



ASX: RES

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ASX Release

Transnet Update

Resource Generation notes the report in the South African Coal Report (**SACR**), which was published late yesterday by Energy Publishing Pty Limited. The SACR states that: 'Transnet is putting the finishing touches to a memorandum of understanding (**MOU**) with Resource Generation, providing comfort of coal haulage for the Boikarabelo project'.

The SACR quotes an interview with Brian Molefe, the CEO of the Transnet Group stating: 'an agreement would be finalised by the end of the week'. The SACR further quotes Divyesh Kalan, the GM Transnet Group Commercial, who stated: 'it's somewhere between providing comfort and a guarantee'.

Resource Generation confirms it has been in negotiations with Transnet and an MOU has been signed by its subsidiary, Ledjadja. It is awaiting confirmation from Transnet that it agrees to the MOU and will sign it. Once agreement and Transnet's signature is received, the market will be informed of the major terms of the MOU.

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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.