
Placement Raises \$2.7 million

Resources & Energy Group Limited (**ASX: REZ**) is pleased to announce it has completed a placement of 68 million ordinary shares to raise \$2.7 million. The placement was arranged with the assistance of Mr Omar Taheri, principal of Spark Plus, and REZ's Chairman Mr Gavin Rezos, via Viaticus Capital. The funds were raised from sophisticated and professional investors, including Magnolia Capital who were the cornerstone of the raising.

The placement follows an investor presentation by REZ via a virtual roadshow arranged by Spark Plus to potential investors in Singapore, Hong Kong and Australia. The presentation discussed the considerable progress that REZ has announced to ASX during the 2021 calendar year, including:

- commencement of gold production at the Menzies mine site via our joint venture with BMGS at the Granny Venn tenements;
- exploration and assessment of the gold resources at the Granny Venn mine; and
- recently identified reports that detailed sulphide ore deposits (VMS) on our tenements that were prepared BHP and CRA while they had interests in the region. These reports have been corroborated by multi-element assay analysis undertaken by REZ on our Springfield tenements (part of the Menzies region)¹. The analysis has provided indications of green metals including Nickel, Cobalt, Chromium, Copper, Molybdenum, Zinc, Platinum and Palladium.

The decision to undertake a placement at this time was made considering several factors. While we anticipate cash flow from our Menzies joint venture during the second quarter of this financial year, the Board of REZ decided it was appropriate to seek additional funds at this time. The funds will facilitate the continuance of exploration work of the Springfield tenements and other areas of the Menzies region. Planned activities include:

- BMGS will continue mining at Granny Venn. To date BMGS have reported recovery of 33,000 tonnes of ore, which has been sent to be processed at the nearby Lakewood Mill. All gold dore recovered has been delivered to the Perth Mint. Our initial campaign is targeting the recovery and processing of 120,000 tonnes of ore. If the current favourable results continue, we will consider extending the program;
- continuation of our gold exploration program at Gigante Grande;
- we will also allocate a budget to Springfield which needs geophysical survey work to unlock the potential within the VMS deposits; and

¹ Refer ASX release dated 2nd November 2021

- finally, at Mount Mackenzie in Queensland we have employed a mine engineer to run the administrative process to prepare the site for mining to commence

We would like to thank our long-term shareholders for their continuing support and welcome our new strategic shareholders and capital partners. We look forward to unlocking the value in our two unique and prospective projects.

Authorised for release by the Board.

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 as shown in Figure 1.

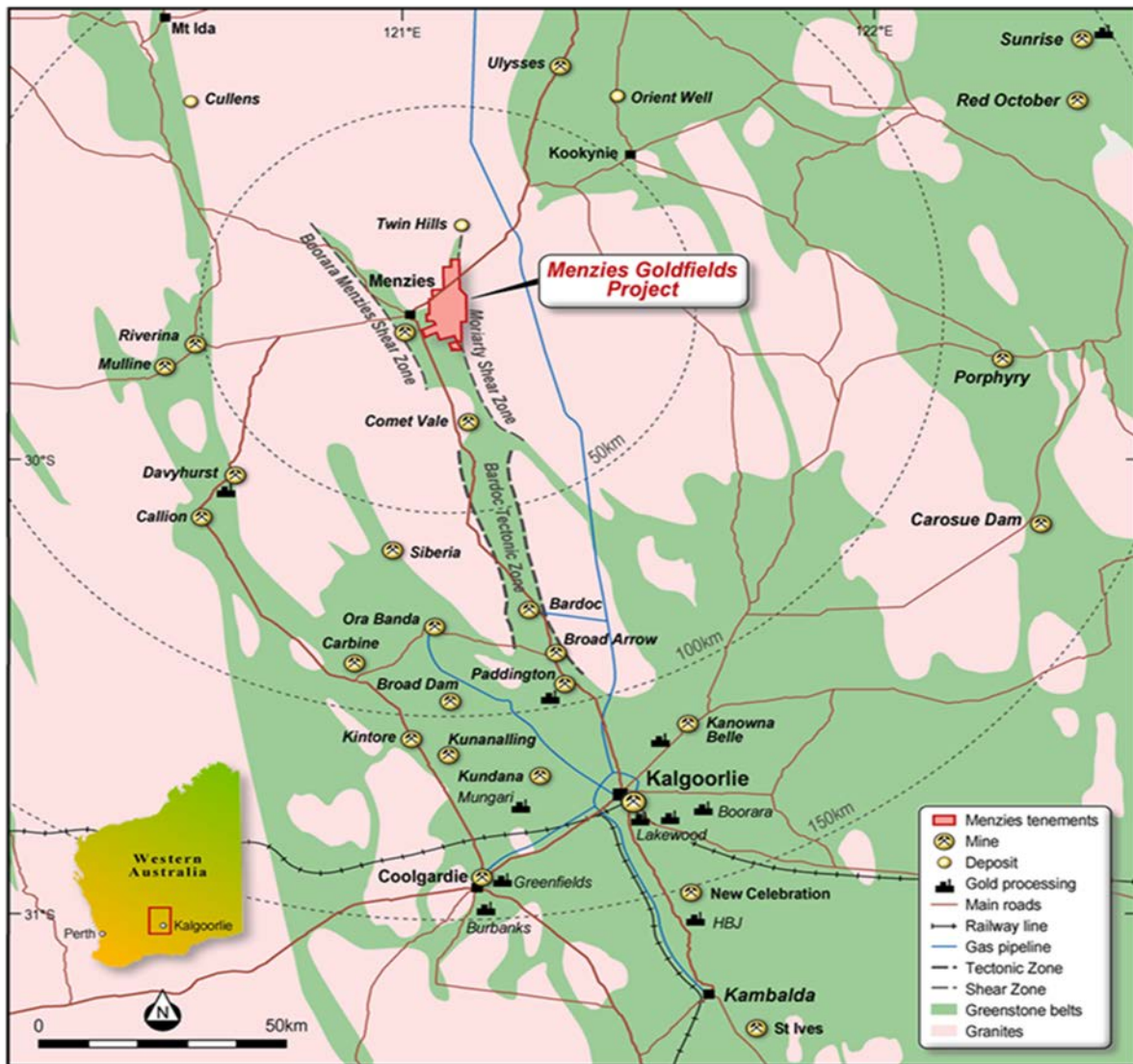


Figure 1 East Menzies Gold Project Regional Location Plan

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. Most recently the company completed grade control drilling within the Granny Venn open pit and has resumed mining operations at the Granny Venn Open Pit Gold Mine. As of End July 2021, the Company has combined gold and silver resources (JORC 2012) of 192k oz/au and 862k oz/au ag; as shown in Table 1.

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

Table 1 Gold and Silver Resource Summary

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.

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