

ASX: RES

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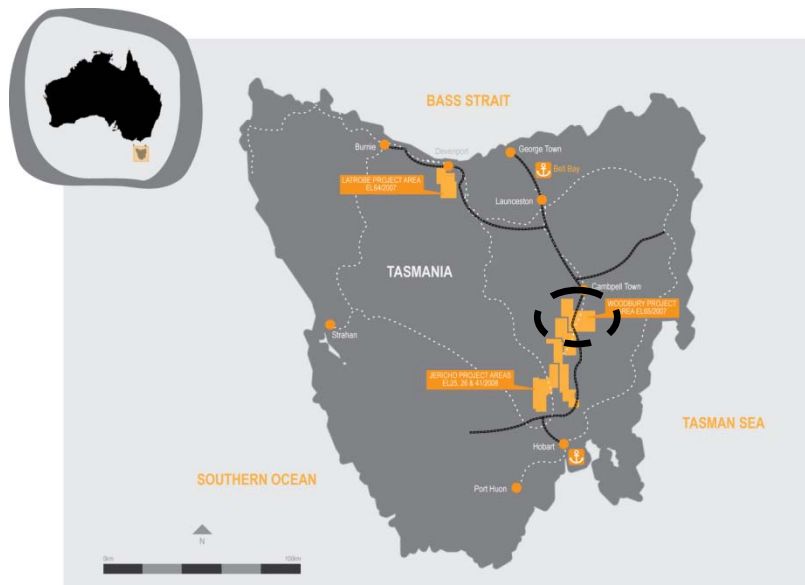
ASX Release

Exploration Drilling Commences in Tasmania

Resource Generation Limited today commenced exploration drilling for thermal coal on its Woodbury tenement in Tasmania. Woodbury is in the Midlands region of Tasmania and there is known mineralisation in the area. Studies to date have identified Woodbury as potentially the most attractive of the company's exploration tenements in the region.

The exploration programme encompasses 24 holes, 12 of which will be fully cored. The programme is designed to confirm historical data and provide coal quality information. It is expected to cost approximately \$500,000, take 10 weeks and will be followed by laboratory analysis of the samples.

'Depending on the results of the drilling, we will evaluate the potential for an open-cut mine producing thermal coal for the export market,' said Paul Jury, managing director of Resource Generation. 'Assuming this progresses, it will provide diversification for the company. Meanwhile, we are continuing with our plans to develop the Boikarabelo mine in South Africa, which remains our main focus.'



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Resource Generation has coal interests in South Africa and Tasmania. Its current priority is to develop its resources in the Waterberg region of South Africa.