

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

**RESOURCE AND INVESTMENT NL  
and its controlled entities**

ABN

**77 085 806 284**

Quarter ended ("current quarter")

**31 Mar 2014**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(1,183) (853) - (524)	(4,443) (2,275) - (1,555)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	14	105
1.5 Interest and other costs of finance paid	(2,195)	(2,809)
1.6 Income taxes paid	-	-
1.7 Other (Stamp Duty)	(965)	(965)
<b>Net Operating Cash Flows</b>	<b>(5,706)</b>	<b>(11,942)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (Peak Hill gold project) (c) other fixed assets	- (2,800) -	- (2,800) -
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (Exploration bonds retired) Other (Bond deposits made)	12 (3)	1,815 (3)
<b>Net investing cash flows</b>	<b>(2,791)</b>	<b>(988)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(8,497)</b>	<b>(12,930)</b>

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1.13	Total operating and investing cash flows (brought forward)	(8,497)	(12,930)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	2,400	2,400
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	4,500	9,500
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Share Issue Expenses	(63)	(63)
1.20	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	<b>6,837</b>	<b>11,837</b>
	<b>Net increase (decrease) in cash held</b>	<b>(1,660)</b>	<b>(1,093)</b>
1.20	Cash at beginning of quarter/year to date	2,982	2,415
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>1,322</b>	<b>1,322</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	183
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Included at 1.23 are payments of office rent and payroll services management fee to company associated with directors Miles Kennedy & John Hutton. It also includes payment of directors fees and superannuation.

The payment at 1.8(b) relates to the consideration paid for the acquisition of the Peak Hill gold project as announced on 31 January 2014.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	19,500	19,500
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	435
4.2 Development	420
4.3 Production	-
4.4 Administration	490
<b>Total</b>	<b>1,345</b>

#### Note

- i. An additional \$975,000 has been raised in an equity placement to supplement the estimated cash outflows for the quarter.
- ii. Furthermore the company has announced a Share Purchase Plan to raise up to \$5,250,000 to support the increased exploration activities as well as advancing the near-term gold production plans.

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,322	482
5.2 Deposits at call	-	2,500
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,322</b>	<b>2,982</b>

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**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.1	Interests in mining tenements relinquished, reduced or lapsed	E52/1561	Expired tenement under a Mineral Rights Deed	100%	Nil
6.2	Interests in mining tenements acquired or increased	E51/1391 and E52/2509	Joint Venture Agreement	Nil	Nil

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference <sup>+</sup>securities</b> (description)	N/A		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b><sup>+</sup>Ordinary securities</b>	338,896,893	338,896,893	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	40,400,000	40,400,000	
7.5	<b><sup>+</sup>Convertible debt securities</b> (description)	N/A		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			
7.7	<b>Options</b> (description and conversion factor)		<b>Exercise Price</b>	<b>Expiry Date</b>
		3,300,000	\$1.00	17/05/2014
		3,597,621	\$0.4374	27/03/2015
		2,100,000	\$0.20	11/11/2016
		7,000,000	\$0.12	21/11/2016
		2,100,000	\$0.35	31/01/2017
		4,000,000	\$0.35	11/03/2017
		1,500,000	\$0.60	09/11/2017
		7,400,000	\$0.12	03/10/2018
7.8	Issued during quarter	2,100,000	\$0.35	31/01/2017
7.9	Exercised during quarter	-	-	-
7.10	Expired during quarter	-	-	-

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7.11	Debtures <i>(totals only)</i>	-	
7.12	Unsecured notes <i>(totals only)</i>	-	

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

MARK CLEMENTS  
Company Secretary

29 April 2014

### Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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