

QUARTERLY ACTIVITIES REPORT SEPTEMBER 2024

HIGHLIGHTS

- Trial vat leach program recommenced at the East Menzies Gold Project, marking a significant milestone for REZ
 - REZ received approval from the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS) to commence a trial vat leach and bulk sample program
 - Initial mining will focus on the Maranoa deposit, with a processing target of 5,000 tonnes of hard rock material
 - This phase sets the stage to unlock the potential of the consolidated East Menzies tenement package
 - East Menzies is positioned for significant growth with a pipeline of high-grade gold deposits and substantial expansion prospects
 - REZ completed a \$500,000 share placement which will be used to conduct a strategic drilling program for the Goodenough Gold prospect
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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 2024.

EAST MENZIES GOLD PROJECT

Post end of quarter, the Company was pleased to announce that it had reached a major milestone with the commencement of a trial vat leach and bulk sample program at its East Menzies Gold Project. (Refer [ASX Announcement 16 October 2024](#)) This significant milestone follows the approval from the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS). (Refer [ASX Announcement 8 October 2024](#))

The Maranoa site has been identified as a critical contributor to the project's early stages. Approximately 5,000 tonnes of hard rock material will be processed with an expected diluted grade of approximately 4.6g/t Au.

The Company notes that the diluted grade varies from the grade included in the Maranoa JORC Mineral Resources Estimate of 5.8g/t, but it does not consider this to be a material change in the context of this trial mining program. The outcomes of this initial phase will pave the way for the first gold pour, expected within the next two months, and for scaling up operations to treat additional resources at the East Menzies Gold Project.

GEOLOGY AT MARANOA

- Banded quartz-amphibolite rocks with minor sulphides hosted in a broad envelope of sheared metabasalt with proximal biotite alteration.
- Centimetre-scale banding of quartz veins associated with coarse plagioclase and carbonate with minor disseminated ilmenite, chalcopyrite and pyrrhotite.
- The broad diffuse shears appear to be axial planar to the regional folding.

BUILDING ON GRANNY VENN SUCCESS

The recommencement of mining operations at East Menzies follows the success of REZ's previous campaign at the Granny Venn deposit, which produced 8,700 Oz of gold from 130,000 tonnes of ore and generated \$23 million in revenue despite lower gold prices at that time (~AUD 2600/oz). The current high gold price environment and the adoption of the low-cost vat leach process place REZ in a solid position to capitalise on rising market conditions and optimise production costs.

NEXT STEPS

Following this initial phase, REZ plans to expand mining operations to other key targets within the East Menzies tenement area, including the Goodenough and Granny Venn deposits. With a robust pipeline of projects, REZ is well-positioned to deliver long-term value to its shareholders through continued exploration and production, including plans to upgrade processing to a CIL plant onsite.



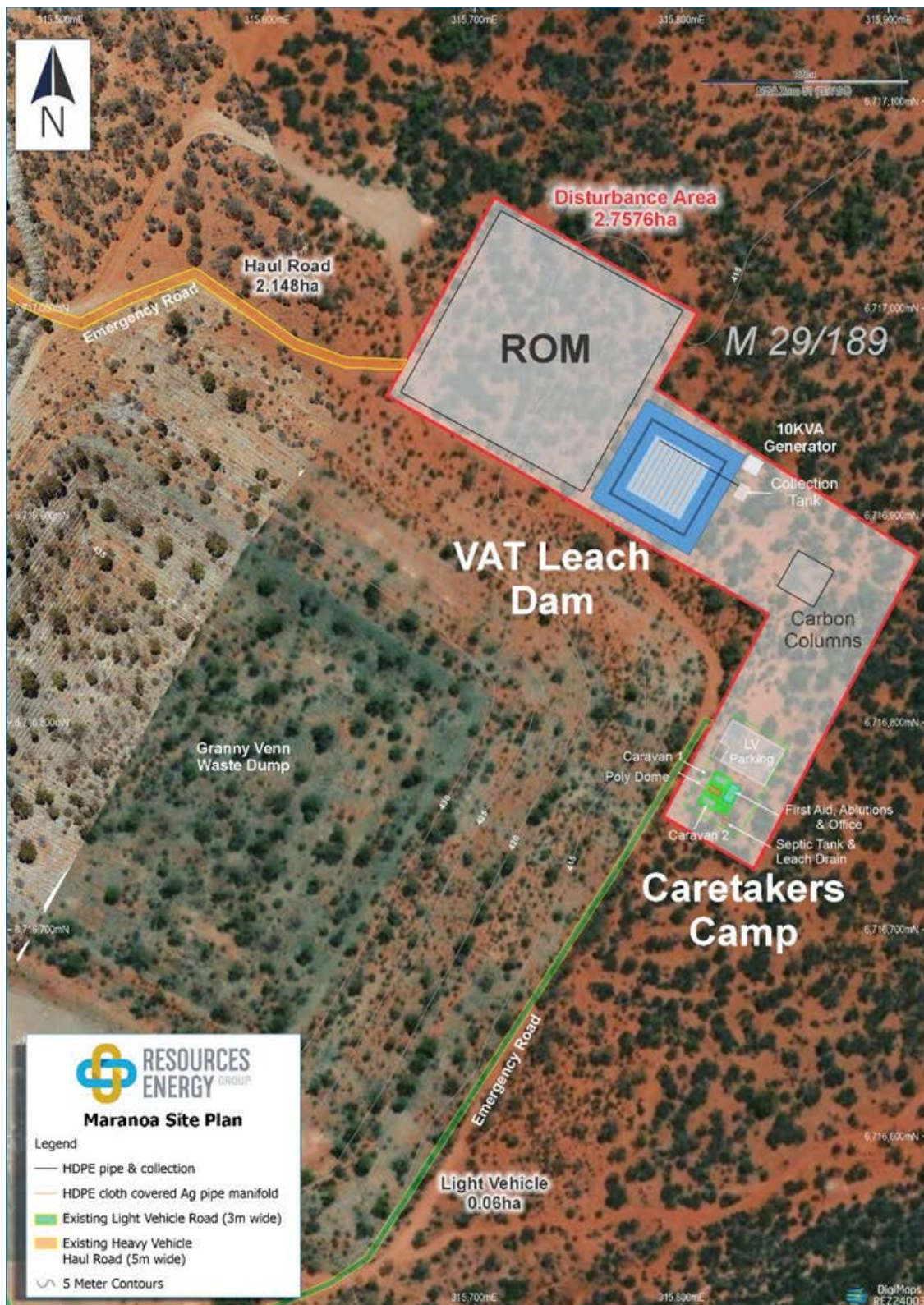


Figure 1: East Menzies Gold Project Site Plan October 2024

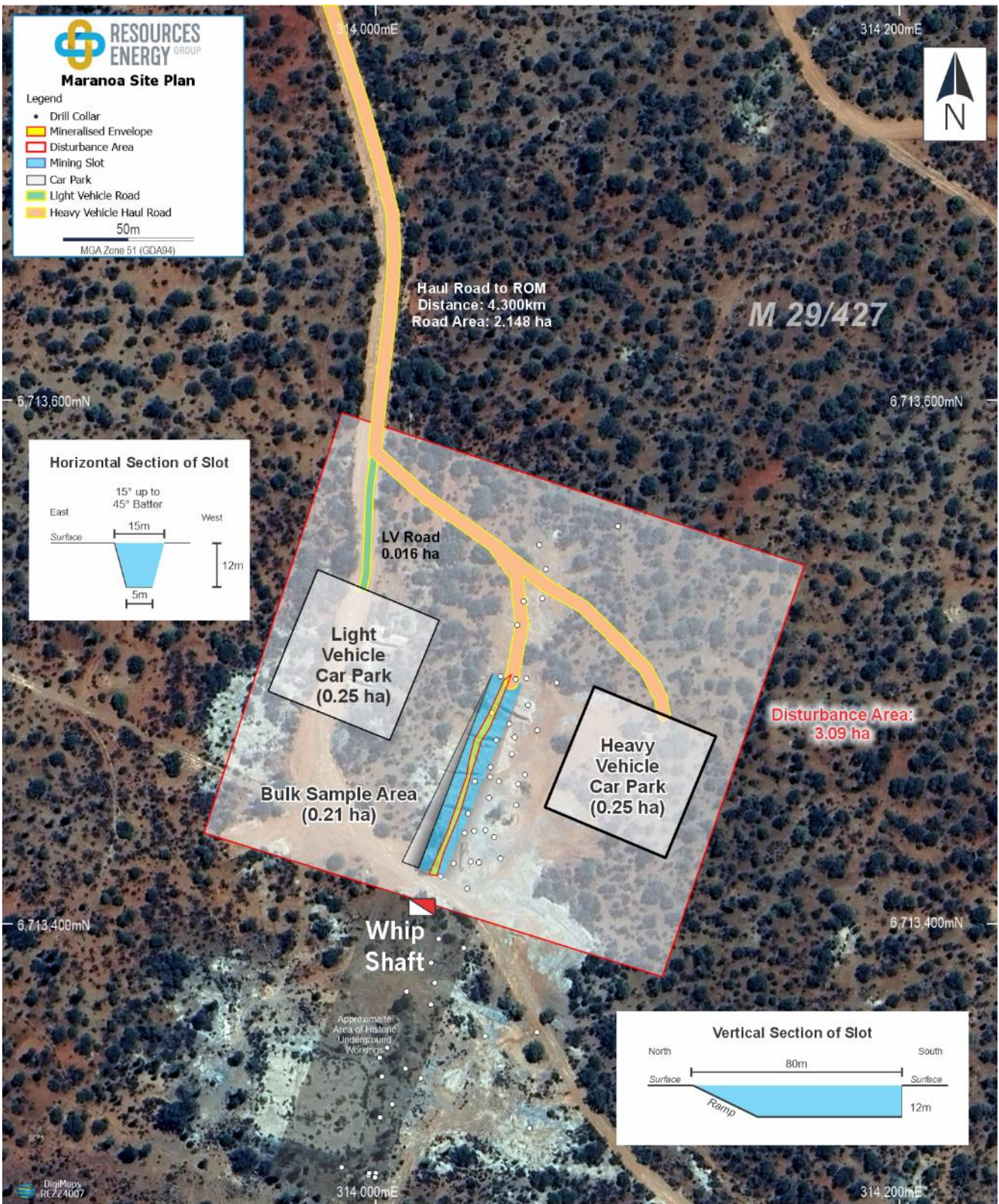


Figure 2: Maranoa Site Plan September 2024

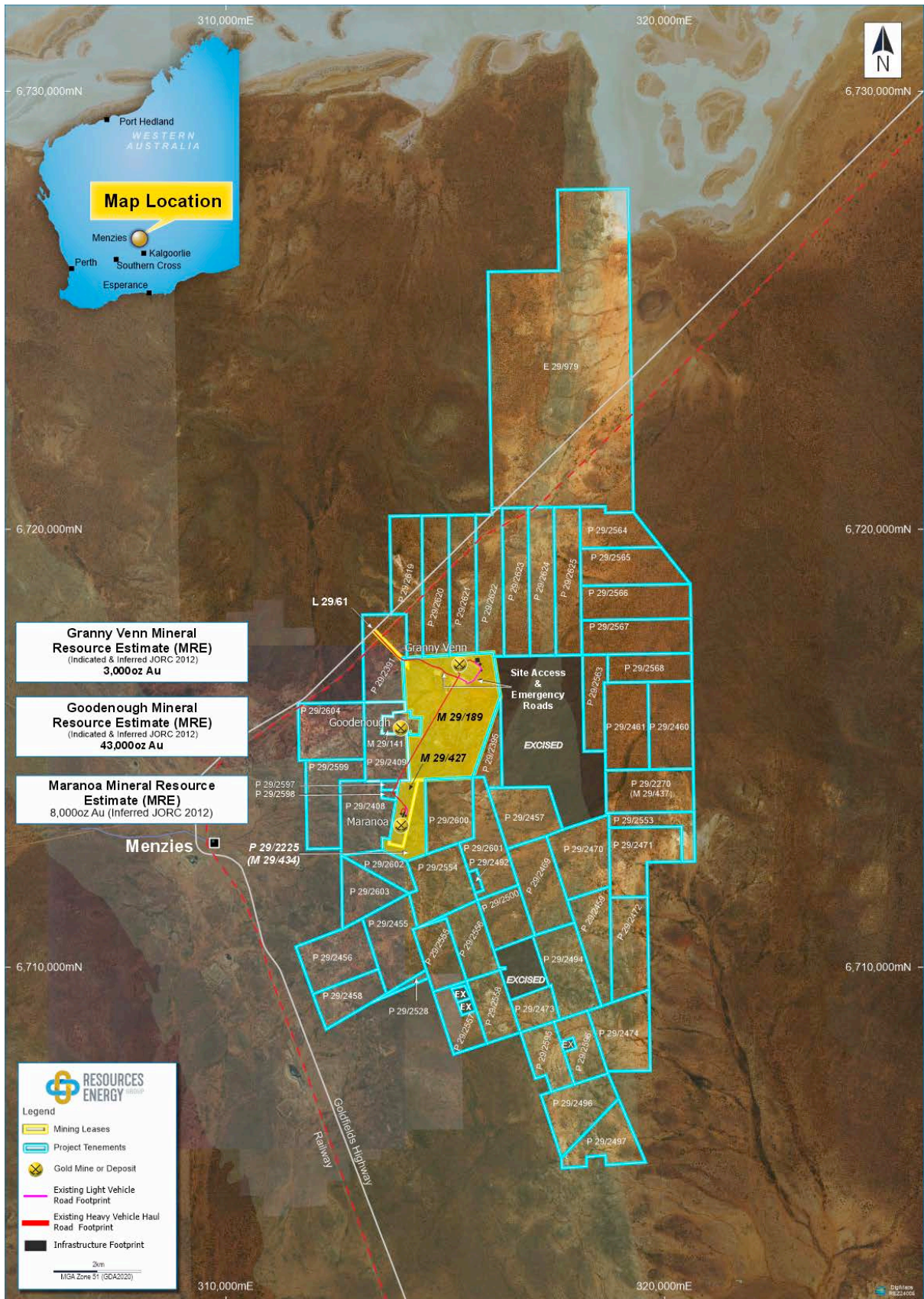


Figure 3: East Menzies Gold Project Mining Leases

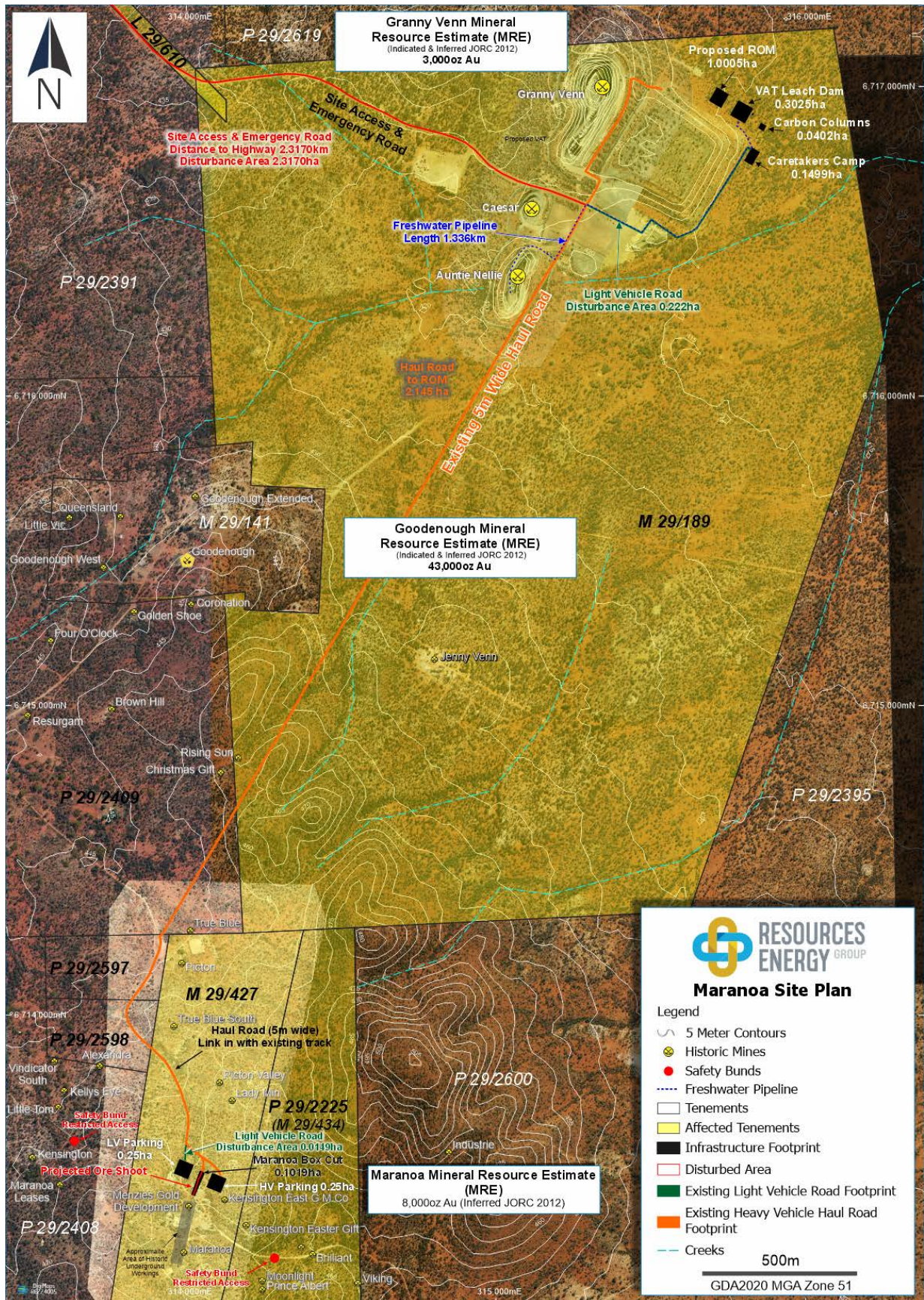


Figure 4: Mining Operations Plan – East Menzies Gold Project



Figure 5: East Menzies ROM Pad October 2024



Figure 6: Contractor Lamington Minerals Pty Ltd crew onsite

MOUNT MACKENZIE GOLD AND SILVER PROJECT, QUEENSLAND

The Mount Mackenzie Gold Project is located 150km north west of Rockhampton, Queensland. The project includes a 28.4km² tenement package held by the Group.

The REZ Board has reevaluated the benefits of continuing to hold the Mount Mackenzie prospect. The reevaluation concluded that with the current level of financial resources, the Company is now in a position to hold the Mount Mackenzie tenement package and will continue to seek full value for the prospect.

SUCCESSFUL SHARE PLACEMENT COMPLETED

The Company received firm commitments from professional and sophisticated investors to raise \$500,000 (before costs) through a share placement. Proceeds will be used to conduct a strategic drilling program for the Goodenough Gold prospect. (refer [ASX Announcement 6 August 2024](#) and [19 August 2024](#))

The capital raise received strong support from both new and existing investors. The Company is confident in its strategic direction and looks forward to resuming gold production at its flagship East Menzies Project in the near future.

CAPITAL RAISING DETAILS

The Company has received binding commitments for a placement to sophisticated and professional investors, via the issue of 25,000,000 new fully paid ordinary shares at \$0.02 (2 cents). The new shares were issued at a 13% discount to the last trading price of 2.3 cents and was made using the Company's capacity under ASX Listing Rule 7.1. The shares will rank pari passu with the Company's existing issued shares. 2,500,000 shares of the placement will be made to REZ director J Daniel Moore, upon receiving shareholder approval under ASX Listing Rule 10.11 at the Company's annual general meeting.

For every 1 share issued, one free attaching 4-cent option will be issued with an expiry date of 15 June 2027 was also issued under ASX Listing Rule 7.1.

The capital structure, post the issue of all of the 25,000,000 new fully paid ordinary shares, is shown below.

Capital Structure	
Ordinary shares	671,639,122
Undiluted market capitalisation @\$0.026 (share price as of close of trading 30 October 2024)	\$17.5m
Options on issue (Ex Price 1.2c-8.0c, Expiry 30/9/25-13/9/29)	170,000,000

Funds will be used to ensure tenement maintenance requirements in addition to extending the drilling program for the Goodenough Gold prospect. The Company has identified very high quality targets with a good chance of delivering immediate value to the project as extensions or satellite mineralisation.



FINANCIAL COMMENTARY AND EXPENDITURE SUMMARY

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had \$802,000 in cash as of 30 September 2024 (30 June 2024: \$1.059m).

Net cash outgoings from operating activities were \$604,000 (June 2024 quarter \$144,000). Net cash used in investing activities of \$77,000 (June 2024 quarter \$331,000) applied to exploration expenditure on East Menzies.

No amounts were paid in cash to related parties of REZ and their associates for directors remuneration and expenses, as per item 6.1 of the Appendix 5B.

-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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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 192k oz/au and 862k oz/au ag:** refer to Table below and Schedule of Tenements.

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		12	
Maranoa ⁽⁴⁾	Primary	1						46			8	8.05	46	5.7		8	
Total			2468			113	618	1899			79	252	4357			192	862

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.

COMPETENT PERSONS STATEMENT

The JORC Mineral Resource Estimates (**MRE**) for Granny Venn, Goodenough and Maranoa were previously confirmed by a Competent Person in the Company's 2024 Annual Report (page 16). The Company confirms that it is not aware of any new information or data that materially affects the information and results included in that market announcement and that all material assumptions and technical parameters underpinning the MRE continue to apply and have not materially changed.

Tenement Schedule @ 30 September 2024

State	Tenement	Holder	Area (Ha)	Grant	Expiry	Rent (\$)	Committ (\$)
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

12 110 005 822

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows	Current quarter (3 months) \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(249)	(249)
(b) development	-	-
(c) production	(189)	(189)
(d) staff costs	(43)	(43)
(e) administration and corporate costs	(123)	(123)
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	(604)	(604)

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	(77)	(77)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (12 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	(77)	(77)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	450	450
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	(28)	(28)
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	424	424
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,059	1,059
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(604)	(604)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(77)	(77)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	424	424

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

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	802	802

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	802	1,059
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)	802	1,059

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	-
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.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>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.</i>		
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		600,000
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.		
<p>As announced to the ASX on 22 November 2023, the Company has put in place funding of \$600,000 for its ongoing working capital requirements. The funding comprises two standby loan facilities (Facilities), being:</p> <ul style="list-style-type: none"> a A\$120,000 facility with Viaticus Capital Pty Ltd, an entity which is owned and controlled by Director Gavin Rezos; and a A\$480,000 facility with Arthur Phillip Pty Limited, an entity which is owned and controlled by Director Richard Poole, <p>The Facilities have 12-month terms with commercial conditions as set out in the annexure to the 22 November 2023 release to ASX. On 19 March 2024 a general meeting of shareholders approved the Facilities.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(604)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(77)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(681)
8.4 Cash and cash equivalents at quarter end (item 4.6)	802
8.5 Unused finance facilities available at quarter end (item 7.5)	600
8.6 Total available funding (item 8.4 + item 8.5)	1,402
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.0
<i>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.</i>	
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: Not applicable	
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: Not applicable	

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

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: Not applicable

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 2024

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.