

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003

Name of entity RESOURCE AND INVESTMENT NL

ABN 77 085 806 284

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Ord Shares and Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 31,246,077 shares
6,249,215 options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion). | Shares same as existing shares.
Options – terms and conditions attached as Annexure A. |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state: <ul style="list-style-type: none">· the date from which they do· the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment· the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | Shares, yes.
Options from date of exercise. |

+ See chapter 19 for defined terms.

5	Issue price or consideration	Shares \$0.35 Options nil	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Non-renounceable entitlement issue to eligible shareholders on a 1 for 4 basis and 1 option for every 5 new shares issued to assist in funding the recommissioning of gold treatment plant at the Fortnum Gold Project following approval by shareholders to the acquisition to be sought in general meeting to be held on 6/3/2012.	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Estimated 21 March 2012	
8	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	Number	+Class
		124,984,308 Approx 31,246,077 Approx 6,249,215	Ordinary fully paid shares Ordinary fully paid shares Options exercisable at \$0.60 expiring 31 May 2013.
9	Number and +class of all +securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	Number	+Class
		520,000 4,000,000 3,300,000	Options expiring 7/8/2012 exercisable at \$0.40 Options expiring 25/11/2013 exercisable at \$1.00 Options expiring 17/5/2014 exercisable at \$1.00
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not have a dividend policy.	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 new share for every 4 shares held and 1 option for every 5 new shares issued for
14	+Class of +securities to which the offer relates	Ordinary fully paid shares
15	+Record date to determine entitlements	28/2/2012
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up.

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable
19	Closing date for receipt of acceptances or renunciations	16/3/2012
20	Names of any underwriters	Argonaut Capital Ltd
21	Amount of any underwriting fee or commission	5% of the total value of underwritten shares under the entitlements issue
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Not applicable
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	1/3/2012
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	17/2/2012
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Despatch date	21/3/2012

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
If the additional securities do not rank equally, please state:
· the date from which they do
· the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
· the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 17/2/2012
(company secretary)

Print name: Jean Mathie

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RESOURCE AND INVESTMENT NL
TERMS AND CONDITIONS OF OPTIONS EXERCISABLE AT \$0.60 EXPIRING 31 MAY 2013

The New Options will each be subject to the following terms and conditions.

1. **Definitions**

ASX means ASX Limited (ABN 98 008 624 691).

ASX Listing Rules means the Listing Rules of the ASX (including the ASTC Settlement Rules, ASX Market Rules and the ACH Clearing Rules).

Corporations Act means the Corporation Act 2001 (Cth).

Exercise Price means the exercise price of each New Option, being \$0.60.

Expiry Date means 5.00pm (WST) on 31 May 2013.

Exercise Notice means the form prescribed by RNI from time to time for the purpose of exercising New Options.

Option Holder means the person or persons registered as the holder of one or more New Options from time to time.

Option Period means the period from the date of issue of the New Options to the Expiry Date.

RNI means Resource and Investment NL ABN 77 085 806 284.

RNI Share means a fully paid ordinary share in the capital of RNI.

Shareholder means a holder of an RNI Share.

2. Each New Option is transferable and RNI will apply to ASX for the New Options to be listed for trading on ASX.
3. Subject to these Terms and Conditions, each New Option carries the right to subscribe for one RNI Share.
4. New Options may be exercised by delivering to RNI's registered office or RNI's share registry an Exercise Notice at any time prior to the Expiry Date.
5. The Exercise Notice must state the number of New Options to be exercised and be accompanied by the relevant holding statement(s) and a cheque (in Australian currency) made payable to RNI for an amount being the result of the applicable Exercise Price multiplied by the number of New Options being exercised.
6. Following receipt of a properly executed Exercise Notice and application monies in respect of the exercise of any New Options, RNI will issue the resultant RNI Shares and deliver notification of shareholdings.
7. RNI will make application to have the RNI Shares (issued pursuant to an exercise of New Options) listed for quotation by ASX within 7 days of the date of issue.
8. RNI Shares issued pursuant to an exercise of New Options shall rank, from the date of issue, pari passu with existing RNI Shares in all respects.
9. New Options carry no right to participate in pro rata issues of securities to Shareholders unless the New Options are exercised before the record date for determining entitlements to the relevant pro rata issue.
10. Each Option Holder will be notified by RNI of any proposed pro rata issue of securities to Shareholders in accordance with ASX Listing Rules.
11. Subject to Condition 12 below, the Corporations Act and ASX Listing Rules, New Options do not confer the right to a change in Exercise Price.
12. In the event of a reorganisation (including reconstruction, consolidation, subdivision, reduction, or return) of the capital of RNI, the terms of the New Options will be changed to the extent necessary to comply with the requirements of the ASX Listing Rules (in force at the time of the reorganisation).