



RESOURCES & ENERGY

Resources & Energy Group Limited

ASX/Media Release

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Commencement of New Drilling Operations at Gigante Grande Prospect

Resources & Energy Group Limited (**ASX: REZ** or the **Company**) is pleased to announce that following the success of the initial drill program to discover a large vein and shear hosted gold system at Gigante Grande, drilling operations at the Gigante Grande prospect will be re-commencing today.

This is the first step in a series of programs being designed to drill test the mineralised extents of the find over the 1.2km of strike.

The program will also deepen two holes from the previous campaign, 20EMRC008 and 20EMRC016. Drillhole 20EMRC008 was completed to a planned depth of 132m however, results indicate the bore was still in mineralisation 1m@0.69g/t Au from 131m at completion. Borehole 20EMRC016 is being deepened to test a suspected ENE-WSW fault splay which has originated from the Moriarty Shear Zone.

Details

A total of six holes and two extensions are planned for a total advance of 1170m. Drilling details are summarised on table 1, with locations provided on Attachment 1-borehole location plan.

Table 1 Drilling Details

Drillhole	East	North	Azi	Dip	TD	Remarks
20EMRC008	319875	6715267	98	-61	262	Deepen hole through Moriarty Shear Zone
PHRC054	319854	6715198	90	-64	210	Test MSZ down dip
PHRC051	319860	6715115	90	-60	210	Test MSZ down dip
PHRC052	319925	6714960	90	-60	100	Test MSZ up dip
PHRC055	319910	6715428	140	-60	200	Test suspected ENE-WSW fault splay from MSZ
20EMRC016	319571	6714401	95	68	206	Test suspected ENE-WSW fault splay from MSZ
PHRC050	319940	6715043	90	-60	100	Test MSZ up dip
PHRC018	319926	6715268	90	-60	140	Test MSZ up dip

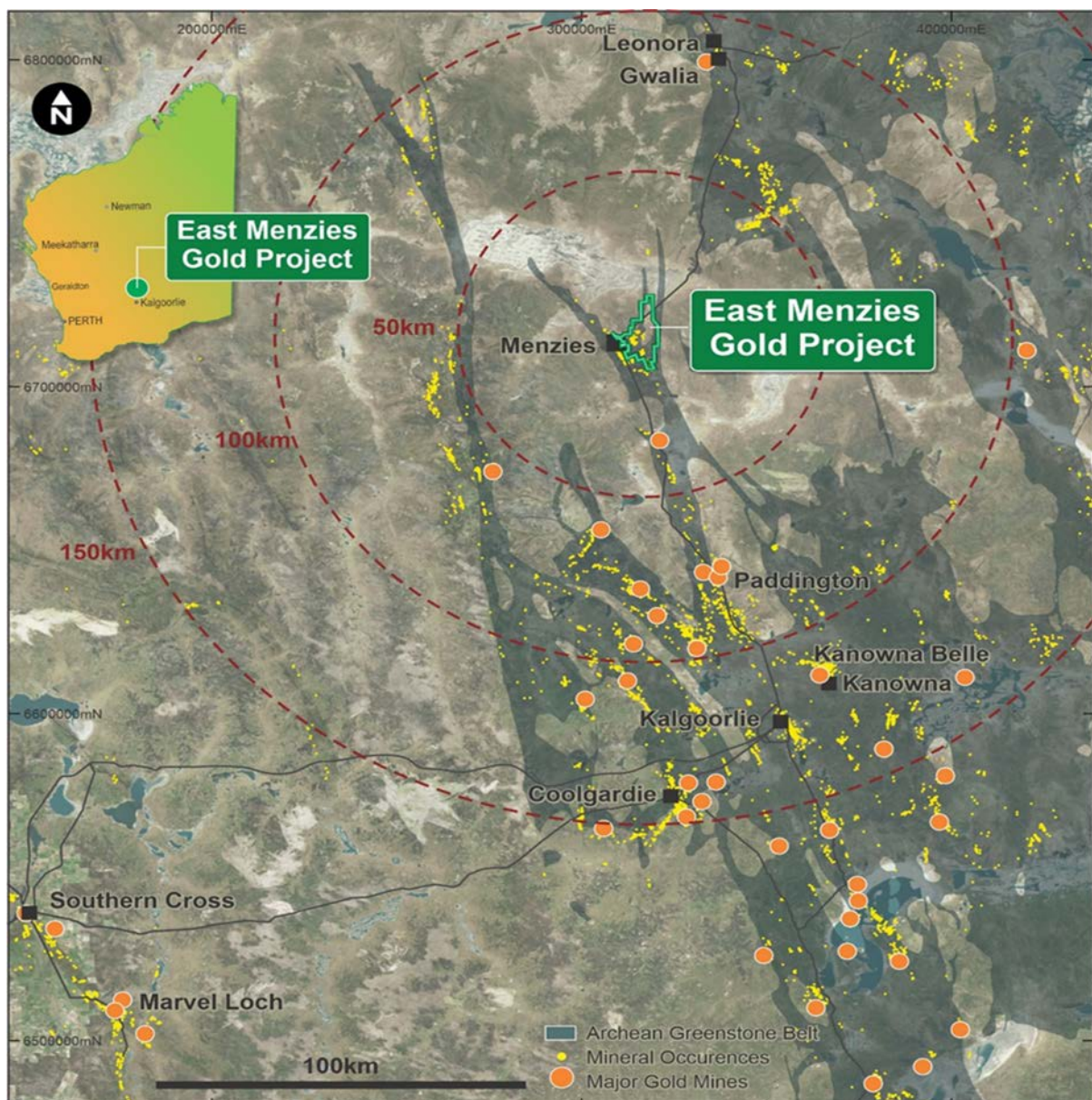
About Resources and Energy

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. As part of this program the company recently upgraded the JORC 2012 MRE for M29/141-Goodneough(1), which now stands at 37.5k oz indicated and 5.2k oz inferred for a total Indicated and Inferred Mineral Resource Estimate of 42.7k oz of Gold.

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.



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Approved for Release by the REZ Board

Attachment 1 Borehole Location Plan

