



ASX Announcement

7 December 2012

RNI COMPLETES \$3 MILLION CAPITAL RAISING

RESOURCE AND INVESTMENT NL (ASX: **RNI**) (RNI or the Company) is pleased to announce the Company has raised approximately \$3 million, less costs, through a share placement.

The placement, which remains subject to the clearance of funds, involved the issue of approximately 20 million ordinary fully-paid shares to sophisticated investors at an issue price of 15c per share. The funds raised will be used for working capital.

The placement was managed by Blue Ocean Equities.

The \$3 million capital raising comes as RNI assesses proposals for an interim facility to complete the refurbishment of the 100 per cent-owned Grosvenor gold plant, located approximately 170km north-west of Meekatharra in Western Australia.

Approximately \$8 million is required to complete the refurbishment of the Grosvenor plant, which has a nameplate capacity of 1Mtpa.

RNI plans to replace this interim facility with final project development funding once the Company receives all regulatory approvals to resume gold production at Grosvenor. The Company expects to submit, by the end of the December 2012 Quarter, all environmental approval applications relevant to the recommencement of mining.

As announced to the ASX on 16 November 2012, RNI has finalised the mine planning and scheduling for the first stage of gold production at Grosvenor, commencing in 2013.

Under this initial mining stage, RNI is scheduling to produce 202,700 ounces of gold at Grosvenor over a 42-month period at an average head grade of 2.04g/t.

Significantly, based on a \$US1,700/oz gold price, the stage one mining schedule alone at Grosvenor projects net cash flow (after tax, royalties and the repayment of all development capital) of \$76.2 million over the initial 42-month period.

Stage one will primarily involve mining the Yarlarweelor pit, with additional mill feed to be sourced from the Toms pit and stockpiles.

RNI has total JORC compliant resources of 1.25Moz at Grosvenor, based on 18.9Mt @ 2.05g/t. Current JORC compliant reserves stand at 275,400oz, based on 4.2Mt @ 2.04g/t.

For further information, please contact;

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Competent Person's Statements

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 Technical 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 7 December 2012 on the matters based on information in the form and context in which it appears.

Resources (Table 1) have been rounded to 1000 tonnes and 100 ounces and computational discrepancies may arise in tabulation. One troy ounce gold is taken at 31.10747g. Where exploration results are reported these are at thresholds of 0.2 g/t gold or silver or 0.5% individual base-metals or 1% combined copper, lead and zinc.

Table 1 Summary of Grosvenor Project Gold Resources - November 2012										
Project	Cut-off (g/t)	Tonnes (kt)	Grade (Au g/t)	Tonnes (kt)	Grade (Au g/t)	Tonnes (kt)	Grade (Au g/t)	Tonnes (kt)	Grade (Au g/t)	Au Ounces
		Measured		Indicated		Inferred		Total		
Yarlarweelor	0.5	--	--	5,498	1.6	1,511	1.6	7,009	1.6	360,500
Starlight	1	--	--	1,558	3	924	3.4	2,482	3.2	252,500
Starlight Hanging Wall	1	--	--	145	4.3	503	2.9	648	3.2	67,500
Twilight	1	--	--	1,138	2.7	316	2.6	1,454	2.7	124,700
Ricks	1	--	--	232	1.9	63	2.1	295	2	18,800
Midnight	1	--	--	229	2.3	124	2.7	353	2.4	27,400
Dougies	1	--	--	99	3.1	123	2.9	222	3.0	21,500
Eldorado	0.6	--	--	--	--	386	1.4	386	1.4	17,300
Toms & Sams	0.5	42	1.64	1,031	1.53	272	1.66	1,345	1.56	67,400
Horseshoe, Cassidy & Pod	0.5	--	--	1,578	2.09	792	2.3	2,370	2.16	164,600
Nathans	0.75	--	--	--	--	1,081	1.9	1,081	1.9	66,900
Callies North	0.5	793	1.52	47	1.37	109	1.14	949	1.47	44,800
Regent	0.6	--	--	--	--	328	1.4	328	1.4	14,300
TOTAL		835		11,555		6,532		18,922	2.05	1,248,200

The information in this ASX announcement reporting **Mineral Reserves** is based on information compiled by Mr Steve Craig, who is a Member the Australasian Institute of Mining and Metallurgy. Mr Craig is an Independent Consultant to RNI and the Managing Director of Orelogy Pty Ltd 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 Craig consents to the inclusion in the release dated 7 December 2012 on the matters based on information in the form and context in which it appears. Mr Craig's consent is based on a report "2012 Mining Study Update- Resource and Investment NL, Fortnum Gold Project Bankable Feasibility Study" dated 19 November, 2012.

Reserves (Table 2) have been rounded to 1000 tonnes and 100 ounces and computational discrepancies may arise in tabulation.

Table 2 Summary of Reserves at Yarlaweelor, Toms, Horseshoe & Callies Open Pits - November 2012			
Category	Tonnes (kt)	Grade (Au g/t)	Au Ounces
Yarlaweelor Probable	2,876	2.09	193,100
Horseshoe Proven	874	2.01	56,500
Horseshoe Probable	29	1.63	1,500
Toms Proven	22	1.82	1,300
Toms Probable	312	1.71	17,100
Callies Proven	82	2.15	5,700
Callies Probable	2	1.84	100
Total Proven	979	2.02	63,500
Total Probable	3,219	2.05	211,900
Total Reserve	4,198	2.04	275,400
Inferred included in designs	57	2.13	3,900
TOTAL PIT INVENTORY	4,255	2.04	279,300

Forward-Looking Statements

This announcement has been prepared by Resource and Investment NL. This document contains background information about Resource and Investment NL and its related entities current at the date of this presentation. This is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

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