

QUARTERLY ACTIVITIES REPORT MARCH 2025

HIGHLIGHTS

East Menzies Gold Project, WA

- Successfully completed the first gold doré pour from the maiden vat leach trial at the East Menzies Gold Project, with the resulting gold doré transported to the Perth Mint for refining and sale.
- Trial confirms effectiveness of vat leaching as a gold recovery method and provides confidence in the scalability of the operation.
- REZ submitted a second mining proposal to the WA Department of Mines, Industry Regulation and Safety (DMIRS) for an expanded vat leach operation, including eight additional vats and processing of up to 40,000 tonnes of material from Maranoa deposit.
- Timing of this pour aligns with record-high gold prices, enhancing REZ's near-term cash flow generation potential.
- The East Menzies project is well-positioned for growth, with a strong pipeline of high-grade gold deposits and significant expansion opportunities.

Mount Mackenzie Project, Qld

- Completion of Mount Mackenzie Project sale to QMines Limited (ASX:QML) post quarter-end, securing \$1 million in cash proceeds and 33 million QML shares.
- \$900,000 cash to be received, adding to the \$100,000 deposit already paid.
- Strengthened REZ balance sheet to support expansion at East Menzies Gold Project.
- REZ retains exposure to Mount Mackenzie's future development through strategic shareholding in QMines.
- Divestment sharpens REZ's strategic focus on Western Australia and gold production growth.

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 31 March 2025.

EAST MENZIES GOLD PROJECT

In February, REZ successfully completed our first gold doré pour from the trial vat leach program at the East Menzies Gold Project, following the scheduled carbon strip on 1 February 2025 in Kalgoorlie. (Refer [ASX Announcement 5 February 2025](#).)

The first gold doré pour marks a transformational milestone for REZ, validating the effectiveness of our vat leach process and confirming our capacity to generate near-term cash flow. This successful trial has provided us with the confidence to progress with an expanded mining and processing program at East Menzies. REZ is already advancing plans to scale up operations, positioning the Company for sustained growth. Supported by strong gold prices and an optimised production model, REZ is entering an exciting new development and value creation phase.

In October 2024, the Company reached a major milestone with the recommencement of gold mining and operations at East Menzies. (Refer [ASX Announcement 16 October 2024](#).) The Maranoa site had been identified as a critical contributor to the project's early stages. Thus, initial mining was focused on the Maranoa deposit, with plans to process 5,000 tonnes of hard rock material through newly constructed vat leach facilities. In January 2025, REZ announced that carbon recovered from the trial vat leach program had been transported to Kalgoorlie, paving the way for the extraction of contained gold. (Refer to [ASX Announcement 31 January 2025](#).) The successful completion of this process marked a significant step in demonstrating the viability of the trial vat leach operation.

COMMISSIONING OF A MINING AND PROCESSING PROGRAM

- **Structured Program Underway:** Following the successful vat leach trial, REZ is advancing the commissioning of a structured mining and processing program at East Menzies.
- **Application for Expansion Submitted:** To support accelerated growth, the Company has lodged an application with the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS) for eight additional vat leach dams, enabling the processing of up to 40,000 tonnes from the Maranoa deposit.
- **Transition to Gold Producer:** This expansion marks REZ's transition from trial phase to a scalable, structured gold recovery operation and emerging gold producer.

STRATEGIC EXPANSION AND PRODUCTION GROWTH

- **Demonstrated Gold Recovery Success:** The trial vat leach process successfully recovered gold from the Maranoa deposit, validating this low-cost processing method.
- **Gold Doré Transported to Perth Mint:** Gold doré bars from this first pour were delivered to the Perth Mint for refining and sale.
- **Scaling Up Operations:** REZ's new DMIRS application represents a significant step forward in unlocking the full production potential of the consolidated East Menzies Project.



- **Sustained Production Strategy:** The Company continues to implement a stockpiling and batch processing model, ensuring consistent production while maintaining flexibility in refining and sales.



Figures 1-2: Dore bar in hand at Kalgoorlie Mill

EXPLORATION UPSIDE: GIGANTE GRANDE

Beyond near-term production, REZ's Gigante Grande prospect presents a potential company-defining gold discovery. The Company continues to refine its exploration model and sees multi-million-ounce potential at this prospect.

POSITIONING FOR LONG-TERM SUCCESS

The recommencement of mining operations at East Menzies follows the success of REZ's previous campaign at the Granny Venn deposit, which produced 8,700 Oz of gold from 130,000 tonnes of ore and generated \$23 million in revenue despite lower gold prices at that time (~AUD 2600/oz). The current high gold price environment and adoption of the low-cost vat leach process place REZ in a solid position to capitalise on rising market conditions and optimise production costs.

This first gold dore pour sets the foundation for ongoing production growth, with REZ well-positioned to scale its operations across the consolidated East Menzies tenement package. Following this initial phase, REZ plans to expand mining operations to other key targets within the East Menzies tenement area, including the Goodenough and Granny Venn deposits. With a robust pipeline of projects, REZ is well-positioned to deliver long-term value to its shareholders through continued exploration and production, including plans to upgrade processing to a CIL plant onsite.

The Company remains committed to unlocking the full potential of its assets while driving shareholder value through scalable, cost-effective gold production.

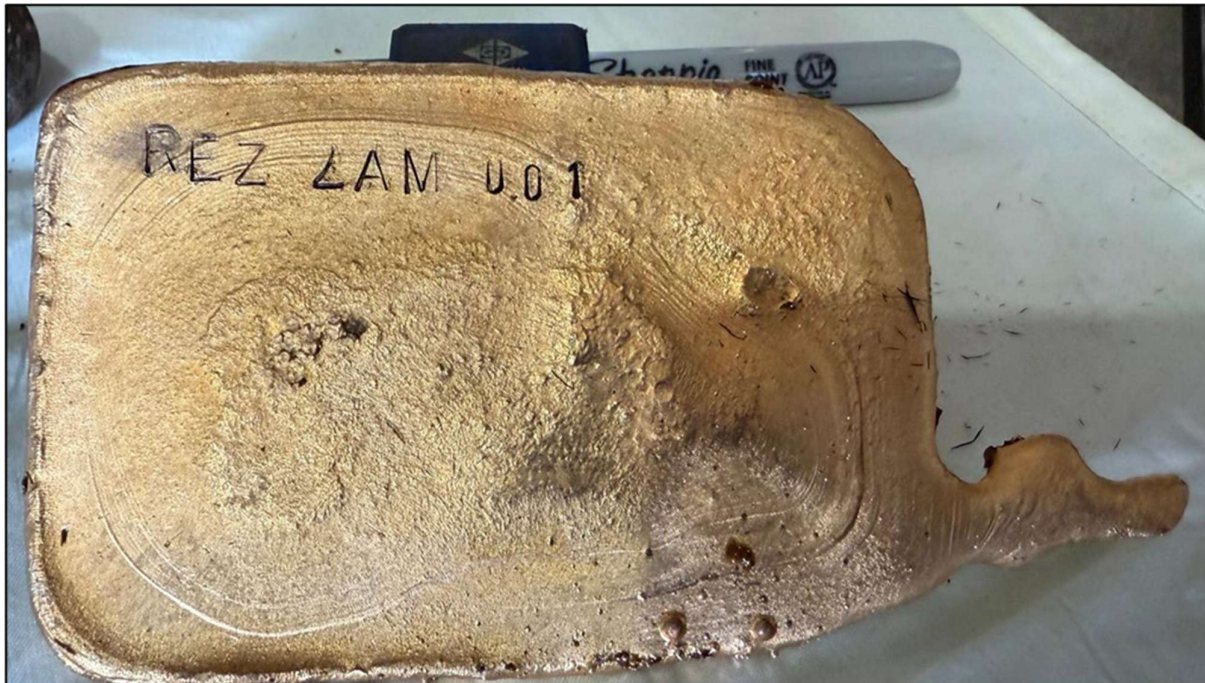


Figure 4: REZ and Operators Lamington Minerals Dore bar at Kalgoorlie Mill

MOUNT MACKENZIE GOLD PROJECT, QUEENSLAND

Post-end quarter, REZ announced the sale of its Mount Mackenzie Gold Project in Queensland to QMiner Limited (ASX: QML) (Refer ASX Announcements dated [15 April 2025](#) and [28 April 2025](#)). 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.

Under the transaction terms, REZ will receive \$1,000,000 cash consideration, comprising:

- \$100,000 non-refundable deposit (received during April); and
- a further \$900,000 will be received following completion in the coming weeks.

In addition to the cash proceeds, REZ has also been issued 33 million fully paid ordinary shares in QMines, subject to a 12-month voluntary escrow period. The total consideration for the transaction was approximately \$2.485 million, enhancing REZ's balance sheet strength.

The divestment of Mount Mackenzie aligns with REZ's strategic focus on expanding operations at its flagship East Menzies Gold Project in Western Australia. Proceeds from the sale will support ongoing exploration and production activities at East Menzies, where the Company is actively ramping up gold recovery operations following the successful vat leach trial.

STRATEGIC ALIGNMENT FOR BOTH PARTIES

The transaction represents a strong strategic fit for both companies.

For QMines, the acquisition complements its flagship Mt Chalmers Project and consolidates its position as a leading Queensland-focused gold and copper explorer. Mount Mackenzie enhances QML's exposure to advanced-stage gold assets in a proven mineral province and provides the opportunity to unlock further value through development.

REZ, meanwhile, continues to sharpen its strategic focus exclusively on Western Australia. The divestment enables REZ to channel its full attention and resources into unlocking the value of its high-grade East Menzies Gold Project, where recent exploration success has highlighted substantial upside potential. Proceeds from the divestment will strengthen REZ's balance sheet, enabling the Company to ramp up drilling, progress feasibility work, and pursue new growth opportunities.

NEXT STEPS

The parties will work towards satisfying the conditions precedent, with completion expected within 10 business days following the satisfaction or waiver of all conditions.

Following completion, REZ will become a major shareholder of QMines, which will be exposed to Mount Mackenzie's development.

FINANCIAL COMMENTARY AND EXPENDITURE SUMMARY

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had \$77,000 in cash as of 31 March 2025 (31 December 2024: \$222,000). Net cash outgoings from operating activities were \$69,000 (December 2024 quarter \$469,000). Net cash used in investing activities of \$75,000 (December 2024 quarter \$93,000) applied to exploration expenditure on East Menzies.

The current level of operating and investing outgoings is expected to continue during the June 2025 quarter. The Board continues to assess the need for further capital raisings and/or entering into a new standby loan facility, which had been previously provided by two of REZ's directors. The outcome of these considerations is dependant on the timing and amount of cash flows achieved from the Maranoa vat leech program. As discussed above the sale of the Mount Mackenzie Gold Project will also provide \$1 million in capital during the June 2025 quarter.

No amounts were paid in cash to related parties of REZ and their associates for directors remuneration and expenses, as per item 6.1 of the Appendix 5B.

-Ends-

Released with the authority of the Board.

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

CONTACT

J Daniel Moore

Chief Executive Officer

jdmoore@rezgroup.com.au

+61 475 916 919

Mark Flynn

Investor Relations

mflynn@rezgroup.com.au

+61 416 068 733

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.

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.

In October 2024, REZ reached a key milestone with recommencement of trial gold mining and production at the East Menzies, focusing initially on the Maranoa deposit. With approval from the Department of Mines, Industry Regulation and Safety (DMIRS), the Company processed 5,000 tonnes of hard rock material via a vat leach facility, with first gold pour achieved in February 2025.



FORWARD LOOKING STATEMENT

This Announcement may contain forward-looking statements which are identified by words such as 'may', 'could', 'should', 'believes', 'estimates', 'targets', 'expecting', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Announcement, are considered reasonable. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of the Company, the Directors, and the management. The Directors cannot and do not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this Announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

MINERAL RESOURCES

Project	Type	Cut off (g/t)	Indicated			Inferred			Total		
			Tonnes (kt)	Gold grade (g/t)	Gold metal (koz)	Tonnes (kt)	Gold grade (g/t)	Gold metal (koz)	Tonnes (kt)	Gold grade (g/t)	Gold metal (koz)
Menzies											
Goodenough	Open Cut	1.00	634	1.84	38.0	82	1.99	5.2	716	1.86	43.0
Granny Venn	Open Cut	1.00				41	2.14	2.9	41	2.14	2.9
Maranoa	Open Cut	1.00				46	5.70	8.0	46	5.70	8.0
			634	1.84	38.0	169	3.04	16.1	803	2.09	53.9

The above JORC Mineral Resource Estimates (MRE) for Granny Venn, Goodenough and Maranoa were previously confirmed by a Competent Person in the Company's 2024 Annual Report (page 16). The Company confirms that it is not aware of any new information or data that materially affects the information and results included in that market announcement and that all material assumptions and technical parameters underpinning the MRE continue to apply and have not materially changed.

Refer also to ASX releases dated 11 June 2020, 3 November 2020, 14 January 2021, 22 March 2021 and 4 May 2021, depleted for subsequent mining activity at Granny Venn.

Mineral resources related to the Mount Mackenzie Gold Project that is subject to the sale process discussed above have been excluded.

TENEMENT SUMMARY

Tenements held by REZ or its wholly owned subsidiaries are listed in the table below. The table excludes the tenements held in respect of the Mount Mackenzie Gold Project in Queensland, MDL2008 and EPM10006, that are subject to the sale process discussed above.

Tenement Schedule 31 March 2025

Project	Status	Tenement	Location	Interest
Menzies	Granted	E 29/0979	WA	100%
Mount Menzies	Granted	L 29/0061	WA	100%
True Blue Road	Pending	L 29/0213	WA	100%
Good Enough	Granted	M 29/0141	WA	100%
Granny Venn	Granted	M 29/0189	WA	100%
Maranoa	Granted	M 29/0427	WA	100%
Menzies	Pending	M 29/0434	WA	100%
Menzies	Pending	M 29/0437	WA	100%
Menzies	Granted	P 29/2225	WA	100%
Menzies	Pending	P 29/2270	WA	100%
Menzies	Granted	P 29/2391	WA	100%
Menzies	Granted	P 29/2395	WA	100%
Menzies	Granted	P 29/2408	WA	100%
Menzies	Granted	P 29/2409	WA	100%
Menzies	Granted	P 29/2455	WA	100%
Menzies	Granted	P 29/2456	WA	100%
Menzies	Granted	P 29/2457	WA	100%
Menzies	Granted	P 29/2458	WA	100%
Menzies	Granted	P 29/2459	WA	100%
Menzies	Granted	P 29/2460	WA	100%
Menzies	Granted	P 29/2461	WA	100%
Menzies	Granted	P 29/2469	WA	100%
Menzies	Granted	P 29/2470	WA	100%
Menzies	Granted	P 29/2471	WA	100%
Menzies	Granted	P 29/2472	WA	100%
Menzies	Granted	P 29/2473	WA	100%
Menzies	Granted	P 29/2474	WA	100%
Menzies	Granted	P 29/2492	WA	100%
Menzies	Granted	P 29/2494	WA	100%
Menzies	Granted	P 29/2496	WA	100%
Menzies	Granted	P 29/2497	WA	100%
Menzies	Granted	P 29/2500	WA	100%
Menzies	Granted	P 29/2528	WA	100%
Menzies	Granted	P 29/2553	WA	100%
Menzies	Granted	P 29/2554	WA	100%
Menzies	Granted	P 29/2555	WA	100%
Menzies	Granted	P 29/2556	WA	100%
Menzies	Granted	P 29/2557	WA	100%
Menzies	Granted	P 29/2558	WA	100%
Menzies	Granted	P 29/2563	WA	100%
Menzies	Granted	P 29/2564	WA	100%

Project	Status	Tenement	Location	Interest
Menzies	Granted	P 29/2565	WA	100%
Menzies	Granted	P 29/2566	WA	100%
Menzies	Granted	P 29/2567	WA	100%
Menzies	Granted	P 29/2568	WA	100%
Menzies	Granted	P 29/2595	WA	100%
Menzies	Granted	P 29/2596	WA	100%
Menzies	Granted	P 29/2597	WA	100%
Menzies	Granted	P 29/2598	WA	100%
Menzies	Granted	P 29/2599	WA	100%
Menzies	Granted	P 29/2600	WA	100%
Menzies	Granted	P 29/2601	WA	100%
Menzies	Granted	P 29/2602	WA	100%
Menzies	Granted	P 29/2603	WA	100%
Menzies	Granted	P 29/2604	WA	100%
Menzies	Granted	P 29/2619	WA	100%
Menzies	Granted	P 29/2620	WA	100%
Menzies	Granted	P 29/2621	WA	100%
Menzies	Granted	P 29/2622	WA	100%
Menzies	Granted	P 29/2623	WA	100%
Menzies	Granted	P 29/2624	WA	100%
Menzies	Granted	P 29/2625	WA	100%
Pride of the Hills	Granted	P 29/2673	WA	100%

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")

31 March 2025

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	90	90
1.2	Payments for		
	(a) exploration & evaluation	-	(291)
	(b) development	-	-
	(c) production	(113)	(577)
	(d) staff costs	(17)	(77)
	(e) administration and corporate costs	(28)	(287)
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	(69)	(1,143)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(75)	(245)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (9 months) \$A'000
	(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	(75)	(245)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	450
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	-	(43)
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	-	407

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	222	1,059
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(69)	(1,143)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(75)	(170)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	407
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	77	77

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	77	77
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)	77	77

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.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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		-
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	69
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	75
8.3	Total relevant outgoings (item 8.1 + item 8.2)	144
8.4	Cash and cash equivalents at quarter end (item 4.6)	77
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	77
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.5
<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?	
Answer: The current level of outgoings is expected to continue during the June 2025 quarter as the company continues its trial program at the Maranoa site.		
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: The Board continues to assess the need for further capital raisings and/or entering into a new standby loan facility, which had been previously provided by two of the company's directors. The outcome of these considerations is dependent on the timing and amount of cash flows achieved from the Maranoa vat leech program during the period to June 2025.		
As released to ASX on 15 April 2025 REZ has entered into an agreement for the sale of its Mount Mackenzie asset, which is expected to result in total cash inflow of \$1 million during the June 2025 quarter, of which \$100,000 has been received during April 2025. In addition, further amounts are expected from the recovery and sale of gold at the Maranoa project.		
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: The Board is confident that current levels of support from existing shareholders, directors and other stakeholders will ensure its business objectives can be met.		
<i>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.</i>		





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 April 2025

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.
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