

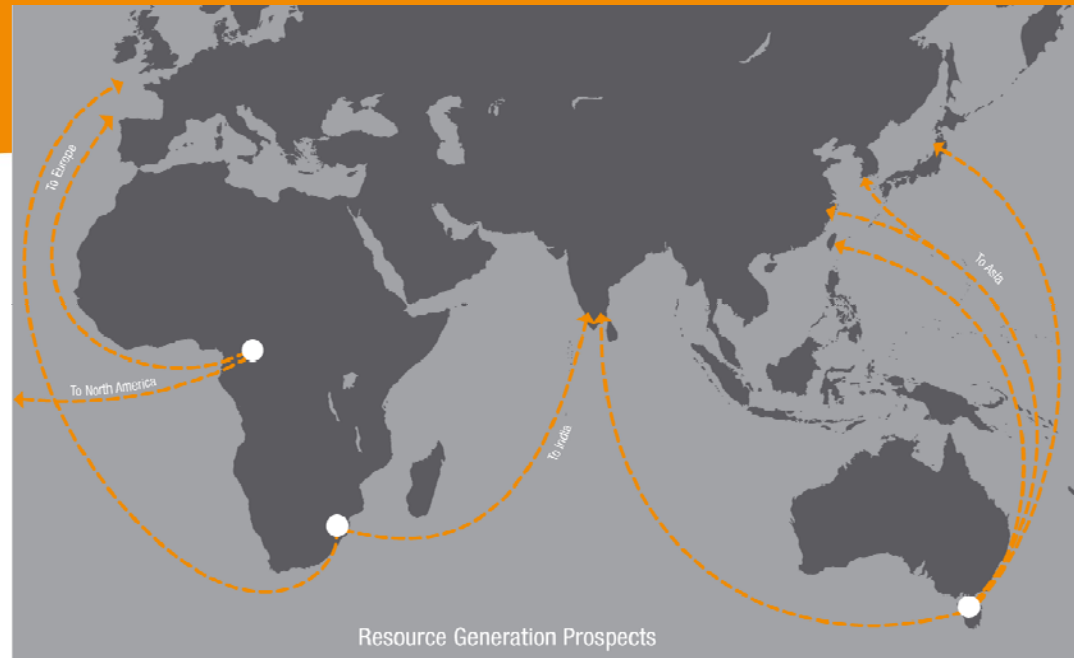
An energy resources company



Presentation
August 2009
Year in review
Operational Update

ASX
RES

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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	154.3 million
➤ Options on issue	8.8 million
➤ Market capitalisation	~\$85 million
➤ Recently completed Rights Issue raised	\$30 million
➤ Cash on hand	\$35 million
➤ No debt	

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
- Major footprint in emerging industrial area
- 120m thick coal seam at shallow depth ~ 20 metres
- Continuing exploration; expanding resource size
- Resource 2.0 billion tonnes
- Reserve 300 million tonnes
- Mine planning and approvals progressing

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

Significant development hurdles achieved throughout the year



July – Sep '08

- Acquired Waterberg (SA) Tenements
- New Management
- Raised initial \$12 million capital

Oct – Dec '08

- Acquired Tasmanian Tenements
- Commenced exploration in Waterberg
- Opened SA Office & employed experienced staff
- Acquired adjoining tenements to W1 (L1-L7)

Jan – Jun '09

- Completed 98 hole exploration program W1-W3
- Share consolidation
- Defined 2.0 billion tonne resource W1
- Commenced Tasmanian assessment
- Drilling L1-L3 confirms coal seam continuity from W1

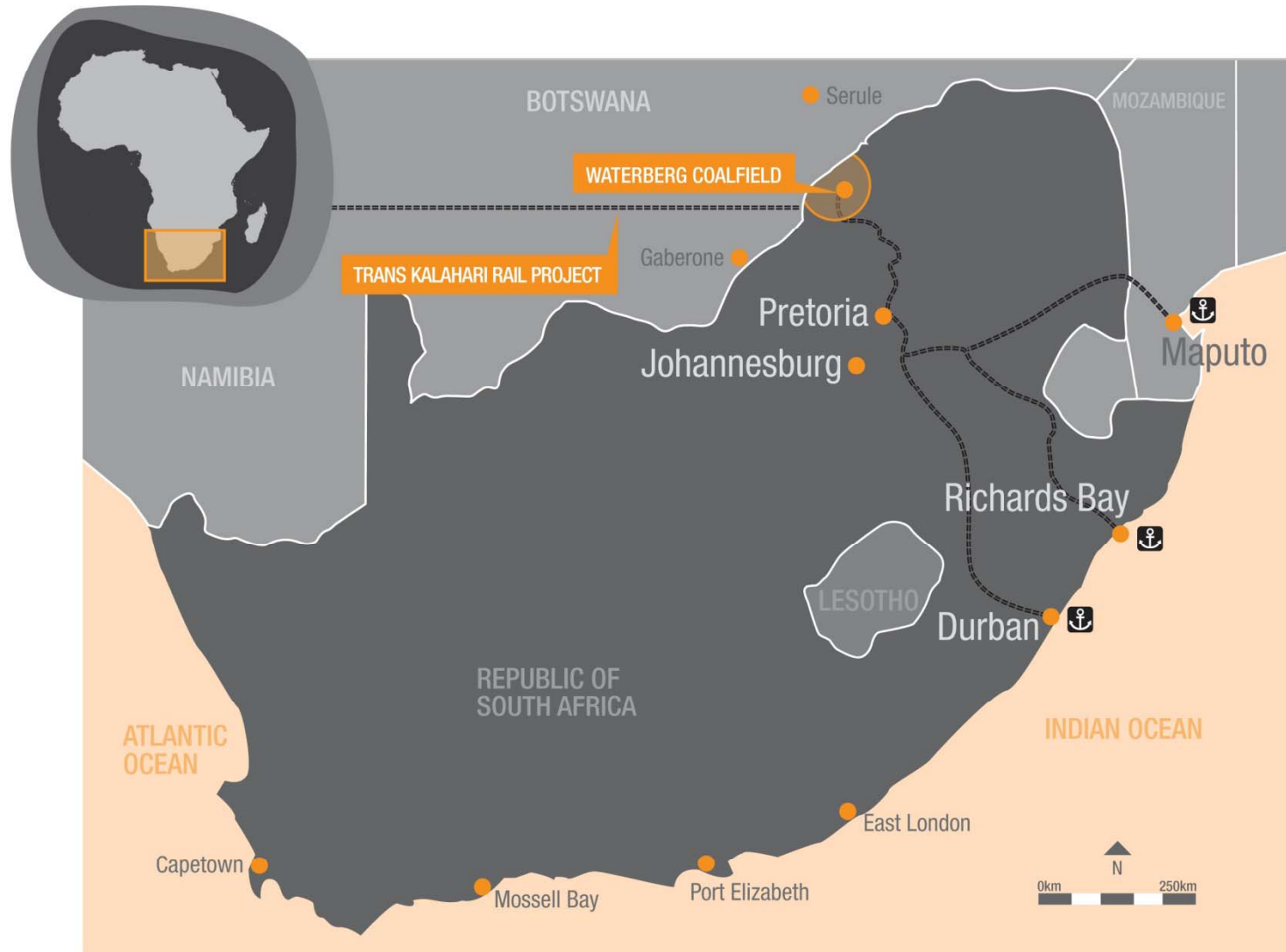
Jul – Aug '09

- Rights Issue raises \$30 million
- Saleable reserve of 300 million tonnes W1

South Africa – Waterberg Coalfield



Priority development target



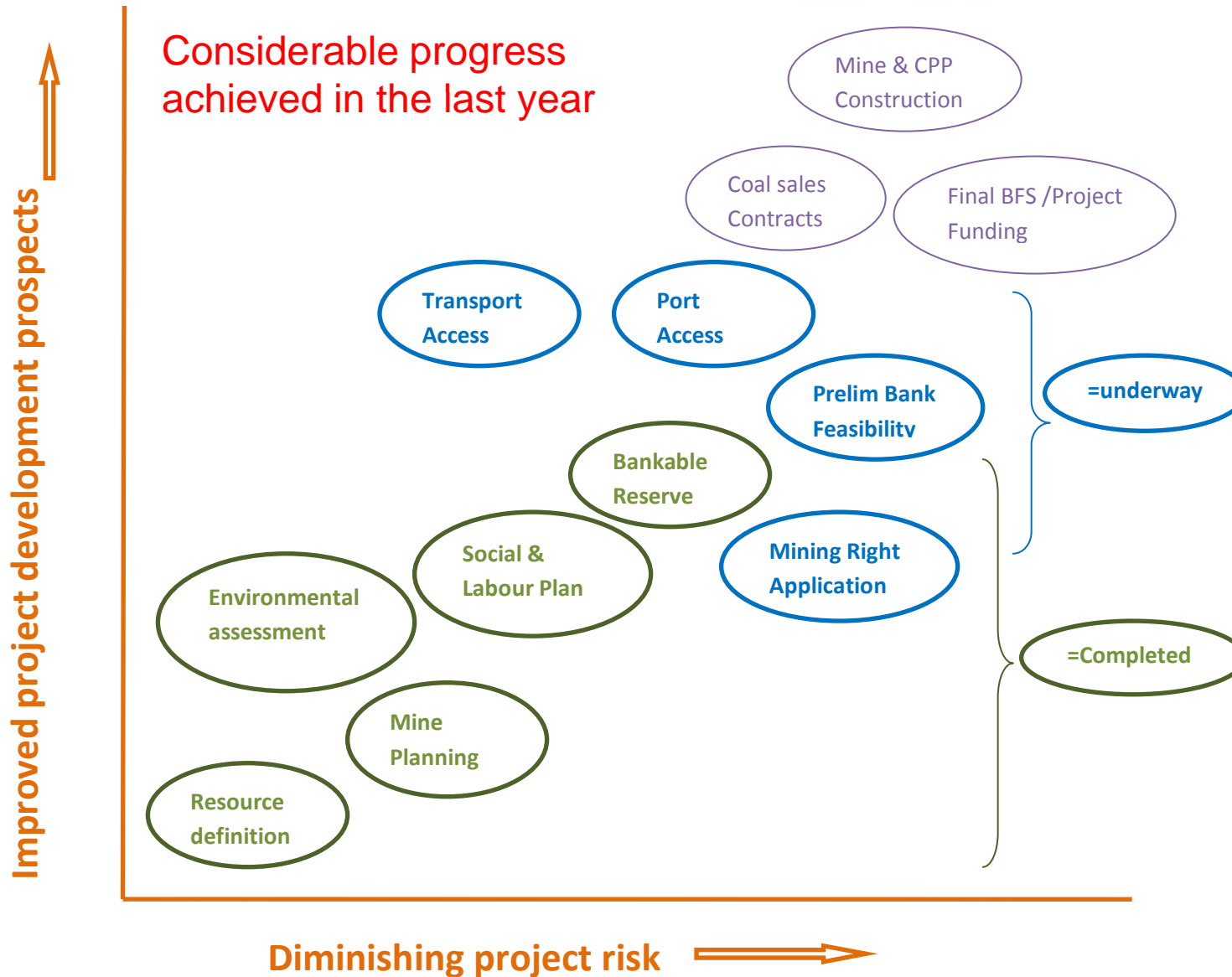
Significant regional footprint



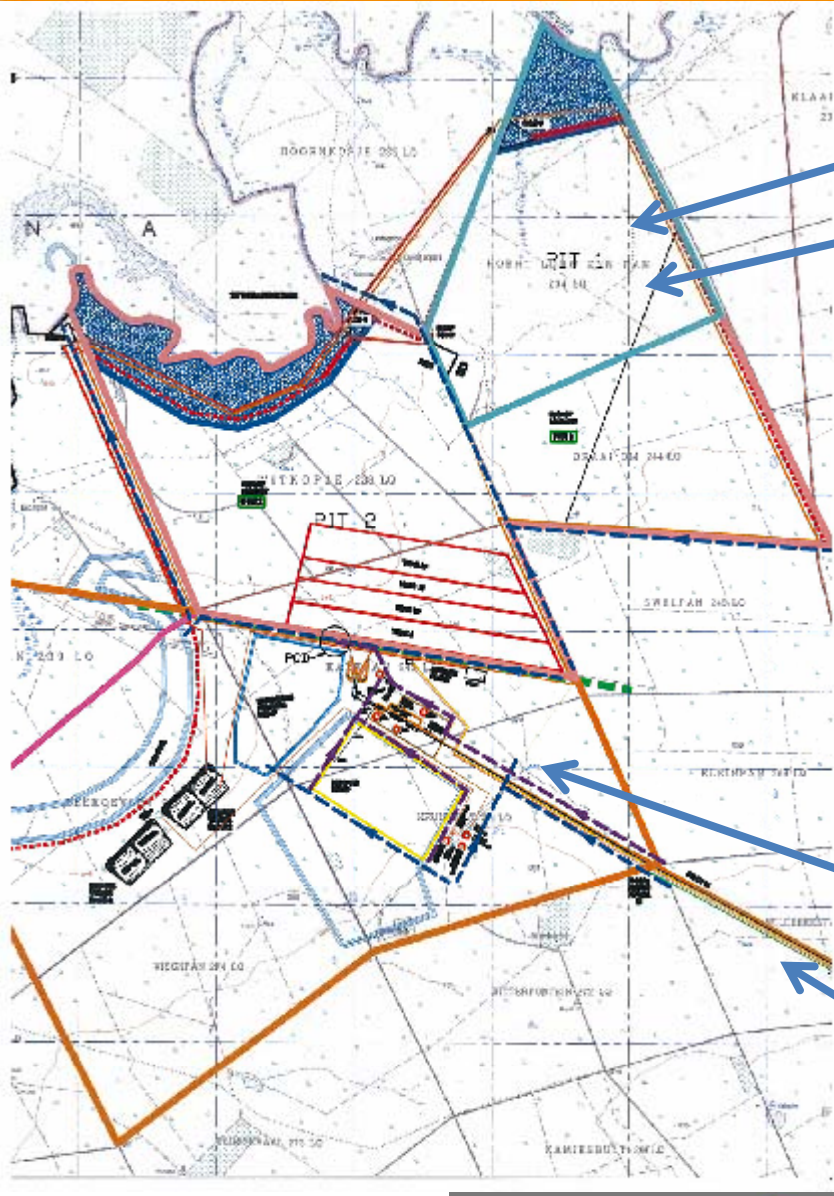
Major milestone achieved with a Mine reserve now defined



Mitigation of development risks with aim to deliver a viable mining operation



Tenements – mine potential now confirmed



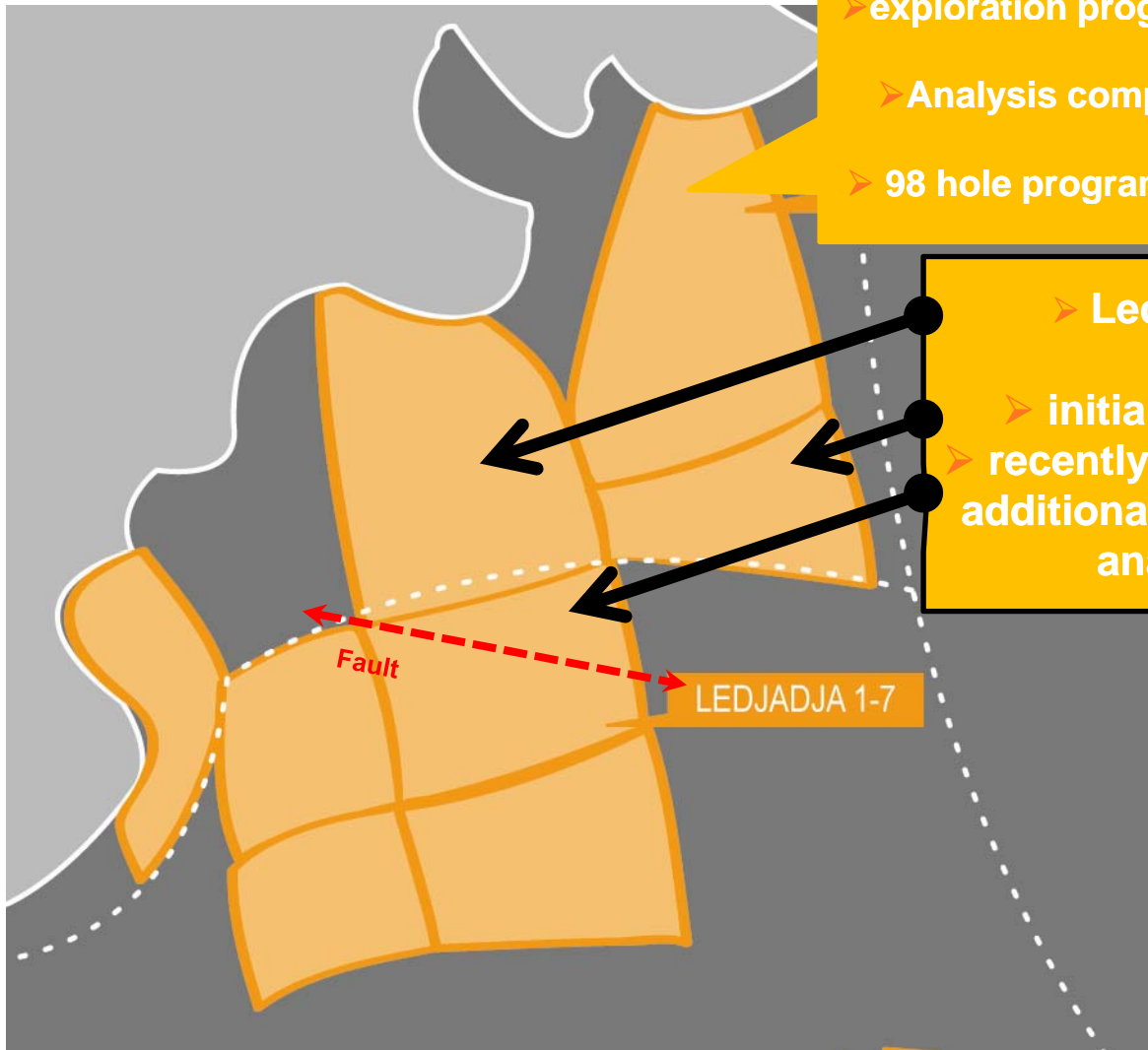
- Waterberg No.1 currently 2.0 billion tonne resource
- 300 million tonne reserve
- 120m thick coal seam
- shallow depth ~ 20m deep
- coal seam continuity confirmed in Ledjadja tenements adjoining W#1
- Increased resource apparent from new drilling
- mining synergies
- mine infrastructure location
-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

Tenements – exploration update

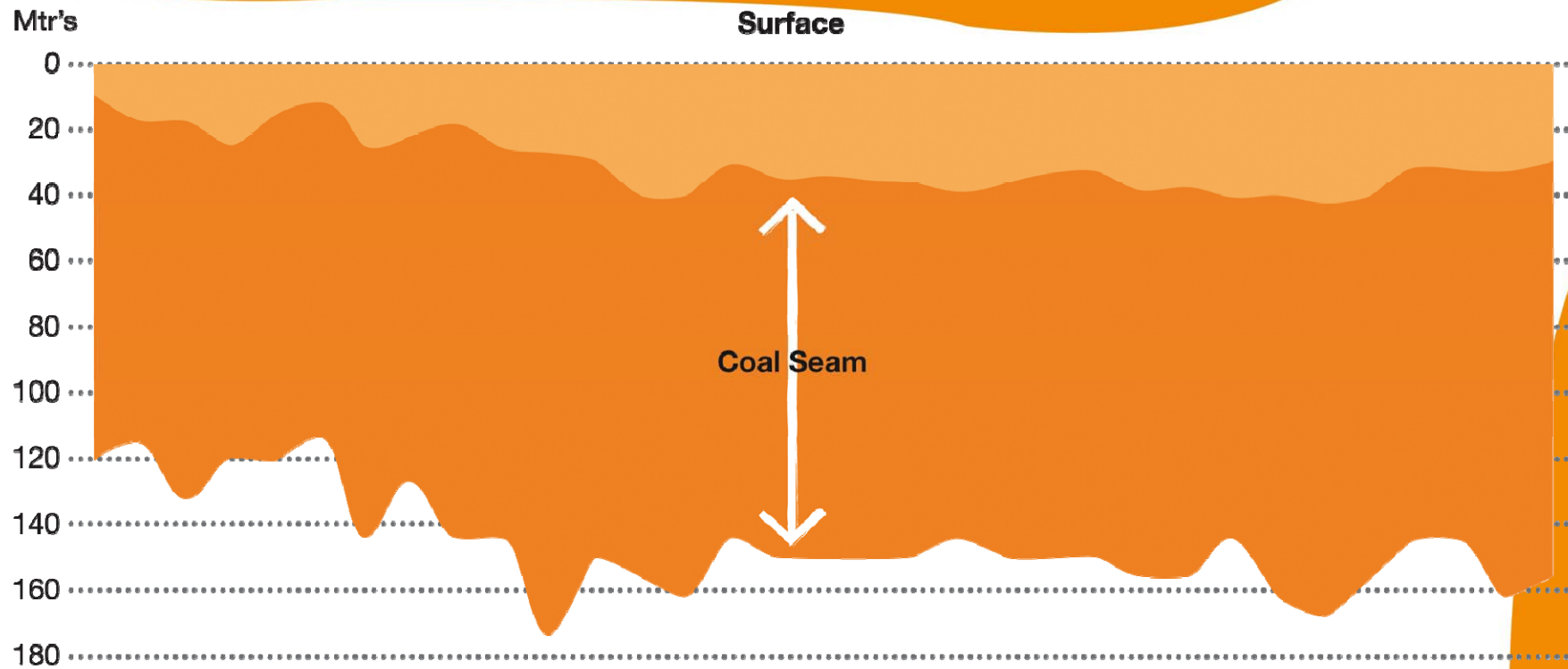


- exploration program completed Sep '08 - Jan '09 as planned
- Analysis completed, 2.0 bt resource, 300 mt reserve.
- 98 hole program for the 3 Waterberg tenements

- Ledjadja exploration program continuing
- initially completed 24 open holes
- recently completed 15 cored holes & 10 additional open holes to enable detailed analysis to be undertaken .



Tenements – coal seam



- Coal seam thickness
- Overburden depth to coal



Recent Core Drilling Ledjadja

Reserve now established

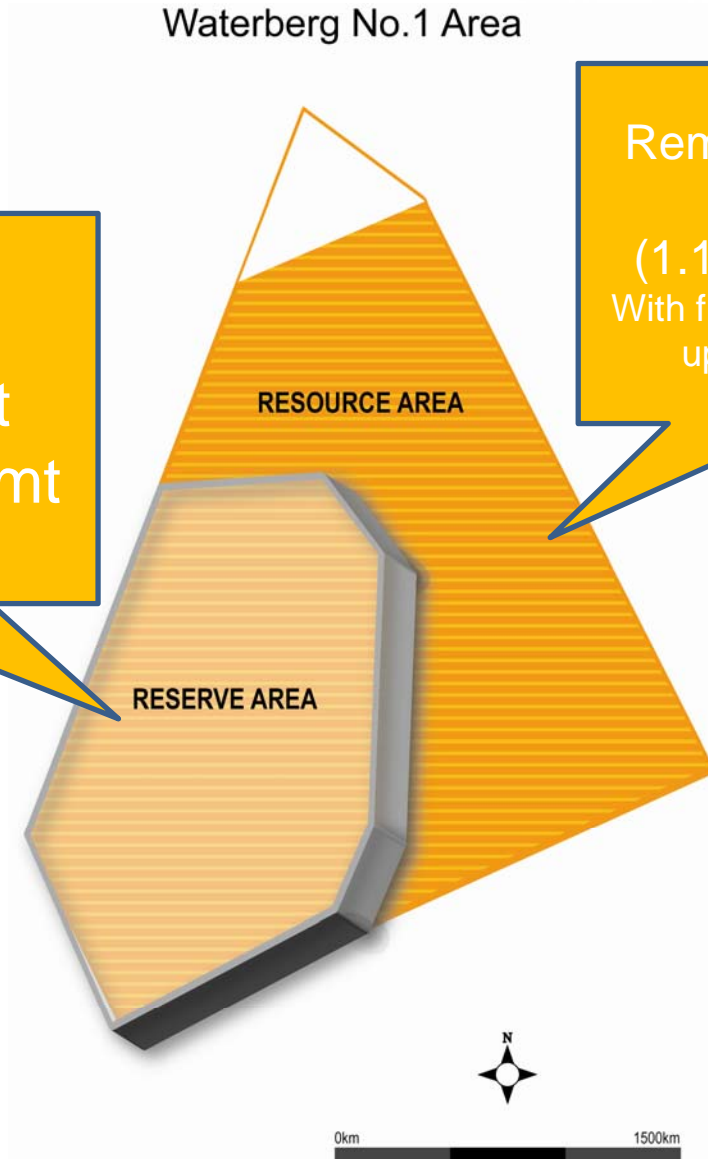


Waterberg No.1 Area

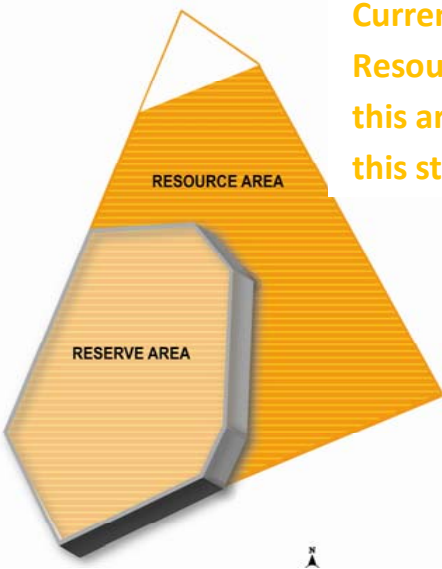
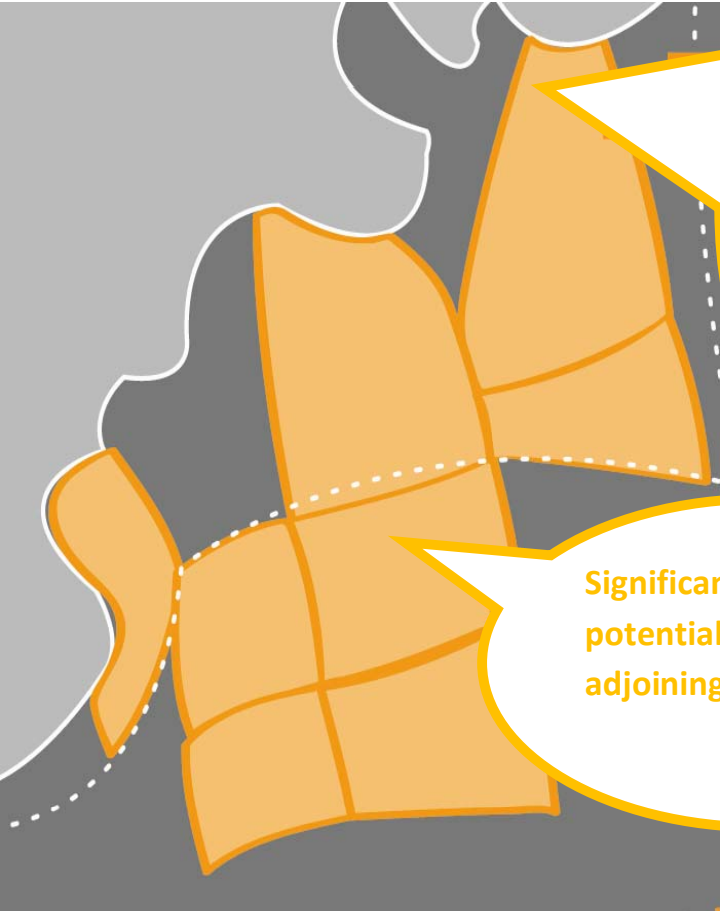
RESERVE
ROM = 566.6 mt
Saleable = 302.4 mt

Remaining Resource
569.5 mt
(1.1 bt before shale)
With further work will also be
upgraded to reserve

Importance
of this is
that it
provides a
backbone
for the BFS



Additional resource & reserves possible



Current Reserve & Resource from this area only at this stage

Significant additional potential from adjoining properties

W1 Coal Quality



ROM Coal

	Min	Max	Av.
	%	%	%
Moisture	2.7	3.5	3.23
Ash	26.9	55.9	39.77
Volatiles	19.7	23.7	20.48
Sulphur	0.6	3.3	1.14
CV	10.7	21.2	16.73

Analysis confirms various product coals can be produced:

- **Export soft coking**
- **Export thermal**
- **Domestic grade thermal**

Yield Range

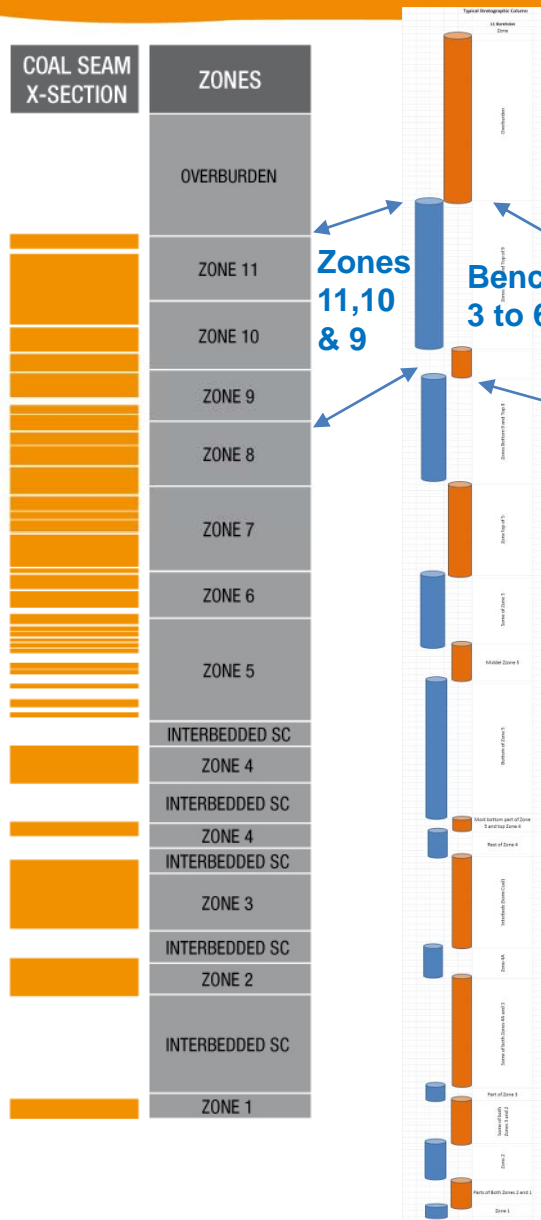
	Domestic only	Export & Domestic
av	73%	56%
max	95%	60%

Waterberg No.1 Coal Hunter Valley

	Coking Coal <i>Export grade</i>	Domestic Thermal	Semi Soft Coking Coal <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

Ash %
kcal/kg_{gar} approx
Roga Index
Swelling Index
Volatile %
Moisture %
Sulphur %

Coal quality determined by mining sequence



Variety of mining options being evaluated

Currently assessing:

- 11 Major seam sections
- 21 Mine benches

Flexibility for selective mining:

- variety of product types
- simplify coal beneficiation

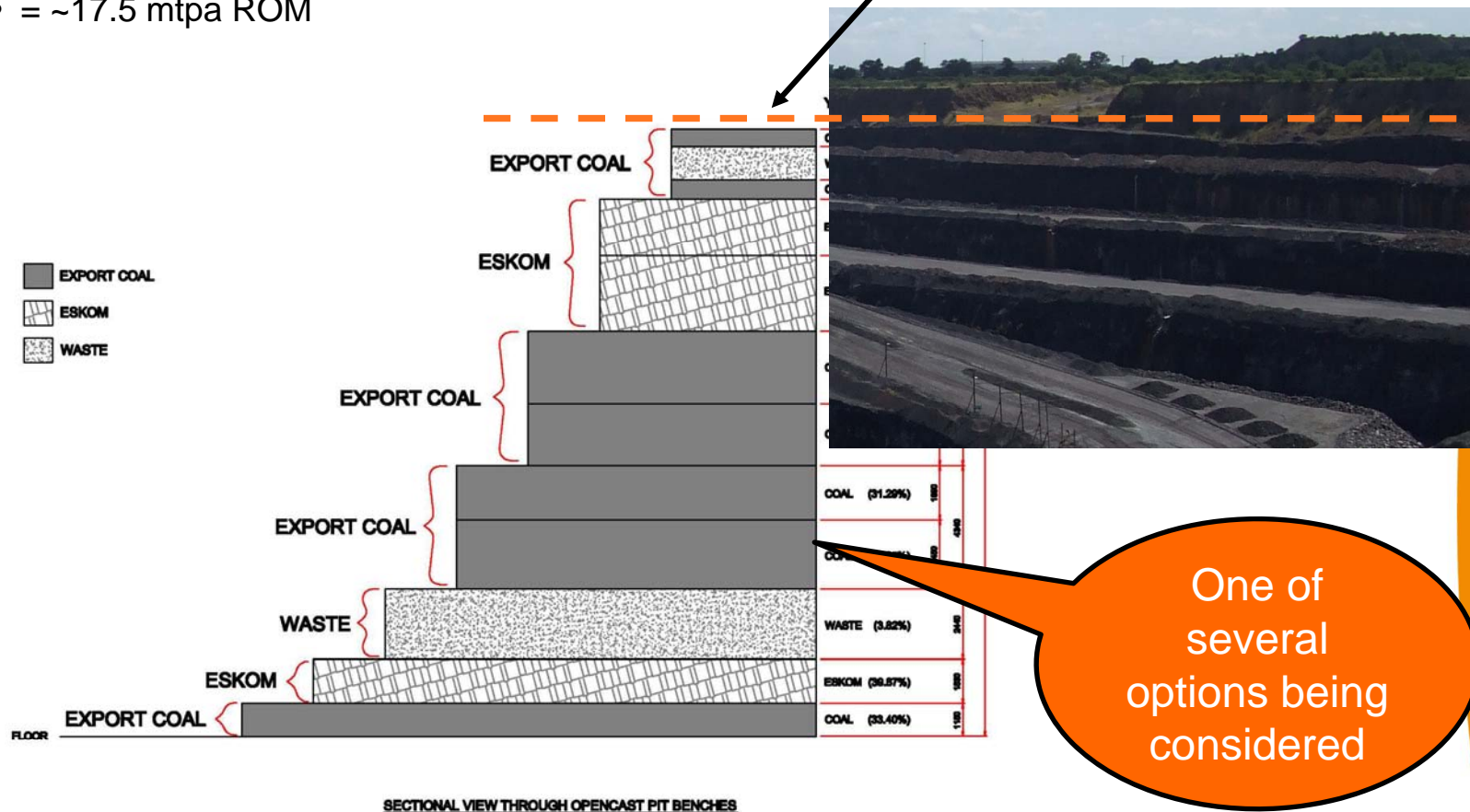


Low cost Open Cut Mine



- Shallow overburden = low mining cost. Bulk of material moved is ROM product. We use the example where 1x 50 m³ bucket electric rope shovel
- matched with 6 x 240t Trucks
- moves ~ 12m bcm p.a.
- = ~17.5 mtpa ROM

Shallow overburden layer = low mining cost



One of several options being considered

Waterberg – Domestic supply; local power stations

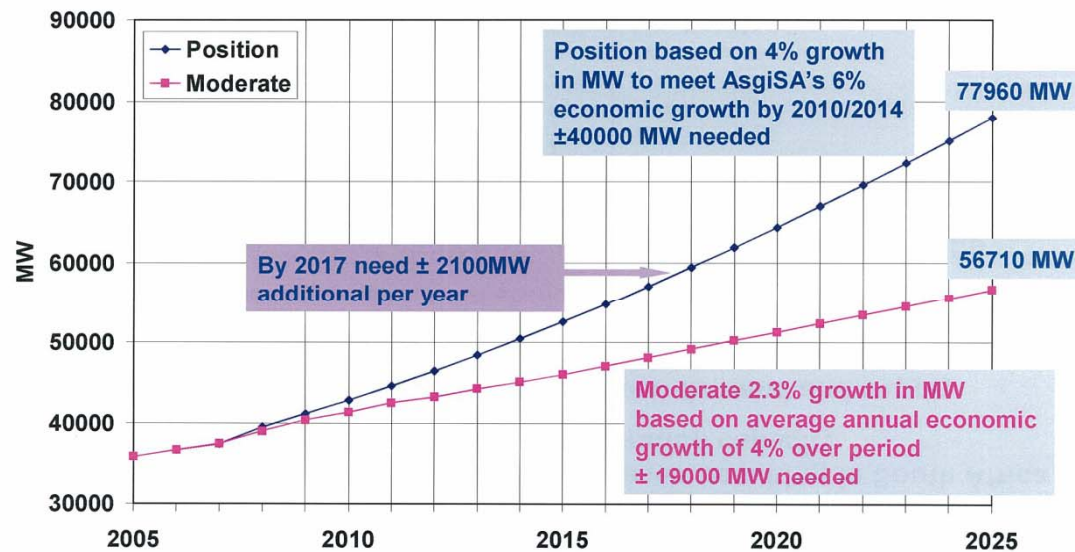


Matimba is the largest direct dry cooling *power station* in the world. Six 665MW units = Installed capacity: 3 990MW

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

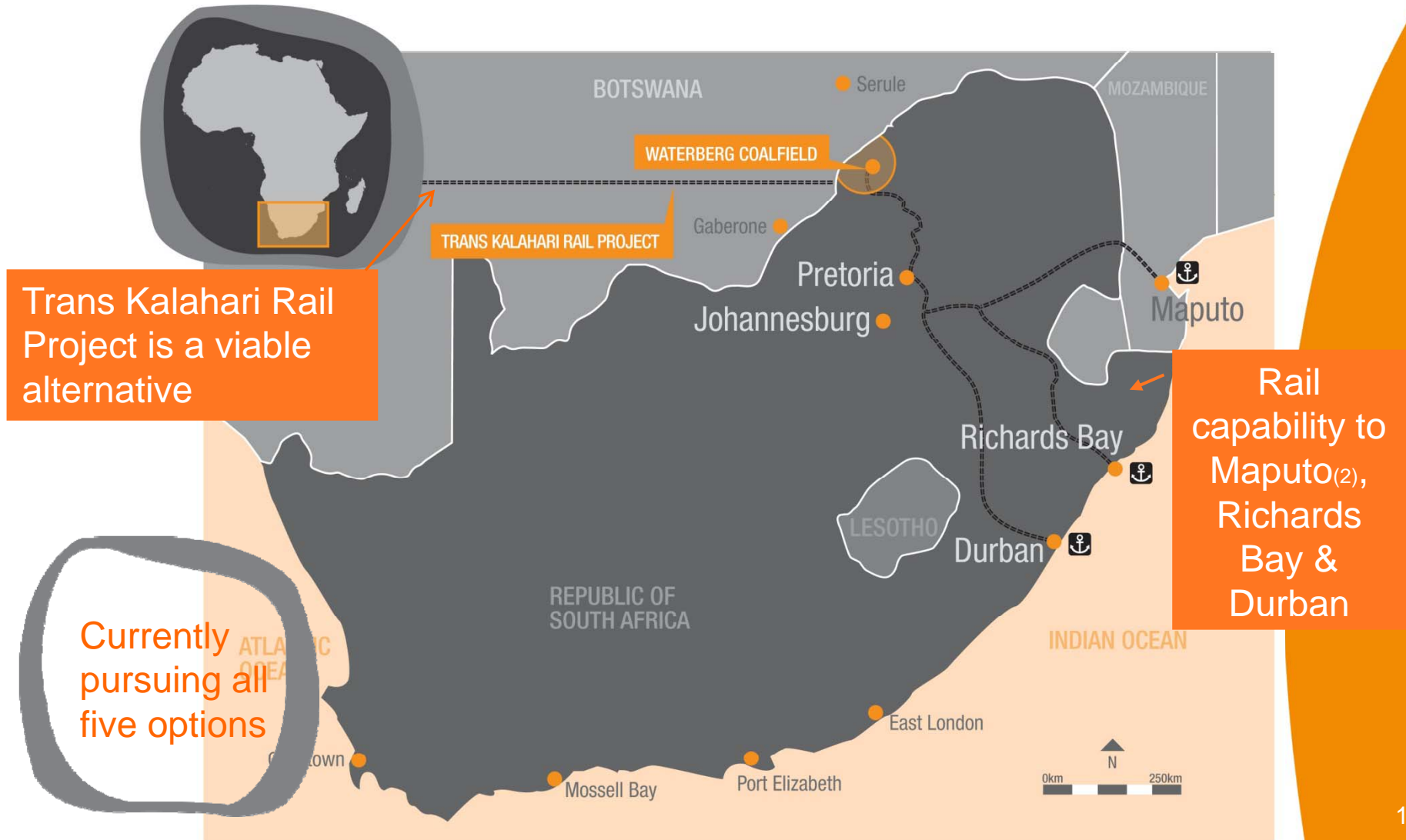
The Need – Long term forecasts

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



Financial Takeaways



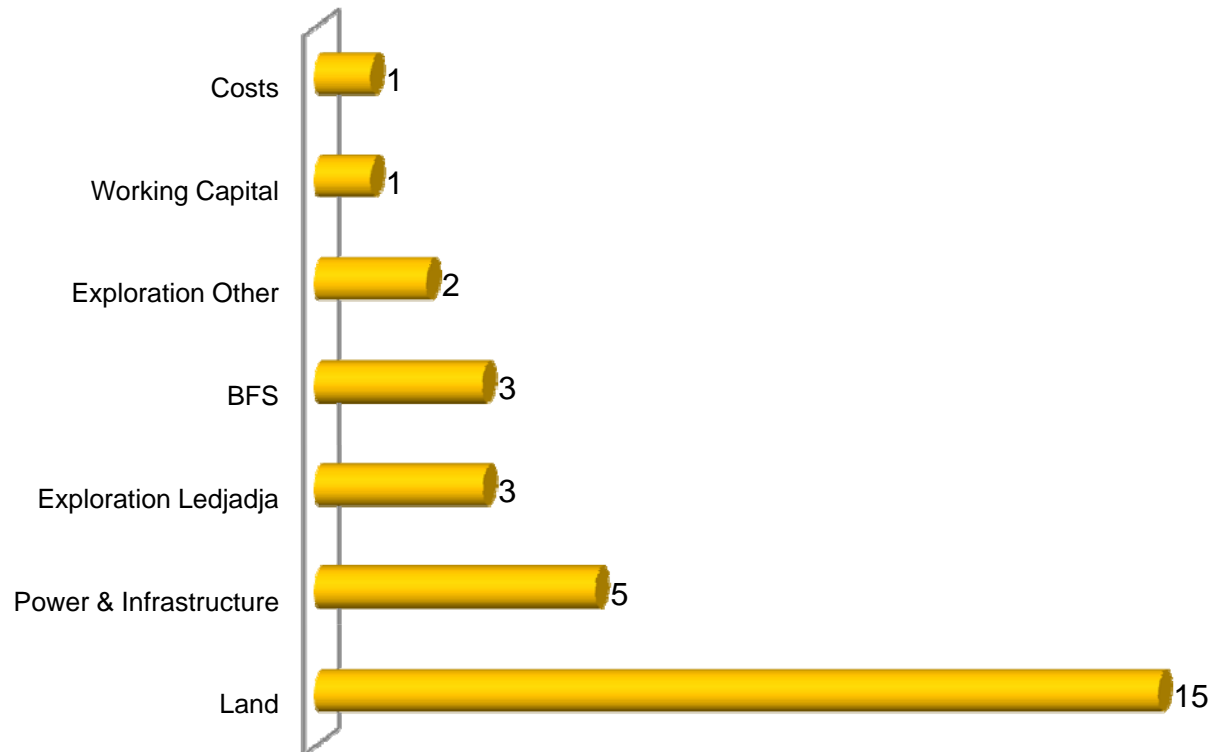
	FY'09 \$'000	Adj FY'09 \$'000
Cash	5,090	34,647
Operating Loss	(15,152)	(1,731)
Includes non cash adjustments:		
Impairment reserves	7,089	
Accounting adjustment for cancelled options	6,332	
Exploration	3,942	
Acquisition of Apex	2,323	
No current debt		

Subsequent event – rights issue

Indicative Use of Funds



Use of Funds \$m





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