

QUARTERLY ACTIVITIES REPORT JUNE 2024

HIGHLIGHTS

- First gold pour expected this quarter at REZ's Maranoa, East Menzies Gold Project
 - REZ and Lamington Minerals establish a local mining presence in Menzies
 - Mining Proposal lodged with the Western Australian Department of Energy, Mines, Industry Regulation and Safety (DMIRS) with approval to mine expected imminently
 - Long-lead items for on-site gold processing have been ordered
 - A new Chief Geologist will be appointed to conduct a comprehensive resource analysis, aimed at increasing the gold resource and planning mining operations at other old gold mines within the company's extensive tenement holdings in the Menzies area
 - REZ raised \$1.512 million through a share placement which will be used primarily to support gold vat leaching production at the East Menzies Gold Project
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Resources & Energy Group Limited (ASX: REZ) (REZ or the Company), is pleased to provide its Quarterly Activities and Cash Flow Report for the period ending 30 June 2024, focusing on the commencement of operations at the Company's Maranoa gold mining project once approval is obtained. Successful gold mining and processing using the trial vat leach facility at Maranoa could pave the way for similar operations at other old gold mines on their tenements.

EAST MENZIES GOLD PROJECT

Post end of the quarter, REZ announced that following the [successful capital raising in May](#), the Company and Lamington Minerals Pty Limited (Lamington) lodged a Mining Proposal with The Western Australian Department of Energy, Mines, Industry Regulation and Safety (DMIRS) on 19 June 2024. The proposal covers a gold vat leach program with ore sourced from the Maranoa strike that was previously identified as an ideal shallow, high-grade gold target to support a vat leach campaign at the East Menzies Project. (refer [ASX Announcement 4 July 2024](#))

As set out in our [ASX Announcement on 24 October 2023](#) the campaign will initially target 5,000 tonnes of ore with a diluted grade of ~4.6gt/ Au. After establishing the economics of the process, REZ will develop a larger- scale vat leach campaign to treat additional shallow resources identified at the Maranoa (8,000 Oz) and Goodenough (43,000 Oz) gold deposits. REZ confirms that it is not aware of any new information or data in respect of this analysis that materially affects the information and all material assumptions and technical parameters under pinning the estimates continue to apply and have not materially changed.

PROGRAM OF WORKS

Since Lamington was engaged on the 1st of June, the company, with the assistance of the Sydney-based REZ team, has exceeded expectations by completing a series of keystone tasks in preparation for the upcoming mining program at Maranoa, including:

- Registration of Lamington Resources with DMIRS as Project Managers.
- Engagement of a qualified Registered Manager to oversee the REZ tenement package in Menzies.
- Implemented a robust site-wide OH&S policy.
- Engaged Digimaps to collate & produce detailed exploration, tenement, geological & tenement mapping for the overall project.
- Shortlisted & engaged Fremantle Metallurgy to complete detailed metallurgical test work on the target orebody.
- Identified and demarcated the proposed mining, processing, camp and transport routes.
- Lodged a detailed Mining Proposal and Mine Closure Plan with DMIRS.
- Sourced and purchased long lead items required for the program.
- Established preliminary contacts with local service providers & stakeholders
- Obtained quotes and shortlisted equipment suppliers.
- Commenced interviewing locally sourced staff and established a local presence in the town of Menzies.
- Engagement of a Kalgoorlie-based geologist to oversee and coordinate a detailed resource evaluation of the combined Menzies tenement package



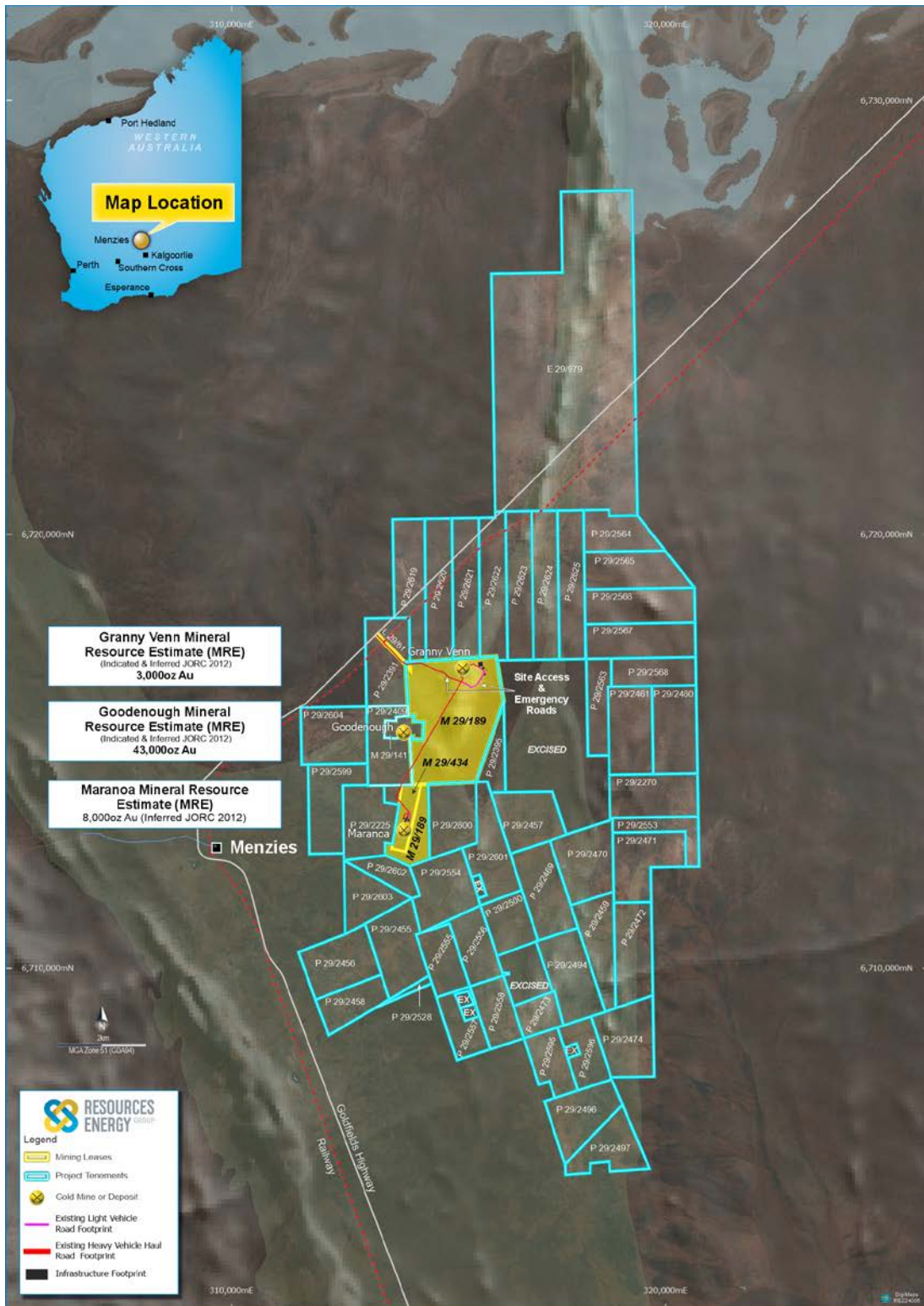


Figure 1: East Menzies Gold Project

MOUNT MACKENZIE GOLD AND SILVER PROJECT, QUEENSLAND

The Mount Mackenzie Gold Project is located 150km north west of Rockhampton, Queensland. The project includes a 28.4km² tenement package held by the Group.

Post the recent capital raising, the REZ Board reevaluated the benefits of continuing to hold the Mount Mackenzie prospect. The reevaluation concluded that with the current level of financial resources, the Company is now in a position to hold the Mount Mackenzie tenement package and will continue to seek full value for the prospect.

FINANCIAL COMMENTARY AND EXPENDITURE SUMMARY

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had \$1.059m in cash as of 30 June 2024 (31 March 2024: \$22,000). In April, REZ announced that it had received firm commitments from professional and sophisticated investors to raise \$1,488,000 (before costs) through a share placement which will strengthen its cash position. (refer [ASX Announcement 24 April 2024](#)). The issue was over subscribed and \$1,512,000 was raised.

Net cash outgoings from operating activities were \$144,000 (March 2024 quarter \$49,000). Net cash used in investing activities of \$331,000 (March 2024 quarter \$33,000) applied to exploration expenditure on East Menzies.

No cash amounts were paid to related parties of REZ and their associates for directors remuneration and expenses, as per item 6.1 of the Appendix 5B. As approved by shareholders at a meeting held on 24 June 2024, outstanding directors fees of \$250,000 were approved to be settled via the issue of 20,8333,333 ordinary shares.

-Ends-

Released with the authority of the Board.

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

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ABOUT RESOURCES AND ENERGY GROUP

Resources and Energy Group Limited (ASX: REZ) is an ASX-listed mineral resources explorer and miner, with projects located in premier mining jurisdictions in Western Australia and Queensland. **As of April 2023, the Company has gold and silver resources of 183k oz/au and 862k oz/au ag:** refer to Table below and Schedule of Tenements.

Deposit	Material	Cut-off (gt/Au)	Indicated				Inferred					Indicated and Inferred					
			Tonnes (kt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)	Tonnes (kt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)	Tonnes (kt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
Mount Mackenzie ⁽¹⁾	Oxide	0.35	500	1.09	8	18	136	700	0.96	4	21	87	1200	1.02	6	39	223
	Primary	0.55	1200	1.25	13	48	482	1030	1.28	5	42	157	2220	1.27	9	90	639
Goodenough ⁽²⁾	Primary	1	634	1.84		38		82	1.99		5.2		716	2.07		43	
Granny Venn ⁽³⁾	Primary	1	134	2.03		9		41	2.14		2.9		175	2.1		12	
Maranoa ⁽⁴⁾	Primary	1						46			8	8.05	46	5.7		8	
Total			2468			113	618	1899			79	252	4357			192	862

Resources and Energy Group Resources

(1), (2) (4) Refer to ASX releases made on 26 February 2016, 21 June 2016 and 19 May 2020 concerning the Mt Mackenzie Resource and 11 June 2020, 3 November 2020, 14 January 2021, 22 March 2021 and 4 May 2021 concerning Menzies. (3) Depleted for Mining Activity at GVCB

In Western Australia, the Company's flagship is the **East Menzies project (EMP)**, situated 130km north of Kalgoorlie. The EMP represents a 108km² package of contiguous mining, exploration, and prospecting licenses which are prospective for precious metals, nickel, and other technology metals. The tenements are located within a significant orogenic lode gold province.

The EMP currently encompasses seven operational areas, including the **Gigante Grande Gold** prospect on the east side project area, which has been subdivided into three geographical domains (North, Central and South. In the southwest, drilling investigations at **Springfield** have intersected magmatic Ni sulphides. This is a significant and material exploration result that has opened a large tract of prospective ground for nickel, cobalt, copper, and platinum group elements. In the central west, the Company is investigating opportunities for mining operations in M29/189 Granny Venn, **M29/141 Goodenough, and M29/427 Maranoa.**

In the north exploration planning is underway to investigate the Venn Springfield corridor, from the northern end of the Granny Venn Open Pit to the Cock Robin prospect located in E29/929.

Tenement Schedule @ 30 June 2024

State	Tenement	Holder	Area (Ha)	Grant	Expiry	Rent (\$)	Committ (\$)
WA	P29/2225	MGFPL	79	05-Sep-12	04-Sep-20	240	3200
WA	P29/2270 ⁽¹⁾	MGFPL	196	23-Apr-13	22-Apr-21	588	7840
WA	P29/2455	MGFPL	194	01-Feb-19	01-Jan-23	582	7760
WA	P29/2456	MGFPL	188	01-Feb-19	31-Jan-23	564	7520
WA	P29/2457	MGFPL	168	01-Feb-19	31-Jan-23	504	6720
WA	P29/2458	MGFPL	116	01-Feb-19	31-Jan-23	348	4640
WA	P29/2459	MGFPL	162	01-Feb-19	31-Jan-23	486	6480
WA	P29/2460	MGFPL	200	01-Feb-19	31-Jan-23	600	8000
WA	P29/2461	MGFPL	200	01-Feb-19	31-Jan-23	600	8000
WA	P29/2528	MGFPL	14	25-Oct-19	24-Oct-23	42	2000
WA	P29/2474	MGFPL	198	13-Mar-20	12-Mar-24	594	7920
WA	P29/2469	MGFPL	198	25-Mar-20	24-Mar-24	594	7920
WA	P29/2497	MGFPL	149	26-Mar-20	25-Mar-24	447	5960
WA	P29/2472	MGFPL	192	26-Mar-20	25-Mar-24	576	7680
WA	P29/2473	MGFPL	77	26-Mar-20	25-Mar-24	231	3080
WA	P29/2496	MGFPL	175	26-Mar-20	25-Mar-24	528	7040
WA	P29/2500	MGFPL	121	26-Mar-20	25-Mar-24	363	4840
WA	P29/2471	MGFPL	200	15-Jun-20	14-Jun-24	600	8000
WA	P29/2492	MGFPL	10	15-Jun-20	14-Jun-24	29.5	2000
WA	P29/2494	MGFPL	199	15-Jun-20	14-Jun-24	597	7960
WA	P29/2470	MGFPL	198	17-Jul-19	16-Jul-24	594	7920
WA	P29/2553	MGFPL	88	16-Nov-20	15-Nov-24	267	3560
WA	P29/2554	MGFPL	197	16-Nov-20	15-Nov-24	591	7880
WA	P29/2555	MGFPL	120	16-Nov-20	15-Nov-24	363	4840
WA	P29/2556	MGFPL	134	16-Nov-20	15-Nov-24	402	5360
WA	P29/2557	MGFPL	100	16-Nov-20	15-Nov-24	303	4040
WA	P29/2558	MGFPL	120	16-Nov-20	15-Nov-24	363	4840
WA	P29/2567	MGFPL	197	17-Nov-20	16-Nov-24	591	7880
WA	P29/2564	MGFPL	132	17-Nov-20	16-Nov-24	399	5320
WA	P29/2568	MGFPL	123	17-Nov-20	16-Nov-24	369	4920
WA	P29/2565	MGFPL	184	17-Nov-20	16-Nov-24	555	7400
WA	P29/2566	MGFPL	197	17-Nov-20	16-Nov-24	594	7920
WA	P29/2563	MGFPL	112	18-Nov-20	17-Nov-24	339	4520
WA	P29/2391	MGFPL	193	03-Apr-17	02-Apr-25	579	7720
WA	P29/2395	MGFPL	70	20-Apr-17	19-Apr-25	210	2800
WA	P29/2601	MGFPL	183	19-May-21	19-May-25	550	7338
WA	P29/2600	MGFPL	167	19-May-21	19-May-25	501	6676
WA	P29/2602	MGFPL	76	19-May-21	19-May-25	228	3034
WA	P29/2604	MGFPL	195	19-May-21	19-May-25	585	7797
WA	P29/2408	MGFPL	179	03-Jul-17	02-Jul-25	537	7160
WA	P29/2409	MGFPL	176	29-Sep-17	28-Sep-25	528	7040
WA	P29/2595	MGFPL	111	04-Nov-21	04-Nov-25	333	4439
WA	P29/2596	MGFPL	114	04-Nov-21	04-Nov-25	341	4541
WA	P29/2619	MGFPL	199	05-Nov-21	05-Nov-25	597	7959
WA	P29/2623	MGFPL	200	05-Nov-21	05-Nov-25	599	7984
WA	P29/2625	MGFPL	199	05-Nov-21	05-Nov-25	598	7977
WA	P29/2621	MGFPL	195	05-Nov-21	05-Nov-25	586	7818
WA	P29/2620	MGFPL	197	05-Nov-21	05-Nov-25	590	7862
WA	P29/2622	MGFPL	199	05-Nov-21	05-Nov-25	597	7956
WA	P29/2624	MGFPL	200	05-Nov-21	05-Nov-25	599	7984
WA	P29/2599	MGFPL	185	16-Nov-21	16-Nov-25	555	7401
WA	E29/0979	MGFPL	2000	24-Feb-17	23-Feb-27	2275	30000
WA	M29/0141	MGFPL	38	01-Aug-91	31-Jul-33	780	10000
WA	M29/0427	MGFPL	57	12-Feb-19	11-Feb-40	1140	10000
WA	M29/0189	MGFPL	526	16-Oct-98	15-Oct-40	10540	52700
WA	L29/0061	MGFPL	5	01-Apr-99	31-Mar-41	89.5	0
QLD	MDL2008	MMGMPL	1200	01-Nov-19	1-Nov-24	28540	NA
QLD	EPM10006	MMGMPL	1500	01-Mar-94	1-Mar-23	855	NA

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Resources & Energy Group Limited

ABN

12 110 005 822

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows	Current quarter (3 months) \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(185)
(b) development		
(c) production		
(d) staff costs	(24)	(118)
(e) administration and corporate costs	(120)	(340)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(144)	(643)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	-	-
(c) property, plant and equipment	-	(2)
(d) exploration & evaluation	(331)	(512)
(e) investments		
(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(331)	(514)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,512	1,512
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	1,512	1,512

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	22	704
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(144)	(643)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(331)	(514)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,512	1,512

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	1,059	1,059

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,059	22
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,059	22

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		600,000
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	<p>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 (Facilities), being:</p> <ul style="list-style-type: none"> • a A\$120,000 facility with Viaticus Capital Pty Ltd, an entity which is owned and controlled by Director Gavin Rezos; and • a A\$480,000 facility with Arthur Phillip Pty Limited, an entity which is owned and controlled by Director Richard Poole, <p>The Facilities have 12-month terms with commercial conditions as set out in the annexure to the 22 November 2023 release to ASX. On 19 March 2024 a general meeting of shareholders approved the Facilities.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(144)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(331)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(475)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,059
8.5	Unused finance facilities available at quarter end (item 7.5)	600
8.6	Total available funding (item 8.4 + item 8.5)	1,659
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.5
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2024

Authorised by: By order of the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.