

Developing a massive coal mine in South Africa



Investor Presentation
February 2010

ASX
RES

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South Africa

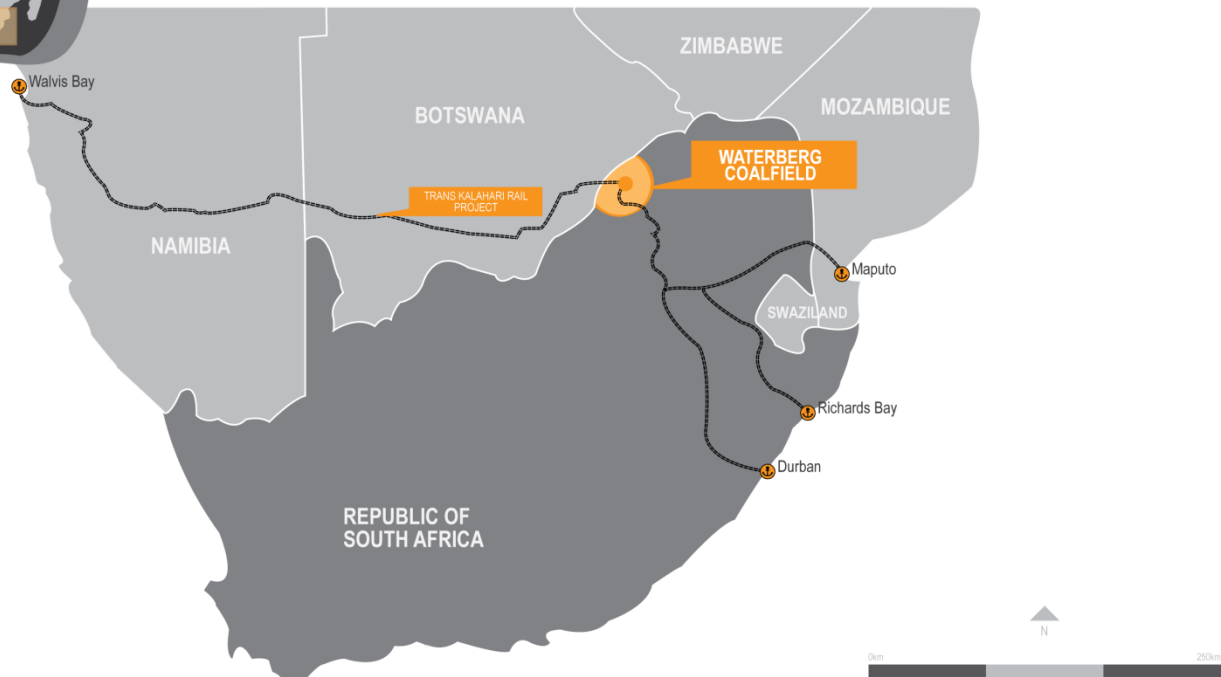
Information in this presentation that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Dawie Van Wyk who is a consultant to the Company and is a member of a Recognised Overseas Professional Organisation. Mr Van Wyk has sufficient experience which 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.

ASX code	RES
Current shares on issue	159.4 million
Options on issue	8.1 million
Market capitalisation	A\$65 million
Cash on hand	A\$17 million
Debt	NIL

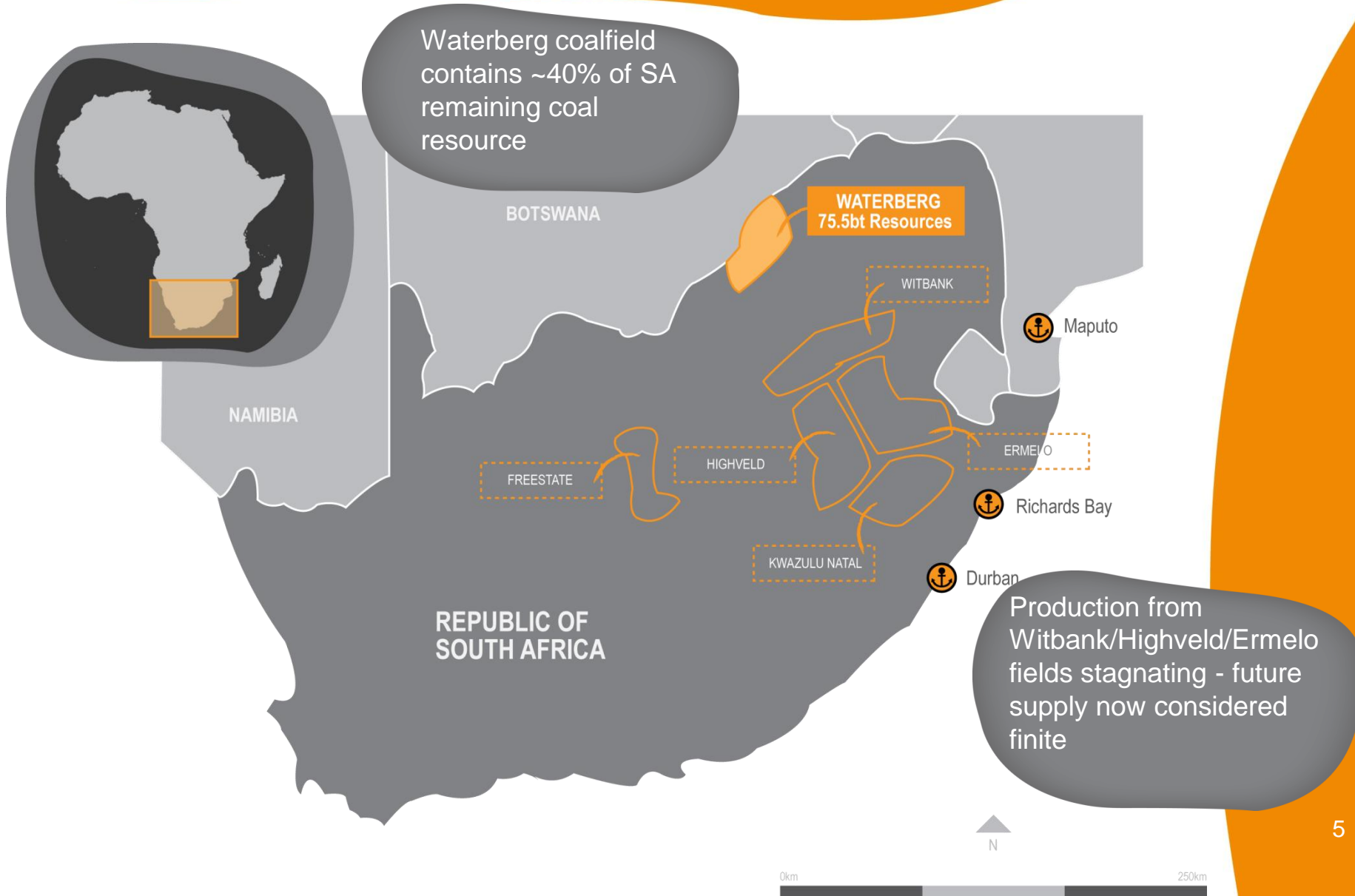
South Africa: current priority



- Waterberg Coalfield: 40% SA's remaining coal resource.
- Future of coal mining in South Africa.
- RES' Boikarabelo mine - major deposit.
- 120m thick coal seam at shallow depth - 20m.
- Current saleable reserve: 603 million tonnes.
- Additional resource: Inferred 1.9 billion tonnes. Indicated 570 million tonnes.
- Progressing to mine development.



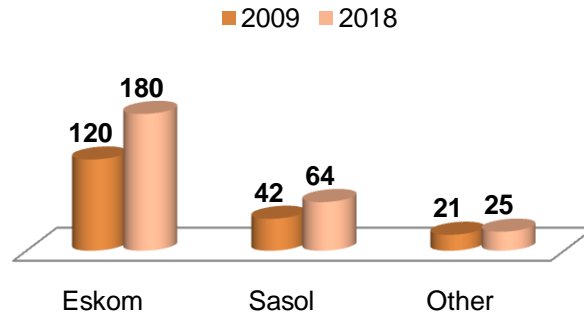
South African coal fields: Waterberg the future



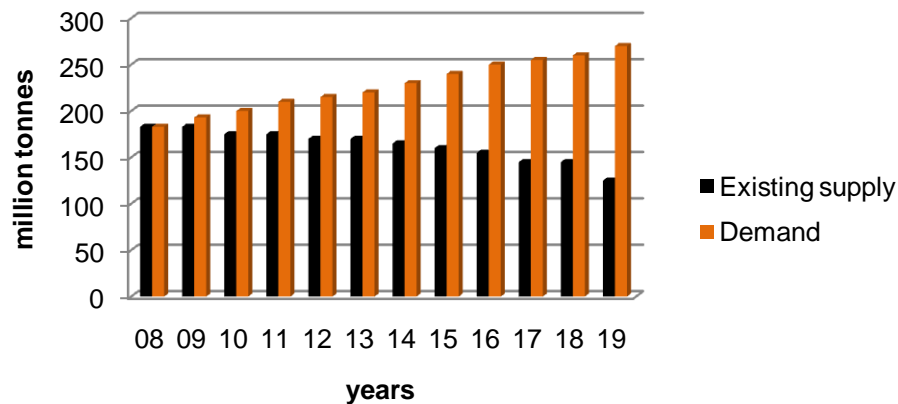
South African supply/demand imbalance: new mines needed



Forecast domestic demand (mtpa)



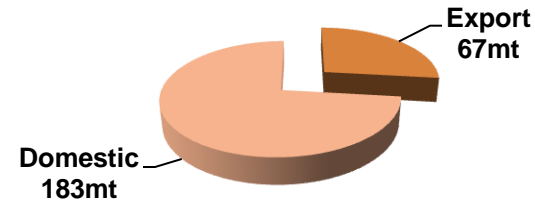
Estimated domestic supply/demand imbalance



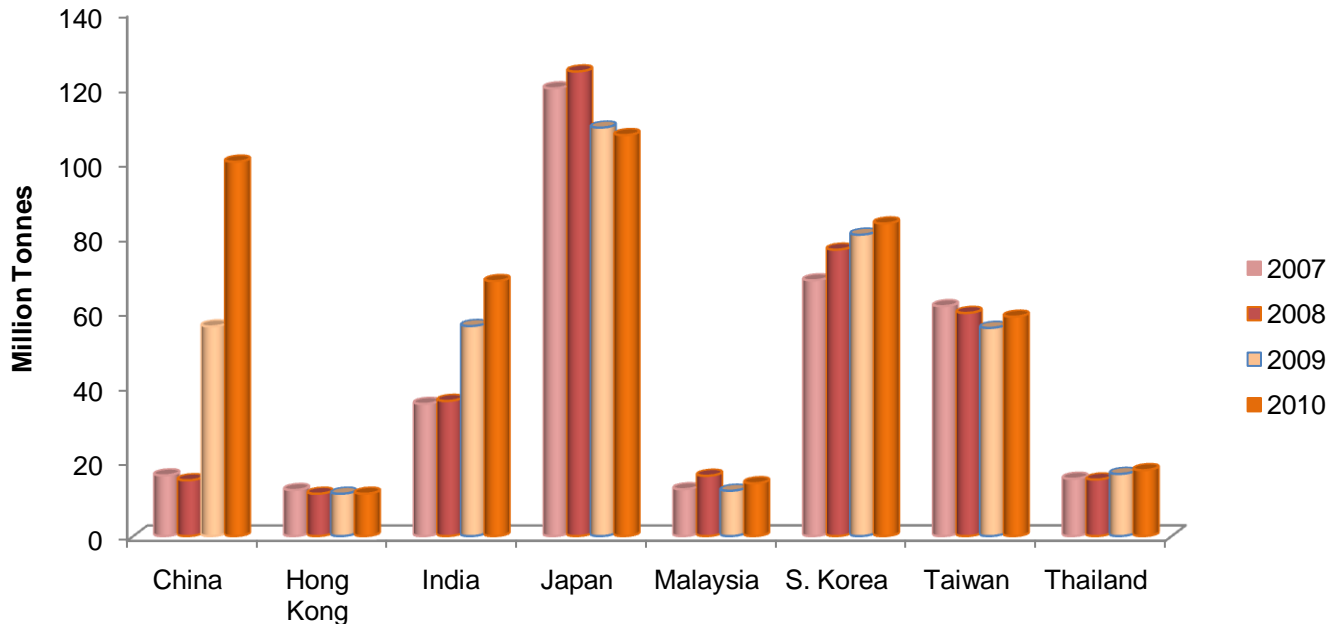
South African coal exports: growing demand from India and China



Current SA Total Production
~250mtpa



Current Asian demand growth



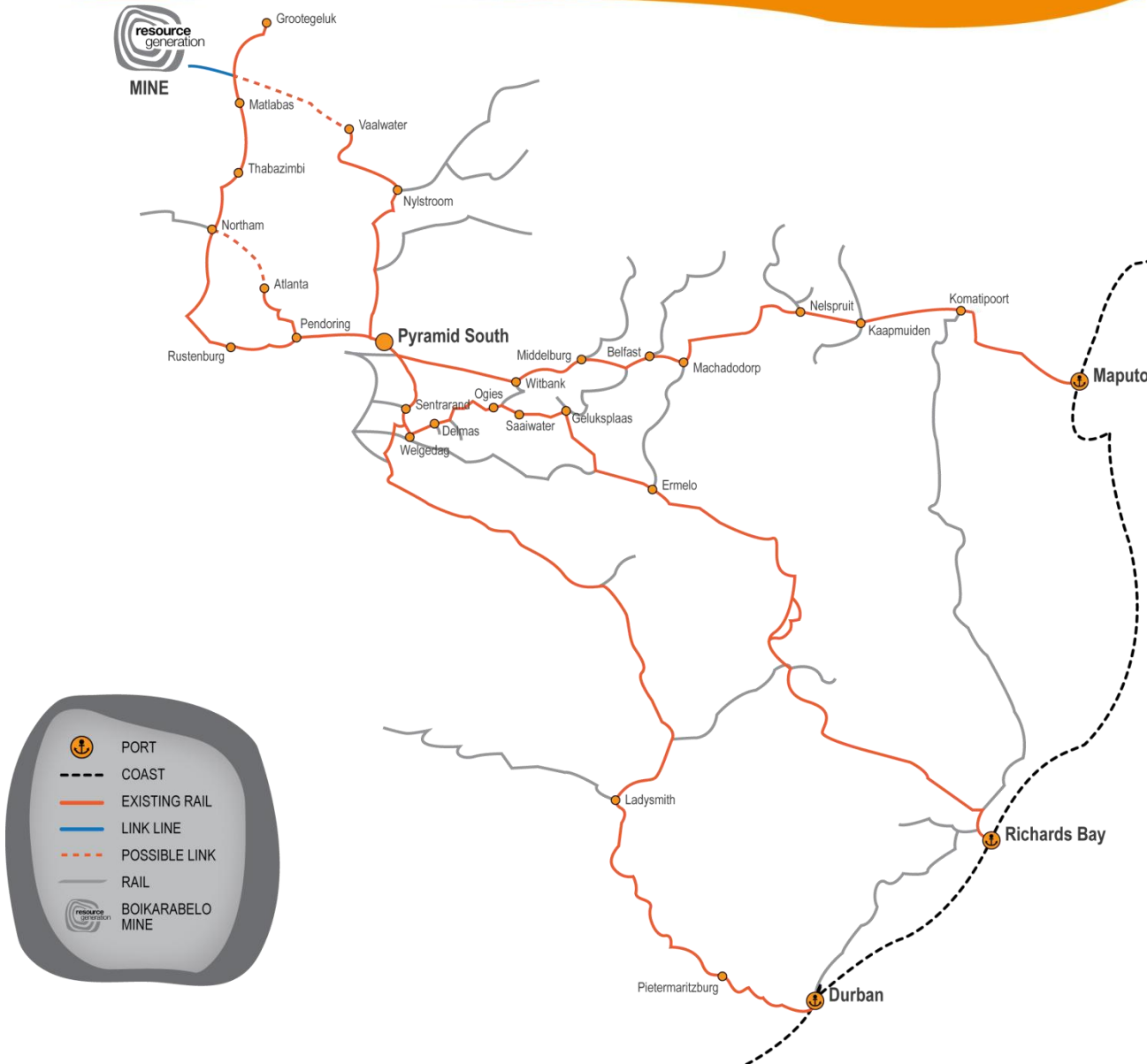
Source: IHS / McCloskey

Key achievements in past 16 months: Boikarabelo well advanced

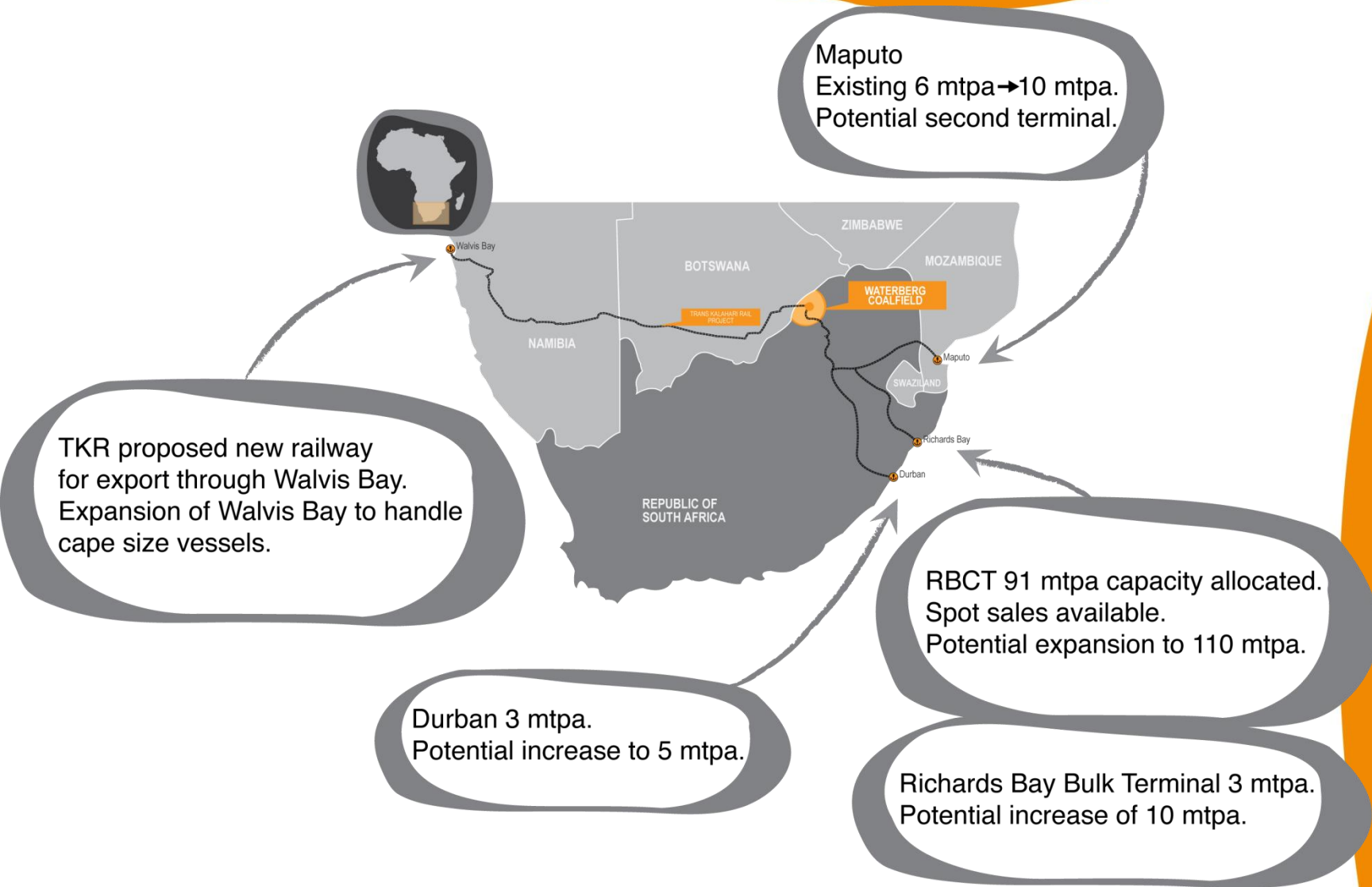


- Secured prospecting rights
- Defined 6 billion tonne resource
- Completed mine plan
- Probable saleable reserve 603mt from ~23% available area
- Designed infrastructure
- Defined transport, power & water solutions
- Completed social & labour plan
- Acquired surface land
- Completed pre-feasibility study
- Submitted mining rights application

Rail: 50km link to existing rail system provides access to domestic markets and east coast ports



Ports: number of alternative possibilities

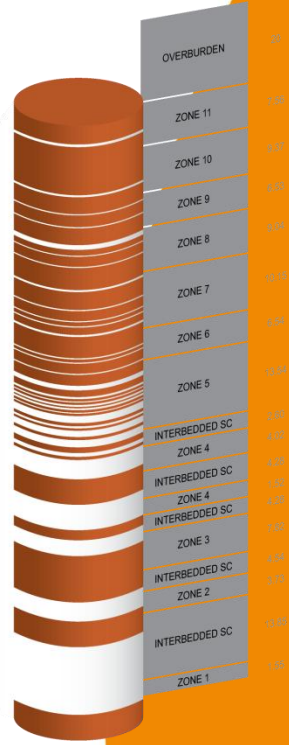
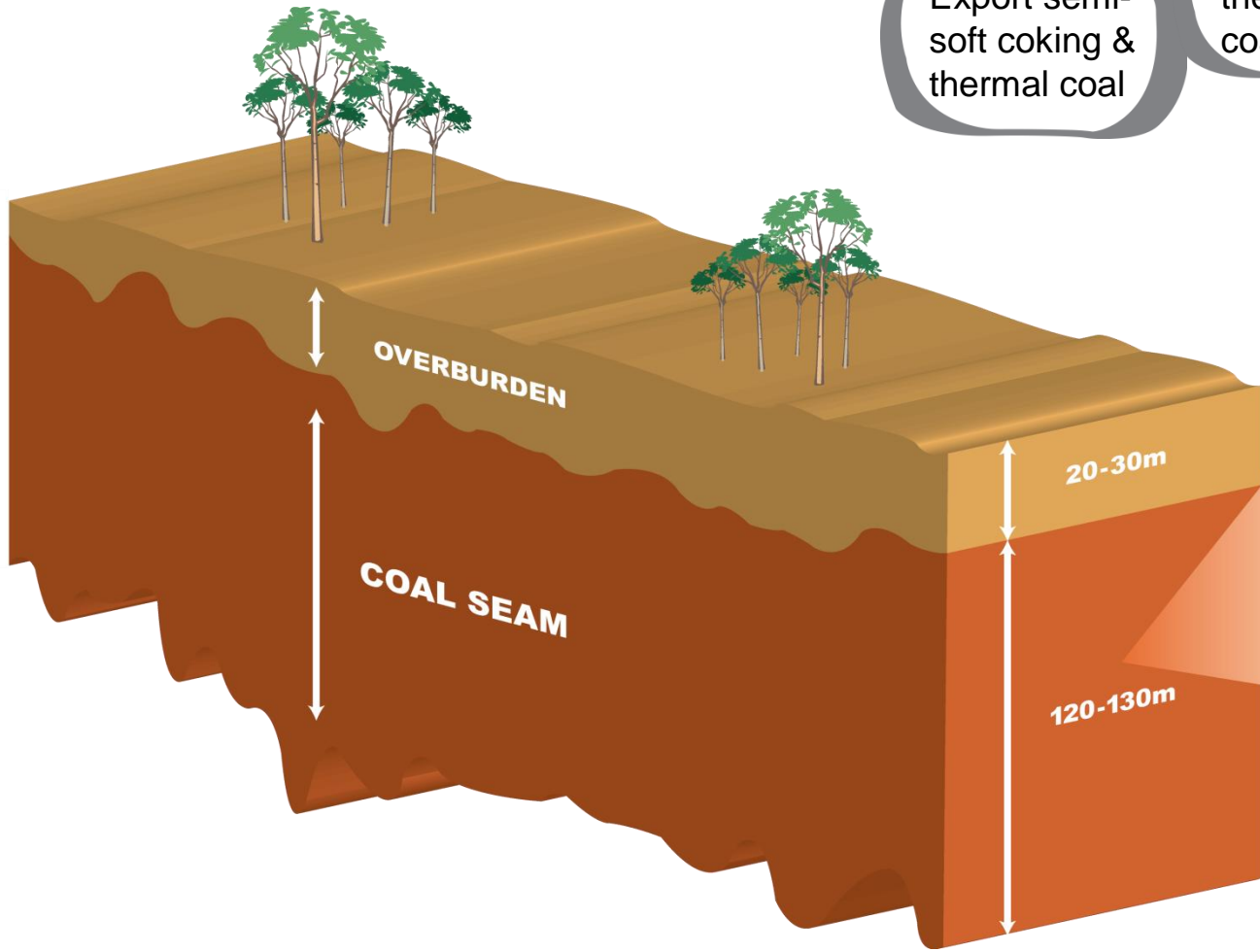


Boikarabelo coal seam: shallow cover, thick seam, zones of varying quality

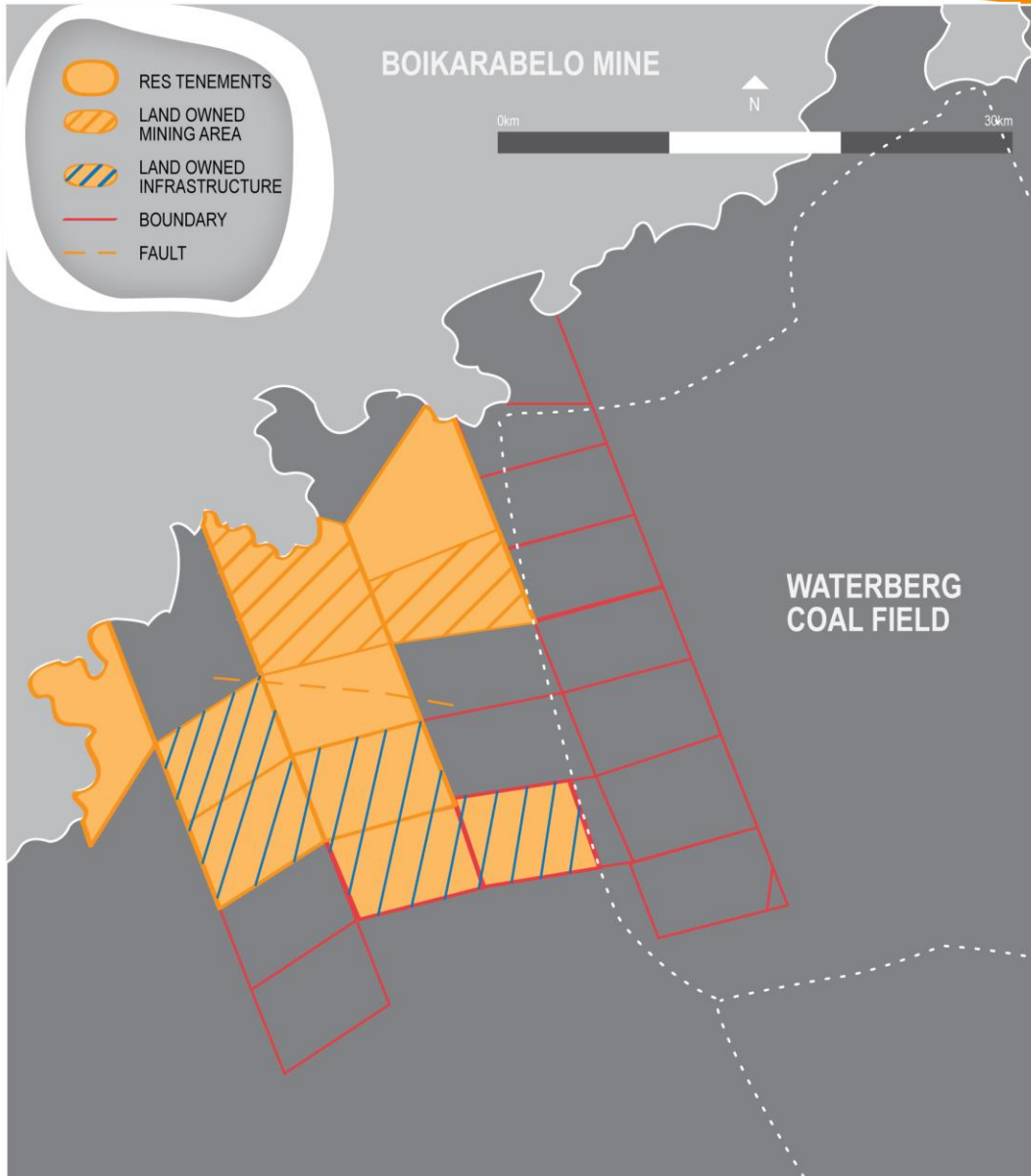


Export semi-soft coking & thermal coal

Domestic thermal coal



Land acquisition: ensures development can proceed quickly



Flat topography



Tenements: advanced mine plan



- CONTIGUOUS COAL SEAM = MINING ZONE
- INFRASTRUCTURE
- PLANT
- MINE STRIPS / AREA
- DUMPS
- SERVICE WATER DAMS
- FAULT
- RAIL & CONVEYOR

Waterberg No.1
2.0 billion tonnes resource¹

Saleable Reserve:^{*}
302 million tonnes (43% of area)

Indicated Resource:
570 million tonnes

Ledjadja exploration continuing.
4.0 billion tonnes resource¹

Saleable Reserve:^{*}
301 million tonnes (16% of area)

Inferred Resource:
1.7 billion tonnes.

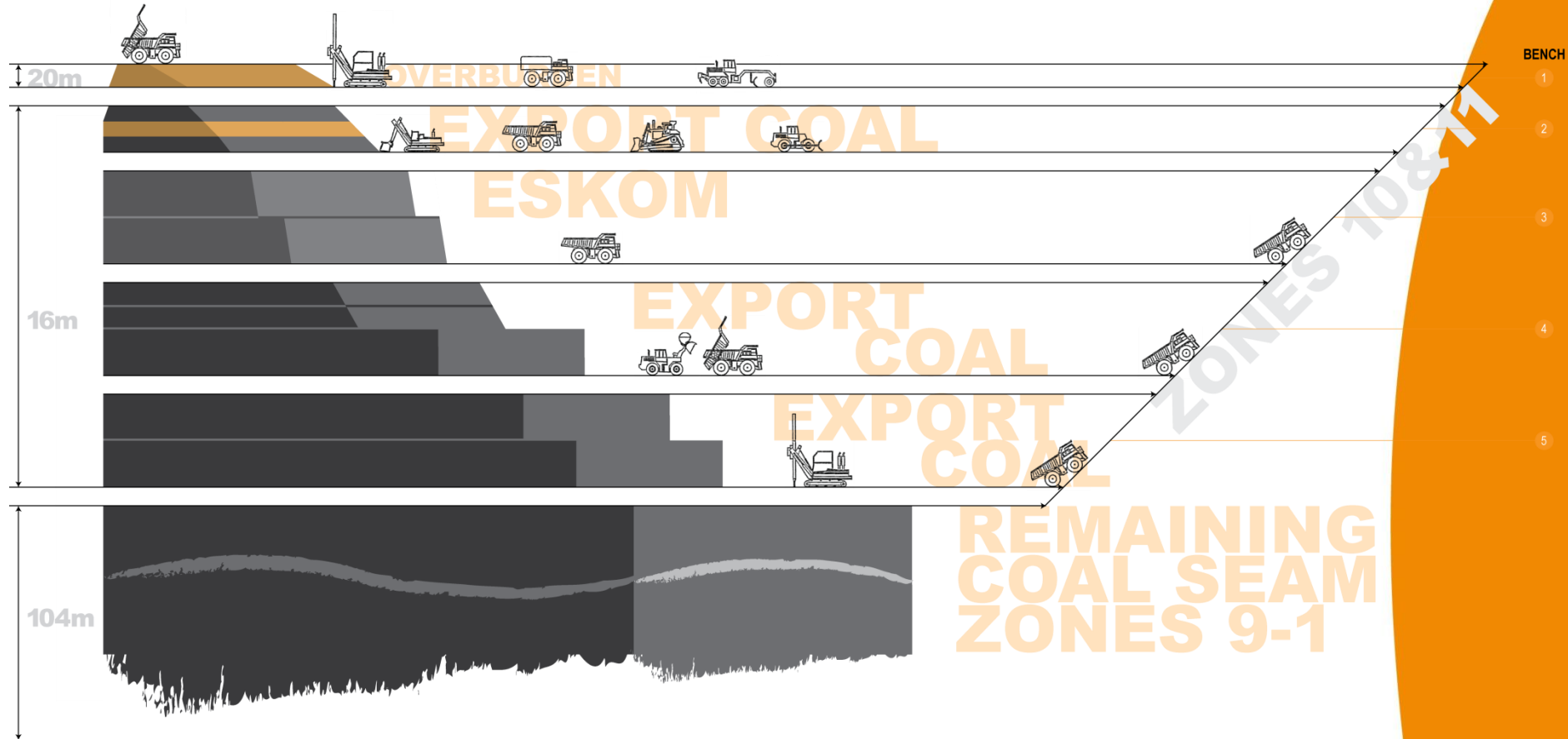
Mine infrastructure location.

Transport / access corridors.



¹ INCLUDES RESOURCE RESERVES ^{*} PROBABLE

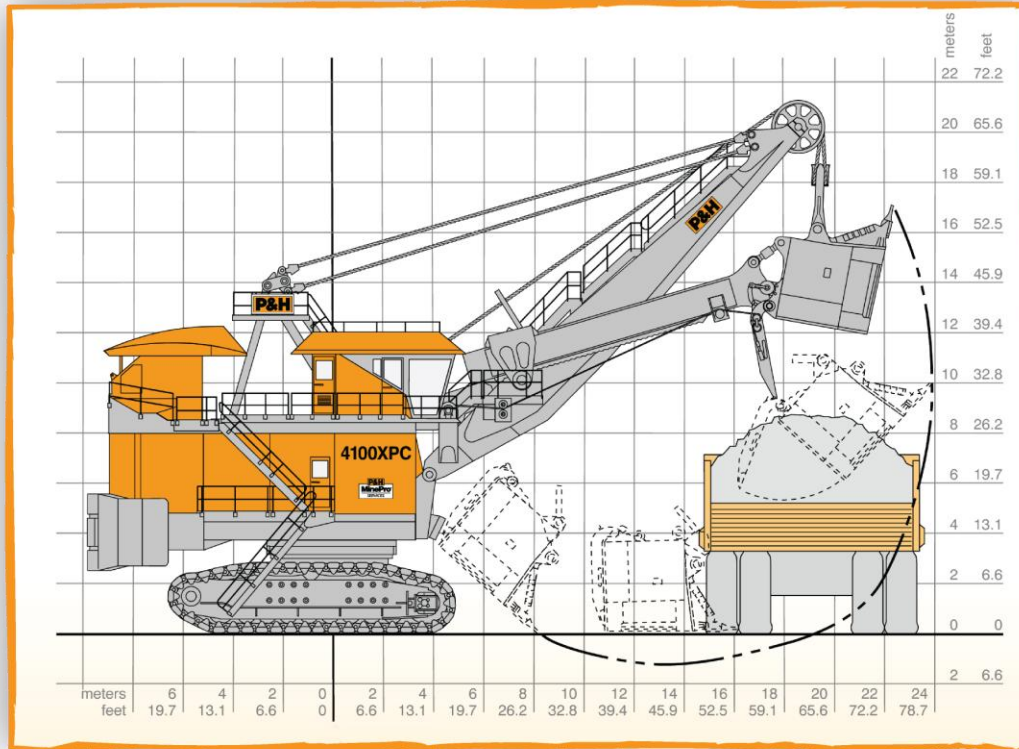
Multiple mining benches: flexibility for selective mining



Low cost open cut mining: 1 shovel can produce around 20mtpa



Low Cost Open Cut Mine

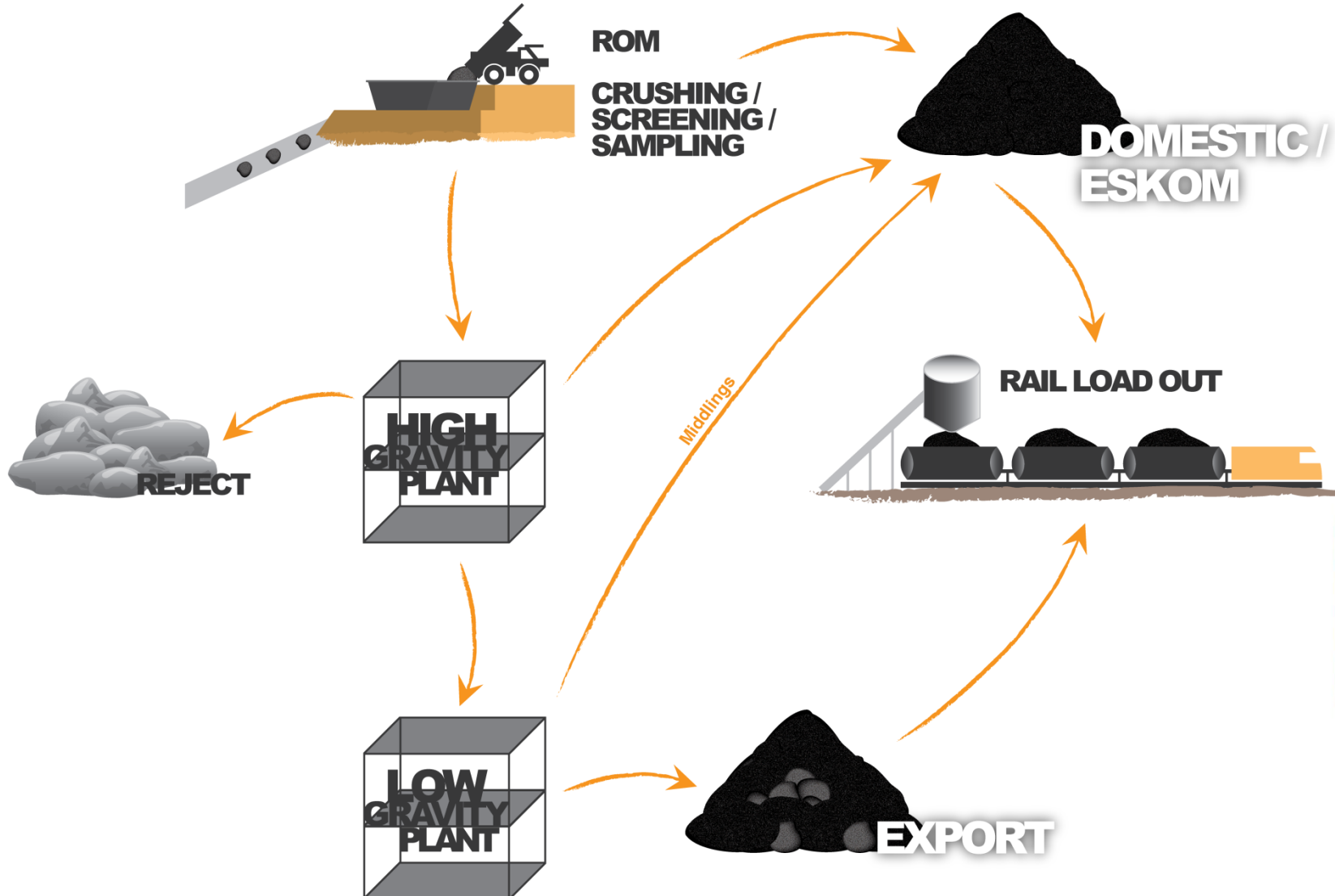


- Shallow overburden = low mining cost. Bulk of material moved is ROM product. We use the example where
- 1 x 50m³ bucket electric rope shovel.
- Matched with 6 x 240t trucks
- Moves 12m bcm p.a.
- = 20 mtpa ROM.

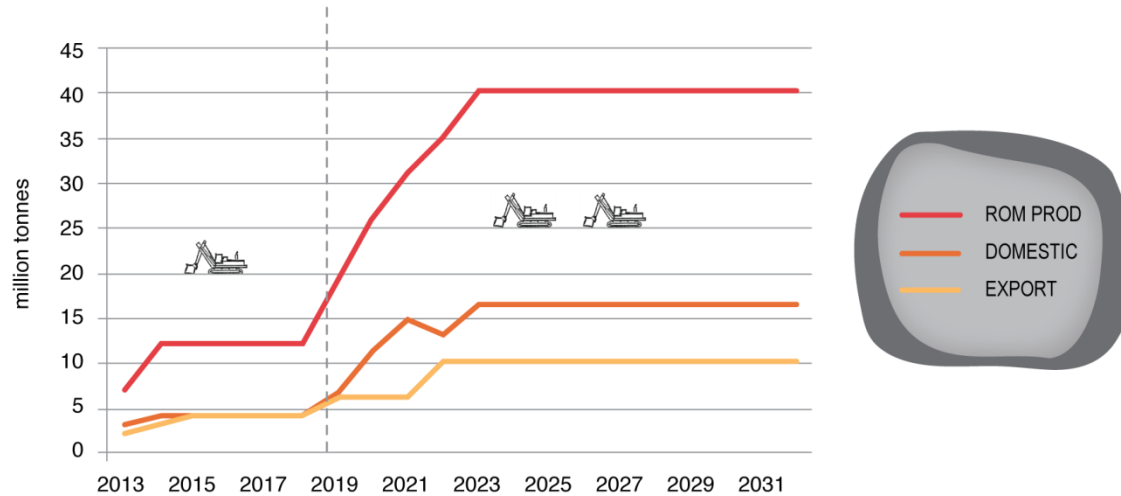
50m³ Bucket Electric Rope Shovel



Coal handling & preparation plant: design complete



PFS production



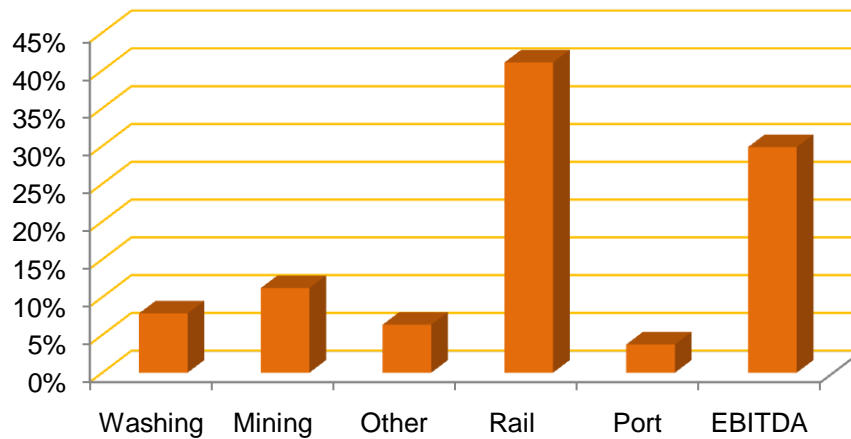
Product coal specifications

Product coal specifications	Semi Soft Coking Coal	Export Thermal Coal	Domestic Thermal Coal
Ash %	10	14	29
kcal/kg (nar)	6,770	5,800	4,400
Swelling index	4		
Volatile %	38	33	26
Sulphur %	0.7	0.7	0.7
Total moisture %	8.6	8.6	8.4
Inherent moisture %	4.6	4.6	4.4

Pre feasibility study: confirms earning potential

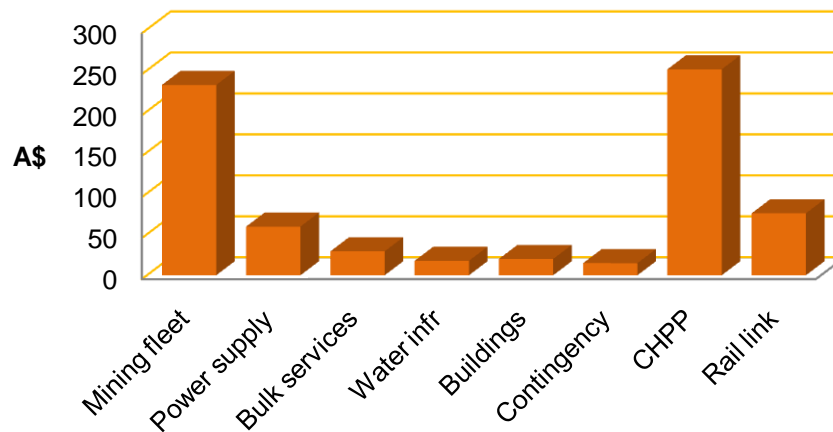


PFS operating estimates



- capex A\$700m (incl CPP A\$240m)
- low mining costs
- conservative revenue basis

PFS estimated capex



- Focus is to improve returns through reducing
- rail opex
 - mining fleet capex

Value Driver Path

Mining right for large scale mine is an essential pre-requisite for progress.

Funding to enable mine development and infrastructure construction to commence.

Completion of mine development and first production.

Project timeline



2010*

✓ Lodge mining rights application

Coal offtake

Transport

Infrastructure

2011*

Mining right issued

Project funding

Commence mine construction

Order mine fleet

2012*

Complete mine construction

Delivery mine fleet

Jan 2013
Coal
Production

* calendar years

Management

Paul Jury, managing director

- 25 years coal industry management experience, including development and operation of open-cut mines for Coal & Allied, Coal Mines Australia and Oceanic Coal
- founded Resource Pacific: initial market capitalisation A\$4 million; bought by Xstrata for A\$1.1 billion
- chartered accountant

Steve Matthews, director and company secretary

- 15 years coal industry experience, including development of open-cut mines for Coal Mines Australian and BHP Billiton
- previously senior commercial manager, Resource Pacific
- chartered accountant, corporate finance

Hennie van den Aardweg, general manager, South Africa

- 25 years experience of developing and managing coal mining operations in South Africa, including for Total Coal
- electrical engineer, certified mine manager

Key Consultants

RSV ENCO Consulting: Mine planning and engineering

GeoCoal Services: Resource and reserve determination

DRA Mineral Projects: Coal handling and preparation facilities design

Digby Wells & Associates: Mining approval process including environmental, social and labour impacts

Ceenex: Mine optimisation services and water infrastructure

RCE Consultants: Railways and civil engineering

Frik Gibhardt: Transport & railways

LBH Group: Port logistics

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