

An energy resources company



Management Presentation
Annual General Meeting
26 October 2009

ASX
RES

The information in this presentation is an overview and does not contain all information necessary to make an investment decision. The information contained in this presentation has been prepared by Resource Generation Limited ("Resource Generation"). To the extent permitted by law, no representation or warranty, express or implied, is made as to the accuracy, adequacy or reliability of any statements, estimates or opinions or other information contained in this presentation, any of which may change without notice. This document is not a prospectus, disclosure document or offering document under Australian law or under any other law. It does not constitute an offer or invitation to apply for securities. It is for information purposes only. The offer booklet for the Entitlement Offer is today being announced to the ASX and will be sent to Eligible Shareholders in due course. Any Eligible Shareholder who wishes to participate in the Entitlement Offer should consider the retail offer booklet in deciding whether to apply under the Entitlement Offer. Anyone who wants to apply for Shares under the Entitlement Offer will need to apply in accordance with the instructions on the Entitlement and Acceptance Form which will accompany the offer booklet. This presentation is not an offer of securities for subscription or sale in the United States or any other jurisdiction in which such an offer or solicitation is not authorized or to any other person to whom it is unlawful to make such an offer or solicitation. Neither Resource Generation nor any other person warrants the future performance of Resource Generation or any return on any investment made pursuant to this presentation. Some of the information contained in this presentation constitutes forward-looking statements that are subject to various risks and uncertainties, not all of which may be disclosed. These statements discuss future objectives or expectations concerning results of operations or financial condition or provide other forward looking information. Resource Generation's actual results, performance or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward-looking statements.

Prospective investors should make their own independent evaluation of an investment in the securities. The material contained in this document does not take into account the investment objectives, financial situation or particular needs of any particular investor. Resource Generation does not make any recommendation to investors regarding the suitability of the securities and the recipient must make its own assessment and/or seek independent advice on financial, legal, tax and other matters, including the merits and risk involved. This presentation and its contents have been distributed to you, in confidence, solely for your information and may not be retransmitted or otherwise reproduced or disclosed to third parties or made public in any way, in whole or in part, for any purpose without the written permission of Resource Generation.

South Africa

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.

The Company



| | |
|-------------------------|---------------|
| ASX code | RES |
| Current shares on issue | 154.3 million |
| Options on issue | 8.8 million |
| Market capitalisation | \$95 million |

Strategy

- 
- Significant resources.
 - Geographical diversity.
 - Coal projects close to infrastructure and customers.
 - Management Capability to complete:
 - Resource evaluation
 - Mine development



To deliver shareholders value through developing physical operations of significance.

resource generation limited

CAMEROON

3 Uranium Tenements

- NKI
- Monguele
- Badekok
- Historical mineralisation in all projects.

SOUTH AFRICA

10 Coal Tenements

- 12,000 ha
- Probable Reserve 300 million tonnes
- Indicated Resource 1.1 billion tonnes
- Further Exploration
- Project Development

TASMANIA

5 Coal Tenements

- Midlands location
- Exploration for prospective coal deposits will be undertaken
- Simple rail infrastructure/ access to deepwater ports

Significant development hurdles achieved throughout the year



July – Sep '08

Acquired Waterberg (SA) Tenements

New Management

Raised initial \$12 million capital

Oct – Dec '08

Acquired Tasmanian Tenements

Commenced exploration in Waterberg

Opened SA Office & employed experienced staff

Acquired adjoining tenements to W1 (L1-L7)

Jan – Jun '09

Completed 98 hole exploration program W1-W3

Share consolidation

Defined 2.0 billion tonne resource W1

Commenced Tasmanian assessment

Drilling L1-L3 confirms coal seam continuity over 4 tenements

Jul – Oct '09

Rights Issue raises \$30 million

Saleable reserve of 300 million tonnes W1

S11 Approval for Waterberg JV

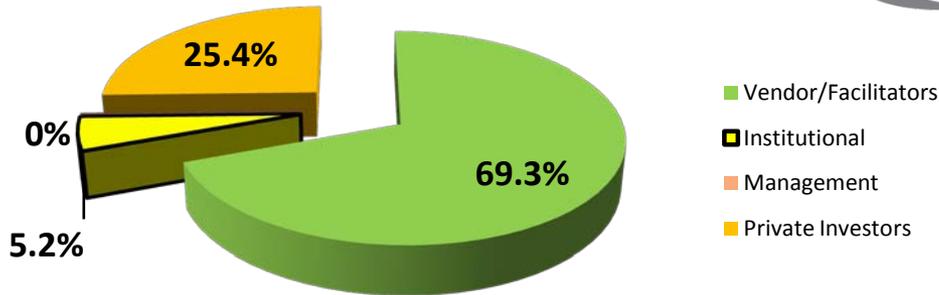
Acquired land for W'berg Mine infrastructure

Recalibration of equity provides mature platform for growth



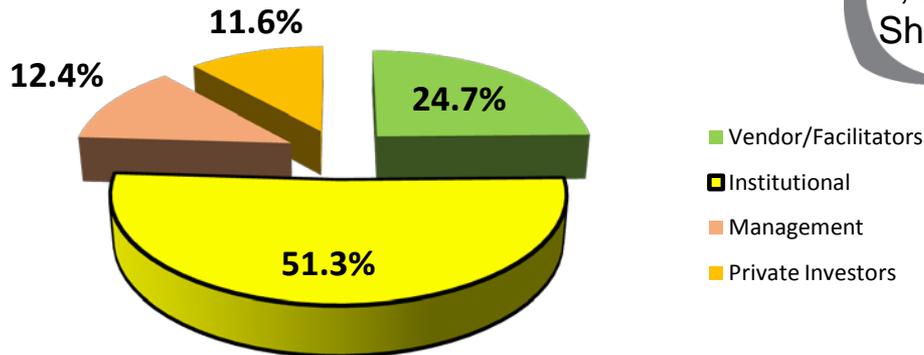
31/10/2008 Top 20 (42% Total Shldg)

3,200 Shareholders



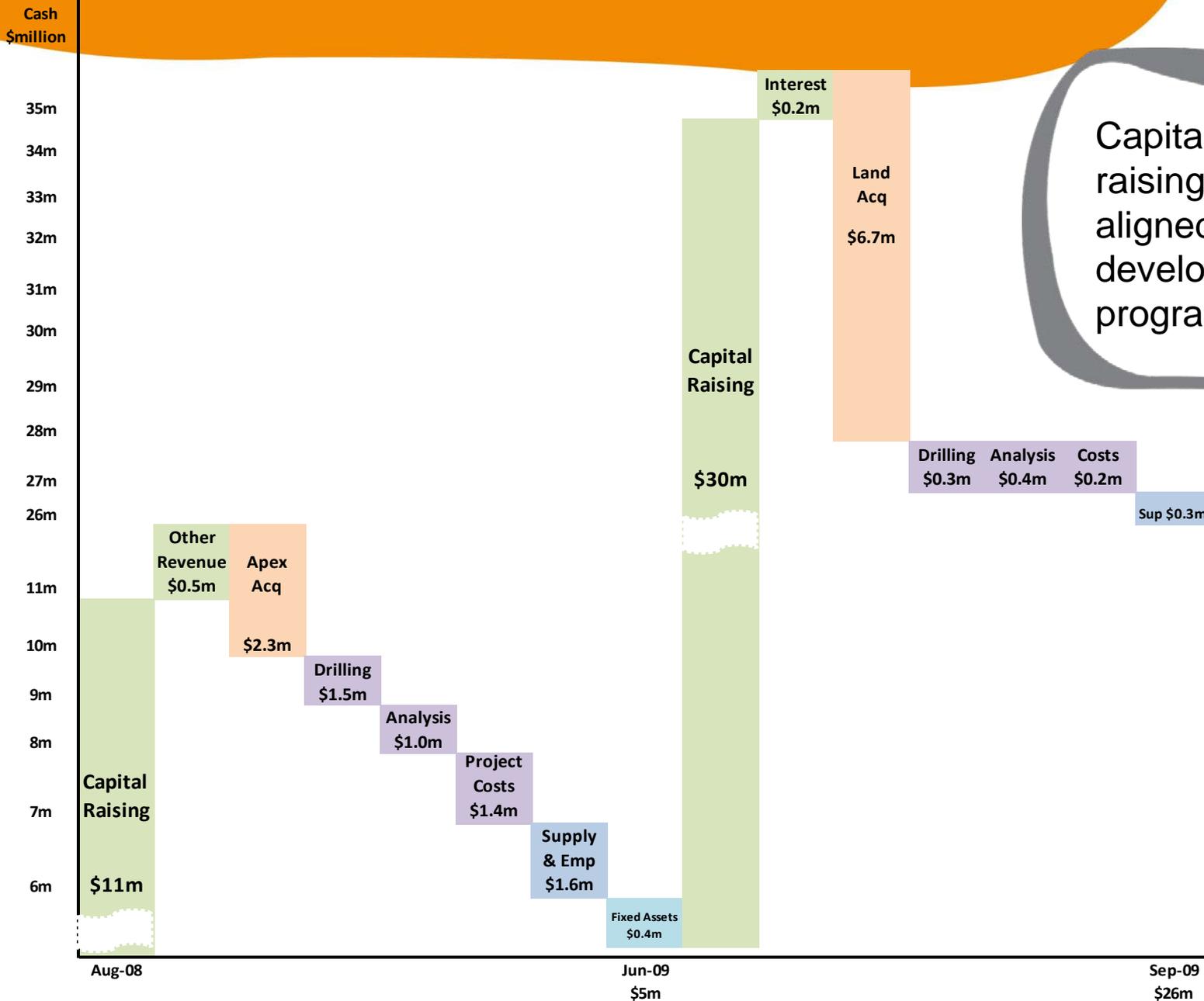
16/10/2009 Top 20 (46% Total Shldg)

3,303 Shareholders



1:10 Consol provided mature platform => more attractive to institutional investors.

Balanced capitalisation program for growth



Capital raisings aligned to development program.

Waterberg Coalfield

- 40% SA's remaining coal resource.
- Traditional Witbank coalfield finite life remaining.

Resource Generation Priority Project (World Class Resource)

- Major footprint in emerging industrial area.
- 120m thick coal seam at shallow depth - 20m.

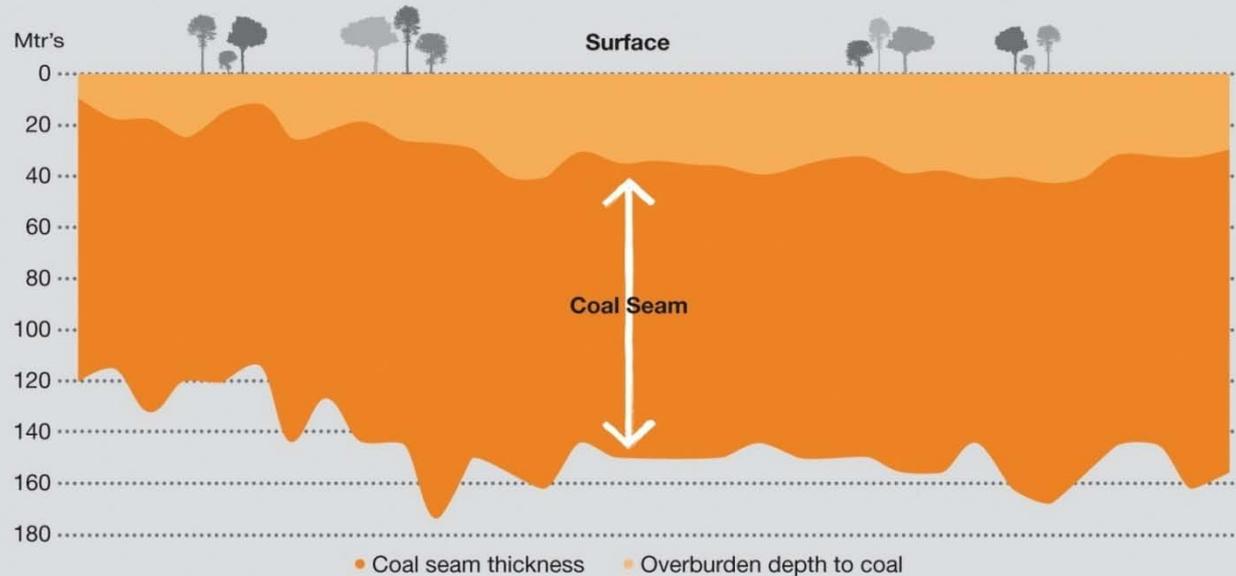
- Current resource: 2.0 billion tonnes.
- Current reserve: 300 million tonnes.

- Continuing exploration; expanding resource size.
- Mine planning and approvals progressing.

SA Waterberg Tenements – coal seam



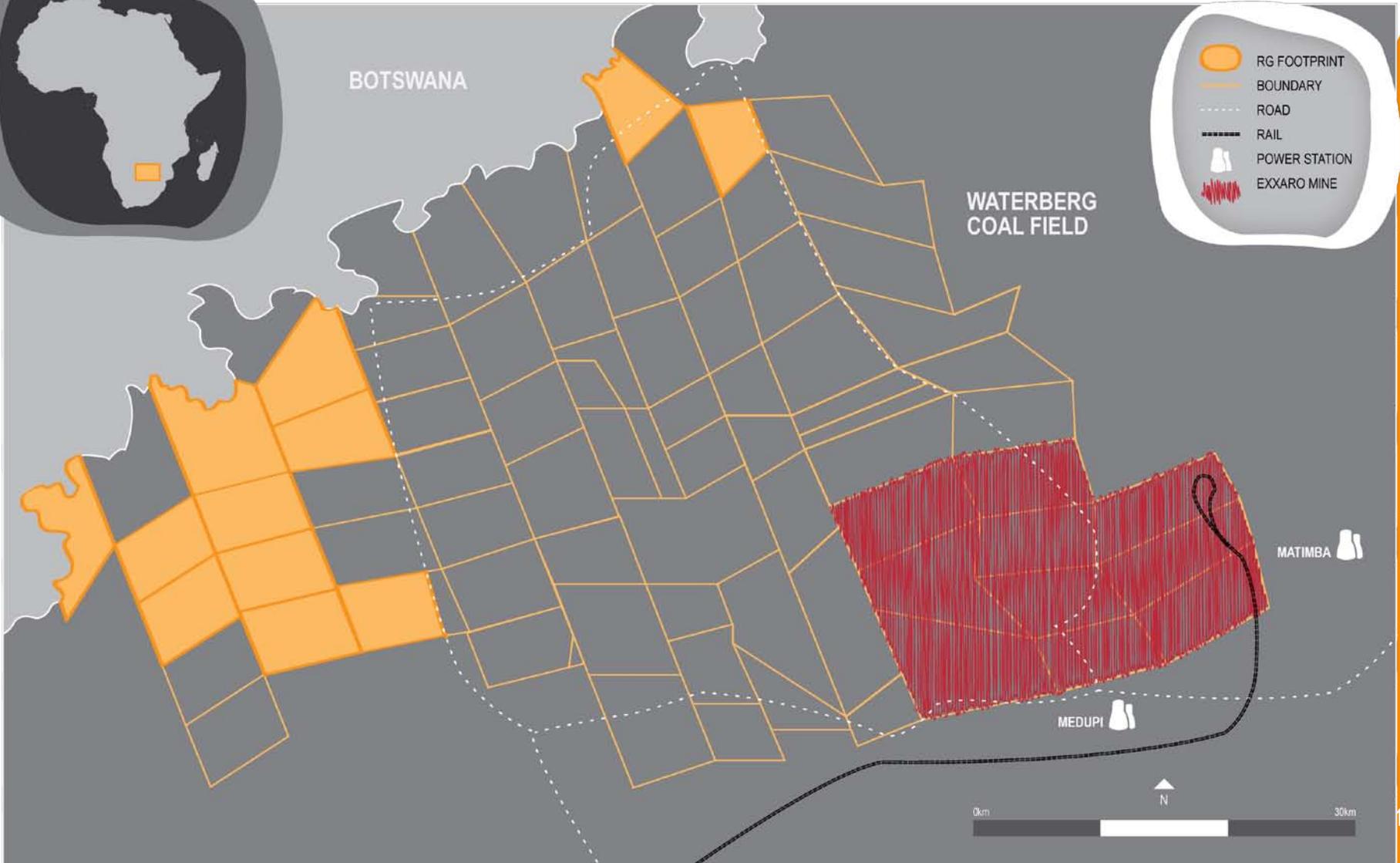
Thick coal seam with minimal overburden

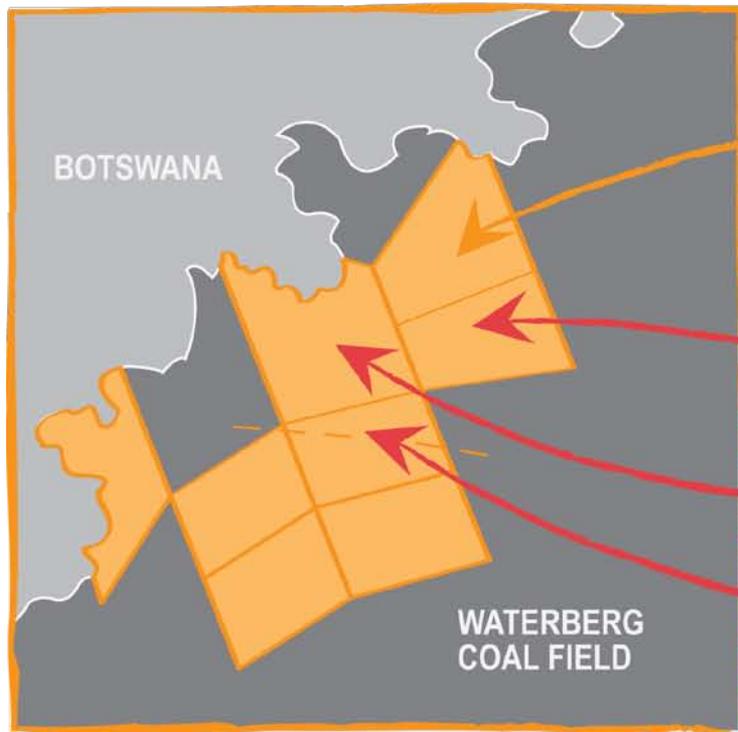


Our coal seam is approx. 120m thick and around 20m below the surface. To gain a perspective, the Sydney Harbour Bridge is 134m high.



Sizable footprint in coalfield





Exploration program completed Sep '08 - Jan '09 as planned.

Analysis completed, 2.0 bt resource, 300 mt reserve.

Reserve estimate to be increased.

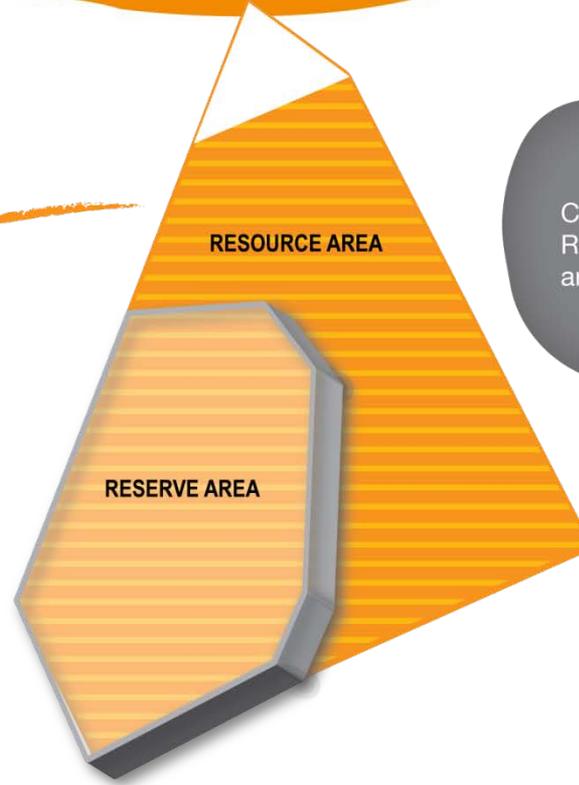


Ledjadja exploration program continuing.

Initially completed 24 open holes.

Recently completed 15 core holes and 10 additional open holes to enable detailed analysis to be undertaken.

Additional Resource & Reserve possible



Current Reserve & Resource from this area only at this stage.

Significant additional potential from adjoining properties.

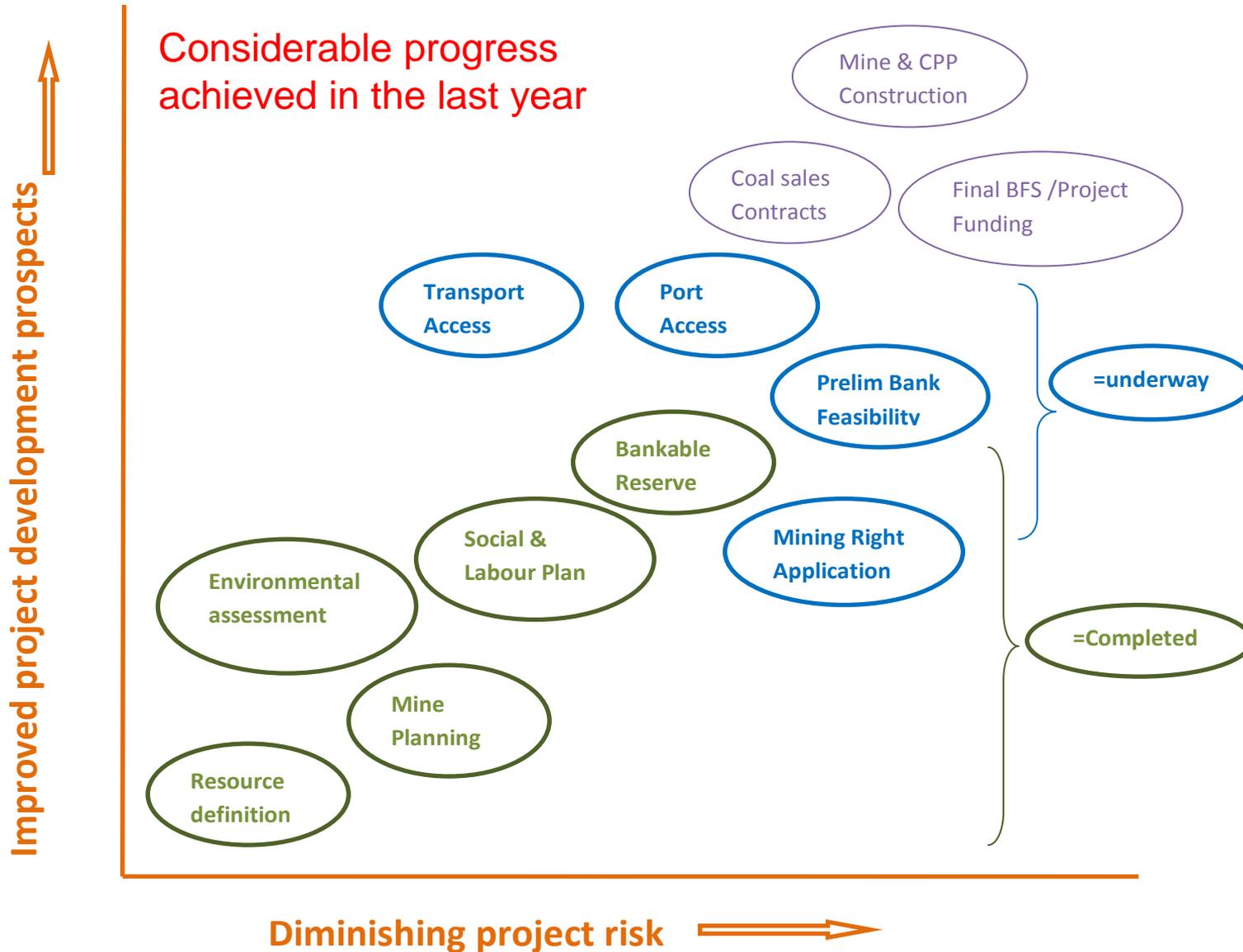
Value Driver Path

Mining right for large scale mine is an essential pre-requisite for progress.

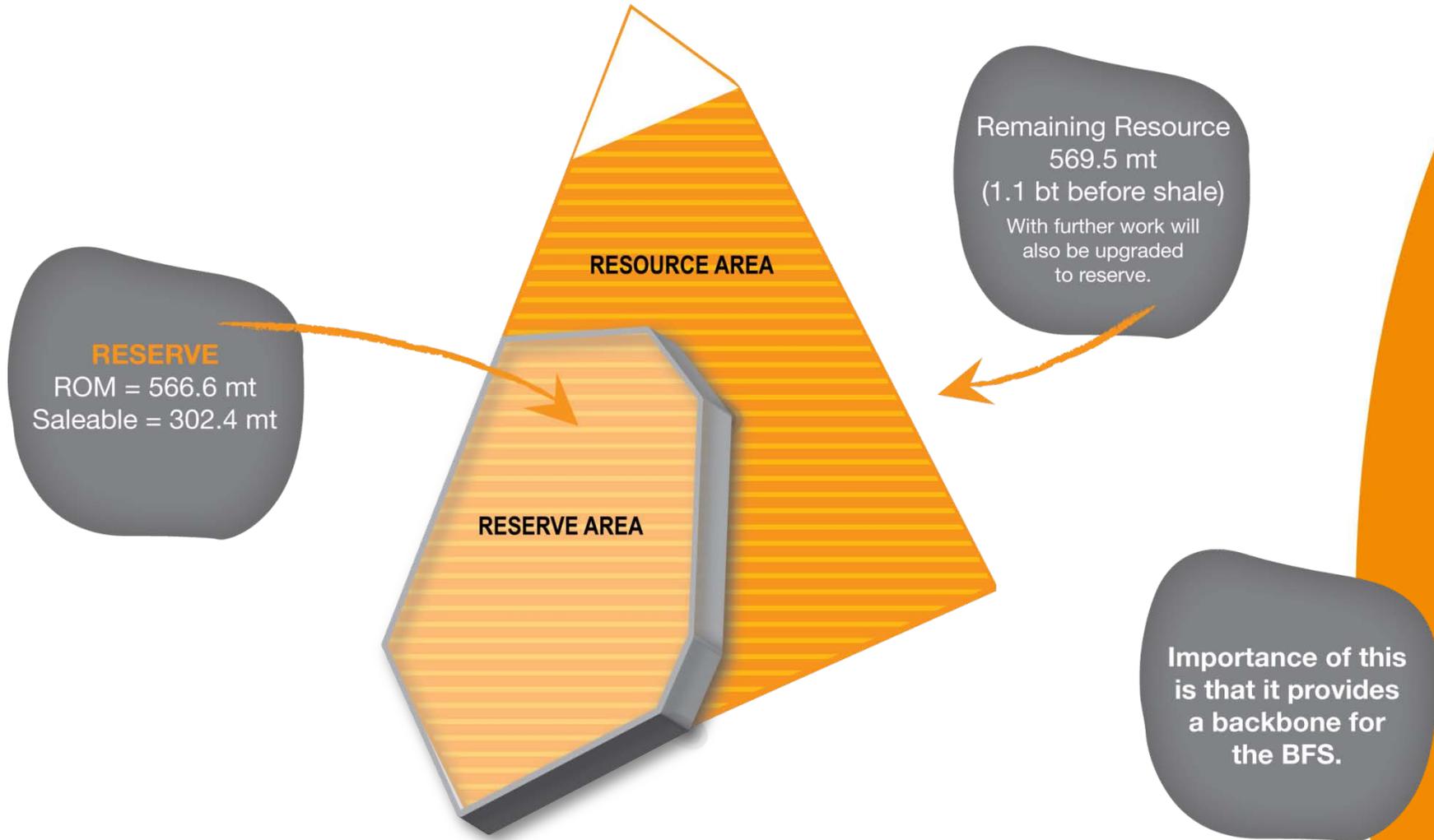
Funding to enable mine development and infrastructure construction to commence.

Completion of mine development and first production.

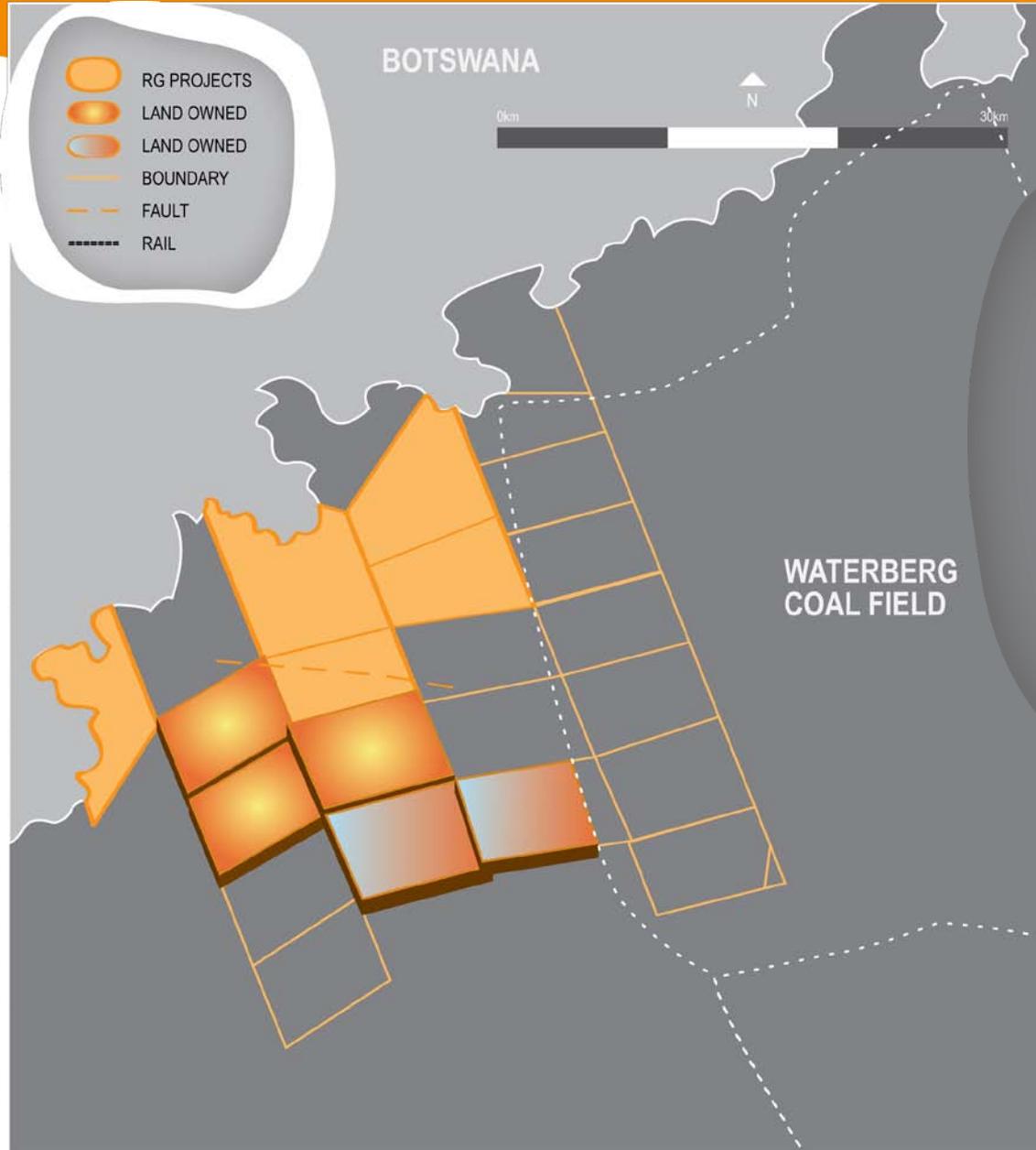
Mitigation of development risks with aim to deliver a viable mining operation



Reserve now established

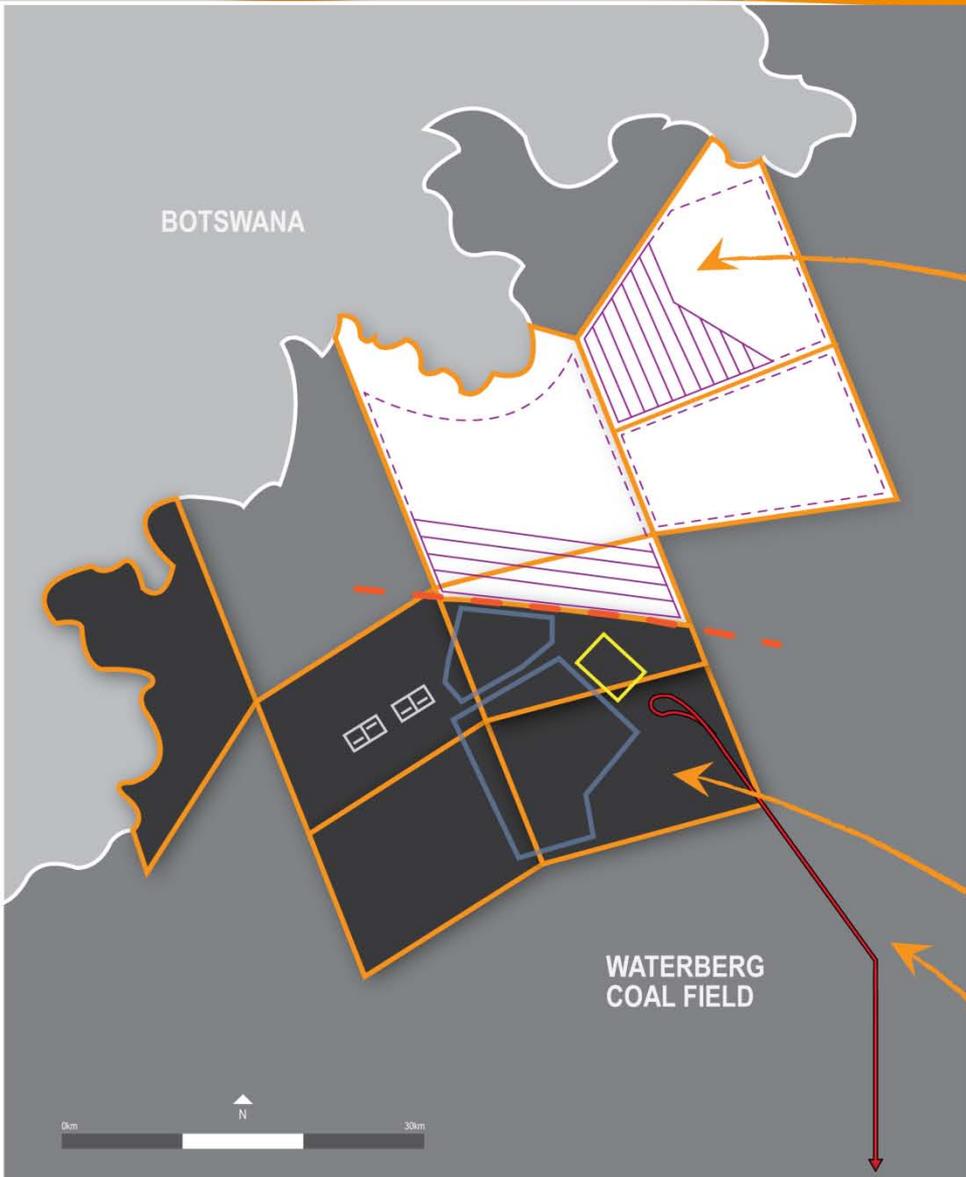


Land acquisition underway



Acquiring land mitigates risks against development commencing and secures land for infrastructure sites.

Tenements – mine planning progressing



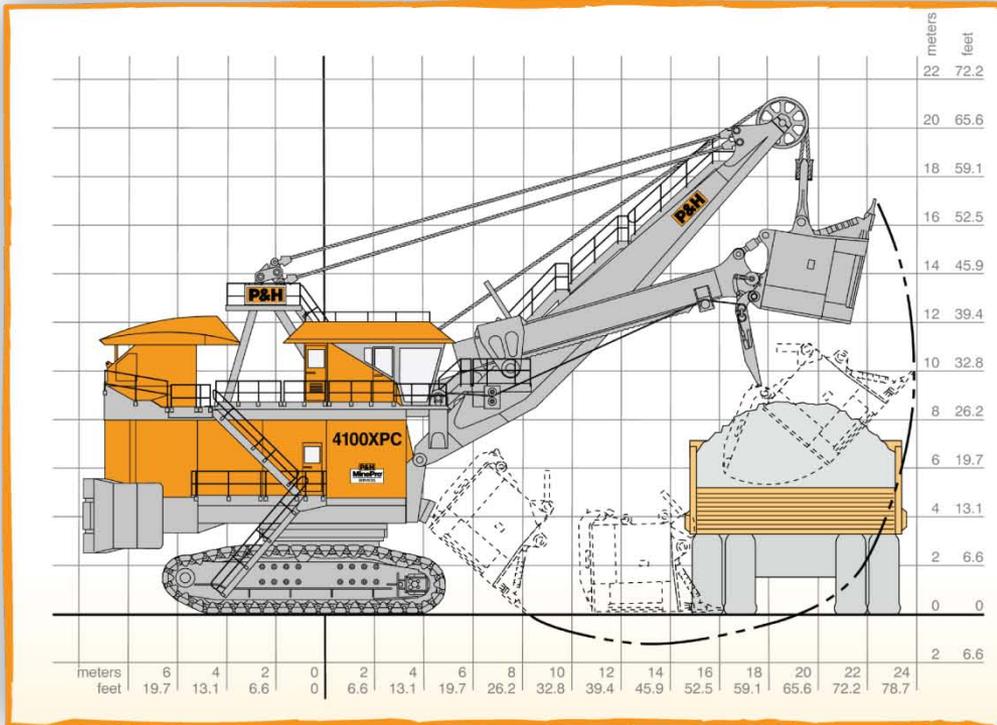
Waterberg No. 1 currently 2.0 billion tonnes resource.
300 million tonnes reserve.

120 m thick coal seam.
Shallow depth - 20 m deep.
Coal seam continuity confirmed in four tenements.
Increased resource apparent from new drilling.
Mining synergies.

Mine infrastructure location.
Transport / access corridors.

- CONTIGUOUS COAL SEAM = MINING ZONE
- INFRASTRUCTURE
- PLANT
- MINE STRIPS / AREA
- DUMPS
- SERVICE WATER DAMS
- FAULT
- RAIL & CONVEYOR

Low cost open cut mining



50m³ Bucket Electric Rope Shovel

- Shallow overburden = low mining cost. Bulk of material moved is ROM product. We use the example where
- 1 x 50m³ bucket electric rope shovel.
- Matched with 6 x 240t trucks
- Moves 12m bcm p.a.
- = 17.5 mtpa ROM.



Production plan for preliminary feasibility



Viable start-up

Focus -
1st 16 m
of seam

1st 5 year Production Plan

~ 7.0 mtpa ROM

~ 5.0 mtpa Saleable

3.0 mtpa

2.0 mtpa

14% Ash
Export Thermal Coal

34% Ash
Domestic Coal

Core analysis confirms various product coals can be produced:

- Export soft coking
- Export thermal
- Domestic grade thermal

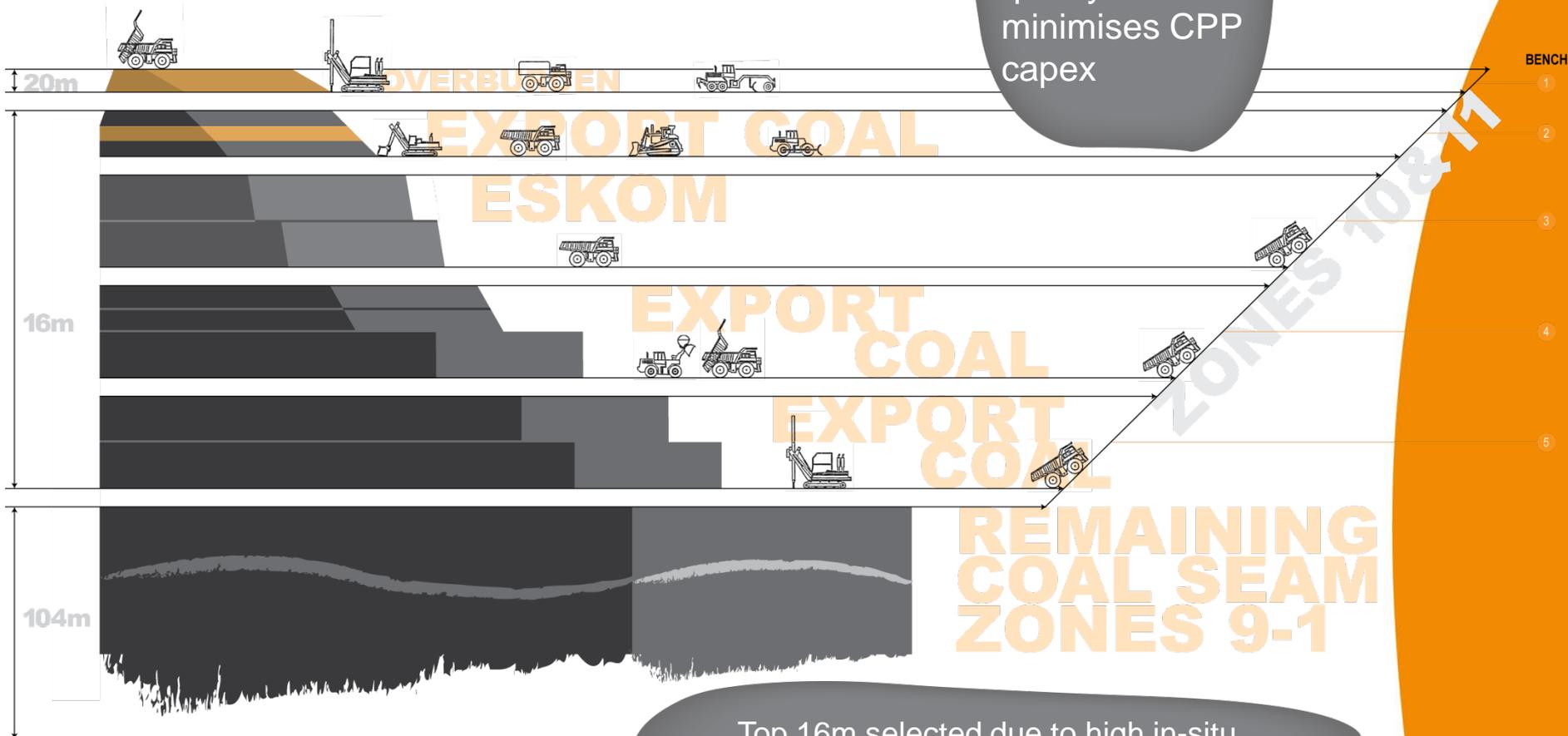
71% Yield prediction

Ramp up from year 5 to
~40 mtpa ROM extracting full
seam

Multiple benches for selective mining



Selective mining maximises in pit quality and minimises CPP capex

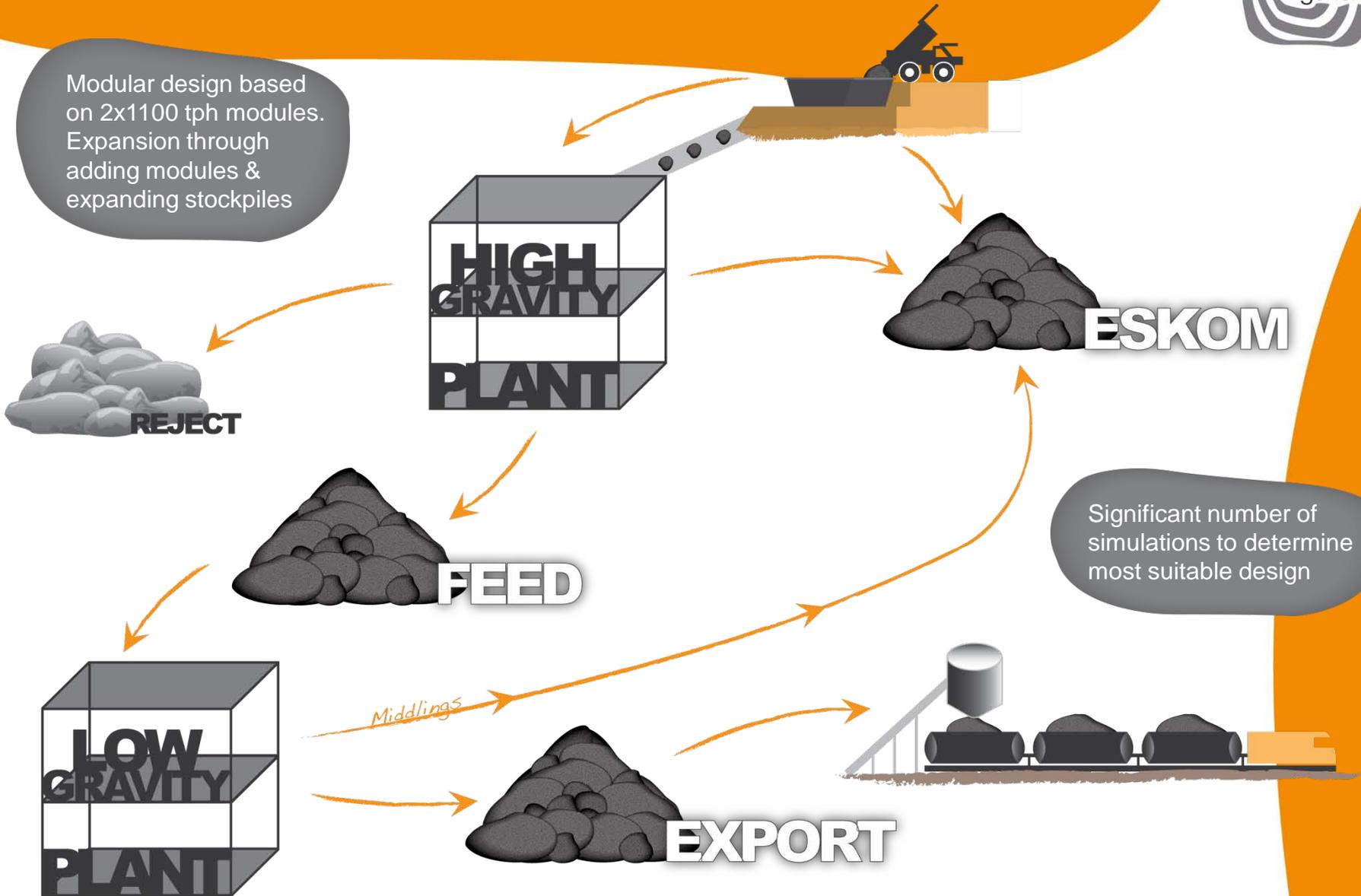


Top 16m selected due to high in-situ quality of coal as well as viable/practical size for start-up of mine.

Coal Handling & Preparation Plant



Modular design based on 2x1100 tph modules. Expansion through adding modules & expanding stockpiles



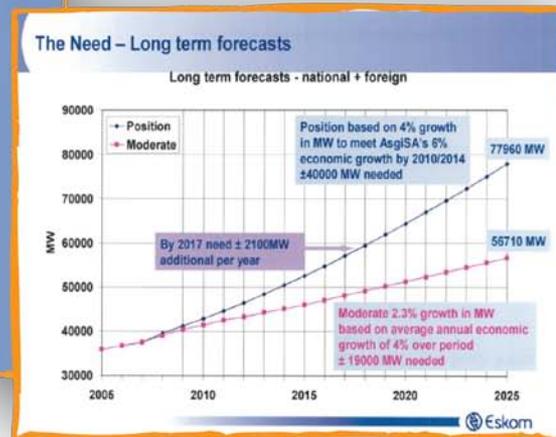
Significant number of simulations to determine most suitable design



“Eskom will require 180 - 200 million tonne of coal per year from 2018, up from 120 - 130 million tonnes at the moment”

CEO Jacob Maroga 12/9/09

Eskom is raising the possibility of 2 new power stations in the Waterberg region = +32 mtpa additional coal.



Export Market Potential



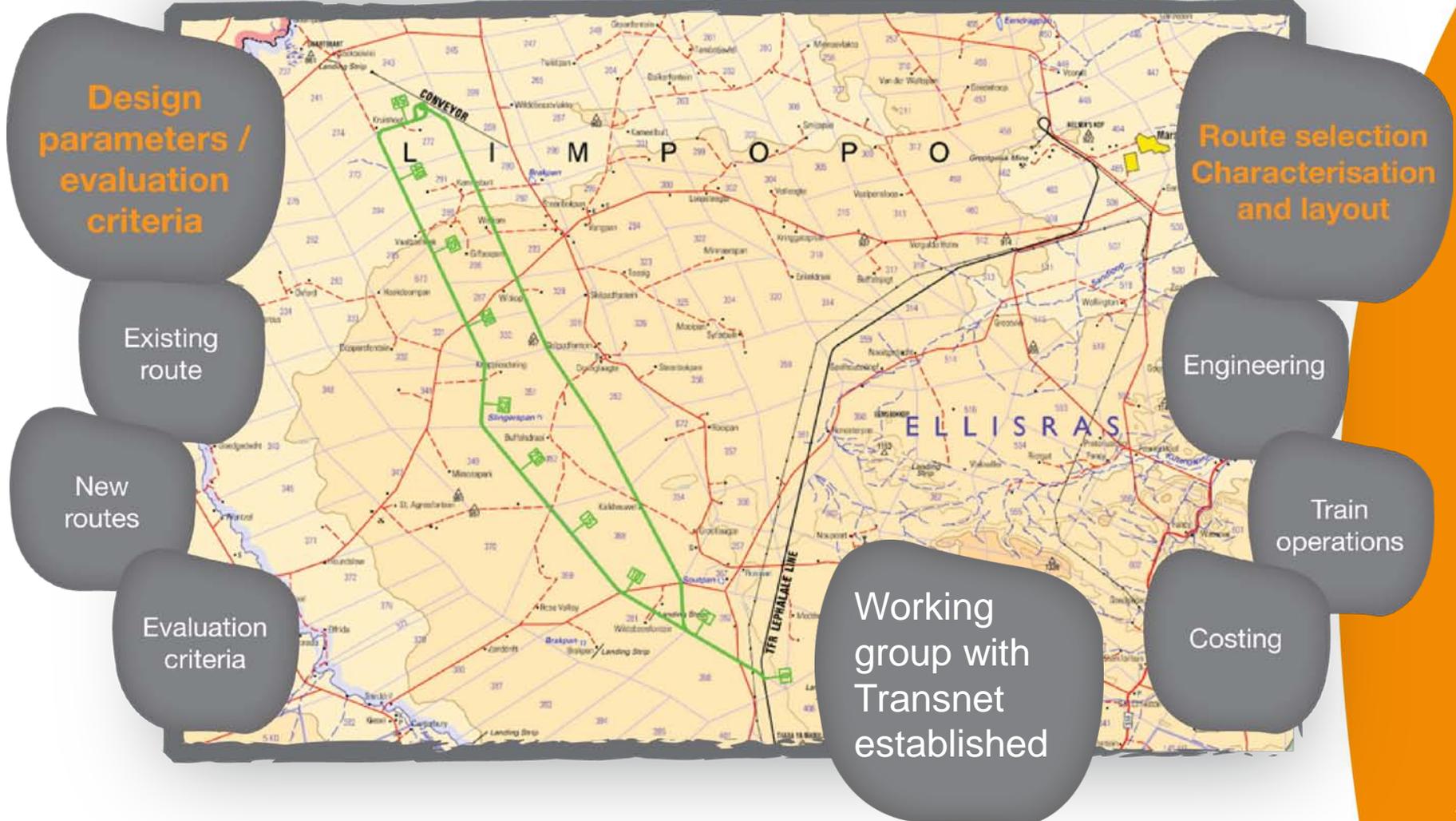
| Thermal Coal - Supply Demand Balance (source Citi Investment Research) | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Mt | 2007 | 2008 | 2009e | 2010e | 2011e | 2012e | 2012e | 2013e |
| IMPORTS | | | | | | | | |
| Japan | 119.8 | 124.3 | 110.9 | 121.4 | 123.1 | 123.7 | 124.3 | 126.1 |
| South Korea | 65.6 | 74.0 | 77.4 | 86.4 | 91.1 | 94.9 | 98.6 | 102.4 |
| Hong Kong | 12.3 | 11.3 | 10.7 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 |
| Taiwan | 60.3 | 53.1 | 48.9 | 53.0 | 62.4 | 62.4 | 62.4 | 62.4 |
| India | 27.7 | 33.2 | 36.2 | 39.2 | 45.2 | 60.0 | 62.0 | 65.0 |
| USA | 18.7 | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 | 17.3 |
| EC | 105.0 | 92.3 | 97.8 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| China | 41.7 | 29.7 | 58.3 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 |
| Other | 104.2 | 131.2 | 100.0 | 110.0 | 110.0 | 110.0 | 110.0 | 110.0 |
| TOTAL | 555.3 | 566.4 | 557.5 | 579.3 | 601.1 | 620.3 | 626.6 | 635.2 |
| EXPORTS | | | | | | | | |
| Australia | 114.5 | 125.7 | 144.2 | 150.0 | 160.0 | 175.0 | 192.0 | 192.0 |
| South Africa | 66.4 | 67.7 | 65.0 | 65.0 | 70.0 | 80.0 | 80.0 | 80.0 |
| Indonesia | 196.1 | 201.1 | 200.0 | 210.0 | 220.0 | 220.0 | 220.0 | 220.0 |
| USA | 10.3 | 16.5 | 11.8 | 15.0 | 15.0 | 10.0 | 10.0 | 10.0 |
| China | 45.3 | 35.8 | 18.9 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 |
| Columbia | 68.0 | 61.1 | 60.0 | 62.0 | 62.0 | 62.0 | 62.0 | 62.0 |
| Canada | 3.7 | 4.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 |
| Russia | 13.4 | 14.1 | 7.0 | 14.0 | 14.0 | 14.0 | 14.0 | 14.0 |
| Vietnam | 32.5 | 35.0 | 30.0 | 25.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Venezuela | 4.9 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| TOTAL | 555.1 | 566.5 | 547.4 | 561.5 | 581.5 | 601.5 | 618.5 | 618.5 |
| Balance | 0 | 0 | (10) | (18) | (20) | (19) | (8) | (17) |

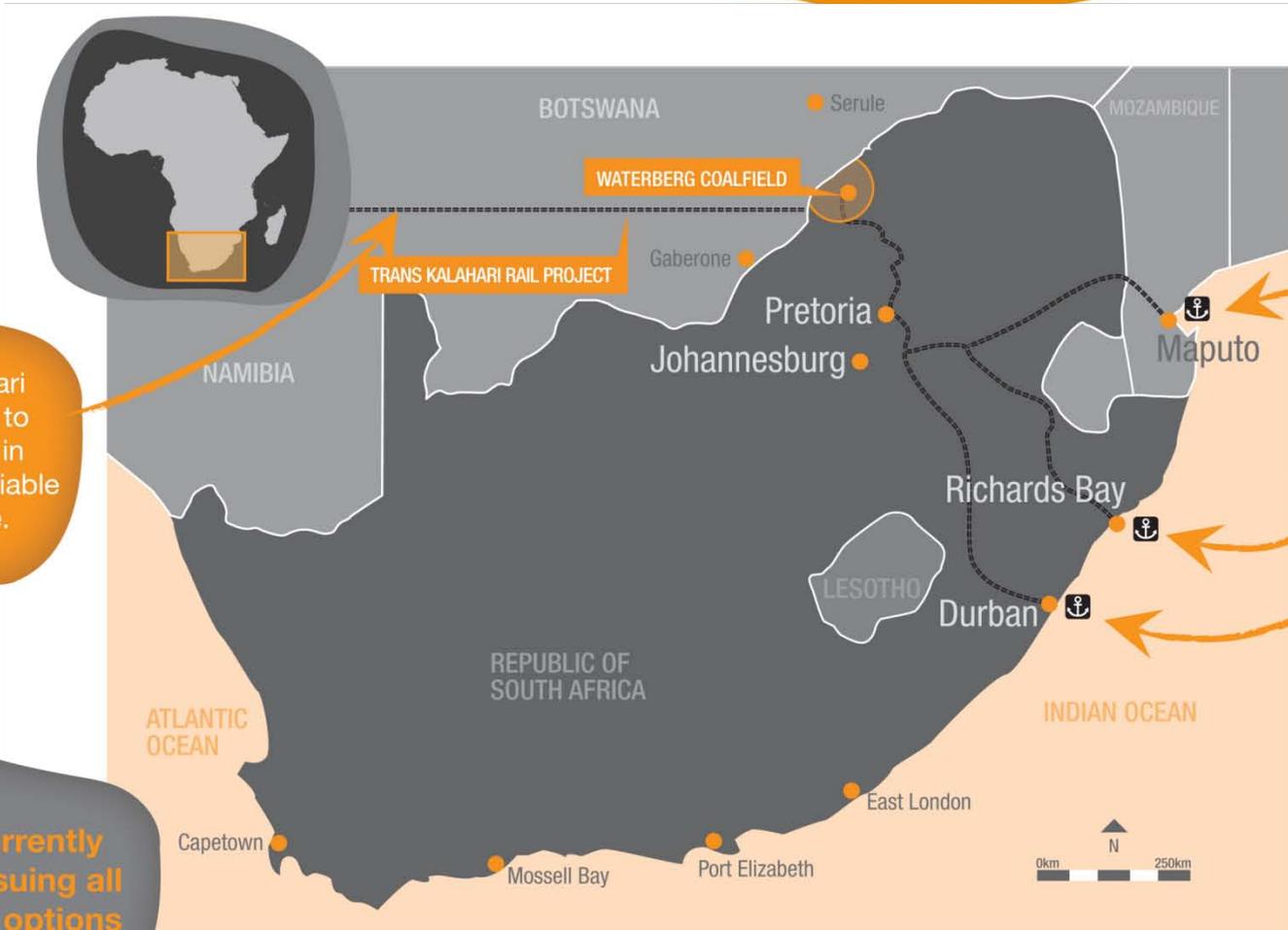
Citi predictions for South Africa: “in considering China’s appetite for imported coal it is important to consider the competitive position of African coal”

Whilst we can produce a Soft Coking Coal – export market potential is in Thermal Coal

| Coking Coal - Supply Demand Balance (source Citi Investment Research) | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Mt | 2007 | 2008 | 2009e | 2010e | 2011e | 2012e | 2012e | 2013e |
| IMPORTS | | | | | | | | |
| Japan | 61.2 | 61.5 | 45.6 | 50.0 | 51.8 | 52.9 | 53.4 | 53.9 |
| South Korea | 19.2 | 22.2 | 20.9 | 22.6 | 22.8 | 22.9 | 19.5 | 19.5 |
| Taiwan | 4.9 | 4.8 | 3.7 | 3.8 | 3.9 | 3.8 | 4.6 | 4.6 |
| India | 21.3 | 24.5 | 28.9 | 40.3 | 50.9 | 63.2 | 69.5 | 76.4 |
| EC | 44.9 | 42.8 | 31.4 | 41.3 | 39.2 | 40.1 | 41.3 | 41.1 |
| China | 6.2 | 6.9 | 25.5 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Brazil | 16.7 | 18.4 | 12.5 | 19.1 | 23.1 | 24.1 | 25.0 | 25.9 |
| Other | 27.4 | 28.7 | 15.0 | 22.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| TOTAL | 201.8 | 209.8 | 183.5 | 219.1 | 231.7 | 247.0 | 253.3 | 261.4 |
| EXPORTS | | | | | | | | |
| Australia | 137.3 | 134.5 | 127.4 | 150.0 | 160.0 | 173.0 | 190.0 | 192.0 |
| USA | 25.9 | 35.3 | 26.4 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 |
| Canada | 25.2 | 24.7 | 17.1 | 22.0 | 22.0 | 22.0 | 22.0 | 22.0 |
| China | 2.5 | 3.5 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Russia | 10.9 | 11.5 | 2.1 | 10.0 | 12.0 | 12.0 | 12.0 | 12.0 |
| Mozambique | 0.0 | 0.0 | 0.0 | 0.0 | 4.4 | 10.0 | 14.0 | 12.2 |
| Other | 0.0 | 0.0 | 0.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| TOTAL | 201.8 | 209.5 | 175.0 | 216.0 | 232.4 | 251.0 | 272.0 | 272.2 |
| Balance | 0 | 0 | (9) | (3) | 1 | 4 | 19 | 11 |

Rail studies being undertaken



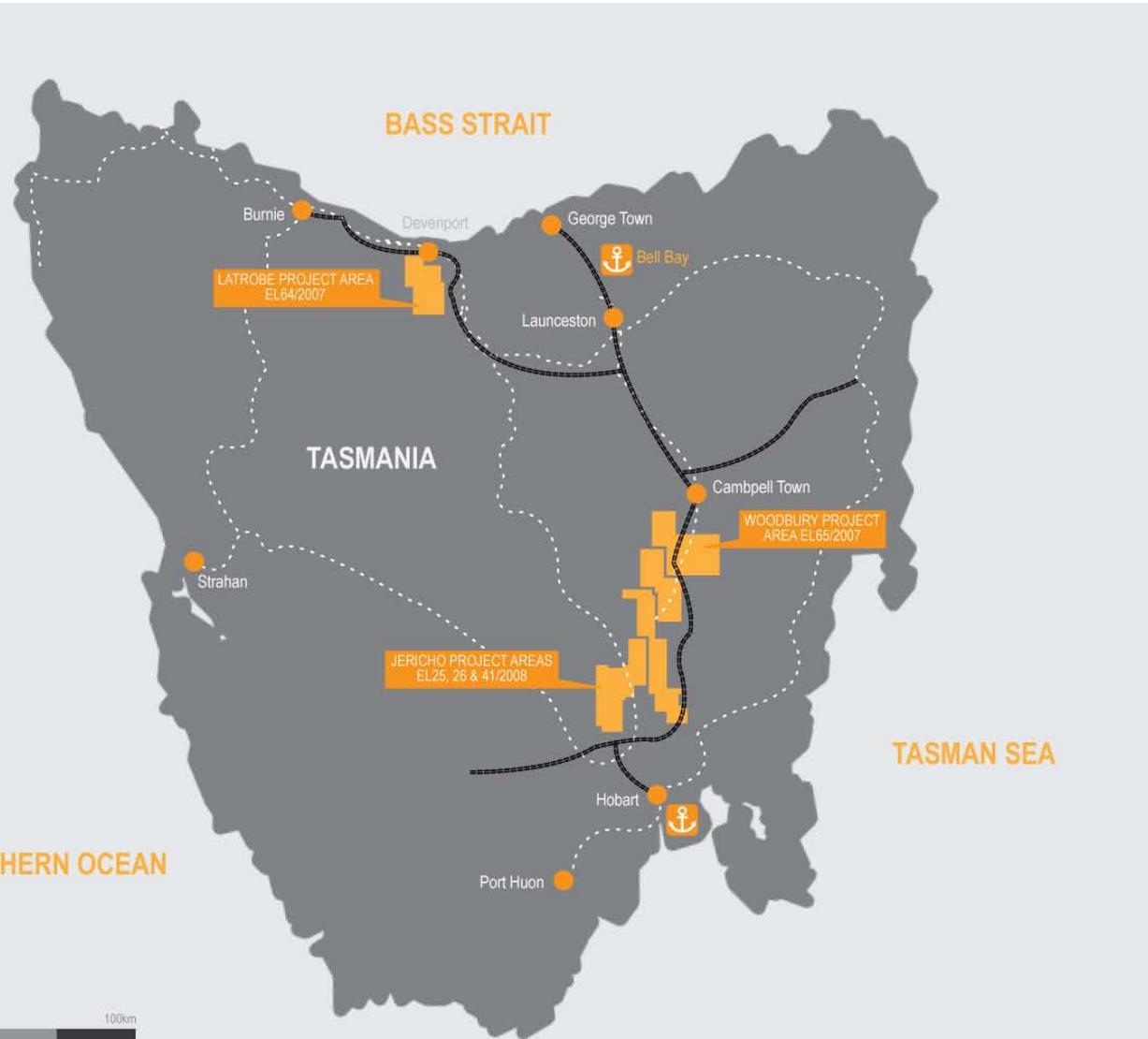


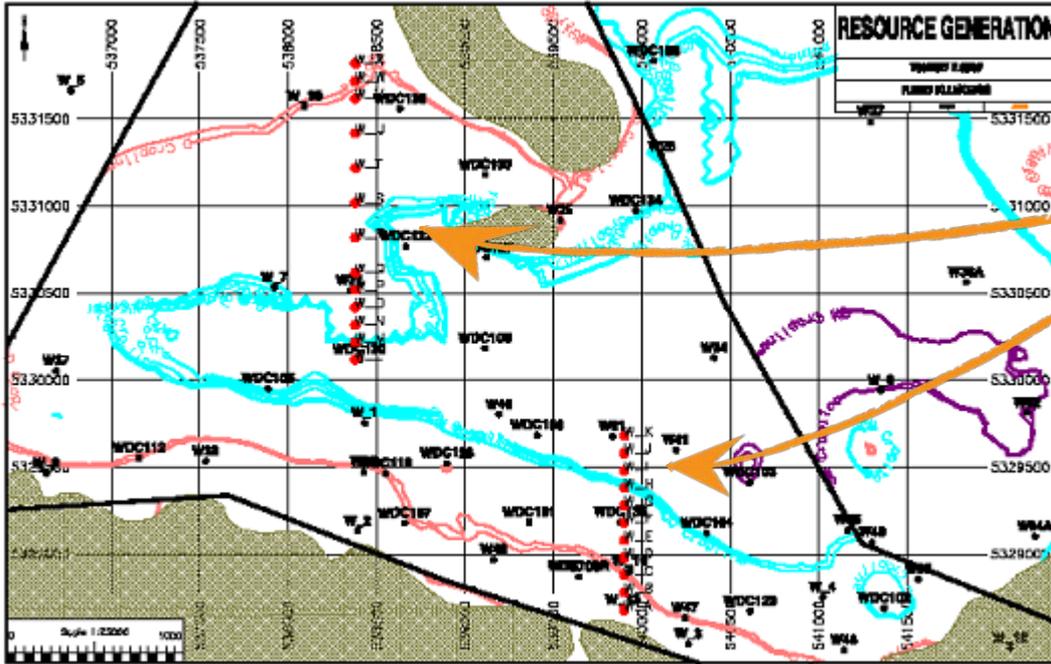
Trans Kalahari Rail Project to Walvis Bay in Namibia is a viable alternative.

Currently pursuing all five options

Rail capacity to Maputo (2), Richards Bay (2) and Durban.

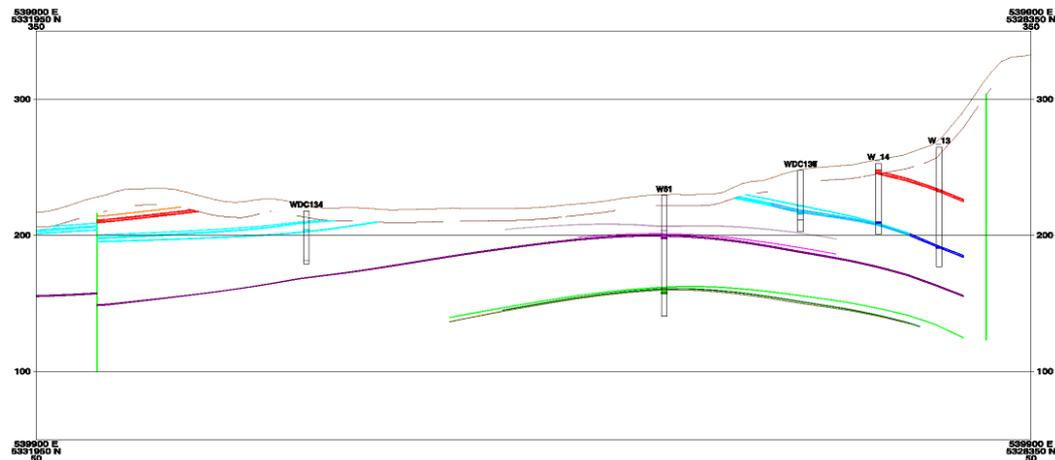
Tasmania – tenement location





Two exploration lines designed to test presence of seam sequence as well as coal quality from cored holes.

Anticline configuration



RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT AND TO RECEIVE THE FINANCIAL REPORT OF THE COMPANY FOR THE YEAR ENDED 30 JUNE 2009, TOGETHER WITH THE DIRECTORS' REPORT AND THE AUDITOR'S REPORT

RESOLUTION 2 - RE-ELECTION OF MR STEPHEN MATTHEWS

RESOLUTION 3 - RE-ELECTION OF MR GEOFFREY ROSE

RESOLUTION 4 - APPROVAL OF THE SHARE ISSUE UNDER ASX LISTING RULE 7.4

RESOLUTION 5 - APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO PAUL JURY UNDER THE EMPLOYEE SHARE PLAN

RESOLUTION 6 - APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO STEPHEN MATTHEWS UNDER THE EMPLOYEE SHARE PLAN



**Resource Generation Limited
ABN 91 059 950 337
Level 12 Chifley Tower
2 Chifley Square
Sydney NSW 2000
Australia**

**GPO Box 5490
Sydney NSW 2001**

**Tel +61 2 9376 9000
Fax +61 2 9376 9013**

www.resgen.com.au

ASX: RES

