



ASX: RES

2 April 2013

ASX Release

Resource Generation establishes strategic partnership with Noble

- Noble acquires 7.5% shareholding at 40c per share
- US\$123 million loan facility to be provided by Noble
- Substantial increase in Noble's off-take contract
- Noble appointed supply chain manager and exclusive marketing agent

Resource Generation Limited, which is developing one of South Africa's largest remaining coal deposits, today announced a strategic partnership with Noble Group that will facilitate construction of Resource Generation's Boikarabelo mine.

Resource Generation has made a placement of 21,352,350 ordinary shares at 40 cents per share to Barsington Limited, a wholly-owned subsidiary of Noble Group, to raise \$8.5million.

In addition, Noble Group has agreed to provide Resource Generation with a secured loan facility of up to US\$123 million on normal commercial terms. The facility can be drawn down until 31 December 2013 and will be repayable 21 months after the first draw-down. This loan facility is in addition to the \$20 million secured debenture issued to Noble Group in January 2013.

Noble Group has increased the tonnages and term of the off-take contract announced in January 2013 from 2.5 million tonnes which was to be supplied over five years to the following:

<u>Delivery Period</u>	<u>Annual Quantity (Tonnes)</u>
Years 1-8	500,000
Years 9-12	1,500,000
Years 13-14	2,000,000
Years 15-35	2,500,000

Prices will be set by reference to an internationally recognised index at the time of each shipment.

Resource Generation has entered into an exclusive supply chain management and marketing agreement with Noble Group under which Noble Group will manage the supply chain and marketing of Boikarabelo's domestic and export coal sales for 35 years.



ASX: RES

Paul Jury, managing director, said: ‘This agreement gives Resource Generation a strong strategic partner as we continue with the construction of Boikarabelo’s infrastructure. Noble Group’s investment and loan facility and its increased off-take commitment demonstrate the group’s confidence in the mine’s potential. They also provide a platform for continuing to secure additional funding for the project.’

Noble Group (SGX: N21) manages the global supply chain of agricultural and energy products, metals and minerals. Noble operates from over 140 locations, employing more than 70 nationalities. Noble manages a diversified portfolio of essential raw materials, integrating the sourcing, marketing, processing, financing and transportation of those materials. Noble owns and manages a portfolio of strategic assets, sourcing from low cost producers such as Brazil, Argentina, Australia and Indonesia and supplying to high growth demand markets including China, India and the Middle East. Today, Noble has interests in grain crushing facilities, coal and iron ore mines, fuel terminals and storage facilities, sugar and ethanol plants, ports, vessels and other key infrastructure facilities.

Contacts

Paul Jury, Managing Director on (02) 9376 9000 or
Steve Matthews, Company Secretary on (02) 9376 9000

Media enquiries

Anthony Tregoning (02) 8264 1000

Resource Generation has coal interests in South Africa. Its current priority is to develop its planned Boikarabelo mine in the Waterberg region of South Africa where there are probable reserves of 744.8 million tonnes of coal on 35% of the company’s tenements.