

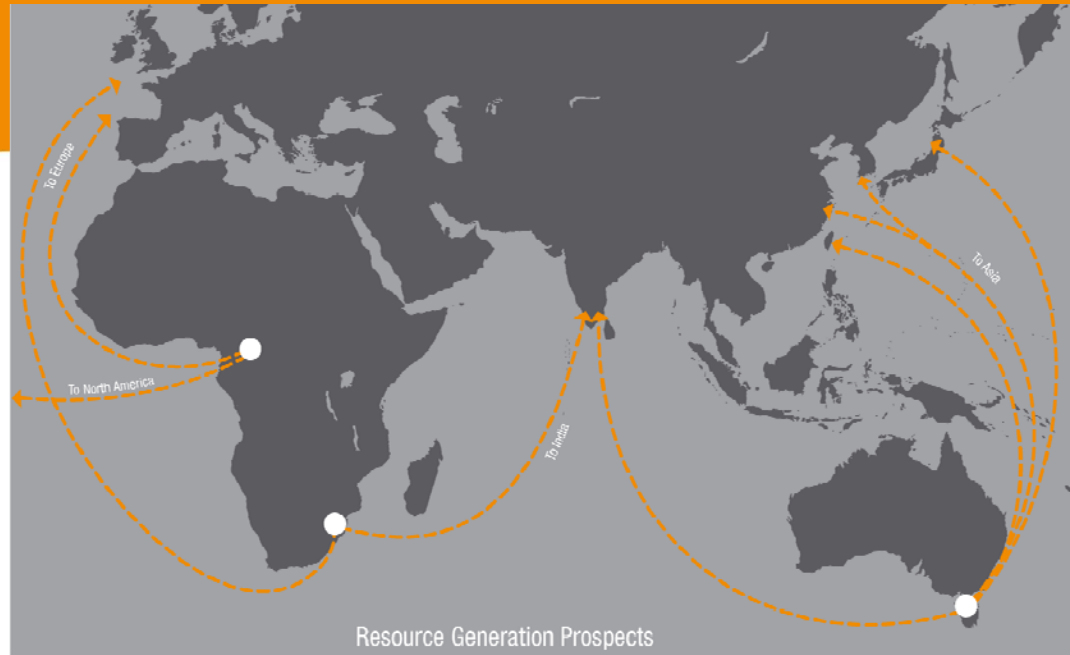
An energy resources company



Presentation  
June 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 document is not a prospectus, disclosure document or offering document under Australian law or under any other law. It does not constitute an offer or invitation to apply for securities. It is for information purposes only. The offer booklet for the Entitlement Offer is today being announced to the ASX and will be sent to Eligible Shareholders in due course. Any Eligible Shareholder who wishes to participate in the Entitlement Offer should consider the retail offer booklet in deciding whether to apply under the Entitlement Offer. Anyone who wants to apply for Shares under the Entitlement Offer will need to apply in accordance with the instructions on the Entitlement and Acceptance Form which will accompany the offer booklet. This presentation is not an offer 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.

# CORPORATE OVERVIEW



➤ ASX code	RES
➤ Current shares on issue	76,878,667*
* 1:10 share consolidation in January 2009	
➤ At 5 June 2009, 20 largest shareholders held 40%	
➤ Options on issue	8,764,964
➤ Trading range since 1 Jan 2009	\$0.18 – \$0.88
➤ Market capitalisation	~\$60 million

## Strategy

- Significant resources /geographical diversity
- Capability to complete
  - Resource exploration programs currently underway
  - Defined mine development
- Experienced corporate and regional management
- Coal projects close to infrastructure and customers
- To expand through further coal acquisitions

**South  
Africa**

**World Class Resource  
Company Priority Project**

## **Waterberg Coalfield**

- 40% SA's remaining coal resource
- Traditional Witbank coalfield finite life remaining
- RES JV sizeable deposits; Inferred resource 2.0 billion tonnes
- 120m thick coal seam at shallow depth ~ 20 metres
- Continuing exploration will expand resource
- Commencement of mine planning
- Major footprint in emerging industrial area

# Summary of Operations



## Tasmania

- Midlands deposits / open cut potential
- Preliminary exploration commenced
- Possible export potential
- Underutilised rail & port infrastructure

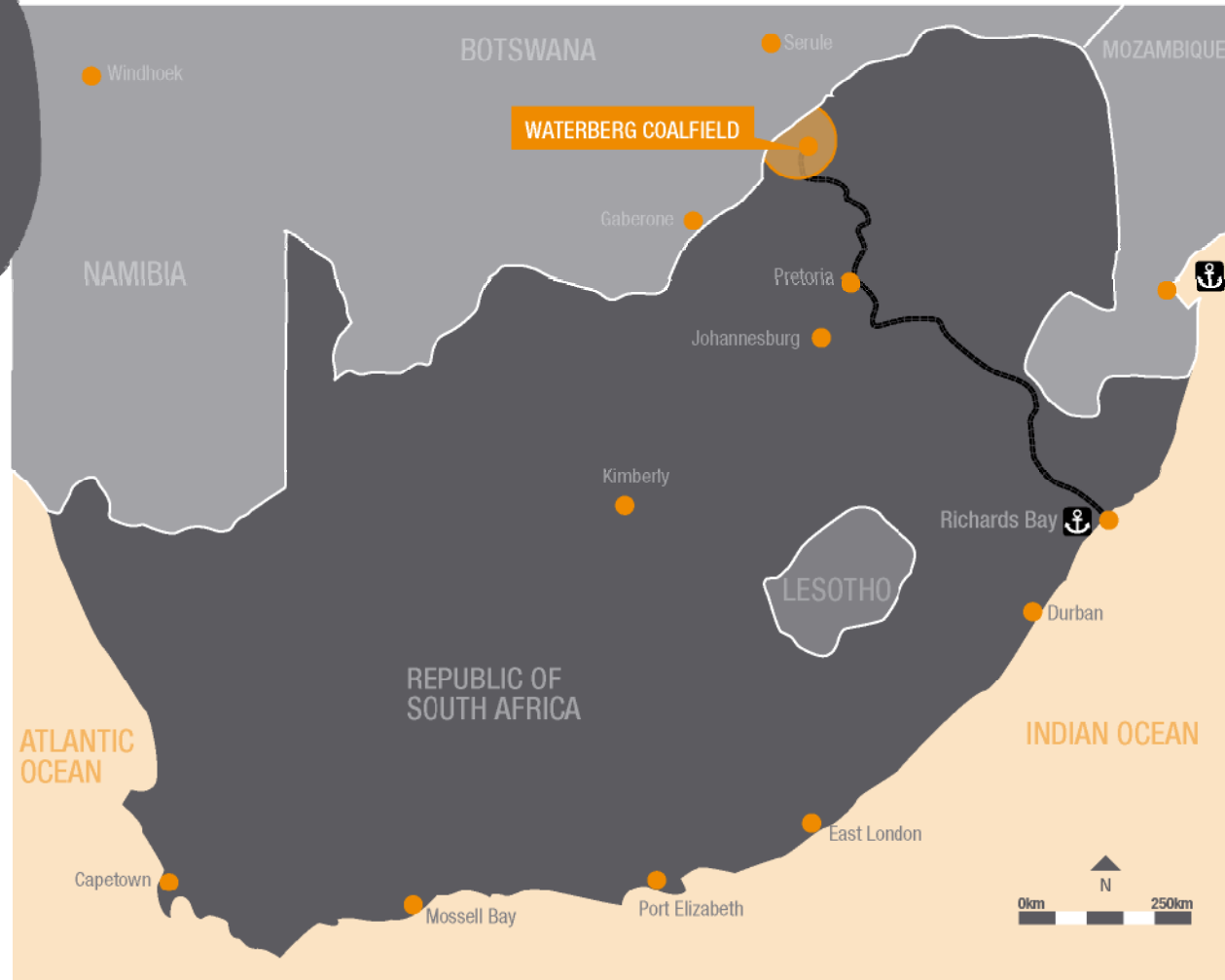
## Cameroon

- 3 Uranium deposits - evaluation of exploration program

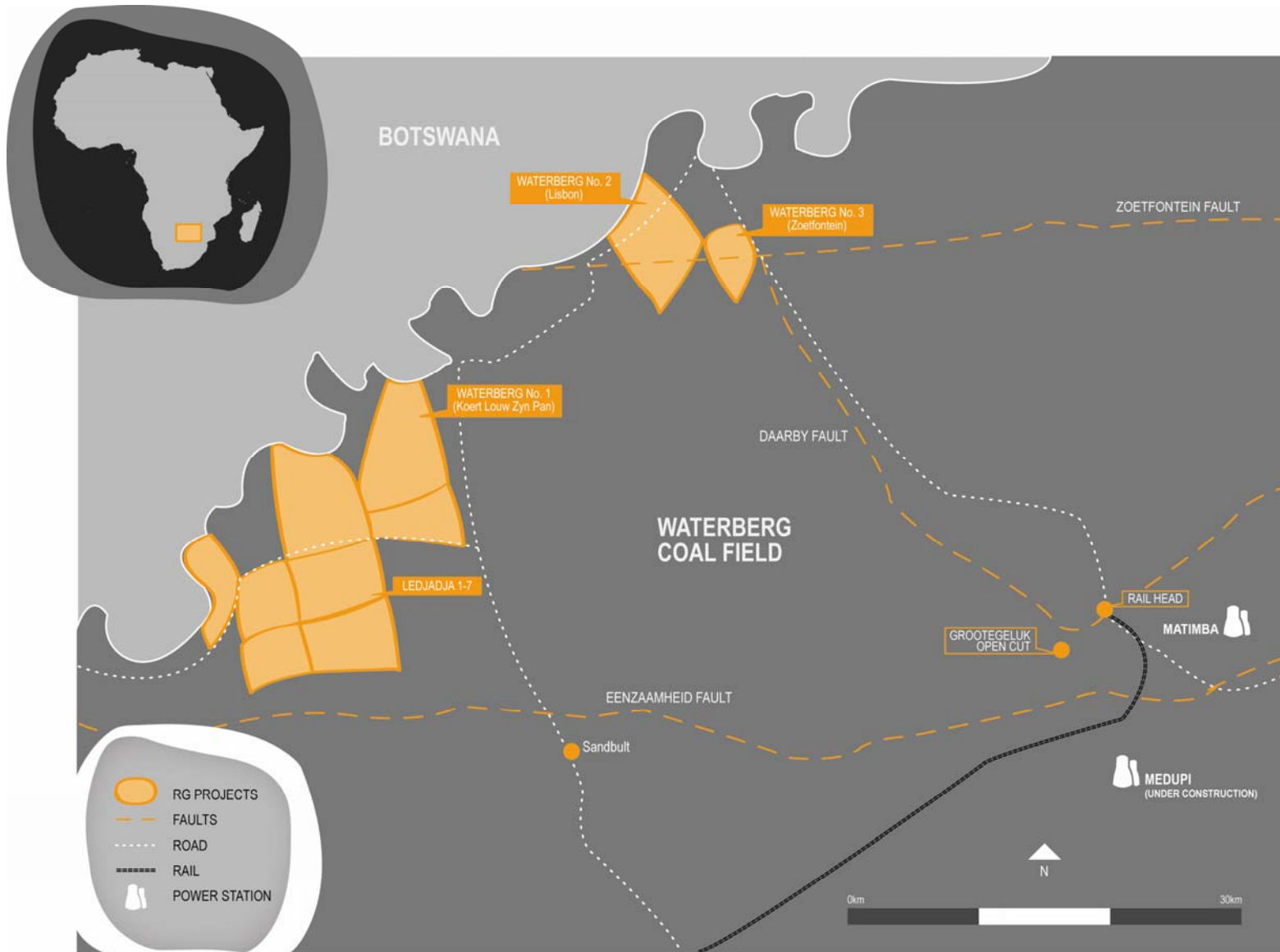
# South Africa – Waterberg Coalfield



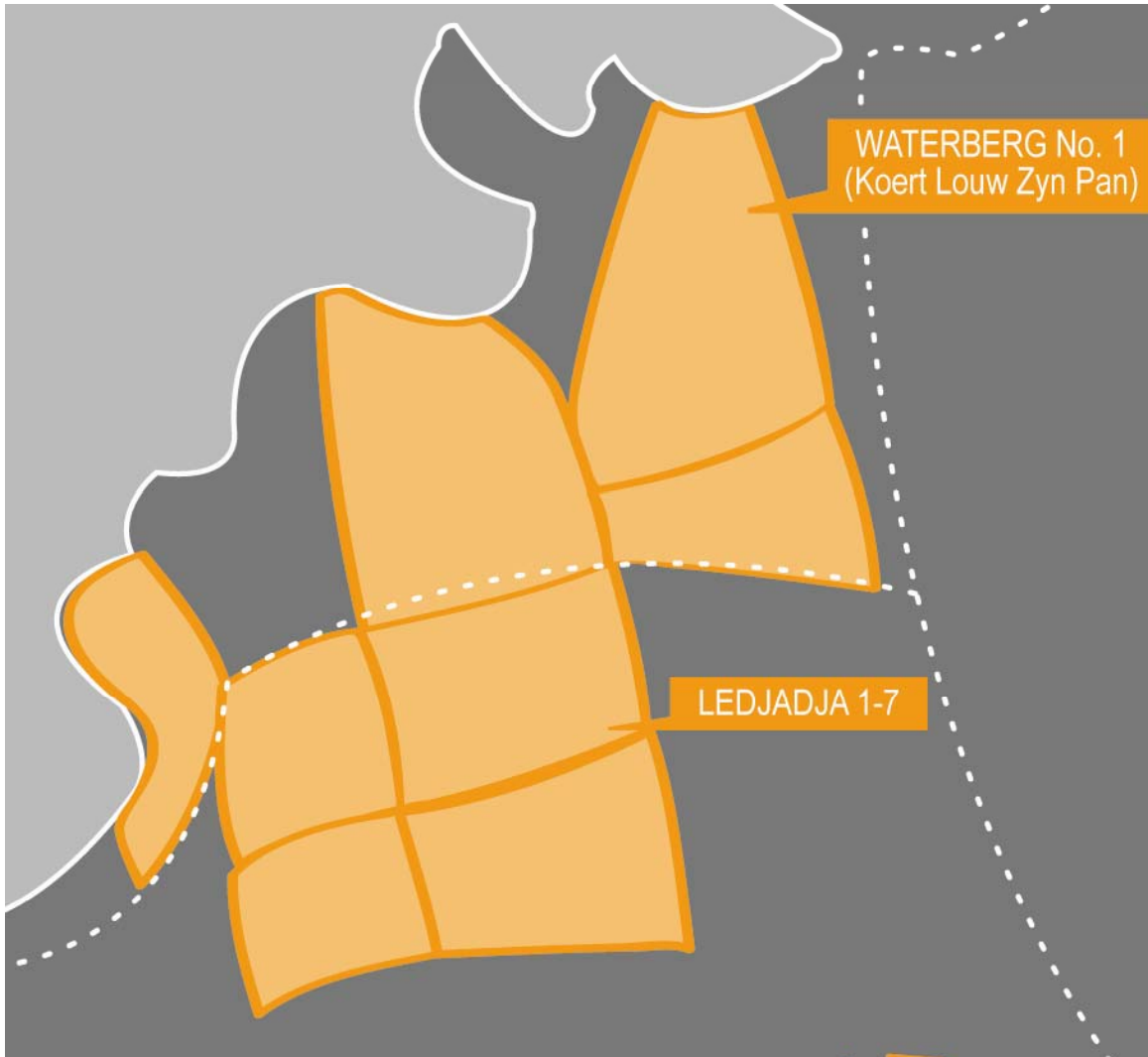
**Priority development target for the Company: focus on evaluation of mineable reserve to develop mining operation**



# Significant regional footprint



# Tenements – mine potential now confirmed



- Waterberg No.1 currently 2.0 billion tonne resource
- 120m thick coal seam
- shallow depth ~ 20m deep
- coal seam continuity confirmed in tenements adjoining W#1
- additional resource apparent from new drilling
- obvious mining synergies
- mine infrastructure location
- additional transport / access corridors

# Waterberg & Ledjadja JV - exploration



- Waterberg exploration program completed Sep '08 - Jan '09 as planned
- 98 hole program for the 3 Waterberg JV tenements

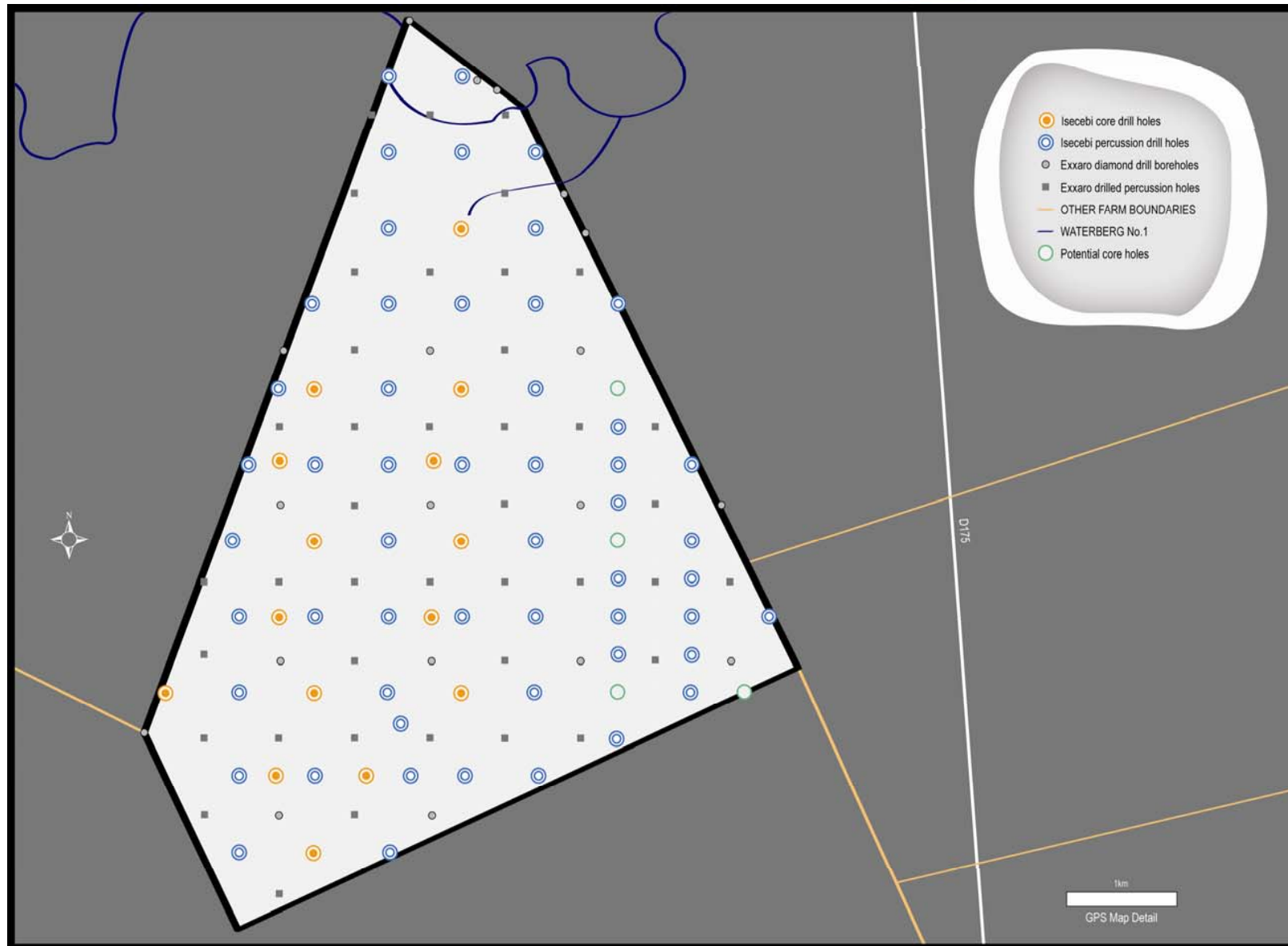


**Core Drilling on Waterberg No.1**

- Ledjadja exploration program commenced – 24 holes completed as planned
- Continuity of seam in 3 tenements adjacent to W#1



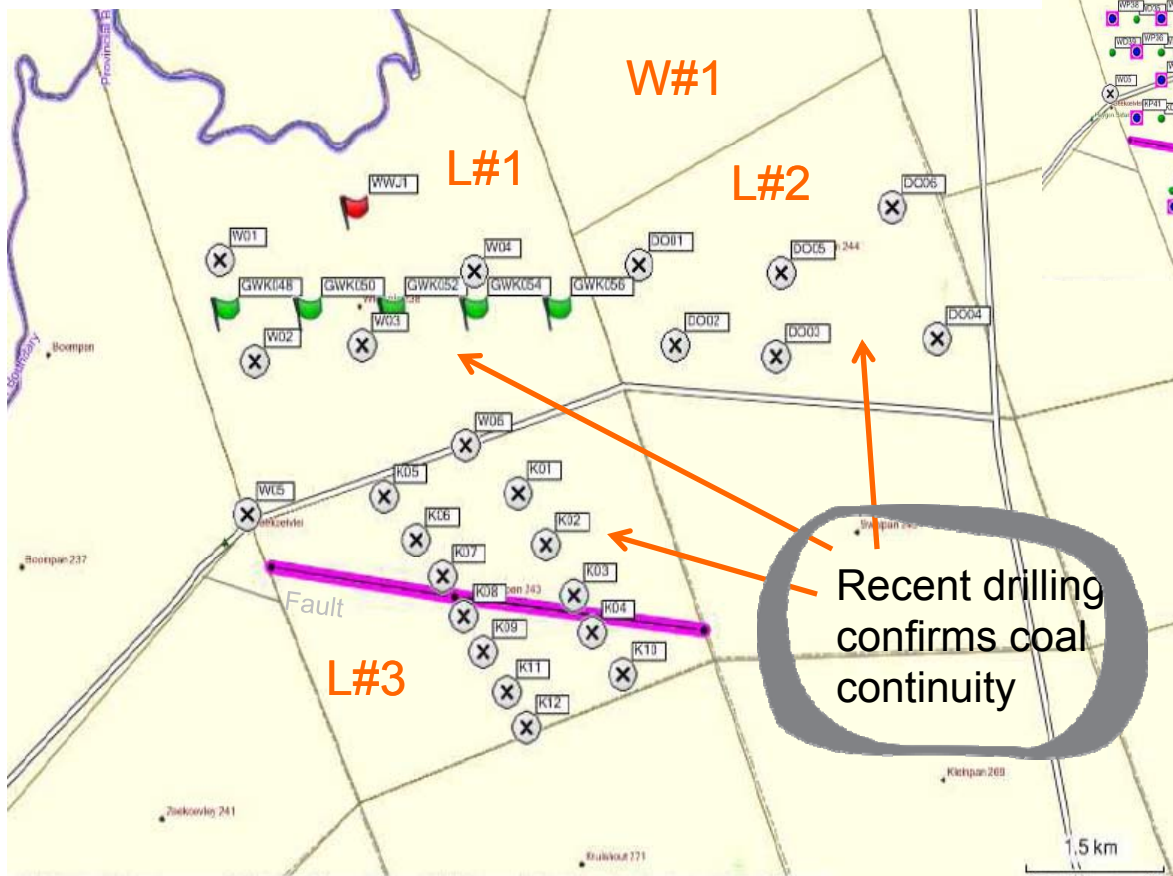
# Waterberg No.1 – borehole spacing



# Ledjadja tenements – exploration confirms coal seam continuity



Drilling of adjacent tenements to Waterberg No. 1



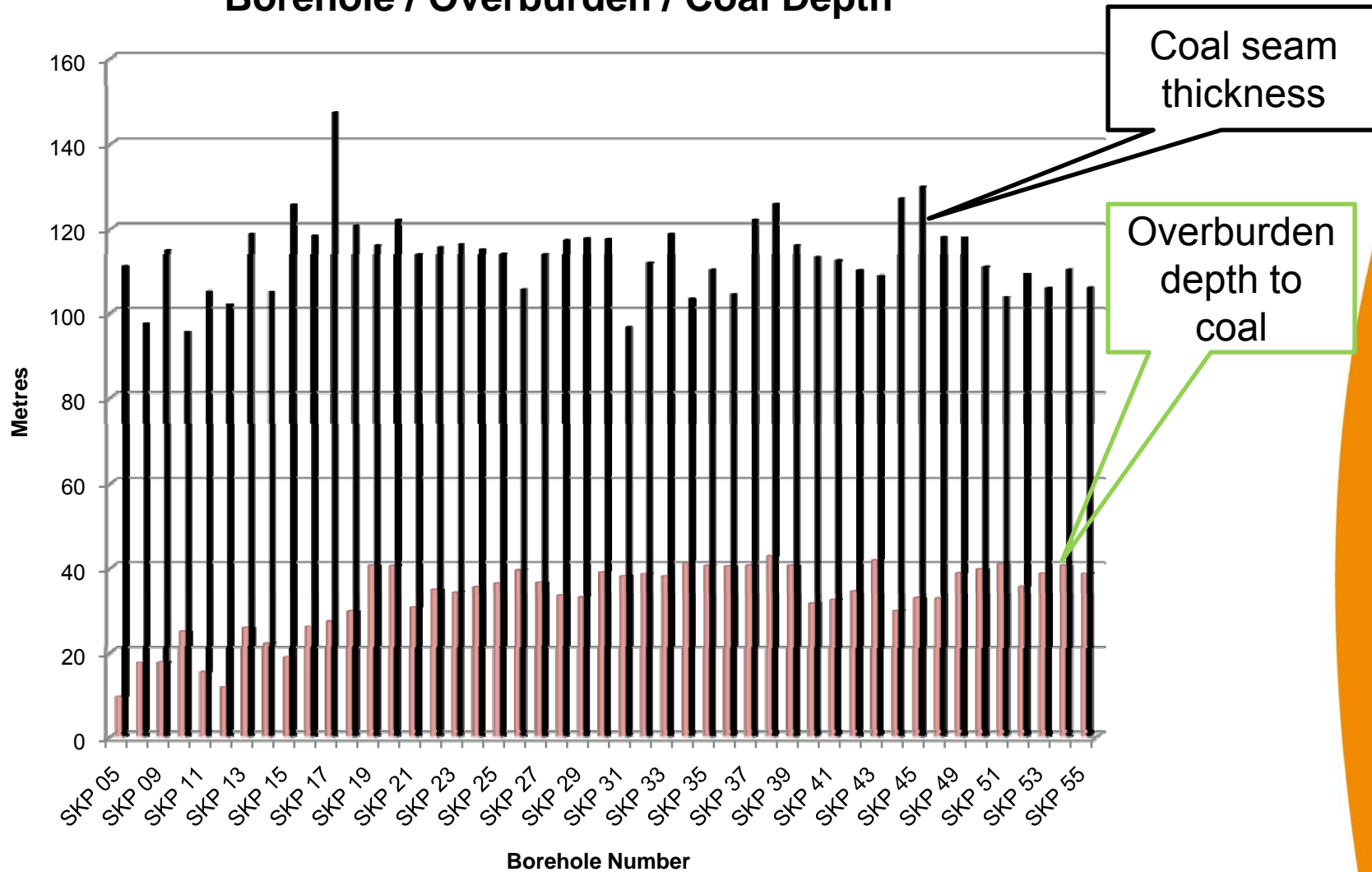
Drilling for JORC resource

Recent drilling confirms coal continuity

# W1 – Coal Seam across total tenement



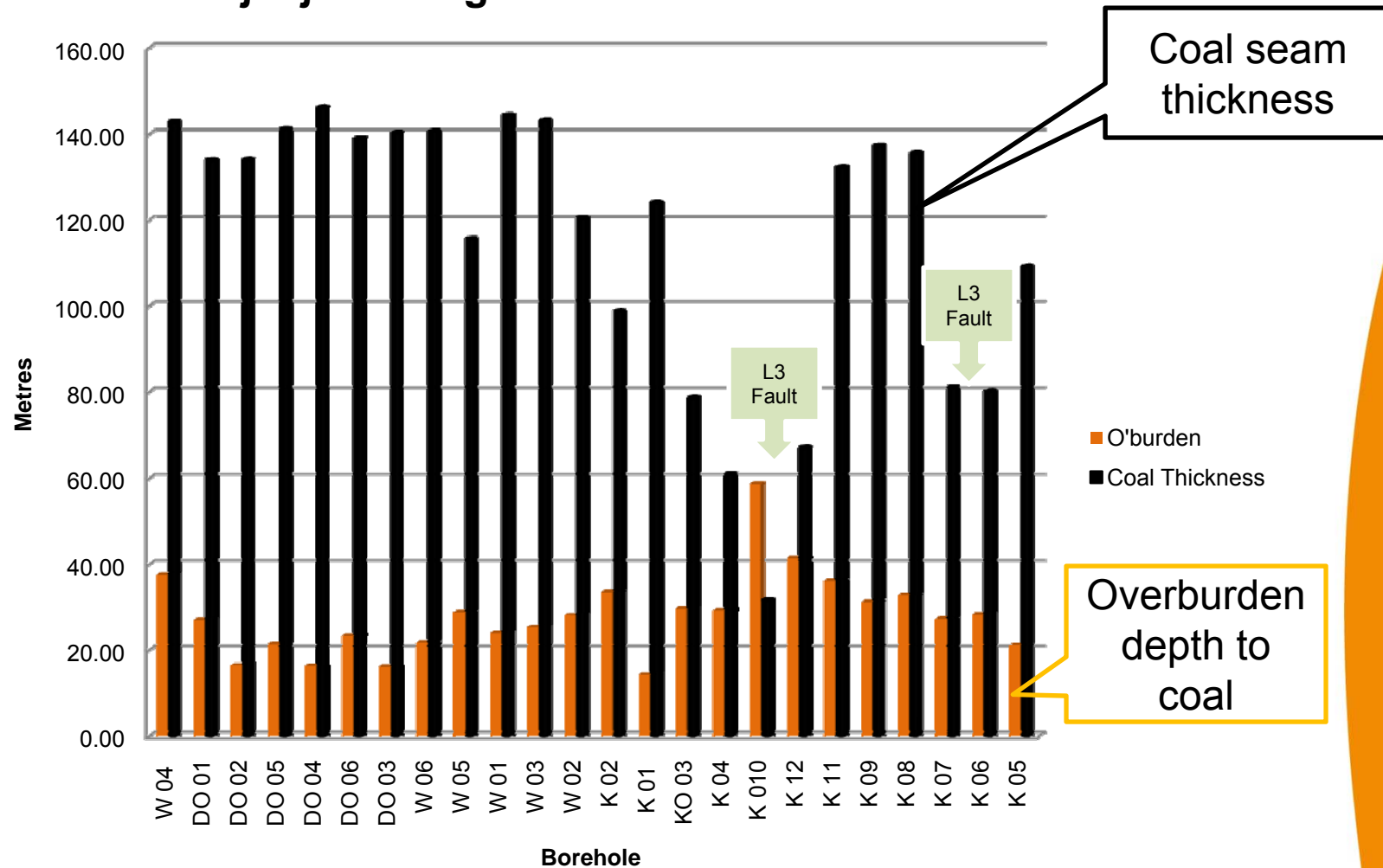
## Borehole / Overburden / Coal Depth



# Ledjadja – Coal Seam in L1, L2, L3 tenements



## Ledjadja Drilling / Overburden / Coal Thickness



# W1 Coal Seam Configuration



## 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



➤ Seam configuration  
➤ Core analysis currently underway confirms sequence

## Core Drilling on Waterberg No.1

# Current JORC Resource / indicative coal quality



- 2.0 billion tonnes of JORC Inferred Resource
- Export & domestic grade coals
- ~20 metres overburden
- Full sequence by open cut method
- Initial analysis results

	Waterberg No.1 Coal		Hunter Valley
	Coking Coal	Domestic Thermal	Semi Soft Coking Coal
	<i>Export grade</i>		<i>Export grade</i>
Ash %	10	35	8.5
kcal/kg gar approx	6,772	4,400	6,915
Roga Index	60 min		55-75
Swelling Index	4 min		6 min
Volatile %	38.0 max	22 max	35.5
Moisture %	10 max	11	8 max
Sulphur %	1.1	1.4	0.56

# Low cost Open Cut Mine



## 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



Shallow overburden layer = low mining cost

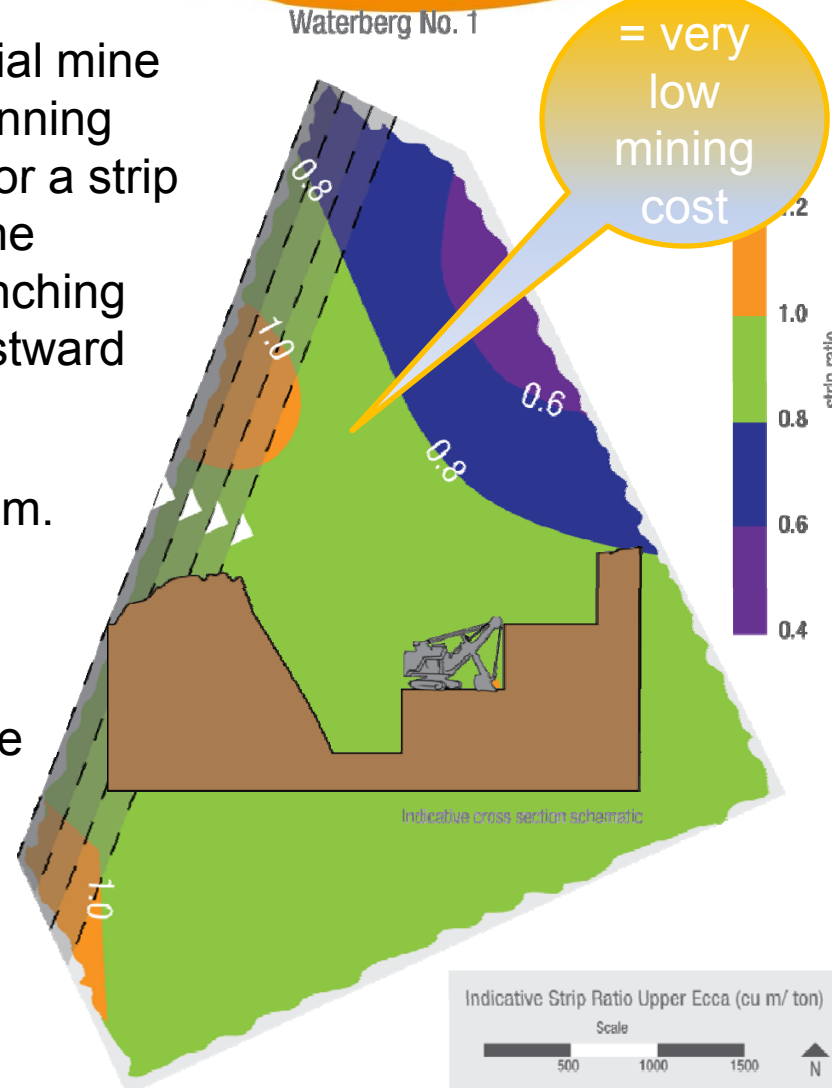
Upper & Lower Ecca coal sections bench mined

# Waterberg – indicative mine plan



Initial mine planning is for a strip mine benching eastward

- ✓ Minimal overburden = bulk of material mined is within coal seam.
- ✓ Selective mining of shale interburdens to maximise mining yield.
- ✓ Minimises complexity and volume of coal beneficiation =
  - Maximises yield
  - Simplifies operation and consumables such as water.



# Corporate structure – South Africa



## WATERBERG ONE COAL (Pty) Ltd

**Isicebi Carbon Mining**  
(Pty) Ltd

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

20% → 70%<sup>1</sup>

70% → 30%

### Waterberg One Coal (Pty) Ltd

#### 3 Deposits:

- Waterberg No. 1
- Waterberg No. 2
- Waterberg No. 3

- 2 billion tonnes of coal JORC Inferred Resources
- Open cut with minimal overburden
- Approximately 20km to :
  - ~ rail infrastructure connecting to east coast ports
  - ~ major Eskom power stations nearby

<sup>1</sup> Expenditure of A\$5M increases JV ownership from 20% to 70%. Subject to regulatory consent which has been applied for.

## LEDJADJA COAL (Pty) Ltd

**Apex Resources Holdings Inc**

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

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

49% → 74%<sup>2</sup>

41% → 21%

10% → 5%

### Ledjadja Coal (Pty) Ltd

#### 7 Deposits:

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

- Continuity of coal seam in adjoining properties to Waterberg No.1
- Facilitates transport access
- Enhances footprint for infrastructure location
- JORC Resource determination currently underway
- Expected open cut with minimal overburden

<sup>2</sup> Expenditure of ZAR20m increases JV ownership from 49% to 65%, with a further right to increase to 74% (if other shareholders elect not to fund feasibility study) subject to regulatory consent declined under previous ownership with the process of appeal underway.

Please see further information provided in section 6.5 of the risk factors contained in the Resource Generation Limited Entitlement Offer Booklet announced to the ASX on 23 June 2009

# Waterberg – local power stations

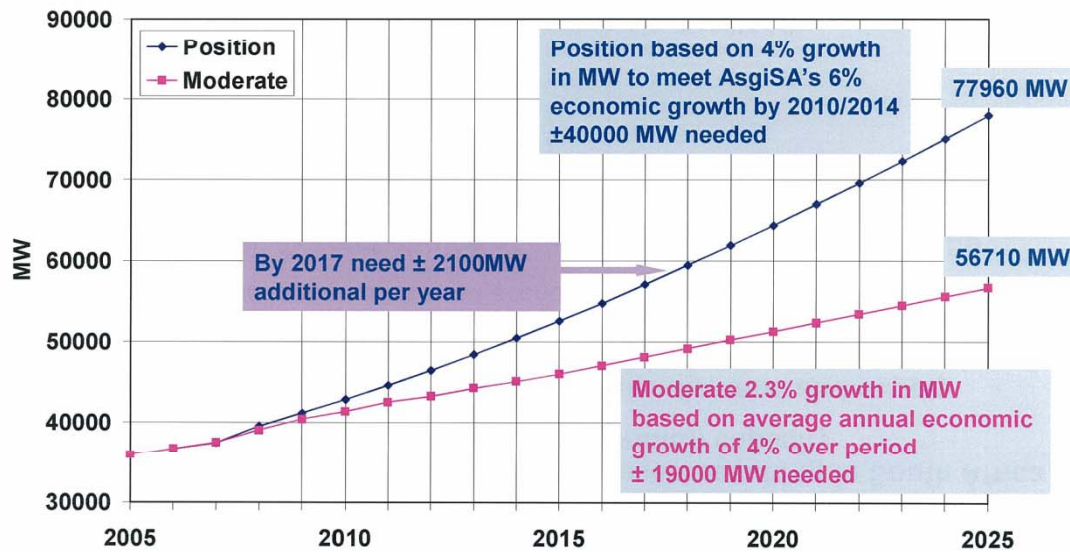


*Matimba* is the largest direct dry cooling power station in the world. Six 665MW units = Installed capacity: 3 990MW

*Medupi* (under construction) is a dry-cooled, coal-fired power station of six, 800MW units = 4,800MW. 16mtpa coal needed

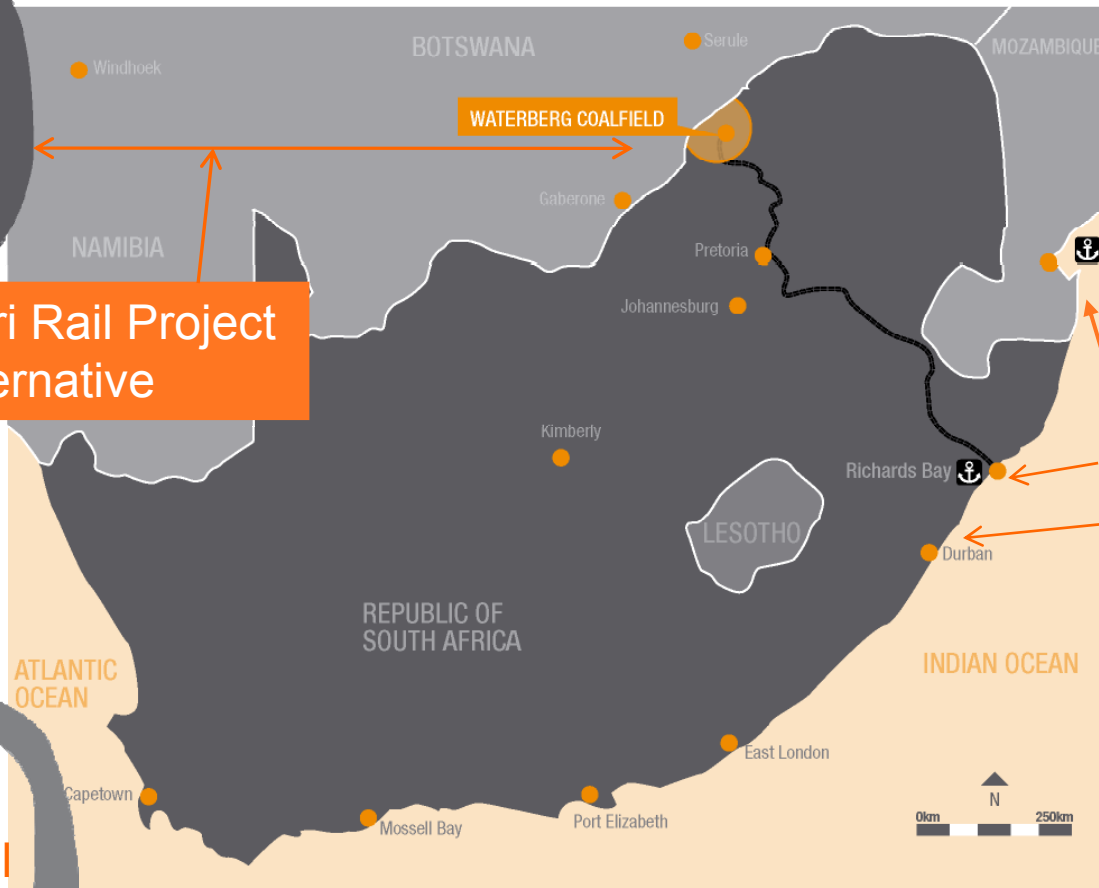
## The Need – Long term forecasts

Long term forecasts - national + foreign



Eskom raising possibility of 2 new power stations in W'Berg region. +32 mtpa coal needed

# Export potential – 5 rail & port options



Trans Kalahari Rail Project is a viable alternative

Rail capability to Richards Bay, Durban & Maputo (2)

Currently pursuing all five options

# Current funding



	2nd 1/4 FY'09	3rd 1/4 FY'09
Cash flows for Quarter	\$'000	\$'000
Operating (& Dev) expenditure	(1,082)	(1,649)
Investing expenditure	(2,519)	0
Financing	2,767	(41)
Net Cash Usage	(834)	(1,649)
Cash at Quarter End	8,246	6,556

Waterberg exploration

Apex purchase

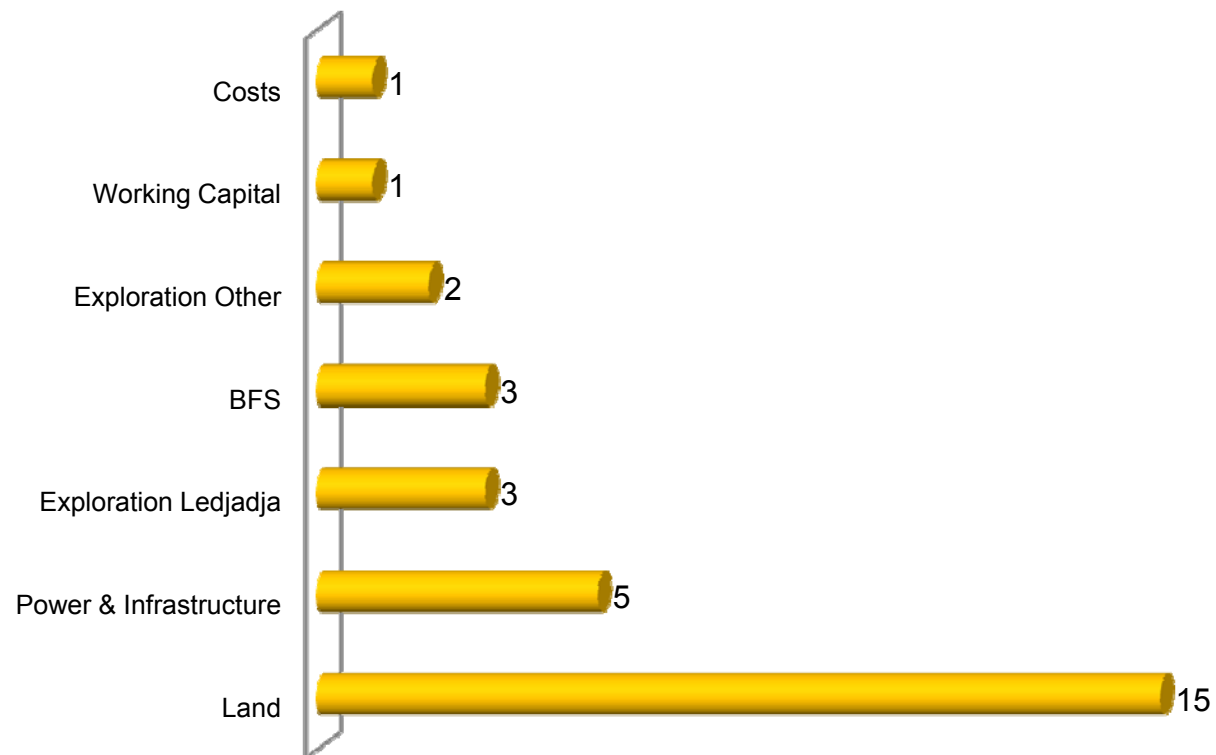
Bal Aug placement

Est cash burn June  
1/4 \$3M

# Indicative Use of Funds



## Use of Funds \$m



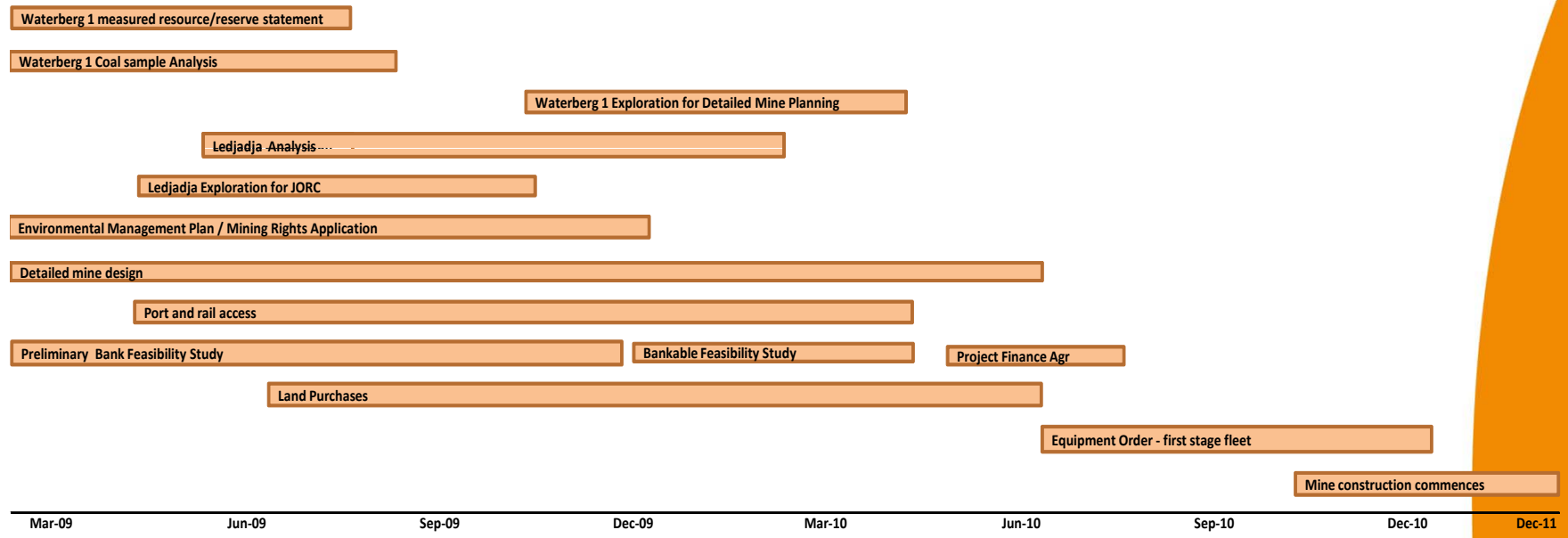
# Pro forma Balance Sheet



	Half-yearly Accounts	Capital Raising	Pro Forma Balance Sheet
	31-Dec 2008 \$000	Jul-09 2009 \$000	Jul-09 2009 \$000
<b>Current assets</b>			
Cash and cash equivalents	8,247	29,471	37,718
Trade and other receivables	45		45
	<u>8,292</u>		<u>37,763</u>
<b>Non-current assets</b>			
Property plant and equipment	346		346
Mining tenements and exploration	54,779		54,779
	<u>55,125</u>		<u>55,125</u>
<b>TOTAL ASSETS</b>	<b><u>63,417</u></b>		<b><u>92,888</u></b>
<b>Current liabilities</b>			
Trade creditors and provisions	452		452
Contingent consideration	2,420		2,420
	<u>2,872</u>		<u>2,872</u>
<b>Non-current liabilities</b>			
Royalties payable	3,796		3,796
	<u>3,796</u>		<u>3,796</u>
<b>TOTAL LIABILITIES</b>	<b><u>6,668</u></b>		<b><u>6,668</u></b>
<b>NET ASSETS</b>	<b><u>56,749</u></b>		<b><u>86,220</u></b>
<b>Equity</b>			
Issued capital	64,617	29,471 *	94,088
Reserves	17,454		17,454
Accumulated losses	(25,350)		(25,350)
Total parent entity interest	56,721		86,192
Minority interest	28		28
<b>TOTAL EQUITY</b>	<b><u>56,749</u></b>		<b><u>86,220</u></b>

\* Equity raised is net of costs

# Estimated Timetable





**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**

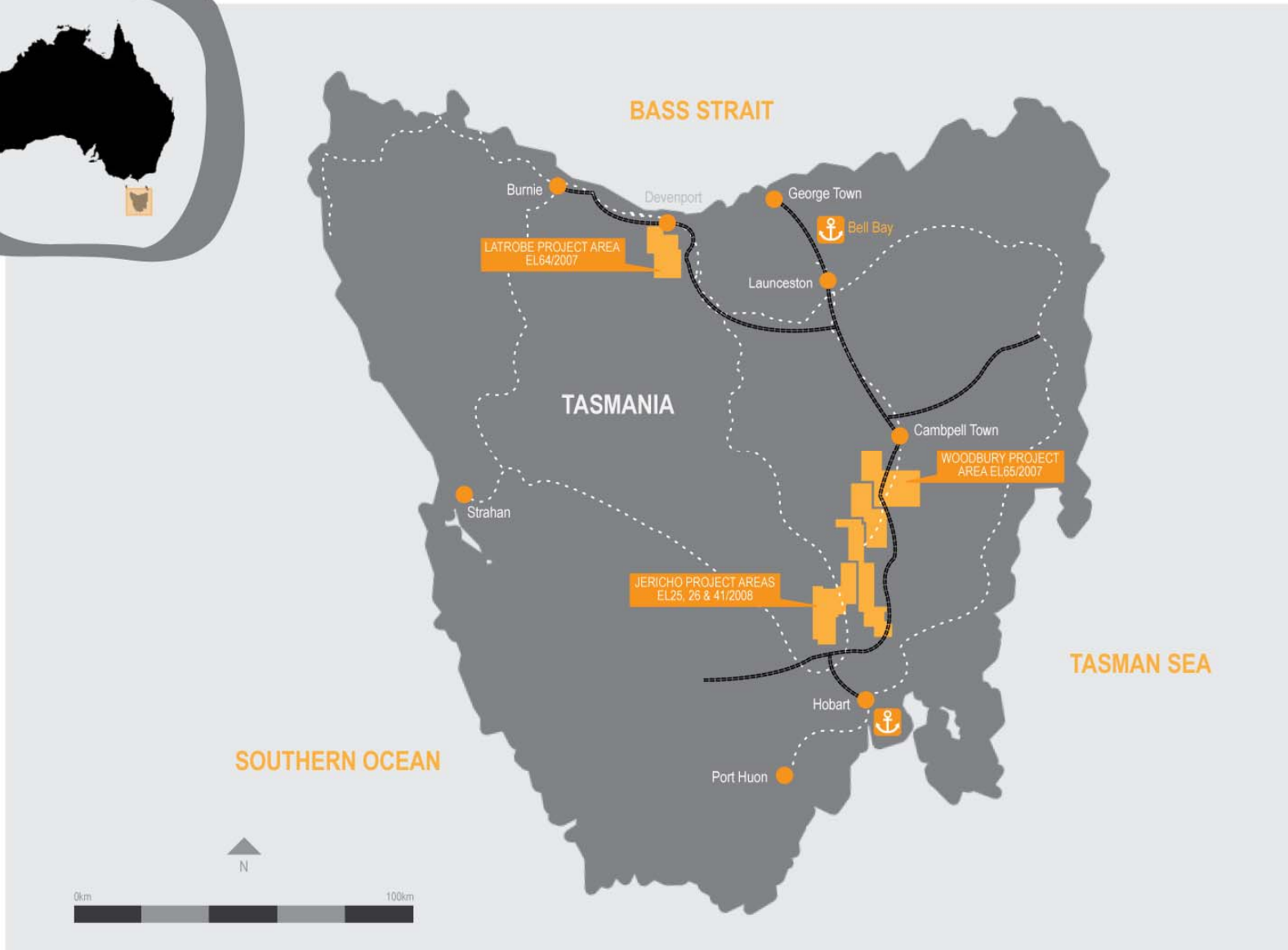


# **OTHER ASSETS**

**TASMANIA**

**CAMEROON**

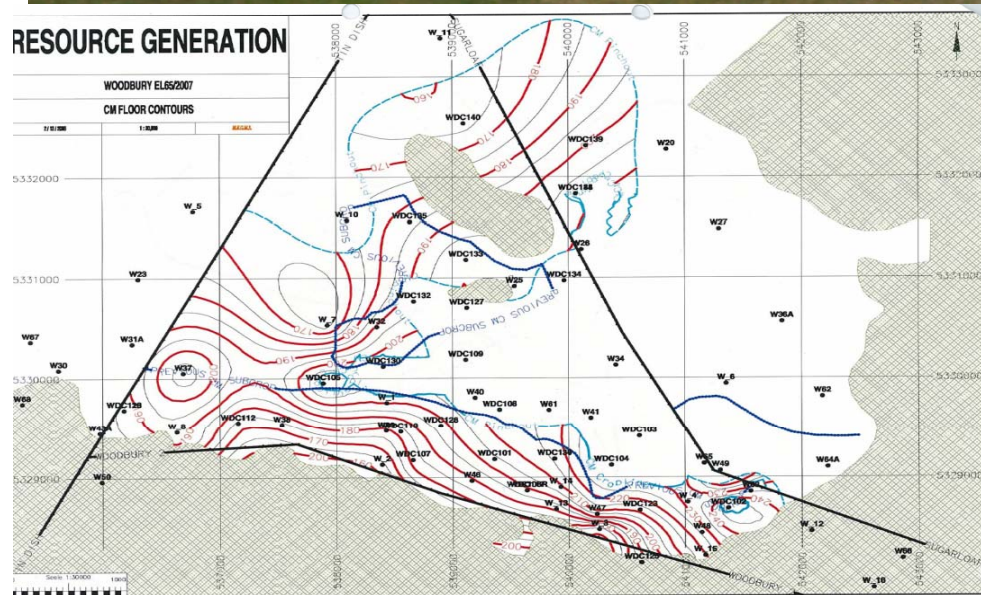
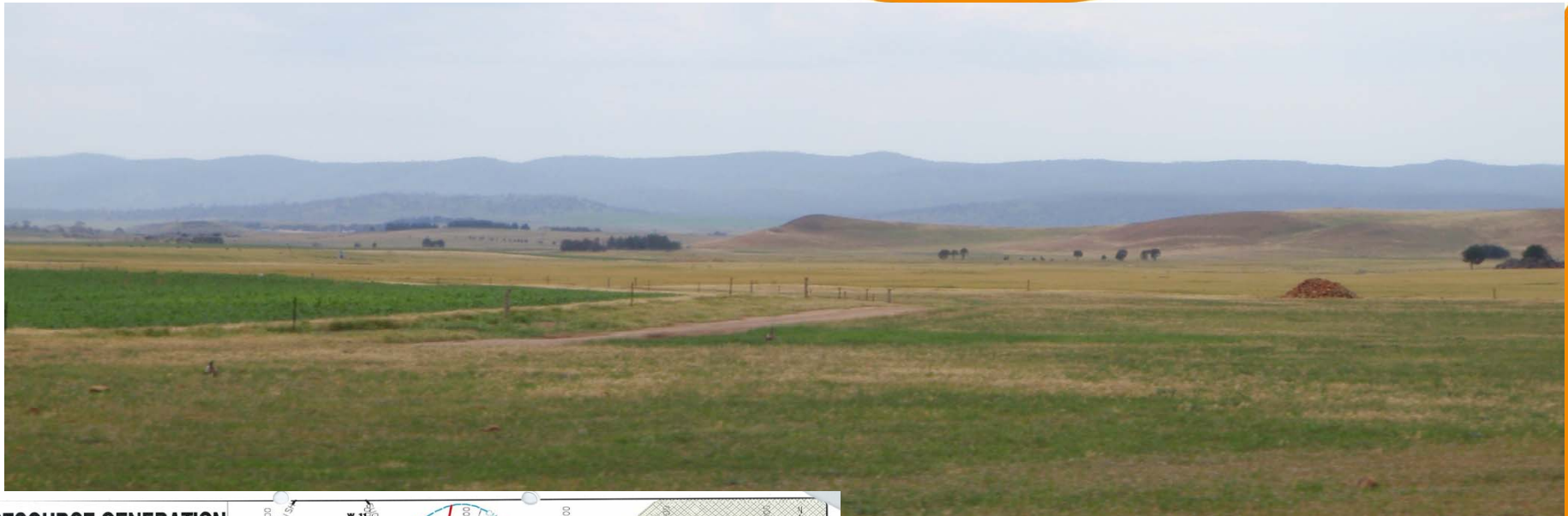
# Tasmania – tenement location



# Tasmania – Woodbury & Jericho tenements

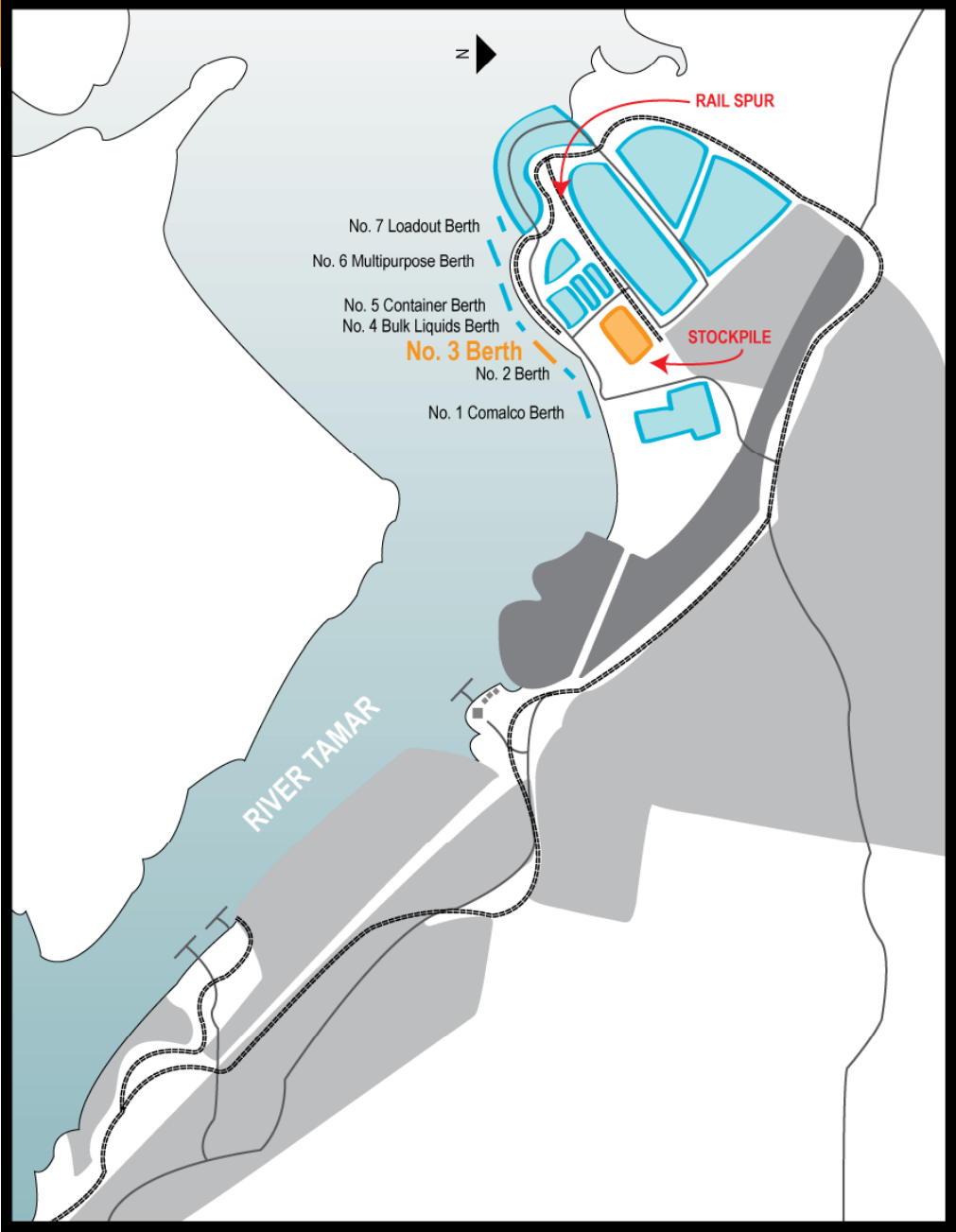


# Tasmania – Woodbury



- 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

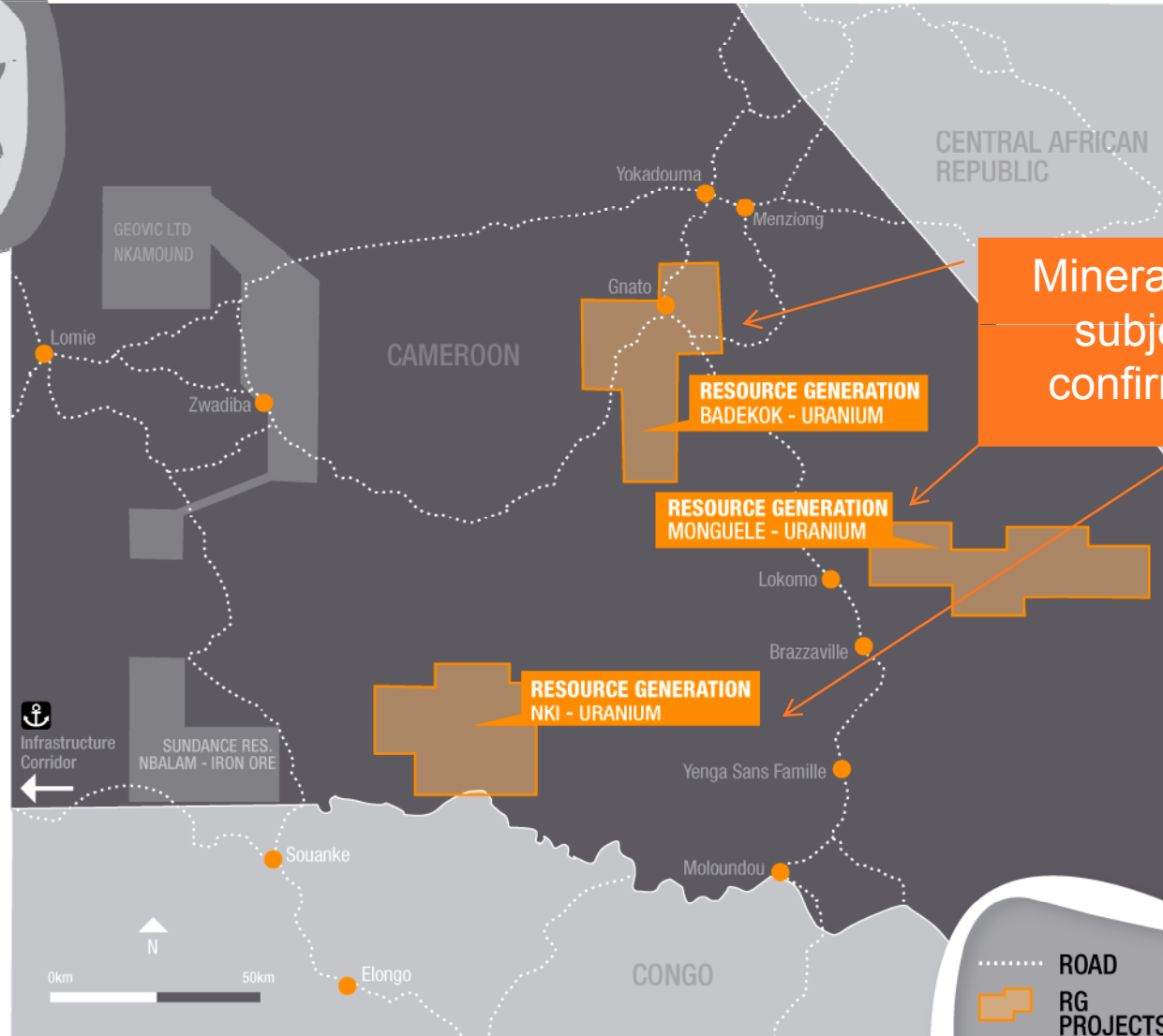
# Tasmania – Port



# Cameroon - Uranium



- Nki 40ppm U308 @ 1m below the surface
- Monguele 28ppm U308
- Badekok 14ppm U308 both at 7.15m below surface

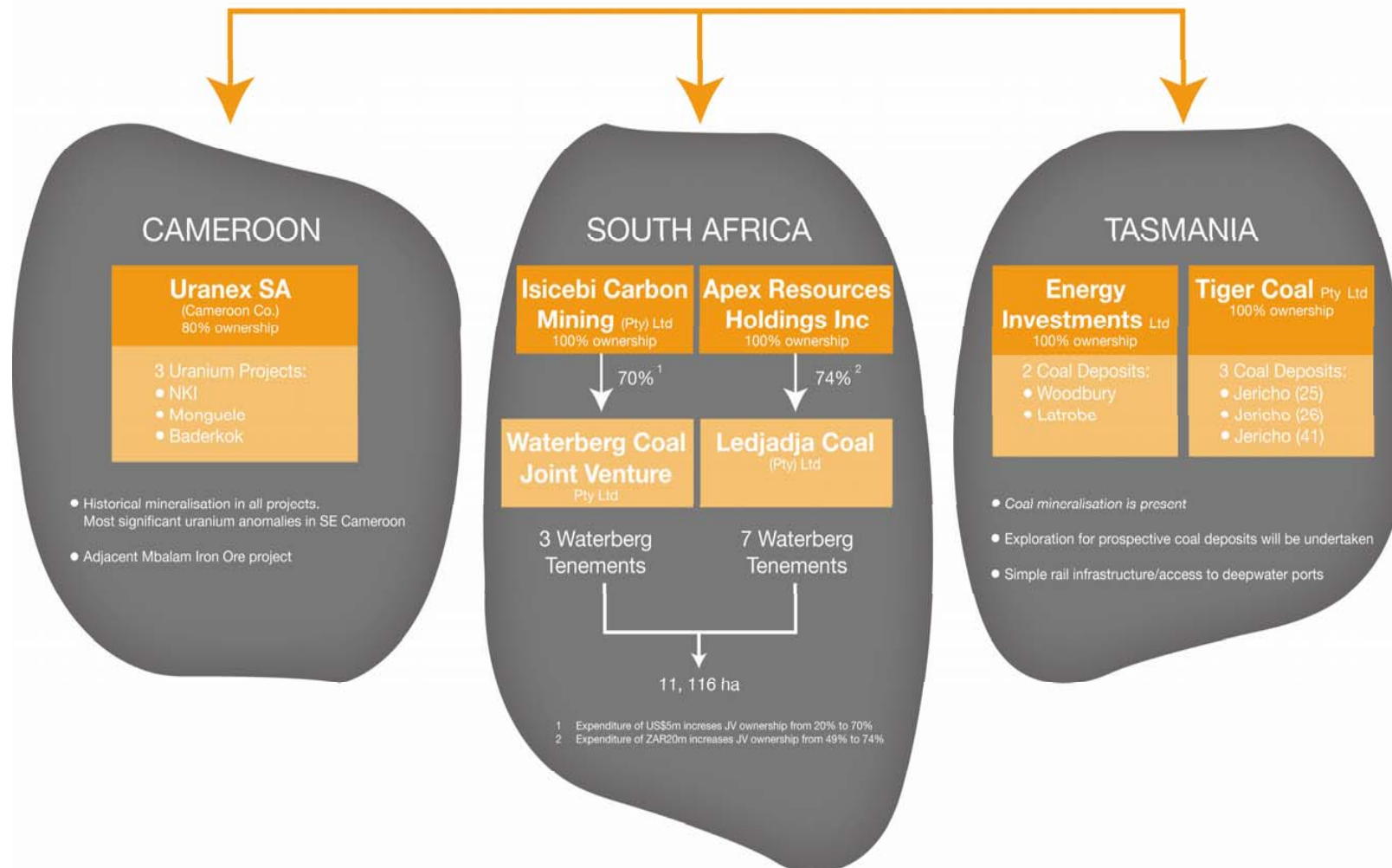


Mineralisation subject to confirmation

# Corporate structure



## resource generation limited



Please see further information provided in section 6.5 of the risk factors contained in the Resource Generation Limited Entitlement Offer Booklet announced to the ASX on 23 June 2009