

Commencement of Drilling Operations at Gigante Grande

Resources & Energy Group Limited (ASX: REZ or the Company) advise that drilling operations at the Gigante Grande Prospect will resume on Wednesday 9th June. The work will be targeting a number of structures which have been identified from exploration completed to date, with emphasis on resource generation.

Drilling Activities

Since October 2020, the company has completed 44 holes at Gigante Grande for an advance of 6007m. The drilling activities completed so far have identified an extensive vein and shear hosted gold system within the Gigante Granite along its contact with the Moriarty Shear Zone.

The mineralised zone is up to 300m wide, has a strike length of at least 1400m and is open to the north, south and west. Broad zones of ore grade mineralisation have been intersected in this area from depths as shallow as 11m. The resource remains untested below 200m.

The mineralised structures are interpreted to be associated with a steeply dipping high rheological contrast zone between the Gigante Granite on the west and Greenstones on the east. In general, the productive gold zone runs North South through the entire length of the Gigante Grande prospect area.

Within this zone the structural pattern emerging is one characterised by the primary North -South Moriarty Shear zone, and subsidiary “S” shears which splay NNW off the MSZ and into the Gigante Granite. Along its length the MSZ and the “S” shears are themselves offset by secondary East-West “T” shears, refer figure 1. Mineralisation appears to be associated with the confluence of “S” and “T” structures which act as a structural trap.

Gigante Grande is highly prospective. Thirty holes including 4 holes drilled previously by Paddington Gold have intersected gram level gold mineralisation. Collectively, 100 intervals of mineralisation ranging in thickness from 1 to 27m, with an accumulated thickness of 434m, has been intersected so far. This represents approximately 7% of the total drilling metres completed at the prospect by the Company to date. At a COG of 0.3g/t Au these mineralised intervals have a combined weighted grade of 2.29gt/au. These results are strong indicators that the Gigante Grande Prospect offers potential to support an exceptionally large, and shallow, open cut gold mining operation.

Superimposed on Figure 1 are the locations for the next round of drilling investigations. A total of 26 boreholes are planned for an advance of 3580m. The work has been designed enable 1st pass resource generation between N6714500 and N6715600 including extension of mineralisation north of

20EMRC002 and presence of shallow oxidised mineralisation between N6715000 and N6715300. A schedule of drilling setting out complete drilling details are presented in Table 1.

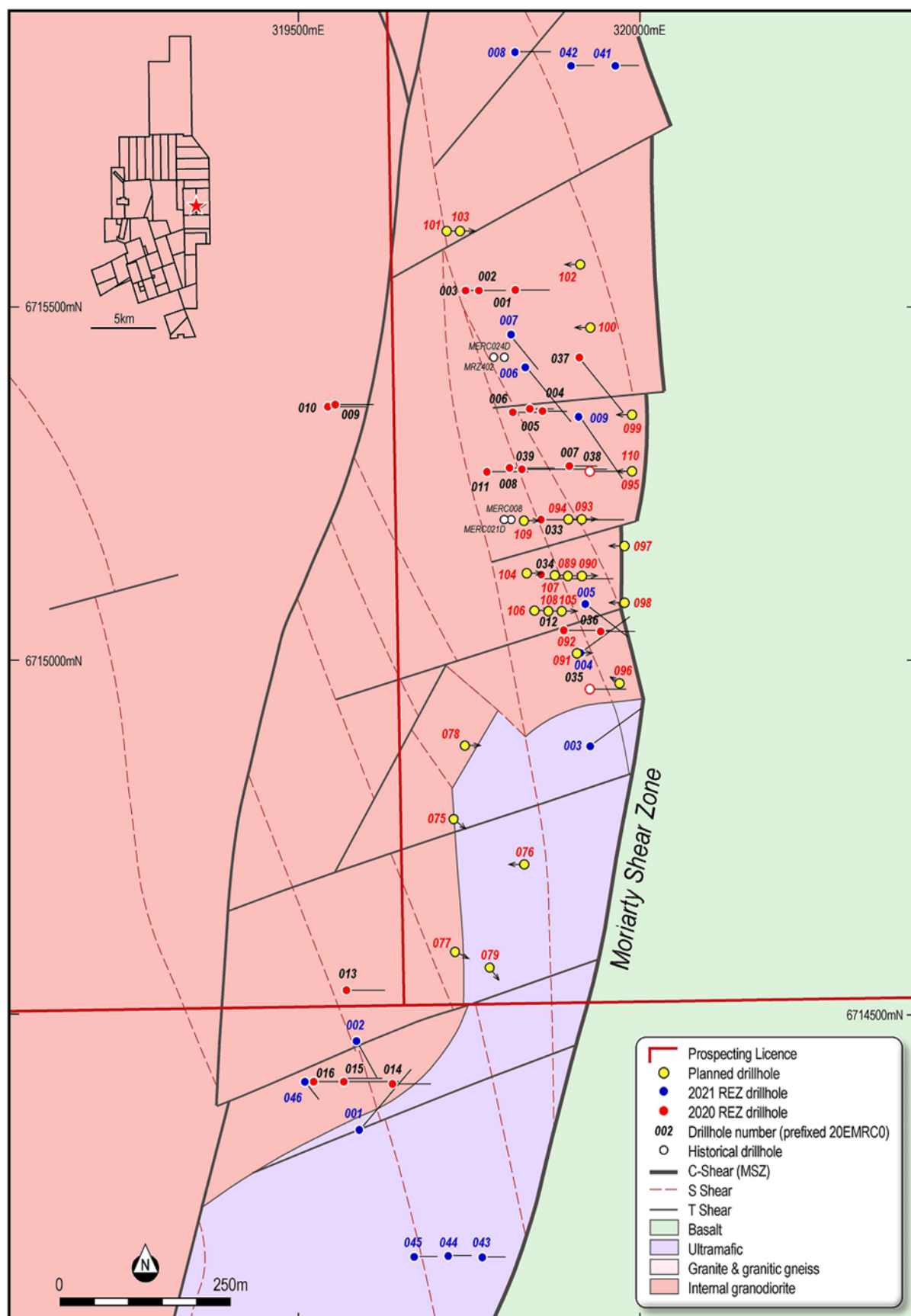


Figure 1 Gigante Grande, Structural Interpretation, and Proposed Drill Hole Locations

Drillhole ID	Easting (MGZ51)	Northing (MGA Z51)	Elevation (m)	Azimuth (d MGA)	Dip	TD (m)	Remarks
PHRC089	319893	6715120	403	90	-50	115	Deposit delineation
PHRC090	319914	6715121	401	90	-50	85	Deposit delineation
PHRC091	319907	6715011	403	90	-63	135	Deposit delineation
PHRC092	319907	6715011	403	90	-50	85	Deposit delineation
PHRC093	319914	6715200	409	90	-50	115	Deposit delineation
PHRC094	319894	6715200	409	90	-50	85	Deposit delineation
PHRC095	319987	6715268	405	270	-65	200	Deposit delineation
PHRC096	319969	6714968	401	300	-65	135	Deposit delineation
PHRC097	319975	6715162	401	270	-70	170	Deposit delineation
PHRC098	319975	6715082	401	270	-70	153	Deposit delineation
PHRC110	319987	6715268	405	270	-60	200	Deposit delineation
PHRC104	319833	6715124	401	90	-60	60	Test oxidised resource
PHRC105	319884	6715071	401	90	-60	60	Test oxidised resource
PHRC106	319844	6715071	401	90	-60	60	Test oxidised resource
PHRC107	319874	6715121	401	90	-60	60	Test oxidised resource
PHRC108	319864	6715071	401	90	-60	60	Test oxidised resource
PHRC109	319829	6715198	401	90	-60	60	Test oxidised resource
PHRC075	319728	6714776	403	125	-50	200	Test Norther extension
PHRC076	319833	6714712	406	275	-50	200	Test Norther extension
PHRC077	319731	6714589	403	120	-50	120	Test NE extension
PHRC078	319745	6714880	403	90	-50	200	Test Norther extension
PHRC079	319782	6714566	403	150	-50	150	Test NE extension
PHRC099	319987	6715348	404	270	-60	200	Test feeder
PHRC100	319926	6715471	405	270	-55	200	Test feeder
PHRC101	319715	6715607	399	90	-55	180	Test oxidised resource
PHRC102	319911	6715561	399	270	-50	200	Test feeder
PHRC103	319735	6715607	399	90	-55	72	Test oxidised resource

Table 1 Proposed Drilling Details

Competent Persons Statement and Consent

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 (MIAG), Senior Geologist for BM Geological Services (BMGS). 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 Persons 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 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 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 figure 2.

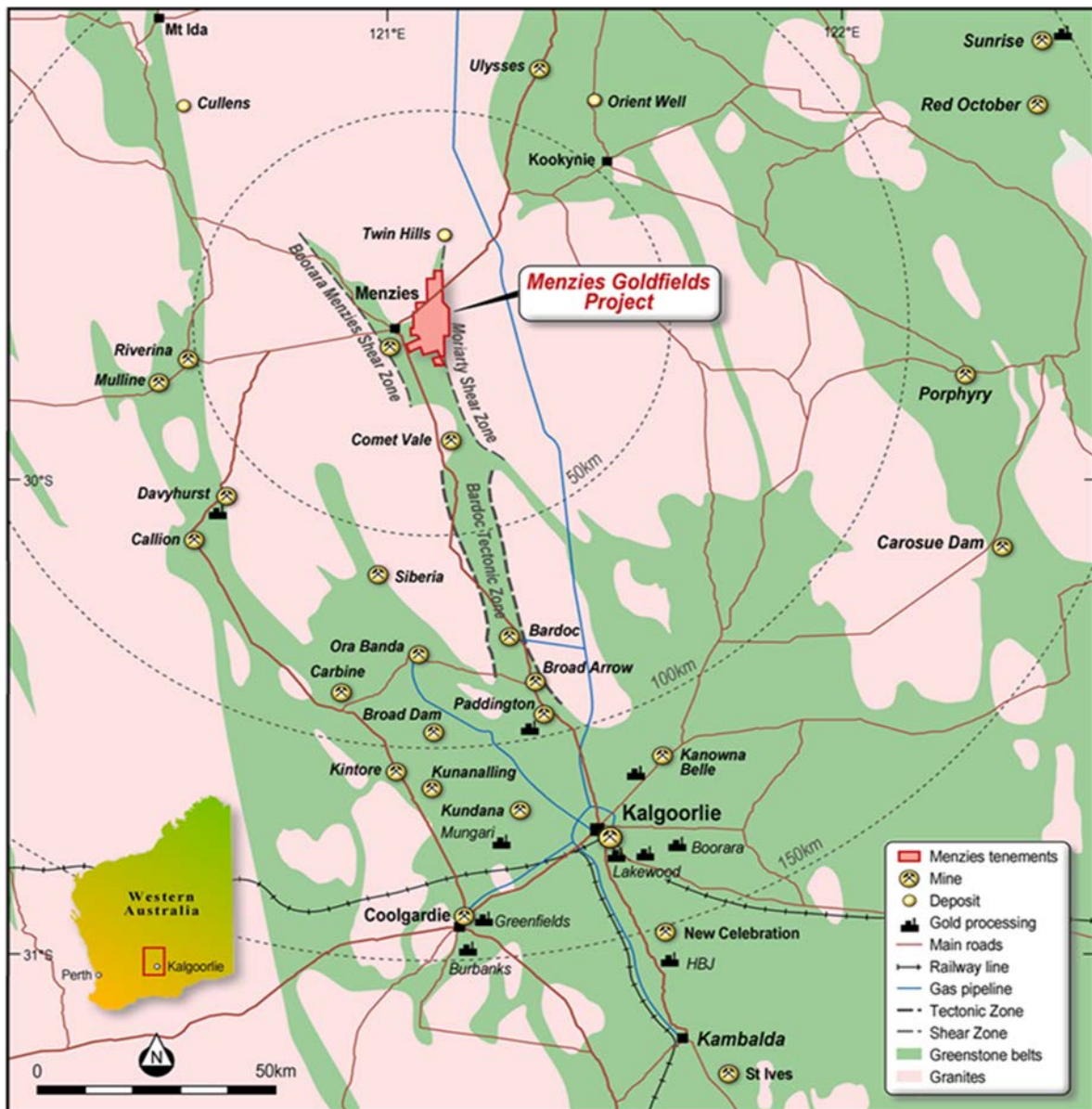


Figure 2 Regional Location Plan

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 M29/189 Granny Venn, M29/141 Goodenough, and M29/427 Maranoa have commenced. As part of this program the company recently upgraded the JORC 2012 MRE for M29/141-Goodneough 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. Resource work comprising grade control drilling on remnant resources within the Granny Venn open pit has also 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. A drilling program is currently underway at Mount Mackenzie to investigate primary mineralisation below the current drilled extents and to recover cored intervals through the entire ore body for comprehensive metallurgical testing.

Further information:

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Approved for Release by the REZ Board