



**NOTICE OF 2014 ANNUAL GENERAL MEETING  
AND EXPLANATORY STATEMENT AND PROXY FORM**

DATE OF MEETING  
**28 NOVEMBER 2014**

TIME OF MEETING  
**11AM (WST)**

PLACE OF MEETING  
**SUBIACO ARTS CENTRE  
180 HAMERSLEY ROAD  
SUBIACO WA 6008**

Please read the Notice carefully and if you are unable to attend the Annual General Meeting of Shareholders please complete and return the enclosed Proxy Form in accordance with the specified directions.

This is an important document. It should be read in its entirety. If you are in doubt as to the course you should follow, consult your financial or other professional adviser.

**RNI NL**

ABN 77 085 806 284

34 Bagot Road

Subiaco, Western Australia 6008

PO Box 298 West Perth, Western Australia 6872

Email: [general@rninl.com.au](mailto:general@rninl.com.au) Web: [www.rninl.com.au](http://www.rninl.com.au)

Telephone: +61-8 9489 9200 Facsimile: +61-8 9489 9201

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

The 2014 Annual General Meeting of the Shareholders of RNI NL will be held at:

Subiaco Arts Centre  
180 Hamersley Road  
Subiaco WA  
Commencing 11am (WST) on Friday 28 November 2014

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### VOTING ENTITLEMENTS

For the purposes of the Corporations Act, all securities of the Company that are quoted securities at 5pm (WST) on Wednesday 26 November 2014 will be taken, for the purposes of the Meeting, to be held by the persons who held them at the time and such persons are eligible to vote at the Meeting.

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### HOW TO VOTE

The business of the Meeting affects your shareholding and your vote is important. Please take action by voting in person (or authorised representative) or by proxy.

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### VOTING IN PERSON

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 11am (WST).

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### PROXIES

A Proxy Form accompanies this Notice of Annual General Meeting. To be effective the Proxy Form must be completed and received at either the Company's registered office or its share registry, Security Transfer Registrars;

- By email to registrar@securitytransfer.com.au
- By posting to PO Box 535, Applecross, Western Australia 6953
- By facsimile to +61 (0) 8 9315 2233
- By hand to 770 Canning Highway, Applecross, Western Australia 6153 between 8.00am and 5.00pm Monday to Friday, providing it is not a public holiday in WA.

You may also lodge your proxy online at [www.securitytransfer.com.au](http://www.securitytransfer.com.au) and by following the instructions set out on the proxy form.

The Proxy Form must be returned to Security Transfer Registrars and be received by them no later than 11.00am (WST) on Wednesday 26 November 2014.

If you are entitled to attend and cast a vote at the Meeting you may appoint up to two proxies. A proxy may be an individual or a corporation but need not be a shareholder. If you appoint two proxies each proxy may exercise half of the Shareholder's votes if no proportion or number of votes is specified.

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## **CORPORATE REPRESENTATIVES**

A corporation may appoint an individual as a representative to exercise its powers as Shareholder or as a Shareholder's proxy. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been previously given to the Company's share registry.

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## **POWERS OF ATTORNEY**

A person appearing as an Attorney for a Shareholder should produce a properly executed original (or certified copy) of an appropriate Power of Attorney for admission to the Annual General Meeting.

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## AGENDA

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### 1. 2014 Annual Report

To receive the Annual Report for RNI NL for the year ended 30 June 2014.

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### 2. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a **non-binding resolution**:

*“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Report for the year ended 30 June 2014.”*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting exclusion:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (i) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (ii) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
  - (b) the voter is the Chair and the appointment of the Chair as proxy:
    - (i) does not specify the way the proxy is to vote on this Resolution; and
    - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.
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### 3. Resolution 2 – Re-Election of John Hutton as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, Mr John Hutton, who retires in accordance with Article 7.3(a) of the Constitution, being eligible and offering himself for re-election, be re-elected as a Director.”*

**4. Resolution 3 – Ratification of Issue of Shares and Options to Sophisticated Investors**

To consider and, if thought fit, to pass as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders hereby approve and ratify the issue of 40 million Shares at an issue price of \$0.10 each together with 20 million free unlisted New Options, exercisable at \$0.15 each, issued to Sophisticated Investors and as announced to the ASX on 14 October 2014 and as more fully described in the Explanatory Statement.”*

**Voting exclusion:**

The Company will disregard any votes cast on this Resolution by any person who participated in the issue and a person who might obtain a benefit, except a benefit solely in their capacity as a security holder, and any of their associates, unless:

- (a) it is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form); or
- (b) the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

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**5. Resolution 4 – Issue of Shares under Listing Rule 7.1A**

To consider and, if thought fit, to pass as a **special resolution**:

*“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”*

**Voting exclusion:**

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in their capacity as a security holder, and any of their associates, unless:

- (a) it is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form); or
- (b) the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

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**BY ORDER OF THE BOARD**

MARK CLEMENTS  
**COMPANY SECRETARY**

**22 October 2014**

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## EXPLANATORY STATEMENT

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### 1. Introduction

This Explanatory Statement has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at The Subiaco Arts Centre, 180 Hamersley Road, Subiaco, Western Australia on Friday 28 November 2014 at 11.00am (WST).

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of the Company, and provides Shareholders with the information required to be provided to Shareholders by the Corporations Act and the Listing Rules.

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### 2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

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### 3. Annual Report

The Corporations Act requires the Annual Report to be laid before the Company's Annual General Meeting. There is no requirement in either the Corporations Act or the Constitution for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Financial Report (which includes the financial statements and Directors declaration), the Directors' Report and Auditor's Report;
- (b) ask questions or make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman of the Meeting about the management of the Company, or to the Company's auditor about:

- (d) the preparation and content of the Auditor's Report;
- (e) the conduct of the audit;
- (f) accounting policies adopted by the Company in relation to the preparation of the financial statements; and

- (g) the independence of the auditor in relation to the conduct of the audit, maybe submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

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## 4. Resolution 1 – Adoption of Remuneration Report

### 4.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the Annual Report of the Company for the financial year ending 30 June 2014.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

### 4.2 Voting consequences

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the second annual general meeting.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

### 4.3 Proxy Restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

***If you appoint a member of the Key Management Personnel as your proxy***

If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, ***you must direct the proxy how they are to vote***. Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

***If you appoint any other person as your proxy***

You ***do not*** need to direct your proxy how to vote, and you ***do not*** need to tick any further acknowledgement on the Proxy Form.



## 5. **Resolution 2 – Re-Election of John Hutton as a Director**

Listing Rule 14.4 and Article 7.3(a) of the Constitution requires that at an annual general meeting, one-third of Directors for the time being shall retire from office. A retiring Director is eligible for re-election.

In accordance with the Constitution, Mr Hutton retires as a Director by way of rotation and being eligible, offers himself for re-election.

Mr Hutton has a background in accounting and finance and is a Member of the Australian Institute of Company Directors. Mr Hutton has over 20 years' experience in the direction and management of a diverse range of successful commercial activities including over 10 years' experience as a director of several ASX listed companies. Mr Hutton has had a long term involvement in the marine fishing, pearling and aquaculture industries. He was a director of Maxima Pearling Company Pty Ltd, involved in the production of Australian South Sea Pearls and was formerly non-executive Director of Sandfire Resources NL (July 2007 to April 2010). Mr Hutton is currently a Director of Brumby Resources Limited.

The Board (excluding Mr Hutton) does not recommend that Shareholders vote in favour of Resolution 2. The Chairman of the meeting intends to vote undirected proxies against Resolution 2.

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## 6. **Resolution 3 – Ratification of Issue of Shares and Options to Sophisticated Investors**

### 6.1 **General**

As announced to the ASX on 14 October 2014, the Company undertook a placement of 40 million Shares at an issue price of \$0.10 each, with 20 million free attaching unlisted New Options, exercisable at \$0.15 and with an expiry date 12 months from the date of issue, that were issued on the basis of one free New Option for every two Shares issued, to raise \$4,000,000 (less costs) (**October Placement**).

### 6.2 **Listing Rule 7.4**

The Shares issued under the October Placement were issued within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 3 seeks Shareholder ratification of the October Placement pursuant to Listing Rule 7.4.

The effect of Shareholders passing Resolution 3 will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months.

Resolution 3 is an ordinary resolution.

### 6.3 **Information required by ASX Listing Rule 7.5**

The following information is provided in relation to the issue of Shares and free attaching New Options:

- (a) 40 million Shares and 20 million New Options were issued on 21 October 2014;
- (b) the Shares were issued at \$0.10 each per Share and the New Options were issued for no consideration;

- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the New Options issued were a new class of unlisted options with an exercise price of \$0.15 per New Option and having an expiry date of 12 months from the date of issue and being subject to the terms and conditions in Schedule 3;
- (e) the Shares and free attaching New Options were allotted to Sophisticated Investors, including clients of Blue Ocean Equities Pty Ltd, who are not related parties or associates of a related party of the Company;
- (f) The funds raised under the October Placement provided the Company with the necessary funds to meet the costs of:
  - (i) exploration and drilling programs along the ~120 strike km of volcanic hosted massive sulphide (VHMS) target horizons within the Company's extensive Bryah Basin tenement package; and
  - (ii) a scheduled debt repayment of \$2.8 million to Taurus,with the balance being used for the Company's working capital requirements;
- (g) a voting exclusion statement is included in the Notice.

The Board recommends that Shareholders vote in favour of Resolution 3. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 3.

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## 7. Resolution 4 – Issue of Shares under Listing Rule 7.1A

### 7.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.1(c) below).

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 4.

## 7.2 Listing Rule 7.1A

### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

### (b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue Shares and unlisted options.

### (c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of shares on issue 12 months before the date of issue or agreement:

- (1) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (2) plus the number of partly paid shares that became fully paid in the 12 months;
- (3) plus the number of fully paid shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
- (4) less the number of fully paid shares cancelled in the 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

### (d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 466,055,957 Shares and therefore has a capacity to issue:

- (i) 69,908,393 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being received under Resolution 4 46,605,595 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) above).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period as allowed by ASX (**10% Placement Period**).

### 7.3 **Listing Rule 7.1A**

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

### 7.4 **Specific information required by Listing Rule 7.3A**

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of listed Options, only if the listed Options are exercised). There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,which may have an effect on the amount of funds raised by the issue of the Equity Securities.
- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.
- (d) The table also shows:
  - (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
  - (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2	Dilution			
	Number of Shares issued under 10% placement capacity	Funds raised based on issue price of \$0.10 (current price)	Funds raised based on issue price of \$0.05 (50% decrease)	Funds raised based on issue price of \$0.20 (50% increase)
<b>Current Variable 'A' Shares 466,055,957</b>	46,605,596	\$4,660,560	\$2,330,280	\$9,321,119
<b>50% increase in current Variable 'A' Shares 699,083,936</b>	69,908,394	\$6,990,839	\$3,495,420	\$13,981,679
<b>100% increase in current Variable 'A' Shares 932,111,914</b>	93,211,191	\$9,321,119	\$4,660,560	\$18,642,238

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (ii) No Convertible Securities (including any Convertible Securities issued under the 10% Placement Facility) are converted into Shares before the date of the issue of the Equity Securities;
  - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
  - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Convertible Securities, it is assumed that those Convertible Securities are converted into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - (vii) The issue price is \$0.10, being the closing price of the Shares on ASX on 22 October 2014.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (f) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration in relation to costs associated with the acquisition or maintenance of exploration and mining licences. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or

- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards exploration and evaluation of the Company's existing tenements and to advance its near-term gold production plans at the ~2Moz Grosvenor and Peak Hill gold projects.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
  - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
- (j) Further, if the Company is successful in acquiring new resources assets or investments, the allottees under the 10% Placement Facility may be the vendors of the new resources assets or investments.
- (k) The Company previously obtained approval under Listing Rule 7.1A on 21 November 2013 and accordingly, in accordance with the requirements of Listing Rule 7.3A.6, details of the issue of securities during the 12 months preceding the date of the Meeting are included at Schedule 2 of this Notice.

## Schedule 1 – Definitions

In the Notice and this Explanatory Statement:

**Annual General Meeting** means the Company's Meeting convened by this Notice of Meeting.

**Annual Report** means the Financial Report, Directors Report and the Auditors Report.

**Article** means an article of the Constitution.

**ASX** means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that the ASX declares is not a business day.

**Chair or Chairman** means the person appointed to chair the meeting of the Company convened by this Notice.

**Closely Related Party** of the Key Management Personnel means:

- (i) a spouse or child of the member;
- (ii) a child of the member's spouse;
- (iii) a dependent of the member or the member's spouse;
- (iv) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (v) a company the member controls; or
- (vi) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Company** or **RNI** means RNI NL ABN 77 085 806 284.

**Constitution** means the Constitution of the Company as at the date of the Meeting.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** mean the directors of the Company.

**Directors Report** means the annual directors report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Explanatory Statement** means this explanatory statement.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.



**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**New Options** means the free unlisted options issued on 21 October 2014 and more fully described in Section 6 of the Explanatory Statement and Schedule 3.

**Notice** means the Notice of Annual General Meeting which this Explanatory Statement accompanies.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's Annual Report for the year ended 30 June 2014.

**Resolution** means a resolution referred to in this Notice.

**Schedule** means a schedule to the Notice.

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

**Shareholder** means a shareholder of the Company.

**Sophisticated Investors** has the same meaning given to it under the Corporations Act.

**Taurus** means Taurus Funds Management Pty Limited ABN 52 121 452 560 for and on behalf of Taurus Resources No.2, L.P. and Taurus Funds Management Pty Limited as trustee for the Taurus Resources No.2 Trust.

**VWAP** means the volume weighted average price of all Shares traded on ASX calculated over a specified period determined by dividing the aggregate sale price for all Shares traded in that period by the total number of the Shares traded.

In the Notice and this Explanatory Statement, words importing the singular include the plural and vice versa.

**Schedule 2 – Issue of Securities in the 12 months prior to this meeting**

<b>Date</b>	<b>Quantity</b>	<b>Class</b>	<b>Recipients</b>	<b>Issue price and discount to Market Price (if applicable)<sup>1</sup></b>	<b>Form of consideration</b>
21 November 2013	7,000,000	Unquoted Options <sup>3</sup>	Issued to Directors following shareholder approval at the annual general meeting held 21 November 2013	Issued for no cash consideration	Consideration: no consideration paid Current value <sup>7</sup> = \$446,462
31 January 2014	8,400,000	Shares <sup>2</sup>	Issued to Montezuma Mining Company Limited as part of the consideration due by the Company's wholly owned subsidiary, Grosvenor Gold Pty Ltd, to acquire the entire issued share capital of Peak Hill in terms of an agreement (the Share Purchase Agreement) announced to ASX on 31 January 2014	Issued for no cash consideration	Consideration: no consideration paid Current value= \$840,000
31 January 2014	2,100,000	Unquoted Options <sup>4</sup>	Issued to Montezuma Mining Company Limited as part of the consideration due by the Company's wholly owned subsidiary, Grosvenor Gold Pty Ltd, to acquire the entire issued share capital of Peak Hill in terms of an agreement (the Share Purchase Agreement) announced to ASX on 31 January 2014	Issued for no cash consideration	Consideration: no consideration paid Current value <sup>8</sup> = \$99,254

19 March 2014	32,000,000	Shares <sup>2</sup>	Professional and sophisticated investors including clients of Blue Ocean Equities Pty Ltd	\$0.075	Amount raised = \$2,400,000 Amount spent = \$2,400,000 Use of funds = Funds were applied towards exploration and evaluation of existing tenements, development (including DMP and Environmental approvals, plant refurbishment, wages and associated costs) and administration costs Amount remaining = \$Nil Proposed use of remaining funds = N/A
24 April 2014	13,000,000	Shares <sup>2</sup>	Professional and sophisticated investors including clients of Blue Ocean Equities Pty Ltd	\$0.075	Amount raised = \$975,000 Amount spent = \$975,000 Use of funds = Funds were applied towards exploration and evaluation of existing tenements, development (including DMP and Environmental approvals, plant refurbishment, wages and associated costs) and administration costs Amount remaining = \$Nil Proposed use of remaining funds = N/A
6 June 2014	69,999,770	Shares <sup>2</sup>	Issued to shareholders pursuant to Share Purchase Plan dated 5 May 2014	\$0.075	Amount raised = \$5,249,982 Amount spent = \$5,249,982 Use of funds = Exploration and drilling programs

					<p>along a priority 12km regional trend between the Callies base metals prospect and the high-grade Forrest copper-gold discovery</p> <p>Amount remaining = \$Nil</p> <p>Proposed use of remaining funds = N/A</p>
11 June 2014	1,950,000	Shares <sup>2</sup>	Issued to New Holland Capital Pty Ltd for services rendered to secure the \$19.5 million interim debt facility as announced to ASX on 31 January 2014	\$0.15	<p>Amount raised = \$Nil</p> <p>Amount spent = \$Nil</p> <p>Use of funds = as part of the consideration due by the Company to New Holland Capital Pty Ltd for services rendered to secure the \$19.5 million interim debt facility as announced to ASX on 31 January 2014</p> <p>Amount remaining = N/A</p> <p>Proposed use of remaining funds = N/A</p>
11 June 2014	3,000,000	Unquoted Options <sup>5</sup>	Issued to New Holland Capital Pty Ltd for services rendered to secure the \$19.5 million interim debt facility as announced to ASX on 31 January 2014	Issued for no cash consideration – free attaching Options	<p>Consideration: no consideration paid – free attaching Options.</p> <p>Current value<sup>8</sup> = \$209,660</p>
18 June 2014	2,209,294	Shares <sup>2</sup>	Professional and sophisticated investors	\$0.075	<p>Amount raised = \$165,697</p> <p>Amount spent = \$165,697</p> <p>Use of funds = Funds were applied towards exploration and evaluation of existing tenements,</p>

					development (including DMP and Environmental approvals, plant refurbishment, wages and associated costs) and administration costs Amount remaining = \$Nil Proposed use of remaining funds = N/A
15 September 2014	3,000,000	Unquoted Options <sup>6</sup>	Issued to Director following shareholder approval at the general meeting held 15 September 2014	Issued for no cash consideration	Consideration: no consideration paid Current value <sup>8</sup> = \$185,593

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded Option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: RNI (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.12 each, on or before 21 November 2016. The full terms and conditions were disclosed in the notice of general meeting issued to Shareholders on 17 October 2013.
4. Unquoted Options, exercisable at \$0.35 each, on or before 31 January 2017. The full terms and conditions were disclosed in the notice of general meeting issued to Shareholders on 11 August 2014.
5. Unquoted Options, exercisable at \$0.095 each, on or before 31 January 2017. The full terms and conditions were disclosed in the notice of general meeting issued to Shareholders on 11 August 2014.
6. Unquoted Options, exercisable at \$0.25 each, on or before 15 September 2017. The full terms and conditions were disclosed in the notice of general meeting issued to Shareholders on 11 August 2014.
7. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
8. In respect of quoted Equity Securities the value of Unquoted Options is based on the closing price of the Shares (\$0.10) as the context requires on the ASX on 22 October 2014.

### Schedule 3 – Terms and Conditions of New Options

- (a) Definitions:
- (i) **ASX Listing Rules** means the official listing rules of ASX Limited;
  - (ii) **Company** means RNI NL (ACN 085 806 284);
  - (iii) **Corporations Act** means Corporations Act 2001 (Cth).
  - (iv) **Exercise Price** means the exercise price of each New Option, being \$0.15
  - (v) **Expiry Date** means 5.00pm (Perth time) on 20 October 2015.
  - (vi) **Exercise Notice** means the form prescribed by the Company from time to time for the purpose of exercising New Options.
  - (vii) **New Option** means an Option to subscribe for a Share at the Exercise Price prior to the Expiry Date in the manner set out in these Terms and Conditions.
  - (viii) **New Option Holder** means the person or persons registered as the holder of one or more New Options from time to time.
  - (ix) **Share** means a fully paid ordinary voting share in the capital of the Company.
- (b) Each New Option carries the right to subscribe for one Share.
- (c) Each New Option is unlisted and is transferable subject to any restrictions on transfer imposed by ASX.
- (d) Subject to any restrictions imposed on the exercise of options by ASX, New Options may be exercised by the New Option Holder by delivering to the Company's registered office or the Company's share registry an Exercise Notice at any time prior to the Expiry Date.
- (e) Each Exercise Notice must state the number of New Options to be exercised and be accompanied by the relevant holding statement(s), if any, and payment (in Australian currency) to the Company of an amount (the Application Monies) being the result of the Exercise Price multiplied by the number of New Options being exercised.
- (f) Following receipt of a properly executed Exercise Notice and Application Monies in respect of the exercise of any New Options, the Company will issue the resultant Shares and deliver notification of shareholdings.
- (g) Subject to any restrictions imposed by ASX, the Company will make application to have the Shares (issued pursuant to an exercise of New Options) listed for quotation by ASX within 7 days of the date of issue.
- (h) Subject to any restrictions imposed by ASX, Shares issued pursuant to an exercise of New Options shall rank, from the date of issue, *pari passu* with existing Shares in all respects.
- (i) 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.
- (j) Each New Option Holder will be notified by the Company of any proposed pro rata issue of securities to shareholders in accordance with ASX Listing Rules.
- (k) In the event of a reorganisation (including reconstruction, consolidation, subdivision, reduction, or return) of the capital of the Company, the terms of the New Options will be changed to the extent necessary to comply with the requirements of the Corporations Act and ASX Listing Rules (in force at the time of the reorganisation).
- (l) Except as noted in paragraph (k) above, a New Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the New Option can be exercised.

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**RNI NL**

ABN: 77 085 806 284

**REGISTERED OFFICE:**34 BAGOT ROAD  
SUBIACO WA 6008

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**SHARE REGISTRY:**

Security Transfer Registrars Pty Ltd

**All Correspondence to:**

PO BOX 535, APPLECROSS WA 6953

AUSTRALIA

770 Canning Highway, APPLECROSS WA 6153

AUSTRALIA

T: +61 8 9315 2333 F: +61 8 9315 2233

E: registrar@securitytransfer.com.au

W: www.securitytransfer.com.au

Code:

RNI

Holder Number:

**PROXY FORM**

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE  
ONLINE**Lodge your proxy vote securely at [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

Online Proxy ID:

**SECTION A: Appointment of Proxy**

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

 The meeting chairperson  
Mark with an "X"
**OR**


or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 11.00am (WST) on Friday, 28 November 2014 at The Subiaco Arts Centre, 180 Hamersley Road, Subiaco WA 6008 and at any adjournment of that meeting.

**SECTION B: Voting Directions**

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the meeting intends to vote undirected proxies in FAVOUR of resolutions 1, 3 and 4.. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

**RESOLUTIONS**

	FOR	AGAINST	ABSTAIN*
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-Election of John Hutton as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of Issue of Shares and Options to Sophisticated Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Issue of Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. \* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SECTION C: Signature of Security Holder(s)**

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director &amp; Sole Company Secretary

Director Secretary

Director/Company Secretary

**Proxies must be received by Security Transfer Registrars Pty Ltd no later than 11.00am (WST) on Wednesday, 26 November 2014.**

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