



ASX Release

6 August 2012

HIGH GRADE GOLD AT ELDORADO

HIGHLIGHTS

- High grade gold mineralisation intersected beneath Eldorado open pit ramp
 - Results confirm Eldorado as a potential source of high grade oxide ore for the recommissioned Grosvenor plant
 - Assays verify 2007 grade control drilling which produced grades of up to 29.4g/t and intersections including 14m @ 6.68g/t
 - A thrust controlled gold horizon dips south-westward and is open at depth and requires further definition drilling
-

RESOURCE AND INVESTMENT NL (ASX: **RNI**) is pleased to report that drilling beneath the Eldorado open pit ramp has intersected high grade mineralisation of up to 8.7g/t which could provide a supplementary source of mill feed for the recommissioned Grosvenor gold plant.

Eldorado is located less than 400 metres from the Grosvenor plant (Figure 2) and is one of a series of open pits containing JORC compliant resources of 1.2 million ounces at the Grosvenor project, 170km north-west of Meekatharra in Western Australia.

RNI is refurbishing the 1Mtpa nameplate-capacity Grosvenor plant, with first production scheduled for 2013.

The Company drilled two vertical RC holes (Table 1) to a depth of 54 metres at the base of the Eldorado pit ramp on its western wall.

Hole Number	GDA94E	GDA94N	RL	Type	Dip	Depth	Date Drilled
EDRC 1	636808	7197524	486	RC	-90	54m	31/05/12
EDRC 2	636808	7197521	485	RC	-90	54m	31/05/12

Assays from EDRC1 produced **1m @ 8.7g/t from 9m below collar, 1m @ 7.2g/t from 17m, 1m @ 7.2g/t from 19m and 1m @ 5.5g/t from 15m.**

Composite intersections in EDRC1 included **12m @ 3.36g/t from 9m below collar.**

EDRC2 produced **1m @ 5.8g/t from 24m, 1m @ 4.9g/t from 31m and 1m @ 4.2g/t from 35m.**

All reported widths are vertical and significant results with grades greater than 1g/t are reported in Table 2.

RNI drilled the two RC holes to verify the results of previous grade control drilling conducted from the Eldorado pit base in 2007 which intersected significant broad zones of gold mineralisation.

Assays from that 2007 grade control drilling returned results of up to 29.4g/t with the best intersections beneath the pit ramp including:

- Drillhole EDRC 352 - **14m @ 3.88g/t from 7m below collar including 1m @ 29.4g/t from 13m**
- Drillhole EDRC 364 - **14m @ 6.68g/t from 14m below collar including 1m @ 23.8g/t from 26m.**

A major north-west striking zone of cross faulting had been mapped at the base of the pit. This structure coincides with a major cross fault mapped in the Fortnum Wedge as part of the program undertaken by previous owners in 2006. It is likely that the mineralisation is controlled by the intersection of this north-west striking zone of cross faulting with the north-south striking, west-dipping shear zone.

The orientation of any high grade shoots at Eldorado is inferred to have moderate south-south-west directed plunge. This is the same orientation of lodes within other deposits in the Grosvenor mining area.

Historically, the zone is defined over two sections spaced 10m apart but can be traced over several sections north and south displaying weaker and narrower mineralisation. This zone contains continuous grades significantly higher than those defined in the open pit.

As announced to the ASX on 20 July 2012, RNI has declared sufficient probable gold reserves (299,700oz) from the Yarlarweelor, Horseshoe and Callies open pits to sustain an initial five year mine life at the recommissioned Grosvenor plant.

RNI Technical Director Albert Thamm said the down dip extensions to the mineralised thrust (Figure 1) meant Eldorado could supply an additional source of high-grade oxide mineralisation to the Grosvenor plant early in its production profile.

“Given its location and proximity to the Grosvenor plant, this would be high-grade, high-margin plant feed less than 400m from the haulage roads to the ROM pad,” said Mr Thamm.

“For this reason we are planning further delineation and definition drilling at Eldorado in the current quarter.”



Figure 1: Exposure of mineralised zones beneath Eldorado open pit ramp

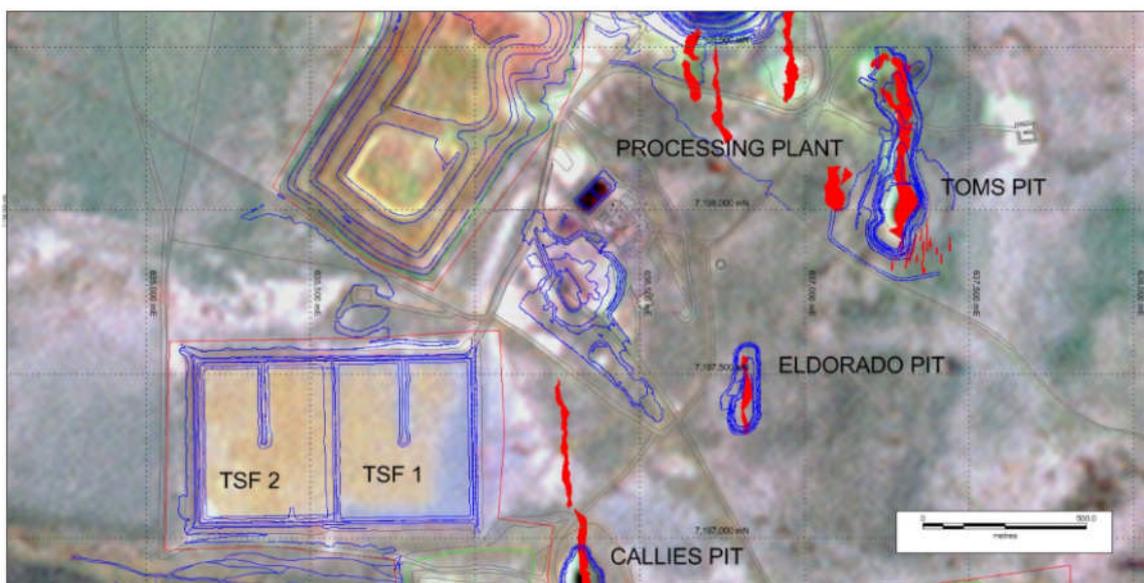


Figure 2: Eldorado open pit position relative to Grosvenor plant

Table 2: Assay Results > 1g/t						
Drillhole	From	To	Depth (RL) TO	Sample #	Au (ppm)	Au (repeat) ppm
Method					FA50/AA	FA25/AA
Detection limit					0.005 ppm	0.01 ppm
EDRC1	9	10	475	EDRC 1 9-10	8.7	9.7
EDRC1	10	11	474	EDRC 1 10-11	1.2	-
EDRC1	15	16	469	EDRC 1 15-16	5.5	-
EDRC1	16	17	468	EDRC 1 16-17	2.3	-
EDRC1	17	18	467	EDRC 1 17-18	7.2	7.2
EDRC1	18	19	466	EDRC 1 18-19	2.5	-
EDRC1	19	20	465	EDRC 1 19-20	7.7	7.2
EDRC1	20	21	464	EDRC 1 20-21	1.0	-
EDRC1	21	22	463	EDRC 1 21-22	2.1	-
EDRC1	29	30	455	EDRC 1 29-30	1.4	-
EDRC2	24	25	460	EDRC 2 24-25	5.8	-
EDRC2	26	27	458	EDRC 2 26-27	1.8	2.5
EDRC2	31	32	453	EDRC 2 31-32	4.9	5.4
EDRC2	35	36	449	EDRC 2 35-36	4.2	4.5

For further information, contact:

ALBERT THAMM
TECHNICAL DIRECTOR

Tel: +61-8 9489 9200

Competent Person's Statements

The information in this ASX release that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Albert Thamm, who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Thamm is a Director of Resource and Investment NL and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting of Mineral Resources and Ore Reserves. Mr Thamm consents to the inclusion in the release of the matters based on information in the form and context in which it appears.

Forward-Looking Statements

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

This announcement 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 announcement 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 announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this presentation speak only at the date of issue of this presentation. 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.