

Heavily Oversubscribed Share Placement Raises \$3.3 million

Resources & Energy Group Limited (ASX: **REZ** or the **Company**) is pleased to announce a placement to professional investors of \$3,300,000 (**Placement**). REZ will issue 44,000,000 ordinary shares (**Shares**) at 7.5 cents and an attaching 1:4 option (**Options**) exercisable at 20 cents each.

Funds raised from the Placement will be applied to the current exploration program at the Company's East Menzies Gold Field tenements with a focus on the recent high grade discovery at Gigante Grande and to continue the development of the Mount Mackenzie Gold asset.

REZ's Managing Director, Richard Poole, said "the strong support for the Placement reflects the enormous excitement that the recent Gigante Grande results have generated and the growing interest and certainty that there are significant gold resources in the East Menzies Gold Field tenements".

The Placement will fall within the Company's capacity to issue securities under both Listing Rule 7.1 and 7.1A, as follows:

	Listing Rule 7.1	Listing Rule 7.1A	Total
Shares	5,231,923	38,768,077	44,000,000
Options	11,000,000	-	11,000,000

The issue of Shares under Listing Rule 7.1A (and Listing Rule 7.1) are made on the following terms:

- the Shares are an existing class of quoted securities;
- the consideration for the issue is in cash;
- the issue price of 7.5 cents per Share is 80.2% of the volume weighted average market price for the Shares calculated over the 15 trading days to 22 October 2020;
- the Shares will rank equally with REZ's existing ordinary shares; and
- no Shares under the Placement will be issued to any person identified within ASX Listing Rule 10.11 (related parties).

Settlement and allotment of the 44 million Shares and 11 million Options under the Placement is expected to occur by Monday 2 November 2020, with normal trading expected to commence on 4 November 2020.

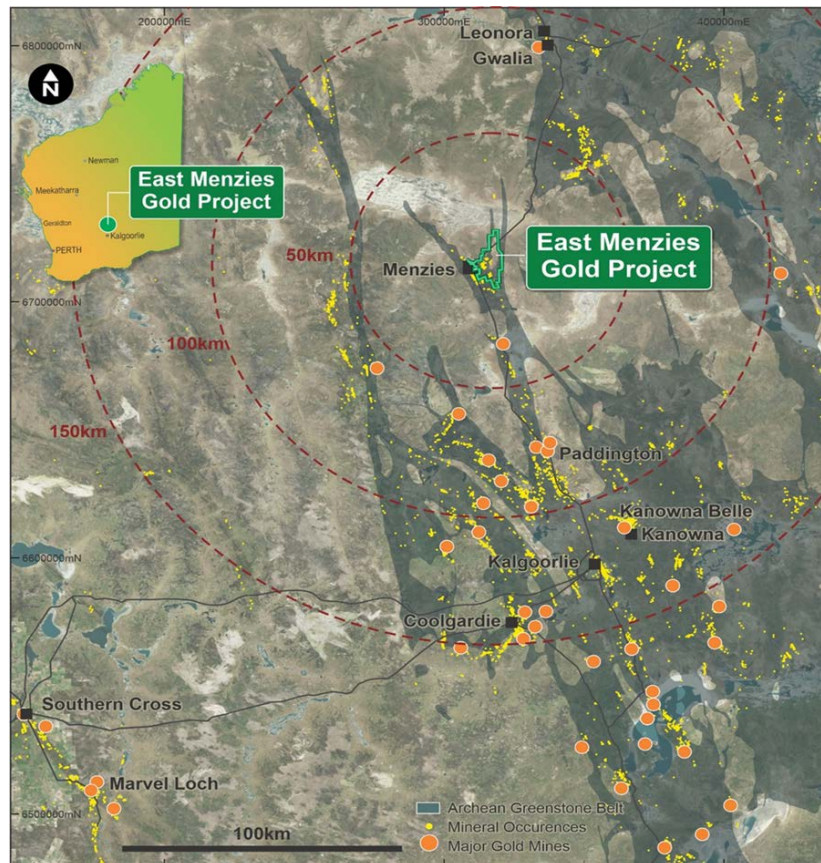
The terms of the Options to be issued are:

- (a) each Option entitles the holder to one Share (fully paid ordinary share);
- (b) the exercise price of the Options is 20 cents;
- (c) the Options are exercisable at any time prior to 5.00pm AEST on 31 October 2022;
- (d) the Options will not be quoted on ASX. The Options are freely transferable;
- (e) the Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month; and
- (f) in the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules.

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 Field project (EMG), situated 130km north of Kalgoorlie. The EMG 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 silver¹. 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 ore².

Further information:

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Approved for Release by the REZ Board

¹ Refer ASX release dated 19 May 2020

² Refer ASX release dated 1 July 2020

REZ Confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.