



RNI EXPLORATION UPDATE

HIGHLIGHTS

- Assays of up to 12.8% copper and 41.7g/t gold returned from outcrop at the Orient prospect at Cashman's North, 35km north of the high-grade Andy Well gold deposit in Western Australia
- RNI set to commence three new drilling programs on priority base metals and gold targets at Cashman's North, Horseshoe Lights East and Jacques
- Gold intersections from Horseshoe include 3m @ 10.5g/t
- Geochemical sampling completed over >10% of 2,225km² Grosvenor Project as part of ongoing target generation programs

RESOURCE AND INVESTMENT NL (ASX: RNI) (RNI or the Company) is pleased to report high grade assay results of up to **12.8% copper and 41.7g/t gold** from the Company's ongoing exploration programs at its Grosvenor Project in Western Australia's Bryah Basin.

The high-grade copper and gold values were recovered from outcropping ironstone gossans at the Orient prospect within the Cashman's North lease, approximately 35km north of the Andy Well gold project being developed by Doray Minerals Ltd.

The surface sampling at Orient also returned elevated levels of lead and zinc (Annexure A).

Orient represents another highly prospective target at Cashman's North, where RNI will commence a 32 hole drilling program in early October to test five electromagnetic (EM) anomalies which represent significant base metals targets.

RNI is also planning new drilling programs at Horseshoe Lights East, followed by the Jacques prospect.

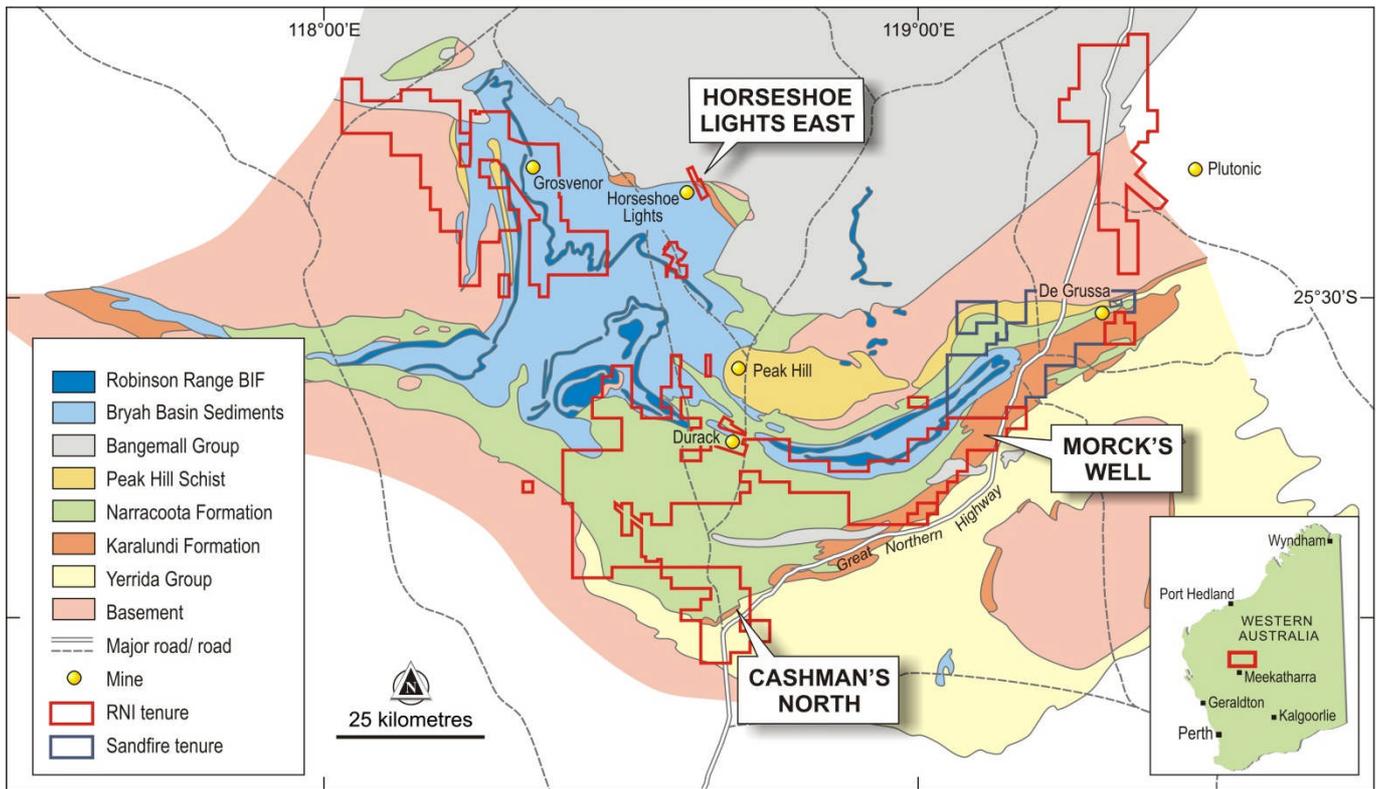


Figure 1: Location of new drilling programs at RNI's Grosvenor Project

NEW DRILLING PROGRAMS

1. Cashman's North

RNI will commence a 32 hole RC drilling program at Cashman's North (Figures 1 and 2) in early October.

The Cashman's North (105.3km²) and adjoining Cashman's South (52.4km²) leases are the southern-most tenements within RNI's Grosvenor Project, which covers a dominant area of 2,225km² of the Bryah Basin north-west of the historic mining centre of Meekatharra.

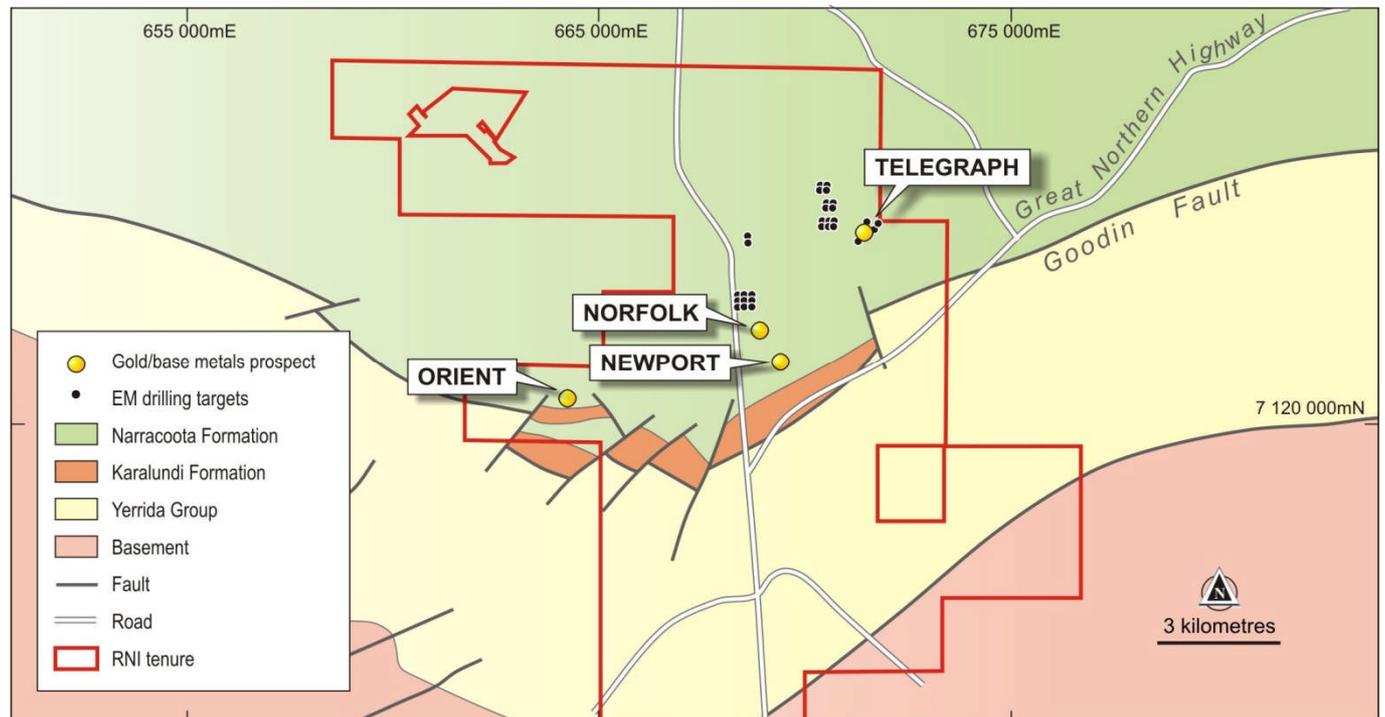


Figure 2: EM drilling targets at Cashman's North and location of Orient prospect

The 32 hole drilling program will target five EM conductor targets defined at Cashman's North by moving loop electromagnetic (MLEM) and helicopter versatile time electromagnetic (VTEM) surveys and surface geochemistry.

The drilling program will include four holes (1,200m) funded from an \$84,000 grant from the WA Government's Royalties for Regions program.

The Cashman's North area is considered highly prospective for both epigenetic lode gold and base metals deposits.

The five EM targets to be drilled are near the Telegraph and Norfolk gold prospects at Cashman's North which were previously defined through regional surface gold geochemistry programs. It is envisaged that the Telegraph and Norfolk gold prospects will be drilled at a later stage.

Cashman's North covers a faulted sequence of metamorphosed basaltic and sedimentary rocks belonging to the Narracoota and Karalundi Formations. Immediately to the south of Orient, the Goodin Fault marks the contact between the Bryah Basin and the Yerrida Basin.

Meanwhile, exploration work will continue at the Orient prospect at Cashman's North to follow up on the high grade copper and gold surface assays and to define drilling targets.

This will include detailed mapping and additional soil and rock chip sampling. This work will be followed by geophysical surveys (induced polarisation and gravity), which will be extended to cover other significant copper anomalies to the west of Orient.

2. Horseshoe Lights East

RNI also plans to commence a drilling program in October at the Horseshoe Lights East Project (Figures 1 and 3).

RNI is earning a 51% interest in Horseshoe Lights East (See ASX announcement 20 August 2012), which comprises a single Mining Lease located immediately east of the historic Horseshoe Lights VMS copper-gold project owned by Horseshoe Metals Ltd.

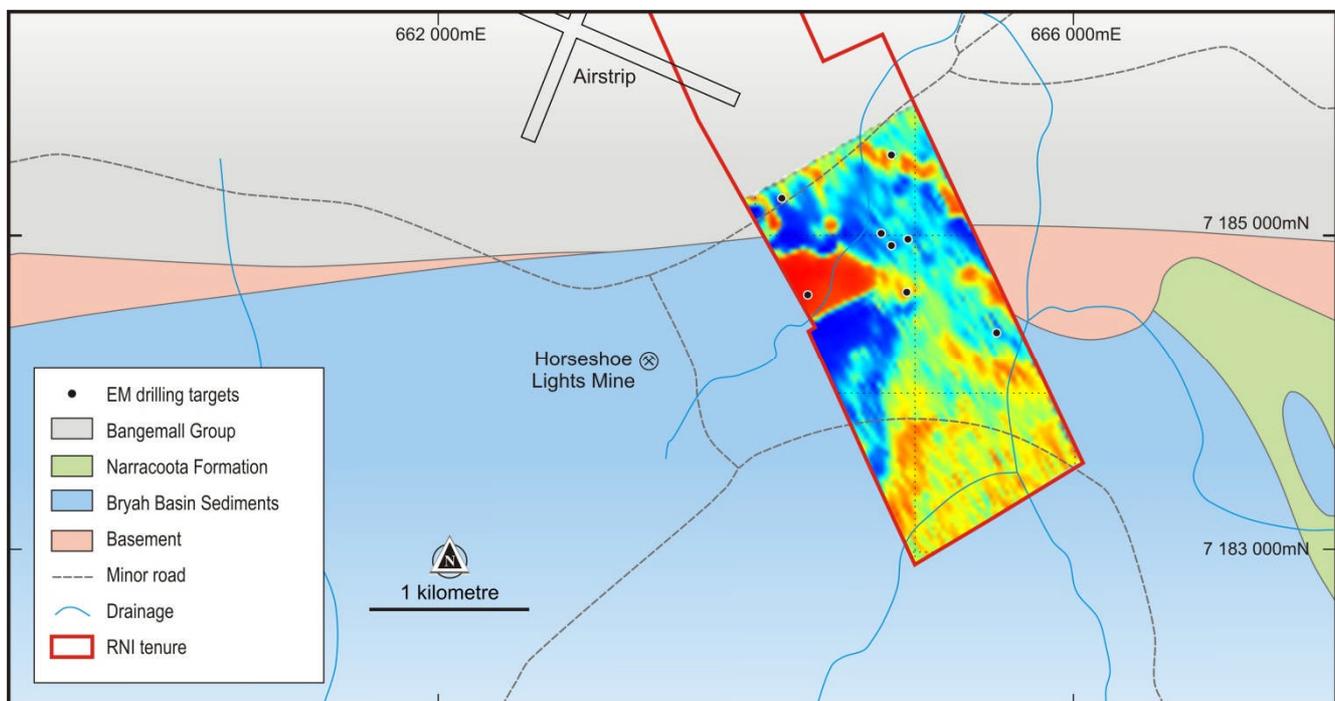


Figure 3: EM drilling targets at Horseshoe Lights East

RNI has received final heritage clearances to drill eight RC holes (1,200m) targeting EM conductors defined below the overlying Bangemall Group sediments.

At depths of 150m, there are areas of strong conductivity in the north at Horseshoe Lights East, delineated by a VTEM geophysical airborne survey combined with magnetic data modelling. These conductors represent significant base metals targets at a depth of less than 200m.

3. Jacques (RNI 80%)

In addition to the drilling programs at Cashman’s North and Horseshoe Lights East, RNI is also planning a 200 hole RC drilling program at the Jacques gold prospect.

Jacques is the most advanced of several epigenetic gold targets identified within the Morck’s Well Project area. Formerly known as Doolgunna 2, Morck’s Well is a group of three tenements covering approximately 282km² which adjoin Sandfire Resources’ Doolgunna Project (Figures 1, 4 and 5). Jacques (E52/1672) is held by RNI’s wholly owned subsidiary, Grosvenor Gold Pty Ltd (80%) and Jackson Minerals Pty Ltd (20%). Jackson Minerals Pty Ltd is a subsidiary of Fe Ltd (ASX:FEL).

Recent metal-detector prospecting and previous exploration have identified a series of gold-bearing quartz veins within a mixed sedimentary/mafic/ultramafic sequence at Jacques. Grab samples from the quartz veins have returned assays of up to **299g/t**.

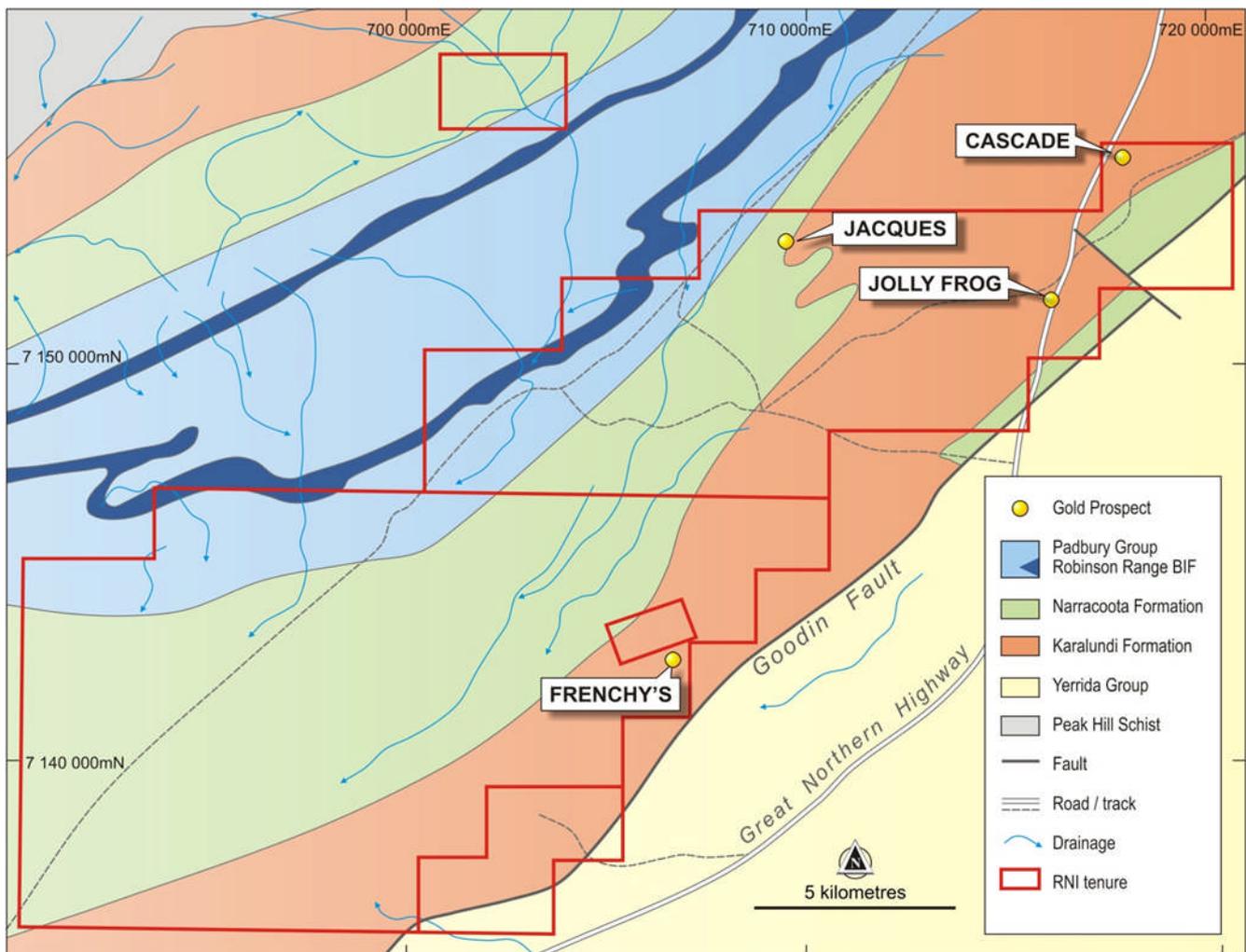


Figure 4: Jacques and other gold targets at Morck’s Well

RNI has completed a detailed soil sampling program over the area and identified two extensive gold geochemical anomalies generally associated with the mineralised quartz. The north-south trending anomalies have strike lengths of 1000m and 700m, with the western anomaly associated with the mineralised quartz veins.

A program of work submitted for the 200 hole program at Jacques is being assessed and drilling will commence once a heritage survey has been completed.

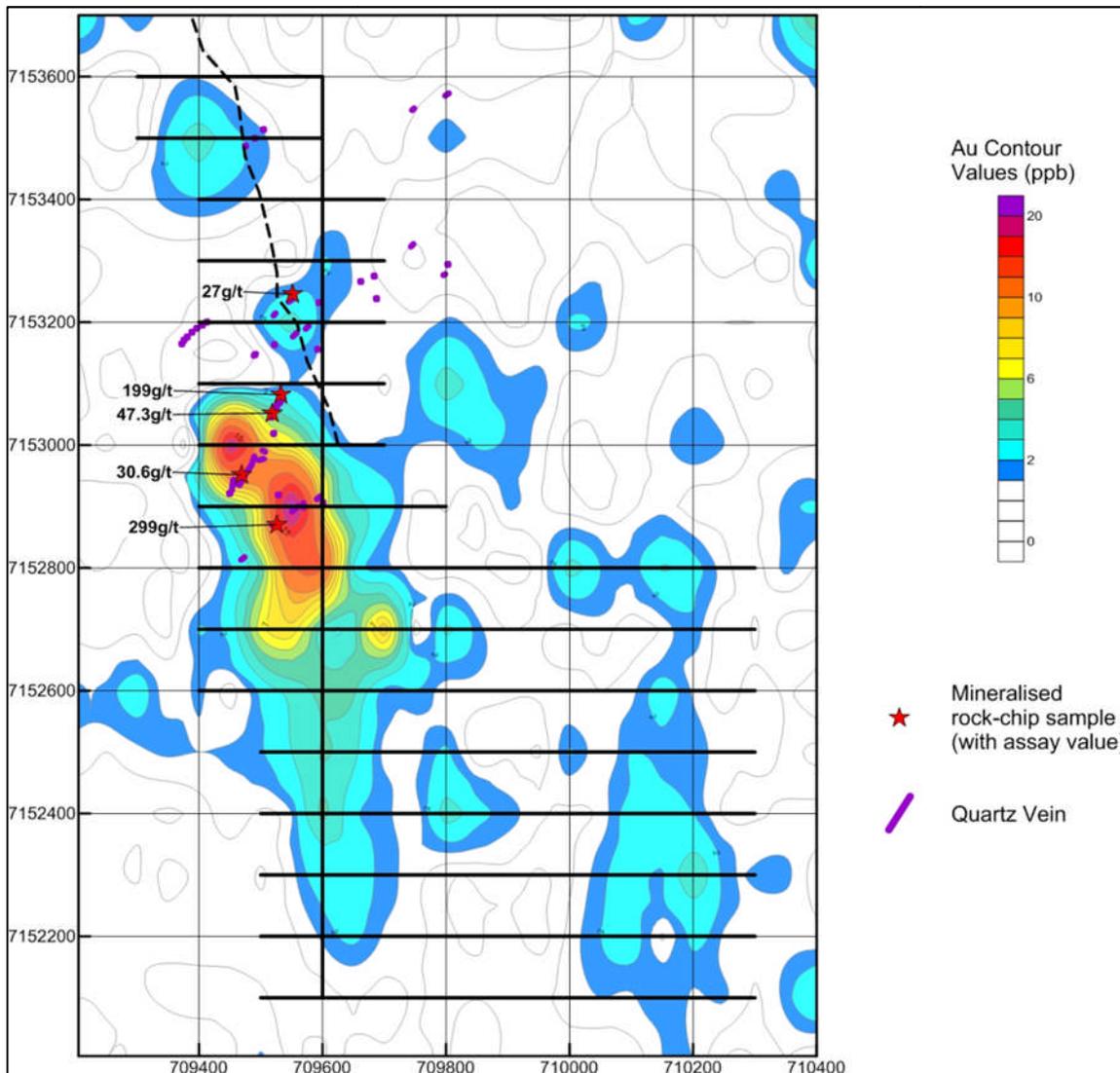


Figure 5: Jacques gold target – Morck's Well

ONGOING TARGET GENERATION

Since taking ownership of the Grosvenor Project in March 2012, RNI has completed geochemical sampling over approximately 256km² of its overall 2,225km² tenement holding as part of a systematic approach to generating priority drilling targets for gold and base metals.

In addition to Jacques, three other epigenetic gold targets have been identified in the Morck's Well area - Cascade, Frenchy's and Jolly Frog (Figure 4).

These prospects are located within sedimentary and volcanic rocks of the Bryah Basin sequence and the gold mineralisation appears to be related to the Goodin Fault zone. The three prospects also run parallel to the regional-scale Jenkins Fault zone.

At Cascade and Jolly Frog, preliminary geochemical data has identified extensive east-west trending gold anomalies. Both anomalies extend over 1500m and are open in at least one direction.

Additional soil sampling was required to define the extent of the anomalies and to allow definition of drill targets. This sampling has now been completed and assay results are expected by mid-October.

Drilling programs over both Cascade and Jolly Frog are envisaged. The scope of these drilling programs will be determined by the assay results. Program approvals and heritage surveys will be undertaken when the drilling programs are finalised.

Advanced greenfields targets have also been generated elsewhere within the Grosvenor Project at Wilthorpe (gold) and Fortnum West (gold and base metals).

DRILLING RESULTS

Doolgunna

Diamond drill hole DDH1-9 at RNI's Doolgunna lease, which is located within 4km of Sandfire's DeGrussa copper-gold deposits, has been extended from 300m to 532m down hole.

As reported in the Company's June 2012 Quarterly Report, this hole, when initially drilled to 300m, returned assays of **2.24g/t gold and 588 ppm copper** near its base.

Sulphide mineralisation continued down hole (Figure 6) and the drill hole was terminated once sulphide mineralisation stopped. The core from DDH1-9 is being assayed. Once the assays are received, the Company will evaluate what additional work is required in the area.



Figure 6: Drilling and core at DDH1-9

Assay results have also been received for 17 RC holes drilled on targets at Doolgunna which were defined by coincident gravity, and electromagnetic anomalies as well as anomalous soil geochemistry.

Four drill holes returned assays with elevated sulphur (15m in RC005, 21m in RC008, 33m in RC009 and 18m in RC011).

Two drill holes - RC009 and RC010 - returned strongly anomalous silver (>1 g/t) and sulphur assays. This association may indicate base metal mineralisation in close proximity and thus warrant follow up.

A down hole EM program is planned to test areas adjacent to these holes.

Horseshoe

RNI has completed seven RC drill holes for 1,068m at its Horseshoe mining lease (M52/338), which is located approximately 30km east of the 1Mtpa Grosvenor Gold Plant being refurbished by the Company.

The seven RC holes were drilled to further upgrade the indicated and inferred gold mineral resource of 162,866 ounces at Horseshoe (2.35Mt @ 2.15g/t using a 1g/t cut-off) reported by RNI in the Company's June 2012 Quarterly Report.

The assay results from Horseshoe (Annexure A) included **3m @ 10.54g/t** from HRC006 from 138-141m.

The assays from Horseshoe confirm the gold-copper-silver-base metal and tungsten geochemistry of the ore body.

Mining Lease M52/132

RNI has received assays from three diamond holes drilled within Mining Lease M52/132, located approximately 200m from the Grosvenor gold plant.

These holes included an 814m vertical hole (DDH1-F1), co-funded from the WA Government's Royalties for Regions program, and two metallurgical test holes at the Yarlalweelor open pit.

Metallurgical hole DDH1-F3 tested southern extensions of the Yarlalweelor ore body 300m south of the current pit and in the southern extensions of the new pit design.

Assays (Annexure A) were encouraging with grades of up to **5.74 g/t**.

The second metallurgical drill hole (DDH1-F2) is currently undergoing test work.

DDH1-F1 sought to test Narracoota Formation volcanics for base metals mineralisation and to gain an understanding of what is anomalous geochemistry. Background levels ranging up to 900 ppm combined base metals (Cu, Pb, Zn, Ni, Co) were encountered in both basalts and ultramafics at depth.

Billara

RNI completed 33 RAB drill holes for 1,565m at the Billara prospect, 11km south-west of the Grosvenor plant. No commercial assay results were received from this drilling program.

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About RNI

Resource and Investment NL is on target to begin gold production in 2013 from the 100% owned Grosvenor Gold Plant, 170km north-west of the historic West Australian mining region of Meekatharra. The Grosvenor plant is supported by a near-mine gold inventory of 1.2Moz based on 16.6 million tonnes @ 2.2g/t.

RNI continues to prioritise gold and base metals drilling targets across its highly-prospective 2,225km² Grosvenor Project in Western Australia's Bryah Basin. The Company is also preparing to drill priority base metals targets at the neighbouring Horseshoe Lights East Project, which adjoins the old Horseshoe Lights VMS copper-gold mine.

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 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 dated 25 September 2012 on the matters based on information in the form and context in which it appears.

Forward-Looking Statements

This ASX release 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 announcement. 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.

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Surface samples from Orient

| Sample | Au | Ag | As | Ba | Cr | Cu | Fe | Ni | Pb | Zn |
|-----------------|-------|-----|-------|-----|-----|------|-------|-----|-------|-------|
| Detection Limit | 1 | 1 | 5 | 1 | 5 | 1 | 0.01 | 1 | 5 | 1 |
| Units | g/t | g/t | ppm | ppm | ppm | % | % | ppm | ppm | ppm |
| OP1 | 0.19 | <1 | 1,134 | 404 | 553 | 0.3 | 37.56 | 30 | 261 | 1,049 |
| OP2 | 0.38 | 3 | 532 | 138 | 400 | 5.4 | 28.71 | 87 | 556 | 1,208 |
| OP3 | 0.01 | <1 | 23 | 131 | 132 | 0.8 | 12.98 | 94 | 19 | 1,563 |
| OP4 | 41.74 | 5 | 332 | 67 | 140 | 12.8 | 28.13 | 142 | 3,502 | 3,811 |
| OP4 (repeat) | 40.42 | 4 | 337 | 68 | 150 | 12.2 | 27.93 | 140 | 3,475 | 3,887 |
| OP5 | 1.21 | 2 | 122 | 170 | 74 | 3.8 | 20.05 | 76 | 956 | 2,124 |

Gold assays from RC drilling on M52/338 Horseshoe

| Drillhole | From | To | Interval | Sample Type | Au | Au-Rp1 | Ag | Cu |
|-----------------|------|-----|----------|-------------|------|--------|------|------|
| Detection Limit | | | | | 0.01 | 0.01 | 1.00 | 1.00 |
| Units | m | m | m | - | g/t | g/t | g/t | ppm |
| HSRC002 | 97 | 99 | 2 | RC | 2.59 | - | - | 33 |
| HSRC002 | 100 | 102 | 2 | RC | 1.70 | - | - | 84 |
| HSRC004 | 118 | 120 | 2 | RC | 1.89 | - | - | 35 |
| HSRC004 | 151 | 153 | 2 | RC | 2.52 | - | - | 15 |
| HSRC006 | 138 | 141 | 3 | RC | 6.53 | 10.54 | 0.80 | 20 |
| HSRC006 | 141 | 144 | 3 | RC | 1.80 | 1.52 | 1.50 | 5 |
| HSRC007 | 126 | 129 | 3 | RC | 1.51 | - | - | 1 |
| HSRC007 | 129 | 132 | 3 | RC | 3.53 | 5.17 | - | 8 |
| HSRC007 | 132 | 135 | 3 | RC | 1.39 | - | - | 3 |
| HSRC007 | 147 | 150 | 3 | RC | 1.83 | 1.71 | - | 9 |

Gold assays from diamond drilling on M52/132 – DDH1-F3

| Drillhole | From | To | Interval | Sample Type | Au |
|------------------|-------|-------|----------|-------------|-------------|
| Units | m | m | m | | g/t |
| DDH1-F3 | 66.6 | 67.2 | 0.6 | 1/2 core | 1.94 |
| DDH1-F3 | 69.45 | 69.6 | 0.15 | 1/2 core | 1.09 |
| DDH1-F3 | 71.4 | 71.95 | 0.55 | 1/2 core | 1.87 |
| DDH1-F3 | 71.95 | 72.6 | 0.65 | 1/2 core | 0.63 |
| DDH1-F3 | 72.6 | 73.25 | 0.65 | 1/2 core | 2.93 |
| DDH1-F3 | 73.25 | 73.9 | 0.65 | 1/2 core | 0.67 |
| DDH1-F3 | 73.9 | 75.05 | 1.15 | 1/2 core | 1.61 |
| DDH1-F3 | 75.05 | 76 | 0.95 | 1/2 core | 1.69 |
| DDH1-F3 | 123 | 124 | 1 | 1/2 core | 2.18 |
| DDH1-F3 | 136.1 | 137 | 0.9 | 1/2 core | 0.49 |
| DDH1-F3 | 165.1 | 166 | 0.9 | 1/2 core | 2.42 |
| DDH1-F3 | 166 | 167 | 1 | 1/2 core | 0.35 |
| Including | | | | | |
| DDH1-F3 | 123.2 | 123.5 | 0.3 | 1/2 core | 5.75 |

Assays from RC drilling on E52/2438 Doolgunna

| Drillhole | From | To | Interval | Sample Type | Au | Ag | Cu | Pb | S | Zn |
|------------------|------|-----|----------|-------------|-------|-----|-----|-----|-------|-----|
| Units | m | m | m | | g/t | ppm | ppm | ppm | ppm | ppm |
| RC 006 (DRC 471) | 48 | 51 | 3 | RC | - | 1 | 86 | 6 | - | 102 |
| RC 009 (DRC 475) | 144 | 147 | 3 | RC | - | 1.4 | 147 | 10 | 255 | 60 |
| RC 009 (DRC 475) | 150 | 153 | 3 | RC | - | 0.9 | 129 | 11 | 516 | 58 |
| RC 009 (DRC 475) | 153 | 156 | 3 | RC | - | 1.1 | 144 | 7 | 396 | 61 |
| RC 009 (DRC 475) | 156 | 159 | 3 | RC | - | 0.8 | 88 | 6 | 488 | 76 |
| RC 009 (DRC 475) | 162 | 165 | 3 | RC | - | 0.8 | 111 | 8 | 618 | 61 |
| RC 009 (DRC 475) | 165 | 168 | 3 | RC | 0.006 | 0.6 | 127 | 5 | 1,638 | 188 |
| RC 009 (DRC 475) | 168 | 171 | 3 | RC | 0.013 | 0.9 | 148 | 11 | 3,213 | 331 |
| RC 009 (DRC 475) | 174 | 177 | 3 | RC | - | 0.8 | 113 | 6 | 471 | 65 |
| RC 009 (DRC 475) | 177 | 180 | 3 | RC | - | 1.4 | 130 | 4 | 649 | 73 |
| RC 009 (DRC 475) | 180 | 183 | 3 | RC | - | 0.7 | 140 | 2 | 716 | 72 |
| RC 009 (DRC 475) | 183 | 186 | 3 | RC | - | 0.5 | 228 | 6 | 756 | 70 |
| RC 009 (DRC 475) | 192 | 195 | 3 | RC | - | 0.8 | 70 | 5 | 93 | 33 |
| RC 009 (DRC 475) | 195 | 198 | 3 | RC | - | 1.2 | 87 | 4 | 323 | 67 |
| RC 010 (DRC 476) | 3 | 6 | 3 | RC | - | 0.8 | 23 | 5 | - | 35 |
| RC 010 (DRC 476) | 12 | 15 | 3 | RC | - | 1.4 | 24 | 5 | - | 35 |
| RC 010 (DRC 476) | 18 | 21 | 3 | RC | - | 1.1 | 25 | 5 | - | 54 |
| RC 010 (DRC 476) | 51 | 54 | 3 | RC | - | 0.5 | 52 | 7 | - | 178 |
| RC 010 (DRC 476) | 105 | 108 | 3 | RC | - | 0.7 | 100 | 7 | - | 83 |
| RC 010 (DRC 476) | 108 | 111 | 3 | RC | 0.019 | 1 | 166 | 14 | - | 97 |
| RC 010 (DRC 476) | 114 | 117 | 3 | RC | 0.008 | 0.5 | 37 | 4 | - | 127 |