
RESOURCES & ENERGY GROUP LIMITED

ACN 110 005 822

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11am (AEST)

DATE: Wednesday, 12 December 2018

PLACE: The offices of Arthur Phillip Pty Ltd
Level 33
52 Martin Place
Sydney, New South Wales

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm (AEST) on Monday 10 December 2018.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF ISSUE OF SHARES - \$1M PLACEMENT

If no Shares under the \$1M Placement have been issued prior to this Meeting, Resolution 1 will be withdrawn during this Meeting.

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of up to 17,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – PLACEMENT OF SHARES - \$1M PLACEMENT

The maximum number of Shares to be issued in respect of the \$1M Placement (and the cumulative effect of Resolutions 1 and 2) is 20,000,000 Shares. Accordingly, if the Company has issued 17,000,000 Shares under the \$1M Placement prior to the date of the Meeting, the Company will issue a maximum of 3,000,000 Shares pursuant to the approval under Resolution 2.

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 20,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – PLACEMENT OF OPTIONS - \$1M PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 20,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit

as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – PLACEMENT OF SHARES - \$4M PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 80,000,000 Shares to raise up to \$4,000,000, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 12 November 2018

By order of the Board

**Warren Kember
Company Secretary**

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 2 9227 8900.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO THE \$1M PLACEMENT - RESOLUTIONS 1 AND 2

As announced on or around the date of this Notice, the Company is intending to complete a placement of up to 20,000,000 Shares, at an issue price of \$0.05 per Share to raise up to \$1,000,000 (**\$1M Placement**).

As at the date of this Notice, the Shares under the \$1M Placement have not been issued. However, the Directors consider that they have adequate reason to believe that up to 17,000,000 Shares may be issued under the \$1M Placement before the date of the Meeting. Any Shares issued before the date of the Meeting will be issued in accordance with the Company's placement capacities under Listing Rule 7.1 and Listing Rule 7.1A.

As the timing of the issue is not known, the Company is seeking approvals under Resolutions 1 and 2 in respect of the \$1M Placement being:

- (a) the ratification of up to 17,000,000 Shares (being the maximum number of Shares that may be issued under the \$1M Placement under the Company's placement capacities); and
- (b) the approval of up to 20,000,000 Shares (being the maximum number of Shares to be issued following the Meeting, in the event that no Shares are issued prior to the date of the Meeting).

In the event that the issue of any Shares under the \$1M Placement has not occurred prior to the date of the Meeting, the Directors will withdraw Resolution 1 and instead seek Shareholder approval for the issue of 20,000,000 Shares under Resolution 2 below.

The Company confirms that the maximum of Shares to be issued in respect of the \$1M Placement (and the cumulative effect of the approvals being sought under Resolutions 1 and 2) is 20,000,000 Shares. Accordingly, if the Company has issued 17,000,000 Shares under the \$1M Placement prior to the date of the Meeting, the Company will issue a maximum of 3,000,000 Shares pursuant to the approval under Resolution 2.

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES - \$1M PLACEMENT

2.1 General

If no Shares under the \$1M Placement have been issued prior to this Meeting then Resolution 1 will be withdrawn during this Meeting.

Resolution 1 seeks Shareholder ratification for the issue of up to 17,000,000 Shares, at an issue price of \$0.05 per Share to raise up to \$850,000 as part of the \$1M Placement.

As at the date of this Notice, the Shares under the \$1M Placement have not been issued. However, as set out above, the Directors consider that they have adequate reason to believe that the Shares may be issued before the date of the Meeting.

If any Shares under the \$1M Placement are issued prior to the Meeting, the Shares will be issued pursuant to the Company's capacity under Listing Rule 7.1 and 7.1A as follows:

- (a) up to 7,578,719 Shares under Listing Rule 7.1; and then
- (b) up to 9,421,281 Shares under Listing Rule 7.1A.

The purpose of Resolution 1 therefore is to seek the approval of Shareholders to ratify the issue of the Shares under the \$1M Placement on the basis that those Shares are issued prior to the date of the Meeting.

In the event that the issue of any Shares under the \$1M Placement has not occurred prior to the date of the Meeting, the Directors will withdraw Resolution 1 and instead look to issue the full 20,000,000 Shares under the approval being sought under Resolution 2 below.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the issue of Shares issued under the Company's Listing Rule 7.1 capacity, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue of Shares issued under the Company's Listing Rule 7.1A capacity, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) a maximum of 17,000,000 Shares will be issued, being:
 - (i) up to 7,578,719 Shares under Listing Rule 7.1; and
 - (ii) up to 9,421,281 Shares under Listing Rule 7.1A;
- (b) the issue price will be \$0.05 per Share;
- (c) the Shares will all be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued to professional and sophisticated investors. None of these subscribers will be related parties of the Company; and
- (e) the Company intends to use the funds raised in accordance with the Section 2.3.

2.3 Use of Funds

The total funds raised from the \$1M Placement and the \$4M Placement will be applied as follows:

	(\$)	(%)
Investigation and exploratory drilling of the Company's mining leases located at Mount Mackenzie in central Queensland.	\$800,000	16%
Exploratory drilling and evaluation of the Company's mining leases located at Radio Gold in Western Australia.	\$600,000	12%
Exploration and development activities at Mount Mackenzie and Radio Gold, subject to initial results.*	\$2,400,000	48%
General working capital and creditors.	\$1,200,000	24%
Total	\$5,000,000	100%

* The allocation of funds between Mount Mackenzie and Radio Gold for further exploration work will be determined following the findings from the initial exploration activities.

As announced on or around the date of this Notice, the Company has entered into agreements to acquire a 100% interest in the Menzies Project (**Acquisition Agreements**), a gold project located in Western Australia (**Menzies Acquisition**). Refer to the announcement for further details of the Acquisition. The Menzies Acquisition remains subject to a number of conditions including Shareholder approval. If the Menzies Acquisition completes, the total funds raised from the \$1M Placement and the \$4M Placement will be applied as follows:

	(\$)	(%)
Investigation and exploratory drilling of the Company's mining leases located at Mount Mackenzie in central Queensland.	\$800,000	16%
Exploratory drilling and evaluation of the Company's mining leases located at Radio Gold in Western Australia.	\$600,000	12%

Cash consideration for the Menzies Acquisition	\$480,000	9.6%
Exploration and development activities at the Menzies Project, Mount Mackenzie and Radio Gold, subject to initial results.	\$1,920,000	38.4%
General working capital and creditors.	\$1,200,000	24%
Total	\$5,000,000	100%

* The allocation of funds between the Menzies Project, Mount Mackenzie and Radio Gold for further exploration work will be determined following the findings from the initial exploration activities and results of the Menzies Acquisition due diligence.

No funds will be applied to the Menzies Acquisition until Shareholder approval has been obtained.

The above tables include statements of present intentions as at the date of this Notice. As with any budget, intervening events and new circumstances (including results of exploration activities) have the potential to affect the manner in which the funds are ultimately applied.

3. RESOLUTION 2 – PLACEMENT OF SHARES - \$1M PLACEMENT

3.1 General

The maximum number of Shares to be issued in respect of the \$1M Placement (and the cumulative effect of Resolutions 1 and 2) is 20,000,000 Shares.

Resolution 2 seeks Shareholder approval for the issue of up to 20,000,000 Shares, at an issue price of \$0.05 per Share to raise up to \$1,000,000 under the \$1M Placement.

As mentioned above, Resolution 1 and Resolution 2 are interconnected on the basis that the maximum number of Shares to be issued in respect of the \$1M Placement (and the cumulative effect of the approval being sought under Resolutions 1 and 2) is 20,000,000 Shares.

In the event that the issue of any Shares under the \$1M Placement has not occurred prior to the date of the Meeting, the Directors will withdraw Resolution 1 and instead seek to issue the full 20,000,000 Shares pursuant to the approval of Resolution 2. Accordingly, if the Company has issued 17,000,000 Shares under the \$1M Placement prior to the date of the Meeting, the Company will agree to issue a maximum of 3,000,000 Shares pursuant to the approval under Resolution 2.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 2 will be to allow the Company to issue up to 20,000,000 Shares under the \$1M Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- (a) the maximum number of Shares to be issued is 20,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification)

of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;

- (c) the issue price will be \$0.05 per Share;
- (d) the Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised in accordance with the Section 2.3.

4. RESOLUTION 3 – PLACEMENT OF OPTIONS - \$1M PLACEMENT

4.1 General

Resolution 3 seeks Shareholder approval for the issue of up to 20,000,000 Options for nil cash consideration to parties that subscribe for Shares in the \$1M Placement.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 3 will be to allow the Company to issue up to 20,000,000 Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the maximum number of Options to be issued is 20,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur progressively;
- (c) the issue price of the Options will be nil as they will be issued to incentivise subscribers in the \$1M Placement;
- (d) the Options will be issued to the subscribers in the \$1M Placement none of whom will be related parties of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the issue of the Options as the Options are being issued for nil cash consideration.

5. RESOLUTION 4 – PLACEMENT OF SHARES - \$4M PLACEMENT

5.1 General

Resolution 4 seeks Shareholder approval for the issue of up to 80,000,000 Shares to raise up to \$4,000,000 (**\$4M Placement**).

The actual number of Shares to be issued will be that number of Shares when multiplied by the issue price equals \$4,000,000. The Directors have not yet determined the exact issue price per Share for the \$4M Placement. However, the Directors confirm that the minimum issue price will be \$0.05 per Share and accordingly the maximum number of Shares to be issued will be 80,000,000 Shares.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 4 will be to allow the Company to issue up to 80,000,000 Shares under the \$4M Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the maximum number of Shares to be issued is up to 80,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;
- (c) the issue price of the Shares will be not less than \$0.05;
- (d) the Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised in accordance with the Section 2.3.

GLOSSARY

\$ means Australian dollars.

\$1M Placement means a placement of up to 20,000,000 Shares to raise up to \$1,000,000.

\$4M Placement means a placement of up to 80,000,000 Shares to raise up to \$4,000,000.

AEST means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Resources & Energy Group Limited (ACN 110 005 822).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on 30 November 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

PROXY FORM

RESOURCES & ENERGY GROUP LIMITED
ACN 110 005 822

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11 am (AEST), on Wednesday 12 December 2018 at The offices of Arthur Phillip Pty Ltd, Level 33, 52 Martin Place, Sydney, New South Wales and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of Issue of Shares - \$1M Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Placement of Shares - \$1M Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Placement of Options \$1M Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Placement of Shares - \$4M Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail
in relation to this Proxy Form: YES NO

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Resources & Energy Group Limited, GPO Box 2537 Sydney NSW 2000; or
 - (b) facsimile to the Company on facsimile number +61 2 9227 8901; or
 - (c) email to the Company at wkember@rezgroup.com.au,so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.