



ASX: RES

10 December 2013

ASX Release

Clarification of incorrect media reports

It has come to Resource Generation's attention that recent media reports in Business Day and Mining MX in South Africa have erroneously referred to the proposed placement of shares to Blumont Group Limited (Blumont) as part of the recently completed entitlement offer. This is incorrect.

As announced on 26 July 2013 and 22 October 2013, the full \$62.6 million sought through a 1 for 1 entitlement offer at \$0.22 per share was successfully completed, with all funds being received. The proposed placement of 102,596,530 shares at \$0.22 per share to raise \$22,571,236.60 from Blumont is in addition to the entitlement offer proceeds.

As announced on 5 December 2013, shareholder approval was received at the AGM held on 29 November 2013 for the placement to Blumont. Funds were due on 4 December 2013 but have not been received. The Company is taking action to obtain the funds from Blumont.

Contacts

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Media enquiries

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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. Stage 1 of the mine development targets saleable coal production of 6 million tonnes per annum.