

ASX ANNOUNCEMENT

19 September 2023

HEADS OF AGREEMENT EXECUTED FOR SALE OF MOUNT MACKENZIE PROJECT QLD

HIGHLIGHTS

- Transaction to sell Mount Mackenzie, QLD project for up to \$1.5 million plus ongoing royalty
- REZ will continue to focus on the development its East Menzies Project, WA

Resources & Energy Group Limited (ASX: REZ) (**REZ** or the **Company**), is pleased to advise it has executed a binding heads of agreement (**Agreement**) for the sale of its tenements and associated land located near Mount Mackenzie, Queensland (**MM Project**).

In previous announcements to the ASX, the Company has stated its intention to enter into joint ventures or sell the MM Project and focus its activities on its East Menzies Project in Western Australia. Following discussions with a number of parties the Board has decided the best value for shareholders can be realised via an outright sale. The key terms of the transaction are that:

- an Australian unlisted public company, Aureus Mining Limited (**Aureus**), will acquire the MM Project tenements, land holding and associated survey materials;
- REZ will receive the following consideration:
 - \$750,000 by 26 October 2023;
 - \$750,000 upon receipt of approval to commence mining activities or upon Aureus listing its securities on a recognised stock exchange; and
 - an ongoing royalty of 1% of the market value of gold extracted from the MM Project.

The divestment of the MM Project will allow REZ to focus on exploration for gold and critical metals, and production of gold at its East Menzies Project.

The transaction for the sale of the MM Project is subject to completion of due diligence by Aureus. As the value of the MM Project is below thresholds contained in the ASX's Listing Rules, approval by REZ's shareholder is not required.

-Ends-

Released with the authority of the board.

For further information on the Company and our projects, please visit: www.rezgroup.com.au

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