

Granny Venn T3 Set to Commence. Probe drilling intersects 12m@ 4.06gt/au from North End of Pit

Resources & Energy Group Limited (ASX: REZ or the Company) are pleased to provide an update for the Granny Venn Open Cut.

Highlights

- Preparations are underway for the third GV toll campaign with haulage commencing to Golden Mile Milling's Lakewood Plant
- ROM stocks of 56,000t @ 2.34gt/au for 4300oz of contained metal on site and ready for haulage
- Operations in the east cut back have reached the RL355m mark, with the final production flitches to RL350m expected to be completed over the coming week.
- Potential for resource extension at Granny Venn mine has been enhanced with high grade discoveries identified including **12m @ 4.06gt/au from 1.5m** in the north end of pit.
- Drilling investigations at Maranoa have commenced to follow up previously reported **1m@ 33.75gt/au⁽¹⁾** from 37m result and further investigate potential for open cut development
- REZ continuing to unlock Gigante Grande for Gold and Springfield for Nickel and other technology and precious metals

Discussion

Mining operations at Granny Venn have reached the 355mRL and are nearing completion. The final production flitches from 355mRL to 350mRL are expected to be completed over the coming week. Run of Mine stocks on site are estimated at approximately 56, 000t@2.34gt/au for 4300oz of contained metal, refer plates 1 and 2. An additional 14.9kt@0 .79gt/au of low grade and mineralised waste for 378oz of gold has also been stockpiled at site. Preparations are underway for the projects third tolling campaign, with haulage commencing to Golden Mile Milling's Lakewood plant.



Plate 1 Granny Venn ROM Ore Stocks as a 7th October 2022

(1) ASX Release 17th January 2022

The cutback at Granny Venn has been a very successful venture for the Company and its mining partner BM Mining Services, who have managed the development since commencement in late July 2021. Since that time mine operations have focused on three areas within the Granny Venn pit: the GV Ramp, GV North and GV East. To date approximately 49.5kt of production, primarily sourced from the GV Ramp and GV North cuts has been toll processed at Lakewood, with a reconciled head grade of 2.3gt au, and recovery of 90% for 3264oz au. Revenue from this gold production has largely funded operations. The current ROM stocks of 56kt have a claimed grade of 2.34gt au, however, this estimate is conservative, and the Company has a high expectation that this will be exceeded after milling and reconciliation.

With operations nearing completion, a program of probe drilling below the pit floor has also been carried out using the site blast hole rig. This area is not accessible for cut back mine operations due to end wall constraints but presents opportunity for a resource extension to the north. The occurrence of a high-grade gold system in the north end of the Granny Venn pit has previously been postulated by the Company after review of historical exploration. This view is not without foundation after visible gold was encountered in one of three cored holes (GVDD21-02) which were drilled in the north as part of pre-development exploration activities carried out in May 2021, plate 3.



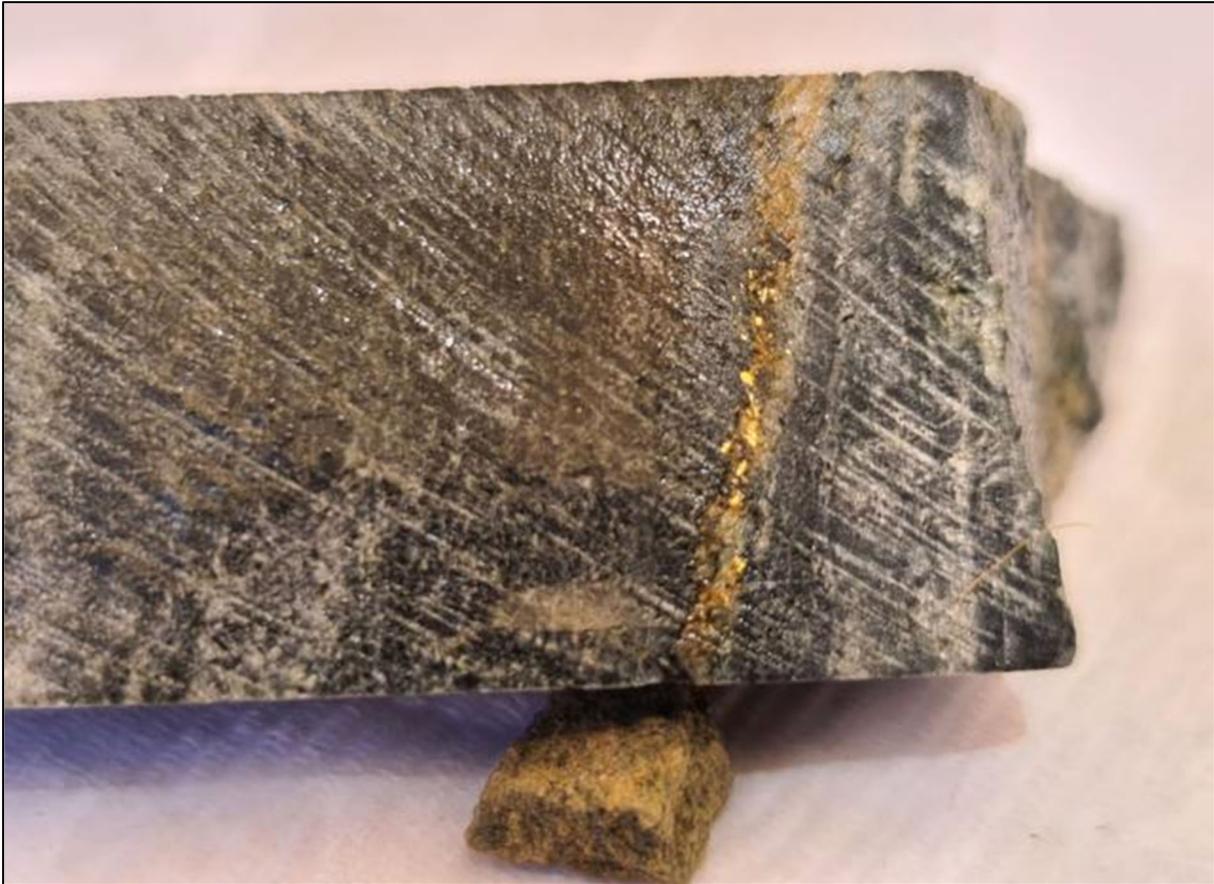
Granny Venn East Cut Back, 355RL Flitch Ore Production

Three of the probe holes drilled into the pit floor at RL360 intersected significant mineralisation in the north end of the Granny Venn, refer Table 1, and accompanying Appendix 1- JORC Table check List.

Hole Ref	TD (m)	Easting Mga Z51	Northing Mga Z51	RL	Azimuth (Mn)	Dip	From (m)	To (m)	Length (m)	Au (ppm)
GVE_360_probe11	15	315369.9	6717013.5	360.6	0	-90	0	10.5	10.5	1.95
GVE_360_probe12	15	315372.3	6717018.7	360.2	0	-90	0	12	12	3.01
GVE_360_probe13	15	315373.7	6717024.5	360.6	0	-90	1.5	12	10.5	4.06

Table 1 Granny Venn-Pit Floor Probe Drilling, Significant Results

The Company will be following these results up with a program of RC investigations which will target this area from surface.



GVDD21_02 from the interval 11.6 to 12.5 metres below pit floor

Additional drilling investigations are also being carried out to test the western highwall of the GV pit, and to follow up a previously reported high grade intersection at Maranoa ⁽¹⁾ (1m@ 33.75gt/au from 37m). The Maranoa is being investigated for potential near term open cut operations.

Commenting on the completion of the Granny Venn cut back REZ director Dan Moore said “this is great outcome for the Company, and a fantastic start to 2022, with revenue coming in from Granny Venn to support our exploration efforts across the East Menzies Goldfield. We have some exciting Magmatic Nickel prospects emerging at Springfield, whilst also maintaining our focus on gold exploration across the broader tenement package including the Gigante Grande, Maranoa, Granny Venn West, and Granny Venn North prospects”.

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). 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, 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 Gold project (EMGP),

situated 130km north of Kalgoorlie. The EMGP represents a +100km² package of contiguous mining, exploration, and prospecting licenses, which are located within a significant orogenic lode gold province figures 1 and 2.

For resource growth, the company's focus is presently exploring the eastern and southwestern sides of the project area (Gigante Grande and Springfield Prospects). On the western side of the project area studies to investigate opportunities for renewed mining operations in M29/189 Granny Venn, M29/141 Goodenough, and M29/427 Maranoa have commenced.

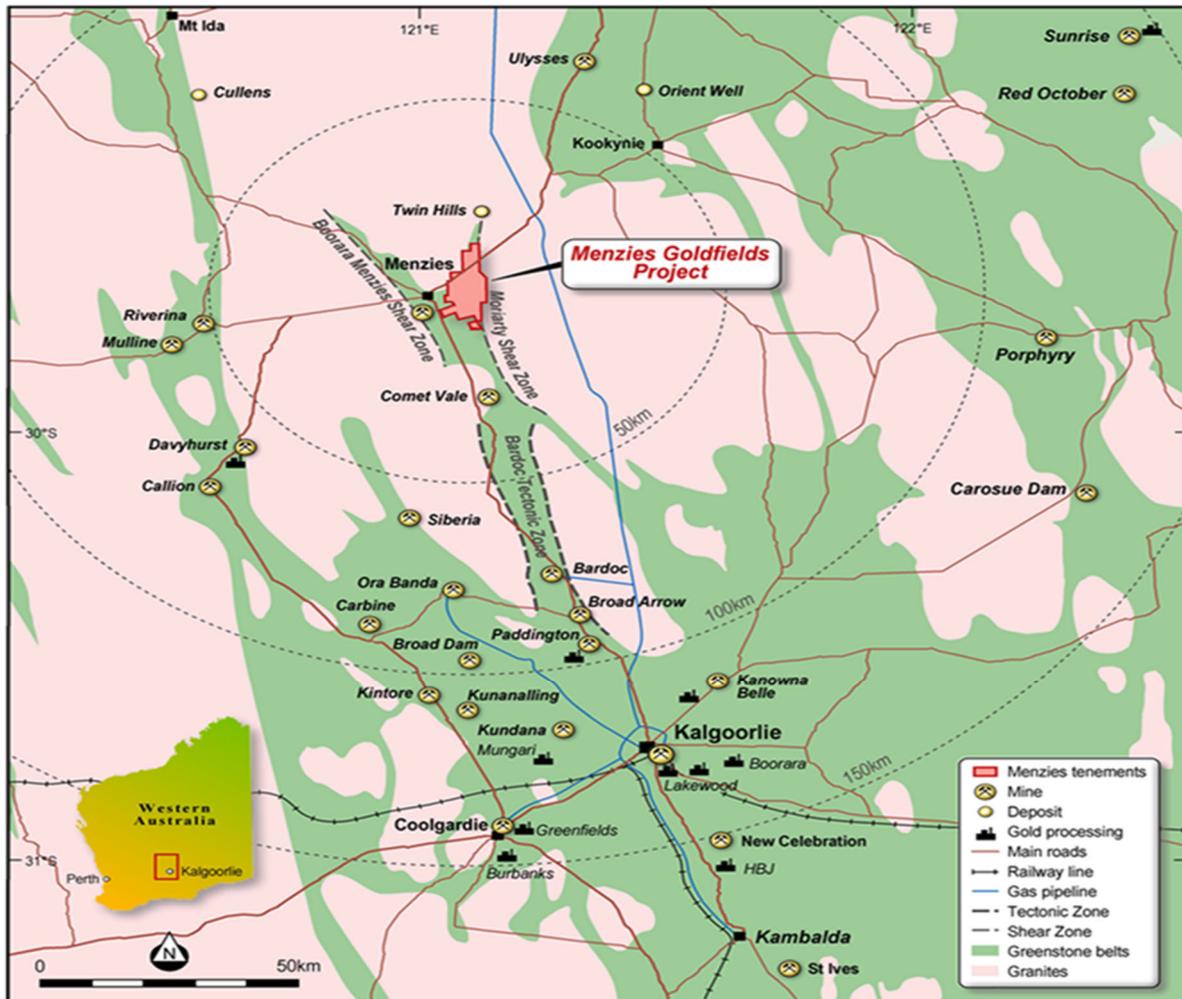


Figure 1 East Menzies Gold Project Regional Location Plan

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 metallurgical test program is currently underway to investigate processing options for primary mineralisation below the current resource extents.

Further information:

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Approved for Release by the REZ Board

Appendix 1 JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> 	<ul style="list-style-type: none"> The results are based on samples recovered from a probe drilling program using a blast hole drill.
	<ul style="list-style-type: none"> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> 	<ul style="list-style-type: none"> The samples were collected for every 1 meter from a cyclone fitted to the drill. A 1m primary sample was collected by hand. Samples were reported dry and free flowing.
	<ul style="list-style-type: none"> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> 	<ul style="list-style-type: none"> The report includes only drilling results from the north end of the Granny Venn Open pit.
	<ul style="list-style-type: none"> <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent</i> 	<ul style="list-style-type: none"> The sampling method are industry standard for grade control purposes in mining operations.

Criteria	JORC Code explanation	Commentary
	<i>sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • The exploration results are based on Rotary drilling using a face sampling percussion hammer. The bit used was 141mm.
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> 	<ul style="list-style-type: none"> • Recoveries for samples are visually assessed in the field and weighed and recorded at the laboratory. Results are uploaded into the database and sample weights were analysed as part of QAQC protocols.
	<ul style="list-style-type: none"> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> 	<ul style="list-style-type: none"> • Field procedures included checking the cyclone every sample to ensure no residue remained from the previously drilled interval. The cyclone and housing are also checked regularly and cleaned with compressed air. Each calico sample collected weighed on average 3kg.
	<ul style="list-style-type: none"> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • No relationship has been identified at this stage.
Logging	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource</i> 	<ul style="list-style-type: none"> • Samples have been geologically logged with alteration, colour, weathering, texture, mineralisation and main lithology reported.

Criteria	JORC Code explanation	Commentary
	<p><i>estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or co-stean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • Logging is qualitative and descriptive using look up tables. Chip trays for drilling are labeled and pulps and have been retained and stored for future reference. • 100% of the drilling has been logged and has lithological information present.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> 	<ul style="list-style-type: none"> • Not applicable.
	<ul style="list-style-type: none"> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> 	<ul style="list-style-type: none"> • A cyclone was used to obtain 1m sub samples with a weight of approximately 3kg. In the majority cases the sample has been classified dry. No overly wet sample intervals were encountered that would compromise the quality of the sample.
	<ul style="list-style-type: none"> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> 	<ul style="list-style-type: none"> • The field procedures adopted for drilling are industry standard, adequate and appropriate for grade control purposes After initial collection in the field all subsequent sample preparation is carried out in a laboratory, under controlled conditions and specified by the relevant standards.
	<ul style="list-style-type: none"> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> 	<ul style="list-style-type: none"> • The programme QAQC involved inserting Certified Reference Materials, blanks and collecting field duplicates samples per 10 metres drilled. CRM's were typically inserted in zones of interest.
	<ul style="list-style-type: none"> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> 	<ul style="list-style-type: none"> • Pre-numbered continuous Primary and Duplicate calico samples were collected every metre drilled. Blanks and CRMs were inserted every 10metres, with multiple grade ranges of appropriate matrix material selected for the CRMs. Laboratory procedures also include the use of certified reference samples and blanks for internal QA/QC assurance.
	<ul style="list-style-type: none"> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Sample sizes for the sampling were typically 3kg which is considered appropriate given nature of the material being sampled

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> 	<ul style="list-style-type: none"> The primary assay technique used was Fire Assay by ALS in Kalgoorlie, which is considered an appropriate assay technique.
	<ul style="list-style-type: none"> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> 	<ul style="list-style-type: none"> Not applicable, the results are not based on these instruments.
	<ul style="list-style-type: none"> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Datasets have been analysed, with no significant issues related to bias.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> 	<ul style="list-style-type: none"> All drilling intersections are verified by the Field Geologist, who has been present on site during the complete drilling process. The sampled intersections are also checked by the Supervising Geologist by reference to hole number, drilling depths, sample numbers, blanks and standards introduced into the sampling stream.
	<ul style="list-style-type: none"> 	<ul style="list-style-type: none">
	<ul style="list-style-type: none"> <i>The use of twinned holes.</i> 	<ul style="list-style-type: none"> No twin holes have been undertaken.
	<ul style="list-style-type: none"> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	<ul style="list-style-type: none"> The primary data was collected at the drill site as drilling progressed by the Field Geologist and Field Technician. The Field Geologist recorded all lithological logging data directly into digital format via a rugged computer. The sample data, including allocation of sample number to interval, sample quality/recovery data, and insertion of QA/QC samples was recorded on a field sheet by the Field

Criteria	JORC Code explanation	Commentary
		Technician and reviewed by the Field Geologist in the field. This data was later validated against assay files and checked by the Supervising Geologist. For recent drilling field sheets are kept on file and digital data backed up. The project data is stored in a MS access database on a cloud server.
	<ul style="list-style-type: none"> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • No adjustments have been made to the assay data.
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> 	<ul style="list-style-type: none"> • All drill collars were initially located in the field by hand-held GPS, a final relocation survey has been carried out using a dGPS by a qualified surveyor. The holes are very shallow and down hole surveys are not required
	<ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> 	<ul style="list-style-type: none"> • The grid system used is MGA94_51s.
	<ul style="list-style-type: none"> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Borehole level control has been reported to a accurate pit datum.
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • The holes are close spaced and typically less than 10m apart
	<ul style="list-style-type: none"> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied</i> 	<ul style="list-style-type: none"> • This is not applicable as a Mineral Resource or Ore Reserve is not being determined.
	<ul style="list-style-type: none"> • <i>Whether sample compositing has been applied</i> 	<ul style="list-style-type: none"> • Drill holes have not been composited.
Orientation of data in relation to	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which</i> 	<ul style="list-style-type: none"> • The drill holes are vertical. This orientation is reasonably perpendicular to interpreted structures which are believed to be mineralised.

Criteria	JORC Code explanation	Commentary
geological structure	<i>this is known, considering the deposit type.</i>	
	<ul style="list-style-type: none"> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> The selected orientation has minimized potential for introducing sampling bias.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> A chain of custody procedure was put in place. Samples were checked against the sample record sheet in the field prior to collection into sequentially numbered plastic bags. The plastic bags were sealed with cable ties before being secured along with sample submission sheets. The sample batches were loaded by the field team and transported directly to the Laboratory. Sample security measures for earlier drilling are not known. The sample batches were loaded by the field team and transported directly to the Laboratory by a 3rd party contractor. The receiving laboratory verified sample numbers against the sample submission sheet/manifest and confirmed receipt. After receipt, the samples were bar coded and tracked through the entire analytical process.
Audits or re-views	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> No audits have been undertaken.

Section 2 Reporting of Exploration Results

Criteria	IORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> 	<p>The results have been obtained from M29/189. This tenement is wholly owned by Resources and Energy Group through a purchase agreement completed in December 2018. The land, from which the Exploration Results have been derived does not encompass Strategic cropping lands, wilderness, or protected landscapes.</p>
	<ul style="list-style-type: none"> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> At the time of writing, the tenements are in good standing. There are no known impediments which would prohibit operations in accordance with the license conditions.
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Exploration over the tenements has been completed over a number of campaigns and years with significant contributions by Money Mining who discovered the Granny Venn deposit in 1997. In 2011 Data Geo re-examined the block model to determine the remnant mineralization in the pit. 2012 Dr D Gee completed a review and data compilation of the area on behalf of Resource Assets Pty Ltd. In 2014 Stratum Metals commissioned a HeliTem survey by Fugro Pty Ltd over the greater East Menzies Goldfield and an interpretation of results by Core Geophysics Pty Ltd. In 2015-2016 Menzies Goldfield Pty Ltd completed 2 programs of MMI sampling over the prospect area.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The Granny Venn open pit is located within an Archaean Geological Terrane, which is part of the Wiluna-Norseman Greenstone Belt-a significant Orogenic lode gold province. At a prospect scale

		the project consists mainly of granodiorite and ultramafic schist.
Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. 	<ul style="list-style-type: none"> • Co-ordinate locations, elevation, depth, dip, and azimuth of all drillholes is provided in the accompanying documentation.
	<ul style="list-style-type: none"> • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> • Only those drilling results which are relevant to the north part of the Granny Venn Pit have been included accompanying documentation. Results from other parts of the pit are not material.
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 	<ul style="list-style-type: none"> • The results presented in the release only include significant intercepts in the north end of the Granny Venn Pit. No cut -off grades have been applied.
	<ul style="list-style-type: none"> • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and 	<ul style="list-style-type: none"> • No cut off grades have been applied, the mineralized intervals are the weighted average of all 1m down the hole results.

	<p><i>some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Metal equivalents have not been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> 	
	<ul style="list-style-type: none"> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> 	<ul style="list-style-type: none"> It is not known at this stage, further drilling is required to understand this relationship
	<ul style="list-style-type: none"> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> All sample intervals have been reported as down hole lengths.
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Previously released documentation already includes plans showing specific areas of interest within the project area.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Comprehensive reporting of all material data has been adopted.
Other substantive	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported</i> 	<ul style="list-style-type: none"> A high resolution HeliTEM survey which highlights prospective structures and conductor anomalies within and adjacent to the project area has been completed by the previous operator. An output from

<p>exploration data</p>	<p><i>including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p>	<p>has been used for exploration planning.</p>
<p>Further work</p>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Recommendations for future work are contained within the announcement • Maps that show possible extensions to mineralization have been included in previously released documentation .