



ASX Announcement

15 September 2014

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## CHAIRMAN'S ADDRESS

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**Resource and Investment NL** (ASX: RNI) (the Company) advises that the Chairman's Address attached to this announcement will be presented to shareholders at today's General Meeting, to be held at 11.00am WST at the Celtic Club, 48 Ord Street, West Perth, Western Australia.

For further information, please contact:

**MILES KENNEDY**  
**CHAIRMAN**  
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Good morning ladies and gentlemen and thank you for your attendance at today's general meeting of RNI shareholders.

I would like to take the opportunity to provide a brief update on your Company's activities, with regard to both our exciting copper-gold exploration programs and the progress being made to secure the project finance necessary to bring the Grosvenor and Peak Hill gold projects into production.

As you are no doubt aware, the Forrest project is one of the most exciting copper-gold discoveries in Western Australia's Bryah Basin since DeGrussa in 2009. With every hole that is drilled, our geological team grows more confident that Forrest originated as a volcanic hosted massive sulphide – or VHMS – deposit.

As we reported earlier this month, we have recovered the first fresh sulphides (chalcopyrite) at Forrest, which is extremely encouraging. Also encouraging is that fact that all the drilling results we have received from Forrest to date contain the suite of elements - like bismuth, tellurium and silver - which are known pathfinders to VHMS deposits.

We await the next assay results from Forrest and these results will continue to guide us in the next stage of this very exciting drilling and exploration program.

Adding to our excitement is that Forrest is just one part of a 12km VHMS mineralised trend which extends north towards our Grosvenor gold plant and camp. This 12km trend includes the priority Big Billy and Wodger targets, where surface sampling has already produced copper grades of up to 13.8%. While this area is known to be a well mineralised gold province, its potential to host significant copper resources has, until now, never been tested.

We believe our success at Forrest, and the renewed corporate interest in the Bryah Basin, has vindicated the strategy we have pursued in recent years to consolidate a dominant tenement position in this area through a series of acquisitions and joint ventures.

As a result of these moves, RNI now controls a dominant 1,866km<sup>2</sup> holding in the Bryah Basin, divided into six well-defined project areas. Most significantly, RNI's tenure includes approximately 120km strike of VHMS target horizons along the Narracoota Volcanics.

Our geological team, headed by experienced geologists Peter Langworthy and Albert Thamm, has identified these target horizons as priority exploration targets.

Apart from the 12km VHMS trend which includes Forrest, we continue to work up new drilling targets at prospects including Orient, T10 and Beatty Park within the Cashmans Project. We have also identified three high-priority VHMS targets within the Morck's Well Project, which directly adjoins Sandfire's Doolgunna Project, which hosts DeGrussa.

We hope to provide exploration updates on these priority targets very soon.

We have also been busy on our other objective, which is to begin producing gold – and generating sustainable cash flows - from our 100% owned Grosvenor gold plant, which has a nameplate capacity of 1Mtpa.

As we have stated previously, we believe we can be in production at Grosvenor within 7-8 months of securing project financing.

Our recent efforts have included "stress testing" our financial model at Grosvenor to see how it stands up in a lower gold price environment. The results reinforce our view that Grosvenor is a robust project.

We continue to have advanced discussions with a range of parties interested in providing project financing – including the ~\$35 million required to bring the Grosvenor project into production and ~\$20 million required to retire the existing facility we have with Taurus.

We are confident that these discussions will produce a successful outcome in the near term. This will obviously be a significant milestone for RNI and its shareholders which will position the Company for a period of profitable growth.

I thank you again for your attendance.

**MILES KENNEDY**  
**CHAIRMAN**