



## **ASX/Media Release**

15 December 2010

### **Resource Generation secures second coal off-take contract**

Resource Generation Limited (ASX:RES) has today signed a contract with Bhushan Steel Limited (*Bhushan*), which will purchase coal for 20 years from Resource Generation's Boikarabelo mine in South Africa.

Under the terms of the contract, Bhushan (BSE:BHUSSTEEL IN), will purchase 500,000 tonnes of thermal coal per annum for the first five years of production from the Boikarabelo mine and a minimum 500,000 tonnes per annum for a further 15 years. The price will be at international market prices at the time of each shipment.

Bhushan is one of the fastest growing steel companies in India. Based in Delhi, it has operations in Delhi, Orissa and Mumbai. Current primary steel making capacity is around 2.5 million tonnes per annum, which is being expanded to 5 million tonnes per annum by October 2012. Bhushan's sales revenue in the last financial year was USD1.3 billion with a net profit of USD188 million. Its market capitalisation is approximately USD2 billion.

Bhushan's growth plan includes diversification into power generation through its subsidiary, Bhushan Energy Limited, which already has installed capacity of 300MW. The supply of coal from Boikarabelo is targeted for the expansion of Bhushan's power generation capacity.

Paul Jury, managing director of Resource Generation, said: 'This is the second long term export contract demonstrating confidence in the quality of the Boikarabelo mine as well as its potential into the expanding Indian market.'

Resource Generation's planned Boikarabelo mine is in the Waterberg region of South Africa, one of the country's largest remaining coal deposits.

#### **Contacts**

Paul Jury, Managing Director on (02) 9376 9000 or  
Steve Matthews, Company Secretary on (02) 9376 9000

#### **Media enquiries**

Anthony Tregoning, Financial & Corporate Relations on 0411 852448