

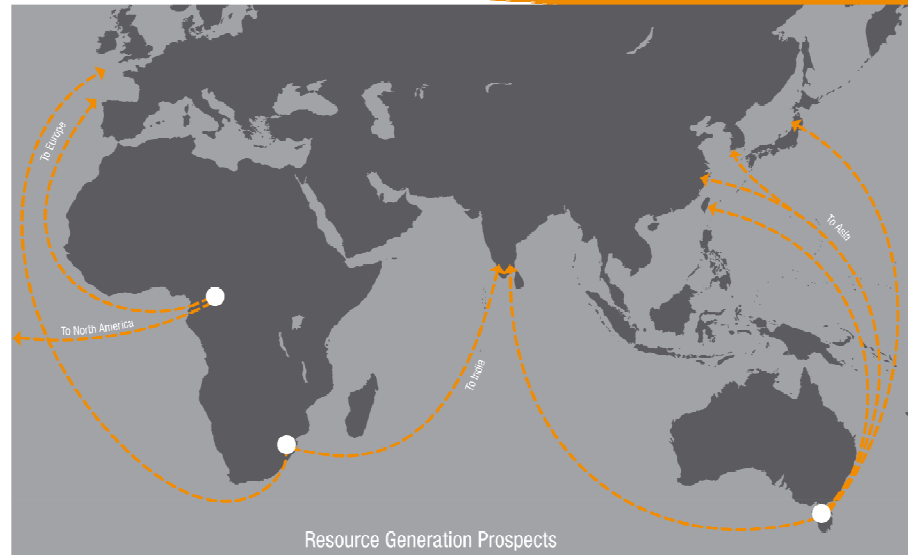
An energy resources company



Presentation  
Shareholders Meeting  
23 January 2009

ASX  
RES

# DISCLAIMER



The information in this presentation is an overview and does not contain all information necessary to make an investment decision. The information contained in this presentation has been prepared by Resource Generation Limited ("Resource Generation"). To the extent permitted by law, no representation or warranty, express or implied, is made as to the accuracy, adequacy or reliability of any statements, estimates or opinions or other information contained in this presentation, any of which may change without notice.

This presentation is not a prospectus or an offer, invitation, solicitation or recommendation of securities for subscription or sale in the United States or any other jurisdiction in which such an offer or solicitation is not authorized or to any other person to whom it is unlawful to make such an offer or solicitation.

Neither Resource Generation nor any other person warrants the future performance of Resource Generation or any return on any investment made pursuant to this presentation. Some of the information contained in this presentation constitutes forward-looking statements that are subject to various risks and uncertainties, not all of which may be disclosed. These statements discuss future objectives or expectations concerning results of operations or financial condition or provide other forward looking information. Resource Generation's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements.

Prospective investors should make their own independent evaluation of an investment in the securities. The material contained in this document does not take into account the investment objectives, financial situation or particular needs of any particular investor. Resource Generation does not make any recommendation to investors regarding the suitability of the securities and the recipient must make its own assessment and/or seek independent advice on financial, legal, tax and other matters, including the merits and risk involved.

This presentation and its contents have been distributed to you, in confidence, solely for your information and may not be retransmitted or otherwise reproduced or disclosed to third parties or made public in any way, in whole or in part, for any purpose without the written permission of Resource Generation.

## South Africa

Information in this presentation that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Dawie Van Wyk who is a consultant to the Company and is a member of a Recognised Overseas Professional Organisation. Mr Van Wyk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Van Wyk consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

# Quarterly Report & Operational Update

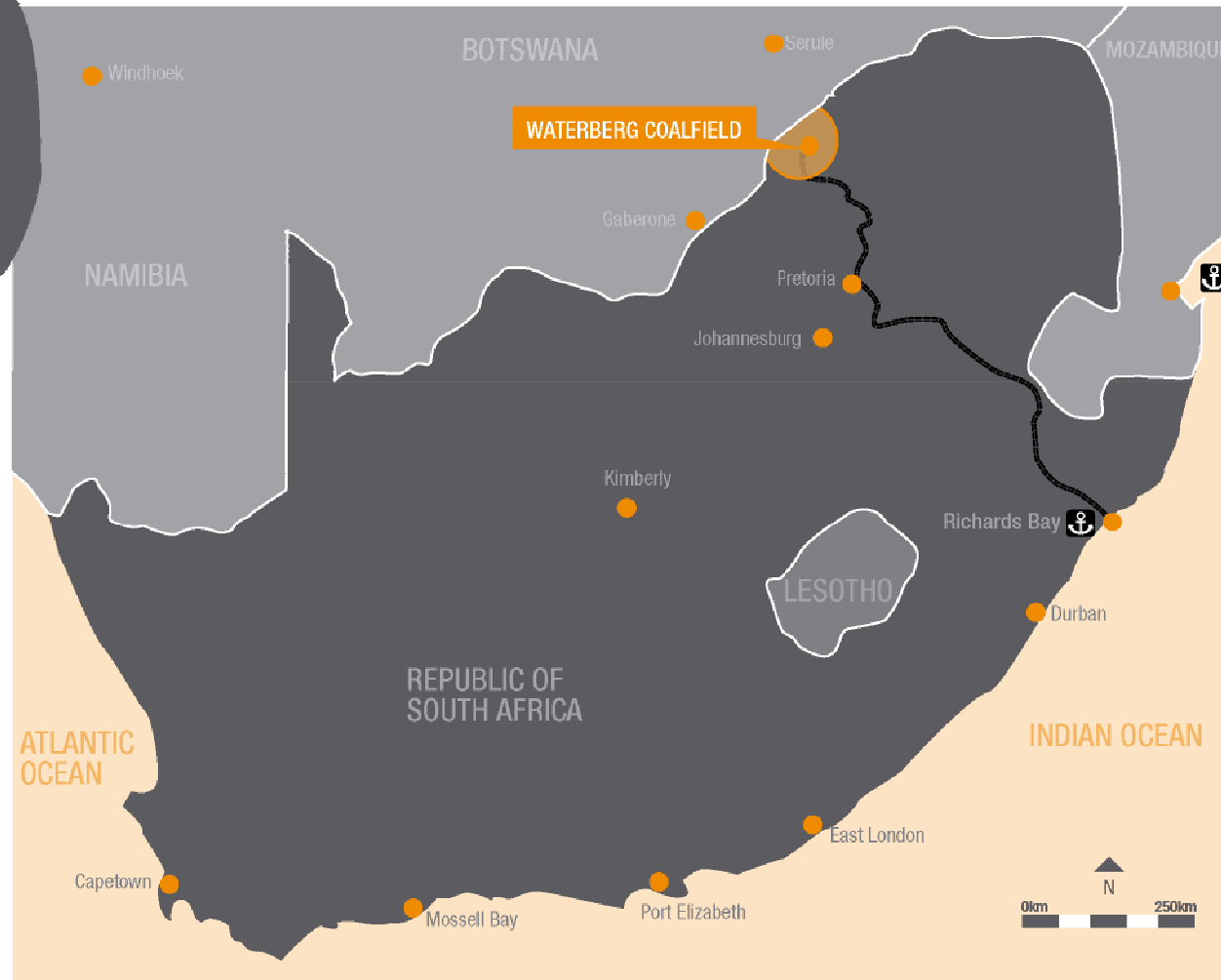


- South Africa - Waterberg
  - exploration update
    - drilling program near complete
    - analysis of drill core underway
  - commencement of mine planning
  - acquisition of adjoining tenements
- Tasmania
  - acquisitions completed
  - preliminary exploration commenced
- Cameroon
  - re-evaluation of exploration program

# South Africa – Waterberg Coalfield



**Priority development target for the Company: focus on evaluation of mineable reserve**



# Waterberg - exploration update



- **Exploration program commenced 1 Sep. '08 as planned**
- **98 hole program for the 3 Waterberg tenements**



**Core Drilling on Waterberg No.1**

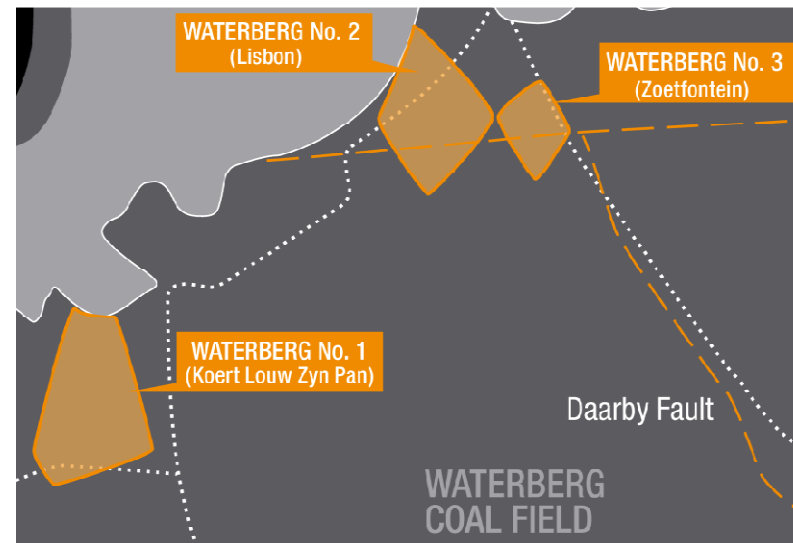


➤ **77 open holes successfully completed**

- 47 W #1
- 10 W #2
- 20 W #3

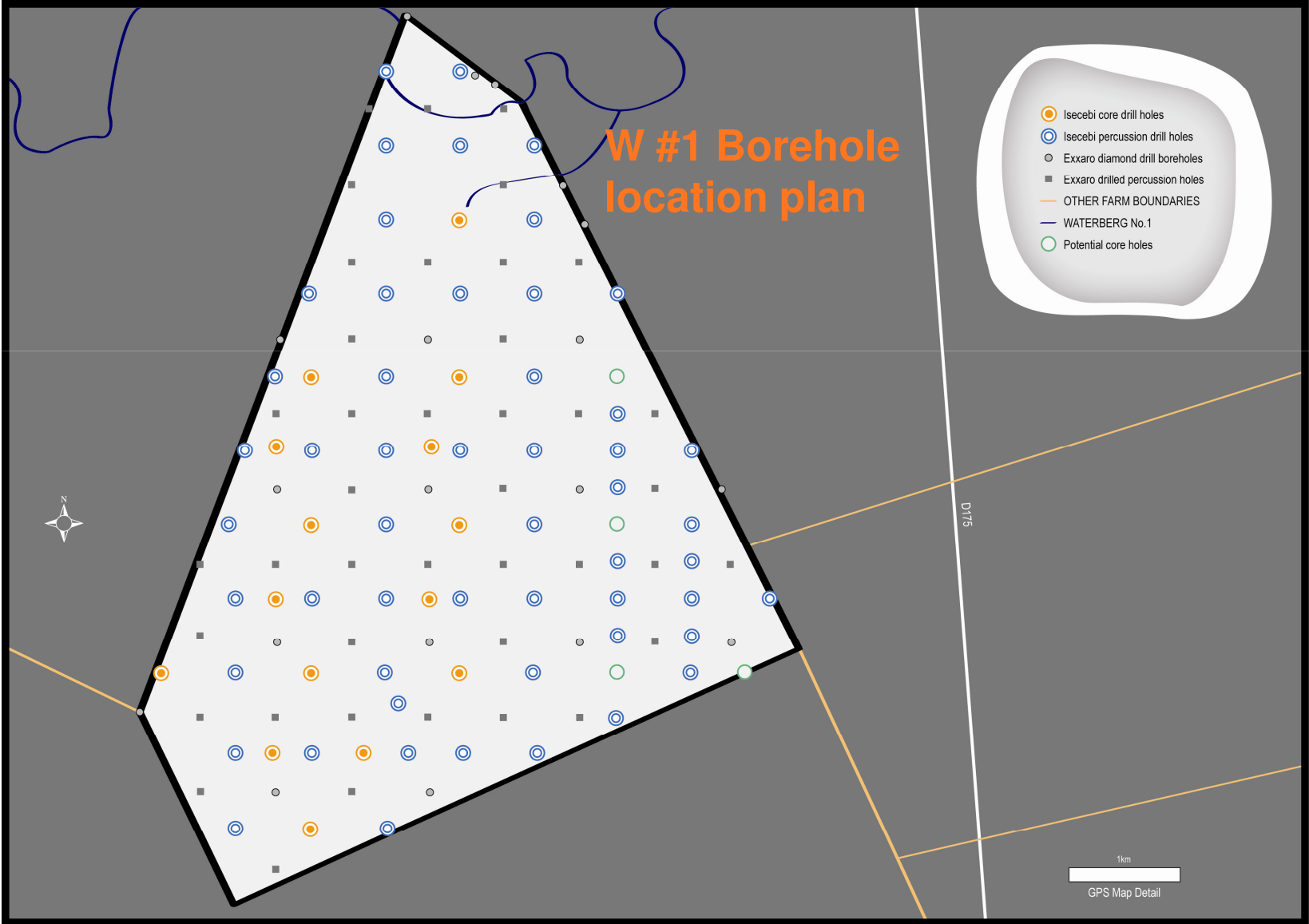
➤ **15 cored holes W #1**

- 10 completed YTD
- bal by end Jan '09



## Core Drilling on Waterberg No.1

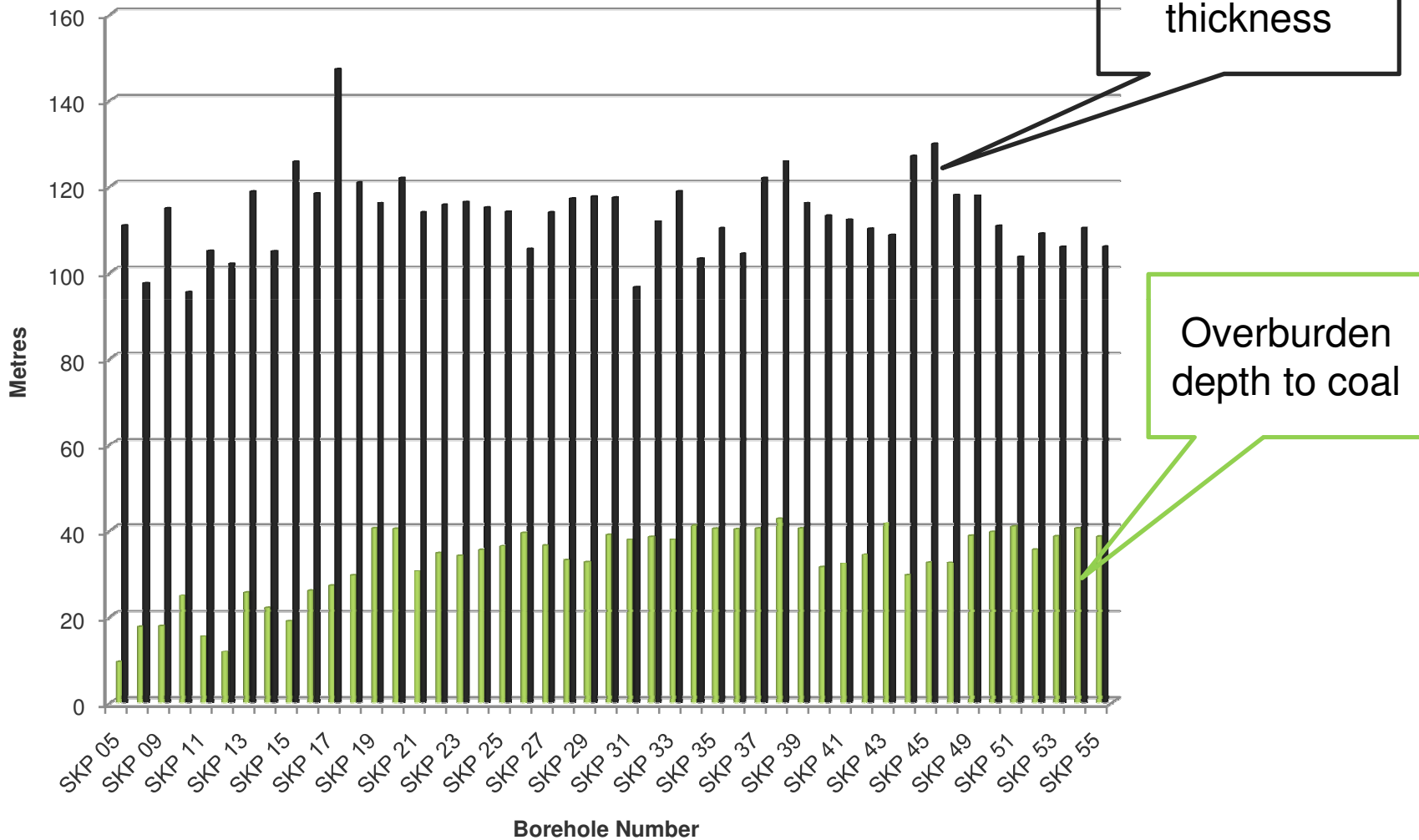
# Waterberg – exploration update



# W1 - Exploration update



### Borehole / Overburden / Coal Depth



# W1 Exploration Update



## COAL SEAM SEQUENCES IN THE WATERBERG COALFIELD

COAL SEAM X-SECTION	ZONES	AVERAGE THICKNESS (m)
	OVERBURDEN	16.50
	ZONE 11	7.56
	ZONE 10	9.37
	ZONE 9	6.53
	ZONE 8	9.04
	ZONE 7	10.15
	ZONE 6	6.54
	ZONE 5	13.54
	INTERBEDDED SC	2.60
	ZONE 4	4.02
	INTERBEDDED SC	4.28
	ZONE 4	1.52
	INTERBEDDED SC	4.28
	ZONE 3	7.82
	INTERBEDDED SC	4.54
	ZONE 2	3.73
	INTERBEDDED SC	13.85
	ZONE 1	1.55

~60m  
Upper Ecca: Bright Coal with interbedded shale

~50m  
Lower Ecca: Dull Coal, Sandstone & Carbonaceous shale



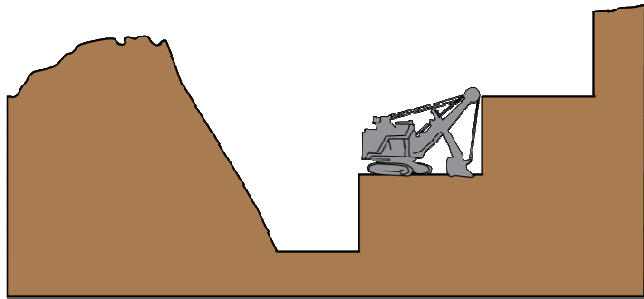
- Core Visually confirms geological sequence
- Now subject to results of lab analysis

Core Drilling on Waterberg No.1

# Waterberg – indicative mine plan

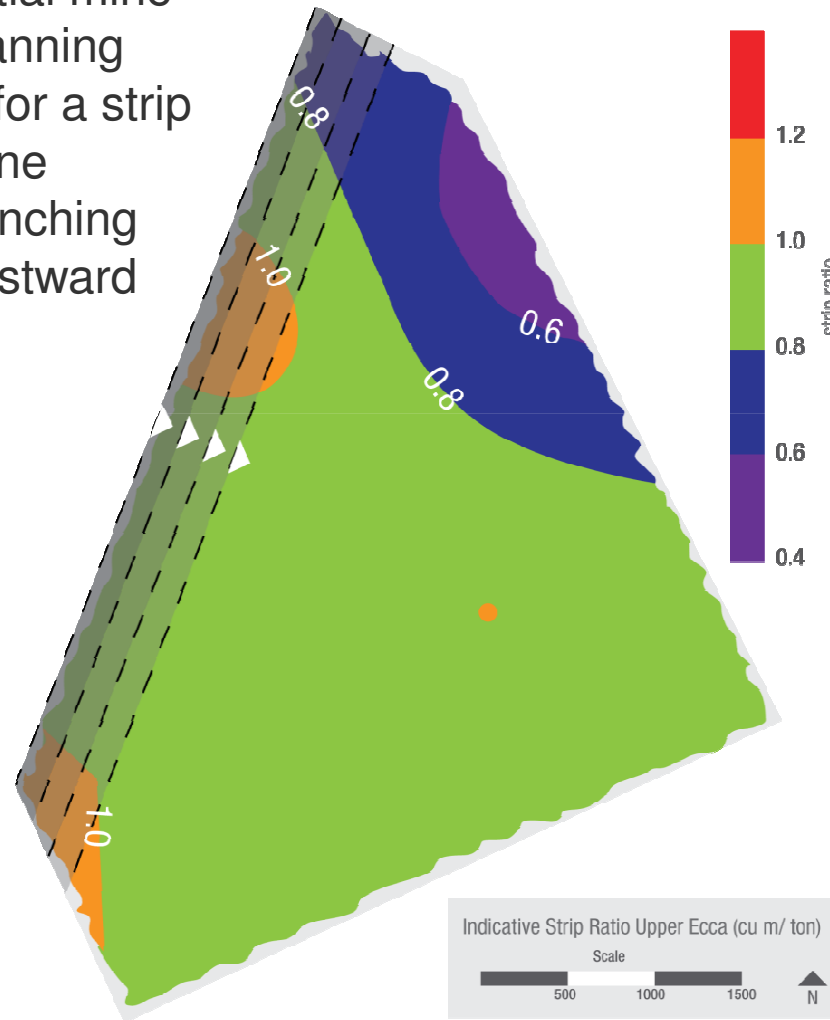


Initial mine planning is for a strip mine benching eastward

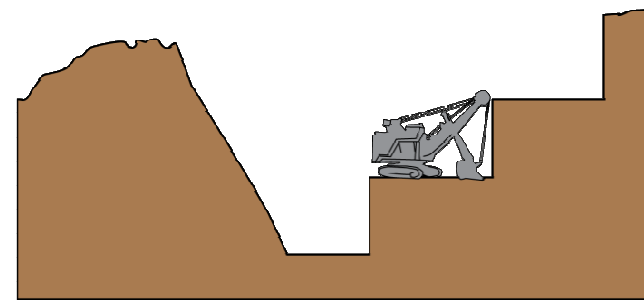


Indicative cross section schematic

Waterberg No. 1



# Waterberg – indicative mine plan



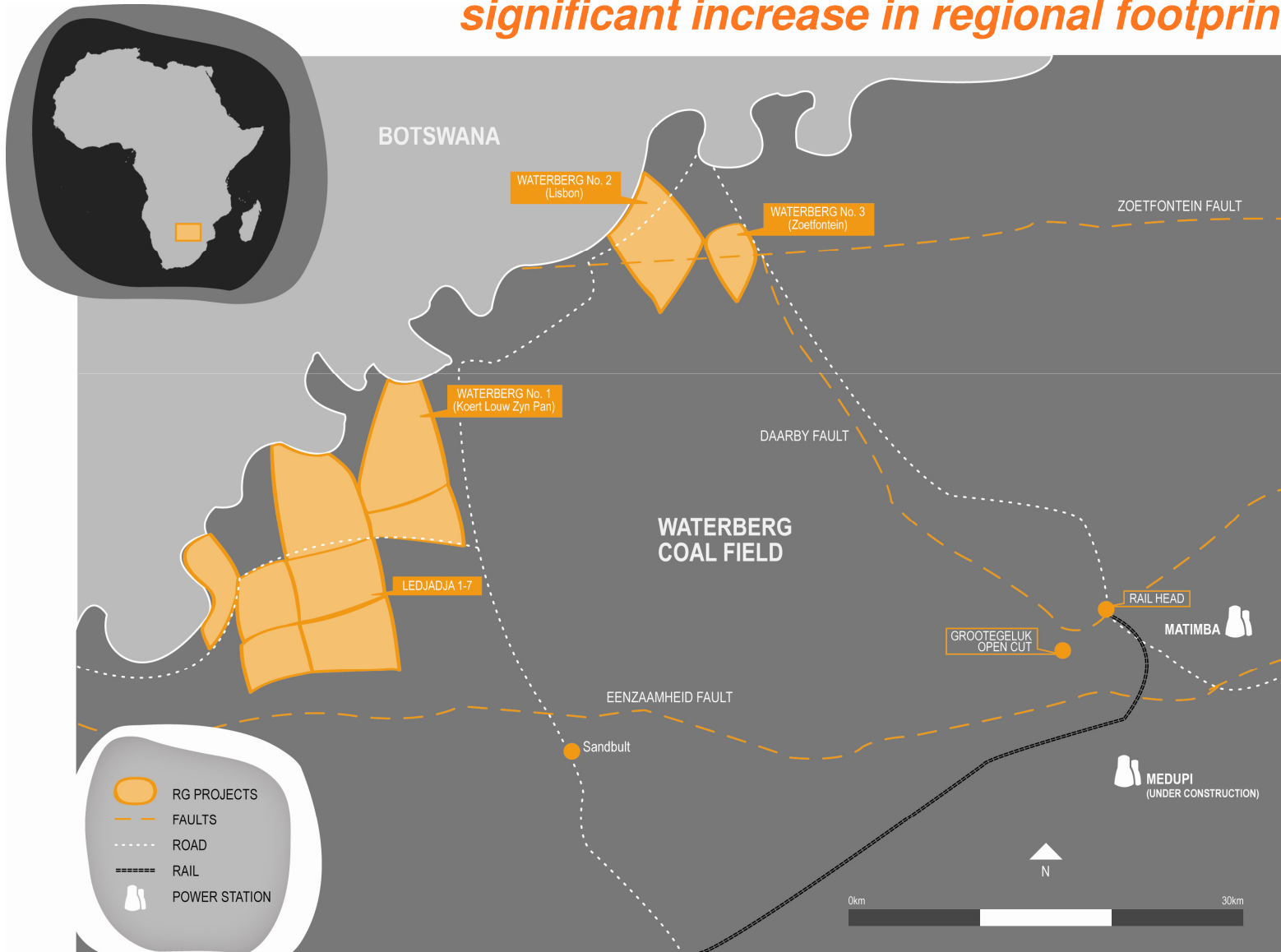
Indicative cross section schematic

- 50 cubic metre bucket, electric rope shovel
- matched with 6 x 240t Trucks
- moves ~ 12m bcm p.a.
- with minimal overburden then bulk of bcm is coal
- = ~17.5 mtpa ROM
  
- CPP process in preliminary design & yield subject to drilling analysis.
- 2 stage development concept; SI = Eskom supply, SII = export product

# Acquired adjoining tenements



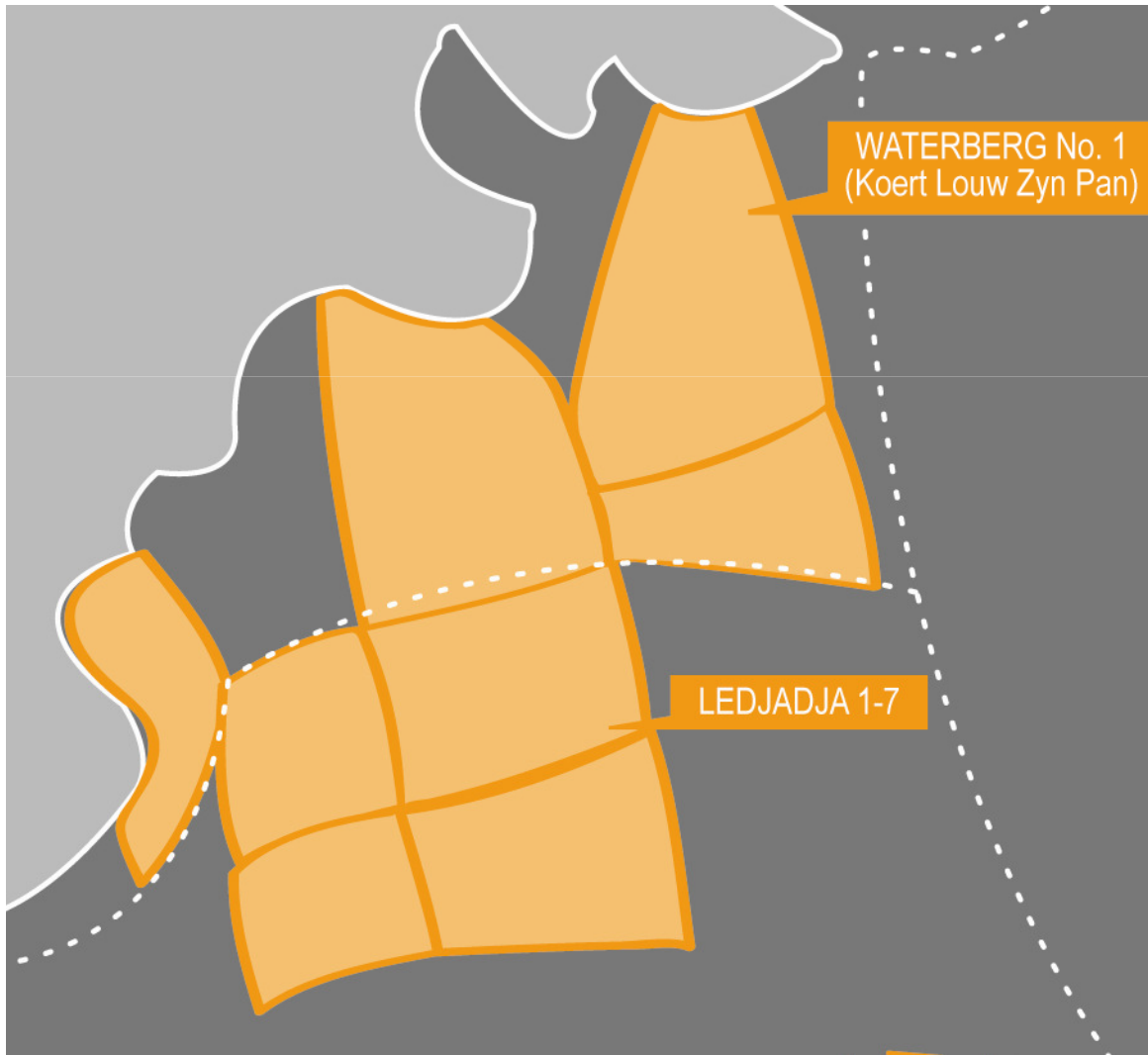
*significant increase in regional footprint*



# Acquired adjoining tenements



## *Enhances mine potential significantly*

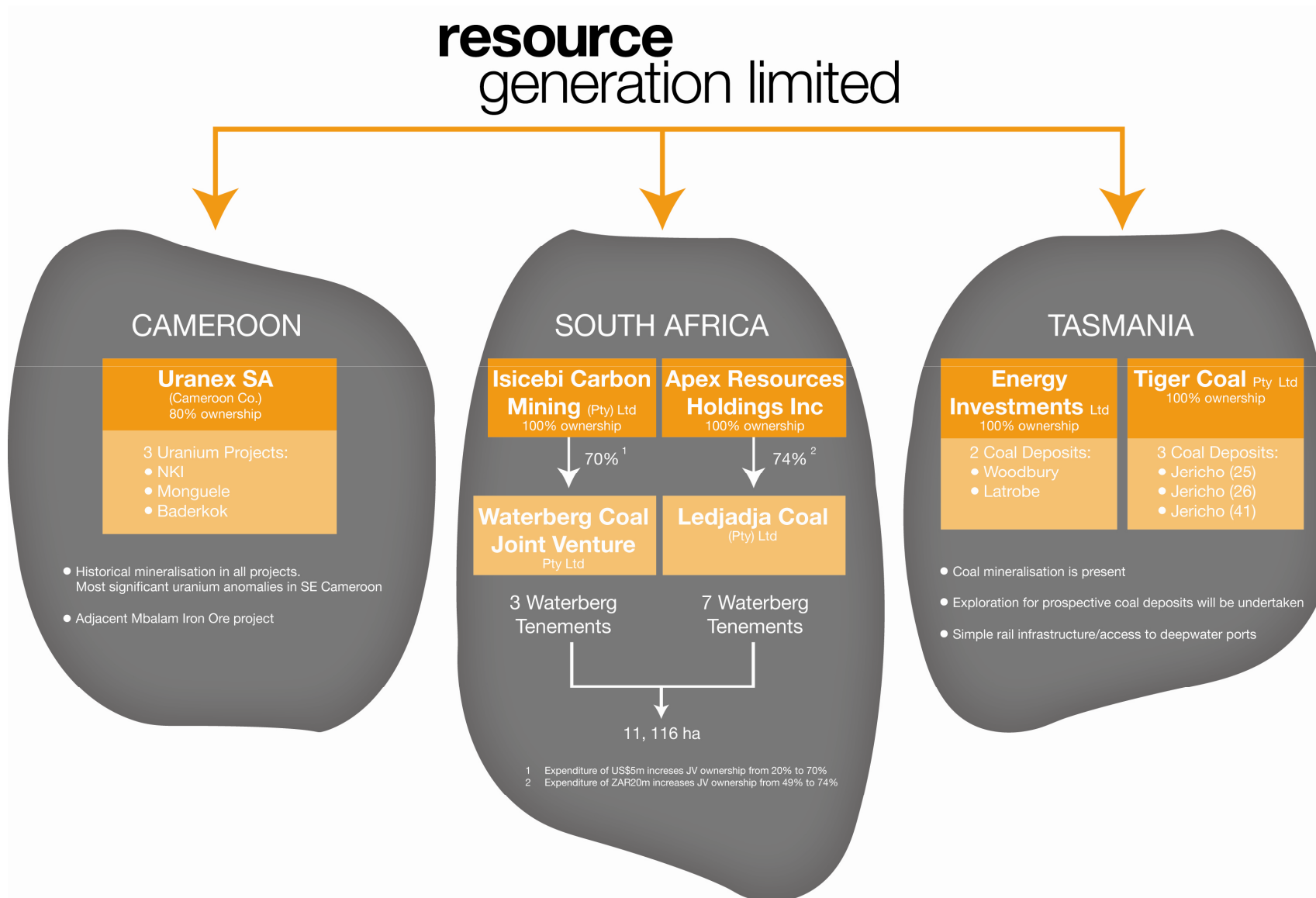


- coal sequence continuity possible in tenements adjoining W1
- additional resource possible after subsequent drilling
- obvious mining synergies
- adds flexibility for mine infrastructure location
- additional transport / access corridors

# Corporate structure post Apex acquisition



## resource generation limited



# Corporate structure post Apex acquisition



## SOUTH AFRICA

### WATERBERG COAL JOINT VENTURE (Pty) Ltd

**Isicebi Carbon Mining (Pty) Ltd**

**Lukale Mining Company (Pty) Ltd (RSA BEE Partner)**

70%<sup>1</sup>

30%

### Waterberg Coal Joint Venture (Pty) Ltd (JV formed 4th July 2008)

- 3 Deposits:**
- Waterberg No. 1
  - Waterberg No. 2
  - Waterberg No. 3

- 739 million tonnes of coal JORC Inferred Resources
- Open cut with minimal overburden
- Additional exploration; 98 hole drilling program commenced September 2008
- Approximately 40km by road to:
  - Rail infrastructure connecting to Richards Bay & Maputo
  - Two major Eskom power stations nearby

<sup>1</sup> Expenditure of US\$5m increases JV ownership from 20% to 70%

### LEDJADJA COAL (Pty) Ltd

**Apex Resources Holdings Inc**

**Yakani Resources (Pty) Ltd (RSA BEE)**

**Shango Minerals (Pty) Ltd (RSA BEE)**

74%<sup>2</sup>

21%

5%

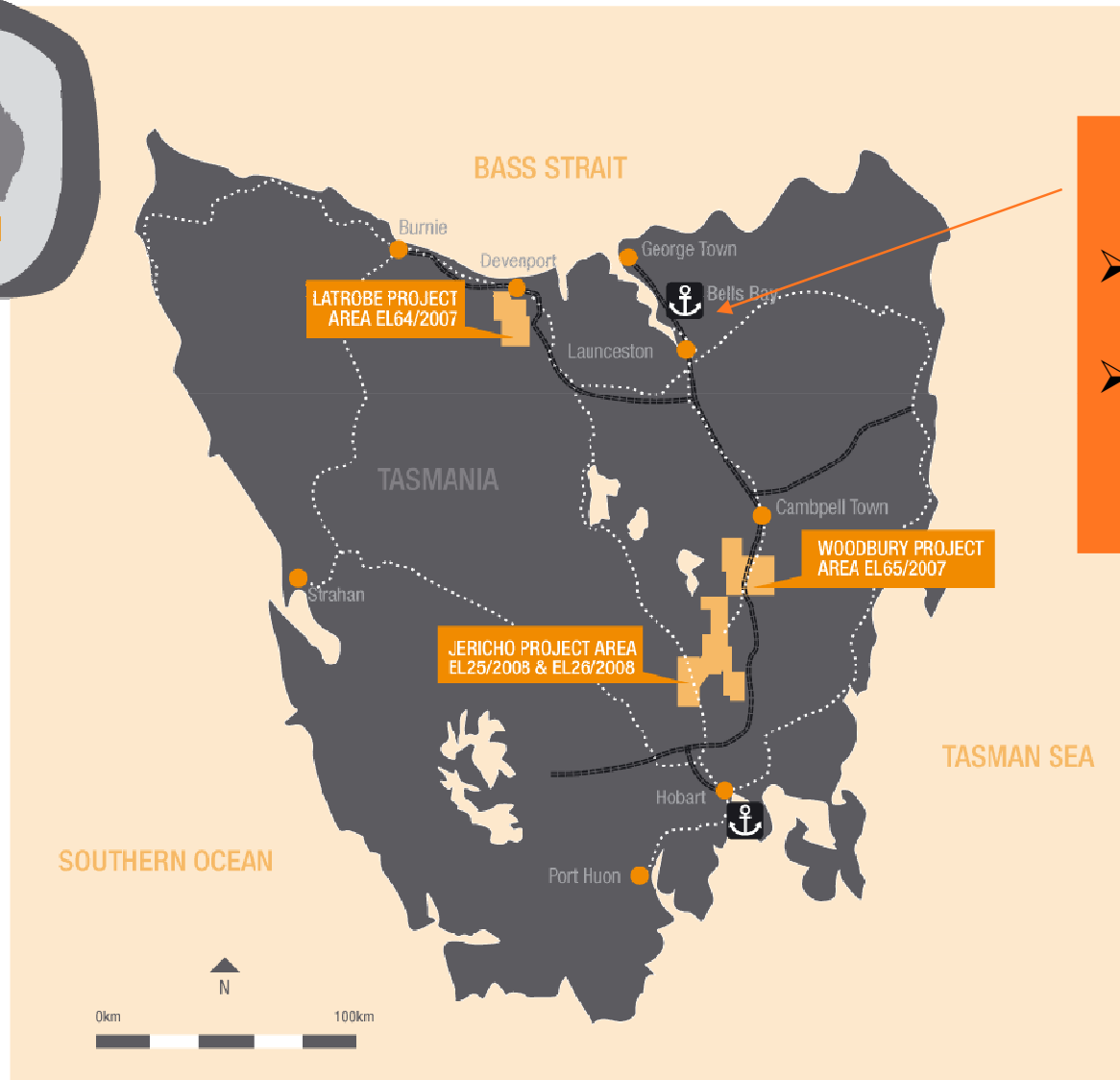
### Ledjadja Coal (Pty) Ltd

- 7 Deposits:**
- Witkopje (L1)
  - Kalkpan (L2)
  - Draai Om (L3)
  - Kruishout (L4)
  - Vischpan (L5)
  - Kruispad (L6)
  - Zeekoevley (L7)

- Expected continuity of coal seam in adjoining properties to Waterberg No. 1
- Facilitates transport access
- Enhances footprint for infrastructure location
- JORC Resource yet to be determined
- Expected open cut with minimal overburden
- Exploration program currently being formulated

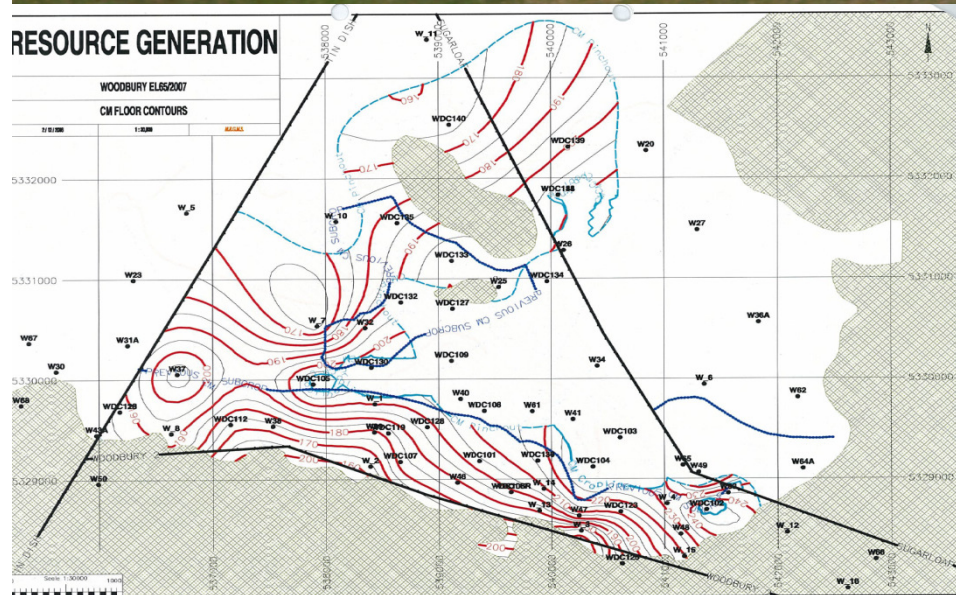
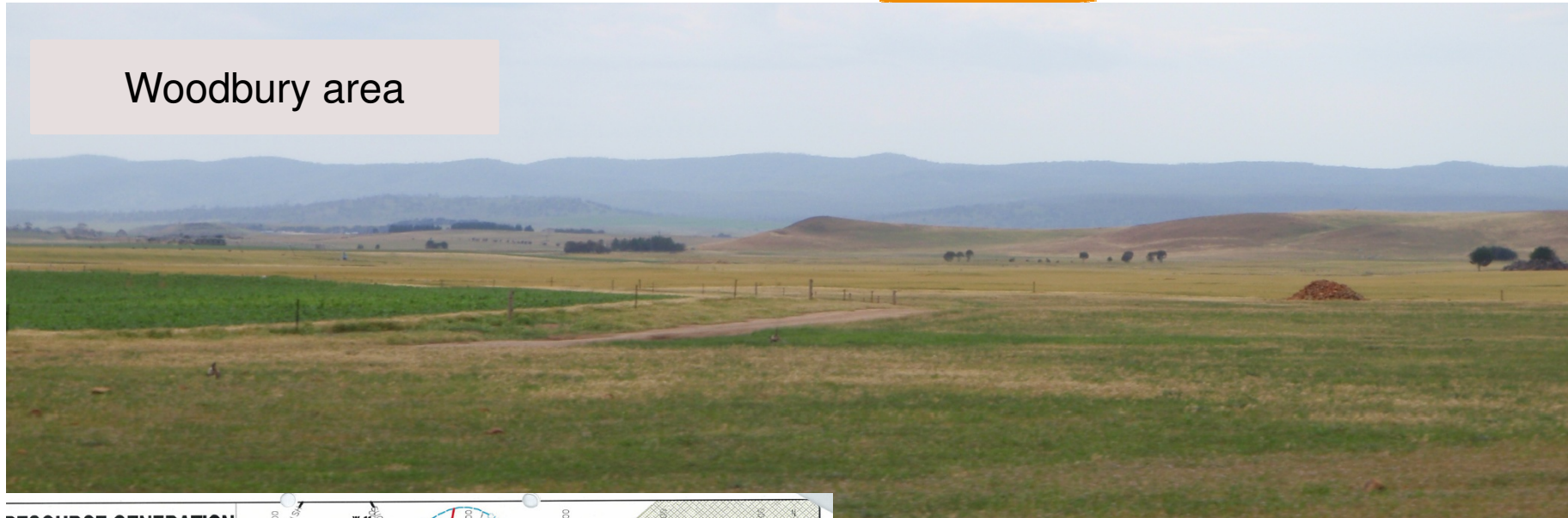
<sup>2</sup> Expenditure of ZAR20m increases JV ownership from 49% to 65%, with a further right to increase to 74%

# Tasmania – Exploration Licences now issued



- Evaluated
- Rail access to Bell Bay
  - Port & possible stockpile capability

## Woodbury area



- Initial modelling of historical data:
  - 4 seams, 3-4 plies
  - further drilling required
  - identify target areas for coal quality testing
- Regional assessment undertaken
- Development and approval issues identified

Jericho area



- Initial assessment of historical data:
  - further evaluation of historical records underway
  - exploration program will require significant additional drilling
  - topographical issues will require a need to identify specific areas for initial drilling
  
- Regional assessment undertaken
- Development and approval issues identified

# Quarterly results



<b>Cash flows for Quarter</b>	<b>\$'000</b>
<b>Operating (&amp; Dev) expenditure</b>	<b>(1,082)</b>
<b>Investing expenditure</b>	<b>(2,519)</b>
<b>Financing</b>	<b>2,767</b>
<b>Net Cash Usage</b>	<b>(834)</b>
<b>Cash at Quarter End</b>	<b>8,246</b>

Waterberg exploration

Apex purchase

Bal Aug placement

Est cash burn Mar 1/4 \$3m



Resource Generation Limited  
ABN 91 059 950 337  
Level 12 Chifley Tower  
2 Chifley Square  
Sydney NSW 2000  
Australia  
GPO Box 5490  
Sydney NSW 2001

Tel +61 2 9376 9000  
Fax +61 2 9376 9013

[www.resgen.com.au](http://www.resgen.com.au)

**ASX: RES**

