

STANDBY WORKING CAPITAL FACILITY

Resources & Energy Group Limited (ASX: REZ) (**REZ** or the **Company**), attaches a copy of a Notice of Meeting (**Notice**) that will be dispatched to shareholders today. As advised in a release to ASX on 22 November 2023, a Meeting of shareholders is required to approve a standby working capital facility of \$600,000 being provided to meet its ongoing working capital requirements.

The funding comprises two facilities, being:

- a) a \$120,000 facility provided by Viaticus Capital Pty Ltd (**Viaticus**), an entity which is owned and controlled by REZ Director Gavin Rezos; and
- b) a \$480,000 facility provided by Arthur Phillip Pty Limited (**Arthur Philip**), an entity which is owned and controlled by REZ Director Richard Poole,

(together, the **Facilities**).

The Facilities to be provided by the Directors have 12-month terms with commercial conditions, which are summarised in the Notice.

Shareholder approval (in accordance with ASX Listing Rule 10.11) is required for aspects of the arrangement, including:

- a) the entry into the Facilities and the terms that allow the subsequent amounts drawn to be converted into REZ fully paid ordinary shares (**Shares**). The conversion of amounts drawn into Shares is at the election of Viaticus and Arthur Phillip and will be based on the issue price of the most recent equity placement conducted by REZ prior to the conversion, subject to a minimum \$0.01 per Share; and
- b) the issue to the Viaticus and Arthur Phillip of 12.5 million options exercisable at 1.2 cents per Share on or before 1 November 2027, as consideration for the provision of the Facilities.

Shareholder participation is encouraged either by voting using the proxy form attached to the Notice or attendance at the meeting to be held at 9.30am on 19 March 2024 at the Company's offices at Level 3, 66 Hunter Street Sydney.

-Ends-

Released with the authority of the board.

For further information on the Company and our projects, please visit: www.rezgroup.com.au

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RESOURCES & ENERGY GROUP LIMITED

ACN 110 005 822

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9.30am (AEDT)

DATE: 19 March 2024

PLACE: Suite 301, Level 3
66 Hunter Street
Sydney NSW 2000

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5pm on 15 March 2024.

BUSINESS OF THE MEETING

AGENDA

1. **RESOLUTION 1 – ENTRY INTO FACILITY AGREEMENT AND ISSUE OF SECURITIES TO RELATED PARTY – VIATICUS CAPITAL PTY LTD**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, Listing Rule 10.12 exception 7 and for all other purposes, approval is given for the Company to enter into the facility agreement with Viaticus Capital Pty Ltd and issue Securities to Viaticus Capital Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

2. **RESOLUTION 2 – ENTRY INTO FACILITY AGREEMENT AND ISSUE OF SECURITIES TO RELATED PARTY – ARTHUR PHILLIP PTY LIMITED**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, Listing Rule 10.12 exception 7 and for all other purposes, approval is given for the Company to enter into the facility agreement with Arthur Phillip Pty Limited and issue Securities to Arthur Phillip Pty Limited (or its nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 13 February 2024
By order of the Board
Warren Kember
Company Secretary

Voting Prohibition Statements

Resolution 1 – Entry into Facility Agreement and Issue of Securities to Related Party – Viaticus Capital Pty Ltd	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 2 – Entry into Facility Agreement and Issue of Securities to Related Party – Arthur Phillip Pty Ltd	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Entry into Facility Agreement and Issue of Securities to Related Party - Viaticus Capital Pty Ltd	<p>Viaticus Capital Pty Ltd (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.</p>
Resolution 2 – Entry into Facility Agreement and Issue of Securities to Related Party - Arthur Phillip Pty Ltd	<p>Arthur Phillip Pty Limited (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.</p>

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary via email communications@rezgroup.com.au.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND

1.1 Summary

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, being:

- (a) a A\$120,000 facility with Viaticus Capital Pty Ltd (**Viaticus**) (**Viaticus Facility**), an entity which is owned and controlled by Director Gavin Rezos; and
- (b) a A\$480,000 facility with Arthur Phillip Pty Limited (**Arthur Phillip**) (**Arthur Phillip Facility**), an entity which is owned and controlled by Director Richard Poole,

(together, the **Facility Agreements** or **Facilities**).

For the purposes of this Notice, Viaticus and Arthur Phillip are referred to as the **Related Party Lenders**.

The Facilities to be provided by the Related Party Lenders have 12-month terms with commercial conditions. The material terms of the Viaticus Facility are summarised in Schedule 1 and the material terms of the Arthur Phillip Facility are summarised in Schedule 2 .

Subject to Shareholder approval of Resolution 1 and Resolution 2, upon the completion of a capital raise, any outstanding amounts will be converted into Shares.

Under the Facilities, the Company has agreed, subject to Shareholder approval, to issue Options as consideration to Viaticus and Arthur Phillip for providing the Facility. The total number of Options to be issued to Viaticus and Arthur Phillip is dependent upon the amount each Facility is drawn down. The maximum number of Options to be issued to each party is outlined in each resolution below.

1.2 Purpose and Use of Funds

The purpose of the Facility Agreements is to allow the Company to continue its ongoing operations while seeking additional funding for its planned development program at its East Menzies project.

Having considered other alternatives, including the availability of equity funding or the provisions of financial accommodation from commercial third-party lenders the board of the Company (**Board**) was of the view that, the offer made by the Related Party Lenders was the most commercially beneficial option available to the Company.

The Board followed appropriate procedures to determine that the arms length exception applied to the Company entering into the Facility Agreements with the Related Party Lenders.

1.3 Security and ASX 10.1 Waiver

The Company, subject to receiving shareholder approval to enter into the Facility Agreements, is proposing to enter into an equal ranking security deed pursuant to which the Facilities with Viaticus and Arthur Phillip will be secured over all assets of Menzies Goldfield Pty Limited (ACN 161 730 758) (**Menzies** or the **Subsidiary**) (**Security Deed**).

Under ASX Listing Rule 10.1, the granting of security over a substantial asset to a related party entity is considered a disposal. Viaticus and Arthur Phillip are both related parties of the Company by virtue of being Directors as outlined in Section 1.1.

ASX Listing Rule 10.2 provides that an asset is substantial if its value, or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to ASX under the ASX Listing Rules. Based on the Company's last annual financial report lodged with ASX, the Company's equity interests are \$7,996,892.62, accordingly five percent (5%) of this amount is \$399,844.63. The assets of the Subsidiary are greater than \$399,844.63, meaning the security being granted is a substantial asset.

The Company has been granted a waiver from ASX Listing Rule 10.1 to allow it to enter into the Security Deed without Shareholder approval. Accordingly, the Company will not be required to prepare an independent expert report (**IER**) to accompany this Notice, which will assist in preserving the Company's working capital.

1.4 Shareholder Approvals

Under this Notice, the Company is seeking approval to enable it to:

- (a) enter into the Viaticus Facility, which includes:
 - (i) conversion of the funding provided into Shares (at the sole discretion of Viaticus); and
 - (ii) the issuance of additional Options to Viaticus as consideration for Viaticus providing the funding; and
- (b) enter into the Arthur Phillip Facility, which includes:
 - (i) conversion of the funding provided into Shares (at the sole discretion of Arthur Phillip); and
 - (ii) the issuance of additional Options to Arthur Phillip as consideration for Arthur Phillip providing the funding.

Please refer to the Company's ASX announcement dated 22 November 2023 for further details of the Facilities.

2. RESOLUTION 1 – ENTRY INTO FACILITY AGREEMENT AND ISSUE OF SECURITIES TO RELATED PARTY – VIATICUS CAPITAL PTY LTD

2.1 General

As set out above in Section 1.1, under the terms of the Viaticus Facility, amongst other matters, the Company is proposing to issue to Viaticus (or its nominee):

- (a) up to 12,000,000 Shares on conversion of the funding provided by Viaticus, at the sole discretion of Viaticus (**Viaticus Conversion Shares**); and
- (b) up to 9,500,000 additional Options in consideration for Viaticus providing the funding (**Viaticus Options**),

subject to and conditional on Shareholder approval being obtained.

Resolution 1 therefore seeks Shareholder approval of entry into the Viaticus Facility and the issue of Viaticus Conversion Shares and the Viaticus Options to Viaticus in accordance with the Viaticus Facility.

2.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not, unless it obtains the approval of its shareholders, issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders.

The issue of Securities falls within Listing Rule 10.11.1 as a result of Director Gavin Rezos owning and controlling Viaticus.

The issue of Securities to Viaticus falls under the exception found in Listing Rule 10.12 exception 7 because Shareholders are approving the entry into the Viaticus Facility and the Viaticus Conversion Shares and the Viaticus Options are being issued pursuant to the Viaticus Facility. As such, Resolution 1 seeks the required Shareholder approval for the entry into the Viaticus Facility and subsequent issue of the Viaticus Conversion Shares and Viaticus Options under and for the purposes of Listing Rule 10.12 exception 7.

2.3 Listing Rule 10.12 Exception 7

As noted in ASX Guidance Note 25 (**GN25**) section 3.8, Listing Rule 10.12 exception 7 excludes from Listing Rule 10.11 a conversion of convertible securities that have been issued after the Company was listed and complied with the Listing Rules when it did so. In accordance with Listing Rule 10.12 exception 7, the convertible securities may then be converted at any stage without the need for further shareholder approval. By approving the Viaticus Facility and relying on Listing Rule 10.12 exception 7, the Viaticus Conversion Shares and Viaticus Options can be issued at any time in the future without the need for further shareholder approval.

2.4 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Viaticus Conversion Shares and Viaticus Options to Viaticus pursuant to the Viaticus Facility. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Securities (because approval is being obtained under Listing Rule 10.12 exception 7), the issue of the Viaticus Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of the Securities to Viaticus, the Facility will not be provided and the Company will need to pursue alternative funding arrangements. Depending on the results of those inquiries the Company may to reduce or cease development at its East Menzies project and reduce other operating costs.

2.5 Technical Information required by Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is required in relation to Resolution 1:

- (a) the Viaticus Conversion Shares and Viaticus Options will be issued to Viaticus (or its nominee), who falls within the category set out in Listing Rule 10.11.1 because Gavin Rezos is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Viaticus Options to be issued is outlined below which is dependent on the amount drawn down under the Viaticus Facility (the Company will issue 100 Viaticus Options for every \$1 (one dollar) drawn over \$50,000):

Related Party Lender	Fixed number of Viaticus Options to be issued under Facility Agreement	Potential additional Viaticus Options to be issued	Maximum number of Viaticus Options issued under Facility Agreement
Gavin Rezos	2,500,000	7,000,000	9,500,000

- (c) the terms and conditions of the Viaticus Options are set out in Schedule 3;

- (d) because the conversion price of the Viaticus Facility into Viaticus Conversion Shares is tied to the price of a Placement to be undertaken in the future, and the Placement price has not yet been determined, the total number of Viaticus Conversion Shares to be issued cannot yet be determined. However, the number of Viaticus Conversion Shares to be issued will be calculated by dividing the amount of the Viaticus Facility drawn down by the Placement price. The maximum number of Viaticus Conversion Shares to be issued if the floor price of \$0.01 applies is 12,000,000. The table below shows the potential number of Viaticus Conversion Shares to be issued on conversion of the Viaticus Facility for a range of Placement prices:

Related Party Lender	Placement Price	Maximum number of Viaticus Conversion Shares to be issued under the Viaticus Facility if fully drawn
Gavin Rezos	\$0.010	12,000,000
	\$0.015	8,000,000
	\$0.020	6,000,000

- (e) the Viaticus Facility will be entered into within one (1) month from the Meeting;
- (f) the Securities will be issued in accordance with the Viaticus Facility and may be later than one (1) month from the Meeting under Listing Rule 10.12 exception 7;
- (g) the purpose of the issue of the Viaticus Conversion Shares is to satisfy the Company's obligations under the Viaticus Facility which will convert into the Viaticus Conversion Shares;
- (h) the Viaticus Options are being issued as consideration from the Company to Viaticus under the Viaticus Facility;
- (i) the Securities are being issued under the Viaticus Facility. A summary of the material terms of the Facility Agreement is set out in Schedule 1;
- (j) as consideration for the Viaticus Facility, the Company will receive up to \$120,000 to be utilised for immediate expenses and working capital; and
- (k) a voting exclusion statement is included in Resolution 1 of the Notice.

3. ENTRY INTO FACILITY AGREEMENT AND ISSUE OF SECURITIES TO RELATED PARTY - ARTHUR PHILLIP PTY LIMITED

3.1 General

As set out above in Section 1.1, under the terms of the Arthur Phillip Facility, amongst other matters, the Company is proposing to issue to Arthur Phillip (or its nominee):

- a) up to 48,000,000 Shares on conversion of the funding provided by Arthur Phillip, at the sole discretion of Arthur Phillip (**Arthur Phillip Conversion Shares**); and
- b) up to 53,000,000 additional Options in consideration for Arthur Phillip providing the funding (**Arthur Phillip Options**),

subject to and conditional on Shareholder approval being obtained.

Resolution 2, therefore, seeks Shareholder approval of entry into the Arthur Phillip Facility and the issue of convertible Arthur Phillip Conversion Shares to Arthur Phillip and Arthur Phillip Options to Arthur Phillip in accordance with the Arthur Phillip Facility.

3.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not, unless it obtains the approval of its shareholders, issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

The issue of Securities falls within Listing Rule 10.11.1 as a result of Director Richard Poole owning and controlling Arthur Phillip. Richard Poole also is a substantial holder under Listing Rule 10.11.3.

The issue of Securities to Arthur Phillip falls under the exception found in Listing Rule 10.12 exception 7 because Shareholders are approving the entry into the Arthur Phillip Facility and the Arthur Phillip Conversion Shares and the Arthur Phillip Options are being issued pursuant to the Arthur Phillip Facility. As such, Resolution 2 seeks the required Shareholder approval for the entry into the Arthur Phillip Facility and subsequent issue of the Arthur Phillip Conversion Shares and Arthur Phillip Options under and for the purposes of Listing Rule 10.12 exception 7.

3.3 Listing Rule 10.12 exception 7

As noted in ASX Guidance Note 25 (**GN25**) section 3.8, Listing Rule 10.12 exception 7 excludes from Listing Rule 10.11 a conversion of convertible securities that have been issued after the Company was listed and complied

with the Listing Rules when it did so. In accordance with Listing Rule 10.12 exception 7, the convertible securities may then be converted at any stage without the need for further shareholder approval. By approving the Arthur Phillip Facility and relying on Listing Rule 10.12 exception 7, the Arthur Phillip Conversion Shares and Arthur Phillip Options can be issued at any time in the future without the need for further shareholder approval.

3.4 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Viaticus Conversion Shares and Viaticus Options to Arthur Phillip pursuant to the Arthur Phillip Facility. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.12 exception 7), the issue of the Shares and Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Securities to Arthur Phillip, the Facility will not be provided and the Company will need to pursue alternative funding arrangements. Depending on the results of those inquiries the Company may to reduce or cease development at its East Menzies project and also reduce other operating costs.

3.5 Technical Information required by Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is required in relation to Resolution 2:

- (a) the Arthur Phillip Conversion Shares and Arthur Phillip Options will be issued to Arthur Phillip (or its nominee), who falls within the category set out in Listing Rule 10.11.1 because Richard Poole is a related party of the Company by virtue of being a Director and a substantial holder under Listing Rule 10.11.3;
- (b) the maximum number of Arthur Phillip Options to be issued is outlined below which is dependent on the amount drawn down under the Arthur Phillip Facility (the Company will issue 100 Viaticus Options for every \$1 (one dollar) drawn over \$50,000):

Related Party Lender	Fixed number of Arthur Phillip Options to be issued under Facility Agreement	Potential additional Arthur Phillip Options to be issued	Maximum number of Arthur Phillip Options issued under Facility Agreement
Richard Poole	10,000,000	43,000,000	53,000,000

- (c) the terms and conditions of the Arthur Phillip Options are set out in Schedule 3;
- (d) because the conversion price of the Arthur Phillip Facility into Arthur Phillip Conversion Shares is tied to the price of a Placement to be undertaken in the future, and the Placement price has not yet been

determined, the total number of Arthur Phillip Conversion Shares to be issued cannot yet be determined. However, the number of Arthur Phillip Conversion Shares to be issued will be calculated by dividing the amount of the Arthur Phillip Facility drawn down by the Placement price. The maximum number of Arthur Phillip Conversion Shares to be issued if the floor price of \$0.01 applies is 48,000,000. The table below shows the potential number of Arthur Phillip Conversion Shares to be issued on conversion of the Arthur Phillip Facility for a range of Placement prices.

Related Party Lender	Placement Price	Maximum number of Arthur Phillip Conversion Shares to be issued under the Arthur Phillip Facility if fully drawn
Richard Poole	\$0.010	48,000,000
	\$0.015	32,000,000
	\$0.020	24,000,000

- (e) the Arthur Phillip Facility will be entered into within one (1) month from the Meeting;
- (f) the Securities will be issued in accordance with the Arthur Phillip Facility and may be later than one (1) month from the Meeting in accordance with Listing Rule 10.12 exception 7;
- (g) the purpose of the issue of the Arthur Phillip Conversion Shares is to satisfy the Company's obligations under the Arthur Phillip Facility which will convert into the Arthur Phillip Conversion Shares;
- (h) the Arthur Phillip Options are being issued as consideration from the Company to Arthur Phillip under the Arthur Phillip Facility;
- (i) the Securities are being issued under the Arthur Phillip Facility. A summary of the material terms of the Facility Agreement is set out in Schedule 2 ;
- (j) as consideration for the Arthur Phillip Facility, the Company will receive up to \$480,000 to be utilised for immediate expenses and working capital; and
- (k) a voting exclusion statement is included in Resolution 2 of the Notice.

3.6 Substantial Holder

As outlined in Section 3.6, Arthur Phillip has the potential to be issued up to 53,000,000 Arthur Phillip Options and 48,000,000 Arthur Phillip Conversion Shares from the Arthur Phillip Facility. In the event that the Arthur Phillip Options are exercised into Shares and the outstanding facility amount under the Arthur Phillip Facility are converted into Arthur Phillip Conversion Shares, this would result in 101,000,000 Shares being issued to Arthur Phillip.

Arthur Phillip, at the time of this Notice, has a relevant interest in 67,987,302 Shares or 13.6%. If 101,000,000 Shares are issued to Arthur Phillip under the Arthur Phillip Facility, this will result in Arthur Phillip having a relevant interest in 168,987,302 Shares. Assuming no Shares are issued to Viaticus or any other shareholder in this time, this would result in Arthur Phillip's voting power increasing to 28.1%. We note there is a restriction contained in the terms of the Arthur Phillip Options that Arthur Phillip may not exercise Arthur Phillip Options into Shares where it would breach section 606(1) of the Corporations Act. Consequently, Arthur Phillip may be restricted on when they can exercise Arthur Phillip Options, without obtaining a further shareholder approval.

GLOSSARY

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Resources & Energy Group Limited (ACN 110 005 822).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Facility Agreement has the meaning given to it in section 1 of the Explanatory Statement.

General Meeting or **Meeting** means the meeting convened by the Notice.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share with the terms and conditions set out in Schedule 3.

Optionholder means a holder of an Option.

Placement means an issuance by the Company of new Shares to investors who qualify under section 708 of the Corporations Act 2001 (Cth).

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Securities means equity in the Company, including Shares and Options.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

SCHEDULE 1 – FACILITY AGREEMENT SUMMARY WITH VIATICUS

The material terms of the Facility Agreement are summarised below:

Facility Amount	\$120,000 (including allowance for capitalised interest and costs)
Term	12 months
Interest rate	10% per annum, minimum of 6 months interest on full facility amount. Interest will be capitalised and compounded monthly
Line fee	2%, capitalised on inception of facility
Draw downs	In amounts of no more than \$20,000 per draw
Drawdown conditions	Viaticus must approve the proposed use of funds
Use of funds	General working capital to continue work on gold mining operations
Security	Subject to obtaining any required shareholder approval or waiver from ASX, an equal ranking charge with Arthur Phillip over assets of Menzies Goldfield Pty Limited to the limit of the Facility Amount and capitalised costs.
Conversion	The outstanding Facility Amount may be converted into shares in REZ at the election of Viaticus in the event REZ completes a placement or equity issue for a minimum capital raise of \$0.01 per Share, the Shares will be issued at that price, subject to a conversion notice being provided by Viaticus to REZ, REZ completing a shareholder meeting and receiving shareholder approval to issue the Shares to Viaticus.
Options	Subject to any required shareholder approval REZ shall issue to Viaticus or its nominee 2,500,000 Options to acquire a fully paid ordinary share exercisable at 1.2c (\$0.012) per share on or before 1 November 2027 and an additional 100 Options (issued on the same terms) for every one dollar drawn over \$50,000.
Options Offset	The Company and Viaticus acknowledge that Viaticus may direct the Company to apply any outstanding principal and/or interest under the Facility towards the exercise price of the Options (Offset Exercise). In the event that Viaticus directs the Company to proceed with an Offset Exercise, then the outstanding Facility amount and any outstanding interest will be reduced by an equivalent amount as the amount applied to the exercise of the Options.

SCHEDULE 2 – FACILITY AGREEMENT SUMMARY WITH ARTHUR PHILLIP

The material terms of the Facility Agreement are summarised below:

Facility Amount	\$480,000 (including allowance for capitalised interest and costs)
Term	12 months
Interest rate	10% per annum, minimum of 6 months interest on full facility amount. Interest will be capitalised and compounded monthly
Line fee	2%, capitalised on inception of facility
Draw downs	In amounts of no more than \$80,000 per draw
Drawdown conditions	Arthur Phillip must approve the proposed use of funds
Use of funds	General working capital to continue work on gold mining operations
Security	Subject to obtaining any required shareholder approval or waiver from ASX, an equal ranking charge with Viaticus over assets of Menzies Goldfield Pty Limited to the limit of the Facility Amount and capitalised costs.
Conversion	The outstanding Facility Amount may be converted into Shares in REZ at the election of Arthur Phillip in the event REZ completes a placement or equity issue for a minimum capital raise of \$0.01 per Share, the Shares will be issued at that price, subject to a conversion notice being provided by Arthur Phillip to REZ, REZ completing a shareholder meeting and receiving shareholder approval to issue the Shares to Arthur Phillip.
Options	Subject to any required shareholder approval, REZ shall issue 10,000,000 Options to Arthur Phillip or its nominee to acquire a fully paid ordinary share exercisable at 1.2c (\$0.012) per share on or before 1 November 2027 and an additional 100 Options (issued on the same terms) for every one dollar drawn over \$50,000.
Options Offset	The Company and Viaticus acknowledge that Arthur Phillip may direct the Company to apply any outstanding principal and/or interest under the Facility towards the exercise price of the Options (Offset Exercise). In the event that Arthur Phillip directs the Company to proceed with an Offset Exercise, then the outstanding Facility amount and any outstanding interest will be reduced by an equivalent amount as the amount applied to the exercise of the Options.

SCHEDULE 3 - TERMS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.012 (1.2 cents) (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 1 November 2027 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Exercise of Options**

The exercise of each Option is subject to compliance with the Corporations Act, including, without limitation, Section 606(1) of the Corporations Act.

(f) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(g) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(h) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section

708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Your proxy voting instruction must be received by **09.30am (AEDT) on Sunday, 17 March 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

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