ASX Announcement 18 October 2016

DOOLGUNNA PROJECT UPDATE

HIGHLIGHTS

- **Diamond drill hole CBDD001 has successfully intersected the VHMS horizon at the Cuba prospect**
- **Drilling intersected a 150m wide alteration zone with disseminated sulphides and anomalous pathfinder geochemistry**
- **Results from the alteration and geochemical analysis has placed the source of the VHMS anomalism down plunge, to the west of the current RC and diamond drill collars**
- **This result compliments the previously announced off-hole conductor from CBDD001 which has been further emphasized as being a high priority follow-up drill target**

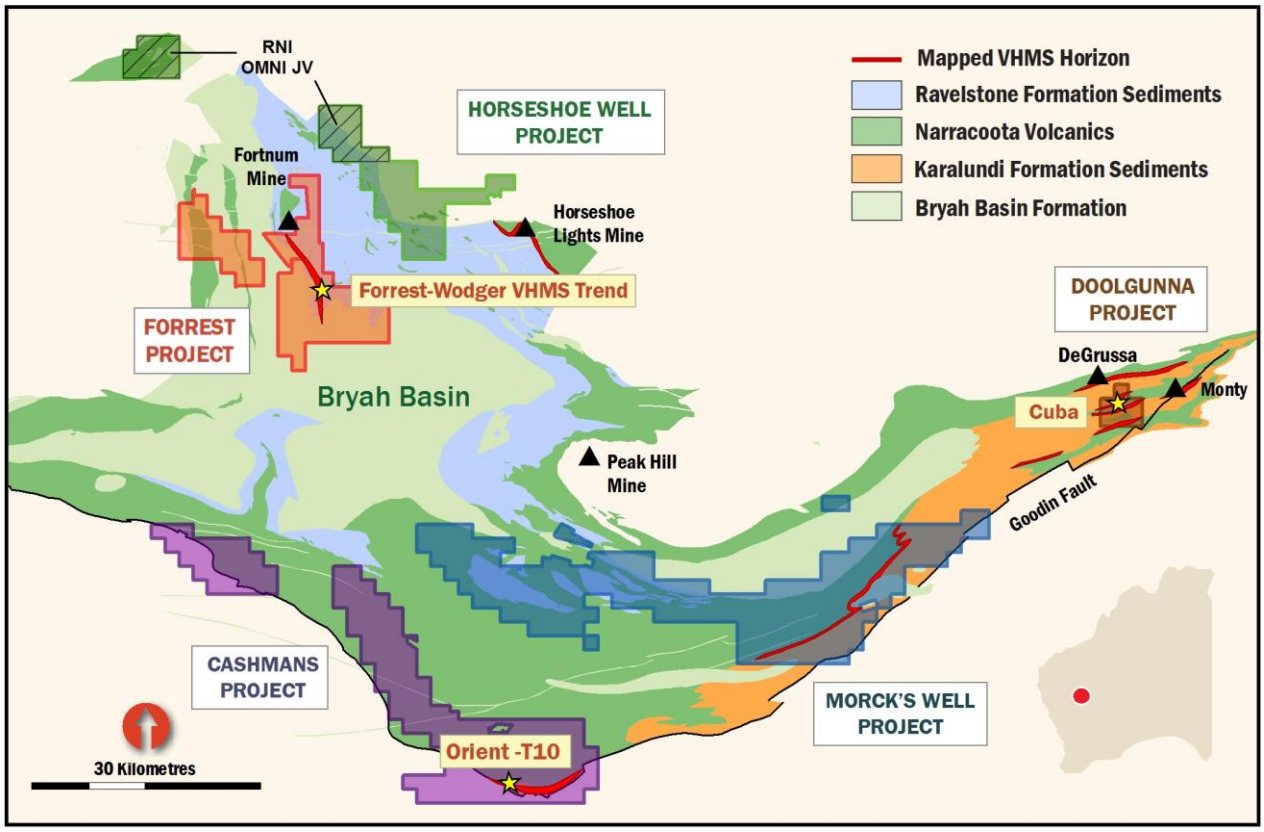

Figure 1: RNI's Bryah Basin copper-gold exploration portfolio and target areas

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RNI NL (ASX: RNI) is pleased to announce the results from its deep (~800 metre) diamond hole, further testing the Cuba copper-gold prospect at the Doolgunna Project in Western Australia's Bryah Basin (Figure 1).

Drilling successfully tested the VHMS horizon, intersecting a 150m wide zone of hydrothermally-altered turbiditic sediment containing patches of minor disseminated sulphides. This zone was surrounded by exhalative jaspers and hematite-rich sediments[1], which are key characteristics present in sedimentary rocks above, and peripheral to, the ore lenses at the DeGrussa Volcanic Hosted Massive Sulphide (VHMS) deposit, located within 3.5km of Cuba.

The alteration and geochemistry intersected is characteristic of what is seen on the margins of VHMS systems. Mineralogy showed a distinct footwall assemblage from the hangingwall assemblage that is typically found on the edge of VHMS systems. The area between the two units also contains significant anomalous values of VHMS pathfinder elements including Cu, Zn, Pb, Mo, As and Ag (Appendix 1- Table 1).

In addition to this alteration, the distribution of indicator minerals and thickening of the geochemical anomalism suggests that the VHMS target is down-plunge, to the west of the current RC and diamond drill collars (Figures 2 and 3). This result supports the location of the previously announced off-hole conductor at Cuba (refer ASX announcement 21 September 2016) and further elevates its potential for being the source of the VHMS anomalism.

Follow up work at Cuba will involve step-out diamond drilling and high powered DHEM to test the down-plunge VHMS alteration position and subsequent off-hole conductor.

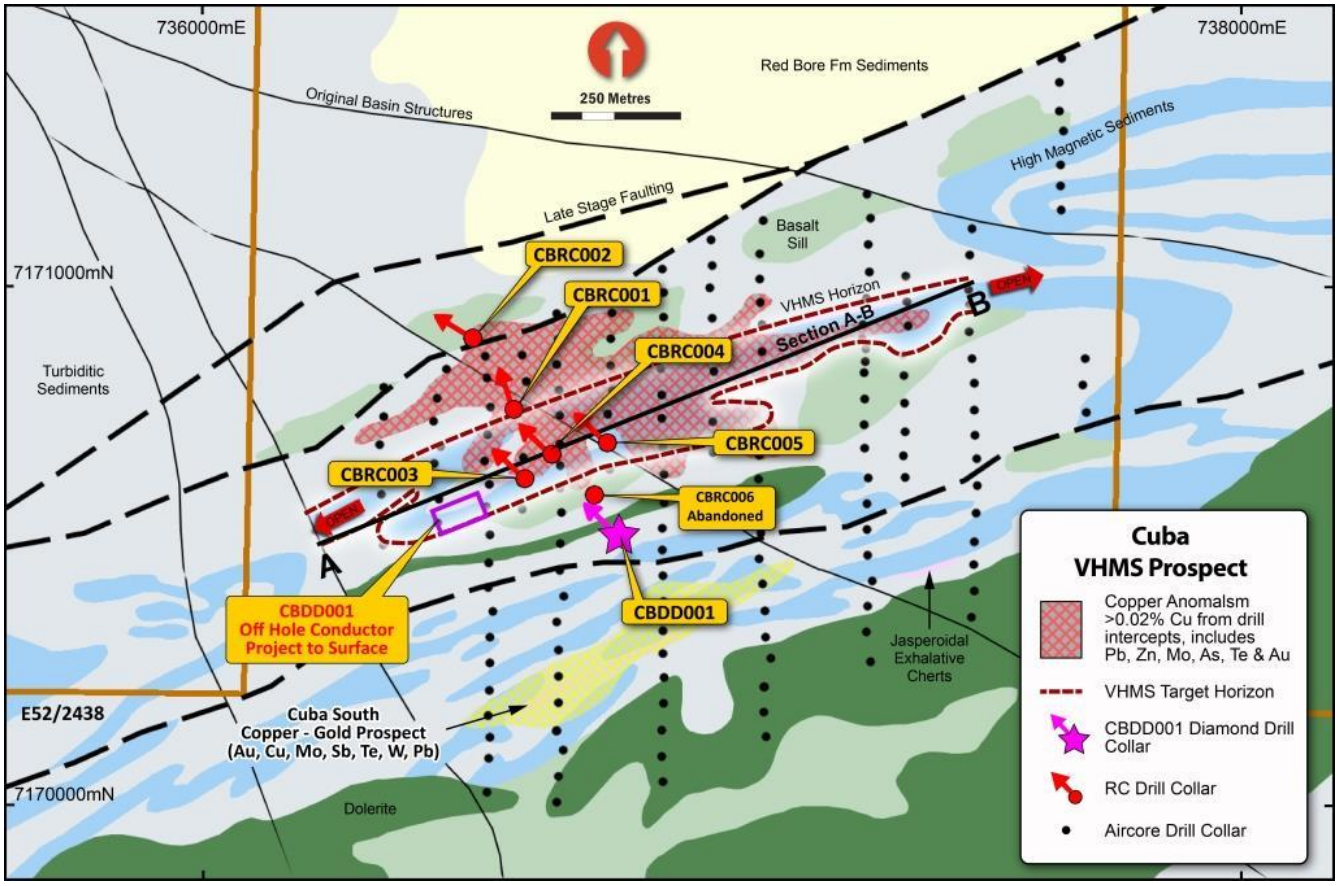

Figure 2: Copper anomalism (>0.02%) from existing drilling at Cuba

[1] *Margaret L. Hawke, Sebastien Meffre, Holly Stein, Paul Hilliard, Ross Large, J. Bruce Gemmell, 2015. Geochronology of the DeGrussa volcanic-hosted massive sulphide deposit and associated mineralisation of the Yerrida, Bryah and Padbury Basins, Western Australia. Precambrian Research 267 (2015) 250–284*

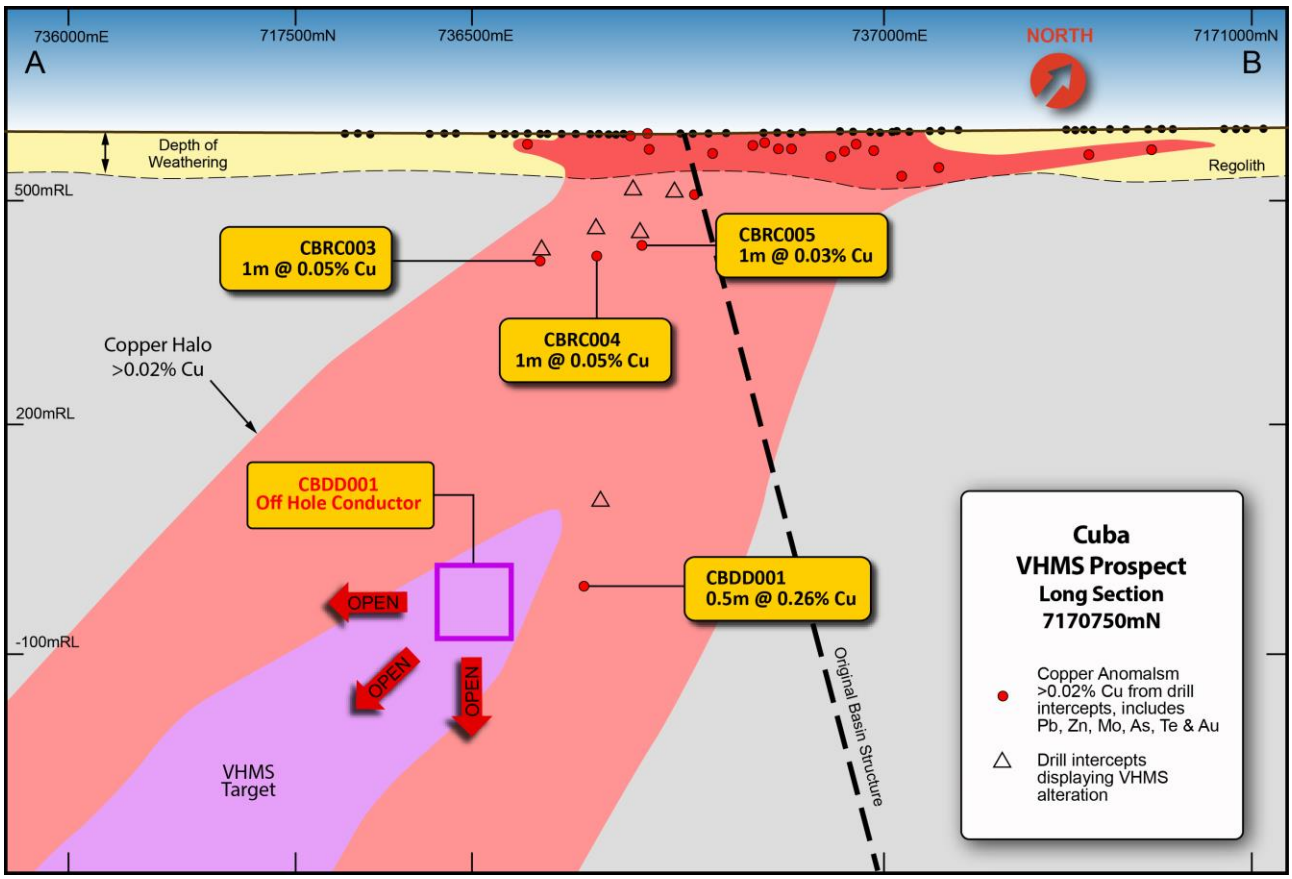

Figure 3: Projected copper anomalism (>0.02%) from existing drilling at Cuba

Hole ID	Easting	Northing	RL	Dip	Azimuth	EOH Depth
	(metres)	(metres)	(metres)	(°)	(°)	(metres)
CBDD001	736800	7170520	595	-70	315	801.90

Table 1: GDA94 Zone 50 Drill Hole Collar

For and on behalf of the Board.

DEBBIE FULLARTON
EXECUTIVE DIRECTOR

ABOUT RNI NL

RNI NL is exploring for high-grade VHMS copper-gold discoveries in Western Australia's highly-prospective Bryah Basin region.

RNI has consolidated a 1,343km^2 copper-gold exploration portfolio in the Bryah Basin divided into five well-defined project areas – Doolgunna, Morck's Well, Forrest, Cashmans and Horseshoe Well.

The Company's exploration focus is on VHMS horizons identified at the Cuba and Orient-T10 prospects and the Forrest-Wodger-Big Billy trend.

RNI is headed by an experienced board and management team.

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 Richard Pugh BSc (Hons) who is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this announcement that relates to previously released exploration was first disclosed under the JORC Code 2004. It has 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 Richard Pugh BSc (Hons) who is a Member of the Australasian Institute of Mining and Metallurgy.

Mr Pugh is Exploration Manager for RNI NL. Mr Pugh 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 Pugh consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

No New Information

Except where explicitly stated, this announcement contains references to prior exploration results and Mineral Resource estimates, all of which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the results and/or estimates in the relevant market announcement continue to apply and have not materially changed.

Forward-Looking Statements

This announcement has been prepared by RNI NL. This document contains background information about RNI 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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Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, RNI 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.

Appendix 1 – Table 1: CBDD001 – VHMS Pathfinder Element Anomalism

Hole ID	Element	Value	Depth (m)		Intercept (m)	Result	Intercept Summary
			From	To			
	Au	g/t	-	-	-	-	NSR
	Cu	%	576.40	577.05	0.65	0.10	0.65 metres @ 0.10 % Cu
			639.20	639.95	0.75	0.08	0.75 metres @ 0.08 % Cu
			648.10	648.7	0.6	0.07	0.60 metres @ 0.07 % Cu
			667.00	668.5	1.5	0.15	1.50 metres @ 0.15% Cu
CBDD001	Ag	g/t	506	539	33	0.07	33 metres @ 0.07 g/t Ag
			652	669	17	0.15	17 metres @ 0.15 g/t Ag
	As	ppm	503	636	133	42	133 metres @ 42 ppm As
	Pb	ppm	499	520	21	25	21 metres @ 25ppm Pb
			579	640	61	25	61 metres @ 25 ppm Pb
	Mo	ppm	443	642	199	0.72	199 metres @ 0.72 ppm Mo
	Zn	ppm	502	638	136	137	136 metres @ 137ppm Zn

Appendix 2: Doolgunna Diamond drilling and downhole EM
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 (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• pXRF analysis was used to determine the change in lithology, alteration and nature of the sample material, ensuring sample representivity. • Standards were used every 25th pXRF reading and a calibration was completed on the machine prior to each batch of sample analysis. • Diamond core was quarter core sampled from surface to 539.7 metres, whereby the remaining core to the end of hole was half cut sampled. • Each sample was coarse crushed, then fine crushed with a split of each fine crush analysed with Terraspec. The remaining crushed sample was then pulverised and analysed under aqua regia for gold and four acid digest for a full multi element analysis.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	• Core • PQ diameter core: 0 – 131.90 metres • HQ diameter core: 131.90 – 539.70 metres • NQ diameter core: 539.70 – 801.90 metres • Diamond core was orientated using a digital REFLEX ACT tool
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.* • *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.*	• Core recoveries were marked after each run by the supervising driller. Where core was lost, a core block with the depth and interval lost was recorded. Core loss was only recorded at the top of the hole and did not influence the areas that are deemed anomalous
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.*	• Core was logged for alteration, mineralisation, veining and key lithological features. Structural measurements in the form of alpha and beta measurements were recorded on bedding planes where core orientation lines were marked. • Diamond drill core was strapped and send to ALS in Perth for cutting, sampling and analysis. Core photographs of each tray were taken of both dry and wet core. • The entire hole was logged in great detail

Criteria	JORC Code explanation	Commentary
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.*	• Drill core was cut using an Almonte Diamond Saw at ALS laboratory in Perth. • PQ and HQ core was quarter core sampled whereas the NQ core was half core sampled. • Duplicate samples were taken roughly every 50th sample interval to maximise the representivity of samples and all results passed RNI's QAQC protocol. • Minimal sample size was 0.5 metres, with a maximum of 1 metre. Sample intervals were constrained to geological boundaries (lithology, significant veining, alteration and mineralisation).
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Gold analysis was analysed under aqua regia digest while the multi element analysis was completed under four acid digest. These methods are regarded as total. Lab assay methods are referred to as Au-TL43 and ME-MS61. • pXRF analysis was undertaken using a DELTA Mining and Geochemistry Handheld XRF. Readings were taken on 3 x 30 second beams, calibration was completed prior to each batch of analysis and standards were analysed every 25th sample to help calibrate the machine. • Standards were sourced from OREAS and were inserted into every 50th sample. Duplicates were also taken every opposing 50th sample. STD material was suitable for the drill target type – VHMS. • **DHEM** 400x400m, double turn transmitter loop. See attached map for corner coordinates. The compass bearing for each side is 060/330deg. Base frequency of 4.166Hz Stacks = 3 x 400 minimum (more/longer if necessary) Transmitter: Vortex VTX-100 Sensor: EMIT Digi-Atlantis Receiver: EMIT SMARTem24
Verification of sampling and assaying	• *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.*	• A full alteration analysis was completed by Nicholas Jansen (Spectral Geologist and Technical Coordinator – Portable XRF Services Pty Ltd) and a full geochemical review was completed by Dr Nigel Brand – Geochemical Services Pty Ltd
Location of data points	• *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.*	• Collar position was determined using a handheld Garmin Oregon 550t GPS. • Downhole surveys were taken every 18 metres using a REFLEX Ezy-Shot tool

Criteria	JORC Code explanation	Commentary
	• *Quality and adequacy of topographic control.*	• Grid system used was MGA94 Zone 50 • Topography was flat so did not affect the collar position.
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.*	• Sample compositing was applied on 1 m intervals across the zone of anomalous results • Only a single diamond hole is reported in this announcement but confirms the extent of the geological continuity from the previous drilled RC holes.
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 was completed perpendicular to bedding. Alpha and beta measurements on the core confirmed the strike and dip of the stratigraphy.
Sample security	• *The measures taken to ensure sample security.*	• Each core pallet was strapped, wrapped in cellophane with the details of the dispatch clearly written on the sides and top of the pallet. RNI sample submissions sheets were used to dispatch the core and a consignment number was recorded upon dispatch and sent to the lab.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Data reviews were undertaken by Dr Nigel Brand.

Section 2 Reporting of Exploration Results

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.*	• Doolgunna tenement E52/2438 is currently owned by Ascidian Prospecting Pty Ltd, which RNI NL has the executed option to purchase 100%. Yugunga Nya is the local claimant Group
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	**Doolgunna Project** • Prior to 2010 Sandfire Resources held the ground and completed several surface lag sampling programs and several RAB drill programs to follow up on significant gold anomalism.
Geology	• *Deposit type, geological setting and style of mineralisation.*	**Doolgunna Project** • The Doolgunna Project Area is hosted within a turbiditic sedimentary sequence belonging to the Karalundi Formation, which has an inter-fingering relationship with the Narracoota Mafic Volcanics.

Criteria	JORC Code explanation	Commentary

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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *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.*
		• Details are provided in Table 1

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.*	• Minimum grade truncations for key VHMS elements are as follows: • Arsenic = 20ppm • Lead = 20ppm • Copper = 0.10% • Silver = 0.07g/t • Molybdenum = 0.5ppm • Zinc = 100ppm
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 (e.g. 'down hole length, true width not known').*	• The results of the alpha and beta measurements suggest that the stratigraphy is dipping sharply to the south east. 060/-80° SE
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.*	• Maps are included in the announcement
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.*	• The accompanying document is considered to be a balanced report with a suitable cautionary note.
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.*	**DHEM** • DHEM completed on CBDD001 produced an off-hole conductor, positioned 150m to the south-west of the drill trace. This conductor has an approximate conductance of 150 siemens.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (e.g. 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 Terraspec analysis on historic aircore holes along strike from CBDD001 to extend the VHMS alteration model. • A series of deeper (600m) diamond holes (with DHEM) to test the VHMS horizon along strike as well as testing the off-hole conductor.