



INTERIM CONSOLIDATED FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013

ASX Code: RNI

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ABN 77 085 806 284

Directors

Miles A Kennedy Executive Chairman
Albert G Thamm Executive Director - Technical
John R Hutton Non-Executive Director
Thomas J Mann Non-Executive Director

Company Secretary

Mark A Clements

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Auditors

Somes Cooke
Level 2, 35 Outram Street
West Perth WA 6005

Home Exchange

Australian Securities Exchange Limited
Exchange Plaza 2 The Esplanade
Perth WA 6000

ASX Code

Ordinary fully paid shares: RNI

The directors present their report together with the interim financial report of Resource and Investment NL and its controlled entities for the six months ended 31 December 2013 and the independent auditor's review report thereon.

1. Directors

The directors of the Company at any time during or since the end of the interim period are set out below. Directors were in office for the entire period unless otherwise stated.

Name	Position
Mr Miles A Kennedy	Executive Chairman
Mr John R Hutton	Non-Executive Director
Mr Thomas J Mann	Non-Executive Director
Mr Albert G Thamm	Executive Director - Technical

2. Review and results of operations

Resource and Investment NL continued to advance the Company's Grosvenor gold and base metals project in Western Australia's Bryah Basin during the six months to December 2013.

The project includes the Grosvenor gold processing plant (Figure 1), located ~170km north of Meekatharra, and a JORC compliant resource base of ~1.4Moz, based on 22.7Mt @ 1.93g/t gold.

The option to acquire the adjoining Peak Hill gold project 40km to the south-east (Figure 1) to add an additional ~550,000oz to the Company's resource base, giving a combined gold inventory of ~2Moz, was exercised subsequent to the reporting period, in January 2014 (See ASX announcement 31 January 2014).

RNI is progressing advanced feasibility studies examining the economics of both heap leach (HL) and conventional carbon in leach (CIL) processing options for the Grosvenor and Peak Hill projects, targeting cash costs of less than \$A1,000/oz.

Refurbishment work on the 1Mtpa-nameplate CIL Grosvenor gold plant is ongoing, along with the necessary State approvals required to resume gold production.

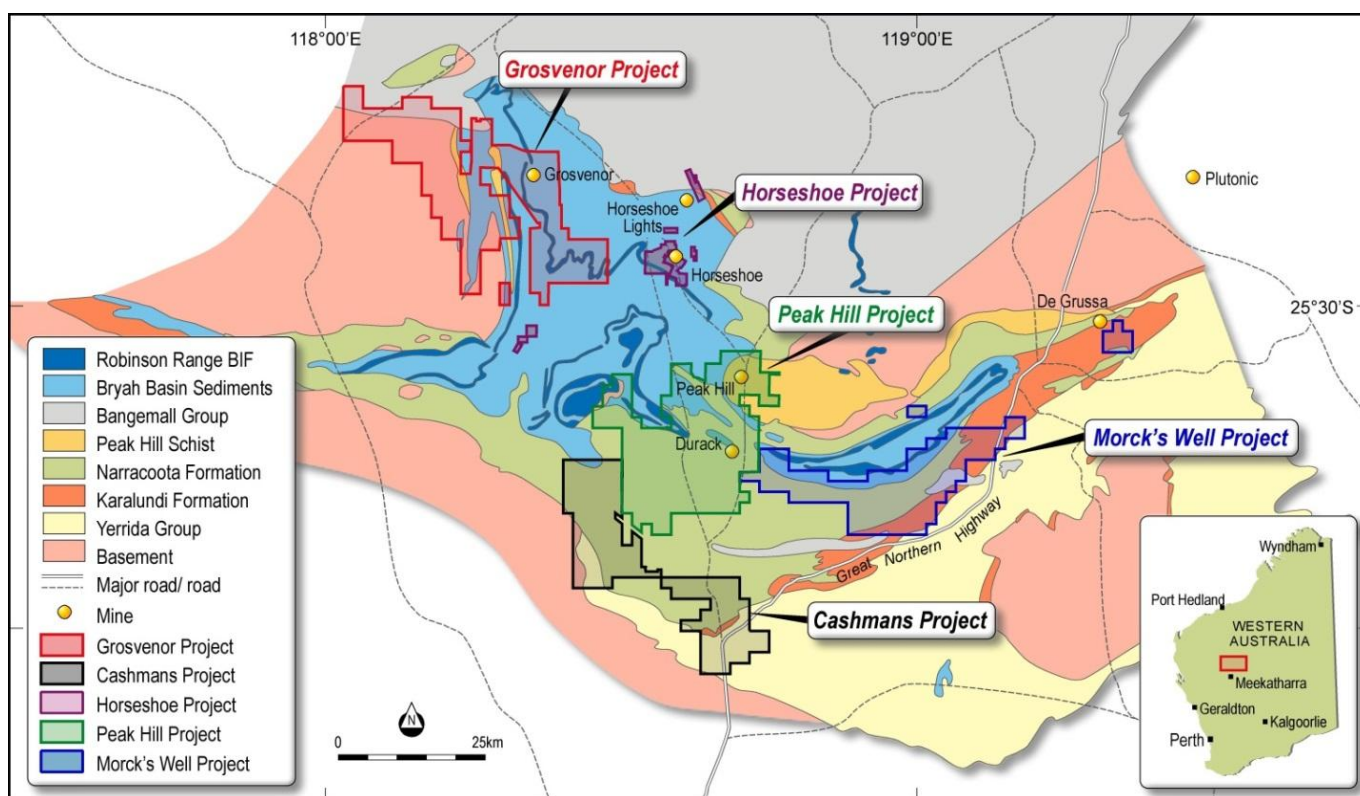


Figure 1: Grosvenor and Peak Hill project locations and regional geology

RNI also has a dominant ~1,800km² ground holding in the highly prospective Bryah Basin, which is divided into five project areas – Grosvenor, Horseshoe, Peak Hill, Cashmans and Morck's Well (Figure 1). These projects have a well-defined gold and copper endowment within a favourable geological setting considered highly prospective for both gold and base metal discoveries.

The Company expanded its Bryah Basin footprint during the reporting period via a joint venture with Northern Star Resources Ltd (ASX: NST) over two exploration licences adjoining RNI's Cashmans copper-gold project (Figure 2). (See ASX announcement 4 December 2013).

GROSVENOR GOLD PROJECT

RNI maintains ongoing study and design work to estimate capital and operating costs and a start-up timeline at its Grosvenor Gold project, subject to ongoing project finance.

During the December half the focus was on detailed engineering design to underpin the initial five year short and medium term mine plan at Grosvenor, including both CIL and HL processing pathways. This work also focused on supporting a mining contract re-tender, subject to final design and approval.

Supporting this, one short reverse circulation (RC) drilling program and a subsequent RC pre-collar, diamond tail metallurgical program was completed. As announced on 9 January 2014, significant assay results from the Callies (CLDD001) metallurgical drill hole included 10.9m @ 1.03g/t gold from 170m, 12.15m @ 0.97g/t from 170m and 0.6m @ 7.52g/t from 244.7m.

In addition, gold assays of 3.51m @ 3.79g/t from 177.37m, 4.67m @ 2.66g/t from 213.25m and 5.32m @ 3.74g/t from 221.58m were returned from half core from the Yarlalweelor (YLDD003) metallurgical drillhole.

A 1,122m RC drilling program at the Ricks Prospect, which forms part of the Daylight/Starlight gold resource, returned gold assays within expectations. A re-estimation of the Starlight underground resource is expected in the March 2014 quarter, incorporating this drilling, along with drilling from the Tyrant prospect and currently developing structural understanding.

Significant RC assay results from Ricks included:

- DLRC007 - 10m @ 3.87g/t from 37m, including 1m @ 32.3g/t from 37m
- DLRC011 - 2m @ 2.45g/t from 39m
- DLRC015 - 3m @ 2.06g/t from 63m
- DLRC018 - 1m @ 11.60g/t from 38m

All assay results have been reported as downhole length. JORC 2012 exploration compliance was announced on 9 January 2014 for these results.

Approvals Process

As at 31 December 2013, RNI had at hand, or under review, WA State approvals for:

- Operating the CIL plant with a current Licence for a Prescribed Premises;
- A current 3.1GL water licence, which allows for pit dewatering and water supply to the plant;
- A separate approved processing and pit dewatering safety Project Management Plans;
- A Works Approvals for a tailing storage facility (TSF) lift to provide 18-24 months tailings storage;
- A permit to dewater open pit workings into the Yarlalweelor creek;
- A current Mining Approval for Toms Pit;
- A Mining Approval for Yarlalweelor and Callies pits and a new TSF₃ design are under active review; and
- An approved surface water management hydrology plan

New work initiated comprised baseline flora, fauna and material characterisation studies to underpin approvals at the Peak Hill open pits, as well as an aerial topographic and photographic (Lidar) survey to support study work expected to commence in the March 2014 quarter.

Ongoing plant and site refurbishment focused on process water ponds, electrical infrastructure, process control, re-wiring and ongoing conveyor inspection and refurbishment. Plant start-up, first chemical fills, site, telecommunication and camp capital estimates were completed within the study framework. Estimates on the capacity, cost and location of HL plant are ongoing.

EXPLORATION

Forrest Gimp Prospect

The Forrest Gimp gold-copper prospect is located ~12km south of the Grosvenor gold processing plant and has been delineated over a strike length of at least 180m by reconnaissance RAB drilling and minor follow-up RC drilling. The deposit remains open down-plunge and along the strike trend to the north and south.

Forrest Gimp has been identified as having significant resource upside that would add to the Grosvenor resource base, once formalised, given the shallow depth of intersections and the tenor of mineralisation.

Ongoing activities at Forrest Gimp during the reporting period involved completing all required permitting prior to commencing resource evaluation drilling, programs of geo-metallurgical testwork and geotechnical studies.

Subsequent to the reporting period, RNI announced a new high-grade copper-gold discovery at Forrest Gimp, including copper grades of up to 8.65% discovered beneath the interpreted gold-rich cap (See ASX announcement 18 February 2014). Forrest Gimp is a high priority exploration target for RNI.

Eric's Prospect

The Eric's gold prospect was identified through evaluation of the historical database. Limited reconnaissance RAB drilling on the northern side of the Fortnum Fault, east of Starlight, has intersected two parallel zones of near surface gold mineralisation. Both zones remain open along strike and down-dip. Drilling results include:

- FRB281 6m @ 2.7g/t Au
- FRB282 2m @ 6.54g/t Au (EOH)
- FRB283 3m @ 1.5g/t Au

Follow up drilling at Eric's is being planned.

Cashmans Project – Northern Star JV

As announced to the ASX on 4 December 2013, RNI moved to consolidate a major exploration holding in a highly-prospective part of the Bryah Basin in Western Australia through a joint venture agreement with Northern Star Resources. The joint venture has enabled RNI to expand its Cashmans copper-gold project to 500km with the inclusion of exploration licences E51/1391 and E52/2509 held by Northern Star (Figure 2).

Significantly, the Cashmans Project now includes almost continuous coverage of a 40km strike of the highly-prospective Goodin Fault and the identified base metal/gold target trend.

The joint venture enables RNI to launch a systematic base metals exploration initiative over the expanded Cashmans area, targeting both volcanogenic massive sulphide (VMS)-style deposits and structural replacement-style base metal deposits.

The main target will be to identify and test immediate extensions of the VMS horizon that hosts the identified mineralisation at RNI's Orient Prospect, which has returned surface grades of up to 12.8% copper and 41.7g/t gold (See ASX announcement 25 September 2012).

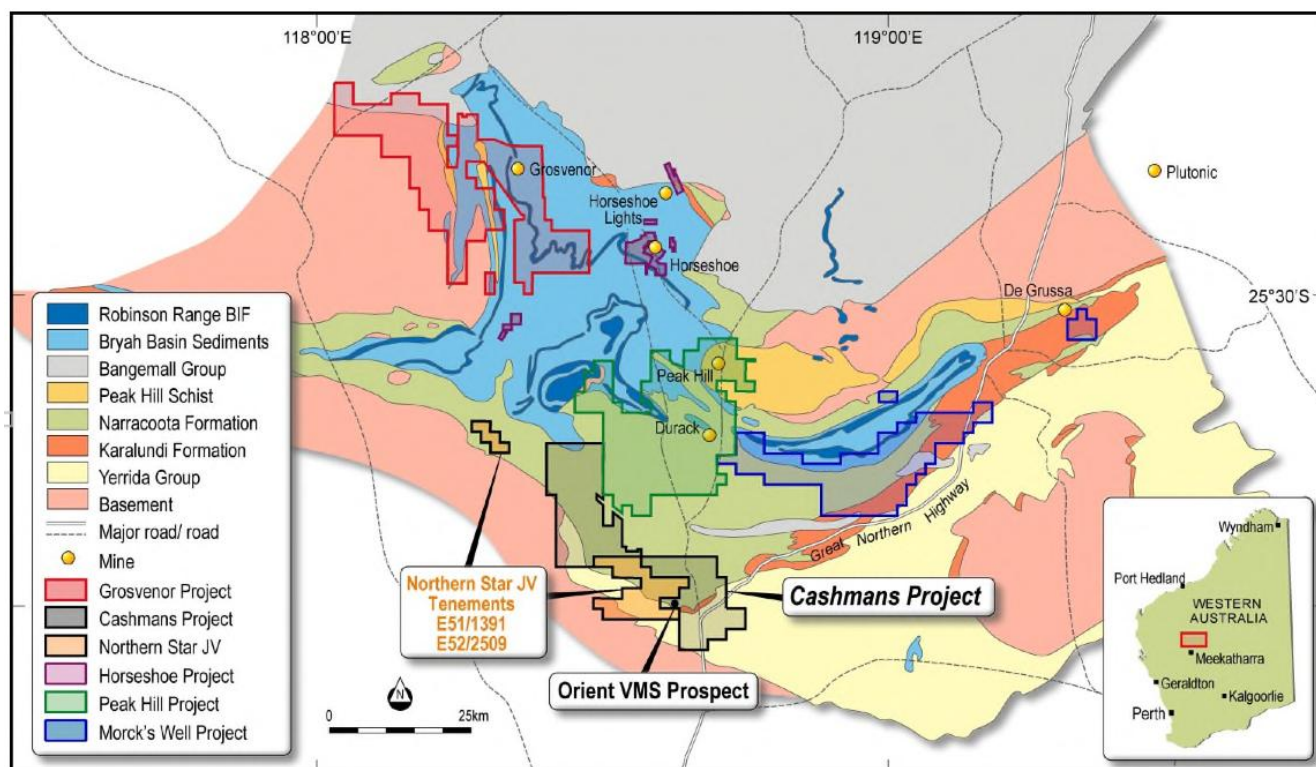


Figure 2: Cashmans Project and Northern Star JV

Morck's Well

The Morck's Well Project is a priority copper-gold exploration area adjoining Sandfire Resources' flagship DeGrussa copper-gold project (Figure 1). Morck's Well covers an approximate 40km strike of the prospective Narracoota Volcanics and a series of regionally significant structures.

RNI's exploration has focused on the collection and assessment of quality regional datasets. This data includes VTEM, gravity and regional geochemical sampling. Assessment of a series of targets generated from this data will be the subject of a proposed follow-up exploration program during the first half of 2014.

TENEMENT CHANGES

During the period ended 31 December 2013 RNI relinquished a number of prospecting licences (P52/1397-1405), one exploration licence (E52/1817) expired at the end of its term and three new exploration licences were applied for (E51/3001, E51/3005 and E51/1610) of which E51/3005 was subsequently granted.

3. Events subsequent to reporting date

On 9 January 2014 RNI provided a Feasibility Drilling Update where significant assay results from the Ricks Prospect as well as the Callies and Yarlalweelor open pits were released.

On 29 January 2014 Montezuma Mining Company Limited confirmed the intent for RNI to acquire Peak Hill Metals Pty Ltd.

On 31 January 2014 RNI announced that it had successfully negotiated an extension and increase to the Company's finance facility with Taurus Resources No. 2 Fund. This facility now stands at \$19.5 million.

On 3 February 2014 Montezuma Mining Company Limited announced the settlement of the Peak Hill Metals Pty Ltd acquisition as at 31 January 2014. Grosvenor Gold Pty Ltd, a wholly owned subsidiary of Resource and Investment NL acquired 100% of the issued capital of Peak Hill Metals Pty Ltd to secure ownership of the Peak Hill Project.

On 3 February 2014 RNI issued 8,400,000 ordinary shares to Montezuma Mining Company Limited as part of the consideration for the acquisition of Peak Hill Metals Pty Ltd.

On 18 February 2014 RNI announced a high grade copper-gold discovery at Forrest Gimp.

On 28 February 2014, RNI provided an update to the copper-gold discovery at Forrest Gimp.

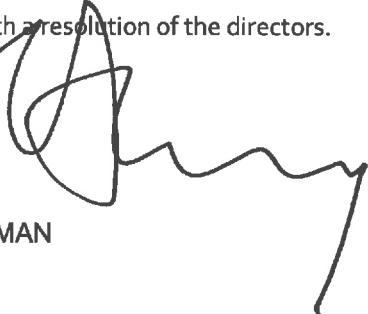
On 4 March 2014 RNI provided a progress update and financial summary for the Grosvenor / Peak Hill Projects.

4. Auditor's independence declaration

The auditor's independence declaration is set out on page 7 and forms part of the Directors' Report for the six months ended 31 December 2013.

This report is made with a resolution of the directors.

MILES KENNEDY
EXECUTIVE CHAIRMAN

A handwritten signature in black ink, appearing to be 'Miles Kennedy', written over a diagonal line that extends from the text 'This report is made with a resolution of the directors.' to the name 'MILES KENNEDY'.

Dated at Subiaco this 12th day of March 2014

Auditor's Independence Declaration

To those charged with governance of Resource and Investment NL

As auditor for the audit of Resource and Investment NL for the half year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the review.

Somes Cooke

Somes Cooke

Nicholas Hollens

Nicholas Hollens

12 March 2014

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013

	Note	31 Dec 2013 \$	31 Dec 2012 \$
Finance income		62,997	107,934
Other income	5	611,874	116,021
Administrative expenses		(1,445,044)	(1,401,392)
Finance costs		(821,288)	-
Share based payments expense	10	(711,579)	(13,314)
Write-off of exploration assets		-	(1,624,592)
Impairment of financial assets		-	(1,667)
Loss before income tax		(2,303,040)	(2,817,010)
Income tax		-	-
Loss from continuing operations		(2,303,040)	(2,817,010)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		(2,303,040)	(2,817,010)
Loss per share			
Basic and diluted loss per share attributable to ordinary equity holders		(0.015)	(0.010)

The interim consolidated statement of comprehensive income is to be read in conjunction with the accompanying notes.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	31 Dec 2013 \$	30 Jun 2013 \$
ASSETS			
Cash and cash equivalents		2,981,297	2,415,511
Trade and other receivables		160,455	1,996,794
Total current assets		3,141,752	4,412,305
Financial assets		10,488	10,488
Inventory		1,098,334	1,072,247
Property, plant and equipment	6	8,680,736	8,744,165
Exploration, evaluation and development assets	7	28,248,143	23,057,219
Total non-current assets		38,037,701	32,884,119
TOTAL ASSETS		41,179,453	37,296,424
LIABILITIES			
Trade and other payables		2,039,035	972,951
Borrowings	8	15,000,000	10,000,000
Current provisions		90,461	1,035,376
Total current liabilities		17,129,496	12,008,327
Provisions		10,474,744	10,474,744
Total non-current liabilities		10,474,744	10,474,744
TOTAL LIABILITIES		27,604,240	22,483,071
NET ASSETS		13,575,213	14,813,353
EQUITY			
Issued capital	9	87,234,998	86,964,996
Reserves	10	2,532,272	2,864,684
Accumulated losses		(76,192,057)	(75,016,327)
TOTAL EQUITY		13,575,213	14,813,353

The interim consolidated statement of financial position is to be read in conjunction with the accompanying notes.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013

	Note	Issued capital \$	Accumulated losses \$	Share based payments reserve \$	Total equity \$
For the six months ended 31 December 2013					
Opening balance at 1 July 2013		86,964,996	(75,016,327)	2,864,684	14,813,353
Total comprehensive income for the period					
Loss for the period		-	(2,303,040)	-	(2,303,040)
Total comprehensive income for the period		-	(2,303,040)	-	(2,303,040)
Transactions with owners and other transfers					
Shares issued	9	270,000	-	-	270,000
Exercise of options	9	2	-	-	2
Share based payments	10	-	-	794,898	794,898
Expiry of options	10	-	1,127,310	(1,127,310)	-
Balance as at 31 December 2013		87,234,998	(76,192,057)	2,532,272	13,575,213
For the six months ended 31 December 2012					
Opening balance at 1 July 2012		83,641,457	(32,422,551)	2,862,540	54,081,446
Total comprehensive income for the period					
Loss for the period		-	(2,817,010)	-	(2,817,010)
Total comprehensive income for the period		-	(2,817,010)	-	(2,817,010)
Transactions with owners and other transfers					
Shares issued		3,179,698	-	-	3,179,698
Share issue costs		(156,180)	-	-	(156,180)
Exercise of options		1	-	-	1
Share based payments		-	-	13,314	13,314
Expiry of options		-	-	(66,712)	(66,712)
Balance as at 31 December 2012		86,664,976	(35,239,561)	2,809,142	54,234,557

The interim consolidated statement of changes in equity is to be read in conjunction with the accompanying notes

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013

	Note	31 Dec 2013 \$	31 Dec 2012 \$
Cash flows from operating activities			
Cash receipts from customers		611,874	116,021
Cash paid to suppliers and employees		(1,186,299)	(885,637)
Interest paid		(821,288)	-
Interest received		98,870	107,934
Net cash (outflow) from operating activities		(1,296,843)	(661,682)
Cash flows from investing activities			
Payments for exploration		(2,467,204)	(1,316,927)
Payments for evaluation		(1,326,023)	-
Payments for project development		(1,044,378)	(3,156,552)
Bonds released/(deposited)		1,788,000	(87,000)
Proceeds on disposal of vehicle		-	14,615
Payments for inventory		(31,499)	-
Payments for property, plant and equipment		(56,269)	(3,119,715)
Net cash (outflow) from investing activities		(3,137,373)	(7,665,579)
Cash flows from financing activities			
Proceeds from issue of shares	9	2	3,004,699
Share issue costs		-	(156,180)
Proceeds from borrowings		5,000,000	-
Net cash inflow from financing activities		5,000,002	2,848,519
Net decrease in cash and cash equivalents		565,786	(5,478,742)
Cash and cash equivalents at the beginning of the period		2,415,511	7,596,648
Cash and cash equivalents at the end of the period		2,981,297	2,117,906

The interim consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

1 Basis of preparation

Resource and Investment NL (the Company or RNI) is a company domiciled and incorporated in Australia. The address of the Company's registered office is 34 Bagot Road, Subiaco WA 6008. The interim consolidated financial report of the Company as at and for the six months ended 31 December 2013 comprised the Company and its wholly owned subsidiary (together referred to as the "Group").

The interim consolidated report has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

It is recommended that the interim consolidated financial report be read in conjunction with the annual report for the year ended 30 June 2013 and considered together with any public announcements made by the Company during the six months ended 31 December 2013 in accordance with the continuous disclosure obligations of the ASX listing rules. The annual report of the Company as at and for the year ended 30 June 2013 is available on request from the Company's registered office or at www.rninl.com.au.

This interim consolidated financial report was approved by the Board of Directors on 12th March 2014.

Going Concern

This report has been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The directors recognise that the ability of the Group to continue as a going concern and to pay its debts as and when they all due is dependent on the ability of the Group to secure additional funding through either the issue of further shares and or options.

The directors have reviewed the business outlook and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Group will achieve the matters set out above. As such, the directors believe that they will continue to be successful in securing additional funds as and when the need to raise working capital arises.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts difference from those stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Group be unable to continue as a going concern.

2 Accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early.

3 Estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial report as at and for the year ended 30 June 2013.

4 Operating segments

The Group operates within one reportable segment, being the exploration, evaluation and development of mineral tenements in Western Australia. As the Group is focused on exploration and development, the Board monitors the Group based on actual versus budgeted expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

5 Other income

	\$
Research and development rebate	611,874

6 Property, plant and equipment

	\$
Carrying amount at 1 July 2013	8,744,165
Assets acquired	51,598
Disposal of asset	(5,522)
Depreciation expense	(109,505)
Carrying amount at 31 December 2013	<u>8,680,736</u>

7 Exploration, evaluation and development assets

	Exploration	Evaluation	Project Development	Total
	\$	\$	\$	\$
Carrying amount at 1 July 2013	1,689,951	18,561,456	2,805,812	23,057,219
Exploration, Evaluation and Project Development costs incurred during the period	2,383,885	1,409,342	1,044,378	4,837,605
Consideration for option over the Doolgunna Project (Note 9)	270,000	-	-	270,000
Consideration for option over the Peak Hill Project (Note 10)	83,319	-	-	83,319
Carrying amount at 31 December 2013	<u>4,427,155</u>	<u>19,970,798</u>	<u>3,850,190</u>	<u>28,248,143</u>

8 Borrowings

Grosvenor Gold Pty Ltd initially entered in a facility agreement to secure access to funding of \$15,000,000 at an interest rate of 10% per annum repayable on 8 February 2014. On the 29th January 2014, the facility was extended to 7 February 2015 and increased to \$19,500,000 at an interest rate of 12.5% for the first six months and 13.5% for the second six months. Prepayment/deferred establishment fee provisions would result in a contingency of \$1,950,000.

	\$
Taurus Fund Management Pty Ltd interim debt facility	15,000,000

9 Issued capital

Movement in ordinary shares

	Number	\$
Issued capital at 1 July 2013	295,496,890	86,964,996
Shares issued on exercise of options	3	2
Issue of shares as consideration for an option over the Doolgunna Project (Note 7)	3,000,000	270,000
Issued capital at 31 December 2013	<u>298,496,893</u>	<u>87,234,998</u>

Movement in shares under option

Options expiring on or before	Exercise Price	On issue 1 Jul 13	Issued	Exercised	Expired	On issue 31 Dec 13
25 Nov 2013	\$1.00	6,000,000	-	-	(6,000,000)	-
17 May 2014	\$1.00	3,300,000	-	-	-	3,300,000
27 Mar 2015	\$0.44	3,597,621	-	-	-	3,597,621
13 Mar 2017	\$0.35	4,000,000	-	-	-	4,000,000
9 Nov 2017	\$0.60	1,500,000	-	-	-	1,500,000
11 Nov 2016	\$0.20	-	2,100,000	-	-	2,100,000
21 Nov 2016	\$0.12	-	7,000,000	-	-	7,000,000
3 Oct 2018	\$0.12	-	7,400,000	-	-	7,400,000
		<u>18,397,621</u>	<u>16,500,000</u>	<u>-</u>	<u>(6,000,000)</u>	<u>28,897,621</u>

10 Reserves

	\$
Reserves at 1 July 2013	2,864,684
Fair value of options issued and expensed (i)	711,579
Fair value of options issued and capitalised (ii)	83,319
Options expired (iii)	(1,127,310)
Reserves at 31 December 2013	<u>2,532,272</u>

- (i) During the six month period ended 31 December 2013, the Company issued the following unlisted options which were expensed as share based payments:
- 7,400,000 unlisted options to employees, vesting on 9 November 2013. The options are to subscribe for ordinary fully paid shares in the Company at any time on or before 3 October 2018 at an exercise price of \$0.12 each.
 - 7,000,000 unlisted options to Directors, vesting on 21 November 2013 following shareholder approval at the Annual General Meeting held 21 November 2013. The options are to subscribe for ordinary fully paid shares in the Company at any time on or before 21 November 2016 at an exercise price of \$0.12 each.
- (ii) During the six month period ended 31 December 2013, the Company issued the following unlisted options which were capitalised under Exploration assets (see note 7):
- 2,100,000 unlisted options to Montezuma Mining Company Limited in consideration for the extension of the option to acquire their Peak Hill Project, vesting on 11 November 2013. The options are to subscribe for ordinary fully paid shares in the Company at any time on or before 11 November 2016 at an exercise price of \$0.20 each.

There are no voting or dividend rights attached to the options. Voting rights will be attached to the ordinary issued shares when/if the options are exercised. Each option is convertible to one fully paid ordinary share.

The fair value of the options issued was estimated at the date of grant using the Black-Scholes option pricing model. The following table sets out the assumptions made in determining the fair value of the options granted.

	Options expiring 11 November 2016	Options expiring 10 October 2018	Options expiring 21 November 2016
Grant date	1 November 2013	10 October 2013	21 November 2013
Dividend yield	0%	0%	0%
Expected volatility	132%	132%	132%
Risk-free interest rate	2.74%	2.74%	2.74%
Option exercise price	\$0.20	\$0.12	\$0.12
Expected life (years)	3	5	3
Share price on date of grant	\$0.066	\$0.0737	\$0.05

(iii) The Company removed \$1,127,310 from the share-based payment reserve during the period on the expiry of 6,000,000 unlisted options with an exercise price of \$1.00 and an expiry date of 25 November 2013.

11 Events subsequent to reporting date

Other than the following, the directors are not aware of any significant events since the end of the interim period.

On 9 January 2014 RNI provided a Feasibility Drilling Update where significant assay results from the Ricks Prospect as well as the Callies and Yarlaweelor open pits were released.

On 29 January 2014 Montezuma Mining Company Limited confirmed the intent for RNI to acquire Peak Hill Metals Pty Ltd.

On 31 January 2014 RNI announced that it had successfully negotiated an extension and increase to the Company's finance facility with Taurus Resources No. 2 Fund. This facility now stands at \$19.5 million.

On 3 February 2014 Montezuma Mining Company Limited announced the settlement of the Peak Hill Metals Pty Ltd acquisition as at 31 January 2014. Grosvenor Gold Pty Ltd, a wholly owned subsidiary of Resource and Investment NL acquired 100% of the issued capital of Peak Hill Metals Pty Ltd to secure ownership of the Peak Hill Project.

On 3 February 2014 RNI issued 8,400,000 ordinary shares to Montezuma Mining Company Limited as part of the consideration for the acquisition of Peak Hill Metals Pty Ltd.

On 17 February 2014 RNI provided a Feasibility Study Update with the completion of an initial five year mine plan, refinement of the Daylight/Starlight Mine Plan and an initial scoping level optimisation at Peak Hill.

On 18 February 2014 RNI announced a high grade copper-gold discovery at Forrest Gimp.

On 28 February 2014, RNI provided an update to the copper-gold discovery at Forrest Gimp.

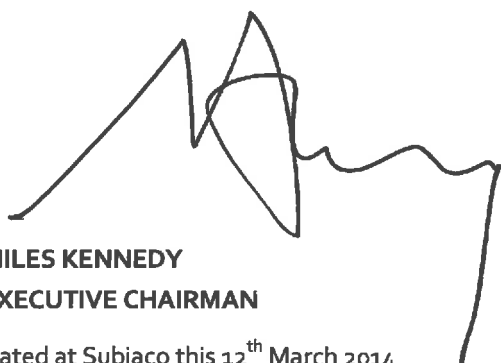
On 4 March 2014 RNI provided a progress update and financial summary for the Grosvenor / Peak Hill Projects.

In accordance with a resolution of the directors of Resource and Investment NL (the **Company**), I state that:

In the opinion of the directors of Resource and Investment NL:

- (a) The consolidated financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2013 and the performance for the half-year ended on that date;
 - (ii) complying with Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors



MILES KENNEDY
EXECUTIVE CHAIRMAN

Dated at Subiaco this 12th March 2014

Independent Auditor's Review Report

To the members of Resource and Investment NL

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Resource and Investment NL, which comprises the condensed statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Resource and Investment NL are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Resource and Investment NL and consolidated entities's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Resource and Investment NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Resource and Investment NL, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Resource and Investment NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Resource and Investment NL and consolidated entities's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

Emphasis of Matter – Inherent uncertainty regarding continuation as a going concern

Without modifying our opinion, we draw attention to Note 1 to the financial statements which outlines that the ability of the company to continue as a going concern is dependent on the ability of the Group to secure additional funding through either the issue of further shares and or options.

As a result there is a material uncertainty related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern, and therefore whether it will realise its asset and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Our opinion is not qualified in respect of this matter.



Somes Cooke



Nicholas Hollens
12 March 2014

Perth
Western Australia

Competent Person's Statement

Information in this report that relates to mineral resources is based on and fairly represents information and supporting documentation prepared and compiled by Albert Thamm BSc (Hons) MSc, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy.

Mr Thamm is a Director of Resource and Investment NL. Mr Thamm has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Thamm consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to previously released resource data on the Peak Hill Metals resource were disclosed to the ASX under the JORC Code 2004. These documents and information have not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported and is based on and fairly represents information and supporting documentation prepared and compiled by Albert Thamm BSc (Hons) MSc, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Albert Thamm is a director of Peak Hills Metals Pty Ltd.

Forward-Looking Statements

This report 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 report.

This report is for information purposes only. Neither this document nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction.

This report may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction. This document does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this representation are not intended to represent recommendations of particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments. No responsibility for any errors or omissions from this document arising out of negligence or otherwise is accepted.

This document does include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Resource and Investment NL. Actual values, results, outcomes or events may be materially different to those expressed or implied in this report. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this report speak only at the date of issue of this report. Subject to any continuing obligations under applicable law and ASX Listing Rules, Resource and Investment NL does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

Appendix 1: Classified Gold Resources at the Grosvenor Project - February 2014

Summary of Project Resources, Resource Classification and metrics										
Mineral Resource	Cut-off	Tonnes (kt)	Grade	Tonnes (kt)	Grade	Tonnes (kt)	Grade	Tonnes (kt)	Grade	Au Koz
	Grade		(Au g/t)		(Au g/t)		(Au g/t)		(Au g/t)	
	(g/t)	Measured		Indicated		Inferred		Total		
Yarlarweelor	0.5			5498	1.6	1511	1.6	7,009	1.60	361
Starlight	1			1558	3	924	3.4	2,482	3.21	253
Starlight Hanging Wall	1			145	4.3	503	2.9	648	3.20	68
Twilight	1			1138	2.7	316	2.6	1,454	2.68	125
Ricks	1			232	1.9	63	2.1	295	1.94	19
Midnight	1			229	2.3	124	2.7	353	2.44	27
Dougies	1			99	3.1	123	2.9	222	2.99	21
Eldorado	1.5			134	1.5	12	1.8	146	1.52	7
Toms & Sams	1	42	1.64	1031	1.53	272	1.66	1,345	1.56	67
Horseshoe, Cassidy & Pod	0.5	1,998	1.96	315	2.11	429	1.85	2,732	1.96	172
Nathans	0.75					1081	1.9	1,081	1.90	67
Callies	0.5			2326	1.43	1527	1.1	3,854	1.30	161
Labouchere	1			278	1.7	534	1.8	812	1.77	45
Regent	0.6					328	1.4	328	1.40	14
TOTAL			2,040		12,983		7,747	22,770	1.92	1,408

- Tonnage and grade have been rounded, totals may not compute.

Schedule of Mining Tenements as at 31 December 2013				
Tenement Number	Registered Holder	Date Granted	Area Graticular blocks(bk)/Hectares (ha)	Notes
Grosvenor Gold Project				
E51/1033	Grosvenor Gold Pty Ltd 40% Jackson Minerals Pty Ltd 20% PepinNini Robinson Range Pty Ltd 40%	22/09/2005	53bk	1,2
E51/1053	Grosvenor Gold Pty Ltd	22/09/2005	35bk	
E51/1085	Grosvenor Gold Pty Ltd	22/09/2005	17bk	
E51/1120	Grosvenor Gold Pty Ltd	10/08/2006	70bk	
E51/1134	Grosvenor Gold Pty Ltd	15/11/2006	4bk	
E51/1610	Grosvenor Gold Pty Ltd	Application		
E52/1613	Grosvenor Gold Pty Ltd 40% Jackson Minerals Pty Ltd 20% PepinNini Robinson Range Pty Ltd 40%	29/03/2006	30bk	1,2
E52/1659	Grosvenor Gold Pty Ltd 80% Jackson Minerals Pty Ltd 20%	27/01/2004	13bk	1
E52/1670	Grosvenor Gold Pty Ltd 40% Jackson Minerals Pty Ltd 20% PepinNini Robinson Range Pty Ltd 40%	23/11/2004	9bk	1,2
E52/1671	Grosvenor Gold Pty Ltd 80% Jackson Minerals Pty Ltd 20%	23/11/2004	61bk	1
E52/1672	Grosvenor Gold Pty Ltd 40% Jackson Minerals Pty Ltd 20% PepinNini Robinson Range Pty Ltd 40%	22/09/2005	35bk	1,2
E52/1818	Grosvenor Gold Pty Ltd	14/04/2005	2bk	
E52/1832	Grosvenor Gold Pty Ltd	16/03/2009	10bk	
E52/1910	Grosvenor Gold Pty Ltd 50% PepinNini Robinson Range Pty Ltd 50%	10/08/2006	67bk	3
E52/1951	Grosvenor Gold Pty Ltd	26/02/2007	17bk	
E52/1964	Grosvenor Gold Pty Ltd 50% PepinNini Robinson Range Pty Ltd 50%	01/11/2007	18bk	3
E52/2059	Grosvenor Gold Pty Ltd	17/02/2010	2bk	
E52/3001	Grosvenor Gold Pty Ltd	Application		
L52/102	Grosvenor Gold Pty Ltd	11/11/2008	9.00ha	
M52/5	Grosvenor Gold Pty Ltd	20/04/1983	464.85ha	

COMPETENT PERSONS STATEMENT

M52/6	Grosvenor Gold Pty Ltd	20/04/1983	479.60ha	
M52/93	Grosvenor Gold Pty Ltd	08/02/1988	795.65ha	
M52/95	Grosvenor Gold Pty Ltd	08/02/1988	649.30ha	
M52/96	Grosvenor Gold Pty Ltd	08/02/1988	682.70ha	
M52/98	Grosvenor Gold Pty Ltd	08/02/1988	910.60ha	
M52/99	Grosvenor Gold Pty Ltd	08/02/1988	486.15ha	
M52/125	Grosvenor Gold Pty Ltd	30/12/1988	309.80ha	
M52/132	Grosvenor Gold Pty Ltd	11/05/1989	698.20ha	
M52/133	Grosvenor Gold Pty Ltd	11/05/1989	879.70ha	
M52/338	Grosvenor Gold Pty Ltd	28/10/1992	684.35ha	
P52/1147	Grosvenor Gold Pty Ltd	03/01/2007	130.00ha	
P52/1148	Grosvenor Gold Pty Ltd	03/01/2007	168.00ha	
P52/1149	Grosvenor Gold Pty Ltd	03/01/2007	160.00ha	
P52/1150	Grosvenor Gold Pty Ltd	03/01/2007	180.00ha	
P52/1151	Grosvenor Gold Pty Ltd	03/01/2007	200.00ha	
P52/1152	Grosvenor Gold Pty Ltd	03/01/2007	190.00ha	
P52/1153	Grosvenor Gold Pty Ltd	03/01/2007	190.00ha	
P52/1154	Grosvenor Gold Pty Ltd	03/01/2007	190.00ha	
P52/1155	Grosvenor Gold Pty Ltd	03/01/2007	124.00ha	
P52/1156	Grosvenor Gold Pty Ltd	03/01/2007	160.00ha	
P52/1157	Grosvenor Gold Pty Ltd	03/01/2007	190.00ha	
P52/1158	Grosvenor Gold Pty Ltd	03/01/2007	190.00ha	
P52/1159	Grosvenor Gold Pty Ltd	03/01/2007	190.00ha	
P52/1160	Grosvenor Gold Pty Ltd	03/01/2007	133.00ha	
P52/1163	Grosvenor Gold Pty Ltd	03/01/2007	193.00ha	
P52/1164	Grosvenor Gold Pty Ltd	03/01/2007	171.00ha	
P52/1165	Grosvenor Gold Pty Ltd	03/01/2007	156.00ha	
P52/1170	Grosvenor Gold Pty Ltd 80% Jackson Minerals Pty Ltd 20%	03/01/2007	193.00ha	1
P52/1171	Grosvenor Gold Pty Ltd 80% Jackson Minerals Pty Ltd 20%	03/01/2007	175.00ha	1
P52/1172	Grosvenor Gold Pty Ltd 80% Jackson Minerals Pty Ltd 20%	03/01/2007	178.00ha	1
Peak Hill Project				
E52/2237	Peak Hill Metals Pty Ltd	24/02/2009	4bk	4
E52/2413	Peak Hill Metals Pty Ltd	07/09/2009	1bk	4
E52/2471	Peak Hill Metals Pty Ltd 85% Wislon, Walter Scott 15%	16/10/2009	4gbk	4

COMPETENT PERSONS STATEMENT

E52/2472	Peak Hill Metals Pty Ltd	19/11/2009	2bk	4
L52/2	Peak Hill Metals Pty Ltd	27/04/1983	3.68ha	4
L52/19	Peak Hill Metals Pty Ltd	25/08/1988	16.18ha	4
L52/20	Peak Hill Metals Pty Ltd	26/02/1988	56.00ha	4
L52/39	Peak Hill Metals Pty Ltd	24/05/1990	36.50ha	4
L52/62	Peak Hill Metals Pty Ltd	10/06/1993	14.00ha	4
L52/63	Peak Hill Metals Pty Ltd	10/06/1993	24.00ha	4
M52/35	Peak Hill Metals Pty Ltd	16/01/1985	917.15ha	4
M52/56	Peak Hill Metals Pty Ltd	19/11/1986	114.05ha	4
M52/297	Peak Hill Metals Pty Ltd	04/02/1992	961.55ha	4
M52/474	Peak Hill Metals Pty Ltd	08/03/1994	18.63ha	4
M52/801	Peak Hill Metals Pty Ltd 85% Horseshoe Gold Mine Pty Ltd 15%	19/05/2003	981.00ha	4
P52/1189	Peak Hill Metals Pty Ltd 85% Horseshoe Gold Mine Pty Ltd 15%	14/01/2009	186.00ha	4
P52/1190	Peak Hill Metals Pty Ltd 85% Horseshoe Gold Mine Pty Ltd 15%	14/01/2009	188.00ha	4
P52/1191	Peak Hill Metals Pty Ltd 85% Horseshoe Gold Mine Pty Ltd 15%	14/01/2009	189.00ha	4
P52/1192	Peak Hill Metals Pty Ltd 85% Horseshoe Gold Mine Pty Ltd 15%	14/01/2009	191.00ha	4
P52/1193	Peak Hill Metals Pty Ltd 85% Horseshoe Gold Mine Pty Ltd 15%	14/01/2009	155.00ha	4
P52/1234	Peak Hill Metals Pty Ltd	14/01/2009	49.75ha	4
P52/1343	Peak Hill Metals Pty Ltd 85% Wislon, Walter Scott 15%	20/01/2010	137.25ha	4
P52/1344	Peak Hill Metals Pty Ltd 85% Wislon, Walter Scott 15%	20/01/2010	189.00ha	4
P52/1345	Peak Hill Metals Pty Ltd 85% Wislon, Walter Scott 15%	20/01/2010	162.00ha	4
P52/1348	Peak Hill Metals Pty Ltd 85% Wislon, Walter Scott 15%	20/01/2010	195.00ha	4
P52/1417	Peak Hill Metals Pty Ltd 85% Wislon, Walter Scott 15%	30/12/2011	22.15ha	4
P52/1418	Peak Hill Metals Pty Ltd 85% Wislon, Walter Scott 15%	30/12/2011	22.15ha	4
P52/1419	Peak Hill Metals Pty Ltd 85% Wislon, Walter Scott 15%	30/12/2011	81.93ha	4
Doolgunna Project				
E52/2438	Ascidian Prospecting Pty Ltd	11/02/2010	7bk	4

Horseshoe East Project				
M52/600	Brosnan, Allan Neville, Broomfield, David Paul and Senako Marketing & Design Pty Ltd	18/11/2008	593.00ha	5
Fortnum West Project				
E52/2568	Resource and Investment NL	16/06/2010	80bk	
Horseshoe West Project				
E52/2595	Naracoota Resources Ltd	09/09/2010	1bk	6
E52/2668	Naracoota Resources Ltd	20/04/2011	1bk	6
E52/3005	Resource and Investment NL	17/12/2013	1bk	
M52/251	Naracoota Resources Ltd	11/03/1992	274.55ha	6
P52/1239	Naracoota Resources Ltd	27/12/2007	156.00ha	6
P52/1248	Naracoota Resources Ltd	12/06/2008	105.00ha	6
P52/1257	Naracoota Resources Ltd	13/10/2008	106.00ha	6
P52/1259	Naracoota Resources Ltd	19/01/2009	126.00ha	6
P52/1337	Naracoota Resources Ltd	26/10/2009	37.75ha	6
P52/1338	Naracoota Resources Ltd	26/10/2009	1.73ha	6
P52/1339	Naracoota Resources Ltd	26/10/2009	9.71ha	6
P52/1340	Naracoota Resources Ltd	26/10/2009	50.00ha	6
P52/1341	Naracoota Resources Ltd	26/10/2009	200.00ha	6
P52/1383	Naracoota Resources Ltd	02/09/2010	1.17ha	6
Horseshoe West Project (Mineral Rights Deed)				
E52/1561	Auvex Horseshoe Pty Ltd	06/01/2005	3bk	8
M52/1048	Auvex Horseshoe Pty Ltd	22/02/2011	797.00 ha	7
Notes:				
Grosvenor Gold Pty Ltd (GG) is a wholly owned subsidiary of Resource and Investment NL.				
<ol style="list-style-type: none"> 1. Peak Hill Sale Agreement – GG 80%, Jackson Minerals Pty Ltd (JM) 20% and free carried to a decision to mine. 2. Jackson Iron Ore JV Agreement – GG 40%, PepinNini Robinson Range Pty Ltd (PRR) 40%, JM 20% iron ore with GG contributing 60% and JM free carried to a decision to mine. GG 80%, JM 20% all other minerals with JM free carried to a decision to mine 3. Robinson Range JV Agreement – GG 50%, PRR 50% iron ore with GG contributing 50%. GG 100% all other minerals. 4. Option to purchase. 5. Earning 51% JV interest. 6. In the process of being transferred to Resource and Investment NL. 7. Resource and Investment NL gold mineral rights only. 8. Expired on 06/01/2014 				