



21st June 2017

ASX Announcement

Shareholder Update

This release is by way of update to our earlier releases of 14th March 2017 – confirming that all approvals had been obtained to accelerate the second drawdown under the extended Noble Facility Agreement – and of 31st May 2017 – advising that a proposed all party meeting of Lenders had been postponed to 14th June 2017.

Noble Facility Agreement

Payment of the second draw down under the facility in the sum of US\$2,747,131 was received on 8th June 2017.

All Party Meeting

The meeting of lenders, including senior representatives and their advisers, was held in Johannesburg on 14th June. Senior representatives from all the consortium of Lenders were in attendance.

The purpose of the meeting was to review all material EPC and logistics contracts and to address matters outstanding from the lenders' legal due diligence. At the conclusion of the meeting, a small number of items were identified to be addressed or produced including updating the financial model, term sheet and finalisation of the funding terms of the rail link before the lenders are able to commence their respective credit approval processes. We believe all outstanding items will be delivered to the lenders no later than 31st July; and this should allow lenders to approach their credit approval bodies thereafter.

Most the outstanding items are either under the Company's direct control or very likely to be delivered to the Company by third parties by end June or during July.

The meeting was positive and the Company is encouraged by the support for the project shown by the lenders. The credit approval processes are estimated to be completed within approximately two months from commencement.

Mining Charter 2017

On 15th June 2017, the Department of Mineral Resources in South Africa released the Mining Charter 2017. This Charter includes new provisions in relation to minimum BEE ownership, employment equity requirements, procurement activities, housing and living conditions and human resource development. The Company will be working through the detail of the Charter and will be consulting with the Government and Industry to clarify the implications. It should however be noted that the Company's project is already compliant with regard to the minimum BEE ownership requirements under the new Charter.

A further update to the market will be released after the next Board Meeting scheduled for 26th July 2017.

Denis Gately

Chairman

For and on behalf of the Board

About Resgen:

Resource Generation Limited (Resgen) is an emerging ASX and JSE-listed energy company, currently developing the Boikarabelo Coal Mine in South Africa's Waterberg region. The Waterberg accounts for around 40% of the country's currently known coal resources. The Coal Resources and Reserves for the Boikarabelo Coal Mine, held through the operating subsidiary Ledjadja Coal, were recently updated based upon a new mine plan and execution strategy. The Boikarabelo Coal Resources total 995Mt and the Coal Reserves total 267Mt applying the JORC Code 2012 (ASX Announcement :23 January 2017- In accordance with Listing Rule 5.23.2 the Company confirms that it is not aware of any new information that would impact on the Reported Coal Resources and Coal Reserves). Stage 1 of the mine development targets saleable coal production of 6 million tonnes per annum. Ledjadja Coal is a Black Economic Empowerment subsidiary (BEE) operating under South Africa's Broad-based Black Economic Empowerment Act, Section 9(5): Codes of Good Practice

ResGen's primary shareholders are the Public Investment Corporation of South Africa (PIC), Noble Group and Altius Investment Holdings.

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