RESOURCES & ENERGY
Resources & Energy Group Limited

ASX/Media Release *11th January 2022*

Magmatic Nickel Sulphides Confirmed at East Menzies Springfield Project

Resources & Energy Group Limited (ASX: REZ or the Company) report the outcome of a petrological and lithogeochemical study which was carried out on three drill holes (SFRC01, SFRC04 and SFRC05) selected from a suite of nine Reverse Circulation (RC) drill holes completed at the Springfield Prospect during 2021. On the basis of **mineralogy, geochemistry, and textural attributes, seven of the samples in two of the holes examined contained recrystallised Ni-Fe sulphides of primary magmatic origin.**

The confirmation of magmatic Ni-Fe sulphide mineralisation is a significant and material exploration result for the Springfield Project and the East Menzies Package in general. It allows for the possibility that the ultramafics and nearby lithologies may host larger accumulations of disseminated and massive Ni-Fe sulphides.

DISCUSSION

The Springfield area was identified by the Company following a review of historical exploration and gold mining activities. The documented occurrences of sulphides north of Springfield at Cepline, were also considered to be prospective features for the occurrence of magmatic nickel sulphides, volcanic exhalative nickel sulphides and base metals deposits. The company has targeted these occurrences rather than the shallow near-surface lateritic nickel deposits, which have been subject of previous investigation at East Menzies and elsewhere in the broader Menzies region.

The petrological studies were carried out on selected RC chip samples to follow up previously reported nickel, cobalt, chromium, zinc, copper, and molybdenum results obtained from the initial Springfield scout drilling program, refer figure 1 and ASX release dated 2-11-2021 for details. This work included the following peak down the hole assays:

- **SFRC01-1m @1.78% Ni, 0.21% Cr, 5% S, 269ppm Mo and 245ppm Cu from 98m.**
- **SFRC04-1m @ 0.5 % Ni, 0.19% Cr, 4.4% S, from 88m**
- **SFRC05-2m @ 1.02% Ni, 0.6% Cr, 0.4% Zn, from 29m and 2m @ 1.1 % Ni, 1% Cr, 0.49% S, 0.45% Zn, 0.07% Co from 36m, included within 9m @ 0.8 % Ni, 0.62% Cr, 0.31% Zn from 29m**

Complete results including assays, collar details and supporting JORC check list are presented in Appendix 1 and 2 respectively. At the time these results were reported by the Company, the form or mode of occurrence in which these metals were present was not known and required petrological assessment to understand the significance of the mineralised intervals. In this connection, the Company engaged a leading industry expert- Ben Grguric to evaluate the samples and provide an overall assessment of the prospectivity of the results, with focus on magmatic nickel mineralisation.

Some key observations from the petrographic work completed by Dr Grguric were the identification of Ni-Fe sulphides namely pentlandite, violarite, smythite and gersdorffite. These minerals were present either in the form of discrete grains and blebs and in one sample, SFRC01 98-99 m (assaying 1.78% Ni), in net-textures associated with pyrrhotite. These sulphides were hosted in komatiites, metapyroxenite and strongly-silicified komatiites (birbirites). Petrographic and selected geochemical details for the samples examined in the study are presented in Table 1, photomicrographs with mineralogy of selected polished thin sections are shown in Plates 1 and 2.

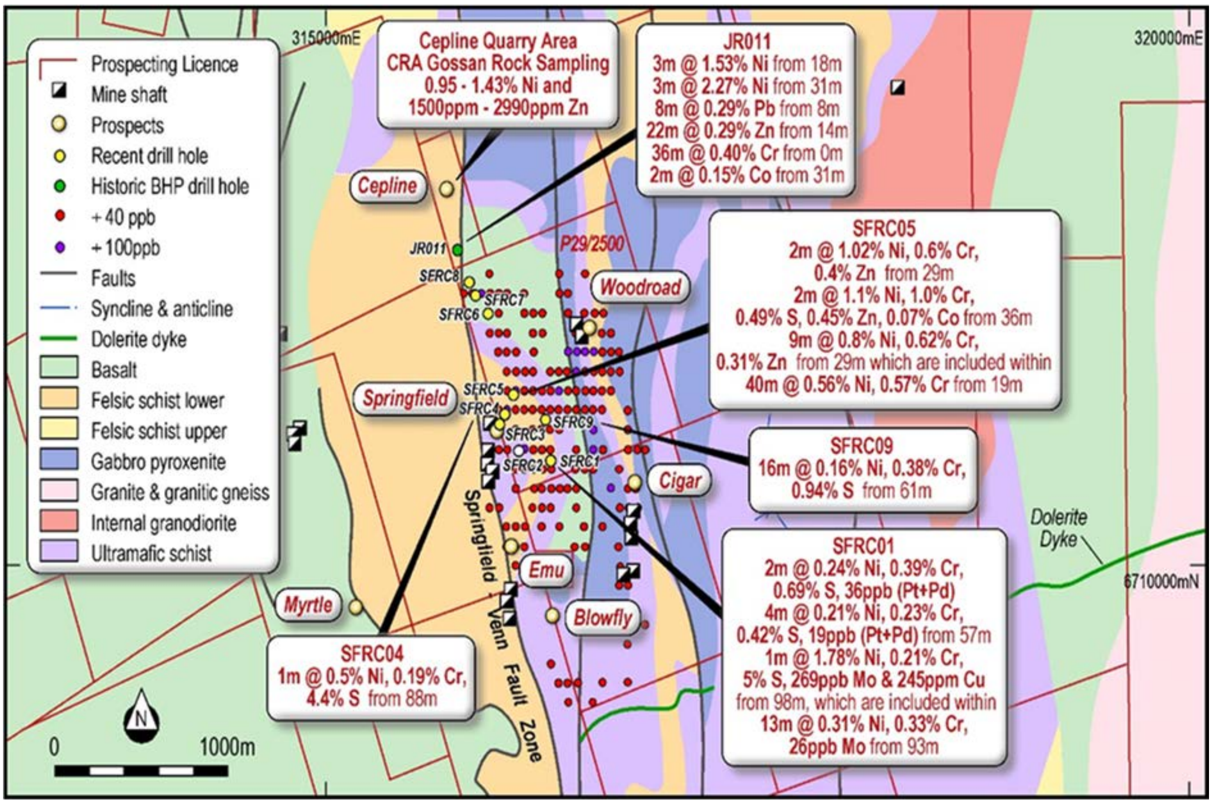

Figure 1 Drill Hole Location Plan-showing significant results

Pentlandite, is a nickel iron sulphide mineral and is a principal source of nickel; violarite and smythite are supergene nickel and iron sulphide minerals associated with the partial weathering and oxidation of primary pentlandite and other nickel sulphide minerals. Gersdorffite is a nickel arsenic sulphide mineral. Collectively, the identification of these minerals at Springfield indicates that the ultramafic rocks within the Project area may host larger accumulations of disseminated and massive Ni-Fe sulphides.

Table 1 Petrographic data and selected geochemistry for Springfield RC drill holes

Hole	From	To	Logging BG	MgO	Cr	S	As	Ni	Zn	Au	Pt	Pd	Ni Sulphides
	m	m		%	ppm	%	ppm	ppm	ppm	ppb	ppb	ppb	
SFRC01	34	35	birbirite	2.29	4851	1.31	4193	3296	124	54	21	19	
SFRC01	37	38	sulphidic chert	1.11	266	9.46	432	248	2166	179	3	3	
SFRC01	43	44	chert	0.98	86	1.82	174	171	445	112	1	2	
SFRC01	53	54	basalt	5.16	29	0.38	<0.5	35	140	1950	<1	<1	
SFRC01	65	66	birbirite	1.36	1299	4.75	4371	2078	43				**trace**
SFRC01	98	99	pyroxenite & birbirite	9.04	2134	5.43	8	17806	207	17	2	3	**YES**
SFRC01	104	105	komatiite	21.46	3354	0.31	2	1916	141	2	4	3	**YES**
SFRC01	134	135	birbirite										**trace**
SFRC04	58	59	birbirite	5.55	2998	4.31	1594	1914	58				**trace**
SFRC04	88	89	birbirite	5.74	1902	4.44	311	5048	39		1	1	**YES**
SFRC04	90	91	birbirite	11.69	3482	1.06	46	1745	53		3	3	**YES**
SFRC05	36	37	birbirite	11.61	15700	0.28	1765	12935	4566		20	22	
SFRC05	56	57	birbirite	14.48	4457	1.7	77	2050	65		5	4	
SFRC05	68	69	basalt	6.23	125	1.77	9	108	74		2	2	

Where assay data were available, platinum and palladium anomalism were found to be coincident, and it is concluded on the basis of mineralogy, geochemistry and textures that the referenced samples in Table 1 contained recrystallised Ni-Fe sulphides of primary magmatic origin. One sample, SFRC05 36-37m, was selected for petrography on the basis of its elevated Ni content (1.29%), refer Table 1. It was found to be extensively weathered to saprock/saprolite with no preserved sulphides. The elevated

Ni content in this sample may possibly be due to lateritic enrichment, however, it is noted that there is also anomalous Au and PGE geochemistry in this hole from 39m down the hole (8m@ 0.6% Ni, 0.31ppm Au and 42.5ppb (Pt+Pd) as well (Appendix 1). This suggests that there could be a component of magmatic Ni in the upper part of SFRC05 which has since been overprinted by surface weathering.

The three RC drill holes examined in the study represent points of observation over a strike length of approximately 600 m and allow for hypothesis that the same ultramafic units elsewhere in the Menzies package could be host to larger accumulations of magmatic Ni sulphides.

There has been a general although not unanimous view that the Ni-Fe sulphide potential of the Menzies area had been exhausted by previous exploration. However, these earlier investigations have been primarily focussed on lateritic resources. In a regional context, there are two notable exceptions where magmatic sulphides have been reported from interpreted strike extensions of the Menzies package by Ardea Resources at Ghost Rocks to the north, and the Highway Project to the south (Ardea Resources ASX announcement 30-9-2020). The confirmation of Ni-Fe sulphides at Springfield at shallow depths along a significant strike interval is an important and material exploration result. This observation provides a great boost to the prospectivity of the Springfield Project and the East Menzies package overall.

NEXT STEPS

The Company is awaiting receipt of multi-element and gold/platinum group element assays from the December 2021 drilling programme. These results are expected in the next few weeks. The outcome from this work will enable the company to develop a suitable exploration program over this part of the project area.

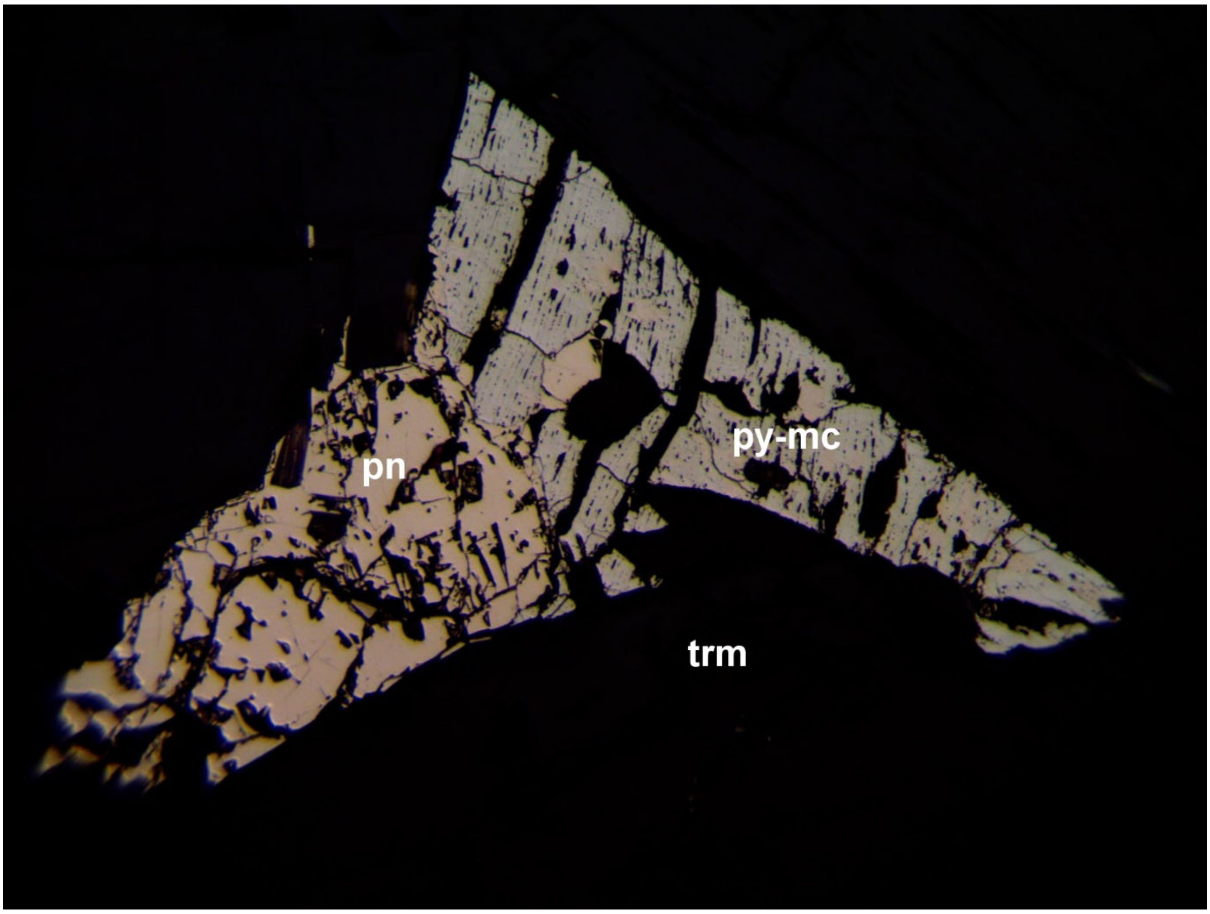

Plate 1 Reflected light microscope image of a sulphide bleb from sample SFRC01 104-105m consisting of pentlandite (pn) and lamellar pyrite-marcasite (py-mc) after pyrrhotite. Matrix is tremolite (trm). Field of view is 0.6 mm.

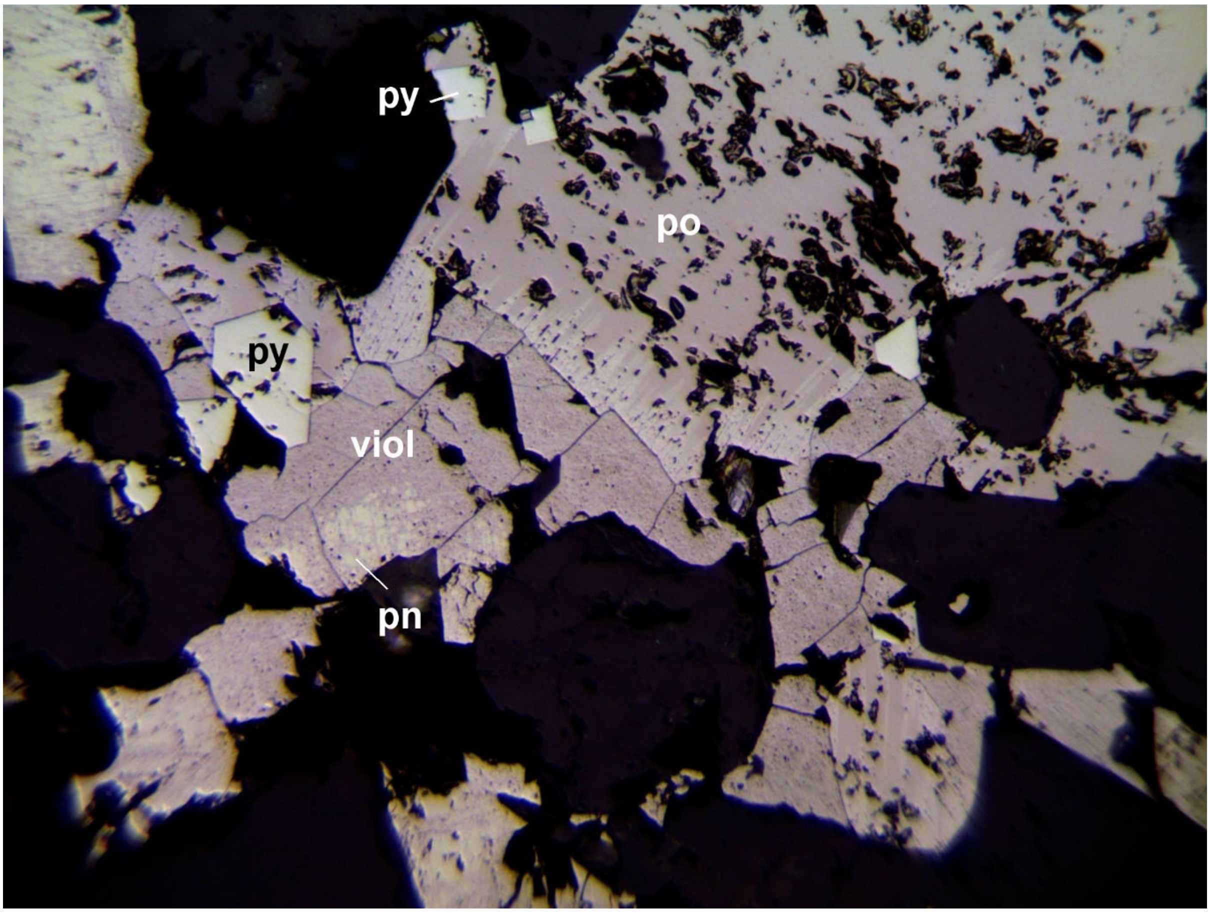

Plate 2 Reflected light microscope image of net-textured sulphides from sample SFRC01 98-99m consisting of pentlandite (pn) extensively replaced by supergene violarite (viol), intergrown with pyrrhotite (po) and pyrite (py). Field of view is 0.6 mm.

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 +100km^2 package of contiguous mining, exploration, and prospecting licenses, which are located within a significant orogenic lode gold province, refer figures 2 and 3.

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 Ag; refer to table 2.

In Queensland, the company has a 12km^2 Mineral Development Licence over the Mount Mackenzie Mineral Resource and retains a further 15km^2 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.

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 2 Gold and Silver Resource Summary

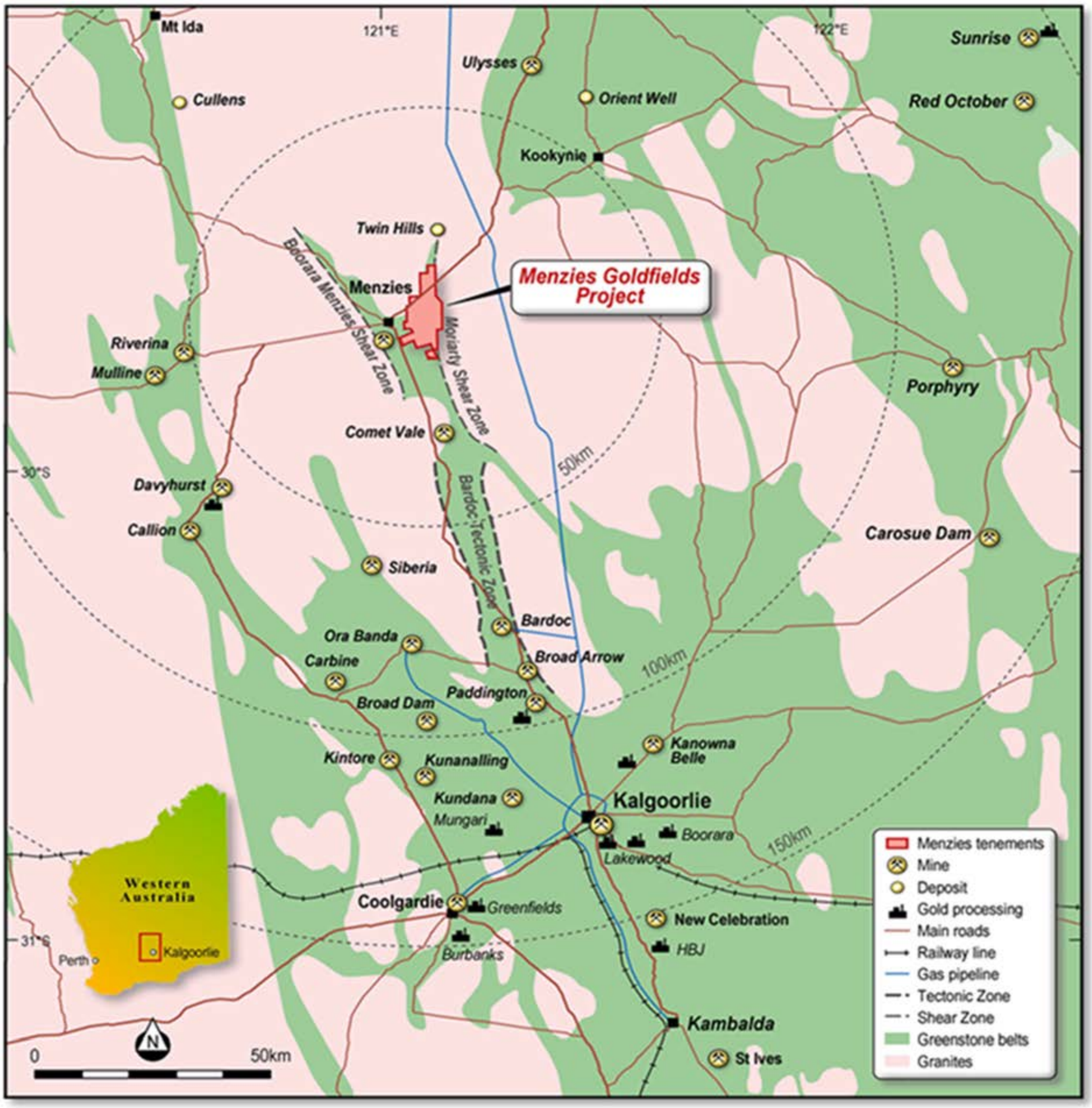

Figure 3 East Menzies Gold Project Regional Location Plan

1) ASX Release 19 May 2020, (2) ASX Release 3 November 2020, (3) ASX Release 19 February 2021, (4) ASX Release 22 November 2018

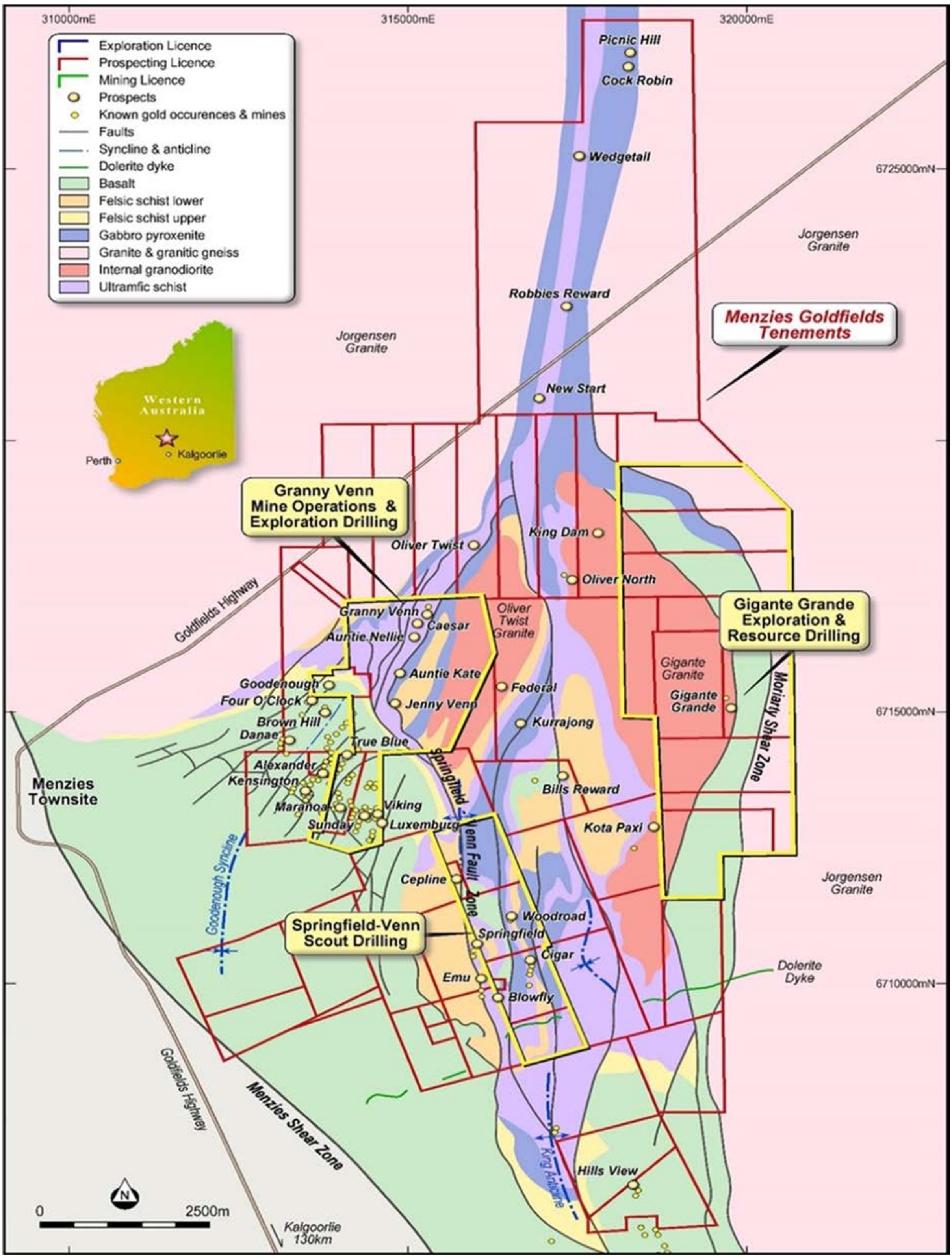

Figure 3 East Menzies Gold Project tenement and Operations Plan

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Approved for Release by the REZ Board

Appendix 1

Collar details and Assay Intervals

Hole Ref	TD (m)	Easting Mga Z51	Northing MgA Z51	RL	Azimuth (Mn)	Dip	Interval (m)		Ag	As	Co	Cu	Mo	Ni	Cr	S	Zn	Au	Pt	Pd
							From	To	(ppm)	(ppm)	(ppm)	(ppm)	(ppm)	(ppm)	(ppm)	(ppm)	(ppm)	(ppb)	(ppb)	(ppb)
							31	32	0.52	158.7	41.2	16.5	0.53	537.6	1559	<0.01	80	9	8	7
							32	33	0.41	293.4	71.2	46	0.56	775.4	1932	<0.01	96	17	11	10
							33	34	0.4	1178	112.5	74	0.58	1650	3128	0.07	83	38	18	14
							34	35	0.8	4193	221.5	77.5	1.03	3296	4851	1.31	124	54	21	19
							35	36	1.44	890.1	46.4	46.9	6.67	815.7	846	4.51	1525	86	5	4
							36	37	1.86	230.7	24.9	71.4	5.23	284.1	207	3.39	1368	115	<1	1
							37	38	0.56	432	30.2	14	12.84	248.2	266	>5.00	2166	179	3	3
							38	39	0.69	429.3	44.4	42.5	7.31	367	725	1.32	191	44	7	6
							39	40	0.6	114.8	27.1	36.9	4.26	175.4	277	1.22	274	92	7	6
							40	41	0.73	114.8	51.6	114.1	4.2	260.2	471	1.52	75	50	14	12
							41	42	0.6	208.6	37.1	46.7	2.1	200	682	0.74	75	51	13	11
							42	43	0.7	202.3	38.1	64.3	4.49	221.8	685	0.92	148	86	12	10
							43	44	1.66	174	17.9	59.1	16.91	170.5	86	1.82	445	112	1	2
							44	45	1.54	289.8	29.8	29.2	6.32	352.6	647	1.49	239	91	4	4
							45	46	0.68	439.3	34	38.7	1.72	342.9	584	0.82	41	63	8	7
							46	47	0.59	133.5	50.1	71.5	1.73	169.2	423	0.84	93	58	5	4
							47	48	0.47	6.6	46.2	73	1.55	39.9	33	0.29	152	26	<1	<1
							48	49	0.39	7.7	47.4	84.1	1.25	43.6	49	0.4	170	20	<1	<1
							49	50	0.49	1.2	51	164	1.54	36.9	33	0.85	158	28	<1	<1
							50	51	0.49	1.7	48.7	135.5	1.4	33.8	26	0.53	162	31	<1	<1
							51	52	0.53	<0.5	49.3	110.9	1.23	36	28	0.47	156	9	<1	<1
							52	53	0.39	<0.5	48.2	99.4	1.46	35.4	26	0.43	150	216	<1	<1
							53	54	0.89	<0.5	48.4	105.8	1.41	35.2	29	0.38	140	1950	<1	<1
							54	55	0.34	3.7	47.8	97.8	2.08	36.7	41	0.39	151	8	<1	<1
							55	56	0.43	<0.5	50.4	96.9	2.27	33.8	27	0.37	149	12	<1	<1
SFRC01	150	316299.2	6710553	439.53	90	-55	56	57	0.43	0.6	45.1	90.4	1.45	35.3	31	0.33	152	13	<1	<1
							57	58	0.5	155.1	80.9	80.2	1.37	709.3	887	0.52	115	20	4	4
							58	59	0.37	125.5	108.7	45.1	0.93	1764	1929	0.43	83	6	11	10
							59	60	0.11	384.7	110.4	16.6	2.23	2093	2530	0.23	107	6	10	9
							60	61	0.25	272.6	134.2	31.6	1.04	2899	2958	0.41	104	6	11	9
							62	63	2.16	291	21.2	55.8	4.58	483.1	221	3.25	351			
							63	64	1.05	214.6	19.5	49.3	6.17	469	173	1.13	275			
							64	65	0.49	241.5	19.4	15.9	1.47	196.2	169	0.26	64			
							65	66	0.65	4371	81.1	29.4	2.3	2078	1299	4.75	43			
							66	67	0.35	617.4	56.6	15.1	1.25	708.6	1704	0.42	36			
							67	68	0.22	418	73.4	20.9	1.48	1343	2691	0.53	58			
							68	69	0.26	83	31.9	6.9	1.07	259.3	797	0.07	35			
							69	70	0.17	46	29.3	6.8	0.74	148	534	0.18	29			
							93	94	0.32	1.2	76.1	22.3	4.38	1773	2807	0.46	142	3	7	2
							94	95	0.22	<0.5	64.8	12.7	1.09	1557	3126	0.36	224	2	3	2
							95	96	0.16	<0.5	77.7	10.8	1.22	1770	3430	0.29	336	2	3	3
							96	97	0.14	<0.5	67.7	17.5	1.36	1535	2924	0.37	323	2	3	3
							97	98	0.31	1.7	82.3	41.2	19.33	2743	3487	0.75	298	3	3	3
							98	99	0.97	8	229.2	241.8	269.4	17806	2134	>5.00	207	17	2	3
							99	100	0.28	0.6	81.1	18.4	9.65	1981	2878	0.44	202	3	3	2
							100	101	0.15	<0.5	79.9	12.8	2.74	1758	2688	0.3	172	2	3	3
							101	102	0.14	<0.5	90.1	15.1	1.84	2005	2845	0.36	180	2	4	4
							102	103	0.19	<0.5	87.9	11.6	1.92	1891	2975	0.29	198	2	3	3
							103	104	0.19	<0.5	90.7	14	1.16	2021	3674	0.45	187	2	4	3
							104	105	0.17	1.8	87.2	5.5	1.03	1916	3354	0.31	141	2	4	3
							105	106	0.37	1.5	84.1	8.1	1.07	1833	3314	0.38	155	2	3	3
							54	55	0.19	165.9	59.9	8.3	0.53	790.5	2606	0.33	56			
							55	56	0.18	242.9	38.4	6	1	565.8	1863	0.27	27			
							56	57	0.2	956.7	80.6	3.2	0.87	1364	3160	0.19	60			
							57	58	0.39	452.6	85.2	6.3	0.68	1422	3406	0.58	66			
SFRC04	96	316020.2	6710782	439.44	70	-55	58	59	0.86	1594	88.5	20.8	1.12	1914	2998	4.31	58			
							59	60	0.67	1012	96	17.6	1.11	1754	3604	2.33	95			
							60	61	0.38	604.3	65	9.5	0.97	1372	2947	0.92	73			
							61	62	0.35	960.2	68.2	12.6	1.22	1448	2346	1.39	74			
							62	63	0.45	625.5	49.6	7.5	1.23	811.7	2197	0.8	59			
							63	64	0.59	190.8	71.1	6.4	1.02	1325	4209	0.6	58			

Hole Ref	TD (m)	Easting Mga Z51	Northing MgA Z51	RL	Azimuth (Mn)	Dip	Interval (m) From	Interval (m) To	Ag (ppm)	As (ppm)	Co (ppm)	Cu (ppm)	Mo (ppm)	Ni (ppm)	Cr (ppm)	S (ppm)	Zn (ppm)	Au (ppb)	Pt (ppb)	Pd (ppb)
SFRC04	96	316020.2	6710782	439.44	70	-55	85	86	0.14	52.6	73.3	7.1	1.23	1538	4819	0.34	96		3	2
							86	87	0.18	13	71.2	12.9	1.12	1384	5261	0.42	125		2	2
							87	88	0.25	30.9	84	31.9	0.94	1783	3119	0.79	80		2	2
							88	89	0.83	311.4	102.2	89	6.34	5048	1902	4.44	39		1	1
							89	90	0.98	35.7	76.6	20.8	1.72	1570	3558	0.67	51		3	2
							90	91	0.25	46.4	79	22.3	1.1	1745	3482	1.06	53		3	2
							91	92	0.38	13.1	71.7	5.6	1.01	1756	2805	0.92	28		3	3
							92	93	0.2	20.3	74.1	6.1	0.93	1765	2777	1.06	19		3	2
							93	94	0.36	50.4	89	6.1	1.45	1695	2705	1.02	17		3	2
							94	95	0.23	51.6	83.6	6.8	1.3	1641	2490	1.26	23		2	1
							95	96	0.27	22.4	84.3	5.4	1.21	2131	3258	0.78	28		2	1
SFRC05	84	316070.6	6710886	439.15	60	-55	16	17	0.21	265.2	87	10	0.59	1759	4890	0.08	253			
							17	18	0.26	163.3	95.4	7.4	0.44	1963	4871	0.03	265			
							18	19	0.1	189.9	181	8.9	0.5	3188	3173	0.02	511			
							19	20	0.23	125.1	252.9	5.9	0.19	2667	3762	0.01	240	30		
							20	21	0.14	103.6	174.3	7.6	0.24	2619	4049	0.01	205	0		
							21	22	0.26	116.1	236.5	5	0.2	3151	4158	0.01	250	0		
							22	23	0.5	345.3	799.6	9.3	0.89	5858	4016	0.03	812	0	14	9
							23	24	0.44	386.6	358.2	22.2	0.68	5149	4011	0.02	1007	0	10	7
							24	25	0.7	572.6	248	29.8	0.7	3535	5013	0.02	1124	0	13	8
							25	26	1.24	187.5	313.6	4.9	0.48	4544	1045	0.01	1414	90	6	5
							26	27	0.38	552.4	221.7	8.3	0.84	4543	4389	0.02	1414	60	9	6
							27	28	0.43	740.8	266.4	18.9	1.17	4782	4186	0.03	1553	0	11	13
							28	29	0.68	475.2	258.1	14.7	0.74	5017	6103	<0.01	1589	0	11	15
							29	30	1.28	906.1	447.7	17.4	0.89	11288	6647	<0.01	3845	140	14	11
							30	31	1.47	595.1	311.4	15.6	0.59	9243	5411	<0.01	4264	80	7	5
							31	32	1.83	481	231.9	11.1	0.5	7307	3122	<0.01	3317	80	8	7
							32	33	0.45	412.3	160.7	11.8	0.64	4546	2959	<0.01	1624	0	14	18
							33	34	0.77	1088	317.2	19.3	0.92	4372	6311	0.01	1512	0	13	19
							34	35	0.71	1382	448.4	46.9	1.14	8669	6067	0.03	3230	0	20	18
							35	36	0.61	740.3	245.3	25.8	0.81	4249	5684	0.02	1754	0	15	19
							37	38	0.75	5518	823.3	206.8	9.06	9567	10000	0.71	4604	0	20	22
							38	39	2.2	2216	51.9	50.6	40.17	752	9429	0.1	1784	0	45	31
							39	40	2.35	1431	23.4	51.3	18.5	452	3253	0.08	618	290	70	24
							40	41	1.41	3756	78.6	119	21.32	1071	7533	0.2	1337	350	31	15
							41	42	0.71	1034	26.7	49	8.9	365.1	6176	0.05	1285	130	37	16
							42	43	1.06	1854	305.1	251.5	7.46	5199	8318	0.36	2521	180	12	11
							43	44	3.35	541.5	251.6	100.8	0.8	7560	6925	0.03	3623	290	26	22
							44	45	2.57	924.2	376	64.3	0.87	13604	>10000	0.03	5086	460	16	14
							45	46	1.06	690.9	277.3	48	0.78	9308	5589	0.02	3891	470	13	13
							46	47	0.32	271	153.4	15.6	0.36	5815	6239	<0.01	1957	360	10	10
							47	48	0.48	306.8	133.7	28.8	0.55	4312	5920	0.01	1349	110	5	9
							48	49	0.85	549.2	170	30.1	0.61	6076	9932	0.01	1836	0	5	9
							49	50	0.43	864.8	234.9	32.1	0.89	7280	>10000	0.01	1926	0	10	9
							50	51	0.47	1005	303.2	43.6	0.99	8203	8726	0.02	1971	0	9	9
							51	52	0.23	938.5	291.8	44	0.66	9351	7531	0.01	2279	0	11	9
							52	53	0.09	963.9	301.8	45.9	0.36	9008	7321	<0.01	2015	60	6	8
							53	54	1.21	339.5	109.9	24.9	0.67	2782	996	<0.01	573	0	4	9
							54	55	0.44	189.4	94.8	17.4	0.7	1699	2629	<0.01	225	0	2	4
							55	56	0.77	270.9	124.7	69.2	0.95	2622	4904	1.55	221	0	3	4
							56	57	0.3	76.9	116.4	50.3	0.78	2050	4457	1.7	65	160	6	5
							57	58	0.19	40.5	124.5	47	2.02	2002	6586	0.26	140	0	5	4
							58	59	0.23	26.4	43.8	71.2	1.31	368.3	494	0.26	67	0	4	3
							59	60	0.25	26.4	47.8	96.1	0.97	164.7	192	0.37	77	0	2	2
							60	61	0.23	24.9	51.4	88.1	1.13	239.9	269	0.24	112	0	2	2
							61	62	0.26	8	47.4	104.1	1.27	131.4	134	0.23	84	0	2	3
							62	63	0.4	8.1	49.4	133.5	1.12	141.4	107	0.14	89	0	2	2
							63	64	0.32	4.6	49.3	120.5	1.08	110.4	133	0.12	90	0	2	2
							64	65	0.23	9.6	53	142.5	1.01	114.7	114	0.31	95	0	2	2
							65	66	0.3	7.8	54.3	160.7	0.89	122.8	127	0.41	94	0	2	2
							66	67	0.34	30.9	50.5	207.3	1.08	162.2	176	1.01	97	30	2	2
							67	68	0.43	3.4	50.2	293.9	1.11	106	118	1.18	91	0	2	2

Hole Ref	TD (m)	Easting Mga Z51	Northing MgA Z51	RL	Azimuth (Mn)	Dip	Interval (m) From	Interval (m) To	Ag (ppm)	As (ppm)	Co (ppm)	Cu (ppm)	Mo (ppm)	Ni (ppm)	Cr (ppm)	S (ppm)	Zn (ppm)	Au (ppb)	Pt (ppb)	Pd (ppb)
SFRC05	84	316070.6	6710886	439.15	60	-55	68	69	0.59	9	53.2	504.2	1.3	107.8	125	1.77	74			
							69	70	0.37	30	45.2	262.6	1.75	102.9	111	1.01	91	0	2	2
							70	71	0.41	6.1	45.5	165.2	1.27	99.7	125	0.59	91	0	2	2
							71	72	0.22	4.1	45.4	140.1	1.27	109.3	113	0.42	88	0	2	2
							72	73	0.32	29.6	47.8	201.3	1.37	145.7	154	0.68	108	80	2	2
							73	74	0.31	13.2	43.2	198.5	0.96	129.5	120	0.78	90	60	2	2
							74	75	0.26	6.7	46	177.5	1.02	117.9	109	0.54	91	0	2	2
							75	76	0.24	7.3	39.9	171.2	1.41	83.6	98	0.67	72	0	2	2
							76	77	0.4	24.2	56.6	299.6	1.22	119.4	134	1.29	79	0	2	2
							77	78	0.35	20.8	42.3	228.4	1.54	100.6	125	0.68	85	0	2	2
							78	79	0.39	152.8	68.1	212.9	1.76	885.1	922	0.75	265	30	4	4
							79	80	0.32	28.6	44.5	190.2	1.37	138.2	140	0.68	93	0	2	2
							80	81	0.24	9.8	44.7	171.3	1.5	110.3	116	0.53	91	100	2	2
							81	82	0.25	10.2	46.9	172.8	1.17	118.8	119	0.52	95	130	2	2
							82	83	0.27	24.7	46	243.3	1.26	113.5	131	0.6	98	300	1	1
							83	84	0.16	5.4	43	86.3	1.25	103.1	123	0.25	97	200	2	2
SFRC09	150	316257.2	6710757	444.01	90	-55	59	60	0.32	112.5	73.1	16.5	0.67	772.9	2250	<0.01	67			
							60	61	0.23	118.5	53.1	4.5	0.53	893.5	2273	<0.01	46			
							61	62	0.17	661.5	159.4	25.7	0.6	1954	5567	<0.01	35			
							62	63	0.17	1240	253.9	25.2	0.84	2617	8781	<0.01	21			
							63	64	0.29	312	117.9	18	0.56	1686	5086	<0.01	30			
							64	65	0.23	246.4	139.2	3.1	0.46	2085	3011	<0.01	102			
							65	66	0.17	175.4	82.9	16.5	0.69	1199	2948	0.58	36			
							66	67	0.21	24.9	131.5	24.7	0.96	1891	3964	1.04	67			
							67	68	0.21	13	85.7	14.1	2	1366	4034	0.48	65			
							68	69	0.42	8.9	98.8	16.2	2.99	1569	4291	0.54	80			
							69	70	0.41	6.8	72.8	<0.5	1.93	1358	2794	0.16	47			
							70	71	1.84	3	60.4	3.1	3.27	1036	1678	0.4	42			
							71	72	0.61	6	103	28.4	1.16	1637	2407	1.85	71			
							72	73	0.17	5.9	65.7	4.1	1.5	1263	1989	0.41	42			
							73	74	0.19	<0.5	102.9	30	0.61	1799	4166	2.2	65			
							74	75	0.19	<0.5	86.4	11.8	0.82	1571	3249	1.64	55			
							76	77	0.19	1.9	100.7	23.3	1.99	1952	4510	1.18	79			
							118	119	0.18	87.3	58	48.2	1.71	565.5	1335	0.42	29			
							119	120	0.16	71.8	55.1	46.3	1.85	552.8	1288	0.22	31			
							120	121	0.18	113.3	61.1	32.9	1.32	581.8	1370	0.18	17			
							121	122	0.12	93	49.2	31.7	1.38	531.5	1074	0.28	33			
							122	123	0.23	236.1	69	48.9	1.23	649.3	1314	0.32	33			
							123	124	0.23	278.4	59.8	3.6	1.22	593.1	1344	0.06	38			
							124	125	0.08	191.1	54.1	2.3	1.39	526.4	1467	0.03	32			
							125	126	0.09	231.8	60.4	8.3	1.56	598.3	1423	0.04	25			
							126	127	0.12	105.7	60.1	32.5	1.27	687.2	1479	0.1	23			
							127	128	0.07	121.9	62.7	9.7	1.28	733.3	1426	0.09	27			
							128	129	0.12	6.1	66.2	16.6	0.87	616.7	1585	0.09	51			
							129	130	0.15	16.6	71.8	54.4	0.77	722.8	1644	0.37	40			
							130	131	0.17	8.3	64.9	26.8	0.98	657	1417	0.11	71			
							131	132	0.16	46.9	74.2	30	1.18	1041	1351	0.12	47			
							132	133	0.12	30.2	81	64	0.67	1144	1465	0.16	49			
							133	134	0.22	0.9	52.3	53.5	0.69	491.8	1178	0.28	70			
							134	135	0.24	10.3	57	59.7	0.57	499	1174	0.14	66			
							135	136	0.16	8.1	62.4	20.7	1.13	567.4	1339	0.15	42			
							136	137	0.4	18.1	48.1	41.9	1.02	281.2	726	0.27	54			
							137	138	0.17	21.7	44.1	28.3	1.48	404.5	1070	0.18	40			
							138	139	0.08	279.6	62.7	15.7	1.17	666.5	1349	0.16	43			
							139	140	0.1	553.7	117.5	1	1.22	1401	2283	0.13	81			
							140	141	0.11	319.7	119.8	<0.5	0.21	1584	1930	0.03	100			
							141	142	0.13	125.6	80.8	57	0.32	851.2	1463	0.59	92			
							142	143	0.24	72.3	77.6	26.7	1.14	750.5	1443	0.52	79			
							143	144	0.72	18.7	73.5	14.8	0.94	684.3	1691	0.09	95			
							144	145	0.11	50.4	73.8	25.9	0.78	841.6	1497	0.1	70			
							145	146	0.08	5	68	13.8	0.59	836	1214	0.09	54			
							146	147	0.12	5.6	56.9	19.9	1.32	688.3	1067	0.21	42			
							147	148	0.13	0.7	76.4	33.6	0.63	1398	1477	0.35	44			
							148	149	0.12	<0.5	88.2	34	0.24	1464	1516	0.31	57			
							149	150	0.08	<0.5	71	20.3	0.4	1064	1092	0.23	48			

Resources & Energy Group Limited

Appendix 2 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	• *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.*	• The results are based on samples recovered from RC Drilling.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• The RC samples were collected for every 1 meter drilled using a cone splitter. A 1m primary sample was collected from the splitter, with a second field duplicate sample generally collected every 20th metre. Samples were reported dry and free flowing.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• The report includes RC drilling results from drilling activities completed at the Companies Springfield Prospect, and petrological characterisation of selected RC drilling intervals.
	• *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*	• Industry standard RC drilling was used to obtain one metre samples from which 3kg for each sample and pulverised and sub-divided in the laboratory to produce a 500gm charge for Photon Assay or 25gm charge for fire assay or Multi Element Assay by ICPOES. The sampling method are industry standard. The petrological characterisation of RC samples was performed on samples taken from chip trays, which were collected and sieved at the time of drilling.

Criteria	JORC Code explanation	Commentary
	cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• *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).*	• The exploration results are based on Reverse Circulation drilling using a 141mm face sampling percussion hammer.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Recoveries for RC samples were 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.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Field procedures included checking the splitter 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. Checks on splitter level are made using a spirit level. Each calico sample collected weighed on average 3kg.
	• *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.*	• No relationship has been identified at this stage.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• RC samples have been geologically logged in the field with alteration, colour, weathering, texture, mineralisation, and main lithology reported. The petrological samples were sent to an external contractor to be manufactured into standard polished thin sections, which were then examined using optical microscopy in transmitted and reflected light using an Olympus BH2 microscope equipped with a digital camera.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Logging is qualitative and descriptive using look up tables. Chip trays for recent drilling are labelled and photographed and have been retained and stored for future reference.
	• *The total length and percentage of the relevant intersections logged.*	• 100% of the drilling has been logged and has lithological information present.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Not applicable.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• For RC samples, a cone splitter was used to obtain 1m sub samples with a weight of approximately 3kg. In the majority cases the sample has been classified dry. The Multi Element assays were based RC samples which were collected over selected intervals of interest. Three RC holes encountered unmanageable water flows and were terminated before reaching the targeted intervals.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• The field procedures adopted for RC drilling are industry standard, adequate and appropriate. 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.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• The programme QAQC involved inserting Certified Reference Materials, blanks and collecting field duplicates samples per 20 metres drilled. The field duplicates were collected from the 2nd chute of the cone splitter. CRMs were typically inserted in zones of interest. Random duplicates were inserted into the RAB drilling sample.
	• *Measures taken to ensure that the*	• Pre-numbered continuous Primary and Duplicate calico samples were collected every metre drilled.

Criteria	JORC Code explanation	Commentary
	sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Blanks and CRMs were inserted every 20 metres, 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.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample sizes for the RC sampling were typically 3kg which is considered appropriate given nature of the material being sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• The primary assay technique used was Mass and Optical Spectrometry (MA40MS) and (MA450OES) offered by MinAnalytical Pty Ltd. Gold, Platinum and Palladium were tested by Fire Assay (FA25MS). Overlimit Ore grade Nickel values were retested using MA41OES. The overlimit assays for Ni use a four acid digestion followed by ICP AES. All of the methods used for assaying and laboratory procedures are appropriate and to industry standards
	• *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.*	• Not applicable, the results are not based on these instruments.
	• *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.*	• Exploration is at an early stage and is too early to provide an assessment. Recent RC sample datasets have been analysed, with no significant issues related to bias to date.
	• *The verification of significant*	• All drilling intersections are verified by the Field Geologist, who has been present on site during the

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	*intersections by either independent or alternative company personnel.*	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. The logging over significant intervals of mineralisation has also been validated as part of a petrological evaluation completed by an independent consultant. Based on this validation process a number of mis-logged intervals have been noted.
	•	•
	• *The use of twinned holes.*	• No twin holes have been carried out.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• 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 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.
	• *Discuss any adjustment to assay data.*	• No adjustments have been made to the assay data.
Location of data points	• *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.*	• All EMGP 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. Down-the hole surveys were completed using a north seeking Axis Champ Gyro which sits behind the overshot taking surveys every 30m during drilling operations to monitor deviation, and a continuous survey at the completion of each hole.
	• *Specification of the grid system used.*	• The grid system used is MGA94_51s.
	• *Quality and adequacy of topographic control.*	• Topographic controls have not been undertaken and are not relevant to the results being reported.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• The RC holes are typically in the range of 200-500m apart.
	• *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*	• This is not applicable as a Mineral Resource or Ore Reserve is not being determined.
	• *Whether sample compositing has been applied*	• Drill holes have not been composited.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Based on present understanding, the drill holes have been orientated -60/090 and -60/060. These orientations are reasonably perpendicular to the interpreted Springfield Fault structure which is believed to be dipping west.
	• *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.*	• The selected orientation has minimized potential for introducing sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• 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

Criteria	JORC Code explanation	Commentary
		tracked through the entire analytical process.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been undertaken.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• The results have been obtained from prospecting licenses P29/2500. 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.
	• *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.*	• 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.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration on the tenements has been completed over a number of campaigns and years with significant contributions by CRA who completed mapping over the area in the late 1960's. In 1985 geologists (J.E Martyn I G Johnson) mapped the Springfield area and provided key observations as to the nature of the Interflow sediments, and komatiites in the area. During the 1994-1998 period, Golden State Resources completed a number of RAB and Auger drillholes over the Springfield area, which at that time was known as Merry Well. The work was focussed on gold exploration but provides a good reference for the geology of the area. In 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	• *Deposit type, geological setting, and style of mineralisation.*	• The Springfield Area occurs within an Archaean Geological Terrane, which is part of the Wiluna-Norseman Greenstone Belt-a significant orogenic lode gold, and magmatic nickel province. At prospect scale, the project comprises three suites of volcano-sedimentary rocks (all of which have been metamorphosed to upper greenschist/amphibolite facies). These include: I) Upper Mafic – High-Mg basalts. II) Sedimentary- Pyritic chert, slate, banded amphibolite, fuchsite schist, tuffaceous metasediments. III) Lower Ultra Mafic - Komatiites (tremolite, actinolite, talc, chlorite-altered). The documented occurrences of sulphides are prospective features for the occurrence of magmatic nickel and volcanogenic base metal deposits as well as gold. The scout program was investigating the potential for mineralisation along the Springfield-Venn fault zone and in particular sulphidic interflow sediments, which were predicted to occur within a tightly folded and thrust faulted sequence of mafic and ultramafic rocks.
Drill hole Information	• *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:*	• Co-ordinate locations, elevation, depth, dip, and azimuth of all recent drillholes is provided in the accompanying documentation. Downhole length, interception depths and assay results have been furnished the accompanying documentation.

Criteria	JORC Code explanation	Commentary
	o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	
	• *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.*	• All RC drilling results which are available to the company have been included in the accompanying documentation.
Data aggregation methods	• *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.*	• The appendix 1 shows all results which have been received, whether or not they have significant intercepts. No grades have been changed or truncated. Holes with NSR indicate No Significant Results encountered. Blank fields are untested
	• *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 some typical examples of such aggregations should be shown in detail.*	• All intervals are reported at 1m in length for Multi Element analysis. A few intervals have also been reported as mathematical averages over zones of specific interest. In these cases, the cut-off limits have been stated.

Criteria	IORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Metal equivalents have not been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.*	
	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	• Exploration is at an initial stage, and it is too early to comment on the geometry of mineralisation, with respect to drill hole azimuth.
	• *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').*	• All sample intervals have been reported as down hole lengths.
Diagrams	• *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.*	• The accompanying documentation includes plans showing specific areas of interest within the project area.
Balanced reporting	• *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.*	• Comprehensive reporting of all material data has been adopted. The Multi Element Analysis includes assays for 80 elements. Only those results which are relevant to the mineralisation being reported have been reported, this includes Silver, Arsenic, Cobalt, Copper, Molybdenum, Nickel, Chromium, Sulphur, Gold, Platinum and Palladium.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported 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.*	• This is in an early stage of investigation, which has not yet generated any other substantive exploration data. The petrological and lithogeochemical evaluation has confirmed the presence of Ni-Fe Sulphides and interpreted them to be of magmatic origin, which is a material exploration result.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Recommendations for future work are contained within the announcement and accompanying maps.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Maps that show possible extensions to mineralisation have been included in the main body of the release