RESOURCES ENERGY GROUP

QUARTERLY ACTIVITIES REPORT SEPTEMBER 2023

HIGHLIGHTS

- **Step out RC drilling at Springfield Completed, Multi Element Testwork Pending**
- **QUEMSCAN Mineralogy confirms Nickel species dominated by Cobaltite, Gersdorfite, Siegenite and Violarite**
- **Aqua Regia testwork reveals that a high (+98%) percentage of Nickel in SFRC016 is sulphide and carbonate hosted and is chemically leachable.**
- **Goodenough Pit Optimisation highlights scope for open cut development**
- **Maranoa POWs approved for bulk sampling**
- **Heads of Agreement signed to sell the Mount Mackenzie Gold and Silver project for a total of $1.5 million and an ongoing royalty.**

Resources & Energy Group Limited (ASX: REZ) (REZ or the Company), is pleased to provide its Quarterly Activities and Cash Flow Report for the period ending 30 September 2023.

This quarter, the Company continued to investigate the Springfield Nickel Project. Four RC holes were drilled for an advance of 550m, with sample submitted to ALS for Multi-Element analysis. An additional two DDH holes were also completed at Springfield with core forwarded to Kalgoorlie for splitting and assay. Modelling and mine planning work on the Companies Goodenough and Maranoa Gold projects has also commenced with emphasis on exploiting zones of shallow gold mineralisation which have potential to support short campaign style mining operations. Optimisation work at Goodenough has identified an initial mine cut comprising 179kt for 9.8k ounces of gold (recovered).

At Mount Mackenzie the Company has entered into a binding Heads of Agreement with Aureas Limited. As part of the transaction the Company will receive an initial payment of $750,000, with additional payment of $750,000 upon grant of ML, or listing by Aureas and a 1% royalty on production of gold.

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East Menzies - Springfield Nickel Prospect

In July, the Company advised that test work confirmed nickel cobalt as recoverable sulphides at its Springfield Nickel Prospect and that its drilling campaign had commenced. (ASX Release 26 July 2023)

In late July/August a program of reverse circulation and diamond drilling was completed at Springfield to recover additional samples for assay and petrological, metallurgical, and structural analysis. These investigations were following up earlier positive results from the Companies opening drilling campaign for 2023 (See ASX Announcement 6 June 2023.) Multi element and precious metal assay results for one hole, SFRC016 intersected a significant interval of Meta-Komatiite hosted Nickel sulphides. This comprises a principal mineralized interval of 8m @ 0.64% Ni, 469ppm Co and 45ppb (Pt+Pd) from 102m, within a broader interval of 17m @ 0.40% Ni, 295 ppm Co and 32ppb (Pt+Pd) from 96m downhole.

Four RC holes were drilled for an advance of 550m, with sample submitted to ALS for Multi-Element analysis. Results are pending. These holes will assist in confirming the continuity of Nickel mineralisation in terms of thickness and grade, along strike, and dip from SFRC16.

This work has also involved the installation of 50mm casing sleeves to enable completion of down hole geophysical surveys. Borehole SFRC017, which was terminated at 112m depth due to excessive water make, has also been completed as a diamond tail to the original target depth of 180m. Drillcore recovered from the program has been delivered to Kalgoorlie for splitting and assay.

As part of the Companies assessment, pulp sample from SFRC16 was submitted to ALS Metallurgy for further investigation with emphasis on identification of Nickel species using Quantitative Automated Mineralogical analysis (QEMSCAN). In particular, float and sink concentrates were prepared by centrifugal HLS for chemical assay by XRF and QEMSCAN for mineral speciation.

QEMSCAN analysis on the +2.95 RD Sink product indicates that the main Ni-bearing sulphide minerals are cobaltite-gersdorfite. This group makes up 2.79 % of the sample mass in the sink product. Minor violarite/pentlandite (0.83 % by mass), trace siegenite (0.02 %) and millerite were also detected.

QEMSCAN analysis also points to a dominant Fe type carbonate with minor Ni, Zn, Mg, and trace Mn. However, the technology cannot readily distinguish between oxides/oxyhydroxides and carbonates. Further testwork will be required to understand the nature of this mineralisation more fully.

Reserved sample from SFRC16, representing a 31m interval of mineralisation from 96 to 126m down the hole was submitted for additional analysis by aqua regia digestion. Aqua Regia testwork revealed that a high (+98%) percentage of Nickel in SFRC16 is sulphide and carbonate hosted and is chemically leachable-see ASX release 26th July 2023.

The prospective sequence at Springfield is interpreted to dip to the west, and run to surface, where it is represented by several gossanous outcrops along the eastern side of the prospect, refer figure 1. Only skeletal regolith cover is present, with little or no lateritic duricrust. Lower saprocks transition to fresh rock at relatively shallow depths of between 50 and 60m. Whilst these observations are preliminary in nature, they indicate that the Springfield Prospect has the potential to progress into a significant nickel discovery with potential for open cut operations.

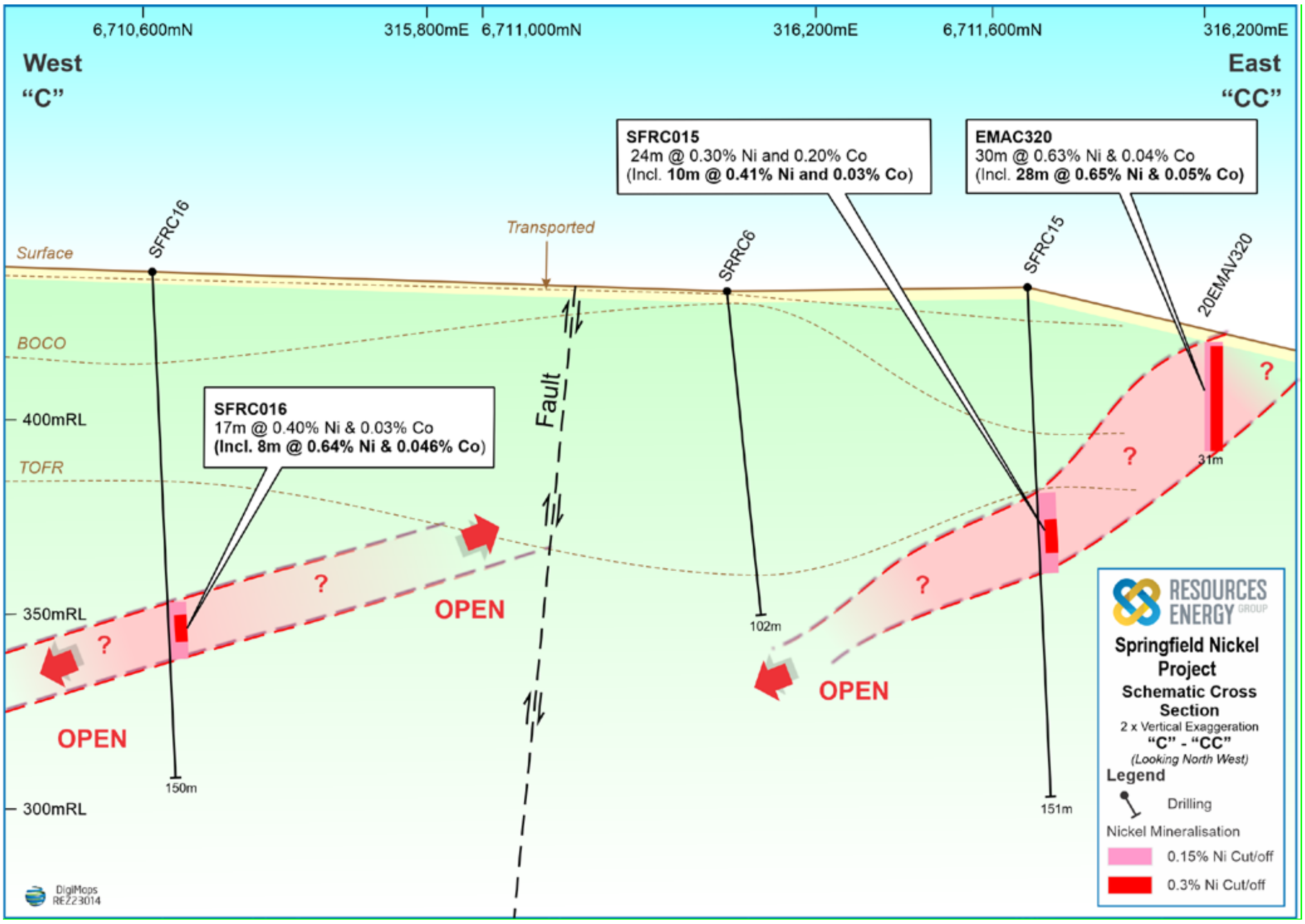

Figure 1: Springfield Prospect Schematic Long Section

East Menzies Gold Project (EMGP)

In August, the Company announced that gold ore processing was to commence at its East Menzies Gold Project. (ASX Release 29 August 2023) Maranoa was identified as the ideal shallow, higher-grade ore to support a vat leach gold production campaign at the East Menzies Project. The campaign will initially treat 5000 tonnes of ore with a diluted grade of ~4.6gt/ Au. On establishing economics of the process, REZ will develop a larger-scale vat leach campaign to treat additional shallow resources which have been identified at the Maranoa (8,000 Oz) and Goodenough (43,000 Oz) gold deposits[1].

These deposits have been thoroughly drilled out to identify near term mining opportunities within the cluster of high-grade, near-surface deposits on the western side of the East Menzies project area. This campaign will provide income stream to fund exploration development of the company's 100km^2 tenement package within which two major prospects – one gold and one nickel – are being resolved.

[1] Refer to ASX releases made on 11 June 2020, 3 November 2020, 14 January 2021, 22 March 2021 and 4 May 2021.

BUILDING ON THE GRANNY VENN SUCCESS

In the Company's FY2021/22 Granny Venn mining campaign, 8,700 Oz of gold was produced from 130,000 tonnes of ore grading around 2.4g/t which was trucked to the Lakewood Mill and Gwalia mills for processing (ASX Release 29th June 2022). The campaign generated ~$23m in revenue and $7.5m in gross profit. The result was impaired by haulage costs and delayed throughput due to mill availability. Considering these factors the Company investigated the potential for onsite vat leaching and will now apply the vat leaching technique in partnership with skilled private contractors.

The vat leach method is a low cost, alternative to toll processing and is considered ideal for our Menzies deposits particularly as it is applied on-site, avoiding the transport cost, as the vat will be constructed with close proximity of the shallow oxide resources.

Modelling and geo-referencing of historic underground workings and contemporary drilling results has proven the northern part of the deposit is amenable to open cut mineable. Drilling results include the following intervals of gold mineralisation (ASX Release 28 April 2022).

Figure 2: An Eastern Goldfields example of a vat leach pad under construction (source: Vat Leach Consultant)

Table 1: M29/427 Maranoa March 2022 Drilling Significant Results

Principal Mineralised Interval at COG 0.3gt/au								Including			
Hole ID	TD	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (g/t au)	From (m)	To (m)	Length (m)	Au (g/t au)
MR05	20	-60	280	7	10	3	2.10	8	9	1	4.93
				13	14	1	1.17				
MR06	18	-60	280	3	7	4	1.84				
MR08	24	-60	280	12	16	4	1.47	21	22	1	5.57
				20	22	2	4.08				
MR09	24	-60	280	11	14	3	2.55	11	12	1	4.43
MR12	20	-60	280	16	18	2	2.03				
MR21	40	-60	280	32	35	3	2.75	34	35	1	6.5
MR22	40	-60	280	26	31	5	0.91				
MR23	40	-60	280	22	25	3	5.06	22	23	1	14.65
MR24	20	-60	280	3	8	5	7.95	6	7	1	32.1
				12	13	1	5.73	12	13	1	5.73
MR25	20	-60	280	9	12	3	1.71				
MR26	20	-60	280	7	13	6	1.59				
MR27	30	-60	280	10	13	3	1.65				
				19	26	7	3.20	19	20	1	9.15

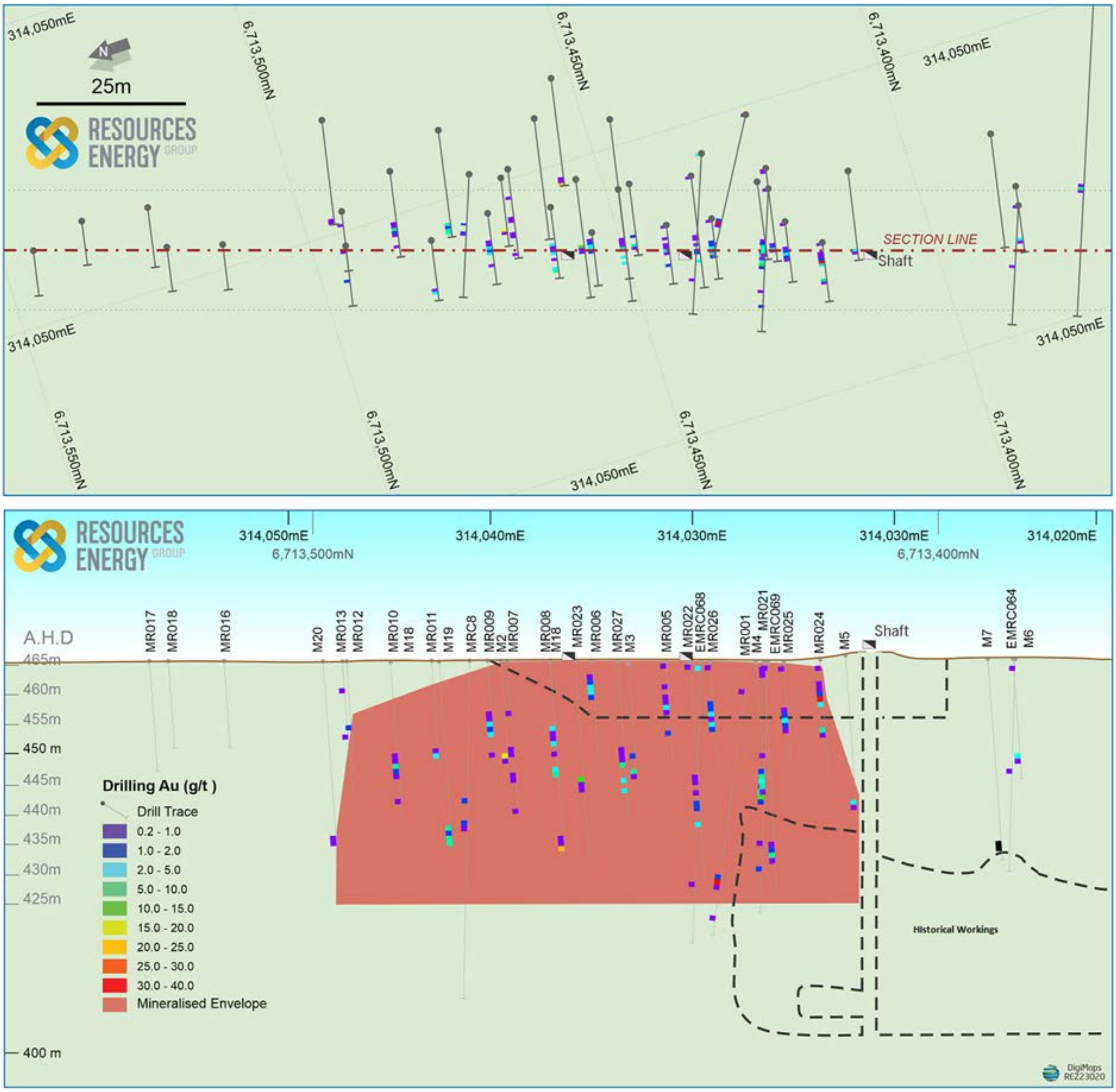

Figure 3: Maranoa Longitudinal Section and Plan, showing drill hole Pierce points.

Similar investigations at the nearby Goodenough deposit also intersected zones of shallow oxidised gold mineralisation which occurs along the northern or outcrop side of the Goodenough deposit (ASX Release 5 April 2023). A selection of oxidised, transitional, and fresh samples from the Goodenough and Maranoa drill programs was submitted for bottle roll testing. A total of 14 RC samples across a broad range of oxidation states were tested. All of the samples responded well with recoveries ranging from 88% to 97% (refer Table 2 Goodenough and Maranoa Bottle roll (BLEG) results).

Table 2: Goodenough, and Maranoa BLEG results

Prospect	Hole ID	From (m)	To (m)	SAMPLE Ref	Au residual (g/t au)	Au Leach (g/t au)	Calc Head Grade (g/t/au)	Recovery (au %)
Goodeneough	GERC001	14	15	MGF00015	0.27	2.5	2.77	90%
	GERC001	15	16	MGF00016	0.28	3.31	3.59	92%
	GERC001	16	17	MGF00017	0.08	1.2	1.28	94%
	GERC002	27	28	MGF00077	0.09	3.32	3.41	97%
	GERC002	28	29	MGF00078	0.12	2.59	2.71	96%
	GERC003	24	25	MGF00125	0.18	4.64	4.82	96%
	GERC003	25	26	MGF00126	0.01	0.17	0.18	94%
	GERC003	26	27	MGF00127	0.04	1.08	1.12	96%
	GERC003	43	44	MGF00144	0.15	1.72	1.87	92%
	GERC003	44	45	MGF00145	0.15	1.93	2.08	93%
Maranoa	MRC038	54	55	MGF00205	0.04	2.92	2.96	99%
	MRC038	55	56	MGF00206	0.01	0.14	0.15	93%
	MRC038	56	57	MGF00207	0.09	1.34	1.43	94%
	MRC038	57	58	MGF00208	0.02	0.15	0.17	88%

In early August, REZ RC drilled close-spaced confirmatory holes at Goodenough and Maranoa to confirm gold ore within the upper 5-20m zone. A program of works application has since been lodged for several costeans at Maranoa to recover a bulk sample for metallurgical evaluation, including leach kinetics, column leach tests, optimum crushing size for treatment and requirements if any for agglomeration in support of the vat leach campaign.

As part of the program Mining Plus Pty Ltd was engaged to prepare a pit optimisation study at Goodenough. A successful campaign with the Maranoa campaign will lead onto the mining of oxide ore at Goodenough on a larger scale.

Maranoa, and Goodenough are located within granted mining leases M29/427 and M29/0141. These mining leases are contiguous with M29/189-Granny Venn. The proximity of these authorities to Granny Venn provides ideal logistics for the vat leach which will be constructed at M29/189, with facilities including stockpile pads, water, and haul road access to the Goldfields Highway.

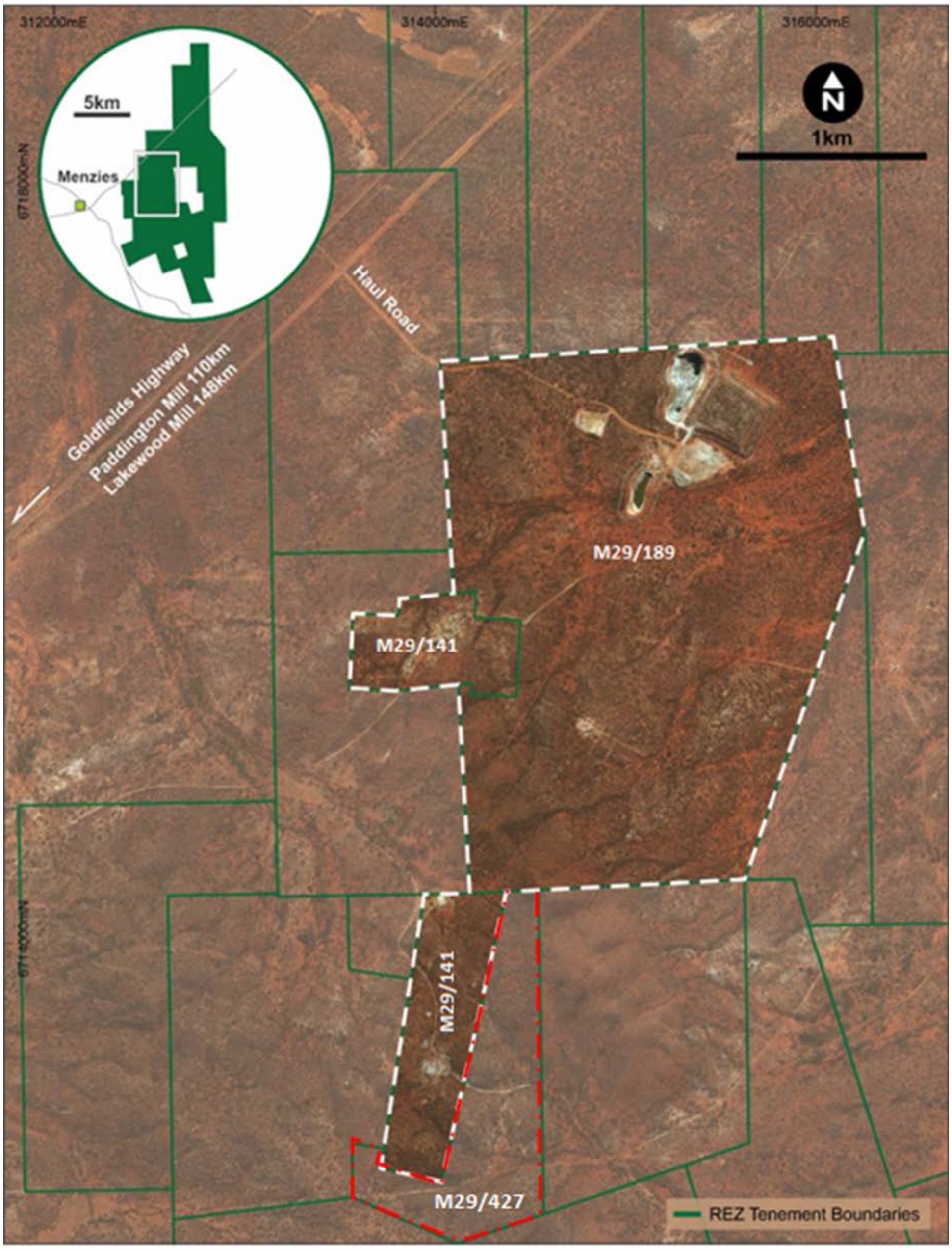

Figure 4: M29/189 Granny Venn, M29/141 Goodenough, and M29/427 Maranoa

The overriding factor in favour of a vat leach campaign success is the upfront low cost and fast turnaround time to gold production. The Company's consultant has indicated the Maranoa vat campaign will produce gold in 3 months and will then ideally transition to a 50,000 tpa production program, with feed coming from a combination of Resources from Maranoa and Goodenough as detailed above.

Mine Planning Activities

Modelling and mine planning work on the Company's Goodenough and Maranoa Gold projects have commenced with emphasis on exploiting zones of shallow gold mineralisation which have potential to support short campaign style mining operations. In keeping with this, Mining Plus (MP) was engaged by REZ to conduct open pit optimisations for the Goodenough project, using a contractor and toll processing cost model.

The aim of the MP study was to run optimisations with the focus of achieving the highest revenue for a small mine option. The small mine option was selected as it enables early start-up, and cash flow generation. This approach also maximises the volume of oxidised ore available and reduces potential Acid Mine Drainage (AMD) issues and costs associated with fresh waste rock management. The oxide and transitional ore gold recoveries display excellent leach kinetics of up to 97% as indicated by recently reported BLEG results (ASX Release 29 August 2023), refer table 4.

Two mining options were assessed in detail, the first option investigated a pit constrained to a maximum depth of 30m. The second option looked at incrementally increasing pit depth. The latter case delivered significantly improved resource recovery, for relatively minor increases in pit depth, and produced the best outcome of 179k tonnes ore for 9.8k oz/au at a maximum depth of 42m, refer table 1. Of this estimate 169kt is Indicated and 10kt is inferred.

Option	Max Depth (m)	Total Tonnes	Ore Tonnes	Diluted Head Grade (g/t)	Ounces (au)	Waste Tonnes	Strip Ratio
1	30	517039	49364	1.79	2836	467675	10
2	42	2166780	179180	1.71	9876	1987600	11

Table 3: Goodenough Table 1 Goodenough Pit Optimisation results

Hole ID	From (m)	To (m)	SAMPLE Ref	Au residual (g/t au)	Au Leach (g/t au)	Calc Head Grade (g/t/au)	Recovery (au %)	Weathering
GERC001	14	15	MGF00015	0.27	2.5	2.77	90%	Oxide
GERC001	15	16	MGF00016	0.28	3.31	3.59	92%	Oxide
GERC001	16	17	MGF00017	0.08	1.2	1.28	94%	Oxide
GERC002	27	28	MGF00077	0.09	3.32	3.41	97%	Trans
GERC002	28	29	MGF00078	0.12	2.59	2.71	96%	Trans
GERC003	24	25	MGF00125	0.18	4.64	4.82	96%	Trans
GERC003	25	26	MGF00126	0.01	0.17	0.18	94%	Trans
GERC003	26	27	MGF00127	0.04	1.08	1.12	96%	Trans
GERC003	43	44	MGF00144	0.15	1.72	1.87	92%	Fresh
GERC003	44	45	MGF00145	0.15	1.93	2.08	93%	Fresh

Table 4: Goodenough 2023 Drilling BLEG Results

At Maranoa a program of works application has has been approved to excavate several costeans to recover a bulk sample of ore from the northern end of the Maranoa Lode. Four costeans have been excavated, with sample sent off site for testing. If these trials are successful there is opportunity to transition into a larger 50,000 tpa production program, with feed coming from a combination of resources from Maranoa and Goodenough.

Section 31 Native Title Negotiations

During the quarterly period, a draft native title agreement is being reviewed by the Company. This document will be the basis of an ancillary agreement as part of a Section 31 deed which would be entered into with the Nyalpa Pirniku Peoples group (the Claimant), Menzies Goldfield Pty Ltd (the Applicant) and the Government of Western Australia, towards the grant of ML434 and ML437.

Mount Mackenzie Gold and Silver Project, Queensland

In September, the Company advised that it had executed a binding heads of agreement (Agreement) for the sale of its tenements and associated land located near Mount Mackenzie, Queensland (MM Project). (See ASX Release 19 September 2023)

In previous announcements to the ASX, the Company had 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 decided that 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 (which was subseuqently extended to 8 December 2023 – See ASX Rerlease 27 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 its activities on enlarging its exploration and development program at its East Menzies Project.

The transaction for the sale of the MM Project is subject to completion of due diligence by Aureus by 30 October 2023 (which was subseuqently extended to 8 December 2023 – See ASX Rerlease 27 October 2023). 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.

Tenement Status

At the end of the quarter the Company's tenement holdings comprises 56 prospecting licenses and 3 Mining Licenses in Western Australia, and 1 Mineral Development License and 1 Exploration Permit for Minerals in Queensland, refer Table 3. All tenements held by the Company are in good standing.

Financial Commentary and Expenditure Summary

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had $225,000 in cash as of 30 September 2023 (30 June 2023: $704,000).

Net cash outgoings from operating activities were $367,000 (June 2023 quarter $360,000). Net cash used in investing activities of $112,000 (June 2023 quarter $361,000) applied to exploration expenditure on East Menzies.

The total amount paid to related parties of REZ and their associates for directors remuneration and expenses, as per item 6.1 of the Appendix 5B, was $127,000.

The Company announced on 23 October 2023 its intention to raise funding for its ongoing working capital for its activities.

-Ends-

Released with the authority of the Board.

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

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COMPETENT PERSONS STATEMENT

The information in this release related to Exploration Results is based on and fairly represents information compiled by Mr Michael Johnstone Principal Consultant for Minerva Geological Services (MGS). Mr Johnstone is a member of the Australian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the reporting of Exploration Results to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Johnstone consents to the inclusion in this release of the matters based on their information in the form and context it appears.

ABOUT RESOURCES AND ENERGY GROUP

Resources and Energy Group Limited (ASX: REZ) is an ASX-listed mineral resources explorer and miner, with projects located in premier mining jurisdictions in Western Australia and Queensland. **As of April 2023, the Company has gold and silver resources of 183k oz/au and 862k oz/au ag**: refer to Table 5.

Deposit	Material	Cut-off (gt/Au)	Indicated					Inferred					Indicated and Inferred				
			Tonnes (kt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)	Tonnes (kt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)	Tonnes (kt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
Mount Mackenzie (1)	Oxide	0.35	500	1.09	8	18	136	700	0.96	4	21	87	1200	1.02	6	39	223
	Primary	0.55	1200	1.25	13	48	482	1030	1.28	5	42	157	2220	1.27	9	90	639
Goodenough (2)	Primary	1	634	1.84		38		82	1.99		5.2		716	2.07		43	
Granny Venn (3)	Primary	1	134	2.03		9		41	2.14		2.9		175	2.1		3	
Maranoa (4)	Primary	1						46			8	8.05	46	5.7		8	
Total			2468			113	618	1899			79	252	4357			183	862

Table 5: Resources and Energy Group Resources
(1), (2) (4) Refer to ASX releases made on 26 February 2016, 21 June 2016 and 19 May 2020 concerning the Mt Mackenzie Resource and 11 June 2020, 3 November 2020, 14 January 2021, 22 March 2021 and 4 May 2021 concerning Menzies. (3) Depleted for Mining Activity at GVCB

In Western Australia, the Company's flagship is the **East Menzies project (EMP)**, situated 130km north of Kalgoorlie. The EMP represents a 108km2 package of contiguous mining, exploration, and prospecting licenses which are prospective for precious metals, nickel, and other technology metals. The tenements are located within a significant orogenic lode gold province.

The EMP currently encompasses seven operational areas, including the **Gigante Grande Gold** prospect on the east side project area, which has been subdivided into three geographical domains (North, Central and South. In the southwest, drilling investigations at **Springfield** have intersected magmatic Ni sulphides. This is a significant and material exploration result that has opened a large tract of prospective ground for nickel, cobalt, copper, and platinum group elements. In the central west, the Company is investigating opportunities for mining operations in M29/189 Granny Venn, **M29/141 Goodenough, and M29/427 Maranoa.**

In the north exploration planning is underway to investigate the Venn Springfield corridor, from the northern end of the Granny Venn Open Pit to the Cock Robin prospect located in E29/929.

Table 6: Tenement Detail

State	Tenement	Holder	Area (Ha)	Grant	Expiry	Rent ($)	Commit ($)
WA	P29/2225	MGFPL	79	05-Sep-12	04-Sep-20	240	3200
WA	P29/2270[1]	MGFPL	196	23-Apr-13	22-Apr-21	588	7840
WA	P29/2455	MGFPL	194	01-Feb-19	01-Jan-23	582	7760
WA	P29/2456	MGFPL	188	01-Feb-19	31-Jan-23	564	7520
WA	P29/2457	MGFPL	168	01-Feb-19	31-Jan-23	504	6720
WA	P29/2458	MGFPL	116	01-Feb-19	31-Jan-23	348	4640
WA	P29/2459	MGFPL	162	01-Feb-19	31-Jan-23	486	6480
WA	P29/2460	MGFPL	200	01-Feb-19	31-Jan-23	600	8000
WA	P29/2461	MGFPL	200	01-Feb-19	31-Jan-23	600	8000
WA	P29/2528	MGFPL	14	25-Oct-19	24-Oct-23	42	2000
WA	P29/2474	MGFPL	198	13-Mar-20	12-Mar-24	594	7920
WA	P29/2469	MGFPL	198	25-Mar-20	24-Mar-24	594	7920
WA	P29/2497	MGFPL	149	26-Mar-20	25-Mar-24	447	5960
WA	P29/2472	MGFPL	192	26-Mar-20	25-Mar-24	576	7680
WA	P29/2473	MGFPL	77	26-Mar-20	25-Mar-24	231	3080
WA	P29/2496	MGFPL	175	26-Mar-20	25-Mar-24	528	7040
WA	P29/2500	MGFPL	121	26-Mar-20	25-Mar-24	363	4840
WA	P29/2471	MGFPL	200	15-Jun-20	14-Jun-24	600	8000
WA	P29/2492	MGFPL	10	15-Jun-20	14-Jun-24	29.5	2000
WA	P29/2494	MGFPL	199	15-Jun-20	14-Jun-24	597	7960
WA	P29/2470	MGFPL	198	17-Jul-19	16-Jul-24	594	7920
WA	P29/2553	MGFPL	88	16-Nov-20	15-Nov-24	267	3560
WA	P29/2554	MGFPL	197	16-Nov-20	15-Nov-24	591	7880
WA	P29/2555	MGFPL	120	16-Nov-20	15-Nov-24	363	4840
WA	P29/2556	MGFPL	134	16-Nov-20	15-Nov-24	402	5360
WA	P29/2557	MGFPL	100	16-Nov-20	15-Nov-24	303	4040
WA	P29/2558	MGFPL	120	16-Nov-20	15-Nov-24	363	4840
WA	P29/2567	MGFPL	197	17-Nov-20	16-Nov-24	591	7880
WA	P29/2564	MGFPL	132	17-Nov-20	16-Nov-24	399	5320
WA	P29/2568	MGFPL	123	17-Nov-20	16-Nov-24	369	4920
WA	P29/2565	MGFPL	184	17-Nov-20	16-Nov-24	555	7400
WA	P29/2566	MGFPL	197	17-Nov-20	16-Nov-24	594	7920
WA	P29/2563	MGFPL	112	18-Nov-20	17-Nov-24	339	4520
WA	P29/2391	MGFPL	193	03-Apr-17	02-Apr-25	579	7720
WA	P29/2395	MGFPL	70	20-Apr-17	19-Apr-25	210	2800
WA	P29/2601	MGFPL	183	19-May-21	19-May-25	550	7338
WA	P29/2600	MGFPL	167	19-May-21	19-May-25	501	6676
WA	P29/2602	MGFPL	76	19-May-21	19-May-25	228	3034
WA	P29/2604	MGFPL	195	19-May-21	19-May-25	585	7797
WA	P29/2408	MGFPL	179	03-Jul-17	02-Jul-25	537	7160
WA	P29/2409	MGFPL	176	29-Sep-17	28-Sep-25	528	7040
WA	P29/2595	MGFPL	111	04-Nov-21	04-Nov-25	333	4439
WA	P29/2596	MGFPL	114	04-Nov-21	04-Nov-25	341	4541
WA	P29/2619	MGFPL	199	05-Nov-21	05-Nov-25	597	7959
WA	P29/2623	MGFPL	200	05-Nov-21	05-Nov-25	599	7984
WA	P29/2625	MGFPL	199	05-Nov-21	05-Nov-25	598	7977
WA	P29/2621	MGFPL	195	05-Nov-21	05-Nov-25	586	7818
WA	P29/2620	MGFPL	197	05-Nov-21	05-Nov-25	590	7862
WA	P29/2622	MGFPL	199	05-Nov-21	05-Nov-25	597	7956
WA	P29/2624	MGFPL	200	05-Nov-21	05-Nov-25	599	7984
WA	P29/2599	MGFPL	185	16-Nov-21	16-Nov-25	555	7401
WA	E29/0979	MGFPL	2000	24-Feb-17	23-Feb-27	2275	30000
WA	M29/0141	MGFPL	38	01-Aug-91	31-Jul-33	780	10000
WA	M29/0427	MGFPL	57	12-Feb-19	11-Feb-40	1140	10000
WA	M29/0189	MGFPL	526	16-Oct-98	15-Oct-40	10540	52700
WA	L29/0061	MGFPL	5	01-Apr-99	31-Mar-41	89.5	0
QLD	MDL2008	MMGMPL	1200	01-Nov-19	1-Nov-24	28540	NA
QLD	EPM10006	MMGMPL	1500	01-Mar-94	1-Mar-23	855	NA

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity
Resources & Energy Group Limited

ABN	Quarter ended ("current quarter")
12 110 005 822	30 September 2023

	Consolidated statement of cash flows		Current quarter (3 months) $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers		-	-
1.2	Payments for			
	(a)	exploration & evaluation	(185)	(185)
	(b)	development		
	(c)	production		
	(d)	staff costs	(40)	(40)
	(e)	administration and corporate costs	(142)	(142)
1.3	Dividends received (see note 3)			
1.4	Interest received			
1.5	Interest and other costs of finance paid			
1.6	Income taxes paid			
1.7	Government grants and tax incentives			
1.8	Other (provide details if material)			
1.9	**Net cash from / (used in) operating activities**		**(367)**	**(367)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire or for:			
	(a)	entities		
	(b)	tenements	-	-
	(c)	property, plant and equipment	-	-
	(d)	exploration & evaluation	(112)	(112)
	(e)	investments		
	(f)	other non-current assets		

Consolidated statement of cash flows		Current quarter (3 months) $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**(112)**	**(112)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	704	704
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(367)	(367)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(112)	(112)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter (3 months) $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**225**	**225**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	225	704
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**225**	**704**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	127
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(367)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(112)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(479)
8.4	Cash and cash equivalents at quarter end (item 4.6)	225
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	225
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.5

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: REZ continues to mange its costs with exploration expenditure during the quarter to December 2023 is expected to be lower than September 2023.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: REZ continues to explore the optimal way to realise value from investments in the East Menzies and Mount Mackenzie projects to fund its ongoing activities, these include:

- a heads of agreement has been signed for sale of the group's interest in tenements located at Mount Mackenzie. A first payment of $750,000 is due by 8 December 2023;
- processing of existing extracted ore on site at East Menzies to realise further gold sales; and
- discussions with brokers and advisors about a further capital raising are in progress.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company continues to have the financial and operational support of its directors and substantial shareholder whilst it explores its above business plans.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2023

Authorised by: By order of the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.