# ASX Release

**13 March 2025**

**Half Year Financial Report**

Attached is the half year financial report for the period ended 31 December 2024 of Resources & Energy Group Limited.

Authorised for release by the Board.

Warren Kember
Company Secretary

**Investor enquiries:**

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RESOURCES ENERGY GROUP


# INTERIM REPORT
# 31 December 2024

## Business Objective

Resources and Energy Group Limited (ASX:REZ) is an independent, ASX-listed mineral resources explorer, developer and producer, holding mining leases in Western Australia and Queensland. REZ aims to develop a portfolio of mining tenements through to production. REZ is currently focused on the development of the flagship Menzies Gold Project 130km north of Kalgoorlie in Western Australia.

## Cover photo

Maranoa, East Menzies Goldfield Vat 1 December 2024

## Contents

# Corporate Directory

## Directors
Gavin Rezos
Richard Poole
J Daniel Moore

## Company Secretary
Warren Kember

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Web site: www.rezgroup.com.au

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## Solicitor
Steinepreis Paganin
Level 4, 16 Milligan Street
Perth, WA 6000

## Auditor
RSM Australia Partners
Level 13, 60 Castlereagh Street
Sydney, NSW 2000

## Bankers
National Australia Bank
255 George Street
Sydney, NSW 2000

## Stock Exchange Listing
Resources & Energy Group Limited's fully paid ordinary shares are listed on the Australian Securities Exchange (ASX:REZ)

# Directors' Report

The directors present their report together with the consolidated financial report of Resources & Energy Group Limited (Company) and its controlled entities (the Group or consolidated entity) for the half-year ended 31 December 2024 and the Independent Review Report thereon.

## Directors

The names of directors of the Company at any time during or since the end of the half year to the date of this report are set out below.

| | | |
|---|---|---|
| Mr Gavin Rezos | Appointed | 22 April 2016 |
| Mr Richard Poole | Appointed | 12 July 2004 |
| Mr J Daniel Moore | Appointed | 14 July 2021 |

## Dividends

No dividends have been paid or declared since the end of the previous financial year, nor do the directors recommend the declaration of a dividend (2023: $Nil).

## Principal Activities

The principal activities of the Group are to explore and develop suitable mineral deposits, including gold and silver.

The company had 2 employees at 31 December 2024 (2023: 2 employees).

## Operating Results for the Period

### *Financial results*

The loss after tax of the Group for the period ended half-year ended 31 December 2024 was $1,647,209 (2023: $676,790).

### *East Menzies Prospect (EMP)*

The East Menzies Gold Project is located 130km north of Kalgoorlie, with a collective surface area of 103km2 and consists of over 50 tenements, a mixture of mining leases, mining lease applications, prospecting leases and prospecting lease applications. These mining and exploration instruments are host to a 20km continuous strike of a mineralised Greenstone Belt, including the Springfield Venn Gold Corridor, and the Goodenough Syncline. The 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 Nisulphides. 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, the Company has reached a major milestone with the recommencement of a trial gold mining and operations at the East Menzies Gold Project (refer ASX Announcements released 16 October 2024 and 4 November 2024). The initial pilot program will focus on the Maranoa deposit, with plans to process 5,000 tonnes of hard rock material via newly constructed vat leach facilities, the first of which was completed in December and is currently operational. The expected completion date of the processing of the 5,000 tonnes is 30 June 2025.

This milestone follows approval from the Department of Mines, Industry Regulation and Safety (DMIRS) (refer ASX Announcement released 8 October 2024) and sets the stage for the first gold pour in the next few weeks. This marks the beginning of a sustained production phase, providing key insights for optimising future resource development.

The Maranoa site has been identified as a critical contributor to the project's early stages. The outcomes of this initial phase will pave the way for the first gold pour, by the first quarter of 2025, and for scaling up operations to treat additional resources at the East Menzies Gold Project.

The Group has also lodged a second mining application with DMIRS for a subsequent vat leach campaign, building on the outcomes of the first vat leach. This initiative aligns with the Company's strategy to develop and scale production capacity and optimise gold recovery across the wider East Menzies site.

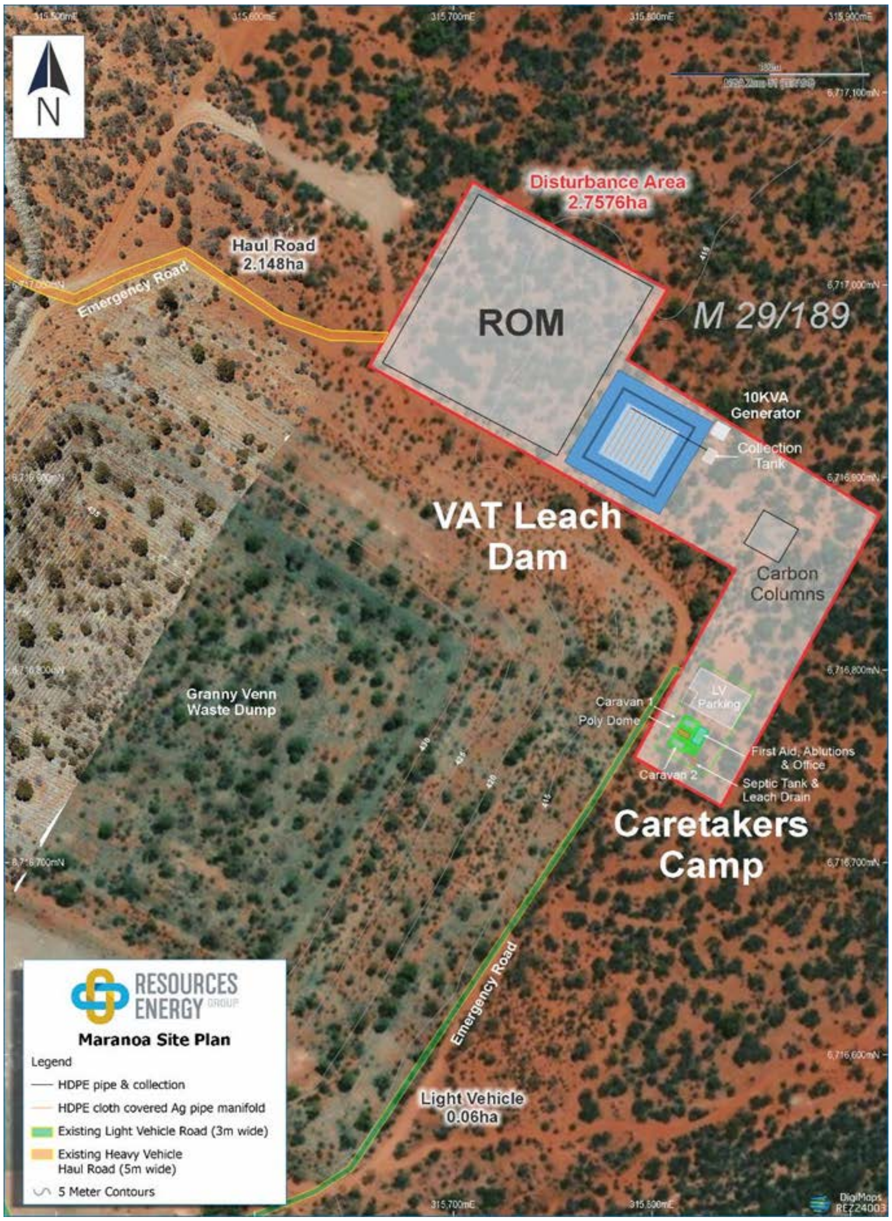


*Figure 1: East Menzies Gold Project Site Plan October 2024*

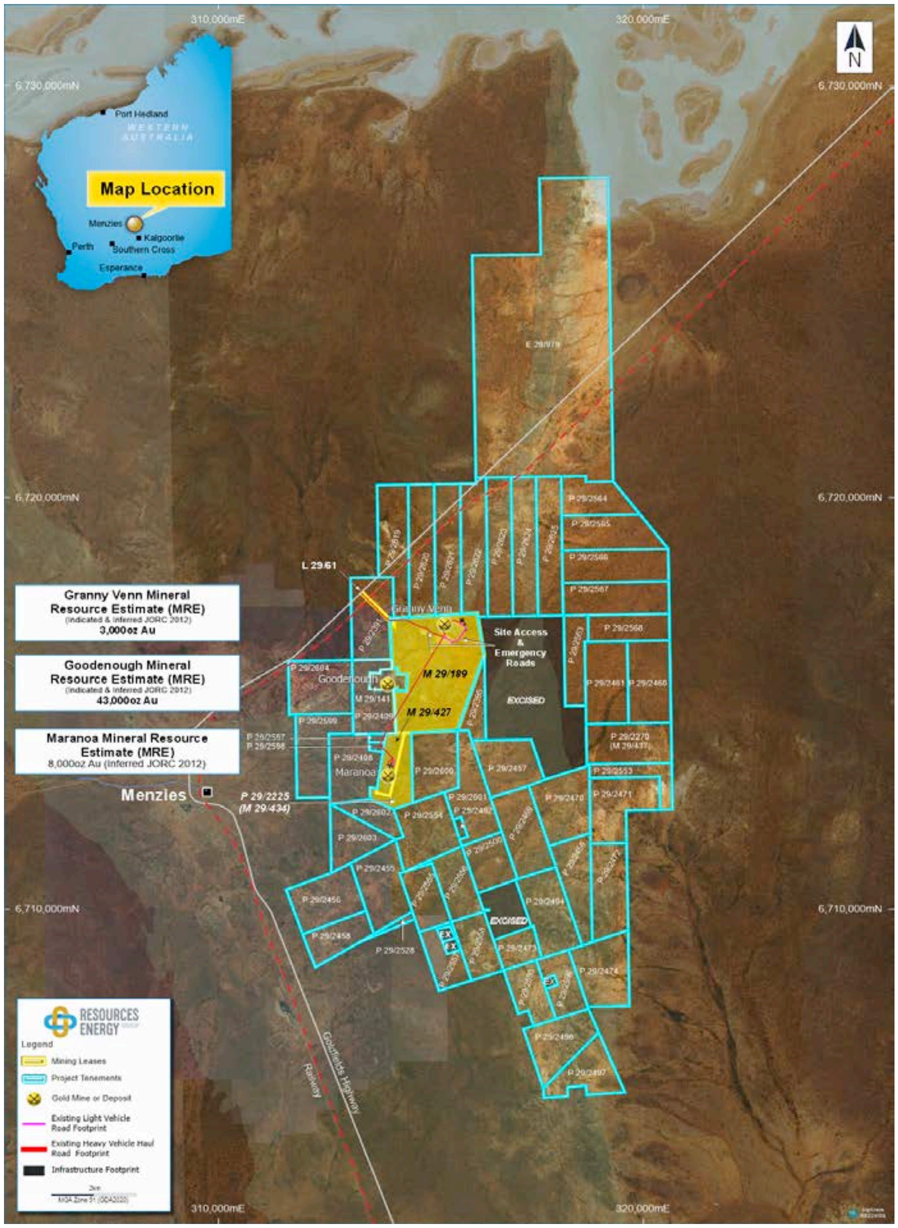


*Figure 2: East Menzies Gold Project Mining Leases*

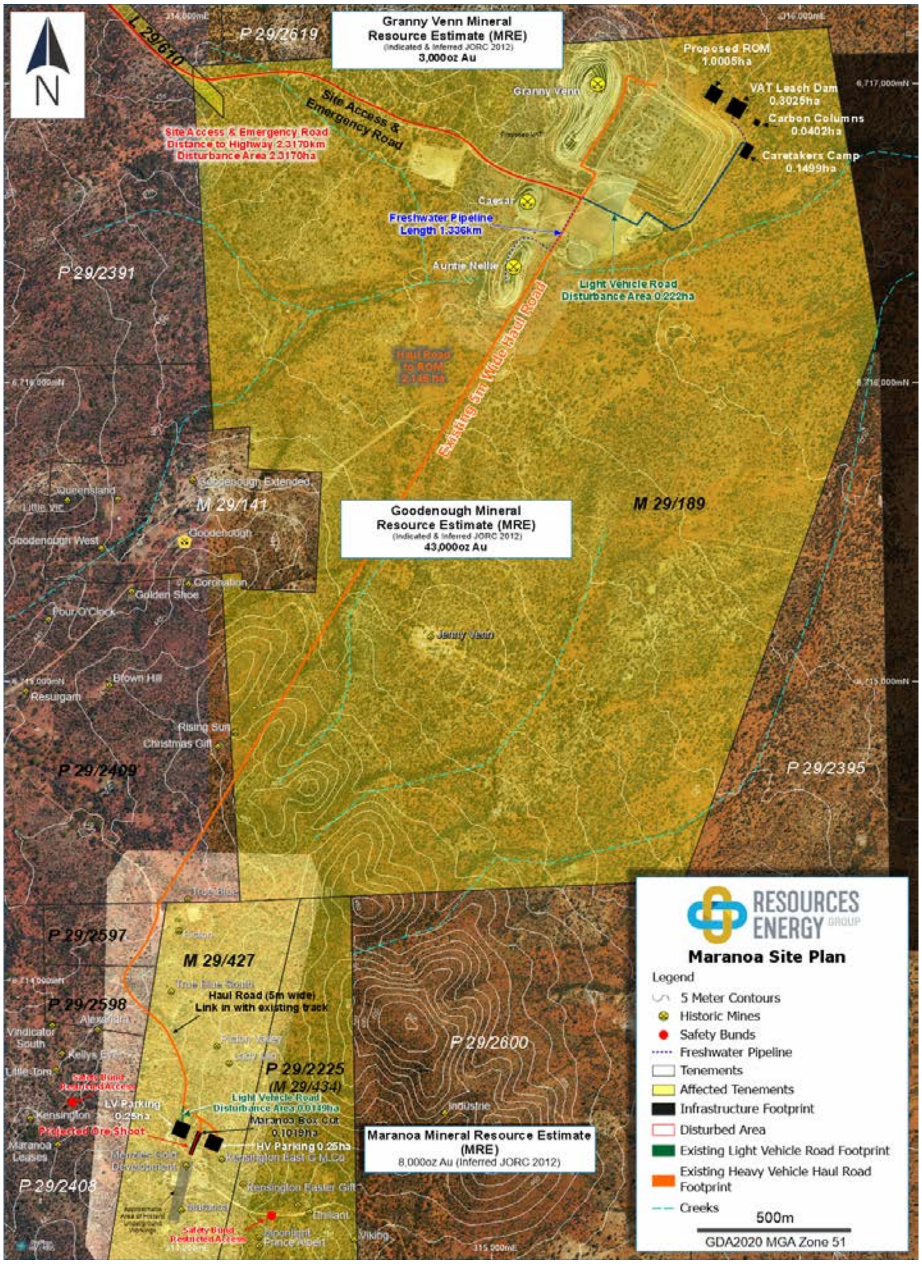


*Figure 3: Mining Operations Plan – East Menzies Gold Project*

### *Mount Mackenzie*

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.

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

# Directors' Report

## Significant Changes during the Period

During the period the sale of the Group's interest in the Mount Mackenzie did not proceed and the Board have resolved to continue to consider alternatives to realise value from the investment.

## Significant Events Post Balance Date

There have been no significant events occurring after the balance date which may affect either the Group's operations, results of those operations or the Group's state of affairs.

## Auditor Independence

A copy of the external auditor's declaration under Section 370C of the Corporations Act in relation to the audit for the financial year is attached to the Financial Statements.

Signed in accordance with a resolution of the directors.

Mr Gavin Rezos
Chairman
Sydney, 13 March 2025

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

## For the half-year ended 31 December 2024

| | Notes | Consolidated 31 Dec 2024 $ | 31 Dec 2023 $ |
|---|---|---|---|
| **Revenue** | | | |
| Sale of gold | | **-** | - |
| | | | |
| Consulting fees | | **(52,622)** | (50,447) |
| Legal costs | | **(15,733)** | (60,017) |
| Exploration and evaluation costs expensed | | **(42,360)** | - |
| Pilot program costs | | **(754,179)** | - |
| Corporation maintenance expenses | | **(199,002)** | (143,169) |
| Director fees | | **(179,100)** | (152,512) |
| Employee benefits expense | | **(60,708)** | (94,672) |
| Depreciation | | **(1,887)** | (803) |
| Share-based payments expense | | **(215,994)** | (44,987) |
| Other expenses | | **(125,624)** | (130,183) |
| | | | |
| **Loss before income tax** | | **(1,647,209)** | (676,790) |
| Income tax benefit | | - | - |
| **Loss after income tax** | | **(1,647,209)** | (676,790) |
| | | | |
| Other comprehensive income | | - | - |
| | | | |
| **Total comprehensive loss for the year attributable to the owners of Resources & Energy Group Limited** | | **(1,647,209)** | (676,790) |
| | | | |
| Total comprehensive loss is attributable to: | | | |
| - shareholders of Resource & Energy Group Limited | | **(1,645,885)** | (675,467) |
| - non- controlling interests | | **(1,324)** | (1,324) |
| | | **(1,647,209)** | (676,791) |
| | | | |
| | | **Cents** | Cents |
| Loss per share – basic and diluted | **7** | **(0.25)** | (0.14) |

This condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the financial statements.

# Condensed Consolidated Statement of Financial Position

As at 31 December 2024

| | Notes | Consolidated 31 Dec 2024 $ | 30 June 2024 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | | **222,353** | 1,059,716 |
| Trade and other receivables | | **40,412** | - |
| Other | | **20,000** | 20,000 |
| **Total current assets** | | **282,765** | 1,079,716 |
| **Non-current Assets** | | | |
| Property, plant and equipment | | **92,839** | 92,588 |
| Exploration and evaluation assets | **4** | **10,786,912** | 10,637,330 |
| **Total non-current assets** | | **10,879,751** | 10,729,918 |
| **Total assets** | | **11,162,516** | **11,809,634** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | | **1,456,829** | 1,112,590 |
| Provisions | | **31,618** | 31,618 |
| **Total current liabilities** | | **1,488,447** | 1,144,208 |
| **Non-current liabilities** | | | |
| Provisions | | **312,442** | 331,075 |
| **Total non-current liabilities** | | **312,442** | 331,075 |
| **Total liabilities** | | **1,800,889** | 1,475,283 |
| **Net assets** | | **9,361,627** | 10,334,351 |
| **Equity** | | | |
| Issued capital | **5** | **38,952,910** | 38,496,219 |
| Share-based payments reserves | **6** | **2,208,102** | 1,990,308 |
| Accumulated losses | | **(34,159,471)** | (32,513,586) |
| **Total equity attributable to the shareholders of Resources & Energy Group Limited** | | **7,001,541** | 7,972,941 |
| Non-controlling interests | | **2,360,086** | 2,361,410 |
| **Total equity** | | **9,361,627** | 10,334,351 |

This condensed consolidated statement of financial position should be read in conjunction with the notes to the financial statements

# Condensed Consolidated Statement of Cash Flows

## For the half-year ended 31 December 2024

| | | Consolidated | |
|---|---|---|---|
| | Notes | 31 Dec 2024<br>$ | 31 Dec 2023<br>$ |
| **Cash flows from operating activities** | | | |
| Payments to suppliers and employees | | **(1,073,703)** | (452,627) |
| **Net cash flows used in operating activities** | | **(1,073,703)** | (452,627) |
| **Cash flows from investing activities** | | | |
| Exploration and evaluation costs capitalised | | **(168,212)** | (145,919) |
| Property, plant and equipment | | **(2,139)** | (1,636) |
| **Net cash flows used in investing activities** | | **(170,351)** | (147,555) |
| **Cash flows from financing activities** | | | |
| Proceeds from placement of ordinary shares | | **450,000** | - |
| Costs of share issues | | **(43,309)** | - |
| **Net cash flows provided by financing activities** | | **406,691** | - |
| Net decrease in cash and cash equivalents | | **(837,363)** | (600,181) |
| Cash and cash equivalents at beginning of period | | **1,059,716** | 704,982 |
| **Cash and cash equivalents at end of period** | | **222,353** | 104,801 |

This condensed consolidated statement of cash flow should be read in conjunction with the notes to the financial statements

# Condensed Consolidated Statement of Changes in Equity

## For the half-year ended 31 December 2024

| | Issued capital $ | Share-based payment reserve $ | Accumulated losses $ | Non-controlling interests $ | Total $ |
|---|---|---|---|---|---|
| **Balance at 1 July 2023** | **36,811,242** | **1,778,024** | **(31,268,804)** | **2,362,711** | **9,683,173** |
| Total comprehensive loss for the period | - | - | (675,467) | (1,324) | (676,791) |
| Transactions with owners in their capacity as owners | | | | | |
| Share-based payment | - | 44,987 | - | - | 44,987 |
| **Balance at 31 December 2023** | **36,811,242** | **1,823,011** | **(31,944,271)** | **2,361,387** | **9,051,369** |
| **Balance at 1 July 2024** | **38,496,219** | **1,990,308** | **(32,513,586)** | **2,361,410** | **10,334,351** |
| Total comprehensive loss for the period | - | - | (1,645,885) | (1,324) | (1,647,209) |
| Transactions with owners in their capacity as owners | | | | | |
| Placement | 450,000 | | | | 450,000 |
| Settlement of director fees via share issue | 50,000 | | | | 50,000 |
| Cost of share issues | (43,309) | | | | (43,309) |
| Option issue | - | 1,800 | - | - | 1,800 |
| Share-based payment | - | 215,994 | - | - | 215,994 |
| **Balance at 31 December 2024** | **38,952,910** | **2,208,102** | **(34,159,471)** | **2,360,086** | **9,361,627** |

This condensed consolidated statement of changes in equity should be read in conjunction with the notes to the financial statements

**1 Corporate informaton**

Resources & Energy Group Limited (the "Company") is a listed public company incorporated and domiciled in Australia. The consolidated financial statements for the half year ended 31 December 2024 comprise the Company and its controlled entities (together referred to as the "Group").

The financial statements are presented in Australian dollars which is the Group's functional and presentation currency.

The consolidated financial statements were approved by the Board of Directors on 13 March 2025.

The principal accounting policies are set out below. The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**2 Summary of material accounting policy information**

**a Basis of preparation**

This condensed consolidated financial report for the half-year ended 31 December 2024 has been prepared in accordance with *Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Act 2001* .

This consolidated half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by the Company during the half-year ended 31 December 2024 in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the Australian Securities Exchange's listing rules.

**b Going Concern**

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of $1,647,209, had net current liabilities of $1,205,682 and had net cash outflows from operating activities of $1,073,703 for the half-year ended 31 December 2024. The ability to continue as a going concern and realise its exploration assets is dependent on a number of factors, the most significant of which is to source additional funding to continue the development of the tenements at its Menzies operation.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- the ability to continue to increase funds through capital funds if required;
- the ongoing support from directors and stakeholders for the Group's business plans;
- the ability for the directors to scale back activities in order to preserve cash when required; and
- if required, the Group has the ability to reduce discretionary spending in its consultancy expenditures.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

**c New and amended standards adopted by the Group**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**d Critical accounting estimates and judgements**

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimate uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

*Carrying value of exploration and evaluation assets*

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

*Impairment of assets*

An impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the lower of its fair value less costs to sell and its value-in-use. Each mine is considered to be a separate CGU.  The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value-in-use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next financial year and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance or the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

*Determination of mineral resources and ore reserves*

The Group estimates its Mineral Resources and Ore Reserves in accordance with the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves ("the JORC Code"). The information on mineral resources and ore reserves is prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented are based on the Mineral Resources and Ore Reserves determined under the JORC Code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation which may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, pilot program costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated. Such changes in reserves could impact depreciation and amortisation rates, asset carrying values and impairment assessments.

**3 Segment Information**

The Group is organised into one operating segment, being the exploration and evaluation of gold resources. This is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The operating segment information is the same information as provided throughout the financial statements and therefore not duplicated.

| | 31 Dec 2024<br>$ | 30 June 2024<br>$ |
|---|---|---|
| **4 Exploration and evaluation assets** | | |
| Cost | 13,657,854 | 13,508,272 |
| Accumulated amortisation and impairment | (2,870,942) | (2,870,942) |
| Net carrying amount | 10,786,912 | 10,637,330 |
| Reconciliation of the written down values at the beginning and end of the current financial half-year are set out below: | | |
| Carrying amount at the beginning of the period | 10,637,330 | 8,485,787 |
| Additions - other | 168,215 | 793,311 |
| Remeasurement of rehabilitation provision | (18,633) | (49,035) |
| Impairment | - | (62,733) |
| Assets held for sale - reversal | - | 1,470,000 |
| Carrying amount at the end of the period | 10,786,912 | 10,637,330 |

Exploration licenses are carried at cost of acquisition less impairment losses. The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. The recoverable amount of development expenditure is determined as the higher of its fair value less costs to sell and its value in use.

## 5 Issued capital

### (a) Movement in ordinary share capital

| | 31 Dec 2024<br>$ | 30 June 2024<br>$ | 31 Dec 2024<br>Shares | 30 June 2024<br>Shares |
|---|---|---|---|---|
| Ordinary shares - fully paid | **38,952,910** | 38,496,219 | **671,639,955** | 646,639,955 |

| Movements in fully paid ordinary shares | Date | Issue price | Shares (31 Dec 2024) | $ (31 Dec 2024) |
|---|---|---|---|---|
| Balance at the beginning of the period | | | 646,639,955 | 38,496,219 |
| Placement - cash | 19/08/2024 | $0.02 | 22,500,000 | 450,000 |
| Placement - settlement of director fees | 26/11/2024 | $0.02 | 2,500,000 | 50,000 |
| Cost of share issues | | | | (43,309) |
| Balance at the end of the period | | | **671,639,955** | **38,952,910** |

Share options outstanding at the end of the period have the following expiry date and exercise prices.

| Class | Vesting Conditions | Grant date | Expiry date | Exercise price | Number of share options 31 Dec 2024 | Number of share options 30 June 2024 |
|---|---|---|---|---|---|---|
| Class P | Vested | 14/10/2020 | 30/09/2025 | $0.050 | **15,000,000** | 15,000,000 |
| Class R | Vested | 15/07/2021 | 31/08/2026 | $0.080 | **8,000,000** | 8,000,000 |
| Class S | Vested | 14/09/2021 | 31/08/2026 | $0.080 | **21,000,000** | 21,000,000 |
| Class T | Vested | 14/09/2021 | 31/08/2026 | $0.080 | **11,000,000** | 11,000,000 |
| Class U | Vested | 27/10/2021 | 31/08/2026 | $0.080 | **8,000,000** | 8,000,000 |
| Class V | Subject to conditions | 24/11/2022 | 24/11/2027 | $0.080 | **20,000,000** | 20,000,000 |
| Class W | Vested | 19/03/2024 | 1/11/2027 | $0.012 | **12,500,000** | 12,500,000 |
| Class X | Vested | 25/06/2024 | 25/06/2027 | $0.040 | **31,500,000** | 31,500,000 |
| Class Y | Vested | 25/06/2024 | 25/06/2027 | $0.025 | **6,000,000** | 6,000,000 |
| Class Z | Vested | 19/08/2024 | 15/06/2027 | $0.040 | **22,500,000** | - |
| Class AA | Vested | 13/09/2024 | 13/09/2028 | $0.050 | **6,000,000** | - |
| Class AB | Vested | 13/09/2024 | 13/09/2029 | $0.080 | **6,000,000** | - |
| Class AC | Vested | 26/11/2024 | 15/06/2027 | $0.040 | **2,500,000** | - |
| | | | | | **170,000,000** | 133,000,000 |

## 6 Reserves

| | 31 Dec 2024 $ | 30 June 2024 $ |
|---|---|---|
| **Share-based payment reserve** | | |
| Balance at the beginning of the financial year | 1,990,308 | 1,778,024 |
| Issue of options | 217,794 | 212,284 |
| Balance at the end of the financial year | **2,208,102** | 1,990,308 |

## 7 Earnings per share

| | 31 Dec 2024 cents per share | 31 Dec 2023 cents per share |
|---|---|---|
| Basic and diluted earnings per share (continuing operations) (cents per share) | **(0.25)** | (0.14) |

| | **31 Dec 2024** | 31 Dec 2023 |
|---|---|---|
| | **$** | $ |
| The following reflects the income and share data used in the basic and diluted earnings per share calculations: | | |
| Loss attributable to shareholders of the Company used in the calculation of basic and diluted earnings per share | **(1,645,885)** | (675,467) |
| Weighted average number of ordinary shares for basic earnings per share | **663,593,507** | 499,805,789 |
| Effect of dilution of share options on issue (i) | **12,500,000** | - |
| Weighted average number of ordinary shares adjusted for the effect of dilution | **676,093,507** | 499,805,789 |

(i) Share options on issue that have been assessed as being dilutive for the purpose of calculating earnings per share have been excluded from the calculation of earnings per share as the Group has incurred a loss after tax. In that circumstance the inclusion of share options would reduce the earnings per share (loss) and present a misleading result.

## 8 Tenement lease commitments

| | **31 Dec 2024** | 31 Dec 2023 |
|---|---|---|
| | **$** | $ |
| *Minimum expenditure commitment on tenement leases* | | |
| Committed but not provided for and payable: | | |
| Within one year | **354,753** | 783,407 |
| One year or later and no later than for five years | **599,828** | 720,443 |
| Over 5 years | **706,256** | 779,155 |
| | **1,660,837** | 2,283,005 |

## 9 Related party disclosures

**Key management Personnel**

Transactions with, or with persons or entities associated with directors of the Company, during the financial period were as follows:

| | **31 Dec 2024** | 31 Dec 2023 |
|---|---|---|
| | **$** | $ |
| Fees payable for directors fees or the provision of accounting, administration, and consulting services | **294,600** | 257,500 |

An amount of $463,521 is unpaid as at the reporting date and is included in Trade and Other Payables.

## 10 Events after balance sheet date

There have been no significant events occurring after the balance date which may affect either the Group's operations, results of those operations or the Group's state of affairs.

## 11 Contingent Liabilities

| | 31 Dec 2024<br>$ | 31 Dec 2023<br>$ |
|---|---|---|
| Corporate and management fees | 493,964 | 493,964 |

Amounts invoiced by a director related entity are not payable unless and until the Group has a proven mineral resources of gold or the equivalent value of another mineral as follows:

a) $246,982 when the Company has announced a resource of 400,000 ounces of gold; and
b) $246,982 when the Company has announced a resource of 600,000 ounces of gold.

# Directors' Declaration

In accordance with a resolution of the directors of Resources & Energy Group Limited, the directors declare that:

(a) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

(b) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and

(ii) complying with Accounting Standards AASB 134 *Interim Financial Reporting,* the *Corporations Regulations 2001* and other mandatory professional reporting requirements.

On behalf of the Board,

Mr Gavin Rezos
Chairman
Sydney, 13 March 2025

**RSM Australia Partners**

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## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Resources & Energy Group Limited for the half year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

**RSM AUSTRALIA PARTNERS**

**Peter Kanellis**
Partner

Sydney, NSW
Dated: 13 March 2025

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**INDEPENDENT AUDITOR'S REVIEW REPORT**
**TO THE MEMBERS OF RESOURCES & ENERGY GROUP LIMITED**

*Conclusion*

We have reviewed the accompanying half-year financial report of Resources & Energy Group Limited ('the Group'), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policy information and other explanatory information, and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Resources & Energy Group Limited is not in accordance with the *Corporations Act 2001* including:

a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

*Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* ('ASRE 2410'). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards*) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Resources & Energy Group Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

*Material Uncertainty Related to Going Concern*

We draw attention to Note 2(b) in the financial report, which indicates that the Group incurred a net loss of $1,647,209, had net current liabilities of $1,205,682 and had net cash outflows from operating activities of $1,073,703 for the half-year ended 31 December 2024. As stated in Note 2(b), these events or conditions, along with other matters as set forth in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of Resources & Energy Group Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility for the Review of the Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**RSM AUSTRALIA PARTNERS**

**Peter Kanellis**
Partner

Sydney, NSW
Dated: 13 March 2025