

For immediate release  
31 October 2014

**Managing Director's Address**  
**Annual General Meeting**

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During financial year 2014 there was little exploration expenditure by the Bullamine Joint Venture farm-in parties because those parties were seeking a buyer for their interests.

As a result of the uranium price during that period RLC also postponed indefinitely its exploration for uranium and terminated its Winning Hill project.

The proposed sale of the Bullamine JV farm-in interests was subject to RLC's right of pre-emption so RLC commissioned a report into small scale Fe concentrate production in order to better estimate the value to RLC of those interests. The report indicated that production of high grade concentrate (greater than 68% Fe) with economies of scale would require a production rate of at least 3 million tonnes per annum with a ballpark capital expenditure of \$500 million.

As events turned out, the funding joint venture partners in Bullamine decided to withdraw instead of sell. This resulted in the Company having 100% ownership and management of the Bullamine project but no third party funder.

RLC therefore commenced investigating an alternative strategy for Bullamine involving minimising the processing undertaken before sale. What we are looking for is a purchaser of a partly processed product who can further process that product. For RLC such a product would mean considerably less capital expenditure and the potential for production of about 1 million tonnes per annum where the lower sale price per tonne would be more than offset by the lower costs of production.

To achieve this RLC would need magnetite mineralisation which could be upgraded with only minimal grinding. RLC has submitted samples from its Burracoppin drilling for independent testing and is awaiting results. Early indications are positive.

If a purchaser of partly processed product can be identified, RLC will be seeking to enter into future off-take arrangements with them, involving funding or capital investment in RLC.

RLC is also investigating gold prospects. Although RLC has postponed exploration for uranium at Tanami, interpretation of magnetic and radiometric data acquired by our August 2013 airborne survey has identified areas prospective for gold.

The directors thank shareholders for their support.

Geof Fethers