ASX Announcement 26 May 2014

MAJOR COPPER-GOLD INTERSECTION AT FORREST PROSPECT

First diamond hole returns 9.1m @ 5.27% Cu within VHMS horizon

HIGHLIGHTS

- First diamond hole FGDD001 drilled at the Forrest prospect has returned a major intersection of oxide-transitional copper-gold mineralisation:

  9.1 metres @ 5.27% Copper, 2.0g/t Gold and 8.35g/t Silver from 142.95m

  Including

  4.25m @ 8.86% Copper, 2.84g/t Gold and 15.07g/t Silver from 145.6m

- Mineralisation consists of foliated zones of malachite (oxide-copper), with strong zones of chalcocite (transitional-copper sulphide) hosted within a structurally modified volcanic hosted massive sulphide (VHMS) horizon

- Geochemistry of copper-gold mineralisation consistent with VHMS origin with strongly elevated levels of barium, silver, bismuth and tellurium

- Priority follow-up drilling and exploration programs planned at the Forrest copper-gold discovery as soon as approvals received

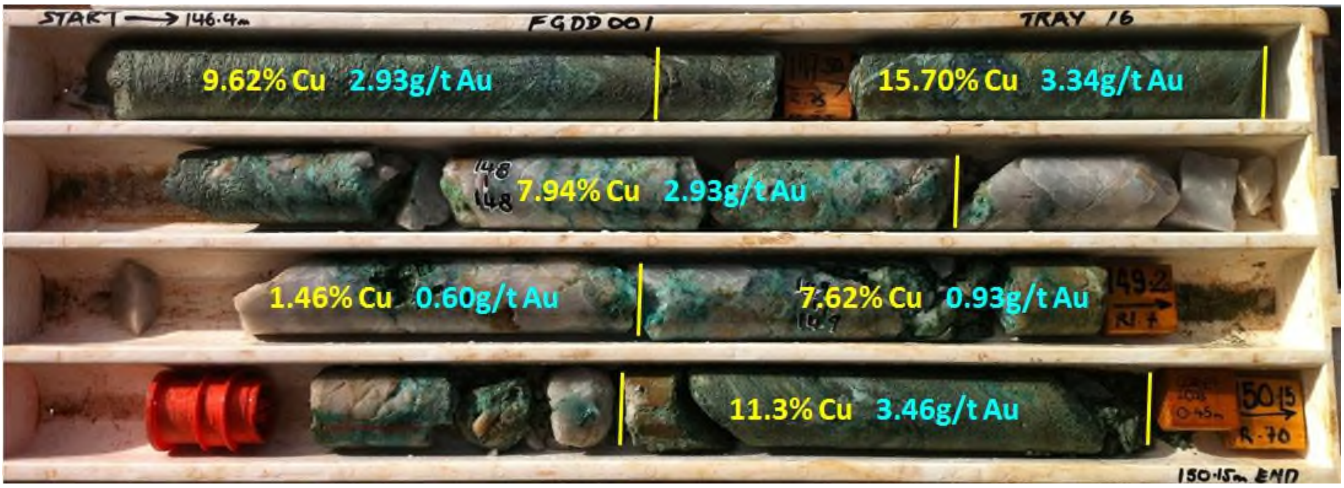

Figure 1: Drillhole FGDD001 from 146.4m to 150.15m with copper and gold assay results

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Resource and Investment NL (ASX: **RNI**) (**RNI** or the Company) is pleased to announce the first assay results from diamond drilling at the Forrest copper-gold discovery (RNI 80%, Fe Limited 20%) (Figure 2), which is part of the Company's Grosvenor Project in Western Australia's Bryah Basin.

The diamond hole, FGDD001, intersected a major zone of oxide-transitional copper-gold mineralisation. This included (See Table 1):

9.1 metres @ 5.27% Copper, 2.0g/t Gold and 8.35g/t Silver from 142.95m

Including

4.25m @ 8.86% Copper, 2.84g/t Gold and 15.07g/t Silver from 145.6m

The assay results from diamond hole FGDD001 confirm the potential of Forrest (formerly Forrest Gimp) to be a significant copper-gold discovery. The results also support the view that a major copper-gold mineralised system has been developed in the Grosvenor project area in the western Bryah Basin.

FGDD001 was drilled to 200m to follow up recent reverse circulation (RC) drilling at Forrest (see ASX announcement 7 May 2014) which intersected significant zones of copper-gold mineralisation, including:

- **FPRC006:** **4m @ 2.11% Cu from 158m**
- **FPRC007:** **25m @ 1.25% Cu from 153m including 9m @ 2.52%, 1m @ 10.4% Cu and 1m @ 23.5g/t Ag**

As currently understood, the copper mineralisation at Forrest is interpreted as a steeply dipping oxide-transitional zone beneath a substantial gold-rich cap.

The copper mineralisation has now been defined down-plunge over a strike length of ~200m and remains open down dip and along strike.

The copper mineralisation is located on a single horizon associated with a package of rocks that include mafic volcanic and chert units (Narracoota Volcanic Formation) and fine-grained meta-sedimentary rocks (Ravelstone Formation).

RNI Technical Director Albert Thamm said Forrest was the most exciting copper-gold discovery in the Bryah Basin since 2009.

"Our detailed and focused approach to targeting has identified in excess of 12km strike to explore in the Forrest area alone," said Mr Thamm.

"The focus of our exploration efforts across the Company's extensive ~1,800km^2 tenement package is on areas with shallow oxide gold at or near the contacts with the Narracoota Volcanics, that have never been drill tested or assayed at depth. We are confident that further exploration in the western Bryah Basin will unlock the potential of this growing copper-gold province."

Drillhole	From (m)	To (m)	Length (m)	Au g/t	Ag g/t	Cu %
FGDD001	142.95	143.4	0.45	0.876	2.5	2.33
	143.4	144.4	0.95	0.065	0.25	0.446
		Loss	0.1			
	144.5	145.1	0.62	**4.05**	10.5	6.2
	145.1	145.6	0.48	1.44	3.5	3.34
	145.6	146.1	0.51	**5.51**	**18**	**14.4**
	146.1	146.8	0.69	**3.09**	7.5	5.47
	146.8	147.4	0.65	2.93	**20.5**	**9.62**
	147.4	147.8	0.4	**3.34**	**24.5**	**15.7**
	147.8	148.4	0.6	2.93	**15.5**	**7.94**
	148.4	148.9	0.47	0.6	4	1.46
	148.9	149.4	0.53	0.926	**18.5**	7.62
	149.4	149.8	0.4	**3.46**	14	**11.3**
		Loss	0.35			
	150.2	150.6	0.45	0.708	1	1.24
	150.6	151.1	0.52	2.13	3	3.98
	151.1	151.6	0.48	0.061	0.25	0.258
	151.6	152.1	0.45	2.41	0.5	1.35

Table 1: Gold, silver and copper assays from FGDD001

The Forrest copper-gold deposit is located on the southern end of an identified regional copper-gold corridor that extends for more than 12km (Figure 2) and also includes the Wodger, Big Billy and Callies copper and base-metals prospects.

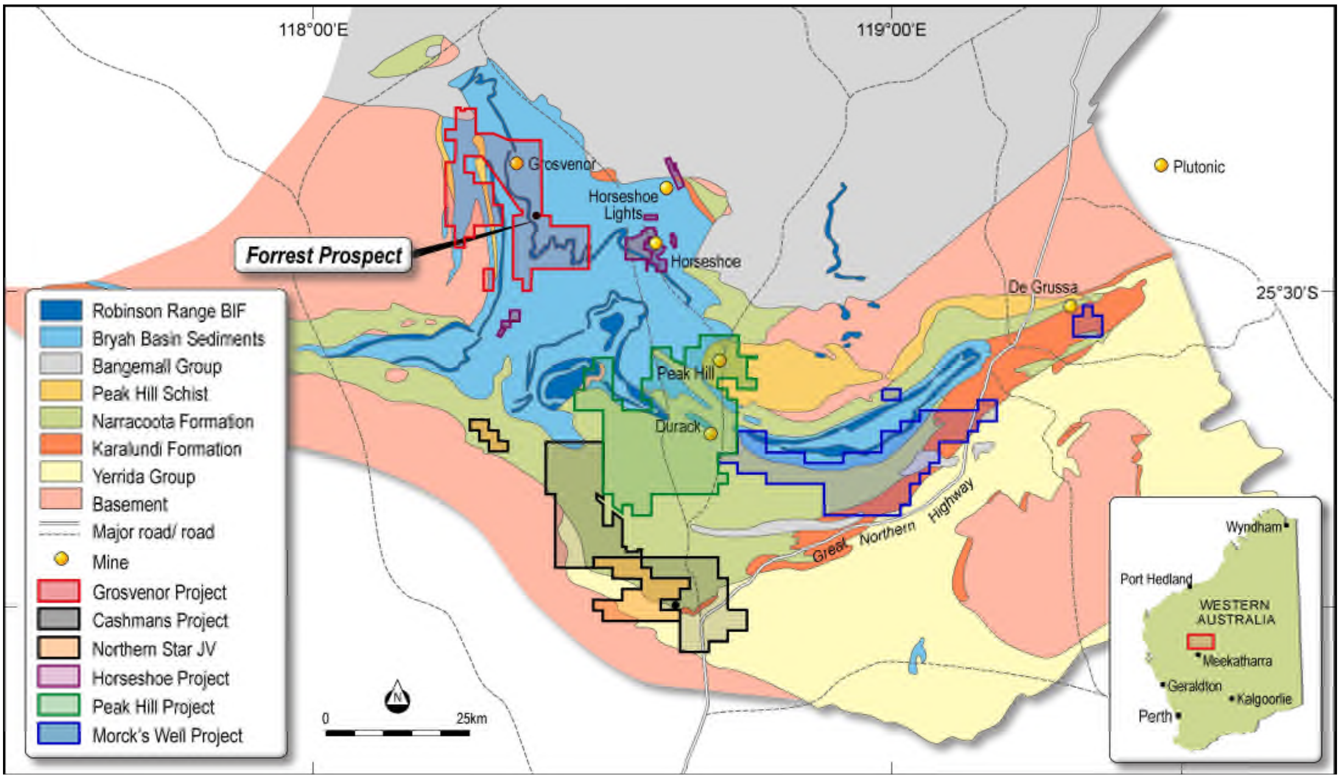

Figure 2: Project and Forrest discovery location

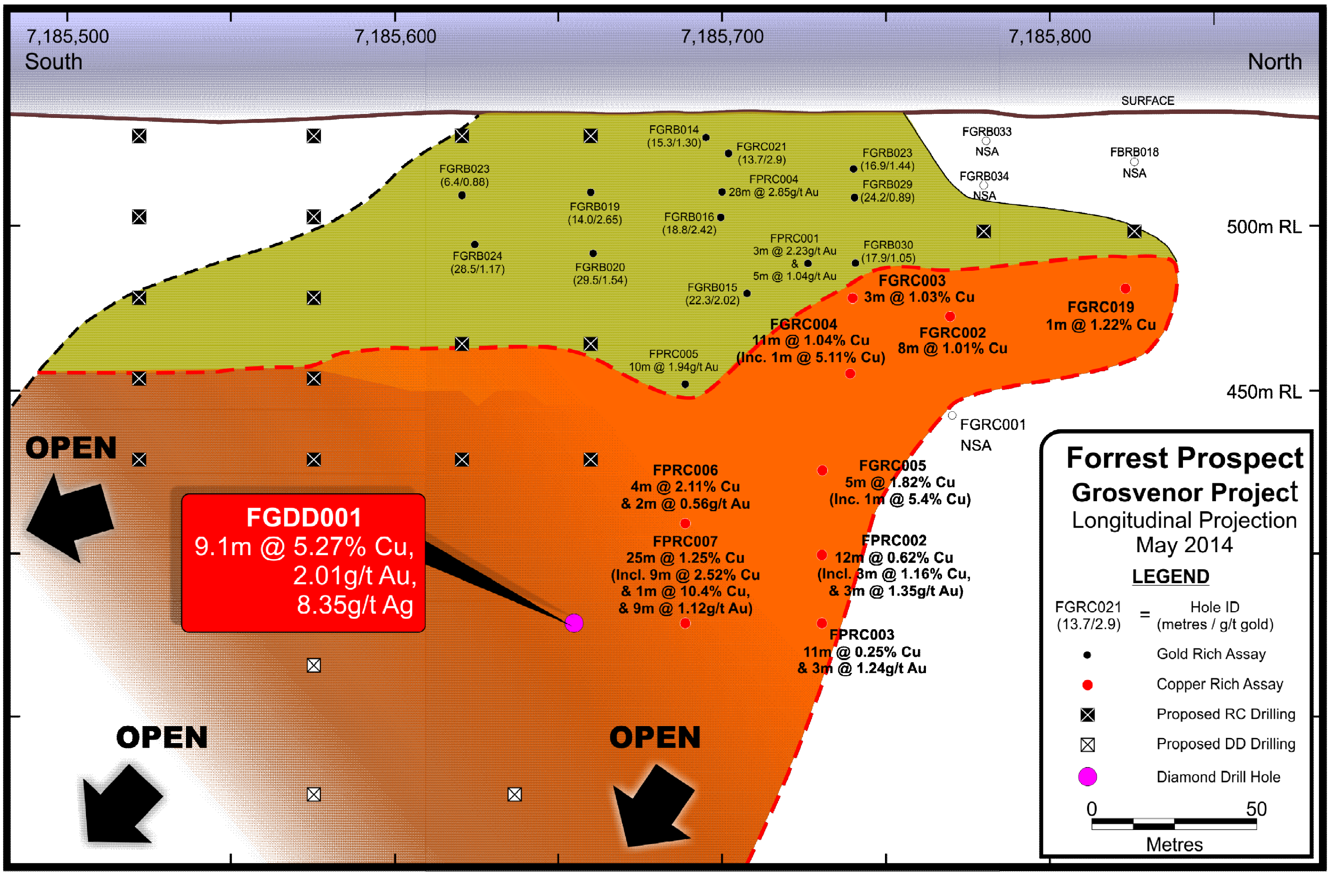

Figure 3: Summary copper, gold and silver assays, drilling results and interpretation

The trend is defined by a regional antiformal fold axis and associated folding and faulting of the Narracoota Volcanic Formation, and its contact with metasediments, striking south from the Fortnum Wedge.

The associated geochemistry with high-grade copper (Figure 3) confirms the regional geochemical association of gold and copper, with silver, tellurium, bismuth and barite and to a much lower (trace) degree, mercury (Appendix 1).

The associated multi-element geochemistry is strongly suggestive of a copper-sliver–gold VHMS origin, with an interpreted structural control and re-mobilisation.

Annotated core photographs are attached in Appendix 2.

Geological Description

The RC pre-collar drilled through weak to moderately weathered fine sandstones and siltstones of the Ravelstone Formation to 89m then entered the Narracoota Formation. The hanging wall Narracoota Formation is comprised of chloritic siltstones overlying an intermediate tuffaceous volcaniclastic unit with abundant lithic fragments of chloritic siltstone interbedded with tuffaceous siltstone.

A zone of strong brecciation extends from 143.25m to 149.5m hosting copper mineralisation as malachite, chalcocite and occasional azurite. The breccia is comprised of clasts of footwall and vein material in a groundmass of copper carbonates, chlorite and silica.

The immediate footwall of the breccia zone is comprised of a unit of laminar, strataform copper carbonate (malachite) with chalcocite interlayered with chloritic and sericite-quartz siltstone over 5.5m (149.5m – 155m).

Alteration styles include silica–chlorite alteration and distinct zones of bleaching above and below the target stratigraphy. Interpreted felsic tuffs form part of the intersected stratigraphy.

The footwall stratigraphy is dominated by chloritic siltstones and grey mudstones with occasional narrow carbonaceous shales. Chloritic siltstones contain limonitic pseudomorphs of euhedral pyrite which may represent relict stringer mineralisation below the mineralised interval. The sequence is capped by a tuffaceous unit similar to the hanging wall lithology.

The Company is planning priority follow-up diamond and RC drilling programs at Forrest, which will commence as soon as approvals are granted.

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Competent Person's Statement

Information in this announcement that relates to exploration results is based on and fairly represents information and supporting documentation prepared and compiled by Albert Thamm BSc (Hons) MSc, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. The information in this announcement that relates to previously released exploration data was disclosed under JORC Code 2012 for the Forrest Prospect (refer ASX announcements dated 18 February 2014, 28 February 2014,17 April 2014 and 7 May 2014).

Mr Thamm is a Director of Resource and Investment NL. Mr Thamm has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Thamm consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

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Appendix 1: Summary – Significant Results

Diamond Drill Hole Collar Details

Hole No	Easting	Northing	Dip	Dip Azimuth	Depth
FGDD001	640,812	7,185,696	-70	100	200m

Copper Assay Results >0.2% copper. Results are reported downhole.

Hole No	From (m)	To (m)	Length (m)	Au g/t	Cu %
FGDD001	142.95	143.4	0.45	0.88	2.33
	143.4	144.35	0.95	0.07	0.45
	144.45	145.07	0.62	**4.05**	6.20
	145.07	145.55	0.48	1.44	3.34
	145.55	146.06	0.51	**5.51**	**14.40**
	146.06	146.75	0.69	3.09	5.47
	146.75	147.4	0.65	2.93	9.62
	147.4	147.8	0.4	3.34	**15.70**
	147.8	148.4	0.6	2.93	7.94
	148.4	148.87	0.47	0.60	1.46
	148.87	149.4	0.53	0.93	7.62
	149.4	149.8	0.4	**3.46**	**11.30**
	150.15	150.6	0.45	0.71	1.24
	150.6	151.12	0.52	2.13	3.98
	151.12	151.6	0.48	0.06	0.26
	151.6	152.05	0.45	2.41	1.35
	153.25	154	0.75	0.32	0.35
	154.75	155.35	0.6	0.23	0.30

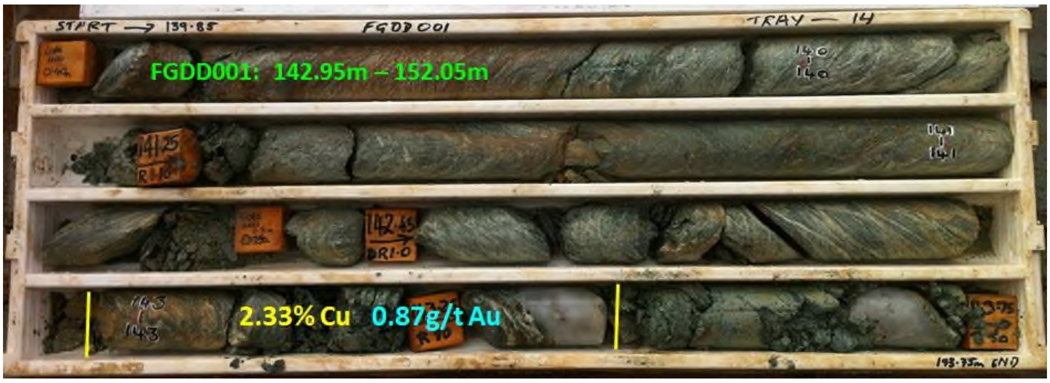
Gold and Silver results > 0.3 g/t gold. Results are reported downhole

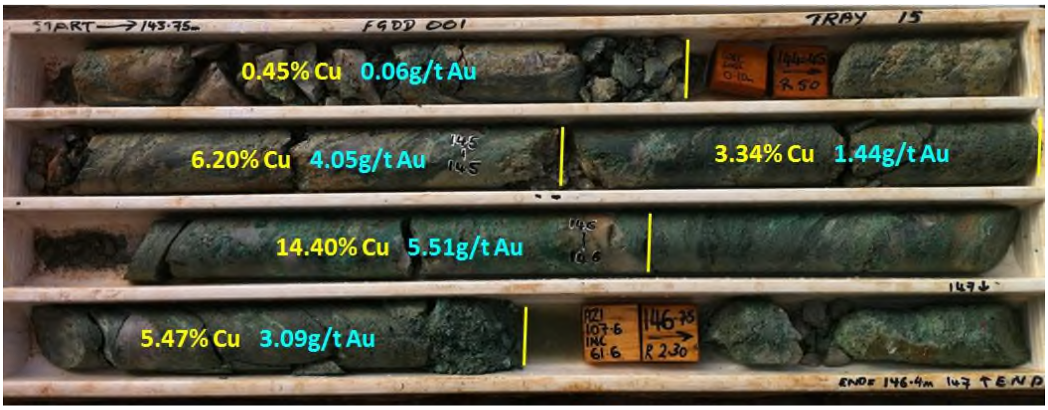
Hole No	From (m)	To (m)	Length (m)	Au g/t	Pt ppb	Pd ppb	Ag g/t
FGDD001	142.95	143.4	0.45	0.88	15	20	2.5
	144.45	145.07	0.62	**4.05**	20	20	10.5
	145.07	145.55	0.48	1.44	15	20	3.5
	145.55	146.06	0.51	**5.51**	5	5	18
	146.06	146.75	0.69	**3.09**	25	20	7.5
	146.75	147.4	0.65	**2.93**	25	15	20.5
	147.4	147.8	0.4	**3.34**	40	20	24.5
	147.8	148.4	0.6	2.93	15	10	15.5
	148.4	148.87	0.47	0.60	2.5	2.5	4
	148.87	149.4	0.53	0.93	25	15	18.5
	149.4	149.8	0.4	**3.46**	60	25	14
	150.15	150.6	0.45	0.71	20	25	1
	150.6	151.12	0.52	2.13	30	40	3
	151.6	152.05	0.45	2.41	45	60	0.5
	153.25	154	0.75	0.32	25	25	0.25

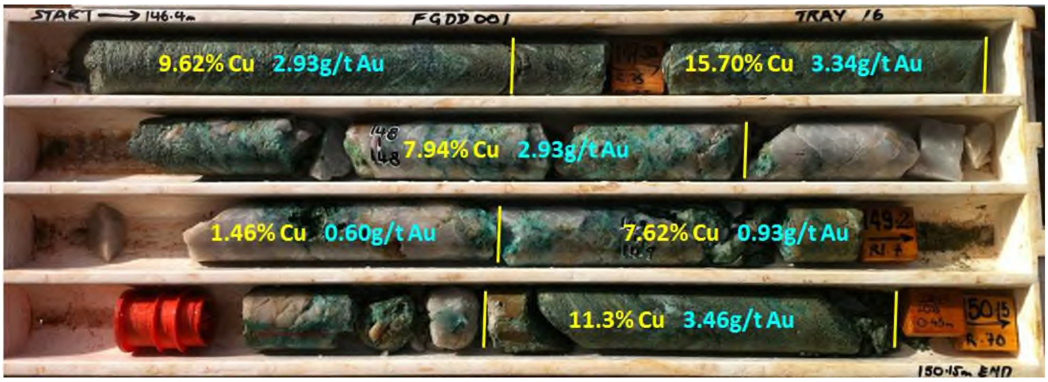
Multi-Element Geochemistry. All results > 142.95m depth. Results are reported downhole.

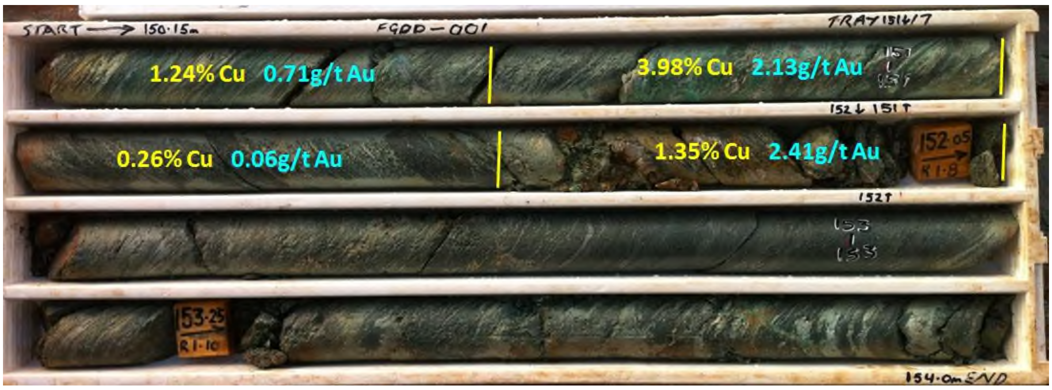
Hole ID	From (m)	To (m)	Length (m)	Au g/t	Pt ppb	Ag g/t	Bi ppm	Cu %	Mo ppm	Te ppm	Ba ppm	Mn ppm
FGDD001	142.95	143.4	0.45	0.876	15	2.5	7.5	2.33	1.2	7.8	6	580
	143.4	144.4	0.95	0.065	5	0.25	2.6	0.446	0.8	3.8	3	428
		Loss	0.1									
	144.5	145.1	0.62	**4.05**	20	10.5	**61.2**	6.2	0.8	2.8	23	994
	145.1	145.6	0.48	1.44	15	3.5	24.9	3.34	0.7	7.8	42	1570
	145.6	146.1	0.51	**5.51**	5	**18**	13.3	**14.4**	2.7	10.2	148	732
	146.1	146.8	0.69	**3.09**	25	7.5	**26.5**	5.47	4.4	2.2	1310	1090
	146.8	147.4	0.65	2.93	25	**20.5**	**33.1**	**9.62**	4	2	1960	476
	147.4	147.8	0.4	**3.34**	40	**24.5**	**69.9**	**15.7**	2.2	2.4	1160	622
	147.8	148.4	0.6	2.93	15	**15.5**	23	**7.94**	2.6	2.8	265	204
	148.4	148.9	0.47	0.6	2.5	4	4	1.46	2.3	0.8	4	130
	148.9	149.4	0.53	0.926	25	**18.5**	18.8	7.62	2.6	3	357	186
	149.4	149.8	0.4	**3.46**	60	14	**35.8**	**11.3**	10.2	12.4	2700	246
		Loss	0.35									
	150.2	150.6	0.45	0.708	20	1	4.5	1.24	5.1	12.2	868	170
	150.6	151.1	0.52	2.13	30	3	5.7	3.98	2.5	5.8	387	240
	151.1	151.6	0.48	0.061	25	0.25	1.1	0.258	1.5	15	216	244
	151.6	152.1	0.45	2.41	45	0.5	2	1.35	16.2	37	160	252

Appendix 2: Annotated core photographs









Appendix 3: JORC Code, 2012 Edition

JORC Code, 2012 Edition – Table 1

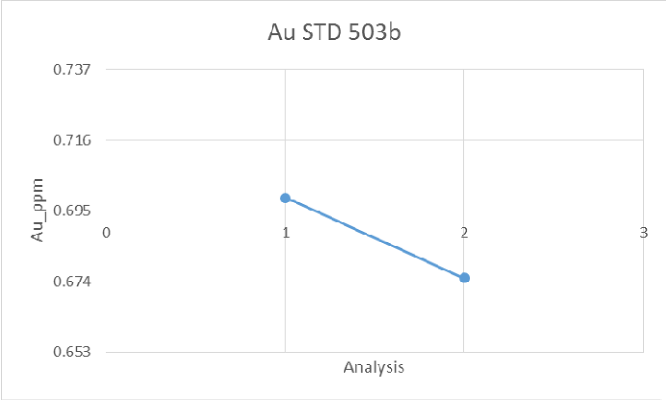
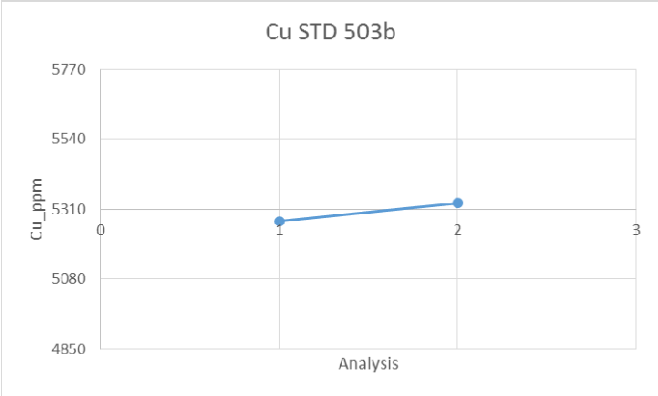
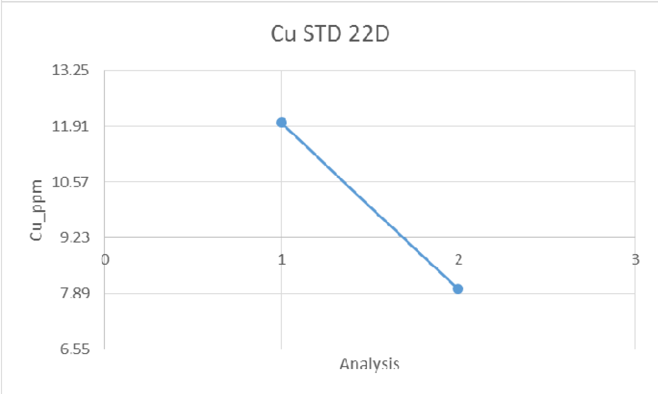
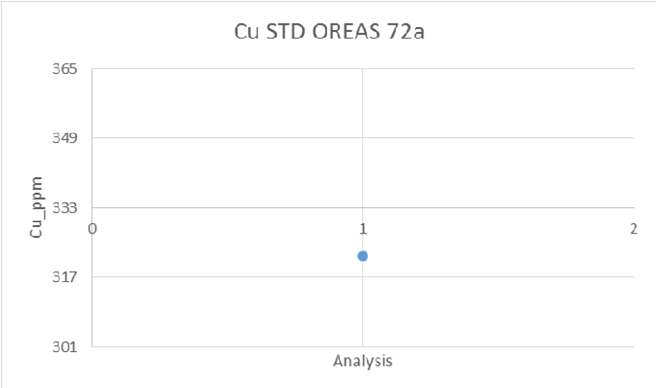
Section 1 Sampling Techniques and Data

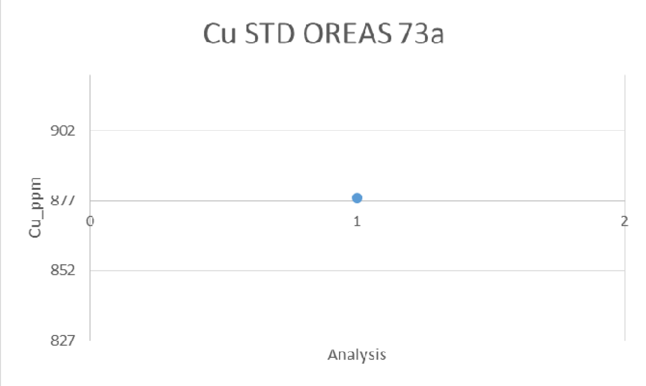
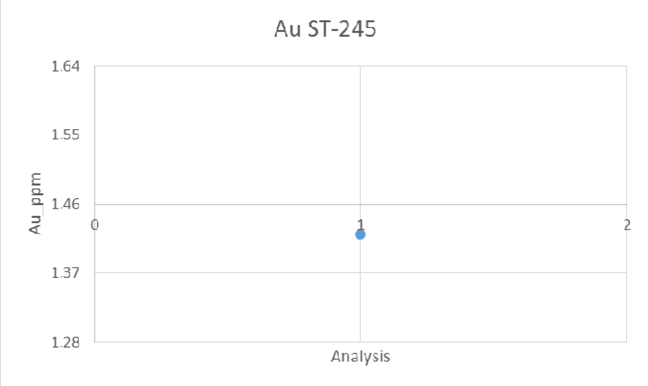
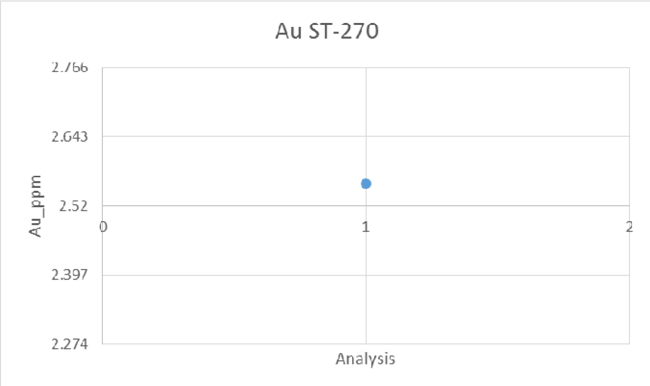
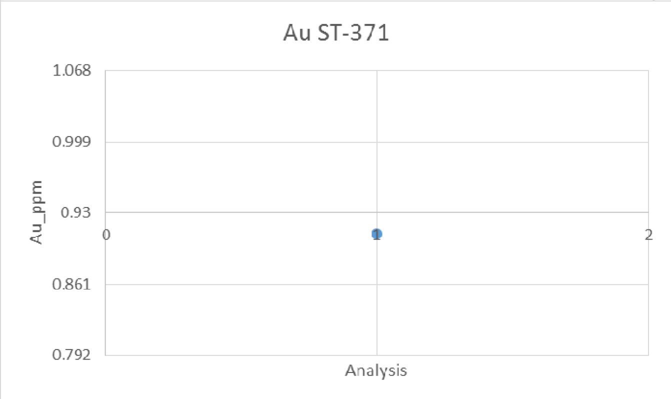
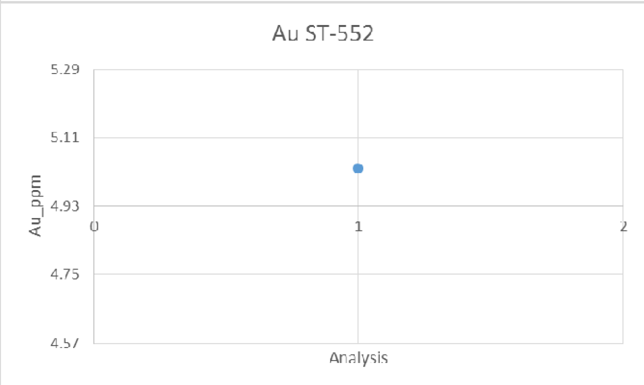
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Historic RAB sampling methodology used to obtain 1m bulk samples with sub samples by 3-tier riffle splitter. 4m composites of 3kg taken by spearing bulk 1m samples, pulverised and split to produce a 10g charge for aqua regia digest with AAS finish. Samples >0.2ppm Au resampled using 1m splits, whole samples pulverised and split to produce 30g charge for fire assay with AAS finish. • Historic reverse circulation drilling used to obtain 1m bulk samples with sub samples by 3-tier riffle splitter. 4m composites of 3kg taken by spearing bulk 1m samples, pulverised and split to produce a 30g charge for fire assay. Samples >0.2ppm Au resampled using 1m splits, whole samples pulverised and split to produce 30g charge for fire assay with AAS finish.. • Resplit of historic individual 1m bulk Reverse Circulation samples by 3-tier riffle splitter to obtain 1kg sub samples. Whole sample pulverized and split to produce 40g charges for fire assay (Au) and 4 acid digest (multi element) assay. • April 2014 Reverse Circulation drilling used to obtain 1m bulk samples with sub samples by cone splitter. 4m composites of 3kg taken by spearing bulk 1m samples, pulverised and split to produce a 40g charges for fire assay (Au) and 4 acid digest (multi element) assay. • May 2014 diamond drilling used to obtain HQ core. Sampling marked up by geological intervals. Core was halved with one half quartered for sampling, half retained in core tray. Quarter core selected for assay was dried, crushed and pulverised then split to produce 40g charges for fire assay (Au) and 4 acid digest (multi element) assay. • TerraSpec ™ alteration (mineral) mapping taken on each and every 1m interval. • Innovex and Niton multi-element handheld XRF every 1m interval. • Representivity demonstrated by duplicate, repeat sample and certified reference material assay, lab repeat and lab duplicate analysis. • Niton and Innovex hand held XRF measurements used a standard to analysis ratio of 1:40.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• All reverse circulation at nominal 5.5" diameter, utilising face sampling hammers to reduce the risk of sample contamination. • Diamond drilling utilised RC pre-collar as described above which was then cased then used HQ coring to end of hole.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Historic reverse circulation recorded recovery and moisture for 1m samples. The majority of samples were of good quality with ground water having minimal effect on sample quality or recovery. • No recovery or moisture data for RAB drilling has been cited. • April 2014 reverse circulation drilling recorded that samples were of good quality with ground water having negligible effect on sample quality or recovery.

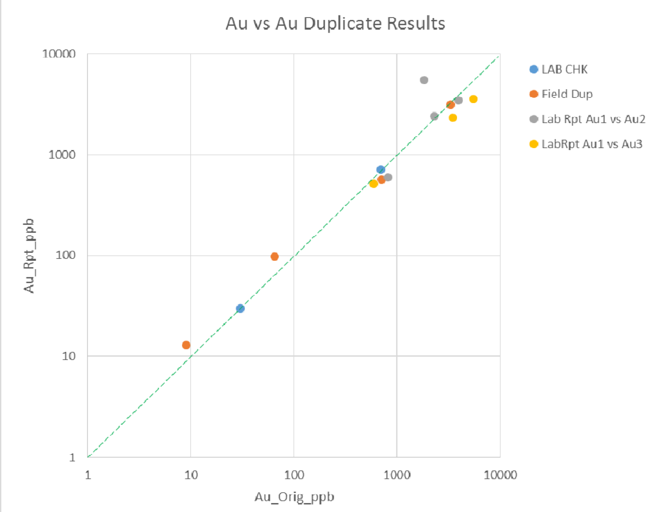
Criteria	JORC Code explanation	Commentary
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• May 2014 diamond drilling recorded that samples were generally good quality with minor (5%) core loss observed in the mineralised zone.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Reverse circulation chips were washed and stored in chip trays in 1m intervals. Chips were visually inspected, recording lithology, weathering, alteration, mineralisation, veining and structure. • 1m RC chip trays were electronically logged for alteration mineralogy using Terraspec (TM) short wave infrared spectral analysis to complement the visual inspection. All mineralised intersections from reverse circulation were logged. • HQ diamond core retained in plastic core trays. Core was visually inspected, recording lithology, weathering, alteration, mineralisation, veining and structure. All mineralised intersections from diamond drilling were logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Historic reverse circulation samples were split from dry, 1m bulk sample via a 3-tier riffle splitter at the rig. Field duplicates were inserted at a ratio of 1:20, analysis of primary vs duplicate samples indicate sampling is representative of the insitu material. • April 2014 reverse circulation samples split from dry, 1m bulk sample via a cone splitter at the rig. 4m composites collected by spearing 1m bulk samples that occur outside interpreted mineralised zone. Field duplicates were inserted within the interpreted mineralised zone at a ratio of 1:20 by including an additional gate on the cone splitter, analysis of primary vs duplicate samples indicate sampling is representative of the insitu material. Field standards and blanks inserted at a ratio of 1:50 samples. • May 2014 diamond core sampling marked up according geological characteristics, which included lithology, alteration and mineralisation, as intervals of between 0.4m and 1.1m. Core was halved then the left half quartered. One quarter was selected for analysis. Field duplicates were inserted within the interpreted mineralised zone at a ratio of 1:5 and 1:25 outside the mineralised zone by sampling the remaining quartered core. Analysis of primary vs duplicate samples indicate sampling is representative of the insitu material. Field standards and blanks inserted within the interpreted mineralised zone at a ratio of 1:5 and 1:25 outside the mineralised zone.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Historic assaying of RAB composite samples was done by 10g charge aqua regia digest with Atomic Absorption Spectrometry (AAS) finish at Amdel. Where results returned >0.2ppm Au, 1m splits were reassayed using 30g charge for fire assay with AAS finish at Amdel. The method is standard for gold analysis and is considered appropriate in this case. No Laboratory Certificates are available for the assay results and no documentation of field duplicate and standard insertion was documented. • Historic assaying of RC samples was done by 30g charge fire assay with Atomic Absorption Spectrometry finish at Genalysis. The method is standard for gold analysis and is considered appropriate in this case. No Laboratory Certificates are available for the assay results pre 2012 however, evaluation of the database identified the following; Certified Reference Material (CRM) are inserted at a ratio of 1:50,

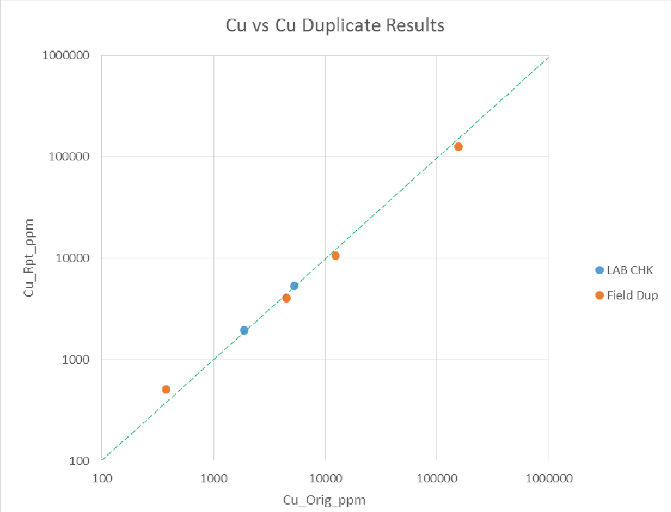
Criteria	JORC Code explanation	Commentary
		Assay repeats inserted at a ratio of 1 in 20. QAQC analysis of this historic data indicates the levels of accuracy and precision are acceptable. • Re-assaying of historic RC 1m bulk samples was completed by 40g charge fire assay with Inductively Coupled Plasma – Atomic Emission Spectroscopy finish for gold (Au) and 4 acid digest with Inductively Coupled Plasma – Atomic Emission Spectroscopy finish for at Bureau Veritas (Ultratrace), Perth. These methods are standard for gold and base metal analysis and are considered appropriate in this case. o Laboratory Certificates are available for the assay results and the following QAQC protocols used: Laboratory Checks inserted 1 in 20 samples, CRM inserted 1 in 30 samples, Assay Repeats randomly selected 1 in 15 samples. o QAQC analysis of this data indicates the levels of accuracy and precision are acceptable. • April 2014 assaying of RC 1m bulk and 4m composite samples was completed by 40g charge fire assay with Inductively Coupled Plasma – Atomic Emission Spectroscopy finish for gold (Au) and 4 acid digest with Inductively Coupled Plasma – Atomic Emission Spectroscopy finish for at Bureau Veritas (Ultratrace), Perth. These methods are standard for gold and base metal analysis and are considered appropriate in this case. o Laboratory Certificates are available for the assay results and the following QAQC protocols used: Laboratory Checks inserted 1 in 20 samples, CRM inserted 1 in 30 samples, Assay Repeats randomly selected 1 in 15 samples. o QAQC analysis of this data indicates the levels of accuracy and precision are acceptable. • May 2014 assaying of diamond cores was completed by 40g charge fire assay with Inductively Coupled Plasma – Atomic Emission Spectroscopy finish for gold (Au) and 4 acid digest with Inductively Coupled Plasma – Atomic Emission Spectroscopy finish for at Bureau Veritas (Ultratrace), Perth. These methods are standard for gold and base metal analysis and are considered appropriate in this case. o Laboratory Certificates are available for the assay results and the following QAQC protocols used: Laboratory Checks inserted 1 in 20 samples, CRM inserted 1 in 30 samples, Assay Repeats randomly selected 1 in 15 samples. o QAQC analysis of this data indicates the levels of accuracy and precision are acceptable.

Criteria	JORC Code explanation	Commentary
		o The following CRM plots show expected value centred on vertical axis with two standard deviations (2SD) either side as grid lines. Both Field and Lab CRM analysis show majority of expected values lie within 1SD o Field CRM follows:    Lab CRM follows: 

Criteria	JORC Code explanation	Commentary
		    

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>Field duplicate assay results follow: Majority of Au and Cu analysis results within 20% relative error. Higher variability of Au is typical for the style of deposit.




</td></tr>
<tr><td>Verification of sampling and assaying</td><td>The verification of significant intersections by either independent or alternative company personnel.
The use of twinned holes.
Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.
Discuss any adjustment to assay data.</td><td>Two previously drilled RAB holes were twinned to establish the representivity of historic and analytical results and sampling quality.
In-field independent verification by consultant geologists from OmniGeox.
All sampling, geological logging, borehole location, laboratory analysis results and QAQC data is retained in a relational database. Resource and Investment uses Datashed as the relational database which has thorough built-in triggers for validation of imported data. An experienced Database Administrator oversees quality control of data.
Borehole, Geological and Sampling data is captured in specifically designed spreadsheets with built in validation for data entry fields, using established procedures.
No adjustment to assay data is made.</td></tr>
<tr><td>Location of data points</td><td>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.
Specification of the grid system used.
Quality and adequacy of topographic control.</td><td>The grid system used for survey of drill collars is MGA94 Zone 50
Historic RC drilling utilized down hole surveys taken by single shot digital camera every 50m.
April and May 2014 RC and diamond drilling utilized down hole surveys taken by single shot digital camera every 30m.
May 2014 Diamond drilling utilized down hole surveys taken by single shot digital camera every 30m.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Borehole spacing is a nominal 25m x 25m for RAB and 50m x 25m for RC. • During the historic RC drilling, samples were composited to 4m by spearing 1m bulk samples. Where the assays returned results greater than 0.2ppm Au, the original 1m bulk samples were split using a 3-tier riffle splitter and analysed. • April 2014 RC drilling was done on nominal 25m x 25m spacing. Samples were composited to 4m by spearing 1m bulk samples outside the interpreted mineralised zone, otherwise splits from 1m bulk samples were taken. No assays returned results greater than 0.2ppm Au threshold to resample 4m composites. • May 2014 Diamond hole drilled to intersect mineralised zone down plunge. Sampling was on discreet intervals of core characterised by lithology, alteration and mineralisation. RC pre-collar sampled using same sampling methods as April 2014 RC drilling. • No sample compositing, samples are ½ core.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drilling planned at right angles to known strike and at best practical angle to intersect target at right angles
Sample security	• *The measures taken to ensure sample security.*	• Historic drilling: Sample bags tagged and logged, sealed in bulka bags, dispatch by third party contractor, in-company reconciliation with laboratory assay returns. • April and May 2014 drilling: Sample bags tagged and logged, sealed in bulka bags, dispatch by company representatives, in-company reconciliation with laboratory assay returns.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Database compilation into Data-shed for data integrity. • Program review by external consultants

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Forrest (identified in previous company announcements as 'Forrest Gimp') is located on E52/1671 exploration lease. • Lease held 80% by Grosvenor Gold Pty Ltd (20% by Jackson Minerals Limited, a wholly owned subsidiary of Fe Limited)
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Drilled by RAB, RC and vacuum, assayed gold only, various parties not limited to Grosvenor Gold, Eagle Gold, Gleneagle and Perilya.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Paleoproterozoic age oxide gold and base metal mineralisation. Structurally controlled and structurally remobilised.

Criteria	JORC Code explanation	Commentary
		• Oxide gold mineralisation in deeply weathered regolith. Base metal anomalous stratigraphy with Narracoota volcanic and meta-sedimentary equivalents. • The mineralisation consists of foliated zones of malachite (oxide-copper), with strong zones of chalcocite (transitional-copper sulphide) hosted within a structurally modified volcanic hosted massive sulphide ("VHMS") horizon
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• This information is included as tables and diagrams in the above commentary.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Single assay original assay for gold. All other multi element assays are single assays. • Aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the results are quoted by length weighted average. • No metal equivalents reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All reported intersection lengths are down-hole, true widths not established yet.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Plans and sections included in the commentary above.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All significant gold and base metal grades are reported.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Routine mineral mapping using Terraspec ™ SWIR technology. • Regional geological mapping. • Regional aeromagnetic survey.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further geological mapping, RC drilling to test anomalous horizons. Diamond drilling below water table to establish enhanced geological knowledge of precious and base metal mineralization.