



16 April 2021

ASX Announcement

Funding Update

Resource Generation Limited (ASX:RES) (ResGen or Company) announced to the market on 08 April 2021 that it had reached agreement with Noble Resources International Pte Ltd (Noble) to provide up to an additional US\$0.993m in working capital. The first tranche of this additional working capital had been provided by Noble in March 2021. Subsequent advances, for April 2021 and May 2021, would be subject to Noble Board approval as set out in Clause 3.2 (c) of the Tenth Deed of Agreement i.e. “the Lender obtaining approval from its board of directors to provide the Subsequent Advance”.

The Company has subsequently been advised by Noble that the Noble Board has carefully considered the progress of the ResGen strategic review and Noble’s ability to continue funding the loan to Ledjadja, and has confirmed that they will not be providing any further approval (under clause 3.2(c) of the Agreement) for any further Subsequent Advances.

The Board has entered into urgent discussions and is considering all options including the appointment of Administrators.

The Company also wishes to advise of the resignation of Senior Executives. Chief Financial Officer Mr Brian Harvey and Chief Operations Officer Mr Zirk van der Bank have both tendered their resignations and will leave the Company on 30 April 2021. The Board thanks Mr Harvey and Mr van der Bank for their service to the Company and wishes them well for future endeavours.

Other Matters

The Company will keep the Market informed in accordance with its continuous disclosure obligations.

Approved for release by the Board.

For further information please contact:

Eryl Baron, Company Secretary on eryl.baron@boardroomlimited.com.au

Media enquiries:

South Africa: Marion Brower/ Charmane Russell on +27 11 880 3924

JSE Sponsor:

Deloitte & Touche Sponsor Services (Pty) Limited

About Resgen:

Resource Generation Limited (Resgen) is an emerging ASX and JSE-listed energy company, currently developing the Boikarabelo Coal Mine in South Africa's Waterberg region. The Waterberg accounts for around 40% of the country's currently known coal resources. The Coal Resources and Coal Reserves for the Boikarabelo Coal Mine, held through the operating subsidiary Ledjadja Coal, were recently updated based upon a new mine plan and execution strategy. The Boikarabelo Coal Resources total 995Mt and the Coal Reserves total 267Mt applying the JORC Code 2012 (ASX Announcement :23 January 2017- In accordance with Listing Rule 5.23.2 the Company confirms that it is not aware of any new information that would impact on the Reported Coal Resources and Coal Reserves). Stage 1 of the mine development targets saleable coal production of 6 million tonnes per annum. Ledjadja Coal is a Black Economic Empowerment subsidiary (BEE) operating under South Africa's Broad-based Black Economic Empowerment Act, Section 9(5): Codes of Good Practice

Resgen's primary shareholders are the Public Investment Corporation of South Africa (PIC), Noble Group and Altius Investment Holdings.

Forward looking statements

This announcement contains certain forward-looking statements. Forward-looking statements include those containing words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan", "consider", "foresee", "aim", "will" and other similar expressions. Any forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of Resgen. To the maximum extent permitted by law, the directors of Resgen, Resgen and any of its related bodies corporate and affiliates, and their officers, partners, employees, agents, associates and advisers disclaim any obligations or undertaking to release any updates or revisions to the information in this announcement to reflect any change in expectations or assumptions, do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of such information, or likelihood of fulfillment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement, and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).