

## ASX/Media Release

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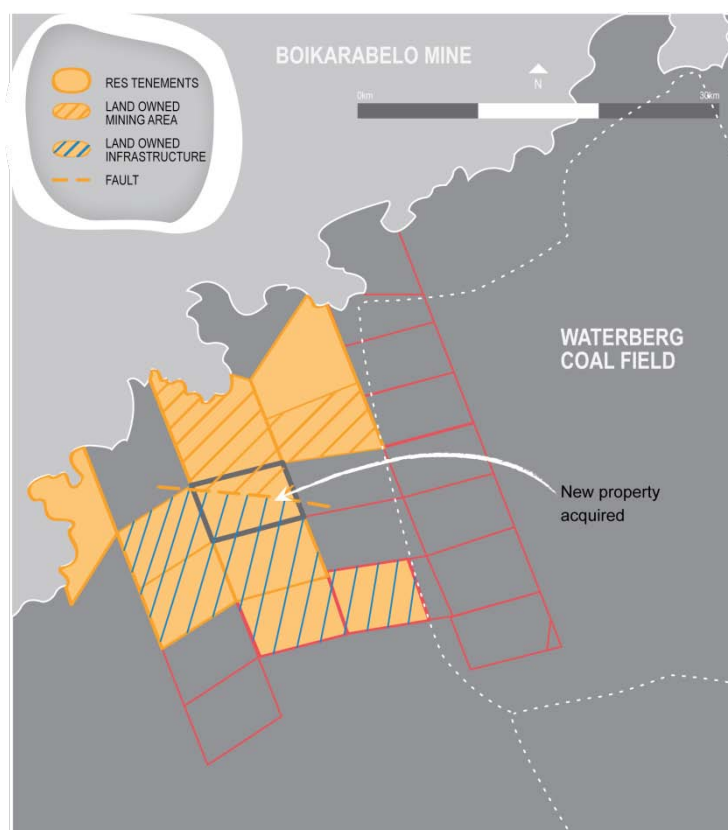
# Keystone land purchase to reduce costs of Boikarabelo mine development

Resource Generation Limited, which is developing one of South Africa's largest remaining coal deposits, has consolidated its landholdings around its planned Boikarabelo mine with the acquisition of a 1,273 hectare property. The purchase price was approximately A\$3 million.

'This parcel of land is critical to our plans. It forms a keystone between Resource Generation's other landholdings and will facilitate our mining rights application and ensure minimum start-up costs for our Boikarabelo mine,' said Paul Jury, managing director of Resource Generation.

'This is the land where we have undertaken the latest infill drilling, with 21 cored holes and four percussion holes completed during the past quarter. Analysis of these results is expected to lead to an increase in the tenement's resource and reserve classification.'

Resource Generation now owns sufficient land for its Boikarabelo mine and associated infrastructure to sustain mining operations for several decades. The company's Boikarabelo tenements, which are in the Waterberg region of South Africa, currently have probable saleable reserves of 603 million tonnes of coal, plus an indicated resource of 570 million tonnes and an inferred resource of 1.7 billion tonnes. Production is scheduled to start in January 2013 subject to securing mining rights and development funding.



*Information in this release 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 Mr Van Wyk has given and has not withdrawn his consent to the inclusion in the release of the matters based on his information in the form and context in which it appears.*

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*Resource Generation is an energy resource company, primarily with coal interests in South Africa and Tasmania. Its current priority is to develop its resources in the Waterberg region of South Africa.*