



ASX: RES

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ASX Release

Issue of Shares to Facilitate JSE Secondary Listing

Resource Generation Limited (**RES**) has completed most of the steps required for its secondary listing on the Johannesburg Stock Exchange (**JSE**). Whilst final approval is anticipated in the near term, with listing in the next few weeks, part of the process has required the establishment of a trust. RES has today issued 5,000,000 fully paid shares to the trust.

The JSE requires a minimum spread of shareholders on the company's South African register in order for the listing to be approved. As the company currently has no shareholders on its South African register, it is unable to comply with this requirement. The only alternative, to satisfy the JSE's concern over lack of immediately available shares, is to put in place a scrip lending facility as a fallback position; this will cover any trading settlement risk caused by unforeseen delays in shares being transferred from the Australian register to the South African register.

The Board has considered various ways to satisfy this requirement and considers that the only feasible alternative at the present time is to issue shares to a trust. The trustee of the trust is a wholly owned subsidiary of RES, Resgen Scrip Lending Pty Limited (**RSL**), which will be registered as the shareholder on the South African register. RSL has agreed not to exercise its voting rights except in the instance of a capital reconstruction or similar circumstances. The facility will remain in place until the JSE is satisfied that there is a sufficient spread on the South African register, which is expected to be within 12 months, and after which arrangements will be made to deal with the shares in the interests of all shareholders.

Paul Jury, managing director, said: 'The secondary listing on the JSE will help us to create a more flexible funding platform for developing the Boikarabelo mine. We have held discussions with various parties, including South African banks, who have given us positive feedback on the secondary listing.'

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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.