

**RNI CONFIRMS HIGH-GRADE VHMS POTENTIAL AT DOOLGUNNA**

- *The Monty copper-gold discovery has led to a major re-rating of the exploration potential at RNI's neighbouring Doolgunna Project*

**KEY POINTS**

- The recent drill intersection of 16.5m @ 18.9% Cu and 2.1g/t Au at the Monty Prospect (Sandfire Resources NL - ASX announcement 25 June 2015) provides key evidence that the mafic volcanics and sediments of the Narracoota Volcanic Formation hosted within RNI's Doolgunna Project are highly prospective for high-grade copper-gold volcanic hosted massive sulphide (VHMS) discoveries
- RNI's Doolgunna Project is located within ~2.5km of the DeGrussa copper-gold mine and ~5km immediately along strike from Monty in Western Australia's Bryah Basin
- Previous limited exploration work carried out by RNI identified three prospective VHMS corridors through the Doolgunna Project. A re-evaluation of this exploration work has identified a series of advanced targets with significant copper-gold anomalism within these corridors
- The Central VHMS Corridor at Doolgunna is interpreted to be the immediate strike extension of the horizon that is host to the Monty massive sulphide mineralization

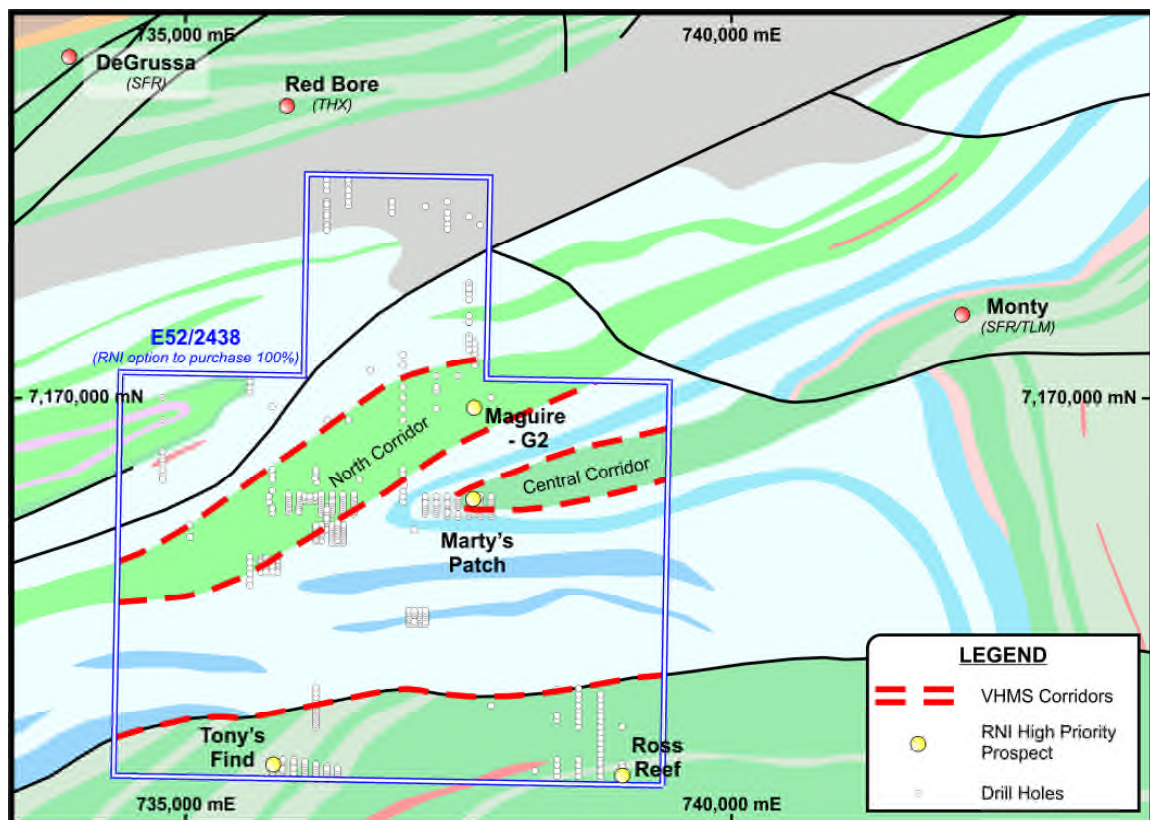


Figure 1: RNI's Doolgunna Project showing three prospective VHMS corridors and priority targets

**RNI NL (ASX: RNI)** is pleased to announce the potential of the Company's Doolgunna Project (Figure 1) to host major copper-gold mineralisation has been significantly re-rated following the recent Monty massive sulphide discovery. Re-evaluation by RNI of previous exploration data from Doolgunna in the wake of the Monty drill intersection (16.5m @ 18.9% Cu and 2.1g/t Au – SFR ASX announcement 25 June 2015) has identified a series of advanced copper-gold targets.

These targets are located within three geological corridors which are considered highly prospective for the development of copper-gold VHMS mineralising systems (Figure 1). The three VHMS corridors at Doolgunna represent a combined ~13 strike km of prospective stratigraphy.

Previous exploration by RNI across these three VHMS corridors has largely been limited to shallow testing, with most drilling less than 100m deep. In addition, surface electromagnetic (EM) survey work has been hindered by highly resistive surface conditions which limited penetration.

RNI is now evaluating drilling and exploration programs to test these priority target areas at Doolgunna, which remain subject to funding and approvals.

RNI Managing Director Royce McAuslane said the Monty massive sulphide discovery had shed new light on the exploration work carried out by RNI at Doolgunna and provided valuable new insight into the prospectivity of the project.

*"The re-evaluation of the exploration work carried out at Doolgunna is producing some strong parallels with the Monty discovery and we are very excited about the prospect of a new mining province being established in this area,"* said Mr McAuslane.

A summary of each of the three prospective VHMS corridors at Doolgunna - and the advanced targets identified in each corridor - is provided below.

### North Corridor

The North Corridor has a strike length of ~5km and consists of a 500-800m thick succession of mafic volcanic and sedimentary rocks (Figure 1). Anomalous copper and gold results have been identified in surface geochemical data and programs of targeted drilling. Previously reported drilling results include 1m @ 1.2% Cu (DRC064) and 18m @ 2.7g/t Au (DRC160).

Within the datasets available, the **Maguire-G2 Prospect** has been identified as a high priority target within this corridor. Maguire-G2 consists of a discrete gravity anomaly located over a 250m strike length on a mafic volcanic-sedimentary rock contact that is coincident with a well-defined copper-gold geochemical anomaly.

Similarly, RNI notes that the Monty massive sulphide intersection is also located on the margin of a coincident gravity high and copper-gold geochemical anomaly.

Testing the Maguire-G2 target will require a deep (200-250m) reverse circulation (RC) drill hole to explain the source of the gravity anomaly combined with a high-powered down hole electromagnetic (DHEM) survey to identify any conductors that may be present in the immediate area.

In addition to the targeted exploration at Maguire-G2, a systematic program of regional aircore drilling is also warranted to provide comprehensive coverage of the North Corridor. This drilling would assist in defining the geology and identify horizons with prospective VHMS litho-geochemical signatures which could be targeted by deeper drilling or geophysical surveys.

### Central Corridor

The Central Corridor has been identified as a ~3km trend interpreted to be the immediate strike extension of the horizon that is host to the Monty discovery intersection (Figure 1). Previous exploration over this area has been limited to surface geochemical sampling and a program of shallow RC drilling at the **Marty's Patch Prospect**.

Results from this work revealed subdued and sporadic copper-gold anomalism in the surface geochemical data. Interestingly, drilling also intersected mafic volcanic rocks (up to 60m thick) which returned broad zones of anomalous copper (150-200 ppm) that are coincident with more focused zones of gold (up to 1.4g/t).

RNI believes this warrants an exploration program including the collection of multi-element pathfinder assays from the existing drilling samples and drilling of a deep (200-250m) RC hole to test beneath the highly anomalous shallow drilling results and to identify key geological relationships. This hole would then also be used as a platform for a high powered DHEM survey. An extended regional aircore drilling program is also warranted across this target area.

### **South Corridor**

The South Corridor covers a ~1km thick portion of the Narracoota Volcanics across a total strike length of ~5km (Figure 1). This sequence is now considered to be the stratigraphic equivalent to that at the Monty discovery. Exploration has been limited to surface geochemical sampling, two programs of shallow RC drilling, a single diamond hole (targeted at gold and no DHEM) and moving loop EM.

The geochemical sampling identified extensive coincident copper-gold anomalism across the South Corridor. The **Ross Reef Prospect** was targeted largely on the basis of gold values although copper values of up to 100ppm were recorded in the soil data. The drilling delineated a 700m zone of anomalous copper with peak results of 605ppm, with a best intersection of 42m @ 420ppm copper. The diamond hole that was drilled to test this position intersected zones up to 3m thick containing fine veins of sulphides including chalcopyrite (i.e. copper sulphides). These results are considered highly encouraging and potentially represent the top of a deeper mineralised system.

The geology of the South Corridor is poorly understood and RNI believes a systematic program of regional aircore drilling is warranted to provide comprehensive coverage. This drilling would help define the geology and identify horizons with prospective VHMS litho-geochemical signatures which could be targeted by deeper drilling or geophysical surveys.

As announced to the ASX on 22 June 2015, RNI has extended its option over 100% of the Doolgunna Project (E52/2428) until 30 June 2016.

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### **ABOUT RNI**

RNI NL is seeking project finance to develop the 100% owned Grosvenor Gold Project in Western Australia's Bryah Basin, utilising the Company's existing 1Mtpa CIL gold treatment plant and existing infrastructure and permits.

In June 2015, RNI commenced a new drilling program to test the first of a series of high-grade gold targets at Grosvenor which have the potential to produce high-grade feed for the Grosvenor plant.

RNI also has a dominant 1,956km<sup>2</sup> Bryah Basin tenement package, which is prospective for copper and copper-gold discoveries.

### Competent Person's Statement

The information in this announcement that relates to previously released exploration data was disclosed under JORC Code 2014. These documents and information have not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported and is based on and fairly represents information and supporting documentation prepared and compiled by Peter Langworthy BSc (Hons) MSc, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Langworthy is General Manager Exploration for RNI NL. Mr Langworthy 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 Langworthy consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

### Forward-Looking Statements

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