



**ASX: RES**

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**ASX Release**

## **Drilling Update – Waterberg Coal Project**

At the Waterberg Coal Project, access to the three Ledjadja JV properties (combined 4,042 ha) adjacent to the Waterberg #1 tenement\* was secured and initial exploration, comprising 24 open holes was completed in the last week of May 2009. Preliminary results indicate that in terms of coal seam thickness and overburden depth, the resource appears to be similar to that in the Waterberg #1 deposit across the first two tenements and up to a known fault, which has been confirmed mid way through the third property. Drilling has delineated the broad resource boundaries and following analysis will assist in determining the optimal sites for mine infrastructure, including coal handling and preparation plant. The Company will now conduct additional drilling to define a JORC-compliant coal resource over this portion of the Ledjadja tenements.

\* The Waterberg #1 tenement (1,365 ha) has a JORC-compliant inferred coal resource of 1,991.6 million tonnes\*\* as disclosed to the market on 27 April 2009. After discounting for the shale content evident in the resource, the adjusted JORC-compliant inferred resource is 978.1 million tonnes\*\*.

\*\* *Information in this release 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 Mr Van Wyk has given and has not withdrawn consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.*

### **Contacts**

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*Resource Generation is an energy resource company, primarily with coal interests in South Africa and Tasmania. Its current priority is to develop its resources in the Waterberg region of South Africa.*