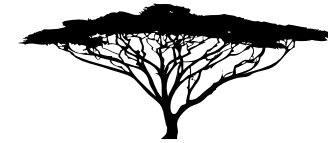




resource generation

Presentation
Annual General Meeting
29 October 2014

ASX: RES
JSE: RSG
ADR: RSGNY



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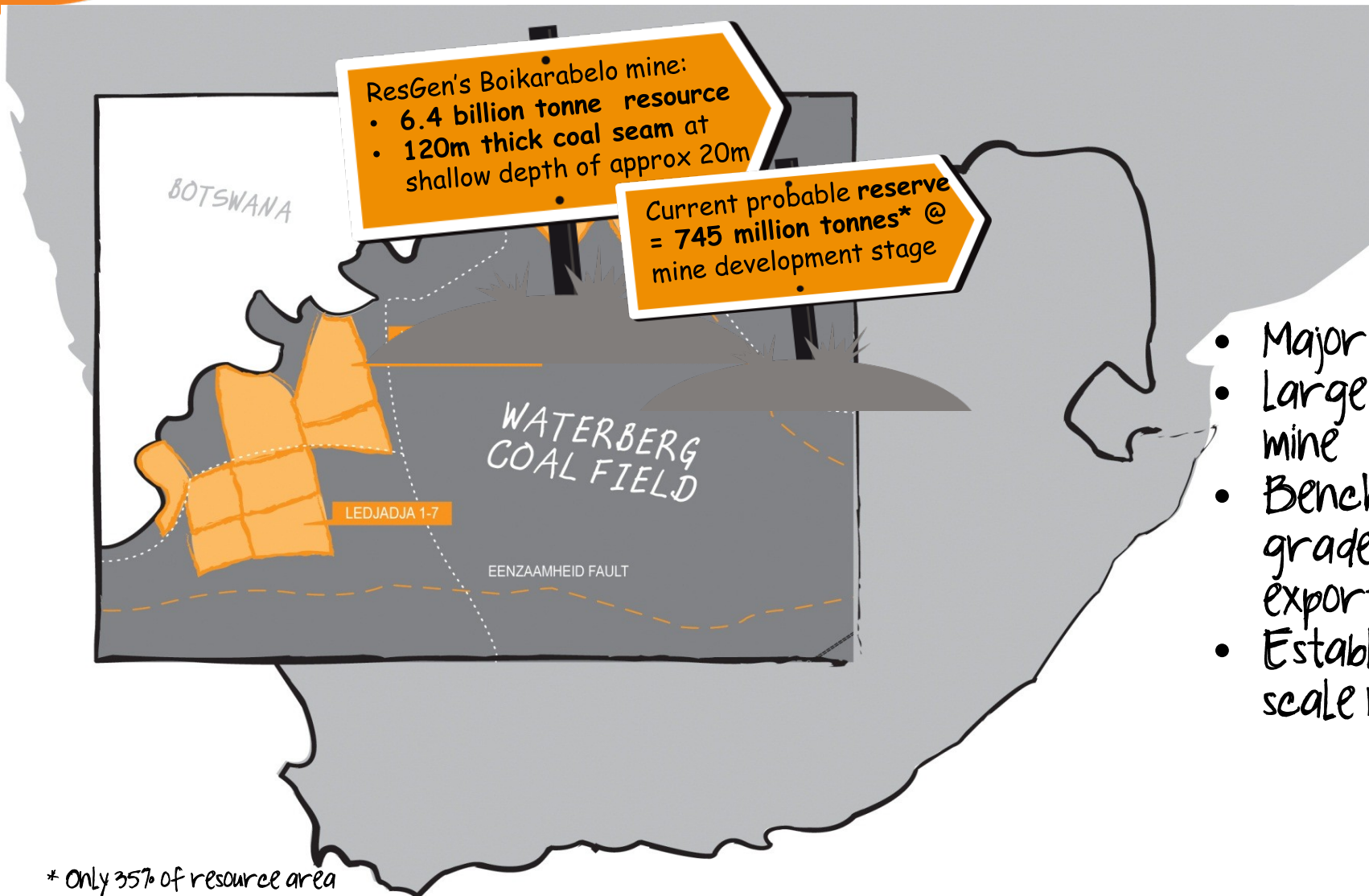
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Information in this presentation that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Dawie Van Wyk who is a consultant to the Company and is a member of a Recognised Overseas Professional Organisation.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



South Africa: the Boikarabelo Coal Project



- Major resource
- Large Low cost mine
- Benchmark grade 14% ash export coal
- Established Large scale mines nearby

* Only 35% of resource area

All approvals, licences and agreements secured

BEE structure

ResGen & its BEE's interests aligned. Our management team is fully integrated & this facilitates regulatory progress.

Gov't relations

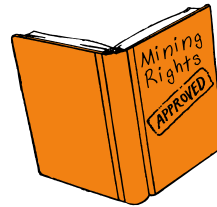
Strong Gov't relationships – environmental, development and water use approvals, Local Gov't agreements on infrastructure and employment. PIC Largest shareholder.

Labour

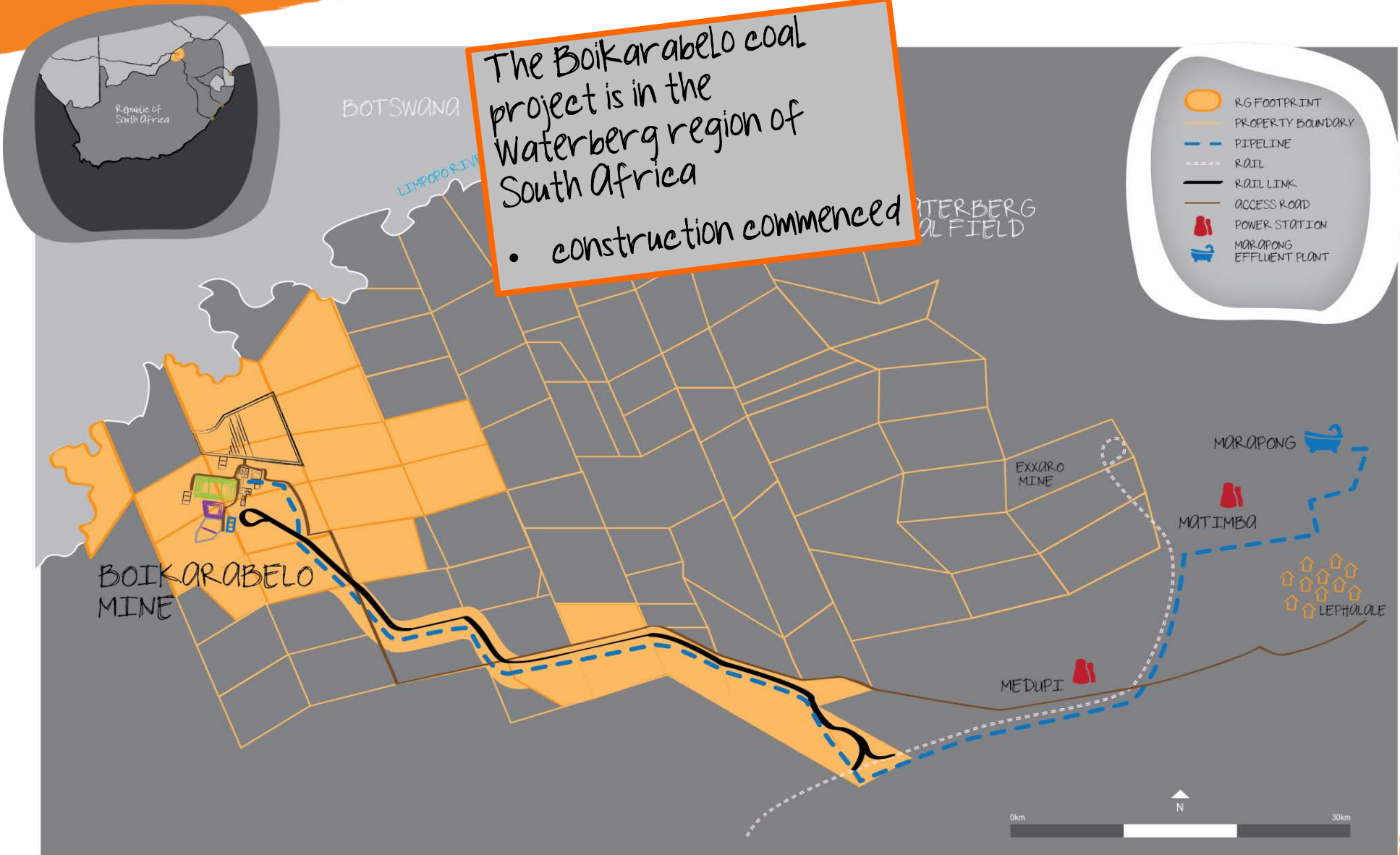
Key driver to successful operations. Gender equality with 50% female complement to deliver higher productivity and stable workforce. Inclusive IR arrangements integrated into recruitment, skilling and operational systems. Housing and packaging integrated with social and Labour programs.

KEY ACHIEVEMENTS

- ✓ BEE
- ✓ Land Acquisition
- ✓ Mining Right
- ✓ Offtake contracts
- ✓ Development Consent
- ✓ Water supply
- ✓ Power supply
- ✓ Transport
- ✓ Strategic partnerships



Development of large coal resource in South Africa



Massive deposit – thick seam, low overburden

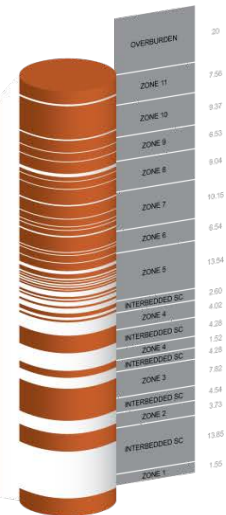
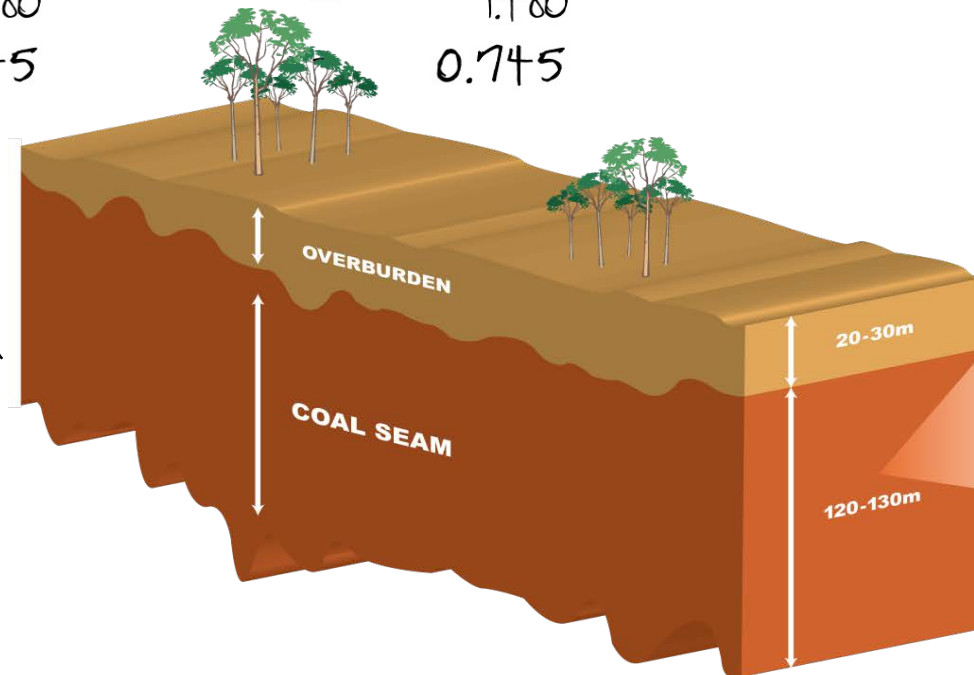
Billion tonnes
Existing Additional* Total

Gross			
Resource	6.400	1.447	7.847
Excl shale	3.122	0.975	4.097
Measured	1.090	-	1.090
Indicated	0.551	0.975	1.526
Inferred	1.480	-	1.480
Reserve	0.745		0.745

* approval pending

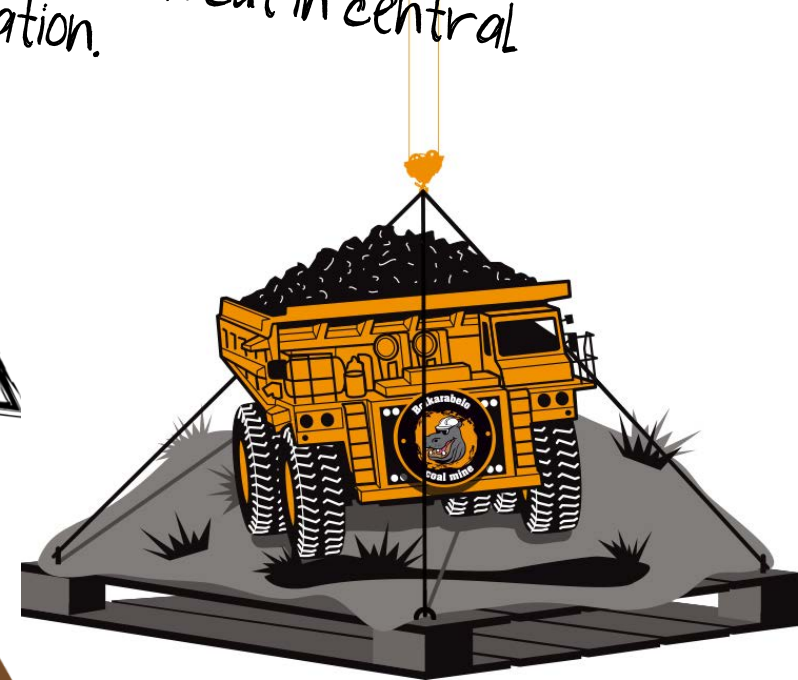
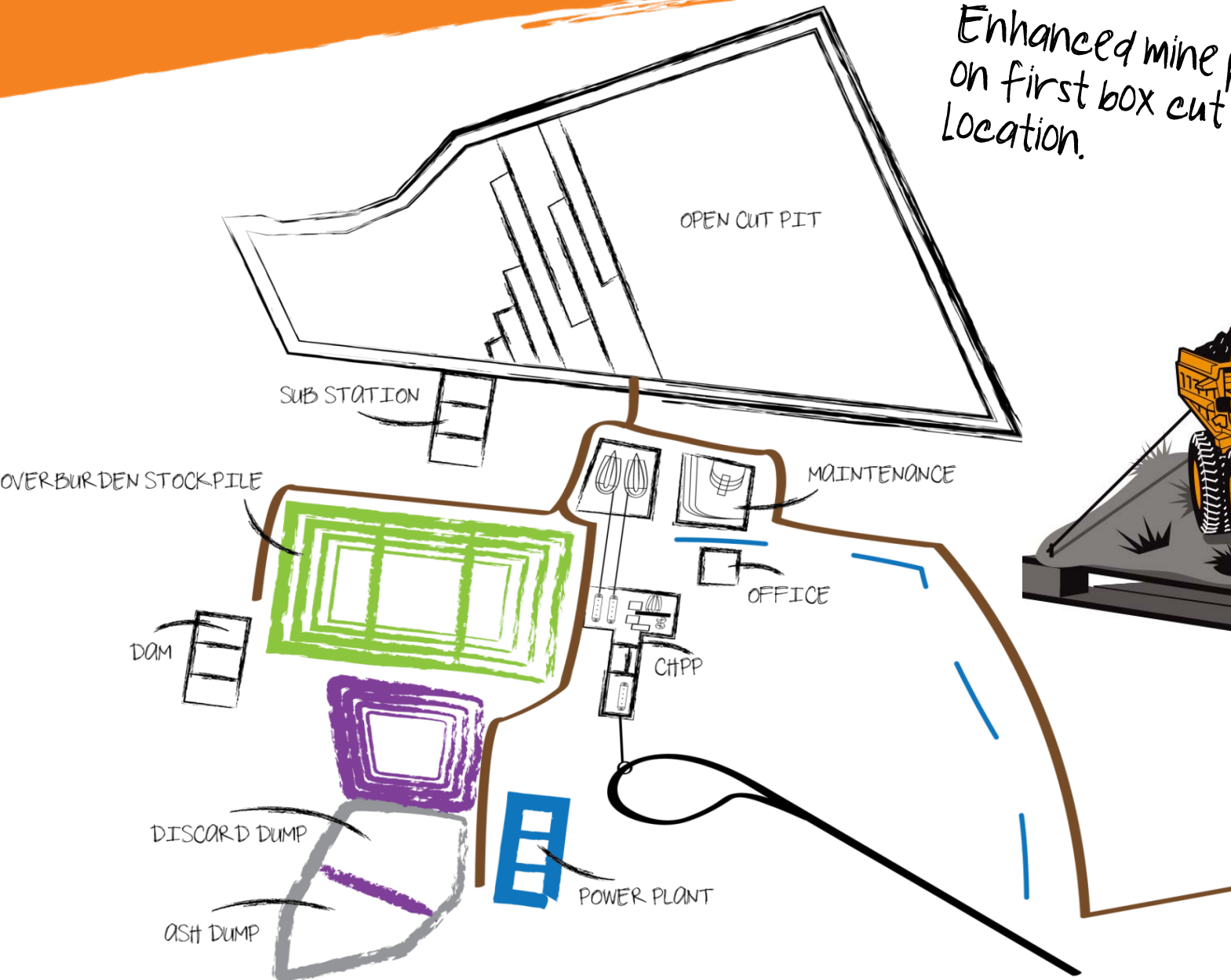
Overburden
ratio 0.6:1

Only 35% of
resource so far
delineated

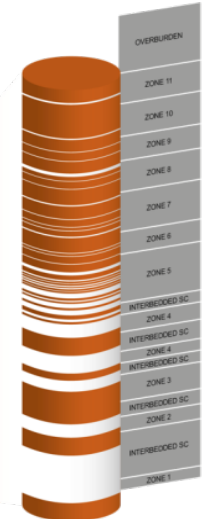
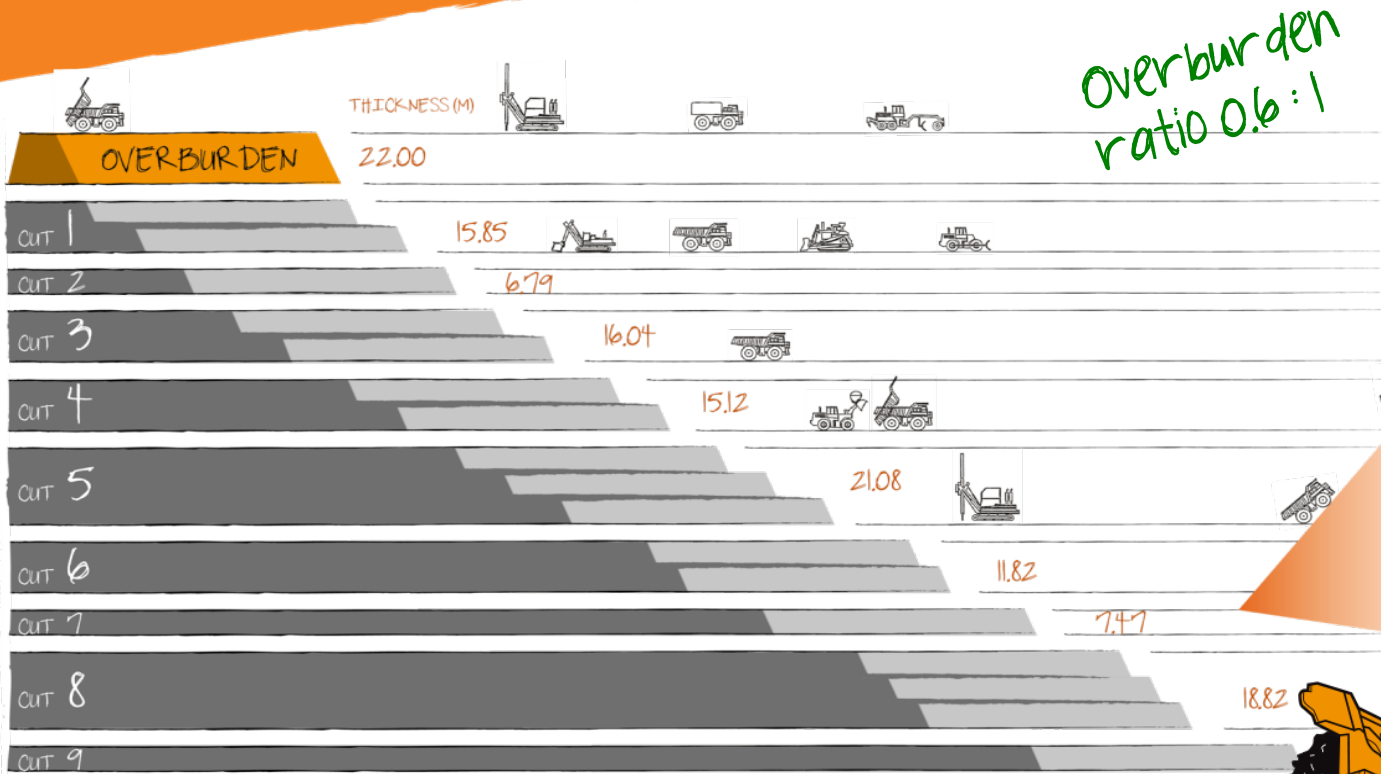


Mine plan / competitive low cost operation

Enhanced mine plan centred
on first box cut in central
location.



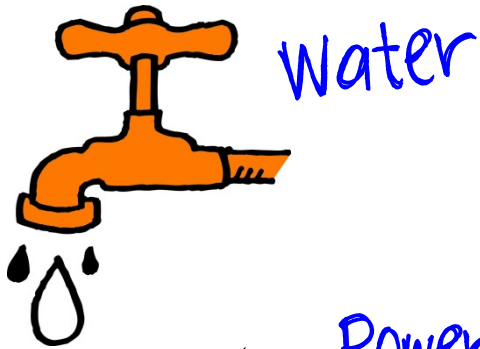
Mine plan – efficient bench mining



Mining based on 9 major benches with selective mining to optimise in pit yield

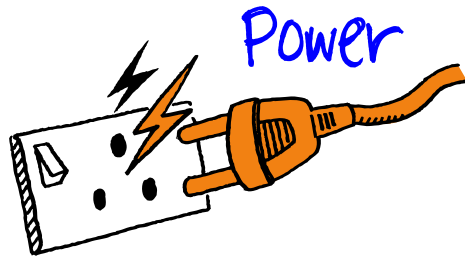


Stage 1 Infrastructure arrangements



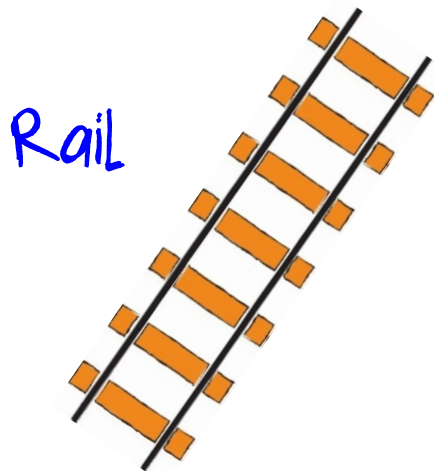
Water Use Licence issued –

- initial water from borefield
- Later augmented through processed water from Lephalale sewage project (MBET)



Contract for supply from Eskom

Deferred payment agreement to design, construct and maintain transmission Lines with EHL



10 Year take or pay contract* with Transnet – accommodates both export and domestic coal freight



Take or pay contract* at Durban.
Adequate capacity for export shipments for Stage 1

* Extension secured

Rail & Port for expansion

Minor upgrades progressing to support Stage 1 bmtpa for export and/or domestic sales

Studies undertaken assessing both rail track infrastructure and capacity as well as additional rolling stock requirements

Stage 2 - 26t axle upgrade study = 4 stages resulting in capacity of >46mt from Waterberg

Stage 1 port contract with Durban
Stage 2 possible RBCT, TKR & Maputo

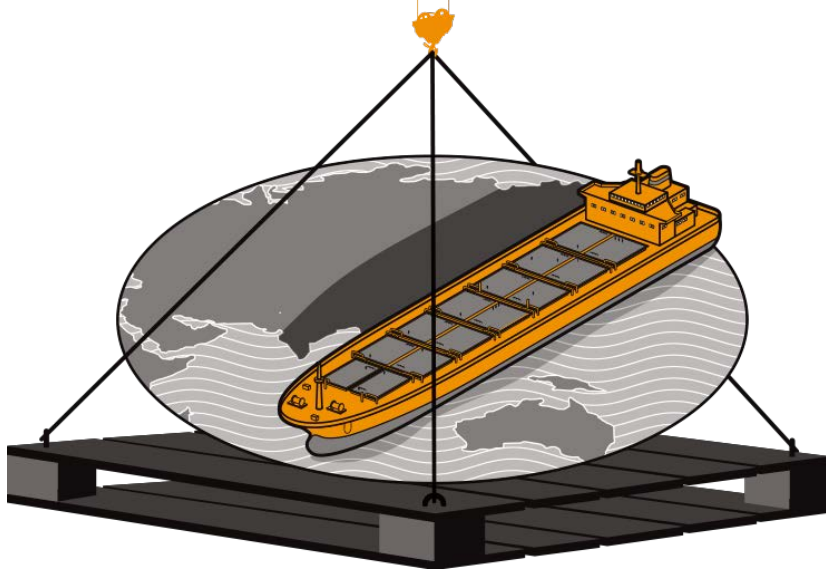


Senior TFR & DMR management inspecting site works.



Long Term Export contracts in place:

Quality is suitable for the growing Indian market,
slightly lower in energy than the Richards Bay
benchmark at 5,960 Kcal/Kg gar



Noble Group: 35 year contract:

CESC India: 38 year contract:

Valu India: 20 year contract:

	Stage 1		Stage 2					
	Y1-Y3	Y4-Y7	Y8	Y9-12	Y13-14	Y15-20	Y21-35	Y36-Y38
CESC	1.0	2.0	4.0	4.0	4.0	4.0	4.0	4.0
Noble	0.5	0.5	0.5	1.5	2.0	2.5	2.5	
Valu	1.0	1.0	2.0	2.0	2.0	2.0		
Total	2.5	3.5	6.5	7.5	8.0	8.5	6.5	4.0

Domestic demand – need for new coal and additional power supply



Waterberg coalfield contains largest viable source of remaining coal in South Africa

- this is where new supply must be sourced

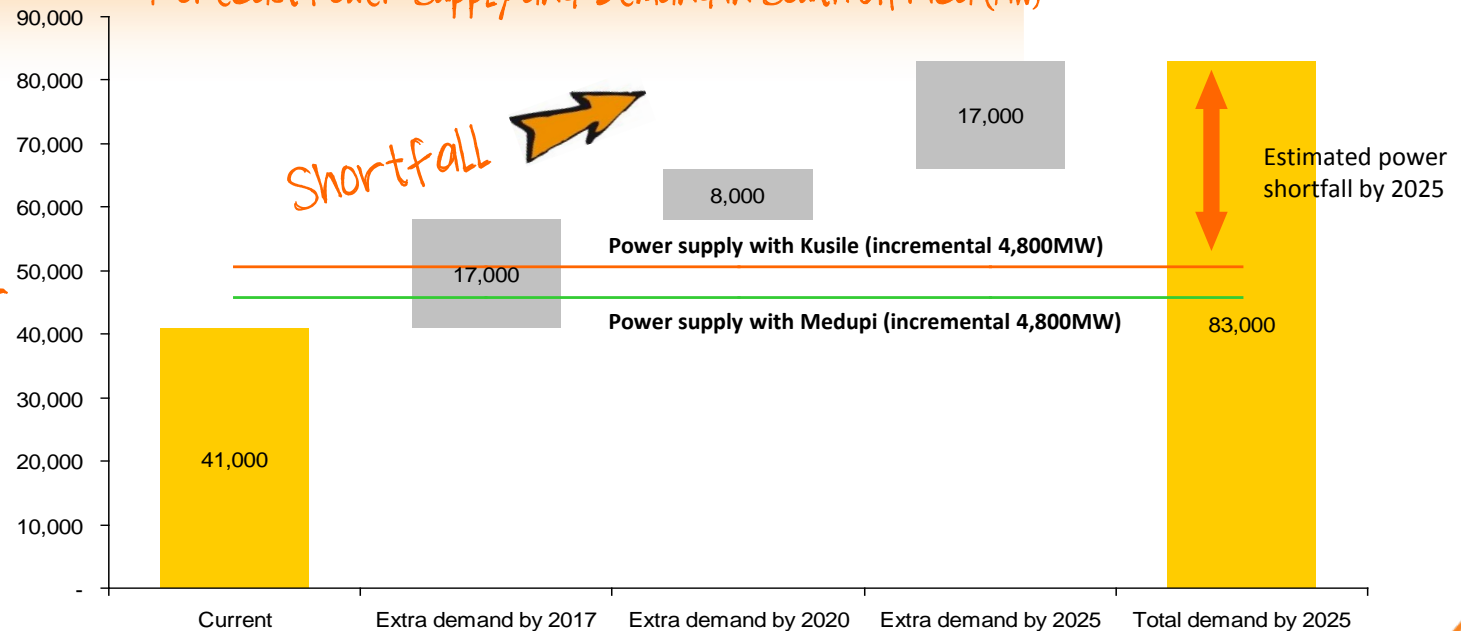
Noble contracted to buy 3.0mtpa domestic coal for 8 years.

Boikarabelo rail contract provides for rail haulage to domestic locations



Forecast Power Supply and Demand in South Africa (MW)

South Africa Short on new Long term power supply options



Source: Eskom

Roadmap to first production



Certain construction activities undertaken to minimise start-up and shorten overall construction Long Lead time items

Project construction predominantly 24 months duration

Construction camp: services, kitchen and dining installed for 1320 persons. Units installed for 400 immediate occupation

Construction power supply

Road works for access and provincial by-pass – commenced

Permanent water supply

Rail Line earthworks – commenced

Construction of first 3 (7 in total) railway bridges

Commenced 132KvA mains electrical infrastructure

CHPP designs, EPS and CM contracts

Construction of fices and EPCM

(both suspended following contractor liquidation)

Roadmap to first production



Construction camp: services, kitchen and dining installed for 1320 persons. Units installed for 400 immediate occupation



Roadmap to first production



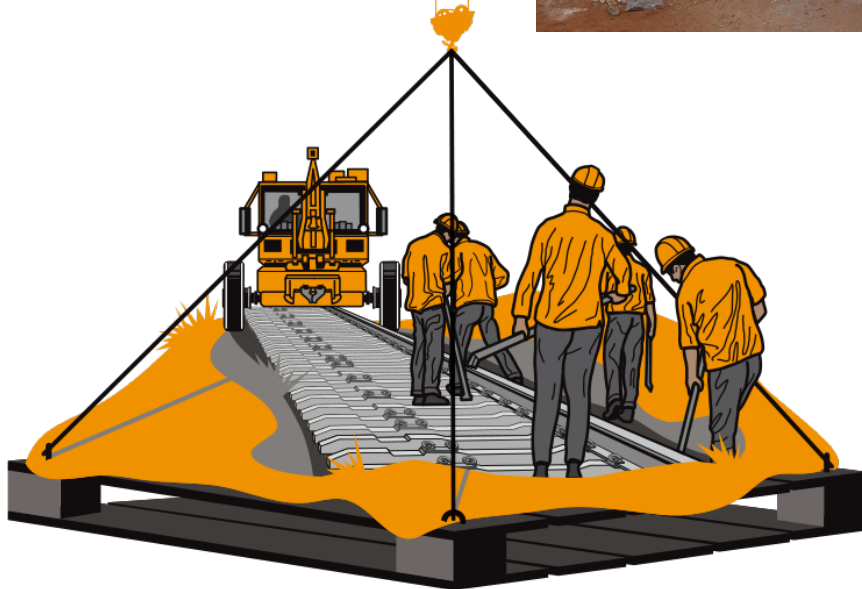
Bridge 1



Bridge 3



Bridge 2



Roadmap to first production



Roadmap to first production



Water & power supply installations

Main borehole surge tank



MBET Pipeline



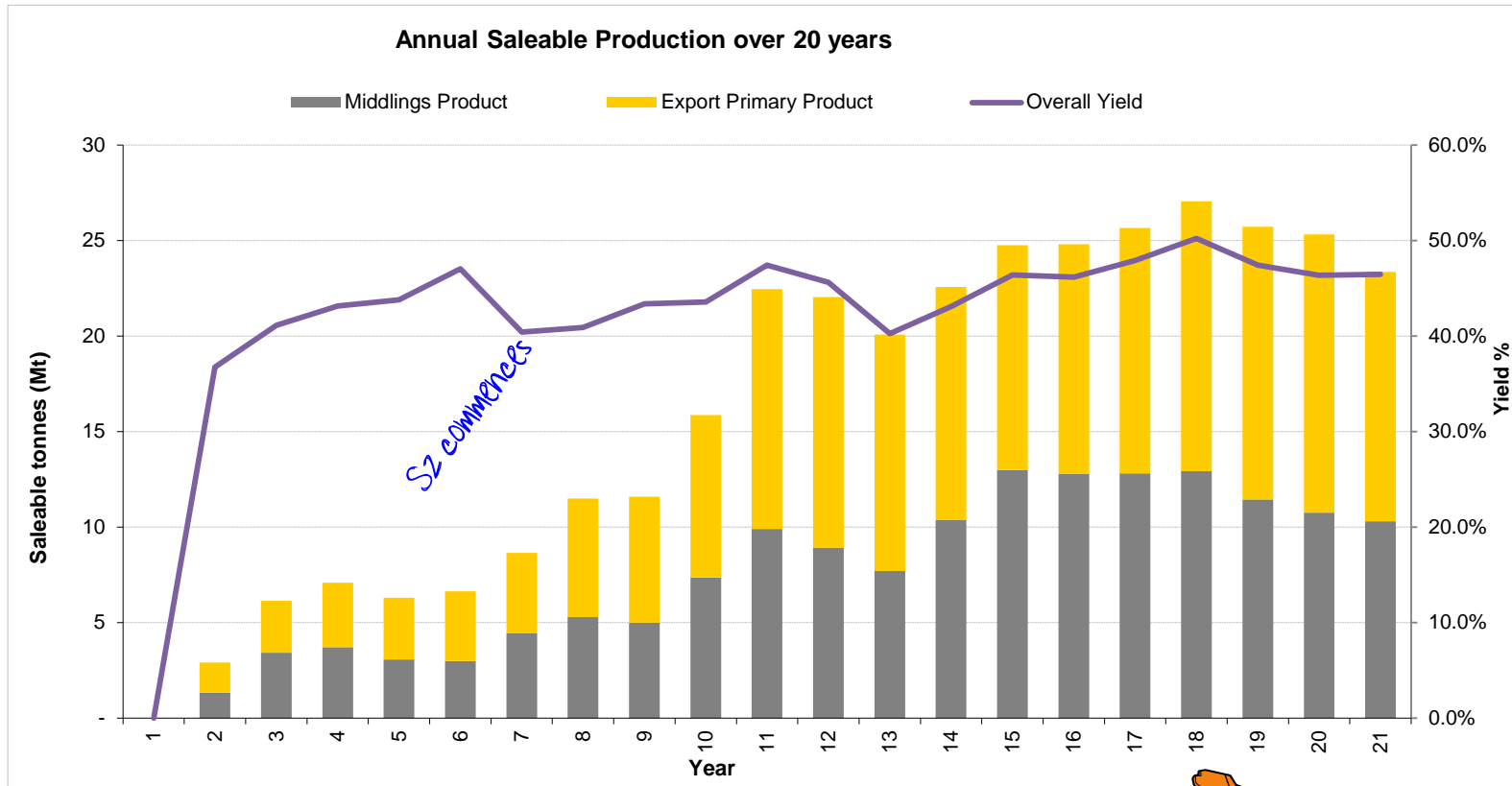
Main 132KV substation terrace



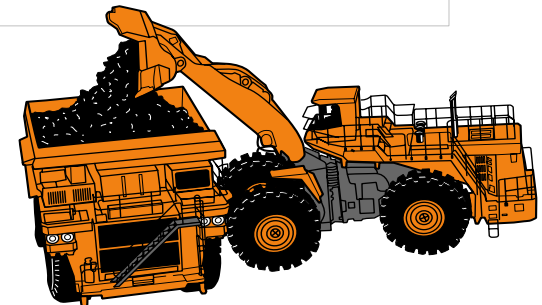
Bore water power supply



Stage 1 & 2 Production

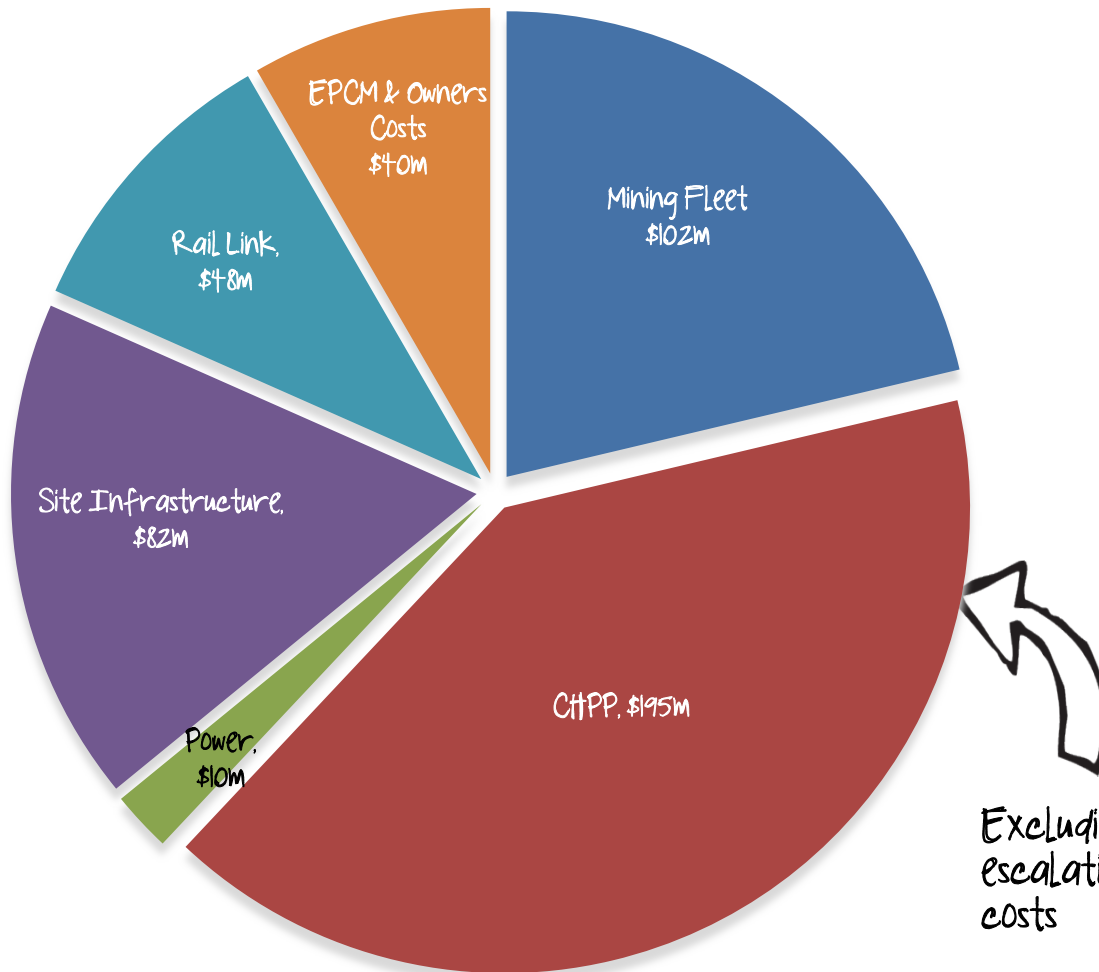


Years	ROM mtpa	Saleable mtpa
1-5	14	6
6-9	S2 ramp up	Inc 12-15
10 on	~47	~25



Capex Breakdown

Category



US\$40m

Contracted

FEED = Front End
Engineering & Design

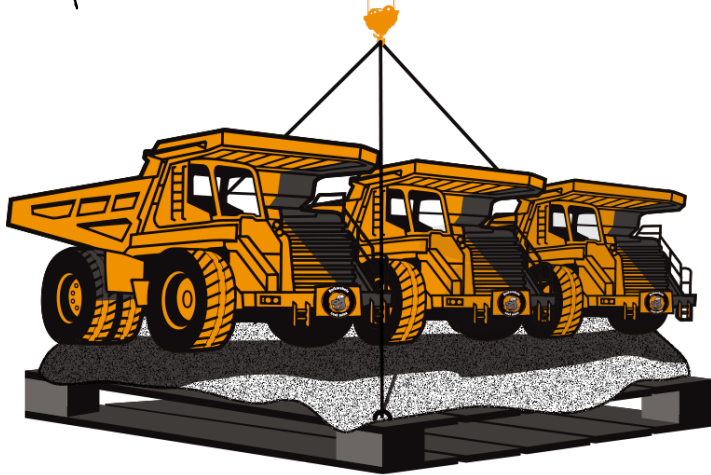


Excluding contingency,
escalation and transaction
costs

Funding Update

- Successful capital raising from Entitlements Offer 
Cash on hand

• Contract with Komatsu for mobile equipment on a fully funded basis.



- US\$400m being sought to fund construction of site infrastructure & rail (To fund US\$365m + contingency)

- Project funding negotiations still underway with banks & others to provide funding offers. One consortium incl the Noble Loans and ECA support.



Why the delay in securing funding?

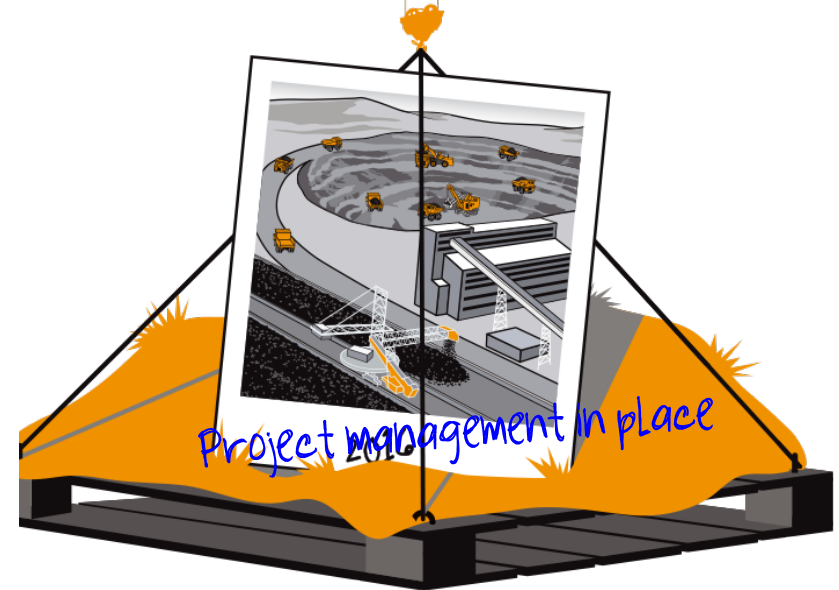
- some negotiations failed due to unacceptable terms
- additional DD required -- first round dd reports had to be updated and
- various parties had differing additional requirements, all of which had to be met to progress
- extended negotiations over terms
- protracted consortium structuring

Once full funding, then completion:

...funding enables construction to ramp-up, including all major project elements, resulting in a defined completion timetable:

- **CHPP** Contract with FLSmidth enables work to commence as soon as project funding secured. Detailed design and specifications completed.
- **Rail Link** Route cleared. Several bridges under construction, certain earthworks completed. Specific funding from Noble possibly incl in a Proj Funding consortium.
- **Key elements of infrastructure** Power transmission lines, sub station and switch room funded by deferred payment facility. Construction commenced. Water infrastructure integrated into construction camp construction. Main site facilities subject to project funding.
- **Mine fleet** Komatsu Equipment – funded with dedicated loan.

2 year construction timetable



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