



12 November 2018

ASX Announcement

Market Update

Resource Generation Limited (ASX:RES) (Resgen or Company) would like to provide an update on the funding status of its Boikarabelo Coal Mine in the Waterberg, South Africa (Project).

In the last market update covering the status of Boikarabelo Project funding (Quarterly Activities Report – 30 September 2018) the Company advised that it had received an indication from the Lender's Deal Team (one of the Lenders in the Lending Syndicate still progressing credit approvals) that their Credit Committee submission would occur during the week commencing 29 October 2018. It was further indicated that should Credit Committee approval be secured the proposal would then be tabled for their Board approval at the November 2018 meeting.

Subsequent discussions with the Lender's Deal Team have confirmed that this Lender remains committed to the Project from a technical, commercial and strategic perspective however a short delay has arisen in scheduling the Credit Committee meeting. The Resgen Board is currently seeking a clear acknowledgement of the Lenders' timeline to achieve Credit Committee and subsequent Board approval including the commitment to finalise all approval considerations before the Christmas break in South Africa.

As a result of this further Lender delay the Resgen Board has agreed to accelerate discussions, in tandem, with the facilitator of alternative funding with a third party or parties as a substitute in the current Syndicate or as a complementary participant in the Syndicate (first reported in ASX Announcement: 20 August 2018).

The Board anticipates that, based on the above plan, it will be in a position to provide a further update on progress ahead of the AGM at the end of November.

The Company will keep the market in accordance with its continuous disclosure obligations.

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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 Coal 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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