



16 November 2016

Dear Shareholder,

## **OFFER OF SHARES UNDER FULLY UNDERWRITTEN NON-RENOUNCEABLE PRO-RATA ENTITLEMENTS ISSUE**

As announced on 14 November 2016, RNI NL ("**RNI**" or "**the Company**") is offering eligible shareholders in RNI, the opportunity to acquire additional shares in RNI through a non-renounceable entitlements issue ("**Entitlements Offer**") on the basis of 1 new fully paid ordinary share in RNI at an issue price of 1.2 cents (\$0.012) each ("**New Share**") for every 11.5 fully paid ordinary RNI share held at 5.00 pm (WST) on 18 November 2016 ("**Record Date**").

The Entitlements Offer is being made to all RNI shareholders whose registered addresses are in Australia or New Zealand and who are recorded as shareholders of RNI on its register of members as at the 5:00pm (WST) on the Record Date ("**Eligible Shareholders**").

An offer document, prepared in accordance with section 708AA of the Corporations Act and applicable ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 ("**Offer Document**") for the Entitlements Offer and the offer of additional New Shares in the Shortfall, was lodged with ASX on 14 November 2016 and is available on RNI's website, [www.rninl.com.au](http://www.rninl.com.au)

The Offer Document and personalized entitlement and acceptance forms will be mailed to Eligible Shareholders on 23 November 2016. The Entitlements of Eligible Shareholders will be set out in those personalized forms. Entitlements to fractions of New Shares will be rounded up to the next whole number.

Based on the Company's existing capital structure and disregarding any entitlements relating to shares that may be issued on the exercise of options or conversion of convertible notes, approximately 124,637,375 New Shares will be issued pursuant to the Entitlements Offer if it is fully subscribed, raising approximately \$1,495,649 before the costs of the offer.

The Entitlements Offer is fully underwritten by Somers & Partners Pty Ltd and additionally partly sub-underwritten by Mrs Debbie Fullarton, Mr Rob Martin (or nominee) and Mr Michael Fotios (on behalf of InvestMet Limited).

If the Entitlements Offer is not fully subscribed by Eligible Shareholders, the number of unaccepted New Shares will form the Shortfall ("**Shortfall**") and pursuant to Exception 3 of ASX Listing Rule 7.2, the Directors reserve the right to issue the Shortfall at their discretion within 1 month after the close of the Entitlements Offer.

RNI intends to apply the funds raised under the Entitlements Offer to continue exploration on its key VHMS copper-gold targets within the Company's highly prospective Bryah Basin (WA) tenement package.

Given the nature of the Company's business, the allocation of funds may change depending on intervening events.

If you are an eligible shareholder you will be entitled to do any of the following:

- take up your full entitlement;
- accept your full entitlement and apply for additional New Shares in the Shortfall;
- accept part of your entitlement and allow the balance to lapse; or
- do nothing (in which case you will receive no benefit from your entitlement and your interest in RNI will be diluted).

Table 1 sets out the capital structure of RNI on completion of the Entitlements Offer (assuming the Entitlements Offer is fully subscribed and no options are exercised or convertible notes are converted after the date of the Offer Document but before the Record Date and ignoring any variations that may be attributable to the fact that fractional Entitlements will be rounded up to the next whole number).

**Table 1**

<b>Shares</b>	<b>Number</b>
Shares on issue at the date of this Offer Document <sup>1</sup>	1,433,329,818
New Shares to be issued pursuant to the Offer	124,637,375
<b>Shares on issue on completion of the Offer <sup>1</sup></b>	<b>1,557,967,193</b>
<b>Options</b>	
Unlisted options expiring 31 January 2017 exercisable at \$0.35 each	2,100,000
Unlisted options expiring 13 March 2017 exercisable at \$0.35 each	4,000,000
Unlisted options expiring 9 November 2017 exercisable at \$0.60 each	1,500,000
Unlisted options expiring 3 October 2018 exercisable at \$0.12 each	7,400,000
Unlisted options expiring 21 November 2016 exercisable at \$0.12 each	7,000,000
Unlisted options expiring 31 January 2017 exercisable at \$0.095 each	3,000,000
Unlisted options expiring 15 September 2017 exercisable at \$0.25 each	3,000,000
Unlisted options expiring 8 October 2019 exercisable at \$0.26 each	12,500,000
Unlisted options expiring 31 January 2017 exercisable at \$0.03 each	225,000,000
Unlisted options expiring 31 January 2018 exercisable at \$0.03 each	3,000,000
<b>Options on issue on completion of the Offer</b>	<b>268,500,000</b>
<b>Shares issuable on conversion of Convertible Notes.</b> 5 Convertible Notes expiring 1 July 2018 totalling \$100,000 convertible to Shares at a conversion price of \$0.01 each	10,000,000
<b>Maximum number of Shares on a fully diluted basis following completion of the Offer</b> (assuming all Options are exercised and all Convertible Notes are converted). <sup>1</sup>	1,836,467,193

1. The above table does not take into account the Entitlements that would attach to Shares that would be issued if any of the existing Options or Convertible Notes described in the table were exercised or converted before the Record Date.

The indicative timetable for the Entitlements Offer is as follows:

<b>Event</b>	<b>Date</b>
Section 708AA Notice, Appendix 3B lodged. Letters to Option Holders and Note Holders.	14 November 2016
Offer Document lodged with ASX.	14 November 2016
Notice sent to security holders containing the indicative timetable and the information required by Appendix 3B.	16 November 2016
<b>"EX" DATE.</b> Shares commence trading ex-entitlements	17 November 2016
<b>RECORD DATE</b> to identify security holders entitled to participate in the issue.	18 November 2016
Offer Document and Entitlement and Acceptance forms despatched to Eligible Shareholders.	23 November 2016
<b>CLOSING DATE</b> acceptances close at 5.00pm (Perth time).	6 December 2016
Securities quoted on a deferred settlement basis.	7 December 2016
ASX notified of under subscriptions.	9 December 2016
<b>ISSUE DATE.</b> Deferred settlement trading ends.	13 December 2016
Normal trading (T+2 trading) expected to start.	14 December 2016

The dates in this timetable are indicative only and the Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, without notice to vary the times and dates of the Entitlements Offer and the offer of the Shortfall, including extending those offers or accepting late applications, either generally or in particular cases).

If you require further information, please contact the Company Secretary on +61-8 6109 4333.

Yours faithfully,

**MARK CLEMENTS**  
**COMPANY SECRETARY**