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## RNI TO COMMENCE DRILLING ON PRIORITY GROSVENOR TARGETS

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### HIGHLIGHTS

- An extensive review of the geological and exploration data received through the acquisition of the Grosvenor Gold has identified multiple drill-ready targets.
- Drilling of priority targets to commence this month.
- Drilling to include 800m diamond hole near the Grosvenor gold plant with funding from WA Government's Royalties for Regions program.
- Drilling to target both volcanogenic massive sulphide (VMS) style copper-gold and lode gold deposits.
- Grosvenor database includes greenfields gold drilling results of 4m @ 4.28g/t from 52m, 3m @ 6g/t and 2m @ 11.48g/t from Billara prospect.
- Geochemical sampling programs commenced on three additional Grosvenor leases, including Doolgunna 2 which directly adjoins Sandfire Resources' Doolgunna Project.

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**RESOURCE AND INVESTMENT NL (ASX: RNI)** is pleased to announce that the Company will this month commence its first drilling program on priority targets within the highly-prospective tenement package acquired through the recent \$35 million acquisition of Grosvenor Gold Pty Ltd.

Grosvenor is the owner of the Grosvenor Gold Project (formerly the Fortnum Gold Project) and a dominant 1,791km<sup>2</sup> tenement package in Western Australia's Bryah-Padbury Basin.

These priority targets (Figure 1) were identified by RNI's geological team from an extensive review of the geological and exploration database which RNI received last month after settling on the Grosvenor acquisition. This review is ongoing.

The database received by RNI covers approximately 20 years of exploration across the Grosvenor leases being acquired by the Company. Of particular interest are the results of exploration work conducted over the past five years by CSA Global on behalf of the previous owner, BlueCrest Mercantile Master Fund Ltd.

The priority Grosvenor targets which will be the focus of RNI's initial drilling program are summarised below, with the various locations identified in Figure 1.

### Billara E52/1832

The Billara prospect - which includes Billara A, Billara D and Billara North - is located 11km south-east of the Grosvenor mine site. Gold mineralisation is developed in Narracoota volcanics and localised shears.

Follow up soil geochemistry at Billara A has defined a significant north-north-east trending anomaly, measuring 3,000m by 250m, overlying Proterozoic mafic schists and with gold values of up to 830 ppb. Initial Rotary Air Blast (RAB) drilling over the more anomalous parts of the trend has defined several zones of mineralisation.

Better intercepts from this RAB drilling have included 4m @ 4.28g/t Au from 52m in drillhole FRB1117, at the southern end of the soil anomalism. This intercept remains untested to the south and the nearest drilling to the north is a further 500m along strike. Other anomalous gold intercepts from this drilling included 2m @ 5.30g/t Au from 2m (FRB1068), and 1m @ 3.06g/t Au from 51m (FRB1092).

At Billara D, soil geochemistry has defined a 2,200m long anomaly over the Despair Granite. Although this is located over a granitoid intrusive, the anomaly displays a change in orientation from a north-east orientation to a north-south orientation as the granite contact is approached. Drilling conducted near this change of orientation has intersected gold mineralisation including 2m @ 3.55g/t Au from 3m and 2m @ 11.48g/t Au from 38m in hole FRB3032 and 3m @ 6g/t Au from 45m (92CARB011).

Encouraging mineralisation had also been intersected in drilling 100m south along strike and a further 1,300m of the soil anomaly remains untested.

At Billara North, "post hole" drill sampling had identified a 1,600m long north-south anomaly. This anomalism is interpreted as a possible extension of the north-south anomaly identified at Billara D.

Drill evaluation of this anomaly was conducted on two lines, 400m apart. Anomalism was intersected in all lines of drilling including 2m @ 1.17g/t Au from 49m (FRB1130); 2m @ 1.18g/t Au from 66m to end of hole 92CARB042; and 4m @ 0.92g/t Au from 36m (FRB1036).

A follow-up RAB drill program to further evaluate mineralisation has resulted in a Program of Work which was approved on 22 February 2012. Approximately 1,500m of drilling is scheduled to commence at Billara A later this month.

### M52/132 and Cashmans North E51/1053

Grosvenor Gold had applied for co-funded grants under the WA Government's "Royalties for Regions Co-funded Government-Industry Drilling Program 2012". This application was successful and, subject to statutory approvals, will enable RNI to commence brownfields and greenfields drilling on two prospects later this month. This drilling will be conducted at:

- M52/132 – An 800m brownfields diamond hole to be drilled on a regional gravity target in the Fortnum Wedge, near the Grosvenor gold plant, and
- E51/1053 – 1,200m of RC drilling on EM (geophysical electromagnetic) targets at the Cashmans North prospect.

At Cashmans North, the drilling program will target gold and copper mineralisation adjacent to the Goodin and related faults, which is a high-angle, northward dipping reverse (thrust) fault system with deep crustal penetration. It is an area characterised by anomalous Au and Cu geochemistry developed on Narracoota meta-volcanics.

A moving loop electromagnetic (MLEM) program was completed at Cashmans North in 2011. The MLEM program was designed to follow up several anomalous EM responses identified from a helicopter VTEM survey completed in 2010.

In addition, RNI is planning a further follow-up Reverse Circulation (RC) drilling program of up to 4,000m on other high priority vertical EM responses. Program of Work applications are in progress for this drilling program and heritage and ethnographic consultants and surveys have been engaged.

### **Cashmans South E51/1085**

A Heritage Agreement is in place with the Traditional Owners for Cashmans South and a heritage/ethnographic survey was completed in March 2012. RNI has submitted a Program of Work involving 390 AC/RC drill holes (up to 19,500m of drilling), which has been cleared for heritage purposes. As is the case at the adjoining Cashmans North prospect, gold and copper mineralisation in association with the basin bounding Goodin Fault and its splays is the primary target zone at Cashmans South.

### **Geochemical Sampling**

In addition to the activities above, RNI has commenced geochemical sampling programs on Wilthorpe (E52/2059), Doolgunna 4 (E51/1134) and Doolgunna 2 (E52/1672) prospects. Doolgunna 2 directly adjoins Sandfire Resources' Doolgunna Project.

In each case, the focus is on multi-element base metal (Cu-Pb-Zn) geochemistry, to complement the extensive, regional and basin-wide gold focussed geochemical database that Grosvenor Gold and its predecessors compiled over two decades.

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### **Competent Person's Statement**

The information in this ASX release that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Albert Thamm, who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Thamm is a Geological Consultant to and Director of, Resource and Investment NL and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting of Mineral Resources and Ore Reserves. Mr Thamm consents to the inclusion in the release dated 12 April 2012 of the matters based on information in the form and context in which it appears.

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**Forward-Looking Statements**

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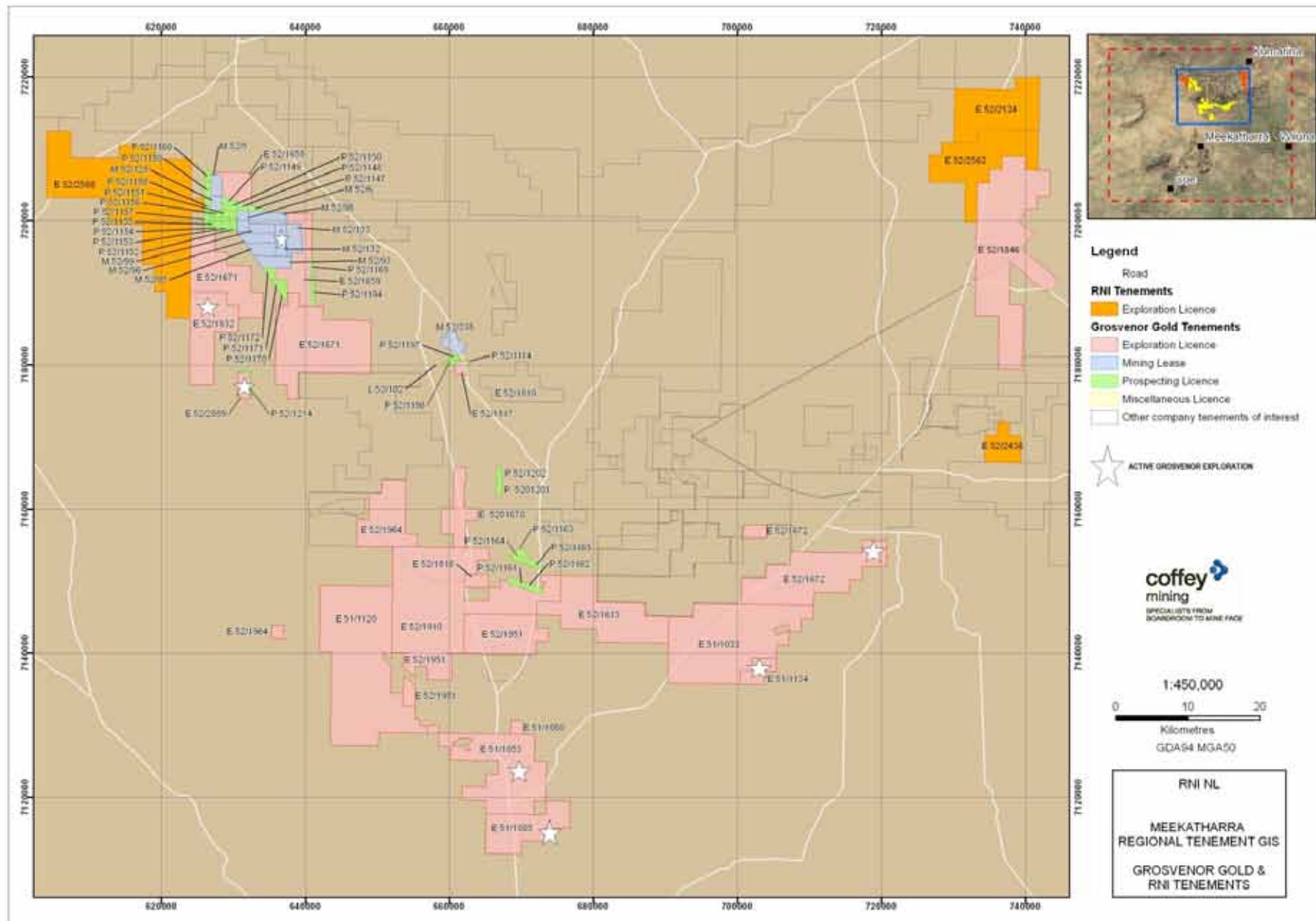


Figure1: Grosvenor Gold Tenements 2012

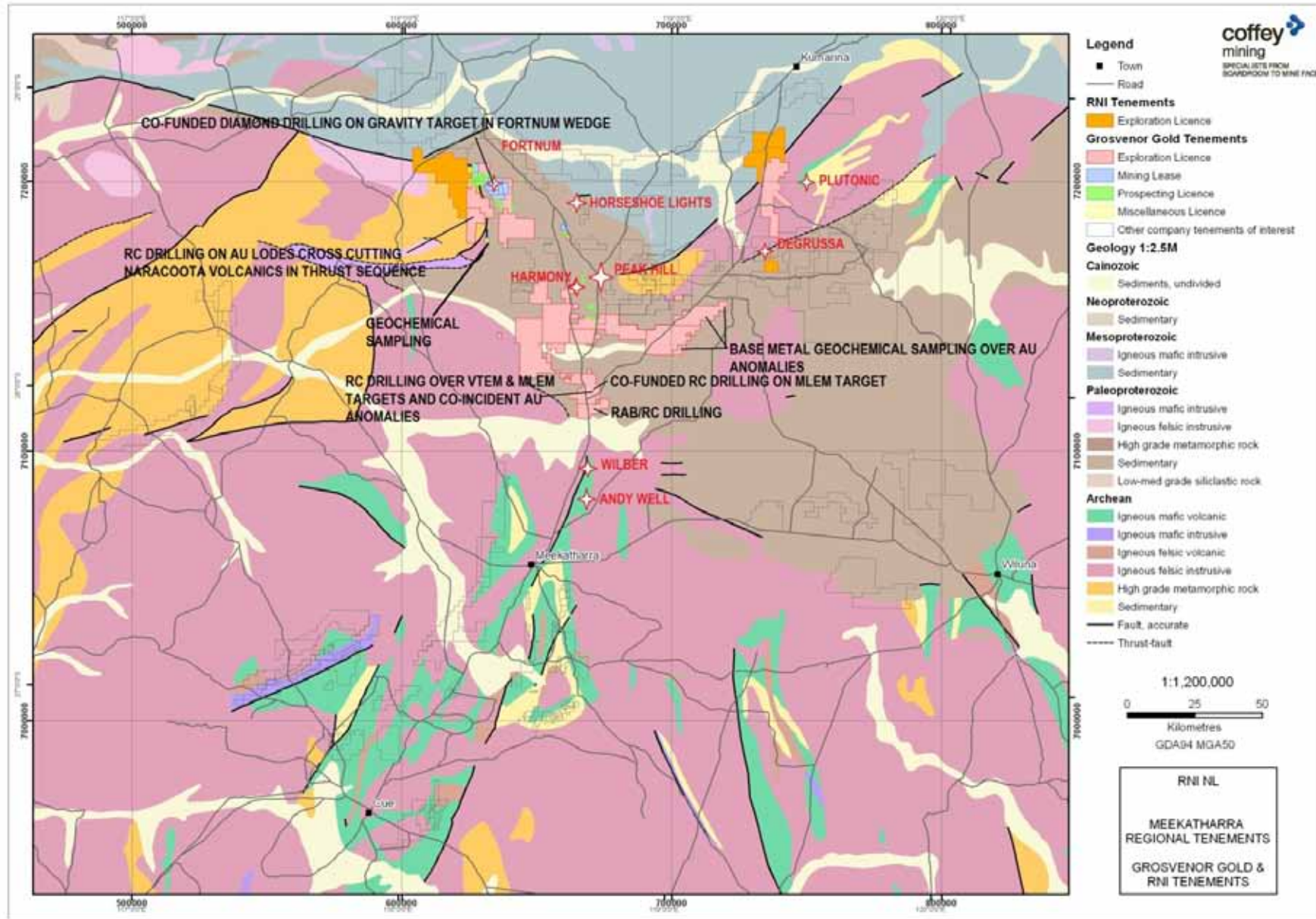


Figure 2: Exploration Activities April 2012