



ASX: RES

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ASX Release

**Boikarabelo Coal Mine
Project Debt Finance Update**

Resource Generation has moved a step closer to financing its Boikarabelo coal mine. The Company has been working with six South African and global banks and other financiers (the “**Financiers**”) mandated to provide project debt finance for the construction of the mine and has now agreed a terms sheet with the Financiers.

The Financiers are working towards initiating their credit processes in January 2013. The Company will continue to work with the Financiers to obtain a binding offer of finance as soon as possible in the New Year.

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Resource Generation is developing the Boikarabelo coal mine in the Waterberg region of South Africa where there are probable reserves of 744.8 million tonnes of coal on 35% of the tenements under its control. Stage 1 of the mine development targets saleable coal production of 6 million tonnes per annum.