



ASX: RES

26 February 2014

ASX Release

Final subscription not received from Blumont

Further to the previous announcement on 2 January 2014, Resource Generation has been notified that the Blumont Group Ltd (Blumont) has decided not to subscribe the outstanding \$20.07 million due for a placement of 102,596,530 shares at 22 cents per share. Consequently, Resource Generation will not be issuing any shares to Blumont and will retain the deposit of \$2.5 million, which Blumont has forfeited with no issue of shares in relation thereto.

Resource Generation reiterates that the proposed placement to Blumont was in addition to the proceeds of \$62.6 million from the recent entitlement offer, which was successfully completed in October 2013.

Contacts

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Resource Generation is developing the Boikarabelo coal mine in the Waterberg region of South Africa, which accounts for 40% of the country's remaining coal resources. There are probable reserves of 744.8 million tonnes of coal on 35% of the tenements under the company's control (refer ASX announcement dated 16 December 2010). Stage 1 of the mine development targets saleable coal production of 6 million tonnes per annum.