. If the price of gold should drop significantly, the economic prospects of the Corporation's current projects could be significantly reduced or rendered uneconomic.

## **Funding Requirements**

Mining exploration and development involves financial risk and capital investment. The continuance of the Corporation's development and exploration activities and its growth through the acquisition of exploration, development or production assets depends upon the Corporation's ability to generate positive cash flows, private and public equity financing, debt and/or other means. There is no assurance that the Corporation will be successful in obtaining additional financing on a timely basis, or continue to generate positive cash flows.

## **Uninsured Risks**

The mining business is subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, encountering unusual or unexpected geologic formations or other geological or grade problems, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions and other acts of God. Such risks could result in damage to, or destruction of, mineral properties or facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability.

The Corporation maintains insurance against certain risks associated with its business in amounts that it believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. There can be no assurance that such insurance will continue to be available, will be available at economically acceptable premiums or will be adequate to cover any resulting claim.

## **Foreign Operations**

Operations, development and exploration activities carried out by the Corporation are or may be affected to varying degrees by taxes and government regulations relating to such matters as environmental protection, land use, water use, health, safety, labor, restrictions on production, price controls, currency remittance, maintenance of mineral rights, mineral tenure, and expropriation of property. There is no assurance that future changes in taxes or such regulation in the various jurisdictions in which the Corporation operates will not adversely affect the Corporation's operations. Industrial disruptions, work stoppages and accidents in the course of the Corporation's operations can result in future production losses and delays, which may adversely affect future profitability. The Corporation's principal assets are held outside of Canada in Ghana and Mauritania, West Africa. Although the operating environment in Ghana and Mauritania is considered favorable compared to that in other developing countries, with various government incentives offered to attract international investment into Ghana and Mauritania, there are still political risks. The risks include, but are not limited to, terrorism, hostage taking, military repression, expropriation, extreme fluctuations in currency exchange rates, high rates of inflation and labor unrest. Changes in mining or investment policies or shifts in political attitudes may also adversely affect the Corporation's business. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, maintenance of claims, environmental legislation, expropriation of property, land use, land claims of local people, water use and safety. The effect of these factors cannot be accurately predicted.

## **Exploration and Development Risks**

The successful exploration and development of mineral properties is speculative and subject to a number of uncertainties which even a combination of careful evaluation, experience and knowledge may not eliminate. There is no certainty that the expenditures made or to be made by the Corporation in the exploration and development of its mineral properties or properties in which it has an interest will result in the discovery of mineralized materials in commercial quantities. Most exploration projects do not result in the discovery of commercially mineable deposits. While discovery of a base metal or precious metal bearing structure may

result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that exploration programs carried out by the Corporation will result in profitable commercial mining operations.

The Corporation's operations are subject to all of the hazards and risks normally incident to mineral exploration, mine development and operation, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all damage. The Corporation's activities may be subject to prolonged disruptions due to weather conditions depending on the location of operations in which the Corporation has interests. Hazards such as unusual or unexpected formations, pressures or other conditions may also be encountered.

### **Environmental and Other Regulatory Requirements**

The current or future operations of the Corporation, including development activities and, if warranted, commencement of production on properties in which it has an interest, require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Corporation believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. However, there can be no assurance that all permits which the Corporation may require for the conduct of mineral exploration and development can be obtained or maintained on reasonable terms or that such laws and regulations would not have an adverse effect on any such mineral exploration or development which the Corporation might undertake.

Amendments to current laws, regulations and permits governing operations and activities of mineral exploration companies, or more stringent interpretation, implementation or enforcement thereof, could have a material adverse impact on the Corporation.

### **Mining and Investment Policies**

Changes in mining or investment policies or shifts in political attitude may adversely affect the Corporation's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and safety regulations. The effect of these factors cannot be accurately predicted.

### **Hedging and Foreign Exchange**

While hedging of commodity prices and exchange rates is possible, there is no guarantee that appropriate hedging will be available at an acceptable cost should the Corporation choose or need to enter into these types of transactions.

## **DESCRIPTION OF CAPITAL STRUCTURE**

The Corporation is authorized to issue an unlimited number of common shares, each without par value. The following is a summary of the principal attributes of the Corporation's Common Shares:

- **Voting Rights.** The holders of the Common Shares are entitled to receive notice of, attend and vote at any meeting of the shareholders of the Corporation. The Common Shares carry one

vote per share. There are no cumulative voting rights, and directors do not stand for re-election at staggered intervals.

- **Dividends.** The holders of common Shares are entitled to receive on a pro-rata basis such dividends as may be declared by the Board, out of funds legally available therefor. Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.
- **Profits.** Each Common Share is entitled to share pro-rata in any profits of the Corporation to the extent they are distributed either through the declaration of dividends or are otherwise distributed to shareholders, or on a winding up or liquidation.
- **Rights on Dissolution.** In the event of the liquidation, dissolution or winding up of the Corporation, the holders of the Common Shares will be entitled to receive on a pro-rata basis all of the assets of the Corporation remaining after payment of all the Corporation's liabilities.
- **Pre-Emptive, Conversion and Other Rights.** No pre-emptive, redemption, sinking fund or conversion rights are attached to the Common Shares, and the Common Shares, when fully paid, will not be liable to further call or assessment. All issued shares have been fully allotted and paid for. No other class of shares may be created without the approval of the holders of Common Shares. There are no provisions discriminating against any existing or prospective holder of Common Shares as a result of such shareholder owning a substantial number of shares.

The rights of holders of Common Shares may only be changed by a special resolution of two-thirds of the issued and outstanding Common Shares voted at a meeting of shareholders, in accordance with the requirements of the Canada Business Corporations Act.

### **Dividends**

There are no restrictions that prevent the Corporation from paying dividends. The Corporation has not paid dividends to date on its common shares and has no plans to pay dividends in the near future. Any decision to pay dividends in the future will be based on the Corporation's earnings and financial requirements and other factors that its board of directors may consider appropriate in the circumstances.

**MARKET FOR SECURITIES**

The following table sets forth for the calendar periods indicated, the high and low closing sale prices and trading volumes for the Corporation's common shares as reported on the Toronto Stock Exchange.

<b>Month</b>	<b>High (\$)</b>	<b>Low (\$)</b>	<b>Total Volume</b>
January 2009	8.45	6.87	32,935,110
February 2009	8.70	6.81	50,354,944
March 2009	8.49	6.53	40,355,072
April 2009	8.77	6.65	55,546,388
May 2009	10.95	8.43	42,911,028
June 2009	10.73	8.78	40,653,152
July 2009	10.35	9.16	24,483,612
August 2009	11.46	9.67	32,557,900
September 2009	13.02	10.91	43,092,680
October 2009	14.44	11.11	48,071,520
November 2009	16.20	13.75	42,236,544
December 2009	16.19	14.64	35,128,796

**ESCROWED SECURITIES**

There are no securities of the Corporation which are held in escrow.

**DIRECTORS AND OFFICERS****Name, Address, Occupation and Security Holding**

The board of directors is currently comprised of six directors who are elected annually and whose term of office will expire at the annual meeting of the shareholders of the Corporation to be held on May 10, 2010. Each director holds office until the next annual meeting of shareholders or until his successor is duly elected unless his office is earlier vacated in accordance with the by-laws of the Corporation. The names, provinces and countries of residence of each of the directors and executive officers of the Corporation, their respective positions and offices held with the Corporation, and their principal occupations are as follows:

<b>Name and Province and Country of Residence</b>	<b>Positions with RBI</b>	<b>Principal Occupation within the Preceding Five Years and, if applicable, Term as Director</b>
Richard P. Clark British Columbia, Canada	Director, President and Chief Executive Officer	<ul style="list-style-type: none"> <li>• President and CEO of the Corporation</li> <li>• Director since June 21, 2000</li> </ul>

Name and Province and Country of Residence	Positions with RBI	Principal Occupation within the Preceding Five Years and, if applicable, Term as Director
Lukas H. Lundin British Columbia Canada	Director, Chairman of the Board	<ul style="list-style-type: none"> <li>• Mining and oil and gas executive</li> <li>• Director since May 29, 2003</li> </ul>
Michael W. Hunt Mosman Park, Australia	Director	<ul style="list-style-type: none"> <li>• Partner in Hunt &amp; Humphry, Project Lawyers, Perth, Australia</li> <li>• Director since May 3, 2004</li> </ul>
Brian D. Edgar British Columbia, Canada	Lead Director	<ul style="list-style-type: none"> <li>• Self-employed businessman</li> <li>• Director since August 8, 2005</li> </ul>
Robert F. Chase British Columbia, Canada	Director	<ul style="list-style-type: none"> <li>• Self-employed businessman</li> <li>• Director since August 8, 2005</li> </ul>
George L. Brack British Columbia, Canada	Director	<ul style="list-style-type: none"> <li>• Self-employed businessman. Managing Director and Industry Head, Mining Group of Scotia Capital from 2006 to 2009. President of Macquarie North America Ltd. 2000 to 2006.</li> <li>• Director since May 21, 2009</li> </ul>
L. Simon Jackson Vice President Corporate Development	Officer Only	<ul style="list-style-type: none"> <li>• Vice President Corporate Development of the Corporation since September, 2007.</li> <li>• CFO of the Corporation March 1999 to September 2007</li> </ul>
Alessandro Bitelli Chief Financial Officer	Officer Only	<ul style="list-style-type: none"> <li>• CFO of the Corporation since September 2007</li> <li>• Vice President Finance Ashton Mining of Canada March 1995 to April 2007</li> </ul>
Hugh Stuart Vice President Exploration	Officer Only	<ul style="list-style-type: none"> <li>• Vice President Exploration of the Corporation since July 1, 2006</li> <li>• Exploration Manager (Ghana) of the Corporation since October 2003</li> </ul>
Kevin Ross Chief Operating Officer	Officer Only	<ul style="list-style-type: none"> <li>• COO of the Corporation since December 2007</li> <li>• COO New Gold Inc. January 2006 to November 2007</li> <li>• COO Ivernia Inc. September 2004 to November 2005</li> </ul>

The directors and senior officers of the Corporation, as at the date hereof, beneficially own, directly or indirectly, have control of or direction over an aggregate of 1,593,177 common shares of the Corporation, representing approximately 0.69% of the issued and outstanding common shares of the Corporation.

There are currently three standing committees of the Board; namely, the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. The following table identifies the members of each of these Committees:

<b>Audit Committee</b>	<b>Compensation Committee</b>	<b>Corporate Governance and Nominating Committee</b>
Robert F. Chase (Chairman)	Robert F. Chase (Chairman)	Brian D. Edgar (Chairman)
Brian D. Edgar	Brian D. Edgar	Robert F. Chase
George L. Brack	George L. Brack	Michael W. Hunt

### **Corporate Cease Trade Orders or Bankruptcies**

Other than referred to below, no director or officer or person holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, is, or within the past ten years before the date of this Annual Information Form been, a director or officer of any other issuer that, while such person was acting in that capacity (i) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, (ii) was subject to an event that resulted in such an order after the person ceased to be a director or officer, (iii) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets, or (iv) was subject to such bankruptcy proceedings within a year of that person ceasing to act in that capacity.

Mr. Edgar and Mr. Chase are currently and were directors of New West Energy Services Inc. (formerly "Lexacal Investment Corp.") (TSX-V) when, on September 5, 2006, a cease trade order was issued against that company by the British Columbia Securities Commission for failure to file its financial statements within the prescribed time. The default was rectified and the order was rescinded on November 9, 2006.

### **Penalties or Sanctions**

No director or officer or person holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has ever been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

### **Personal Bankruptcies**

No director or officer or person holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, is, or within the past ten years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that individual or company.

### **Conflicts of Interest**

Certain of the Corporation's directors and officers serve or may agree to serve as directors or officers of other reporting companies or have significant shareholdings in other reporting companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the

directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. Under the laws of the Province of British Columbia, the directors of the Corporation are required to act honestly, in good faith and in the best interests of the Corporation. In determining whether or not the Corporation will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Corporation may be exposed and its financial position at that time.

## **AUDIT COMMITTEE**

### **Overview**

The audit Committee of the Corporation's Board of Directors is principally responsible for:

- recommending to the Corporation's Board of Directors the external auditors to be nominated for election by the Corporation's shareholders at each annual meeting and negotiating the compensation of such external auditors;
- overseeing the work of the external auditors;
- reviewing the Corporation's annual and interim financial statements, MD&A and press releases regarding earnings before they are reviewed and approved by the Board of Directors and publicly disseminated by the Corporation; and
- reviewing the Corporation's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraphs.

### **Audit Committee Charter and Mandate**

The Corporation's Board of Directors have adopted a charter of the audit committee (the "Charter") which sets out the audit committee's mandate, organization powers and responsibilities. The complete Charter is attached as Schedule "A" to this AIF.

### **Composition of the Audit Committee**

Below are the details of each audit committee member, including his name, whether he is independent and financially literate as such terms are defined under Multilateral Instrument 52-110 – Audit Committees ("MI-52-110") and his education and experience as it relates to the performance of his duties as an audit committee member.

Member Name	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>	Education & Experience relevant to performance of audit committee duties
Robert F. Chase	Yes	Yes	Mr. Chase was educated as a chartered accountant and has worked in areas related to financial management and reporting for over thirty years, including acting as a consultant for KPMG LLP and was employed as the Chief Financial Officer for various companies including Westar Group.
Brian D. Edgar	Yes	Yes	Mr. Edgar is a trained (currently non-practicing) securities lawyer. He is co-owner of an investment and venture capital firm, has served as an executive/corporate officer and is a board member and member of the audit committee of various public companies over a 30 year period.
George L. Brack	Yes	Yes	Mr. Brack holds an M.B.A. (Finance) from York University and C.F.A. designation. Mr. Brack was Managing Director and Industry Head, Mining Group of Scotia Capital. Prior to joining Scotia Capital in 2006, he served 7 years as President of Macquarie North America Ltd., an investment banking firm specializing in mergers and acquisitions advice to the global mining industry. Previously, Mr. Brack held the position of Vice President, Corporate Development at Placer Dome Inc., worked for CIBC Wood Gundy, where he was a Vice President of the Investment Banking Group. Mr. Brack is a board member and serves as a member of the audit committee of other public companies.
<p>(1) To be considered independent, a member of the committee must not have any direct or indirect “material relationship” with the Corporation. A material relationship is a relationship which could, in the view of the Board of Directors of the Corporation, reasonably interfere with the exercise of a member’s independent judgement.</p> <p>(2) To be considered financially literate, a member of the committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.</p>			

### Reliance on Certain Exemptions

Since the commencement of the Corporation’s most recently completed financial year, the Corporation has not relied on the exemption in Section 2.4 (De Minimis Non-Audit Services), Section 3.2 (Initial Public Offerings), Section 3.4 (Events Outside Control of Member), Section 3.5 (Death, Disability or Resignation of Audit Committee Member) of MI-52-110 or an exemption from MI 52-110, in whole or in part, granted under Part 8 (Exemptions) of MI 52-110.

### Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an internal auditor which was not adopted by the Corporation's Board of Directors.

### Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit service as described in the Charter attached hereto as Schedule A.

### External Auditor Service Fees (by Category)

The following table discloses the fees billed to the Corporation by its external auditors, PricewaterhouseCoopers, LLP, during the financial years ended December 31, 2009 and 2008.

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
2009	\$245,700	\$38,000	\$7,600	\$43,000
2008	\$234,000	\$55,000	\$9,600	\$47,500

<sup>(1)</sup> The aggregate fees billed for audit services.  
<sup>(2)</sup> The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not disclosed in the audit fees column.  
<sup>(3)</sup> The aggregate fees billed for tax compliance, tax advice, and tax planning services.  
<sup>(4)</sup> The aggregate fees billed for professional services other than those listed in the other three columns.

### LEGAL PROCEEDINGS

In July 2003, the Corporation entered into a letter agreement with Geysler Ltd. ("Geysler"), a company based in Dubai, U.A.E., for the sale of Champion Industrial Minerals Inc. ("CIM"), a subsidiary of the Corporation, for a cash payment of C\$10,550,000. CIM is the legal owner of four 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 Corporation did not obtain shareholder and regulatory approval to the sale and purchase. These approvals were received by the Corporation 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 Corporation commenced an action in the Supreme Court of British Columbia against Geysler and later joined Geysler's affiliated company Oswal Chemicals and Fertilizers Ltd ("Oswal") (together the "Defendants"). The Corporation sought damages from Geysler for its failure to fulfil its obligations under the Purchase Agreement.

Both Defendants had judgment entered against them. In a written judgment dated November 10, 2006, The Honourable Madam Justice Garson awarded the Plaintiffs (the Corporation and CIM) damages in the amount of C\$10,300,025 plus costs. In a subsequent hearing the Honourable Madam Justice Garson awarded the Plaintiffs C\$849,187.67 in interest on the damages awarded. The Corporation is proceeding to enforce the judgement of the Honourable Madam Justice Garson against each of Defendants.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this AIF, none of the directors, officers or principal shareholders of RBI, and no associate or affiliate of any of them, has or has had any material interest in any transaction which materially affects the Corporation.

## TRANSFER AGENTS AND REGISTRARS

Computershare Trust Company of Canada acts as the registrar and transfer agent for the common shares of the Corporation at its offices in Vancouver and Toronto. Computershare Trust Company is located at 510 Burrard Street, 3<sup>rd</sup> floor, Vancouver, B.C. V6C 3B9 and 100 University Avenue, 9<sup>th</sup> floor, Toronto, Ontario M5J 2Y1.

## MATERIAL CONTRACTS

The Corporation has not entered into any contracts, other than contracts in the ordinary course of its business, that are material to the Corporation, either between December 31, 2008 and December 31, 2009 or before those dates but which are still in effect.

## NAMES AND INTERESTS OF EXPERTS

Nicolas J. Johnson, B.Sc, (Hons), an independent “qualified person” for the purposes of National Instrument 43-101, is a contributing-author responsible for the preparation of sections 16.1 to 16.4 of a technical report dated May 14, 2009, entitled “Technical Report on the Chirano Mine, Ghana, West Africa” and section 17 (excluding the reserves listed in section 17.13) of a technical report dated May 8, 2009, entitled “Technical Report on the Tasiast Gold Mine, Islamic Republic of Mauritania, for Red Back Mining Inc.”.

Patrick Anthony Smith, B.Eng (Mining), an independent “qualified person” for the purposes of National Instrument 43-101, is a contributing-author responsible for the preparation of section 17.9 of a technical report dated May 8, 2009, entitled “Technical Report on the Tasiast Gold Mine, Islamic Republic of Mauritania, for Red Back Mining Inc.”.

Bruce Gregory, B.Eng (Mining), an independent “qualified person” for the purposes of National Instrument 43-101, is a contributing-author responsible for the preparation of section 16.5.1 of a technical report dated May 14, 2009, entitled “Technical Report on the Chirano Gold Mine, Ghana, West Africa, for Red Back Mining Inc.”.

Anthony Chris Silveira, B.Eng (Mining), an independent “qualified person” for the purposes of National Instrument 43-101, is a contributing-author responsible for the preparation of sections 16.5.2 and 18.2 of a technical report dated May 14, 2009, entitled “Technical Report on the Chirano Gold Mine, Ghana, West Africa, for Red Back Mining Inc”.

William Henry Gibson, MSc (Geotechnical Engineering), an independent “qualified person” for the purposes of National Instrument 43-101, is a contributing-author responsible for the preparation of Akwaaba Reserve estimation in December 2009.

To the knowledge of the Corporation, none of the experts named above hold any registered or beneficial interests, direct or indirect in any securities or other property of the Corporation or an associate or affiliate of the Corporation.

PricewaterhouseCoopers, LLP, the Corporation's external auditors, have prepared the audit report on the audited comparative consolidated financial statements of the Corporation as at and for the year ended December 31, 2009. PricewaterhouseCoopers has advised the Corporation that it is independent of the Corporation in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

### **ADDITIONAL INFORMATION**

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities, options to purchase securities and interests of insiders in material transactions, where applicable, is contained in the Corporation's Management Proxy Circular dated April 15, 2009 for its annual meeting of shareholders held on May 21, 2009. Additional financial information is provided in the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2009 and the Management's Discussion and Analysis. This additional information is available for review at [www.sedar.com](http://www.sedar.com) under the Corporation's profile, Red Back Mining Inc.

The Corporation shall provide to any person, upon request to the Corporate Secretary of the Corporation:

- (a) when the securities of the Corporation are in the course of a distribution pursuant to a short form prospectus or a preliminary short form prospectus has been filed in respect of a distribution of its securities:
  - (i) one copy of the Annual Information Form of the Corporation, together with a copy of any document or the pertinent pages of any document, incorporated by reference in the Annual Information Form;
  - (ii) one copy of the comparative financial statements of the Corporation for its most recently completed financial year together with the accompanying report of the auditor and one copy of any interim financial statements of the Corporation subsequent to the financial statements for the Corporation's most recently completed financial year;
  - (iii) one copy of the management proxy circular of the Corporation in respect to its most recent annual meeting of shareholders that involved the election of directors; and
  - (iv) one copy of any other documents that are incorporated by reference into a preliminary short form prospectus or the short form prospectus and are not required to be provided under (i) to (iii) above; or
- (b) at any other time, one copy of any of the documents referred to in (a)(i), (ii) and (iii) above, provided that the Corporation may require the payment of a reasonable charge if the request is made by a person who is not a security holder of the Corporation.

**SCHEDULE “A”  
RED BACK MINING INC.  
(the “Corporation”)**

**AUDIT COMMITTEE MANDATE AND CHARTER**

**1. Purpose of the Audit Committee**

The purpose of the Audit Committee (the “Committee”) is to assist the Board in fulfilling its oversight responsibility relating to (i) the integrity of the Corporation’s financial statements and Management’s Discussion and Analysis (“MD&A”); (ii) the financial reporting process; (iii) the systems of internal accounting and financial controls; (iv) the professional qualification and independence of the external auditors; (v) the performance of the external auditors and communication among the external auditors, management and the Board; (vi) compliance by the Corporation with legal and regulatory requirements relating to accounting matters and financial disclosure; and (vii) such other matters as are determined by the Board from time to time.

The Committee’s role is one of oversight. It is the responsibility of the Corporation’s management to plan audits and to prepare consolidated financial statements in accordance with generally accepted accounting principles, and it is the responsibility of the Corporation’s external auditor to audit these financial statements. Therefore, each member of the Committee, in exercising his or her business judgment, shall be entitled to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives information, and on the accuracy of the financial and other information provided to the Committee by such persons or organizations. The Committee does not provide any expert or other special assurances as to the Corporation’s financial statements or any expert or professional certification as to the work of the Corporation’s external auditor. In addition, all members of the Committee are equally responsible for discharging the responsibilities of the Committee and the designation of one or more members as an “audit committee financial expert” pursuant to the Applicable Rules (as defined below) is not a statement of intention by the Corporation to impose upon such designee(s) duties, obligations or liability greater than those imposed on such a director in the absence of such designation.

**2. Composition of the Committee**

2.1. The Committee shall be appointed annually by the Board and shall be composed of a minimum of three (3) members, each of whom must be a director of the Corporation.

2.2. Each member of the Committee shall continue to be a Committee member until a successor is appointed, unless he or she resigns or is removed by the Board, ceases to be a director of the Corporation or ceases to qualify as a member under 2.3 below. Any vacancy in the membership of the Committee shall be filled by the Board. Members of the Committee are permitted to serve an unlimited number of consecutive terms.

2.3. Each member of the Committee shall be an unrelated director as defined in the Toronto Stock Exchange (the “TSX”) Corporate Governance Guidelines (the “TSX Guidelines”).

2.4. Every member of the Committee must satisfy the independence requirements applicable to members of audit committees under each of Multilateral Instrument 52-110 – Audit Committees of the Canadian Securities Administrators (“MI-52-110”) and any other applicable laws and regulations, as the same may be amended from time to time (together with the TSX Guidelines, “Applicable Laws”).

2.5. The Committee shall appoint annually a chairperson from among its members.

### 3. Meetings

3.1. The times of and the places where meetings of the Committee will be held and the calling of and the procedure at those meetings shall be determined from time to time by the Committee; provided however, that the Committee shall meet at least four (4) times annually. Notice of every meeting of the Committee shall be given in writing not less than two (2) days prior to the date fixed for the meeting (unless unanimously waived by members in writing) and shall be given to the auditors of the Corporation. Meetings shall be convened whenever requested by the auditors or any member of the Committee in accordance with the Canada Business Corporations Act. The Committee shall maintain minutes of its meetings in which shall be recorded all action taken by the Committee.

3.2. A majority of the Committee shall constitute a quorum and who shall be present in person or by telephone or other telecommunications device that permits all persons participating in the meeting to communicate with each other.

3.3. As part of each meeting of the Committee at which it recommends that the Board approve financial statements of the Corporation, and at such other times as the Committee deems it appropriate, the Committee shall consider whether it is necessary that the Committee conclude such meeting with a session without any management personnel present.

3.4. At least annually, the Committee shall consult with the external auditors without any management personnel present to discuss and review specific issues as appropriate.

3.5. Notwithstanding the provisions of this section, the Committee has the right to request any officer or employee of the Corporation or the Corporation's outside counsel or external auditor to be present or not present at any part of the Committee meeting.

3.6. The Committee shall maintain minutes or other records of its meetings and activities which shall be filed with the Corporate Secretary of the Corporation.

3.7. The Committee shall make regular reports to the Board.

### 4. Committee Resources

4.1. The external auditors shall report directly to the Committee and the Committee has the authority to communicate directly with the external auditors to discuss and review specific issues, as appropriate. Any member of the Committee may require the auditors to attend any or every meeting of the Committee.

4.2. Where Committee members believe that, to properly discharge their fiduciary obligations to the Corporation, it is necessary to obtain the advice of independent legal, accounting, or other experts, the Chairman shall, at the request of the Committee, engage the necessary experts at the Corporation's expense and on such terms as the Committee may consider appropriate. The Committee shall not be required to obtain the approval of the Board in order to retain or compensate any such advisors; however, the Board must be kept apprised of both the selection of the experts and the experts' findings through the Committee's regular reports to the Board.

4.3. The Committee shall have unrestricted access to Corporation personnel and documents and shall be provided with all necessary funding and other resources to carry out its responsibilities.

## 5. Duties and Responsibilities

5.1. The responsibilities of the Committee shall be to:

- (a) with respect to financial statements and accounting matters:
  - (i) review and discuss with management and the external auditors, and recommend for approval by the Board, the annual consolidated financial statements and MD&A;
  - (ii) review and discuss with management and, if deemed necessary, the external auditors, and recommend for approval by the Board, the interim financial statements and MD&A;
  - (iii) review and discuss with management and, if deemed necessary, the external auditors, and recommend for approval by the Board, the Corporation's Annual Information Form;
  - (iv) satisfy itself that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's annual and interim financial statements, including earnings press releases, if applicable, and shall periodically assess the adequacy of those procedures;
  - (v) review and discuss with management and the auditor, as appropriate, the appropriateness, acceptability and quality of the Corporation's accounting policies and financial statement presentation, including, without limitation, the following:
    - 1. any areas of management judgment and estimates that may have a critical effect on the financial statements;
    - 2. the effect of using alternative accounting treatments for policies and practices that have been discussed by management and the auditors; and
    - 3. any material written communication between the external auditor and management, such as the annual management letter and the schedule of unadjusted differences;
  - (vi) review changes in the accounting policies of the Corporation and any new accounting and financial reporting principles of the Canadian Institute of Chartered Accountants which would have a significant impact on the Corporation's financial reporting as reported to the Committee by management;
  - (vii) review the status of material contingent liabilities as reported to the Committee by management;
  - (viii) review potentially significant tax problems as reported to the Committee by management;
  - (ix) review any significant recommendations made by the external auditors for strengthening internal controls; and

- (x) review any errors or omissions in the current or prior year's financial statements which appear material as reported to the Committee by management;
- (b) with respect to the external auditors:
- (i) be directly responsible for the appointment, compensation, retention, termination and oversight of the work of the auditor (including, without limitation, resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or services for the Corporation;
  - (ii) review and approve the external auditor's audit plan (including, without limitation, staffing), the scope of the auditor's review and all related fees;
  - (iii) satisfy itself as to the independence of the auditor. The Committee shall pre-approve any non-audit services (including, without limitation, fees therefor) provided to the Corporation or its subsidiaries by the auditor or any auditor of any such subsidiary, including the nature and scope of any review engagements for interim financial statements, and shall consider whether these services are compatible with the auditor's independence. The Committee shall not allow the auditor to render any non-audit services to the Corporation or its subsidiaries that are prohibited by Applicable Rules;
  - (iv) review and approve the Corporation's policies concerning the hiring of employees and former employees of the Corporation's auditor or former auditor;
  - (v) ensure the rotation of senior audit personnel who have primary responsibility for the audit work, as required by law.
- (c) with respect to internal controls:
- (i) oversee management's design, testing and implementation of the Corporation's internal controls and management information systems and periodically review management's evaluation of the adequacy and effectiveness thereof.
- (d) with respect to concerns and complaints:
- (i) establish procedures for:
    1. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
    2. the confidential, anonymous submission by employees of the Corporation of concern regarding questionable accounting or auditing matters.
- (e) with respect to ethics:
- (i) oversee and enforce the Code of Business Conduct and Ethics, subject to the supervision of the Board.

- (f) with respect to general matters:
  - (i) inquire of management and the external auditors as to any activities that may or may not appear to be illegal or unethical;
  - (ii) review with management and the external auditors any frauds reported to the Committee;
  - (iii) discuss with the Corporation's external legal counsel, if necessary, any litigation, claim or other contingency (including tax assessments), that could have a material effect on the financial position or operating results of the Corporation, and the manner in which these matters have been disclosed in the financial statements;
  - (iv) review with management activity related to management of financial risks to the Corporation, including hedging programs, if any;
  - (v) review and approval related party transactions material in nature;
  - (vi) review with the external auditors the adequacy of staffing for accounting and financial responsibilities;
  - (vii) discuss with management and the external auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's compliance policies; and
  - (viii) report and make recommendations to the Board as the Committee considers appropriate, including changes considered advisable based on Committee's assessment of the adequacy of this Charter and Mandate.

5.2. In addition, the Board may refer to the Committee such matters and questions relating to the Corporation as the Board may from time to time see fit.

## **6. Calendar**

The Committee will develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors on an annual basis.

## **7. Miscellaneous**

Nothing contained in this Mandate and Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Corporation or members of the Committee. The purposes, responsibilities, duties and authorities outlined in this Mandate and Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

Reviewed and Approved  
by the Board of Directors: March 26, 2008

