



RESOURCE GENERATION LIMITED

ABN 91 059 950 337

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10.00am

DATE: Friday 29 November 2013

PLACE: Radisson Blu Plaza Hotel, 27 O'Connell Street, Sydney NSW

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (02) 9376 9000.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Resource Generation Limited will be held at 10.00am (Sydney time) on Friday 29 November 2013 at:

Radisson Blu Plaza Hotel, 27 O'Connell Street, Sydney NSW.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) deliver the proxy form:
 - (i) by hand to the Company's share registry, Boardroom Pty Limited at Level 7, 207 Kent Street, Sydney NSW 2000; or
 - (ii) by post to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
- (b) fax the proxy form to Boardroom Pty Limited on facsimile number (61 2) 9290 9655; or
- (c) vote on line at www.boardroomlimited.com.au/vote/resourcegenerationagm2013 and follow the prompts.

so that it is received not later than 10.00 am (Sydney time) on 27 November 2013. Proxy forms received later than this time will be invalid.

Your proxy form is enclosed as a separate document.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Resource Generation Limited will be held at 10.00 am (Sydney time) on Friday 29 November 2013 at Radisson Blu Plaza Hotel, 27 O'Connell Street, Sydney NSW.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at the close of business on Wednesday, 27 November 2013.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. ORDINARY BUSINESS – DIRECTORS' REPORT AND FINANCIAL STATEMENTS

To receive the financial report of the Company for the year ended 30 June 2013, together with the directors' report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report."

Short Explanation:

The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement –Resolution 1

In accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 1 by:

- Resgen Scrip Lending Pty Limited.

The Company will also disregard any votes cast on resolution 1 by:

- a director or a member of the key management personnel as disclosed in the Remuneration Report; and
- a closely related party (such as close family members and any controlled companies) of those persons.

However the Company need not disregard a vote if:

- it is cast by the person chairing the meetings as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form.

3. RESOLUTION 2 – RE-ELECTION OF MR BRIAN WARNER AS A DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary resolution**:

"That, Mr Brian Warner, being a Director, retires by rotation in accordance with clause 11.1 of the Constitution and, being eligible, is hereby re-elected as a Director."

Voting Exclusion Statement –Resolution 2

In accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 2 by:

- Resgen Scrip Lending Pty Limited.

4. RESOLUTION 3 – APPROVAL OF SHARE ISSUE UNDER ASX LISTING RULE 7.4

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4, the Company approves and ratifies the issue of 21,352,350 fully paid ordinary shares at \$0.40 per share to Barsington Limited on the terms set out in the Explanatory Statement."

Voting Exclusion Statement –Resolution 3

In accordance with Listing Rule 7.5.6, the Company will disregard any votes cast on resolution 3 by:

- Barsington Limited; and
- an associate of the entity listed above.

However the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, in accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 3 by:

- Resgen Scrip Lending Pty Limited.

5. RESOLUTION 4 – APPROVAL OF SHARE ISSUE UNDER ASX LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1, the Company approves the issue of 6,784,334 fully paid ordinary shares at \$0.40 per share to Lukale Mining Company (Pty) Limited on the terms set out in the Explanatory Statement."

Voting Exclusion Statement –Resolution 4

In accordance with Listing Rule 7.3.8, the Company will disregard any votes cast on resolution 4 by:

- Lukale Mining Company (Pty) Limited; and
- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of that person.

However the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, in accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 4 by:

- Resgen Scrip Lending Pty Limited.

6. RESOLUTION 5 – APPROVAL OF SHARE ISSUE UNDER ASX LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1, the Company approves the issue of 102,596,530 fully paid ordinary shares at \$0.22 per share to Blumont Group Ltd on the terms set out in the Explanatory Statement."

Voting Exclusion Statement –Resolution 5

In accordance with Listing Rule 7.3.8, the Company will disregard any votes cast on resolution 5 by:

- Blumont Group Ltd; and
- A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of that person.

However the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, in accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 5 by:

- Resgen Scrip Lending Pty Limited.

7. RESOLUTION 6 – APPROVAL OF SHARE ISSUE UNDER ASX LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1, the Company approves the issue of 5,200,000 fully paid ordinary shares at \$0.22 per share to Berne No 132 Nominees Pty Limited on the terms set out in the Explanatory Statement."

Voting Exclusion Statement –Resolution 6

In accordance with Listing Rule 7.3.8, the Company will disregard any votes cast on resolution 6 by:

- Berne No 132 Nominees Pty Limited; and
- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of that person.

However the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, in accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 6 by:

- Resgen Scrip Lending Pty Limited.

8. RESOLUTION 7 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO MR PAUL JURY, MANAGING DIRECTOR, UNDER THE EMPLOYEE SHARE PLAN

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for all purposes including ASX Listing Rule 10.14, the Company be authorised, pursuant to the Employee Share Plan approved by shareholders at the AGM held on 24 October 2011, to grant 10,000,000 share rights to Mr Paul Jury, Managing Director, and to issue to him 10,000,000 fully paid ordinary shares in the Company following the valid exercise of any such rights, in accordance with the Employee Share Plan rules and subject to the conditions set out in the Explanatory Statement."

Voting Exclusion Statement –Resolution 7

The Company will disregard any votes cast on resolution 7 by:

- Paul John Jury;
- all directors of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and
- any person who is an associate of any of the persons listed above.

However the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, in accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 7 by:

- Resgen Scrip Lending Pty Limited.

9. RESOLUTION 8 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO MR STEPHEN MATTHEWS, EXECUTIVE DIRECTOR, UNDER THE EMPLOYEE SHARE PLAN

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for all purposes including ASX Listing Rule 10.14, the Company be authorised, pursuant to the Employee Share Plan approved by shareholders at the AGM held on 24 October 2011, to grant 5,000,000 share rights to Mr Steve Matthews, Executive Director, and to issue to him 5,000,000 fully paid ordinary shares in the Company following the valid exercise of any such rights, in accordance with the Employee Share Plan rules and subject to the conditions set out in the Explanatory Statement."

Voting Exclusion Statement –Resolution 8

The Company will disregard any votes cast on resolution 4 by:

- Stephen James Matthews;
- all directors of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and
- any person who is an associate of any of the persons listed above.

However the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In addition, in accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 8 by:

- Resgen Scrip Lending Pty Limited.

10. CHAIRMAN'S VOTING INTENTIONS

If the Chairman of the Meeting is appointed as a proxy or may be appointed by default, and the shareholder does not direct the proxy how to vote in respect of any resolution, the Chairman intends to vote in favour of all resolutions. In relation to remuneration related resolutions, specifically resolutions 1, 7 and 8, the Chairman will vote in favour of the resolutions.

11. EXPLANATORY STATEMENT

The accompanying Explanatory Statement forms part of this Notice of Annual General Meeting and should be read in conjunction with it.

12. VOTING ENTITLEMENTS

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person as set out in the register of Shareholders as at the close of business on Wednesday, 27 November 2013. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Annual General Meeting.

DATED: This 23rd day of October 2013
BY ORDER OF THE BOARD

STEVE MATTHEWS
COMPANY SECRETARY



EXPLANATORY STATEMENT TO SHAREHOLDERS

RESOURCE GENERATION LIMITED (ACN 059 950 337)

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at 10.00 am (Sydney time) on Friday 29 November 2013 at Radisson Blu Plaza Hotel, 27 O'Connell Street, Sydney NSW.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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1. ORDINARY BUSINESS – DIRECTORS' REPORT AND FINANCIAL STATEMENTS

As required by section 317 of the Corporations Act, the financial report, directors' report and auditor's report of the Company for the year ended 30 June 2013 will be laid before the meeting. No resolution is required for this item of business.

A copy of the Company's annual report is available at www.resgen.com.au.

In accordance with the Corporations Act, during this item of business a reasonable opportunity will be given to Shareholders as a whole to ask questions about, or make comments on, the management of the Company.

Similarly, a reasonable opportunity will be given to Shareholders as a whole to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the audit for the year ended 30 June 2013.

2. RESOLUTION 1 – REMUNERATION REPORT (NON-BINDING RESOLUTION)

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the Remuneration Report will be put at the Annual General Meeting. Section 250R(2) of the Corporations Act requires a resolution that the Remuneration Report be adopted must be put to the vote. Resolution 1 seeks this approval.

However, in accordance with section 250R(3) of the Corporations Act, Shareholders should note that resolution 1 is an "advisory only" resolution which does not bind the Directors of the Company.

Following consideration of the remuneration report, the Chairman, in accordance with section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Remuneration Report, which is contained in the Directors' Report within the Company's Annual Report, includes all of the information required by Section 300A of the Corporations Act, and includes:

- (a) board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of directors, secretaries and senior managers of the Company;
- (b) discussion of the relationship between such policy and the Company's performance; and
- (c) the prescribed details in relation to the remuneration of each Director and certain executives.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF MR BRIAN WARNER

In accordance with Listing Rule 14.4 and clause 11.1 of the Constitution, Resolution 2 seeks the re-election of Mr Brian Warner who retires by rotation.

These requirements for a Director to retire do not apply to a Managing Director (but if there is more than one Managing Director, only one is exempt from retirement).

In determining the number and identity of the Directors to retire by rotation, the Managing Director and any Director seeking election after appointment by the Board to fill a casual vacancy are not taken into account.

Brian Warner retires by rotation at this meeting and, being eligible, offers himself for re-election. Brian Warner is the Non-executive Chairman of Resource Generation Limited.

Mr Warner has considerable experience and skills in both the mining and finance industries. Prior to retirement his most recent position was the senior resources analyst at Citibank, a position he had held for 6 years. Brian is a metallurgist and in his early career worked with Peko Wallsend, Agnew Nickel Mining and Seltrust as a metallurgist, project manager and operations manager. His last 20 years were as a senior mining research analyst with several international merchant banking groups including Citibank, Deutsche Bank and Credit Suisse First Boston.

All the Directors, other than Brian Warner, recommend that shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 - APPROVAL OF SHARE ISSUE UNDER ASX LISTING RULE 7.4

ASX Listing Rule 7.1 allows the Company to issue new securities up to 15% of the existing issued capital of the company without prior approval of shareholders in any 12 month period, subject to certain adjustments and permitted exceptions.

Under ASX Listing Rule 7.4, shareholders may subsequently approve the issue of securities made within the limitation of ASX Listing Rule 7.1. The Company is seeking this approval under this Resolution 3.

Following this approval, the Company will again be able to issue new securities in such number up to 15% of the existing issued capital without the prior approval of shareholders. The Board believes that providing this flexibility is a prudent decision to make and is in the best interests of shareholders and the Company as a whole.

Resource Generation placed 21,352,350 fully paid ordinary shares with Barsington Limited at a share price of \$0.40 on 28 March 2013. Funds are being used primarily for the development of the company's Boikarabelo Mine in South Africa and for working capital.

Barsington Limited is a wholly-owned subsidiary of Noble Group (SGX: N23) (**Noble**), Noble is a global supply chain manager of agricultural and energy products and metals, minerals and ores. Noble is listed in Singapore (SGX: N21) and operates from over 140 locations.

In addition, Noble agreed to provide Resource Generation with a secured loan facility of up to US\$123 million on normal commercial terms. The facility can be drawn down until 31 December 2013 and will be repayable 21 months after the first draw-down.

Noble also increased the tonnages and term of the off-take contract announced in January 2013 from 2.5 million tonnes which was to be supplied over five years to the following:

Delivery Period	Annual Quantity (Tonnes)
Years 1-8	500,000
Years 9-12	1,500,000
Years 13-14	2,000,000
Years 15-35	2,500,000

Prices will be set by reference to an internationally recognised index at the time of each shipment.

Resource Generation has entered into an exclusive supply chain management and marketing agreement with Noble under which Noble will manage the supply chain and marketing of Boikarabelo's domestic and export coal sales for 35 years. Noble subsequently entered into a domestic coal supply agreement for the purchase of 3 million tonnes of middlings per annum for 8 years.

For the purpose of ASX Listing Rule 7.5, the following information is provided:

- a) the maximum number of ordinary shares issued under the placement was 21,352,350 shares;
- b) the ordinary shares were issued and allotted on 28 March 2013;
- c) the issue price of the ordinary shares was \$0.40 per share;
- d) the allottee of the ordinary shares was Barsington Ltd;
- e) the terms of the shares to be issued are fully paid ordinary shares ranking equally with all other ordinary shares on issue from the date of issue of the shares;
- f) the intended use of the funds raised was for the development of the company's Boikarabelo Mine in South Africa and for working capital; and
- g) a voting exclusion statement applies to this resolution.

All the Directors recommend that shareholders vote in favour of Resolution 3.

5. RESOLUTIONS 4, 5 & 6 – APPROVAL OF SHARE ISSUES UNDER ASX LISTING RULE 7.1

ASX Listing Rule 7.1 allows the Company to issue new securities up to 15% of the existing issued capital of the company without prior approval of shareholders in any 12 month period, subject to certain adjustments and permitted exceptions.

As the Company has previously utilised part of the 15% limitation for the placement of shares to Barsington Limited (Resolution 3) the Company is seeking shareholder approval for the issue of shares under these Resolutions 4, 5 and 6. Assuming these Resolutions 4, 5 and 6 are approved and the shares are issued, the Company will have 683,976,868 ordinary shares on issue.

Following these approvals, the Company will still be able to issue new securities in such number up to 15% of the existing issued capital without the prior approval of shareholders.

RESOLUTION 4 – APPROVAL OF SHARE ISSUE TO LUKALE UNDER ASX LISTING RULE 7.1

Resource Generation announced on 27 August 2013 that it was rationalising the ownership of its shareholding in Waterberg One Coal (Pty) Limited (**WOC**). Currently WOC is owned 70% by Resource Generation and 30% by Lukale Mining Company (Pty) Limited (**Lukale**). A transaction has been agreed with Lukale whereby, WOC will become owned 74% by Resource Generation and 26% by Fairy Wing Trading 136 (Pty) Limited (**FWT**). FWT is the 26% black economic empowerment (**BEE**) shareholder in Ledjadja Coal (Pty) Limited, which owns the mining right for the Boikarabelo mine.

The first step is for Resource Generation to acquire Lukale's entire shareholding for which Lukale is entitled to receive ZAR25 million in Resource Generation shares at \$0.40 per share, which equalled 6,784,334 shares at the exchange rate prevailing at 27 August 2013, and ZAR20 million cash. The issue of shares is subject to shareholder approval and the Company is seeking this approval in this Resolution 4. The shares will be held on the South African register and be eligible for sale on the JSE.

Resource Generation will then simultaneously on sell 26% of WOC to FWT, which is being lent ZAR39 million on commercial terms by Resource Generation to fund its acquisition of 26% of WOC shares.

WOC's main prospecting right, Waterberg One, is contiguous with the Boikarabelo mining right and contains an indicated resource of 1,116.4 million tonnes and a measured resource of 865.5 million tonnes, including a probable reserve of 314.2 million tonnes*. The ownership change and alignment will enable a practical consolidation of Resource Generation's mining tenements and make it easier to manage the operations of Boikarabelo. The Company is looking at the feasibility to open a separate pit at Waterberg One to supply domestic grade coal to Eskom and the independent power stations intended to be developed by Valu Investments Pte Ltd.

For the purpose of ASX Listing Rule 7.3, the following information is provided:

- a) the maximum number of ordinary shares to be issued under the placement will be 6,784,334;
- b) it is anticipated that the ordinary shares will be issued and allotted on or about 3 December 2013. In any case it will be no later than 3 months after the date of the meeting;
- c) the deemed issue price of ordinary shares to be issued under this resolution is \$0.40;
- d) the allottee of the ordinary shares is Lukale Mining Company (Pty) Limited;
- e) the terms of the shares to be issued are fully paid ordinary shares ranking equally with all other ordinary shares on issue from the date of issue of the shares;
- f) no funds will be raised from the issue of shares. The issue is part consideration for the acquisition of 30% of Waterberg One Coal (Pty) Limited; and
- g) a voting exclusion statement applies to this resolution.

** Information 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 this explanatory statement of the matters based on his information in the form and context in which it appears.*

All the Directors recommend that shareholders vote in favour of Resolution 4.

RESOLUTION 5 – APPROVAL OF SHARE ISSUE TO BLUMONT UNDER ASX LISTING RULE 7.1

Resource Generation announced on 28 June 2013 that it was seeking to raise A\$62.6 million (before costs) through a 1 for 1 pro-rata non-renounceable entitlement offer of 284,698,002 fully paid ordinary shares at A\$0.22 per share (**Entitlement Offer**). Proceeds equivalent to 16.7% of the Entitlement Offer were received from shareholders and the Entitlement Offer closed on 23 July 2013. The Company has sought subscribers to the shortfall and received demand in excess of the shortfall.

Resource Generation announced on 17 September 2013 that it had signed a share subscription agreement with Blumont Group Ltd (**Blumont**) for the issue of shares to Blumont representing 15% of Resource Generation's expanded capital base. The issue of shares would be at \$0.22 per share, the same as the Entitlement Offer. Assuming that Resolutions 4

and 6 are approved, Blumont would need to subscribe for 102,596,530 shares in order for Blumont's shareholding to be 15% and is subject to approval of this Resolution 5.

Subject to approval, Blumont's total investment in Resource Generation will be \$22,571,236.60. In what have been difficult equity markets for capital raising, the Directors believe it is in shareholders' best interests for the Company to accept this effective over subscription to the shortfall to facilitate construction at the Boikarabelo mine. Together with the leveraged funding alternatives which are being vigorously pursued, the extended equity placement to Blumont helps to minimise any further equity requirements for the development of the Boikarabelo mine.

Blumont is a global institutional investor. It is listed on the Singapore Stock Exchange with a market capitalisation of approximately A\$300 million and has a global portfolio of diversified assets in the minerals and energy resources sector, including coking coal, thermal coal, gold, copper and uranium. Blumont is also engaged in transferable securities investments, the provision of sterilisation and polymerisation services and development of properties for sale and rental.

For the purpose of ASX Listing Rule 7.3, the following information is provided:

- a) the maximum number of ordinary shares to be issued under the placement will be 102,596,530;
- b) it is anticipated that the ordinary shares will be issued and allotted on or about 3 December 2013. In any case it will be no later than 3 months after the date of the meeting;
- c) the issue price of ordinary shares to be issued under this resolution is \$0.22;
- d) the allottee of the ordinary shares is Blumont Group Ltd;
- e) the terms of the shares to be issued are fully paid ordinary shares ranking equally with all other ordinary shares on issue from the date of issue of the shares;
- f) the intended use of the funds raised will be primarily for the construction of the company's Boikarabelo Mine in South Africa and for working capital; and
- g) a voting exclusion statement applies to this resolution.

All the Directors recommend that shareholders vote in favour of Resolution 5.

RESOLUTION 6 – APPROVAL OF SHARE ISSUE TO BERNE NO 132 NOMINEES PTY LIMITED UNDER ASX LISTING RULE 7.1

Resource Generation announced on 28 June 2013 that it was seeking to raise A\$62.6 million (before costs) through a 1 for 1 pro-rata non-renounceable entitlement offer of 284,698,002 fully paid ordinary shares at A\$0.22 per share (**Entitlement Offer**). Proceeds equivalent to 16.7% of the Entitlement Offer were received from shareholders and the Entitlement Offer closed on 23 July 2013. The Company has sought subscribers to the shortfall and received demand in excess of the shortfall.

Berne No 132 Nominees Pty Limited (**Berne**), on behalf of clients of RBS Morgans Limited that are sophisticated investors, also wishes to subscribe for additional shares and it was not possible to satisfy Berne's demand for 5,200,000 shares as part of the Entitlement Offer shortfall. The investment once added to Berne's existing shareholding would increase Berne's shareholding to approximately 1.0% of Resource Generation's expanded capital base and is subject to approval of this Resolution 6.

In what have been difficult equity markets for capital raising, the Directors believe it is in shareholders' best interests for the Company to accept this effective over subscription to the shortfall to facilitate construction at the Boikarabelo mine. Together with the leveraged funding alternatives which are being vigorously pursued, the extended equity placement to Berne helps to minimise any further equity requirements for the development of the Boikarabelo mine.

For the purpose of ASX Listing Rule 7.3, the following information is provided:

- a) the maximum number of ordinary shares to be issued under the placement will be 5,200,000;
- b) it is anticipated that the ordinary shares will be issued and allotted on or about 3 December 2013. In any case it will be no later than 3 months after the date of the meeting;
- c) the issue price of ordinary shares to be issued under this resolution is \$0.22;
- d) the allottee of the ordinary shares is Berne No 132 Nominees Pty Limited;
- e) the terms of the shares to be issued are fully paid ordinary shares ranking equally with all other ordinary shares on issue from the date of issue of the shares;
- f) the intended use of the funds raised will be primarily for the construction of the company's Boikarabelo Mine in South Africa and for working capital; and
- g) a voting exclusion statement applies to this resolution.

All the Directors recommend that shareholders vote in favour of Resolution 6.

6. RESOLUTION 7 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO MR PAUL JURY, MANAGING DIRECTOR, UNDER THE EMPLOYEE SHARE PLAN

Shareholder approval is sought for the grant of 10,000,000 share rights to Mr Paul Jury, Managing Director, and to issue 10,000,000 fully paid ordinary shares in the Company following the valid exercise of such rights, in accordance with the Employee Share Plan Rules. This grant is subject to the conditions set out below. Shareholder approval is required under ASX Listing Rule 10.14 because Mr Jury is a director of the Company.

Reasons for the grant of performance rights

The Board believes that Mr Jury is a highly accomplished executive and is key to the Company's ongoing growth and success. The resources sector is a highly competitive market for key executive talent. The board, therefore, considers a market competitive long term equity incentive is an essential component of Mr Jury's compensation arrangements, to help motivate and retain him.

Your board has selected performance rights as the appropriate instrument to deliver the equity incentive for three main reasons. Firstly, the grant of the shares is linked to key development milestones that will contribute value for the Company and isn't subject to achievements based on stock market fluctuations. Secondly, performance rights are less dilutive than a market or premium priced option alternative and thirdly, as there is no cost to exercising the rights, there is no requirement for Mr Jury to sell the share rights or the resulting shares to fund the acquisition of the shares on any exercise, as would be the case with a market or premium priced option alternative.

Price of share rights

No payment from Mr Jury will be required for him to receive or exercise the share rights.

First exercise date for rights

The share rights are exercisable on the fulfilment of the service condition and performance conditions set out below or where a special circumstance, such as a takeover, may arise allowing an earlier exercise.

Last exercise date for rights

All rights will lapse automatically if not exercised 60 months after the date of issue of the rights.

The date of grant of rights

If approved, the rights, up to the amount approved, will be issued to Mr Jury within 90 days of the approval and in any case no later than 12 months after the meeting.

Service condition

Mr Jury is required to be an employee of the Company at the time the performance condition is met.

Disposal restriction

Shares subsequently issued pursuant to the grant of the share rights under the Share Plan to Mr Jury will not be able to be disposed of by him for seven years from the date of the grant of the share rights unless Mr Jury ceases to be an employee of the company before that time.

Performance conditions

The board believes that performance conditions are an important component of equity incentives. The performance conditions to be imposed in order to exercise the proposed share rights are designed to provide both motivation to perform and a retention incentive. The performance conditions for the first tranche take cognisance of the previous expired 3,333,333 performance rights that could have been triggered if the Company had decided to accept the credit approved offers of finance received from the mandated project finance banks in March 2013. Instead Mr Jury was instrumental in the decision to reject those offers, as they contained commercial conditions that the board did not believe were in the best interests of shareholders.

The performance conditions to be met for the award of the shares are the achievement of the following:

- The first tranche of 5,000,000 shares will be awarded upon achievement of debt, equity and/or other funding arrangements that enable commencement of construction of all material components of the Boikarabelo project and the Board being satisfied acting reasonably that any remaining funding required for the completion of the project is obtainable on reasonable commercial terms in due course; and
- The second tranche of 5,000,000 shares will be awarded upon production of first 100,000 tonnes of ROM coal from the Boikarabelo mine, provided that the Board is satisfied acting reasonably that the construction of the Boikarabelo mine has been completed within a reasonable time compared to the targeted completion date and at a cost that has been appropriately controlled by the Company's management.

Performance Period

The performance conditions must be achieved before 31 December 2017. Any unvested rights at 31 December 2017 will lapse.

Number of performance rights to be issued to Mr Jury in the context of total remuneration

The total number of shares that could be issued to Mr Jury under Resolution 7 is 10,000,000 shares. The total value and mix of Mr Jury's remuneration has been evaluated using benchmark data of comparable positions and comparable companies. The board is of the opinion that Mr Jury's remuneration is within market and competitive. Furthermore, with 569,396,004 ordinary shares on issue prior to the other resolutions being put before the annual general meeting, the possible issue of 10,000,000 ordinary shares will not have a significant dilutionary effect for the Company's shareholders.

Other information

Mr Jury's direct shareholdings and those of associated entities are disclosed in the following table. If all shares are issued then Mr Jury's relevant interest would be approximately 6.03% of the Company. Mr Jury's direct ownership would be approximately 2.87% of the Company.

Shareholding	Shares	Cum %
Purchased by Associated Entity	18,027,258	3.17
Existing shares from LTIP awards	6,333,333	4.28
Share Rights (Resolution 7)	10,000,000	6.03

Mr Jury and Mr Matthews are the only directors who are entitled to participate in the Share Plan. Details of any options and/or shares issued under the Share Plan will be published in each annual report of the Company relating to the period in which options or shares have been issued, and that approval for the issue of options or shares was obtained under ASX Listing Rule 10.14. Since shareholder approval was received at the general meeting on 23 January 2009 and the annual general meeting on 26 October 2009, Mr Jury has received 9,666,666 performance rights at nil consideration. Mr Jury and Mr Matthews are the only persons referred to in listing rule 10.14, who received securities under the Employee Share Plan since the last approval. 6,333,333 performance shares have been converted into ordinary shares, as set out in the table above, at nil consideration. 3,333,333 performance rights have lapsed.

The non-executive directors recommend that shareholders vote in favour of this resolution.

7. RESOLUTION 8 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO MR STEPHEN MATTHEWS, EXECUTIVE DIRECTOR, UNDER THE EMPLOYEE SHARE PLAN

Shareholder approval is sought for the grant of 5,000,000 share rights to Mr Stephen Matthews, Executive Director, and to issue 5,000,000 fully paid ordinary shares in the Company following the valid exercise of such rights, in accordance with the Employee Share Plan Rules. This grant is subject to the conditions set out below. Shareholder approval is required under ASX Listing Rule 10.14 because Mr Matthews is a director of the Company.

Reasons for the grant of performance rights

The Board believes that Mr Matthews is a highly accomplished executive and is key to the Company's ongoing growth and success. The resources sector is a highly competitive market for key executive talent. The board, therefore, considers a market competitive long term equity incentive is an essential component of Mr Matthews' compensation arrangements, to help motivate and retain him.

Your board has selected performance rights as the appropriate instrument to deliver the equity incentive for three main reasons. Firstly, the grant of the shares is linked to key development milestones that will contribute value for the Company and isn't subject to achievements based on stock market fluctuations. Secondly, performance rights are less dilutive than a market or premium priced option alternative and thirdly, as there is no cost to exercising the rights, there is no requirement for Mr Matthews to sell the share rights or the

resulting shares to fund the acquisition of the shares on any exercise, as would be the case with a market or premium priced option alternative.

Price of share rights

No payment from Mr Matthews will be required for him to receive or exercise the share rights.

First exercise date for rights

The share rights are exercisable on the fulfilment of the service condition and performance conditions set out below or where a special circumstance, such as a takeover, may arise allowing an earlier exercise.

Last exercise date for rights

All rights will lapse automatically if not exercised 60 months after the date of issue of the rights.

The date of grant of rights

If approved, the rights, up to the amount approved, will be issued to Mr Matthews within 90 days of the approval and in any case no later than 12 months after the meeting.

Service condition

Mr Matthews is required to be an employee of the Company at the time the performance condition is met.

Disposal restriction

Shares subsequently issued pursuant to the grant of the share rights under the Share Plan to Mr Matthews will not be able to be disposed of by him for seven years from the date of the grant of the share rights unless Mr Matthews ceases to be an employee of the company before that time.

Performance conditions

The board believes that performance conditions are an important component of equity incentives. The performance conditions to be imposed in order to exercise the proposed share rights are designed to provide both motivation to perform and a retention incentive. The performance conditions for the first tranche take cognisance of the previous expired 1,666,667 performance rights that could have been triggered if the Company had decided to accept the credit approved offers of finance received from the mandated project finance banks in March 2013. Instead Mr Matthews was instrumental in the decision to reject those offers, as they contained commercial conditions that the board did not believe were in the best interests of shareholders.

The key performance indicators for the award of the shares are the achievement of the following:

- The first tranche of 2,500,000 shares will be awarded upon achievement of debt, equity and/or other funding arrangements that enable commencement of construction of all material components of the Boikarabelo project and the Board being satisfied acting reasonably that any remaining funding required for the completion of the project is obtainable on reasonable commercial terms in due course; and

- The second tranche of 2,500,000 shares will be awarded upon production of first 100,000 tonnes of ROM coal from the Boikarabelo mine, provided that the Board is satisfied acting reasonably that the construction of the Boikarabelo mine has been completed within a reasonable time compared to the targeted completion date and at a cost that has been appropriately controlled by the Company's management.

Performance Period

The performance conditions must be achieved before 31 December 2017. Any unvested rights at 31 December 2017 will lapse.

Number of performance rights to be issued to Mr Matthews in the context of total remuneration

The total number of shares that could be issued to Mr Matthews under Resolution 8 is 5,000,000 shares. The total value and mix of Mr Matthews' remuneration has been evaluated using benchmark data of comparable positions and comparable companies. The board is of the opinion that Mr Matthews' remuneration is within market and competitive. Furthermore with 569,396,004 ordinary shares on issue, the possible issue of 5,000,000 ordinary shares will not have a significant dilutionary effect for the Company's shareholders.

Other information

Mr Matthews' direct shareholdings and those of associated entities are disclosed in the following table. If all shares are issued then Mr Matthews' relevant interest would be approximately 1.61% of the Company. Mr Matthews' direct ownership would be approximately 1.43% of the Company.

Shareholding	Shares	Cum %
Purchased by Associated Entity	1,008,936	0.18
Existing shares from LTIP awards	3,166,667	0.73
Share Rights (Resolution 8)	5,000,000	1.61

Mr Jury and Mr Matthews are the only directors who are entitled to participate in the Share Plan. Details of any options and/or shares issued under the Share Plan will be published in each annual report of the Company relating to the period in which options or shares have been issued, and that approval for the issue of options or shares was obtained under ASX Listing Rule 10.14. Since shareholder approval was received at the general meeting on 23 January 2009 and the annual general meeting on 26 October 2009, Mr Matthews has received 4,833,334 performance rights at nil consideration. Mr Jury and Mr Matthews are the only persons referred to in listing rule 10.14, who received securities under the Employee Share Plan since the last approval. 3,166,667 performance shares have been converted into ordinary shares, as set out in the table above, at nil consideration. 1,666,667 performance rights have lapsed.

The non-executive directors recommend that shareholders vote in favour of this resolution.



All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10am (Sydney Time) on Wednesday, 27th November 2013.**

🖥 TO VOTE ONLINE

STEP 1: VISIT www.boardroomlimited.com.au/vote/resourcegenerationagm2013

STEP 2: Enter your holding/investment type:

STEP 3: Enter your Reference Number:

STEP 4: Enter your Voting Access Code:

PLEASE NOTE: For security reasons it is important you keep the above information confidential.

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10am (Sydney Time) on Wednesday, 27th November 2013.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** www.boardroomlimited.com.au/vote/resourcegenerationagm2013

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address
 This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Resource Generation Limited** and entitled to attend and vote hereby appoint

Appoint the **Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Radisson Blu Plaza Hotel, 27 O'Connell Street, Sydney NSW 2000 on Friday, 29th November 2013 at 10am (Sydney Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chairman authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chairman of the Meeting as my/our proxy or the Chairman of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1, 7 and 8, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of these resolutions even though resolutions 1, 7 and 8 are connected with the remuneration of a member of key management personnel for Resource Generation Limited. Neither the Chairman nor a non-executive director is entitled to participate in any employee incentive scheme of the Company.

The Chairman of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, 7 & 8). If you wish to appoint the Chairman of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

The Chairman of the Meeting intends to vote undirected proxies in favour of all resolutions, including Resolutions 1, 7 & 8.

STEP 2 VOTING DIRECTIONS
 * If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of the Remuneration Report (non binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Brian Warner as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Barsington share issue under ASX Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of share issue to Lukale Mining Co (Pty) Ltd under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of share issue to Blumont Group Ltd under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of share issue to Berne No 132 Nominees Pty Limited under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of performance rights to Paul Jury	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of performance rights to Stephen Matthews	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date / / 2013