ASX/Media Release *20 October 2020*

High Grade find at Gigante Grande-66m thick zone from 71m with a peak result of 1m @ 76.4g/t au.

- **Resources & Energy Group is pleased to announce the discovery of a new high-grade zone of gold mineralisation at Gigante Grande Prospect situated in the 100% owned East Menzies Gold Field Project.**
- The **initial RC drilling campaign** designed to drill test the previously reported 2.5km by 400m Au in regolith gold anomalies, **has been completed.**
- Results for only five holes of the initial 32-hole drill program have been received and **significant intervals of gold mineralisation have been found in two of them; 20EMRC012 and 20EMRC002.**
- **A peak assay of 1m @ 76.4gt/au from 134m down the hole** has been intersected in 20EMRC012 **within a 66m mineralised zone from 71 to 137m down the hole and 20m @ 5.06g/t au from 116m.**
- Mineralisation within 20EMRC012 is not isolated to the high-grade zones, with a **continuum of lower tenor results, ranging from 0.1 to 0.6gt/au occurring throughout.** When combined with 20EMRAB44 (34m@0.29gt/au), the **thickness of the mineralised package is approximately 100m.**
- **20EMRC002**, located 490m north-northwest of 20EMRC012, and has intersected **a 19m thick gold mineralised interval** from 34 to 52m down the hole, **with a peak assay of 1m@13gt/au from 35m, which includes 8m@3.02gt from 35m.**
- This interval is within a **broader 24m thick zone of gold mineralisation,** from 31m to 55m down the hole, with results ranging from 0.1 to 1.15gt/au throughout.
- There is potential for this zone continuing further north along the east side of the Project Area, which is bounded by the Moriarty Shear Zone. These drilling results give added weight to the prospect that Gigante Grande hosts a very large mineralised gold system.
- The discovery of high-grade gold mineralisation, below the regolith in the Gigante Grande area, **has potential to lead to a new economic gold deposit which is less than 130km North of Kalgoorlie,** and more specifically, within the **eastern part of the historic Menzies Goldfield.**

The Executive Director of REZ Mr Richard Poole commented;

"This is an amazing initial drill result @ 76.4g/t au from our first follow up of RC holes at Gigante Grande. The results support the overwhelming evidence that the East Menzies Gold Field is one of Australia's best and most overlooked exploration target areas. Given its huge historical yield and rich history of gold production and discoveries, with over 400 old workings we are very excited. We are very much looking forward to continuing to explore and develop our 100sqkm containing multiple Prospects at the East Menzies Gold Field."

OVERVIEW

Resources & Energy Group Limited (ASX: REZ or the Company) announce that the first round of drilling operations to test multiple +100ppb gold in regolith anomalies has been completed. A total of 32 holes for an advance of 3704m were drilled as part of this program, refer figure 1. The areas under investigation included the Kore and Demeter targets (collectively these are known as the Gigante Grande Prospect) and Chronos. The RC program was designed to drill deeper into the fresh bedrock to test potential for higher grade mineralised systems. Complete results from boreholes 20EMRC012, 20EMRC001, 20EMRC002, 20EMRC003, and 20EMRC004 have become available. These boreholes are located wholly within Gigante Grande, P29/2460 and 29/2461.

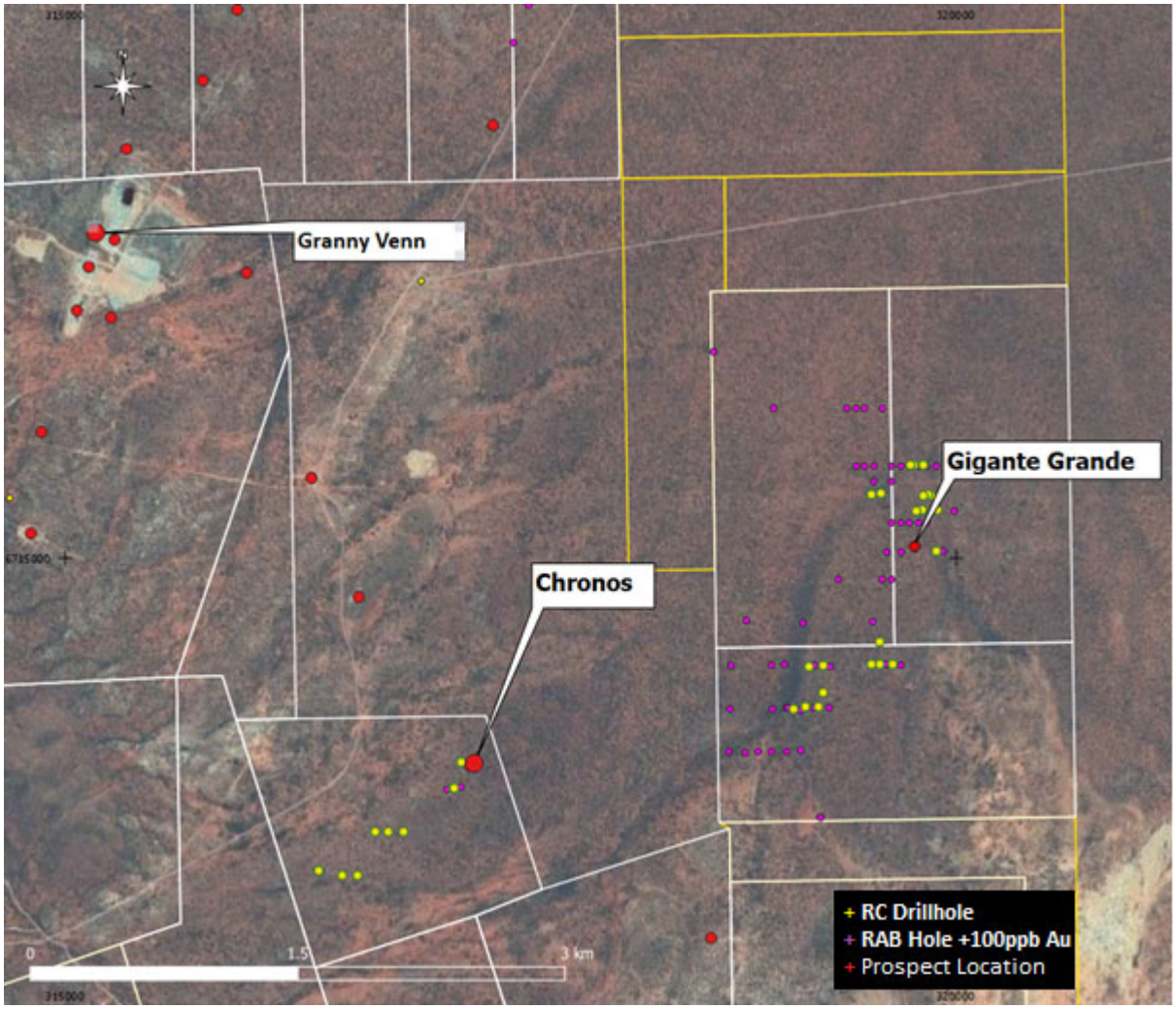


Figure 1 Borehole and Prospect Location Plan

Boreholes 20EMRC012 and 20EMRC002 provide highlights

20EMRC12, was drilled under 20EMRAB44 and has intersected a 66m thick mineralised interval from 71 to 137m down the hole. Within this zone a number of intervals of gold mineralisation with a peak assay of 1m@ 76.4gt/au from 134m were obtained. This result is included within a broader interval of 20m@5.06gt/au from 116m down the hole.

The mineralisation within 20EMRC012 is not isolated to these higher-grade zones, with a continuum of lower tenor results, ranging from 0.1 to 0.6gt/au occurring throughout. When

combined with 20EMRAB44 (34m@0.29gt/au), the thickness of the mineralised package is closer to 100m. This is illustrated on figure 2.

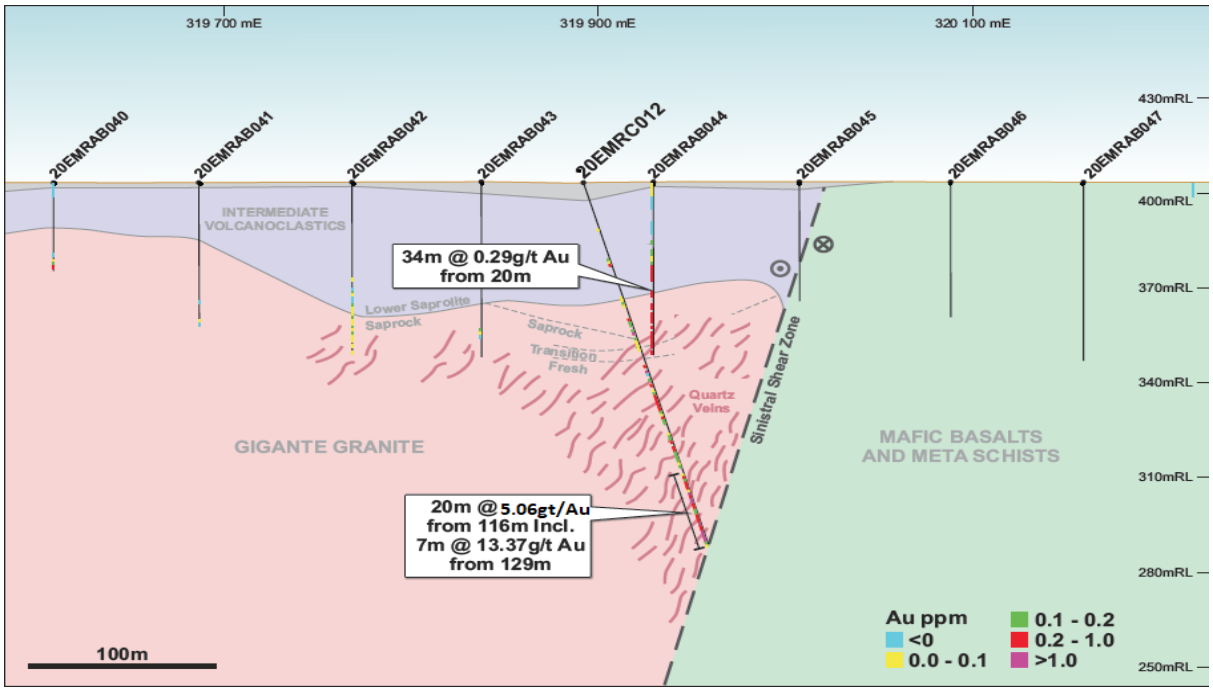


Figure 2 Cross section through N6,715,040m facing North

20EMRC002, which is located approximately 490m north-northeast of 20EMRC012 has intersected a 21m thick mineralised interval from 34 to 55m down the hole, with a peak assay of 1m@13gt/au from 345m which is included within 8m@3.02gt from 34m. As with 20EMRC12, this interval is within a broader zone of gold mineralisation, from 34m to 55m down the hole, with results ranging from 0.1 to 1.15gt/throughout, including 18m@1.67gt/au from 34m down the hole.

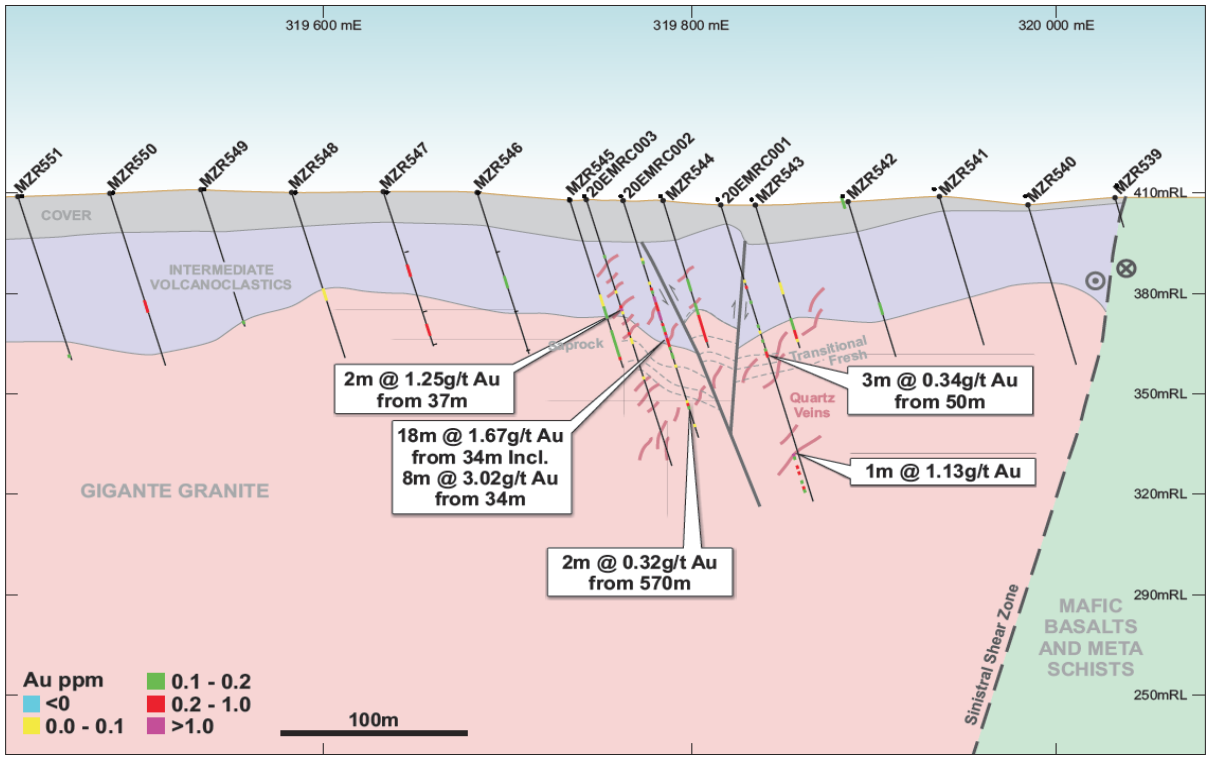


Figure 3 Cross section through N6,715,520m facing North

It is noted that two 1m intervals in 20EMRC002, had insufficient sample for photon assay, and have been assigned zero grade. The samples are being tested by fire assay, and as a result the overall grades in this hole may change. A few other minor intervals of gold mineralisation were encountered in 20EMRC001, 20EMRC003, and 20EMRC004 as under

- EMRC001 1m@1.13gt/au from 85m
- EMRC003 2m@1.22gt/au from 37m
- EMRC004 2m@1.65gt/au from 45m

Altogether, these are significant exploration results and a very positive step forward in the search for a major deposit in this part of the project area. The Gigante Granite along its eastern contact with the Moriarty Shear Zone is emerging as a highly prospective part of the East Menzies Goldfield. The Moriarty Shear Zone in particular is a major regional structure, and these results open up significant ground to the company for further investigation.

Additional assays are expected over the next 2 weeks.

GIGANTE GRANDE

The Gigante Grande is one of a number of prospects acquired by REZ in late 2018 through its acquisition of Menzies Goldfield Limited, operator of the East Menzies Gold Project, figure 4.

The area was originally flagged by Paddington Gold, who completed RAB and auger programs over the area in the late 1990's. Paddington also completed several RC and cored holes with some success, including 21m @7.1gpt from 36m, 8m @6.9gpt and 1m @ 49.9gpt from 135m (MERC008).

A review of previous exploration by Resources and Energy Group in July 2019 [(1)] identified a number of gold in regolith anomalies in this area which appeared to be widely distributed in the lower Saprolitic-transitional zone over the Gigante Granite, and mafic schists adjacent to the Moriarty Shear. In August 2020, air-core and RAB drilling over the target areas confirmed multiple +100ppb regolith gold trends [(2)]. The mineralised envelope identified from this work had a peak gold assay of 2.24gt, with potential to represent a large gold system, possibly as much as 2.5km in strike length.

In late August, the company elected to suspend air core operations, and bring forward RC investigations to drill test these regolith anomalies at depth. The drilling program initially comprised 26 holes totalling 2600m of drilling and was designed to drill deeper into the fresh bedrock. The program was expanded to 32 holes of drilling for 3704m, including 2 holes for 236m drilling at Goodenough. The results of the Goodenough work will be the subject of a separate release later this month.

A total of 21 holes for 2278m of drilling were completed at Gigante, generating 1615 samples which have been submitted to MinAnalytical (Kalgoorlie) for assay. The locations of these holes are presented on Figure 5. A schedule of drilling and complete assay results, including JORC table 1 is attached to this release as appendix 1 and 2, respectively.

The exploration carried out at Gigante has targeted structurally controlled gold mineralisation associated with quartz filled brittle-fracture shears which originated from the Moriarty Shear Zone, into mafic schists and adjoining granitic rocks (Gigante Granite). This concept served as

(1) ASX Release July 2019
(2) ASX Release August 2020

a model for granite-hosted deposits, which have analogues with the Woodcutters (Golden Cities) gold deposits (1.4M oz Au) located between Paddington and Menzies.

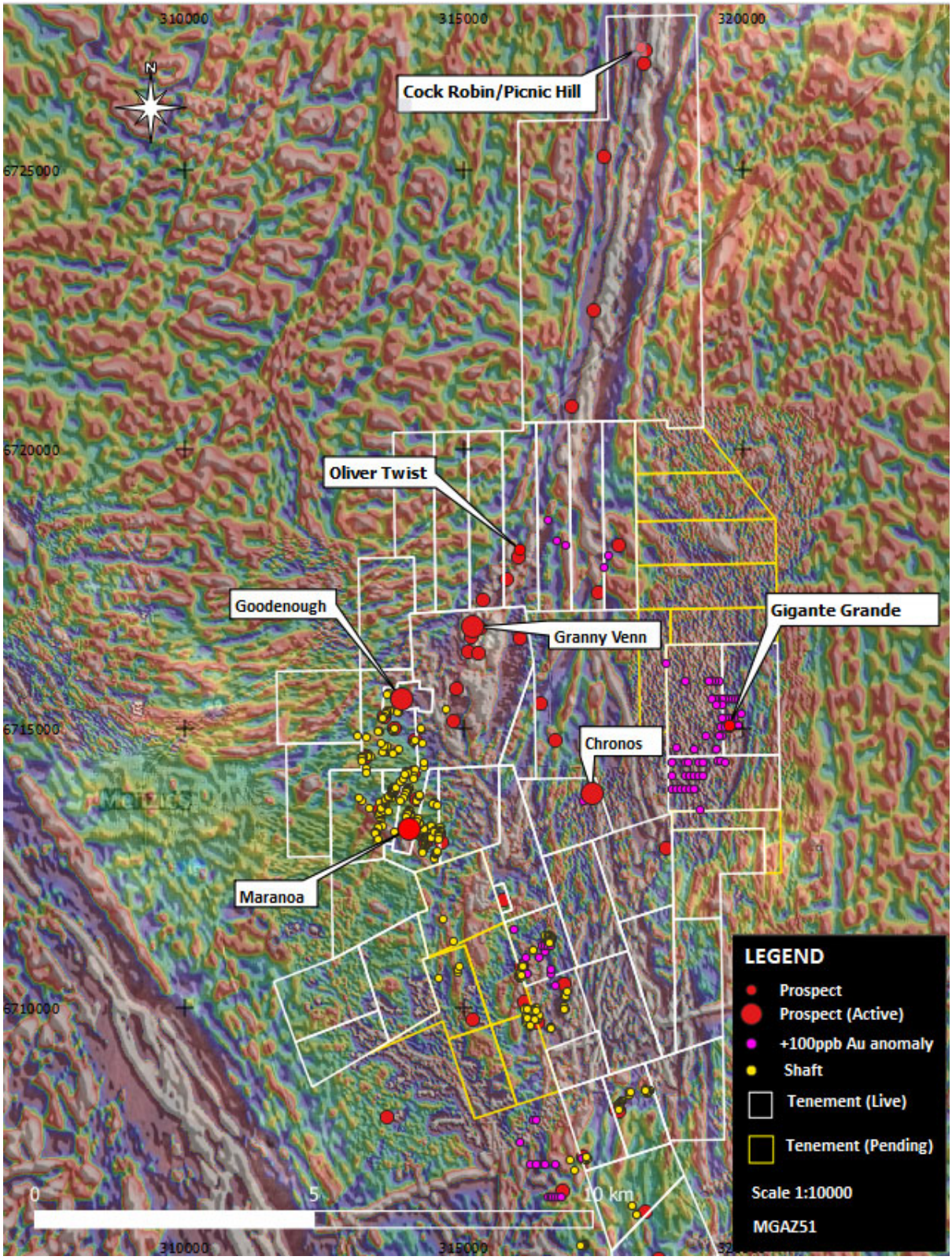


Figure 4 Project and Tenement Location Plan-Superimposed on RTP Magnetic Image

In support of the Woodcutters analogy, borehole 20EMRC12 intersected fresh rock at 64m down the hole, and from 81 to 136m, granodiorite with multiple sheared quartz veins, bearing arsenopyrite were noted. The last 2 metres of the granitic interval contains up to 5% disseminated pyrite and arsenopyrite, before terminating in mafic schist at 138m.

Nearly all of the holes completed during the Gigante program have intersected similar intervals of strongly sheared quartz, which is frequently associated with sheared biotite, pyrite, pyrrhotite and arsenopyrite.

The Moriarty Shear Zone is an important regional structure, and its association with gold mineralisation at Gigante opens up a further 8km of strike length of prospective ground along the eastern margin of the East Menzies Gold Project Tenement holding.

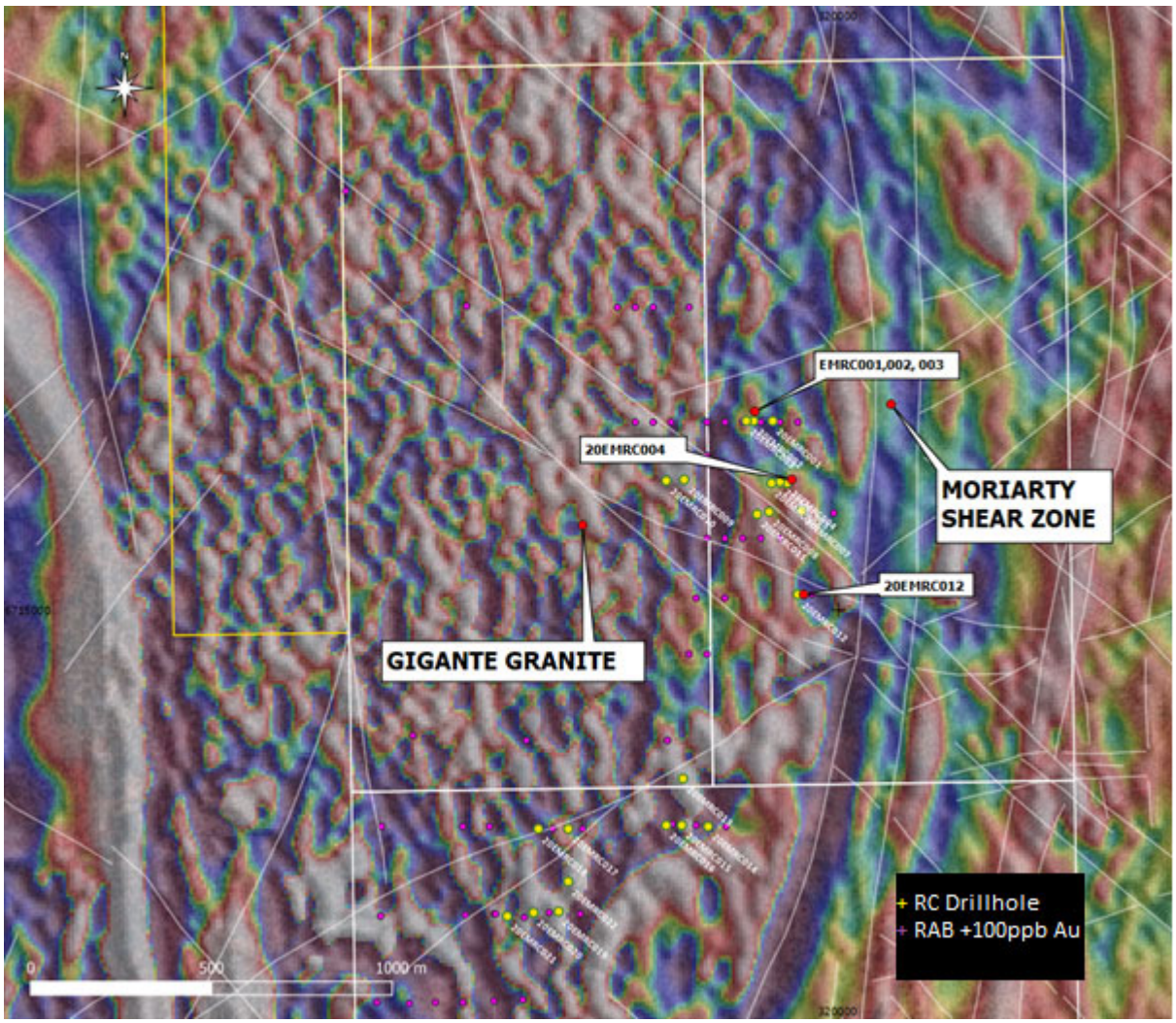


Figure 5 Drill Hole Location Plan Superimposed on RTP Magnetics and Interpreted Structure

NEXT STEPS

Due to operational constraints at the assay laboratory, there has been a delay in receiving analytical results for this program, however, the company expects that the back log of submissions pending, will be cleared over the next two weeks. This will include results from the Chronos prospect in P29/4670, and Goodenough in M29/141.

Following a review of the complete program and results, work on designing the second stage of this initial RC program will commence, with a view to completing the work before the end of 2020.

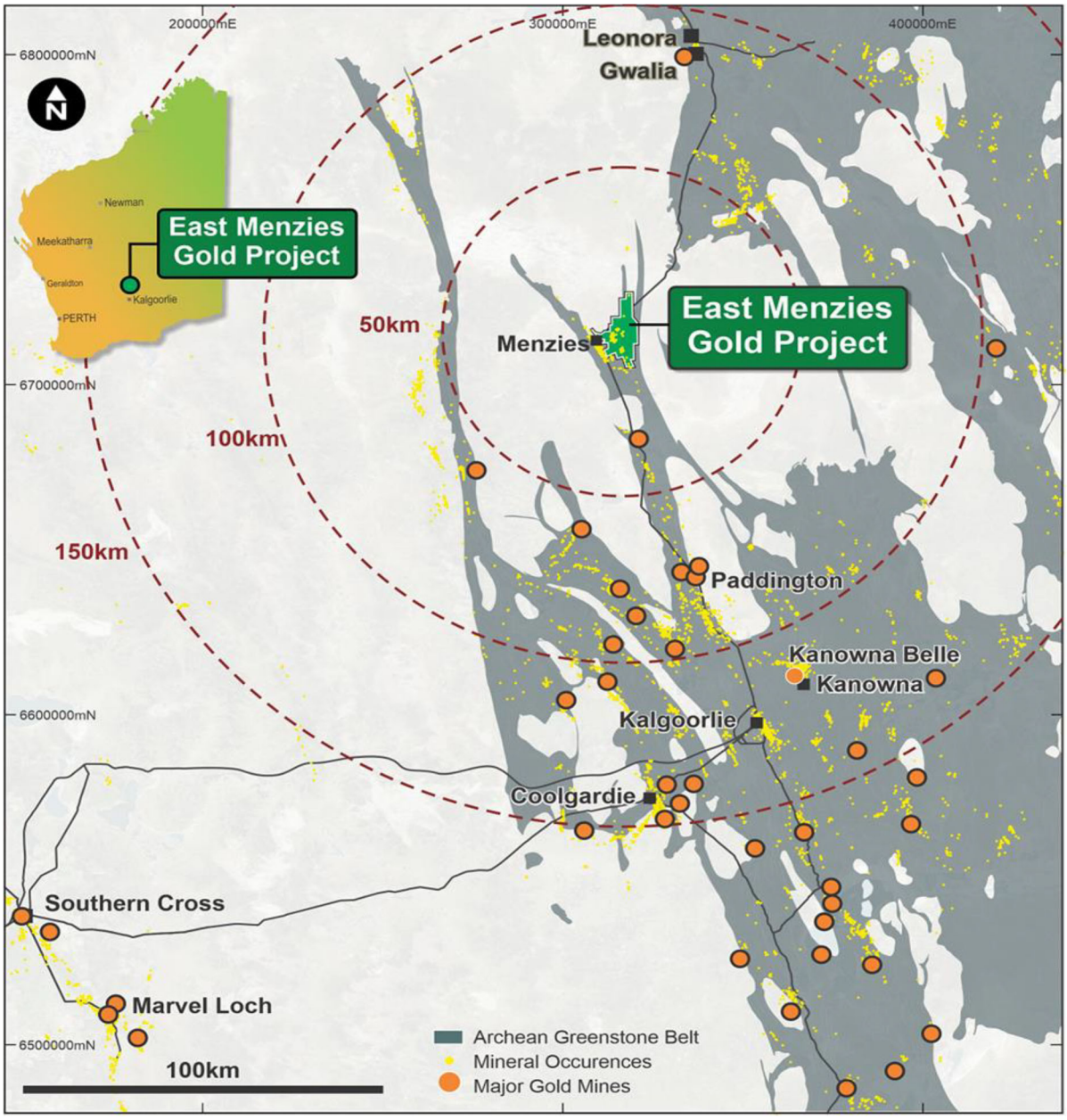
The drilling activities completed at Goodenough have been designed to drill test a potential extension of the resource in the vicinity of the 4'Oclock line of workings which is south of M29/141.

Competent Persons Statement and Attribution

The information in this release that relates to Exploration Results is based on and fairly represents information compiled by Mr. Michael Johnstone Principal Consultant for Minerva Geological Services (MGS), and Mr Danilo Carvalho, Senior Geologist BMGS Geological Services. Mr Johnstone is a member of the Australasian 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 accepts full responsibility and consents to the inclusion in this release of the matters based on their information in the form and context in which it appears.

About Resources and Energy

Resources and Energy Group Limited (ASX: REZ) is an independent, ASX-listed mineral resources explorer, with projects located in premier mining jurisdictions in Western Australia and Queensland.



In Western Australia, the company's flagship is the East Menzies Gold Project (EMPG), situated 130km north of Kalgoorlie. The EMPG represents a 100km2 package of contiguous mining, exploration, and prospecting licenses, which are located within a significant orogenic lode gold province. For resource growth, the company's focus is presently exploring the eastern side of the project area. On the western side of the project area scoping and pit optimisation studies to investigate opportunities for renewed mining operations in M29/181, M29/141, and M29/427 have commenced.

In Queensland, the company has a 12km2 Mineral Development Licence over the Mount Mackenzie Mineral Resource and retains a further 15km2 as an Exploration Permit. These Development and Exploration Licences are in the Connors-Auburn Arc and are prospective for high, intermediate, and low sulphidation gold and base metals mineralisation. The current resource has been estimated at 3.42Mt @ 1.18g/t gold and 9g/t silver for a total of 129,000 oz gold and 862k oz silver. An initial scoping study for the project shows a positive net $63m of free cash excluding any option to produce a concentrate from the primary ore.

Further information:

Further information:

Richard Poole
Executive Director
E: communications@rezgroup.com.au
P: +61 2 9227 8900

Michael Johnstone
Exploration Manager
E:majohnstone@rezgroup.com.au
P:+61 2 9227 8900

Approved for Release by the REZ Board

Hole Ref	Type	Easting MgA Z51	Northing MgA Z51	RL	Depth (m)	Azimuth (Mn)	Dip	From (m)	To (m)	Length (m)	Au (ppm)
20EMRC001	RC	319818	6715523	404	100	-60	90	20	28	8	NSR
								28	29	1	0.27
								30	34	4	NSR
								34	35	1	0.11
								35	42	7	NSR
								42	43	1	0.13
								43	44	1	nsr
								44	45	1	0.05
								45	46	1	0.15
								46	47	1	0.6
								47	48	1	0.29
								48	85	37	nsr
								85	86	1	1.13
								86	87	1	0.14
								87	89	2	nsr
								89	90	1	0.21
								90	91	1	nsr
								91	92	1	0.23
								92	94	2	nsr
								94	95	1	0.12
								96	97	1	0.57
								97	98	1	0.13
								98	100	2	NSR
20EMRC002		319765	6715522	405	80	-60	90	20	21	1	0.05
								21	22	1	0.07
								22	23	1	0.12
								23	24	1	0.04
								24	25	1	<0.04
								25	26	1	0.05
								26	29	3	<0.03
								29	30	1	0.1
								30	31	1	<0.05
								31	32	1	0.8
								32	33	1	0.15
								33	34	1	INS
								34	35	1	3.74
								35	36	1	13
								36	37	1	0.24
								37	38	1	0.23
								38	39	1	0.87
								39	40	1	1.9
								40	41	1	1.08
								41	42	1	3.12
								42	43	1	INS
								43	44	1	0.37
								44	45	1	0.14
								45	46	1	0.2
								46	47	1	0.39

Hole Ref	Type	Easting MgA Z51	Northing MgA Z51	RL	Depth (m)	Azimuth (Mn)	Dip	From (m)	To (m)	Length (m)	Au (ppm)
20EMRC002	RC	319765	6715522	405	80	-60	90	47	48	1	1.15
								48	49	1	0.95
								49	50	1	0.68
								50	51	1	0.26
								51	52	1	0.2
								52	53	1	0.06
								53	54	1	0.19
								54	55	1	0.14
								55	56	1	0.04
								56	57	1	<0.04
								57	58	1	0.08
								58	59	1	<0.04
								59	60	1	0.05
								60	61	1	<0.04
								61	69	8	nsr
								69	70	1	0.155
								70	71	1	0.63
								71	72	1	0.3
								72	73	1	0.13
								73	80	7	NSR
20EMRC003	RC	319745	6715522	405	90	-60	90	20	21	1	0.11
								21	37	16	NSR
								37	38	1	0.76
								38	39	1	1.69
								39	40	1	0.07
								40	47	7	0.28
								47	90	43	nsr
20EMRC004	RC	319858	6715352	408	70	-60	90	20	33	13	nsr
								33	34	1	0.21
								34	35	1	0.15
								35	36	1	0.27
								36	37	1	0.66
								37	38	1	0.05
								38	39	1	NSR
								39	40	1	0.06
								40	41	1	0.26
								41	42	1	0.1
								42	43	1	0.11
								43	44	1	0.1
								44	45	1	0.09
								45	46	1	1.75
								46	47	1	0.25
								47	48	1	0.1
								48	58	10	NSR
								58	59	1	0.12
								59	70	11	nsr
20EMRC012	RC	319889	6715042	407	138	-60	90	20	32	12	nsr
								32	33	1	0.18

Hole Ref	Type	Easting MgA Z51	Northing MgA Z51	RL	Depth (m)	Azimuth (Mn)	Dip	From (m)	To (m)	Length (m)	Au (ppm)
								33	34	1	0.08
								34	35	1	0.37
								35	46	11	nsr
								46	47	1	0.05
								47	48	1	0.08
								48	49	1	0.1
								49	54	5	nsr
								54	55	1	0.21
								55	56	1	0.13
								56	57	1	0.18
								57	58	1	nsr
								58	59	1	0.14
								59	60	1	4.18
								60	61	1	nsr
								61	62	1	0.17
								62	63	1	0.09
								63	64	1	0.07
								64	65	1	0.06
								65	66	1	0.08
								66	71	5	nsr
								71	72	1	0.25
								72	73	1	nsr
								73	74	1	1.41
20EMRC012	RC	319889	6715042	407	138	-60	90	74	75	1	0.04
								75	76	1	nsr
								76	77	1	0.1
								77	78	1	nsr
								78	79	1	0.32
								79	80	1	nsr
								80	81	1	0.06
								81	82	1	0.1
								82	83	1	0.74
								83	84	1	0.71
								84	85	1	0.55
								85	86	1	0.32
								86	87	1	0.66
								87	88	1	0.51
								88	89	1	0.16
								89	90	1	0.09
								90	91	1	0.21
								91	92	1	0.17
								92	93	1	0.1
								93	96	3	nsr
								96	97	1	0.06
								97	98	1	0.17
								98	99	1	0.12
								99	100	1	0.24
								100	101	1	nsr

Hole Ref	Type	Easting MgA Z51	Northing MgA Z51	RL	Depth (m)	Azimuth (Mn)	Dip	From (m)	To (m)	Length (m)	Au (ppm)
20EMRC012	RC	319889	6715042	407	138	-60	90	101	102	1	0.57
								102	103	1	0.92
								103	104	1	0.15
								104	105	1	0.11
								105	106	1	0.17
								106	107	1	0.17
								107	108	1	0.05
								108	109	1	0.13
								109	111	2	nsr
								111	112	1	0.05
								112	113	1	0.57
								113	114	1	0.17
								114	115	1	0.27
								115	116	1	0.27
								116	117	1	0.46
								117	118	1	0.05
								118	119	1	1.07
								119	120	1	0.25
								120	121	1	1.21
								121	122	1	1.6
								122	123	1	1
								123	124	1	0.33
								124	125	1	0.1
								125	126	1	0.18
								126	127	1	0.43
								127	128	1	0.52
								128	129	1	0.55
								129	130	1	1.29
								130	131	1	0.55
								131	132	1	0.97
								132	133	1	1.41
								133	134	1	2.27
								134	135	1	76.4
								135	136	1	10.71
								136	137	1	0.1
								137	138	1	0.07

Appendix 1-Collar Details

Hole	Depth (m)	Dip	Azi	Easting (MGA)	Northing (MGA)	RL (AHD)	Hole	Depth (m)	Dip	Azi	Easting (MGA)	Northing (MGA)	RL (AHD)
20EMRC001	100	-60	90	319818	6715523	404	20EMRC016	126	-70	90	319523	6714405	403
20EMRC002	80	-60	90	319765	6715522	405	20EMRC017	120	-60	90	319254	6714395	404
20EMRC003	90	-60	90	319745	6715522	405	20EMRC018	120	-60	90	319170	6714394	403
20EMRC004	70	-60	90	319858	6715352	408	20EMRC019	126	-60	125	319226	6714166	405
20EMRC005	70	-60	90	319839	6715355	407	20EMRC020	120	-60	90	319156	6714165	405
20EMRC006	70	-60	90	319814	6715350	408	20EMRC021	120	-60	90	319084	6714153	403
20EMRC007	80	-60	90	319897	6715274	407	20EMRC022	120	-90	360	319252	6714248	403
20EMRC008	132	-60	90	319809	6715271	406	20EMRC023	114	-90	270	317223	6713857	422
20EMRC009	100	-60	90	319575	6715361	406	20EMRC024	138	-62	270	317176	6713708	420
20EMRC010	100	-60	90	319525	6715358	406	20EMRC025	120	-60	300	316739	6713466	421
20EMRC011	120	-60	90	319776	6715266	406	20EMRC026	120	-60	270	316815	6713467	419
20EMRC012	138	-60	90	319889	6715042	407	20EMRC027	138	-60	270	316896	6713465	422
20EMRC013	120	-60	360	319571	6714533	403	20EMRC028	138	-60	270	316556	6713221	420
20EMRC014	120	-60	90	319640	6714403	406	20EMRC029	140	-60	270	316641	6713224	423
20EMRC015	120	-60	90	319568	6714406	406	20EMRC030	156	-60	300	316422	6713247	416

Appendix 2 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 (eg 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.*	• The results are based on samples recovered from a reverse circulation drilling program.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• The RC samples were collected for every 1 meter drilled using a cone splitter. A 1m primary sample was collected from the splitter, with a second field duplicate sample generally collected every 20th metre. Samples were reported dry and free flowing.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• The report includes RC drilling results only.
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg '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*	• The sampling method are industry standard.

Criteria	JORC Code explanation	Commentary
	sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• The exploration results are based on Reverse Circulation drilling using a face sampling percussion hammer. The RC bit used was 141mm.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Recoveries for RC samples were visually assessed in the field and weighed and recorded at the laboratory. Results are uploaded into the database and sample weights were analysed as part of QAQC protocols.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Field procedures included checking the splitter every sample to ensure no residue remained from the previously drilled interval. The cyclone and housing are also checked regularly and cleaned with compressed air. Checks on splitter level are made using a spirit level. Each calico sample collected weighed on average 3kg.
	• *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.*	• No relationship has been identified at this stage.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estima-*	• RC samples have been geologically logged with alteration, colour, weathering, texture, mineralisation and main lithology reported.

Criteria	JORC Code explanation	Commentary
	tion, mining studies and metallurgical studies.	
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Logging is qualitative and descriptive using look up tables. Chip trays for recent drilling are labelled and photographed and have been retained and stored for future reference.
	• *The total length and percentage of the relevant intersections logged.*	• 100% of the historical drilling has been logged and has lithological information present.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Not applicable.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• For RC samples, a cone splitter was used to obtain 1m sub samples with a weight of approximately 3kg. In the majority cases the sample has been classified dry. No overly wet sample intervals were encountered that would compromise the quality of the sample.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• The field procedures adopted for RC drilling are industry standard, adequate and appropriate. After initial collection in the field all subsequent sample preparation is carried out in a laboratory, under controlled conditions and specified by the relevant standards.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• The programme QAQC involved inserting Certified Reference Materials, blanks and collecting field duplicates samples per 20 metres drilled. The field duplicates were collected from the 2nd chute of the cone splitter. CRM's were typically inserted in zones of interest.
	• *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.*	• Pre-numbered continuous Primary and Duplicate calico samples were collected every metre drilled. Blanks and CRMs were inserted every 20 metres, with multiple grade ranges of appropriate matrix material selected for the CRMs. Laboratory procedures also include the use of certified reference samples and blanks for internal QA/QC assurance.
	• *Whether sample sizes are appropriate to the grain size of the material being*	• Sample sizes for the RC sampling were typically 3kg which is considered appropriate given nature of

Criteria	JORC Code explanation	Commentary
	sampled.	the material being sampled
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.*	• The primary assay technique used was PA500 by MinAnalytical Laboratory in Kalgoorlie, which given the high-grade / coarse gold nature of Menzies-Style mineralisation is considered an appropriate assay technique. Photon Assay is highly accurate, chemical-free, and completely non-destructive of the sample. The 500g single-use jars allow for bulk analysis with no chance of cross contamination between sample. The Photon Assay technique uses x-ray bombardment to "see" gold even if it is not liberated from the ore, providing accurate results on crushed but non-pulverised samples. MinAnalytical has National Association of Testing Authorities (NATA) accreditation for the technology, in accordance with ISO/IEC-17025 testing requirements.
	• *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.*	• Not applicable, the results are not based on these instruments.
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Datasets have been analysed, with no significant issues related to bias. PA500 has precision issues at approximately 0.1ppm which does not impact detecting Menzies style of mineralisation. Sub 1ppm CRM material has been included in the sample streams, results to date have indicated none of the gold mineralisation encountered in drilling has been masked by the PA500 technique.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• All drilling intersections are verified by the Field Geologist, who has been present on site during the complete drilling process. The sampled intersections are also checked by the Supervising Geologist by reference to hole number, drilling depths, sample numbers, blanks and standards introduced into the sampling stream.

Criteria	JORC Code explanation	Commentary
	• *The use of twinned holes.*	• No twin holes have been undertaken.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• The primary data was collected at the drill site as drilling progressed by the Field Geologist and Field Technician. The Field Geologist recorded all lithological logging data directly into digital format via a rugged computer. The sample data, including allocation of sample number to interval, sample quality/recovery data, and insertion of QA/QC samples was recorded on a field sheet by the Field Technician and reviewed by the Field Geologist in the field. This data was later validated against assay files and checked by the Supervising Geologist. For recent drilling field sheets are kept on file and digital data backed up. The project data is stored in a MS access database on a cloud server.
	• *Discuss any adjustment to assay data.*	• No adjustments have been made to the assay data.
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.*	• All EMGP drill collars were initially located in the field by hand-held GPS, a final relocation survey will be carried out using a dGPS by a qualified surveyor. Down-the hole surveys were completed using a north seeking Axis Champ Gyro which sits behind the overshot taking surveys every 30m during drilling operations to monitor deviation, and a continuous survey at the completion of each hole.
	• *Specification of the grid system used.*	• The grid system used is MGA94_51s.
	• *Quality and adequacy of topographic control.*	• Topographic controls have not been undertaken, and are not relevant to the results being reported.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• The RC holes are close spaced and typically less than 50m on lines which are 200-500m apart
	• *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*	• This is not applicable as a Mineral Resource or Ore Reserve is not being determined.

Criteria	JORC Code explanation	Commentary
	• *Whether sample compositing has been applied*	• Drill holes have not been composited.
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.*	• Based on present understanding, the drill holes have been orientated 60/090. This orientation is reasonably perpendicular to interpreted structures which are believed to be mineralised.
	• *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.*	• The selected orientation has minimized potential for introducing sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• A chain of custody procedure was put in place. Samples were checked against the sample record sheet in the field prior to collection into sequentially numbered plastic bags. The plastic bags were sealed with cable ties before being secured along with sample submission sheets. The sample batches were loaded by the field team and transported directly to the Laboratory. Sample security measures for earlier drilling are not known. The sample batches were loaded by the field team and transported directly to the Laboratory by a 3rd party contractor. The receiving laboratory verified sample numbers against the sample submission sheet/manifest and confirmed receipt. After receipt, the samples were bar coded and tracked through the entire analytical process.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been undertaken.

Section 2 Reporting of Exploration Results

Criteria	IORC 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 results have been obtained from 4 prospecting licenses (P29/2461, P29/242460, P29/2270 and P29/2457). These tenements are wholly owned by Resources and Energy Group through a purchase agreement completed in December 2018. The land, from which the Exploration Results have been derived, and does not encompass Strategic cropping lands, wilderness, or protected landscapes
	• *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.*	• At the time of writing, the tenements are in good standing. There are no known impediments which would prohibit operations in accordance with the license conditions.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration over the tenements has been completed over a number of campaigns and years with significant contributions by Paddington Gold who completed 170 auger holes in 1996-1997. This was followed up by exploration drilling by Goldfields Exploration in 1997-1998. During this time the company completed approximately 4400m of combined RAB and RC drilling, and 405m of Diamond Core. The following table details the work undertaken. In 2012 Dr D Gee completed a review and data compilation of the area on behalf of Resource Assets Pty Ltd. In 2014 Stratum Metals commissioned a HeliTem survey by Fugro Pty Ltd over the greater East Menzies Goldfield and an interpretation of results by Core Geophysics Pty Ltd. In 2015-2016 Menzies Goldfield Pty Ltd completed 2 programs of MMI sampling over the prospect area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Gigante Grande prospect occurs within an Archaean Geological Terrane, which is part of the Wiluna-Norseman Greenstone Belt-a significant Orogenic lode gold province. At a prospect scale the project consists mainly of granite (the Gigante Granite) and mafic schists. The Gigante Grande

		and Kota Paxi prospects represent structurally controlled gold mineralisation. The exploration model envisages mineralisation associated with quartz filled brittle-fracture shearing which originated from the Moriarty Shear Zone into mafic schists and carried into the adjoining Gigante granite.
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.*	• Co-ordinate locations, elevation, depth, dip, and azimuth of all drillholes is provided in the accompanying documentation. Downhole length, interception depths and assay results have been furnished in Appendix 1- of the accompanying documentation.
	• *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.*	• All RC drilling results which are available to the company have been included in the accompanying documentation.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• The appendix 1 shows all the holes that have been drilled within the prospect area, whether or not they have significant intercepts. No grades have been changed or truncated. The mineralisation tabulated within the Appendix 1.1 are only the grades that are >0.1ppm. Holes with NSR indicated No Significant Results encountered i.e. no results >0.1ppm Au.
	• *Where aggregate intercepts incorporate short lengths of high grade re-*	• The broad nature of the mineralisation interpretation means in some instances shorter intervals of higher grade may be present within an individual drill hole. Where this is the case the higher-grade

	sults 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.	interval has been reported separately as well, however most of the intervals at 1m in length.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Metal equivalents have not been used.
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.*	• The drillholes are believed to be perpendicular to mineralisation.
	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All sample intervals have been reported as down hole lengths.
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.*	• The accompanying documentation includes plans showing specific areas of interest within the project area.
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*	• Comprehensive reporting of all material data has been adopted.

	misleading reporting of Exploration Results.	
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.*	• A high resolution HeliTEM survey which highlights prospective structures and conductor anomalies within and adjacent to the project area has been completed by the previous operator. An output from this survey has been used in this information release, and has been used for exploration planning.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Recommendations for future work are contained within the announcement and accompanying maps.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Maps that shows possible extensions to mineralisation have been included in the main body of the release