



# Red Back Mining Inc

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## RED BACK REPORTS RECORD NET INCOME OF \$25.3 MILLION FOR Q1 2009

**May 11, 2009 (RBI - TSX) ... Red Back Mining Inc.** (the "Company" or "Red Back") is pleased to report record quarterly net income of \$25.3 million for the three months ended March 31, 2009. The 2009 interim consolidated financial statements together with Management's Discussion and Analysis will be available on the Company's web site ([www.redbackmining.com](http://www.redbackmining.com)) and on SEDAR ([www.sedar.com](http://www.sedar.com)).

### Highlights for the First Quarter

- Net income of \$25.3 million.
- Total gold production of 70,408 oz.
- Average realized gold price of \$917 per oz.
- Cash operating costs of \$389 per oz.
- 39% increase in reserves at Tasiast to 2.28 million oz.
- Initial inferred underground mineral resource of 0.5 million oz at the Paboase South and Suraw deposits in Chirano
- Completed a bought-deal equity financing for Cdn. \$165 million.

### Results of Operations

The table below summarizes the key operating statistics for the quarter.

|  | Three months ended March 31, 2009 |         |        | Three months ended March 31, 2008 |         |        |
|--|-----------------------------------|---------|--------|-----------------------------------|---------|--------|
|  | Chirano                           | Tasiast | Total  | Chirano                           | Tasiast | Total  |
| Ore tonnes mined ('000t)                                 | 827                               | 959     | 1,786  | 845                               | 339     | 1,184  |
| Ore tonnes milled ('000t)                                | 613                               | 351     | 964    | 544                               | 324     | 868    |
| Average grade (g/t)                                      | 2.0                               | 3.4     | 2.51   | 2.1                               | 3.0     | 2.4    |
| Average recovery   | 91.0%                             | 94.1%   | 92.1%  | 91.0%                             | 93.6%   | 92.0%  |
| Gold produced (oz)                                       | 34,258                            | 36,150  | 70,408 | 33,931                            | 29,528  | 63,459 |
| Gold sold (oz) (Note 2)                                  | 35,547                            | 36,285  | 71,832 | 34,011                            | 24,177  | 58,188 |
| Realized gold price per oz                               | \$914                             | \$920   | \$917  | \$932                             | \$939   | \$935  |
| Cash operating costs per oz (Note 3)                     |                                   |         |        |                                   |         |        |
| Operating  | \$509                             | \$271   | \$389  | \$411                             | \$386   | \$400  |
| Royalties  | \$ 26                             | \$ 28   | \$ 27  | \$ 25                             | \$ 28   | \$ 26  |
| Depreciation, amortization and accretion per oz (Note 3) | \$ 80                             | \$200   | \$140  | \$ 94                             | \$320   | \$188  |

Note 1: Production statistics may not calculate exactly due to rounding

Note 2: 2009 gold sold at Chirano excludes 1,467 oz recovered from underground operations and capitalized during pre-production development.

Note 3: This is a non-GAAP measure. It is calculated by dividing costs on the statement of income and deficit by gold oz sold. For Tasiast, approximately \$94 per oz (2008: \$188 per oz) of depreciation and amortization are due to the amortization of the fair value excess on purchase of the Tasiast mineral properties on August 2, 2007.

### Strong Balance Sheet

At the end of the first quarter the Company was in a robust financial position with \$135 million in cash, no debt, no hedging and solid operating cash flow from its two mines. As a result, all remaining capital costs for the plant expansions at Tasiast and Chirano and the Akwaaba Deeps underground development are fully funded. Red Back remains in a strong position to pursue corporate growth initiatives.

### **Tasiast Gold Mine**

For the first quarter, Tasiast produced 36,150 oz at a cash operating cost of \$271 per ounce. Cash costs were less than expected due mainly to lower processing costs.

The Tasiast plant expansion continues on schedule and the milling circuit will be commissioned in the second quarter. First commercial scale recoveries from dump leach operations are also expected in the second quarter. As a result, the Tasiast production profile is expected to increase through the second half of the year. Red Back continues to forecast 2009 production at Tasiast of 230,000 oz at a cash operating cost of \$320 per ounce.

### **Chirano Gold Mine**

For the first quarter, Chirano produced 34,258 oz at a cash operating cost of \$509 per ounce. These levels are in line with Company budgets and 2009 production forecasts remain unchanged at 170,000 oz at a cash operating cost of \$480.

The Chirano plant expansion continues on schedule. The crushing circuit has now been commissioned and the expanded plant commissioning is scheduled to occur in the third quarter of 2009. The Akwaaba Deeps development remains on schedule with the first sub level cave production expected in the second quarter.

### **About Red Back**

Red Back Mining Inc. is an unhedged African focused gold producer. It owns and operates the Chirano Gold Mine in Ghana (90% interest) and the Tasiast Gold Mine in Mauritania (100% owned). Major plant expansions at both Chirano and Tasiast are well advanced with commissioning underway. Aggressive exploration programs aimed at increasing the Company's resource and reserve base at both Chirano and Tasiast is continuing.

*This News Release contains forward looking statements which are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward looking statements. The Company does not intend to update this information and disclaims any legal liability to the contrary.*

On behalf of the Board of Directors:  
Richard P. Clark, President

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