



Resource Generation Limited
ABN 91 059 950 337

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www.resgen.com.au
ASX: RES

24 June 2009

Company Announcements
Australian Securities Exchange
Bridge Street
SYDNEY NSW 2000

Dear Sirs

Non Renounceable Entitlement Offer – Letter to Eligible Shareholders

We refer to the attached letter and advise that this is being mailed to eligible shareholders today.

Yours faithfully

A handwritten signature in black ink, appearing to read "Steve Matthews", written in a cursive style.

Steve Matthews
Company Secretary



24 June 2009

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Dear Shareholder

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**RESOURCE GENERATION LIMITED –
NON RENOUNCEABLE ENTITLEMENT OFFER**

www.resgen.com.au
ASX: RES

On 23 June 2009, Resource Generation Limited (*Resource Generation*) announced a capital raising of \$A30.75 million. A 1 for 1 pro rata non-renounceable entitlement offer (*Entitlement Offer*) is being made to eligible Shareholders at \$A0.40 per share. The Company will make a placement to institutional investors, equivalent to the number of the shares that would have been offered to ineligible non-participating shareholders under the Entitlement Offer (at the same issue price). The Entitlement Offer and the placement are together referred to as the *Offer*.

The funds raised via the Offer, together with Resource Generation's existing cash reserves, will be utilised to provide funding primarily for:

- the acquisition of land in the Waterberg region of South Africa; and
- also to provide funding for:
 - completion of a bankable feasibility study for the Waterberg Mine;
 - initial infrastructure works and to secure access to necessary utilities such as power supply;
 - facilitation of the development of the Ledjadja joint venture;
 - the continuation of exploration activities in Tasmania; and
 - working capital requirements of Resource Generation.

Resource Generation will not issue a prospectus for the Entitlement Offer as the offer will be made under provisions of the *Corporations Act 2001* which allow rights issues to be made without a prospectus. Instead, a Letter of Offer detailing the non-renounceable entitlement offer will be sent to eligible shareholders and available on Resource Generation's website at www.resgen.com.au and at www.asx.com.au.

The Entitlement Offer entitlement is for eligible Resource Generation shareholders on the share register as at 7.00pm (AEDT) on 2 July 2009 (*Record Date*) with registered addresses in Australia and New Zealand. Shareholders with registered addresses outside Australia and New Zealand are not eligible to participate in the Entitlement Offer. However, the Company may (at its absolute discretion) extend the Offer to certain institutional shareholders (as at the Record Date) in foreign jurisdictions subject to compliance with applicable laws.

Entitlements to New Shares pursuant to the Entitlement Offer are non-renounceable and accordingly will not be traded on the ASX. Under the Entitlement Offer, eligible shareholders can choose whether or not to take up all or part of their entitlement or otherwise have their equity interests diluted.

The New Shares will rank equally with the existing ordinary shares from the date of allotment. The current number of ordinary shares on issue in Resource Generation is 76,878,667. Under the Offer a further 76,878,667 shares are expected to be issued.

The indicative timetable for the Entitlement Offer is as follows:

Event	Date
Announcement of Entitlement Offer	23 June 2009 (Tuesday)
Shares commence trading on an Ex Entitlement basis (4 business days prior to the Record Date)	26 June 2009 (Friday)
Record Date for the Entitlement Offer	7.00pm (AEST) on 2 July 2009 (Thursday)
Mailing of Entitlement and Acceptance Form to Shareholders	6 July 2009 (Monday)
Entitlement Offer opens	7 July 2009 (Tuesday)
Entitlement Offer closes	5.00pm (AEST) 20 July 2009 (Monday)
Deferred settlement trading commences on ASX	21 July 2009 (Tuesday)
Settlement of the Entitlement Offer	24 July 2009 (Friday)
Allotment of New Shares to Eligible Shareholders under the Entitlement Offer	27 July 2009 (Monday)
Despatch of holding statements for New Shares issued to Eligible Shareholders under the Entitlement Offer	28 July 2009 (Tuesday)

Dates and times are indicative only and subject to change. Subject to the ASX Listing Rules, the Directors of the Company reserve the right to vary these dates, including the Closing Date, without prior notice.

Before making a decision whether to subscribe for any of these shares, please carefully read the Letter of Offer and related information when you receive it. **The offer closes at 5.00pm on 20 July 2009.** If you have any queries regarding your rights or the mailing of the Letter of Offer and the accompanying Entitlement and Acceptance Form please contact Registries Limited on 1300 737 760 (local call cost from anywhere in Australia) or from outside Australia on +61 2 9290 9600 at any time from 9:00 am to 5:00pm (AEST) Monday to Friday.

Further information in relation to Resource Generation's activities and the Entitlement Offer is available on the Company's website at www.resgen.com.au.

Yours faithfully



Steve Matthews
Company Secretary