

Interim Financial Report for the half year ended 31 December 2014

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This interim financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by Resource Generation Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

RESOURCE GENERATION LIMITED

Directors' Report

The Board of Directors present their report on the consolidated entity consisting of Resource Generation Limited (the Company) and the entities it controlled for the half year ended 31 December 2014.

Directors

The following persons were Directors of Resource Generation Limited during the whole year and up to the date of this report:

Mr BD Warner (Chairman)
Mr PJ Jury (Managing Director)
Mr SJ Matthews (Executive Director and Company Secretary)
Mr G Rose AO (Non-Executive Director)

Review of Operations

During the half year ended 31 December 2014 the consolidated entity recorded a net loss of \$3.2 million (2013 loss \$0.7 million).

The Boikarabelo mine's potential continued to be unlocked during the half year. The Boikarabelo mine, in the Waterberg region of South Africa, has probable reserves of 744.8 million tonnes of coal on 35% of the tenements controlled by the Group.

The net loss for the half year to 31 December 2014 of \$3.2 million reflects employee expenses of \$0.8 million, finance costs of \$1.4 million and expenses relating to performance share rights of \$0.8 million. Revenue has decreased as interest on the loan to the black economic empowerment (BEE) partner, Fairy Wing Trading 136 (Pty) Limited, has been deferred from 1 January 2014 until commencement of coal production at the Boikarabelo mine.

Management has continued to pursue debt funding of approximately \$400 million required to complete construction of site infrastructure and the rail link. Although negotiations have been protracted, their continuation indicates that all parties seek to agree a structure that provides the funding. Noble Group's loans, USD \$55.3 million for the construction of the rail link and US\$65 million for infrastructure, may form part of a consortium's debt finance.

Key activities during the six months to 31 December 2014 were:-

- * In August 2014, a loan facility of up to US\$113 million was signed with Komatsu Financial Limited Partnership for the mobile equipment fleet for the project. The term is 5 years from the first utilisation date. In November 2014, a supply agreement was signed with Komatsu Southern Africa Pty Limited. The agreements will not be activated until the balance of debt required to complete project construction has been secured.
- * In August 2014, an engineering, procurement and supply contract was signed with FLSmidth Roymec (Pty) Limited, the South African BEE subsidiary of FLSmidth & Co, the leading supplier of complete plants, equipment and services for the global minerals industry. A further contract in respect of the construction management in respect of on-site mechanical and electrical installations of the coal handling and preparation plant was signed in October 2014. Commencement of fabrication and supply is conditional upon completion of debt funding.
- * Construction activity continued at the Boikarabelo mine, while debt funding is being finalised, in order to shorten the overall construction time. This included:
 - construction camp for up to 1,320 persons;
 - rail link bridges;
 - power supply infrastructure;
 - rail network stabilisation facility (NSF);
 - earthworks relating to the construction offices, power supply and the NSF;
 - permanent water supply infrastructure; and
 - 13 kilometres of water pipeline for the Marapong Boikarabelo Effluent Transfer Scheme.

Directors' Report (continued)

Review of Operations (continued)

- * At the construction camp, services, kitchen and dining facilities have been installed for 1,320 people. Accommodation units have been installed to allow 400 persons to take up immediate occupation.
- * Construction of the first three bridges (total of seven) under and over the rail line was completed in December 2014.
- * In October 2014 EHL Energy (Pty) Limited commenced erecting power poles for the 132kv power transmission lines. Earthworks for the substation and switch room were completed, and their construction, which is funded by a deferred payment facility, is scheduled for completion by October 2015.
- * The construction offices were completed and site personnel moved in in December 2014.

Events Occurring after the Balance Sheet Date

There are no matters of significance up to the date of this report that have not been included in the interim financial statements.

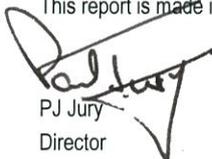
Auditor's Independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 4.

Rounding of amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the Directors, pursuant to Section 306(3) of the *Corporations Act 2001*.


PJ Jury
Director

Sydney
4 February 2015

The Board of Directors
Resource Generation Limited
Level 12 Chifley Tower
2 Chifley Square
SYDNEY NSW 2000

4 February 2015

Dear Board Members

Resource Generation Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Resource Generation Limited.

As lead audit partner for the review of the financial statements of Resource Generation Limited for the half-year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



R G Saayman
Partner
Chartered Accountants

RESOURCE GENERATION LIMITED

Condensed consolidated statement of profit or loss and other comprehensive income for the half year ended 31 December 2014

	Notes	Half year ended	
		31-Dec-14 \$'000	31-Dec-13 \$'000
Revenue from continuing operations		467	1,406
Administrative, rent and corporate		(418)	(541)
Employee benefits expense		(817)	(705)
Depreciation of property, plant & equipment		(161)	(118)
Land management		(61)	(107)
Share based compensation	3	(779)	(135)
Finance expenditure		(1,439)	(521)
Loss before income tax expense		(3,208)	(721)
Income tax expense		(1)	(4)
Loss for the half year		(3,209)	(725)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	7	1,003	(480)
Total comprehensive income for the half year		(2,206)	(1,205)
Loss is attributable to:			
Owners of Resource Generation Limited		(3,209)	(725)
Total comprehensive income for the half year is attributable to:			
Owners of Resource Generation Limited		(2,206)	(1,205)
Earnings per share			
From continuing operations		Cents	Cents
Basic earnings per share		(0.55)	(0.18)
Diluted earnings per share		(0.55)	(0.18)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

RESOURCE GENERATION LIMITED

Condensed consolidated statement of financial position
As at 31 December 2014

	Notes	31-Dec-14 \$'000	30-Jun-14 Restated* \$'000
Current assets			
Cash and cash equivalents		37,904	54,337
Trade and other receivables		810	414
Deposits and prepayments		123	140
		<u>38,837</u>	<u>54,891</u>
Non-current assets			
Property, plant and equipment		45,388	45,269
Mining tenements and mining development		133,249	114,913
Deposits and loan receivables		18,224	16,923
		<u>196,861</u>	<u>177,105</u>
TOTAL ASSETS		<u>235,698</u>	<u>231,996</u>
Current liabilities			
Trade and other payables		7,922	8,377
Provisions		914	826
		<u>8,836</u>	<u>9,203</u>
Non-current liabilities			
Borrowings	4	26,582	21,231
Royalties payable		2,698	2,553
		<u>29,280</u>	<u>23,784</u>
TOTAL LIABILITIES		<u>38,116</u>	<u>32,987</u>
NET ASSETS		<u>197,582</u>	<u>199,009</u>
Equity			
Issued Capital	5	221,305	221,305
Reserves		17,294	15,512
Accumulated losses		(41,017)	(37,808)
TOTAL EQUITY		<u>197,582</u>	<u>199,009</u>

* Please refer to Note 10 'Reclassification of Prior Year Balances'

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed consolidated statement of changes in equity
For the half year ended 31 December 2014

Attributable to owners of Resource Generation Limited

Notes	Contributed equity \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2013	157,253	15,030	(36,766)	135,517
Loss for the period	-	-	(725)	(725)
Other comprehensive income for the period	-	(480)	-	(480)
Total comprehensive income for the period	-	(480)	(725)	(1,205)
Contributions of equity, net of transaction costs	65,620	-	-	65,620
Employee share options - value of employee services	-	135	-	135
	65,620	135	-	65,755
Balance at 31 December 2013	222,873	14,685	(37,491)	200,067
Balance at 1 July 2014	221,305	15,512	(37,808)	199,009
Loss for the period	-	-	(3,209)	(3,209)
Other comprehensive income for the period	-	1,003	-	1,003
Total comprehensive income for the period	-	1,003	(3,209)	(2,206)
Contributions of equity, net of transaction costs	-	-	-	-
Employee share options - value of employee services	-	779	-	779
	-	779	-	779
Balance at 31 December 2014	221,305	17,294	(41,017)	197,582

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

RESOURCE GENERATION LIMITED

Condensed consolidated statement of cash flows

For the half year ended 31 December 2014

	Half year ended	
	31-Dec-14 \$'000	31-Dec-13 \$'000 Restated*
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of government charges)	(1,277)	(4,375)
Land management	(72)	(59)
Interest received	400	737
Interest/finance costs paid	(104)	(1,004)
Net cash outflow from operating activities	<u>(1,053)</u>	<u>(4,701)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(275)	(948)
Receipts for government charges associated with land acquisition (refundable)	-	330
Payments for licence deposits	(64)	-
Payments for acquisition of subsidiaries	-	(285)
Payments for mining tenements and mining development	(18,807)	(7,113)
Net cash outflow from investing activities	<u>(19,146)</u>	<u>(8,016)</u>
Cash flows from financing activities		
Proceeds from issue of shares	-	63,968
Equity raising costs	-	(1,056)
Repayment of debt	-	(20,000)
Loan to BEE partner	(98)	(1,918)
Net cash (outflow)/inflow from financing activities	<u>(98)</u>	<u>40,994</u>
Net (decrease)/increase in cash and cash equivalents	(20,297)	28,277
Cash and cash equivalents at the beginning of the half year	54,337	21,428
Effects of exchange rate movements on cash and cash equivalents	3,864	(44)
Cash and cash equivalents at the end of the half year	<u>37,904</u>	<u>49,661</u>

* Please refer Note 10 'Reclassification of Prior Year Balances'

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

RESOURCE GENERATION LIMITED

Notes to the condensed consolidated financial statements
For the half year ended 31 December 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of half year financial report

This general purpose financial report for the interim half year reporting period 31 December 2014 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2014 and any public announcements made by Resource Generation Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The interim financial report has been prepared on the basis of historical cost except for the revaluation of certain financial instruments. Cost is based on the fair values of consideration given in exchange for assets. All amounts are presented in Australian Dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2014 annual financial report for the year ended 30 June 2014, except for the impact of the Standards and Interpretations described below and the reclassification of certain balances as set out in Note 10. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Disclosure surrounding adoption of new or revised Standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half-year.

*AASB 1031 'Materiality'. An interim standard that cross references to other standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality.

*AASB 2013-9 'Amendments to Australian Accounting Standards' - Part B: 'Materiality'.

*AASB 2014-1 'Amendments to Australian Accounting Standards' - Part C: 'Materiality' This is an amending standard to delete references to AASB 1031 and make various editorial corrections.

The Company has reviewed the above Accounting Standards and determined that they have no material impact on the interim financial report for the half year ended 31 December 2014.

The following new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) have been considered by the Group but are not relevant to their operations as the Group does not have any assets, liabilities, profit and loss items or any other disclosure requirements within the definitions of the Standards and Interpretations for the half year ended 31 December 2014.

*AASB 2012-3 'Amendments to Australian Accounting Standards-Offsetting Financial Assets and Financial Liabilities'

*AASB 2013-3 'Amendments to Australian Accounting Standards-Recoverable Amount Disclosures for Non-Financial Assets'

*AASB 2013-4 'Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting'

*AASB 2013-5 'Amendments to Australian Accounting Standards- Investment Entities'

*AASB 2014-1 'Amendments to Australian Accounting Standards-Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycles and 'Part B:

'Defined Benefit Plans: Employee Contributions'

*Interpretation 21 'Levies'

(b) Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2014 annual financial report for the year ended 30 June 2014, except for the impact of the Standards and Interpretations described above and the reclassification of certain balances as set out in note 10. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial report comprises the financial statements of Resource Generation Limited and its subsidiaries as at 31 December 2014 ("the Consolidated Entity").

RESOURCE GENERATION LIMITED

Notes to the condensed consolidated financial statements

For the half year ended 31 December 2014

2. SEGMENT INFORMATION

(a) Description of segments

Management has determined the segments based upon reports reviewed by the Board that are used to make strategic decisions. The Board considers the business from both a business and geographic perspective, with the Board being the central decision maker.

Business segments

The Group has coal interests in South Africa. The main priority is to develop its coal resources in the Waterberg region of South Africa. Management has determined mining tenements and exploration and corporate to be the critical reportable segments. Corporate includes equity raisings and administration costs.

(b) Primary reporting format - business segments

Information regarding these segments is presented below. The accounting of the reportable segments is the same as the Group's accounting policies.

Half year 2014	Mining tenements	Corporate	Total
	Africa \$'000	Australia \$'000	\$'000
Total segment and consolidated revenue	313	154	467
Loss before income tax	(1,655)	(1,553)	(3,208)
Income tax expense	(1)	-	(1)
Loss for the half year	(1,656)	(1,553)	(3,209)

Half year 2013	Mining tenements	Corporate	Total
	Africa \$'000	Australia \$'000	\$'000
Total segment and consolidated revenue	860	546	1,406
Profit/(Loss) before income tax	464	(1,185)	(721)
Income tax expense	(4)	-	(4)
Profit/(Loss) for the half year	460	(1,185)	(725)

3. LOSS FOR THE HALF YEAR

Half year ended	
31-Dec-14	31-Dec-13
\$'000	\$'000

Loss for the half year includes the following items that are unusual because of their nature, size or incidence:

Expenses

	31-Dec-14	31-Dec-13
	\$'000	\$'000
Share based compensation	779	135
	<u>779</u>	<u>135</u>

4. BORROWINGS

	31-Dec-14	30-Jun-14
	\$'000	\$'000
Non-current liabilities/ Borrowings - secured	26,582	21,231
	<u>26,582</u>	<u>21,231</u>

A binding term sheet for a US\$55.3 million loan with Noble Resources International Pte Ltd (Noble Group) to fund rail construction was signed on 24 June 2013. A binding term sheet for a US\$65 million loan from Noble for construction of the infrastructure of the Boikarabelo mine was signed on 31 December 2013. US\$20 million of the Noble Group rail loan was drawn down in March 2014. The loan is unsecured and interest is payable at 10.75%, repayable from April 2016 in instalments.

RESOURCE GENERATION LIMITED

Notes to the condensed consolidated financial statements
For the half year ended 31 December 2014

5. EQUITY SECURITIES ISSUED

	Half year ended		Half year ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	Shares	Shares	\$'000	\$'000
Opening balance	577,174,838	279,698,002	221,305	157,253
Issues of ordinary shares during the half year				
Share issue 30 July 2013	-	47,536,602	-	10,458
Share issue 21 October 2013	-	237,161,400	-	51,120
Share issue 5 December 2013	-	5,200,000	-	1,144
Share issue 5 December 2013	-	6,784,334	-	2,714
Sale of JSE Clearing shares	-	794,500	-	185
Closing balance	577,174,838	577,174,838	221,305	222,873

6. DEVELOPMENT PARTNERS

	31-Dec-14	30-Jun-14
	Interest	Interest
	%	%
Waterberg One Coal (Pty) Limited	74	74
Ledjadja Coal (Pty) Limited	74	74

7. FOREIGN CURRENCY TRANSLATION RESERVE

	31-Dec-14	30-Jun-14
	\$'000	\$'000
Opening Balance	5,070	2,832
Movement	(1,003)	2,238
Closing Balance	4,067	5,070

The movement in the foreign currency reserve reflects the depreciation of the Australian Dollar against the US Dollar and the South African Rand in the six months since 30 June 2014.

8. COMMITMENTS

Capital commitments

The Group has \$14.1m in commitments in respect of the development of the Boikarabelo mine.

9. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no matters of significance up to the date of this report that have not been included in the interim financial statements.

10. RECLASSIFICATION OF PRIOR YEAR BALANCES

During the period ended 31 December 2014, the Directors have reassessed the status of the Boikarabelo project, the nature and timing of fund raising activities and expenditure incurred in order to determine the appropriate timing for the transition from evaluation and exploration activities (accounted for under AASB 6 Exploration for and Evaluation of Mineral Resources) to mining development and construction activities (accounted for under AASB 116 Property, Plant and Equipment).

Whilst noting that such a determination is judgemental, the Directors have concluded that the most appropriate timing of the transition was during the year ended 30 June 2014. Accordingly, the Condensed consolidated statement of financial position and the Condensed consolidated statement of cash flows have been restated to reflect this position. Capitalised expenditure which was previously classified as 'Mining tenements and exploration' is now being reflected as 'Mining tenements and mining development' and cash flows previously classified as 'Payments for mining tenements and exploration' is now being reflected as 'Payments for mining tenements and mining development'.

The Directors note that this change has no impact on the Condensed consolidated statement of profit or loss and other comprehensive income, the Condensed consolidated statement of changes in equity, the amounts being capitalised nor the net asset position or total non-current asset line items. This change had no impact on basic and diluted loss per share for the year ended 30 June 2014.

	30-Jun-14	Reclassified	30-Jun-14
	As previously stated		As restated
	\$'000	\$'000	\$'000
Consolidated statement of financial position			
Mining tenements and exploration	114,913	(114,913)	-
Mining tenements and mining development	-	114,913	114,913
Total non-current assets	177,105	-	177,105
Total Assets	213,996	-	213,996
Consolidated statement of cash flows			
Payments for mining tenements and exploration	(7,113)	7,113	-
Payments for mining tenements and mining development	-	(7,113)	(7,113)
Net cash outflow from investing activities	(8,016)	-	(8,016)

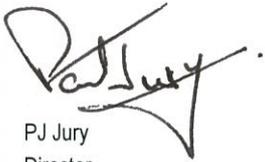
RESOURCE GENERATION LIMITED

Directors' declaration

In the directors' opinion:

- (a) there are reasonable grounds to believe that Resource Generation Limited will be able to pay its debts as and when they become due and payable.
- (b) the financial statements and notes set out on pages 5 to 11 are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

This declaration is made in accordance with a resolution of the directors, pursuant to Section 303(5) of the Corporations Act 2001.



PJ Jury
Director

Sydney

4 February 2015

Independent Auditor's Review Report to the members of Resource Generation Limited

We have reviewed the accompanying half-year financial report of Resource Generation Limited ("the Company"), which comprises the condensed consolidated statement of financial position as at 31 December 2014, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 5 to 12.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Resource Generation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Resource Generation Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Resource Generation Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



R G Saayman

Partner

Chartered Accountants

Sydney, 4 February 2015

Supplementary Information - Presentation of financial information in South African Rand

The presentation currency used in the preparation of the financial statements is the Australian dollar (\$A). The Group has translated the financial statements to the South African (SA) Rand (ZAR) because the Boikarabelo mine, which represents the Group's most significant activity, is located in this region. This supplementary information has restated the financial statements in Rand. Assets and liabilities were translated in SA Rand using the relevant closing rate of exchange and income and expense items were translated using the relevant cumulative average rate of exchange. The applicable rates used in the restatement of information are as follows:

	Dec-14	Jun-14	Dec-13
Average rate of exchange \$A/Rand	9.7240	9.5725	9.3492
Closing rate of exchange \$A/Rand	9.4359	9.9694	9.3310

Consolidated Statements of Comprehensive Income - ZAR Convenience Translation (Supplementary Information) For the half year ended 31 December 2014

	Half year ended	
	2014	2013
	R'000	R'000
Revenue from continuing operations	4,541	13,145
Administration, rent and corporate	(4,065)	(5,058)
Depreciation of property, plant and equipment	(1,566)	(1,103)
Employees benefits expense	(7,945)	(6,591)
Land management	(592)	(999)
Share based compensation	(7,575)	(1,262)
Finance expenditure	(13,993)	(4,871)
Loss before income tax expense	(31,195)	(6,739)
Income tax expense	(10)	(37)
Loss from continuing operations	(31,205)	(6,776)
Loss for the year	(31,205)	(6,776)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	9,753	(4,488)
Total comprehensive income for the half year	(21,452)	(11,264)
Loss is attributable to:		
Owners of Resource Generation Limited	(31,205)	(6,776)
Total comprehensive income for the year is attributable to:		
Owners of Resource Generation Limited	(21,452)	(11,264)
Earnings per share	Rand	Rand
From continuing and discontinued operations		
Basic earnings per share	(5.3)	(1.7)
Diluted earnings per share	(5.3)	(1.7)
From continuing operations		
Basic earnings per share	(5.3)	(1.7)
Diluted earnings per share	(5.3)	(1.7)

Consolidated Statements of Financial Position - ZAR Convenience Translation (Supplementary Information)
As at 31 December 2014

	Consolidated	
	31-Dec-14 R'000	30-Jun-14 R'000
Current assets		
Cash and cash equivalents	357,658	541,707
Trade and other receivables	7,644	4,127
Deposits and prepayments	1,161	1,396
	<u>366,463</u>	<u>547,230</u>
Non-current assets		
Property, plant and equipment	428,277	451,308
Mining tenements and mining development	1,257,324	1,145,614
Deposits and receivables	171,960	168,712
	<u>1,857,561</u>	<u>1,765,634</u>
TOTAL ASSETS	<u>2,224,024</u>	<u>2,312,864</u>
Current liabilities		
Trade and other payables	74,752	83,517
Provisions	8,624	8,235
	<u>83,376</u>	<u>91,752</u>
Non-current liabilities		
Borrowings	250,825	211,660
Royalties payable	25,459	25,452
	<u>276,284</u>	<u>237,112</u>
TOTAL LIABILITIES	<u>359,660</u>	<u>328,864</u>
NET ASSETS	<u>1,864,364</u>	<u>1,984,000</u>
Equity		
Contributed equity	2,088,212	2,206,274
Reserves	163,184	126,327
Accumulated losses	(387,032)	(348,601)
TOTAL EQUITY	<u>1,864,364</u>	<u>1,984,000</u>

Consolidated statement of cash flow - ZAR Convenience Translation (Supplementary Information)
For the half year ended 31 December 2014

	Half year ended	
	2014	2013
	R'000	R'000
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of government charges)	(12,418)	(40,903)
Payments for land management	(700)	(552)
Interest received	3,890	6,890
Interest paid	(1,011)	(9,387)
Net cash outflow from operating activities	(10,239)	(43,952)
Cash flows from investing activities		
Payments for land, property, plant and equipment	(2,674)	(8,863)
Receipt for government charges associated with land acquisition	-	3,085
Payments for licence deposits	(622)	-
Payments for acquisition of subsidiaries	-	(2,665)
Payments for mining tenements and mining development	(182,879)	(66,501)
Net cash outflow from investing activities	(186,175)	(74,944)
Cash flows from financing activities		
Proceeds from issue of shares	-	598,050
Equity raising costs	-	(9,873)
Repayment of debt	-	(186,984)
Loan to BEE partner	(953)	(17,932)
Net cash (outflow)/inflow from financing activities	(953)	383,261
Net (decrease)/increase in cash and cash equivalents	(197,367)	264,365
Cash and cash equivalents at the beginning of the half year	541,707	197,358
Effects of exchange rate movements on cash and cash equivalents	13,318	1,661
Cash and cash equivalents at the end of the half year	357,658	463,384