



Uranium & Coal in Botswana

AGM October 2014

Competent Person's Statement

Information in this report relating to Exploration, is based on information compiled by Mr Ashley Jones a full-time employee of A-Cap Resources Limited and a member of MAusIMM. Mr Jones has sufficient experience that 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 under the 2012 Edition of the Australasian Code for reporting of Exploration Results Mineral Resources and Ore Reserves. Mr Jones consents to the inclusion of the data in the form and context in which it appears.

Information in this report relating to Coal resources is based on information compiled by Mr Darryl Stevenson (Consulting Coal Geologist to A-Cap Resources). Mr Stevenson has sufficient experience that 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 under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources. Mr Stevenson consents to the inclusion of the data in the form and context in which it appears.

The information presented in this report is based on a geological model that was produced in June 2013. Michael Andrew MAusIMM, MAIG has 10 years' experience in modelling and assessing uranium resources, which is sufficient relevant experience for the style of mineralisation and type of deposit under consideration and to the activity to 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 Andrew is a full time employee of Optiro Pty Ltd and consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

Corporate

- Well funded with strong shareholder support – A\$5.8M capital raising fully underwritten
- Based in Botswana – safe and stable jurisdiction
- Experienced management and technical team

Uranium

- Advanced Uranium Development Project
- Low cost mining and processing operation, Low CAPEX all infrastructure available
- Initial production (3Mlbs pa) with Long Mine Life (+25 years)
- Uranium market demand and price increases in line with A-Cap production timelines

Coal

- Three major new coal deposits discovered
- Positive independent reports from Sedgman on both Mea and Bolau Projects

Strategy

- Uranium - Prepare project for early development and production to capitalise on recovery of uranium market
 - Mining Licence application by Q2 2015
- Coal - Continuing current exploration while evaluating development options

Corporate Overview

Capital Structure

Share Price ¹	A\$	4.9c
Shares on Issue	#	368,209,268
Options on Issue ³	#	13,510,000
Market Capitalisation ¹	A\$	\$18 million
Cash at bank ²	A\$	\$3 Million
Debt	A\$	Nil
Investments held for trade ¹	A\$	\$0.6 million

1. As at 22nd Oct-14
2. As at 30th Sep-14
3. Unlisted options, volume weighted average exercise price of \$0.43, weighted average time to expiry of 0.9 years

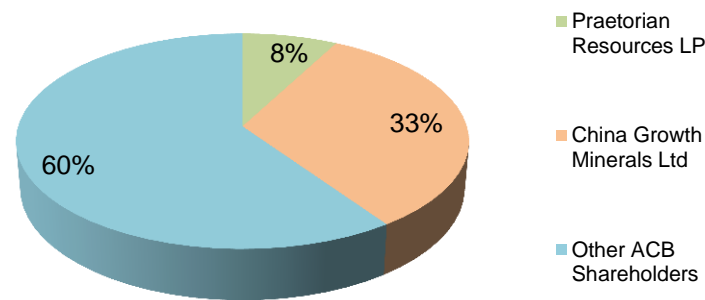
Board & Management

Director	Role
Robert Pett	Chairman
Richard Lockwood	Non-Executive Director
Angang Shen	Non-Executive Director
Paul Woolrich	Executive Director
Paul Ingram	Non-Executive Director
Harry Stacpoole	Non-Executive Director
Paul Thomson	Chief Executive Officer
Anthony Khama	Chairman, A-Cap Botswana Pty Ltd

Share Price & Volume



Ownership Analysis

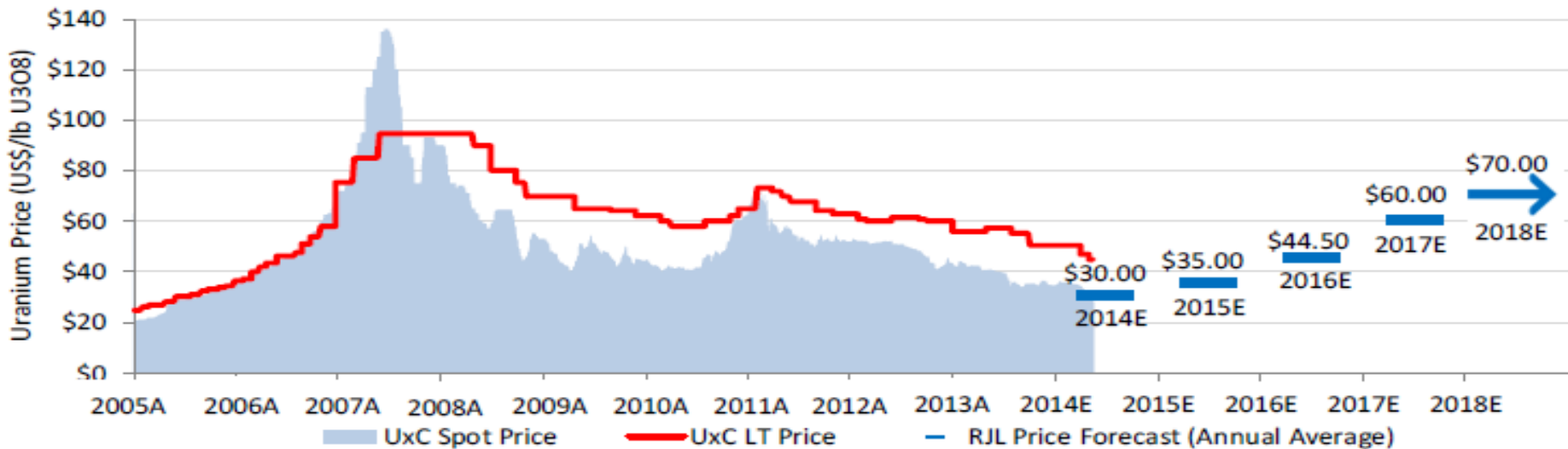


- Ranked Africa's premier mining destination, 7th year in a row, by the Fraser Institute Survey of Mining Companies 2012-2013
- Botswana ranks #1 in Africa for political stability, democracy and rule of law
- Stable, multi-party democracy since 1966
 - Skilled mining work force
 - English speaking
 - No BEE / tribal issues
 - Highest GDP per capita in Africa
- Mining accounts for 40% of current GDP and is critical for continued economic growth
- Easy to understand mineral law with good security of tenure
- Botswana a safe and secure place to invest



Uranium Market

- Spot price up 28.5% in the last quarter and holding, LT at 25% premium
- 435 reactors operational, 72 under construction, 309 planned & proposed with 574 operational by 2030, an increase of 32%
- Nuclear is the fastest growing energy source globally
- Prices must more than double to incentivise production and head off projected global uranium deficit



Source: Raymond James Ltd., UxC

Letlhakane: Major Resource Announcement

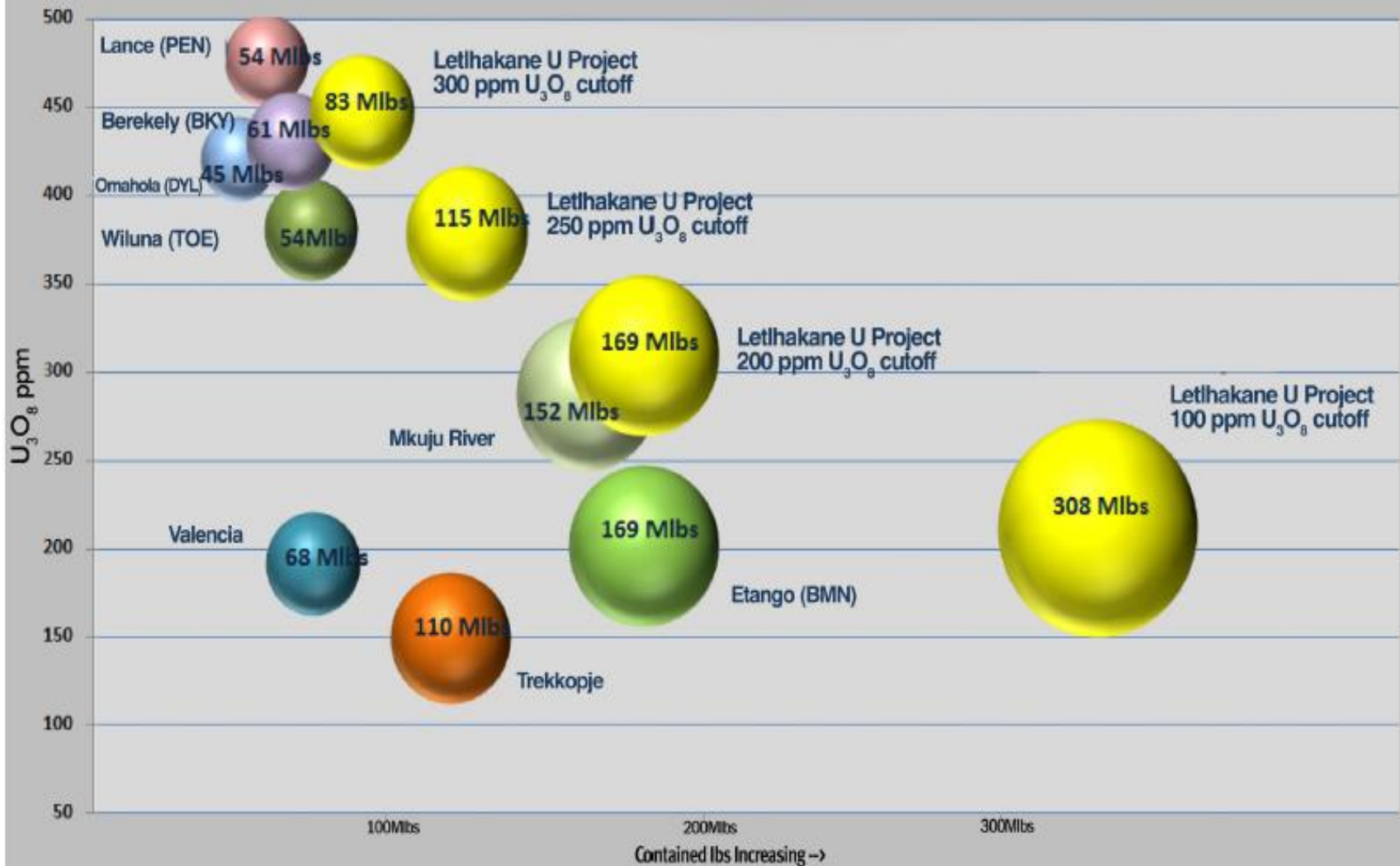


- Global top ten undeveloped uranium resource of 308Mlbs
- Significant high grade resource 83.7Mt at 447ppm U_3O_8 for a contained 82.5Mlbs of U_3O_8
- Resource upgrade has significant implications for new economics of the project.

Letlhakane Mineral Resource Total	Cut-off (U3O8 ppm)	Total Indicated			Total Inferred			Global Total		
		Mt	U3O8 (ppm)	Contained U3O8 (Mlbs)	Mt	U3O8 (ppm)	Contained U3O8 (Mlbs)	Mt	U3O8 (ppm)	Contained U3O8 (Mlbs)
	100	131.9	198	57.5	530.5	215	250.9	662.4	211	308.1
	200	49.4	269	29.4	198.6	319	139.7	248.1	309	168.9
	300	11.3	376	9.4	72.4	458	73.2	83.7	447	82.5

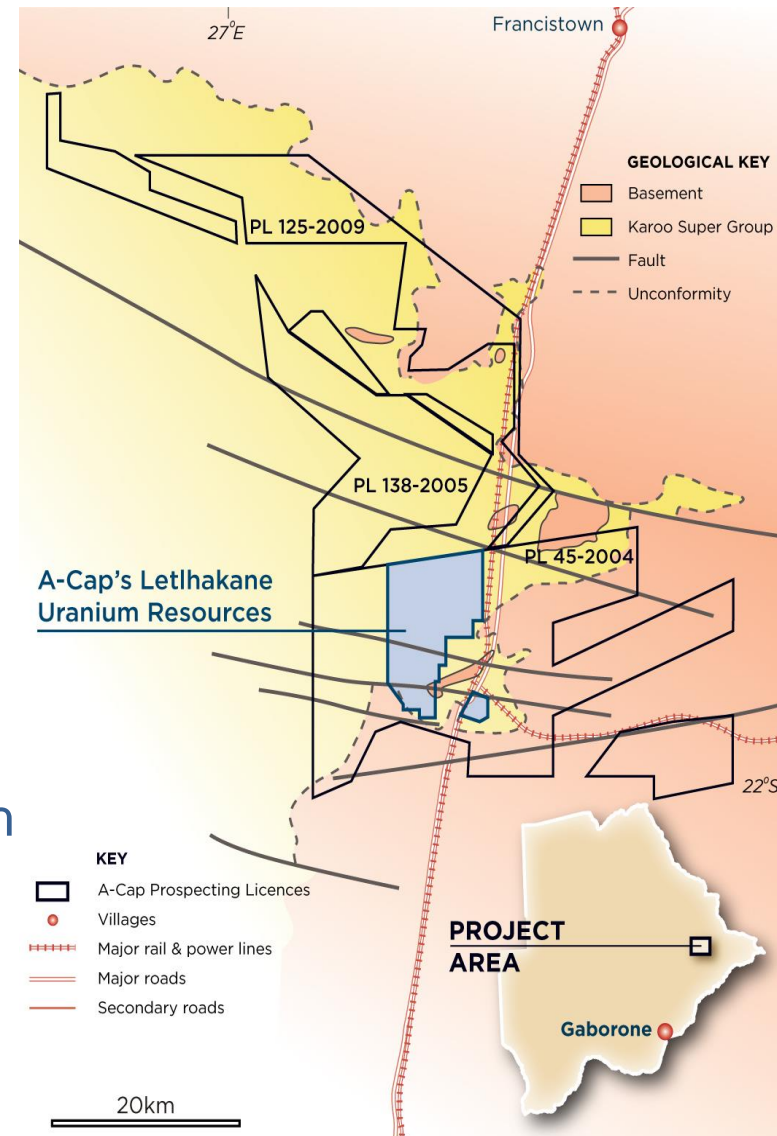
Peer Group Comparisons

Peer Group U_3O_8 Deposits: Grade U_3O_8 vs Contained Lbs



Letlhakane Uranium Project

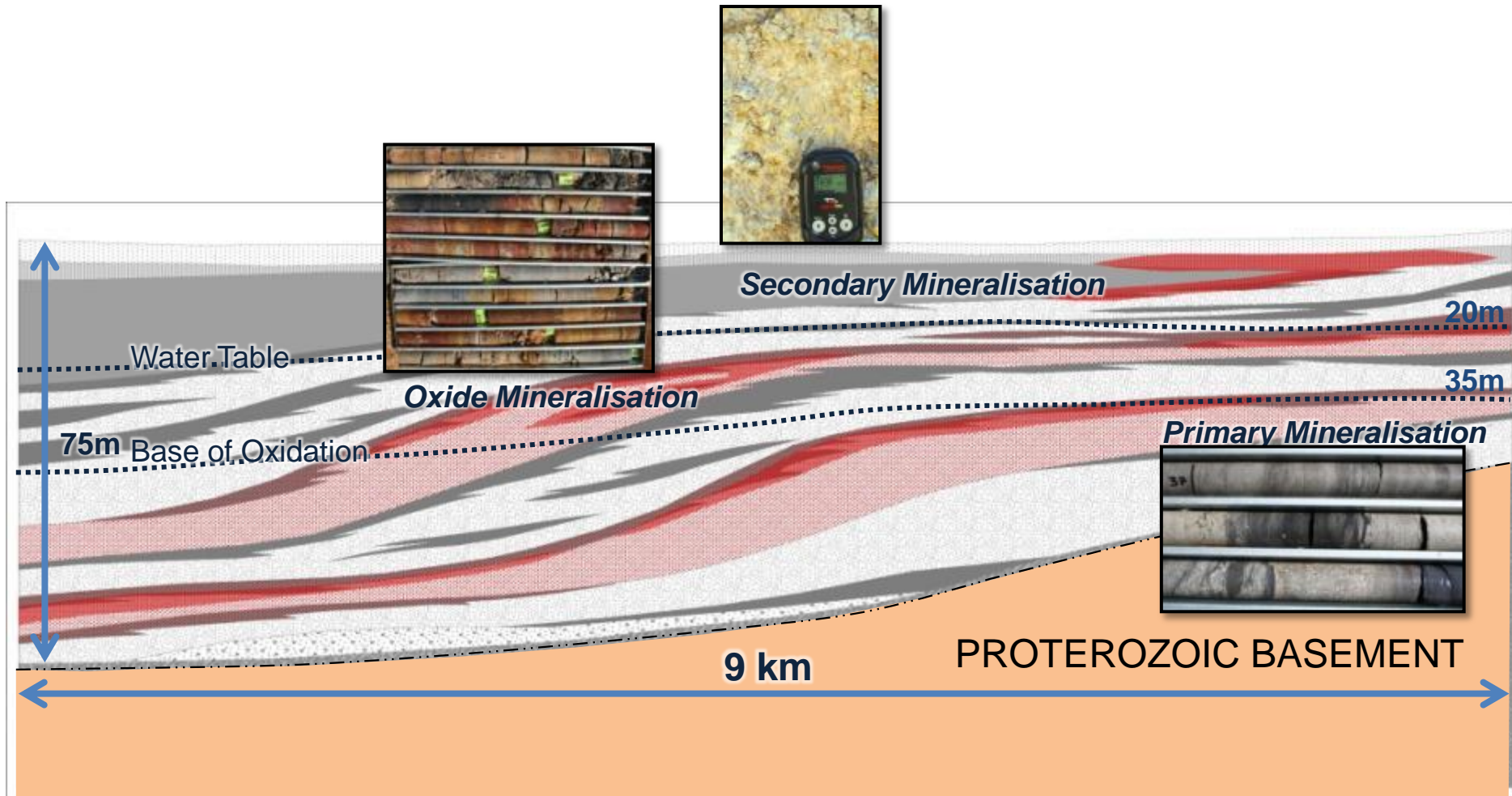
- High grade portion 83.7Mt at 447ppm U_3O_8 for a contained 82.5Mlbs U_3O_8
- Major break through achieved in mining and process design
- Shallow mining and low cost heap leach project producing 3Mlbs p.a. over 25 years plus
- Capital costs for plant and infrastructure US\$309M
- OPEX \$42/lb and decreasing with new high grade mineralisation
- One of the few new uranium projects capable of production in 2017/18



Recent Drilling Program

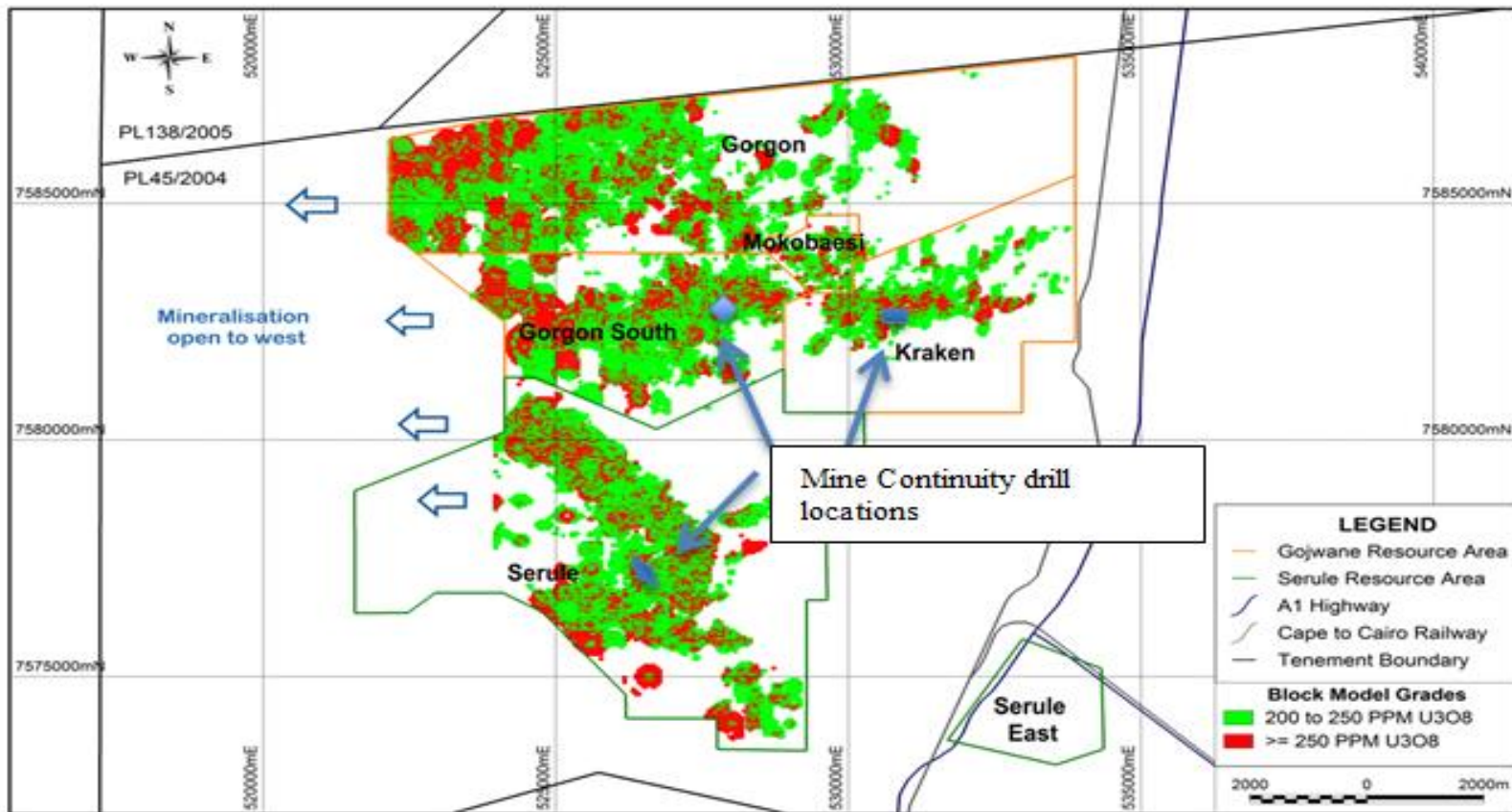
- 617 metres PQ diamond drilling and 3734 metres RC drilling completed to establish mining scale uranium variability and selected infill drilling
- Excellent grades supporting higher grade areas.
 - 9.85m @571 ppm eU₃O₈
 - 10.35m @368 ppm eU₃O₈
 - 2.25m @1354 ppm eU₃O₈
 - 3.05m @979 ppm eU₃O₈
 - 2.45m @1214 ppm eU₃O₈
 - 8.1m @355 ppm eU₃O₈
 - 1.95m @1224 ppm eU₃O₈

Ore Body – Flat, Shallow, Easy to Mine



- Shallow, Flat, Simple, Easy to mine, dips W at 1°
- Layer cake type deposit with series of upward fining sequences

Prospect Locations and Block Model



- Large, continuous resource at 200ppm U cut-off (green and red blocks)
- 82.5Mlbs @ 447ppm U3O8

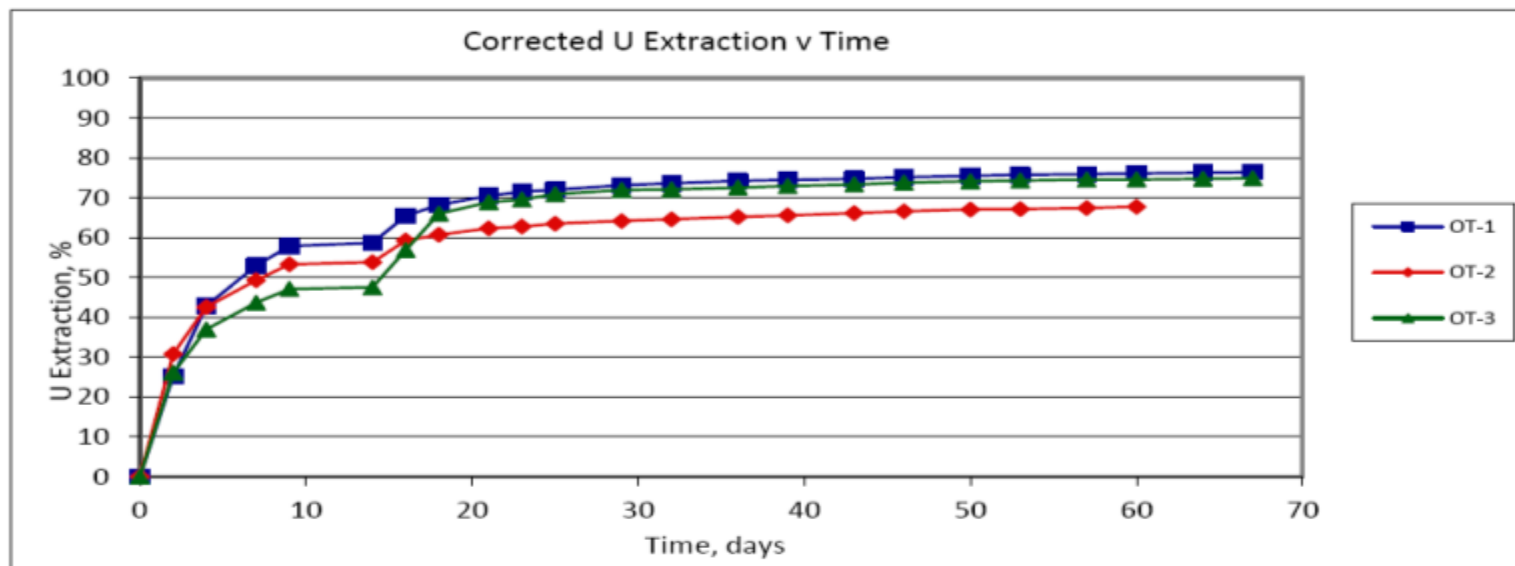
- Undertaken trial test pits to obtain bulk samples for metallurgical work
- Completed abrasion index tests in South Africa and Germany
- Optimal pick size of 19mm eliminating first stage crushing
- Surface miners allow very selective mining
- Wirtgen providing estimates of costs for the use of surface miners – less expensive than conventional mining – anticipated further OPEX reduction
- Produced conceptual pits for mining and scheduled for a production life of over 20 years



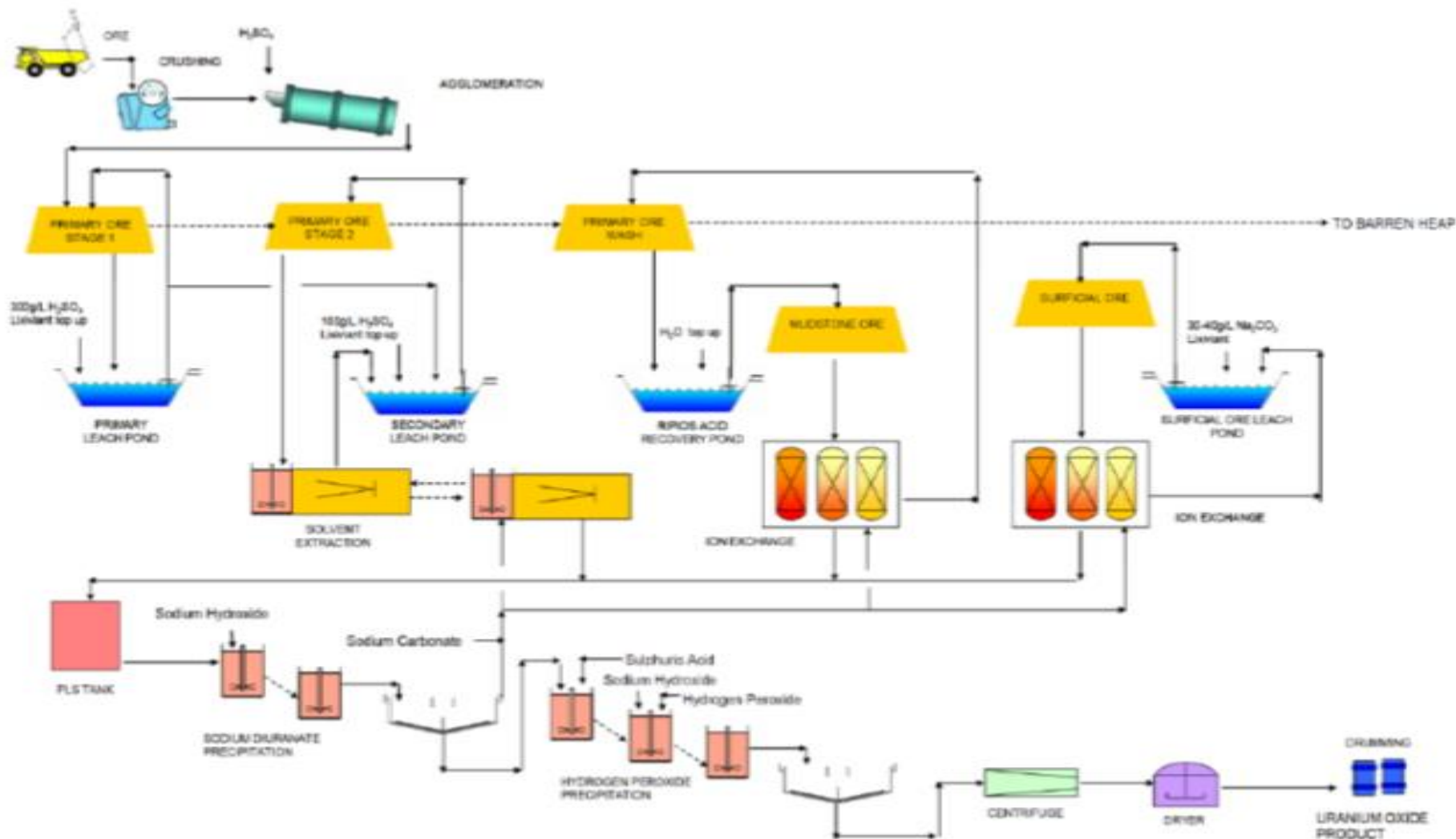
Wirtgen 4200 operating at FMG

Metallurgy - Testwork

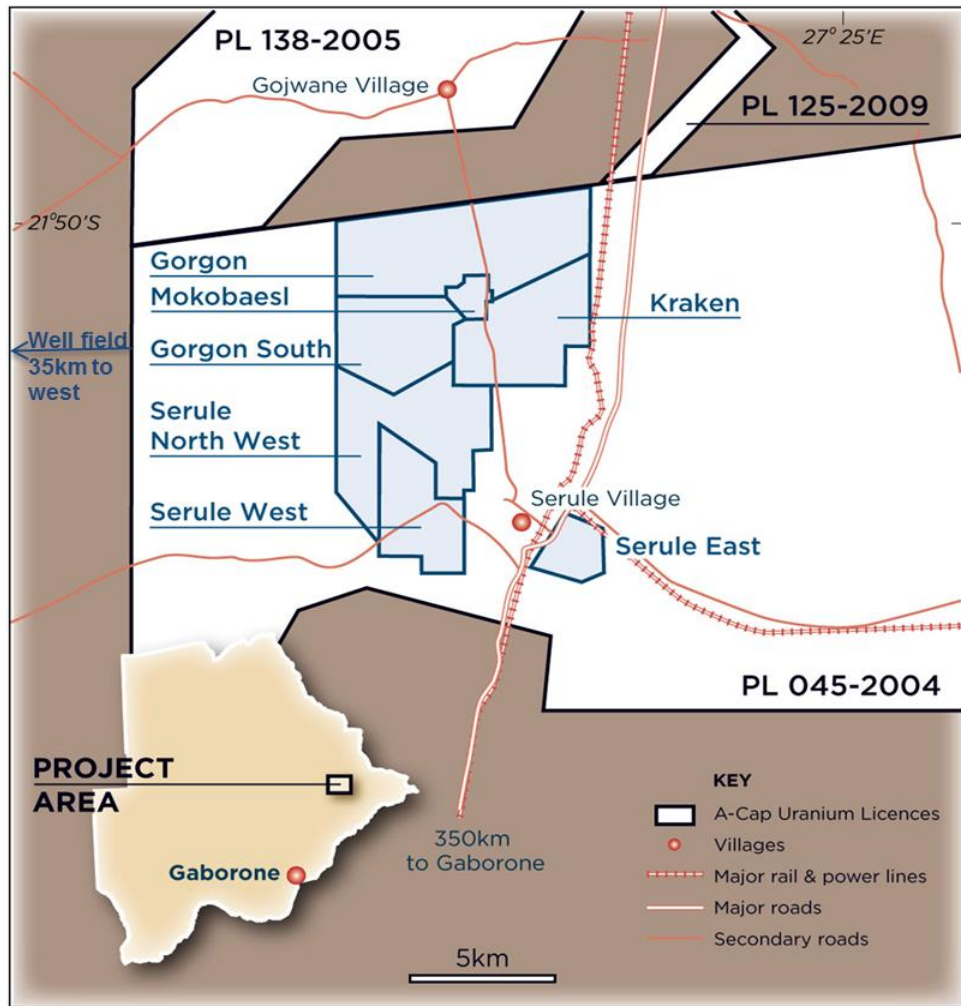
- Recoveries of up to 77% with an average of 71.5% over all ore types
- These recoveries applied to the high grade resources are expected to be positive for operating costs/lb
- Ongoing test work at ANSTO and SRK on 2 & 4M columns
- SLR - has completed study to determine the most cost effective and environmentally acceptable heap leach facility.
- Acid approx. 25% of total processing costs, options being explored with
 - Sulphur
 - Pyrite
 - Positive discussions on local acid supply with potential to significantly reduce acid cost and processing costs
- **Potential for substantial further decrease in OPEX**



Standard Heap Leach Process Plan



Major Infrastructure in Place



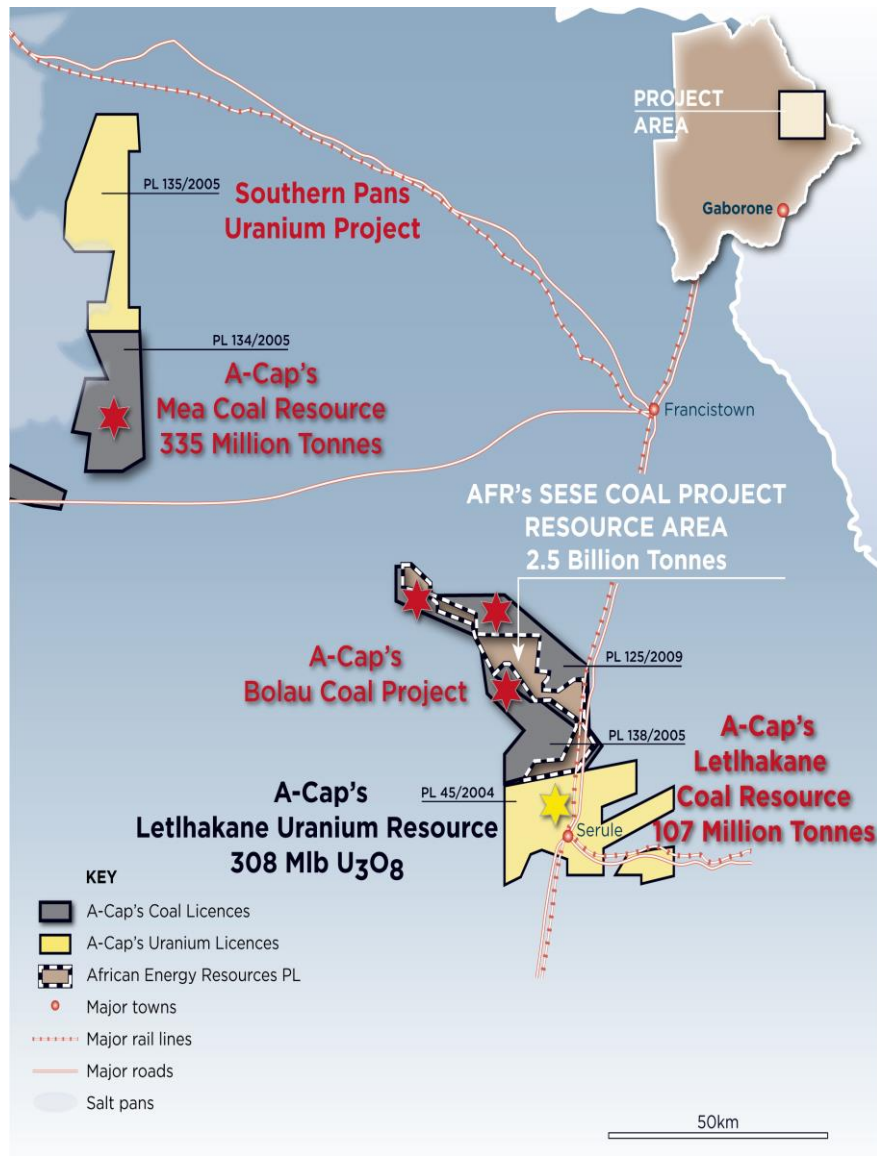
Rail, Road, Power & Water Available

- Letlhakane has all of the key ingredients for a successful project & is one of the largest undeveloped deposits in the world
- Low capital costs, competitive operating costs, in a stable political and permitting friendly environment

Uranium Strategy 2014:

- Complete metallurgical modelling and geo statistical drilling
- Finalise Environmental, Social Impact Assessment study
- Evaluation of process design & capital requirements
- Preparation of mining licence application

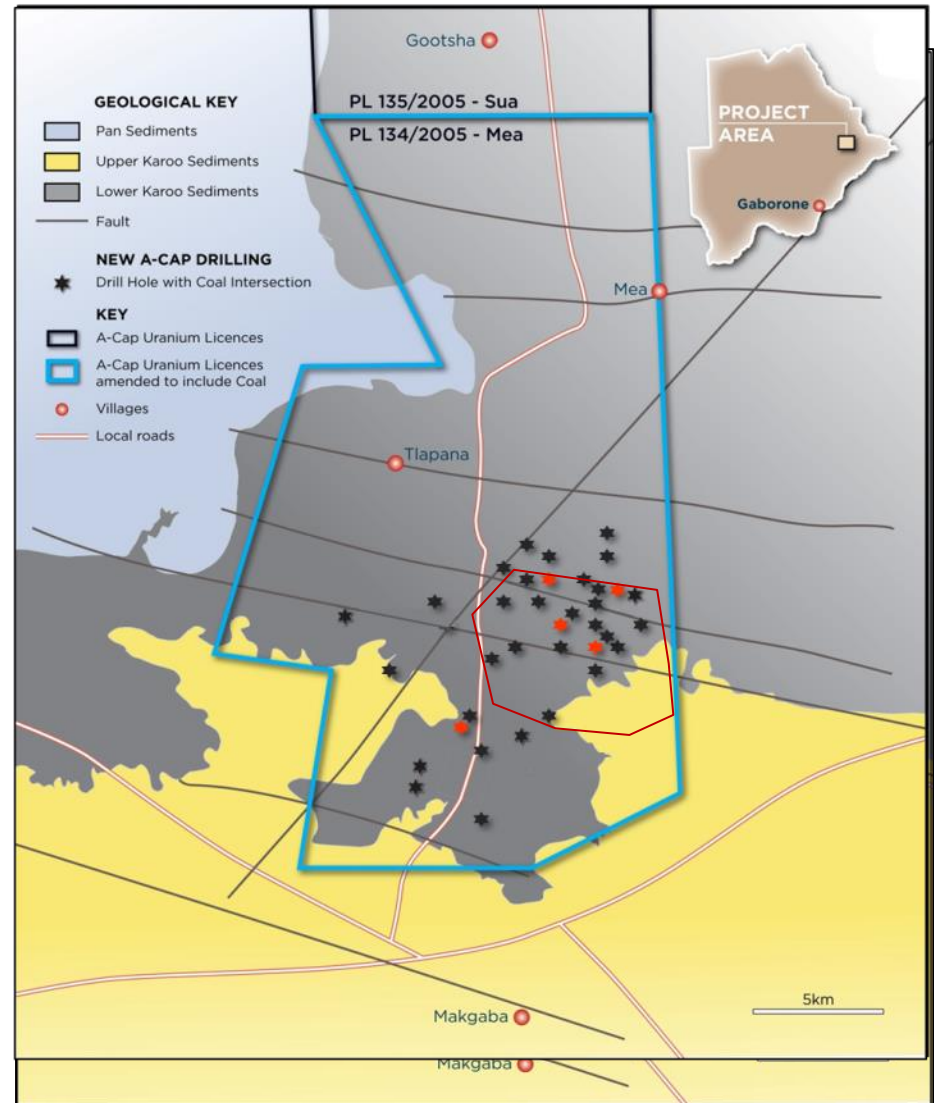
A-Cap Coal Projects



- Three new coal discoveries, Mea, Bolau and Letlhakane
- **Mea Project** new discovery containing Initial total Raw JORC Inferred Coal Resource of 335Mt
- **Bolau Project** is the extension and up and down dip of African Energy (AFR) Sese Deposit
- **Letlhakane Project** - Coal has been discovered above and below uranium ore horizons
- **Coal Strategy** - Incremental spend for potential large value increase
- Can export coal within existing rail capacity and capable of expansion
- **Significant development opportunities to export power in the region**

MEA COAL PROJECT

- Greenfields Discovery with thick coal sequence over large area (10km x 12km)
- Multiple seams, many containing coal of higher quality than typical in Botswana
- Initial JORC Inferred resource of 335 million tonnes potential to produce 95MT of export quality coal with calorific values of 26.43Mj/kg (6313kcal)
- Recent drilling completed will deliver Measured and Indicated Resources
- Will enable publication of Sedgman desktop study to ascertain potential for small scale start up to generate early cash flow
- Potential for resource growth with only 1/3 of the coal area drilled



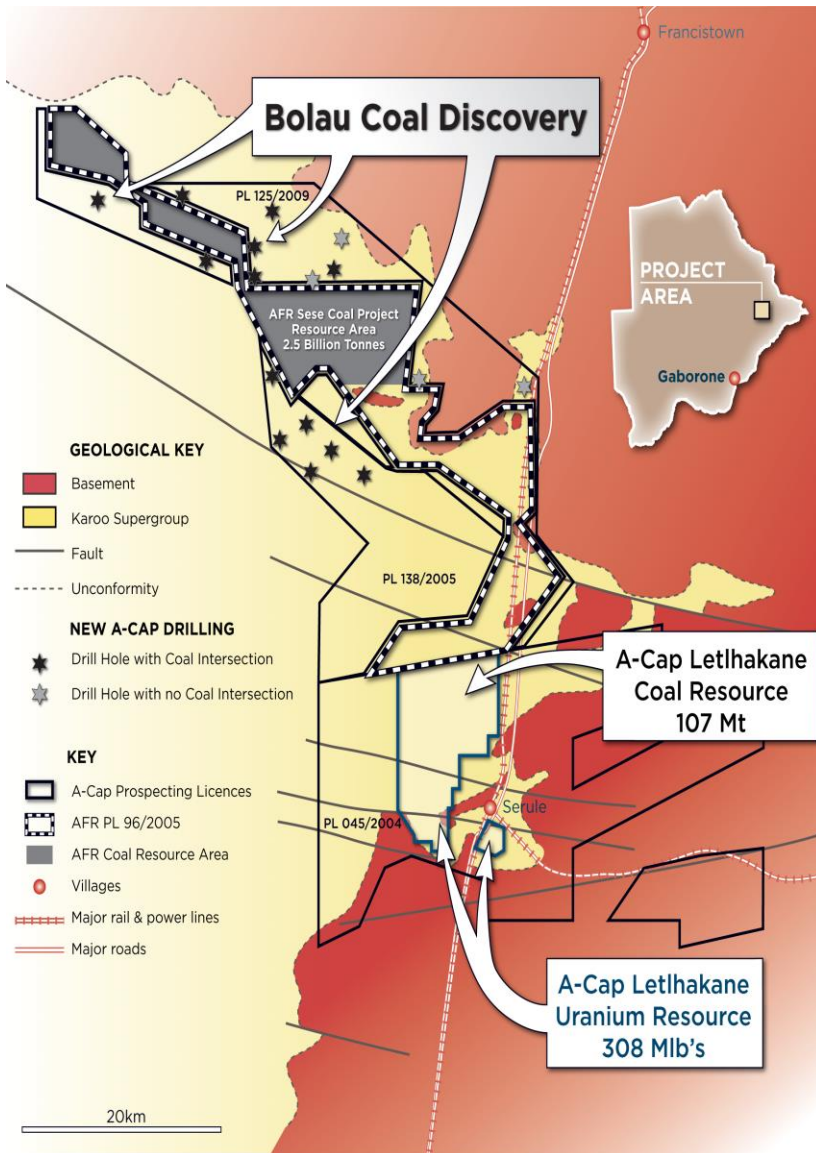
Mea Coal Project



MEDD0013: 57 –66m, Bright coal seams

- Can move quickly to complete the feasibility study and move into construction within 18 months
- Potential to target a plus 20million tonne resource in line with a 1 million tpa processing capability to use existing rail infrastructure
- Significant IPP opportunities in the region for export of power
- Close proximity to road, rail, power
- Initiating discussions with potential partners.

Bolau Coal Project



- Bolau Coal Project adjacent to African Energy Resources (AFR) Sese Coal Project. JORC compliant Indicated Mineral Resource of 2.5Bt
- Sese Coal can produce both domestic and export quality thermal products
- Recent Bolau drilling completed to define an indicated resource and enable publication of positive Sedgman reports
- Coal thickness averages 20m in two seams:
 - upper seam ~4m, lower seam ~16m.
- Surface area of coal occurrence at least 120km²
- Coal Occurs across Two PLs
 - PL125/2009 (Shallow Coal)
 - PL138/2005 (Deeper Coal)

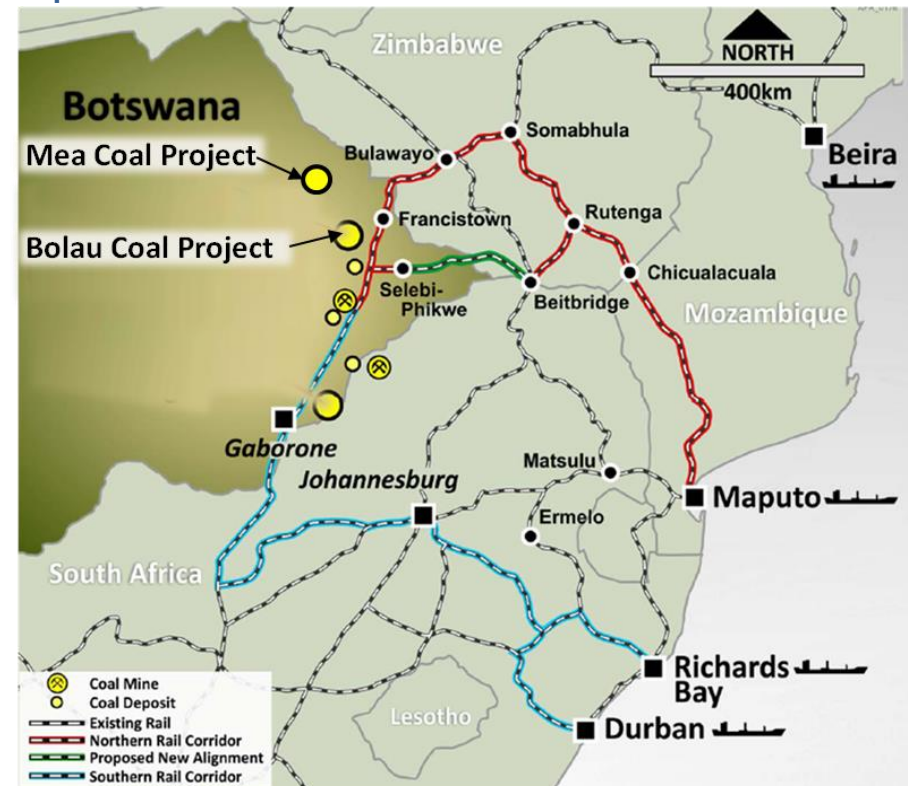
Botswana / South Africa Rail Status Update

Short Term:

- Transnet's railway line Ramatlabama-Durban via Johannesburg in use.
- Transnet will upgrade the Magalisburg line to Durban if Botswana export volumes warrant:
- If export tonnes reach 10Mt rail tariffs are expected to reduce to 3 US cents/t/km

Medium Term:

- Opportunity for Botswana to secure a dedicated coal terminal for Botswana at Richards Bay
- The Government of Botswana is supporting the Botswana Chamber of Mines in its quest to partake in this port development.

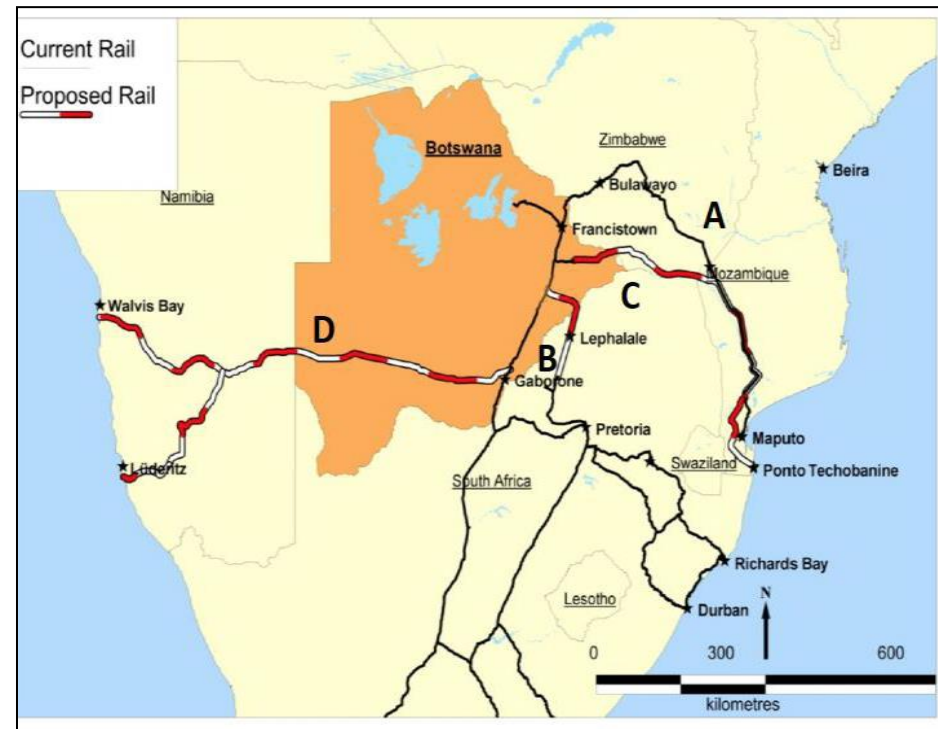


Botswana –Potential Bulk Tonne Rail Routes

Long Term:

Three potential new rail routes possible:

- **Transkalahari to Walvis Bay (D)** - agreement between the two governments (Botswana and Namibia)
- **Ponte Techobanine route in Mozambique (C)** - run by Transwana aiming to get the rail through Zimbabwe to Mozambique
- **The Waterberg rail route (B)** - Transnet plan to link up with Botswana coal through the Lephalale / Mahalapye rail network.
- **Morupule Colliery** is already exporting coal via the Ramatlabama route
- This Line has current capacity for additional export tonnes



Technical Director: Dr Paul Woolrich

Lead Consultant: Lycopodium Minerals Ltd, Perth

Geology and Resource Estimation: Optiro , H&S Consultants, David Wilson - Probe Calibration

Mining, Pit Optimisation and Scheduling: David Cairns Perth, Cube Consulting, Wirtgen, Germany

Mineralogy and Geology: Rob Bowell SRK Consulting U.K.

Metallurgical Testing: Mintek, South Africa and SGS, Perth

Engineering: Lycopodium and Knight Piesold, Perth

Environmental (EIA): SLR Consulting South Africa & Ecosurv Botswana

Well Field Surveys: Water Surveys Botswana

Metallurgy & Process Plant Design:

- Alta Metallurgical Services – Alan Taylor
- Orway Mineral Consultants – Grenvil Dunn
- Kappes Cassidy & Associates – Randall Pyper

Experienced Management and Technical Team

- Highly experienced technical and operational team
- World best expertise in geology, mining, metallurgy, process design and development engaged
- Team with project development, infrastructure & construction expertise
- Board and management with strong track record of taking projects from exploration to production
- Demonstrated ongoing continuous improvement in project economics



A-CAP in Botswana

- Have drilled over 3,600 holes for > 150km of drilling
- Currently employ 32 permanent employees, including:
- 26 Motswana citizens (most from local villages)
- Involved in many community health initiatives:
- Regular HIV VCT activities (working closely with Tonota District Council)
- Built 2 houses for destitute people in Gojwane and Serule villages
- Sponsored several Women's Day activities in Gojwane – Serule district
- Community consultations (part of ESIA)
- Workplace and community radiation monitoring and education

A-Cap are considered by the communities in which we work to be an exemplary community member and strong contributor to the advancement of local stakeholders



- **Scale** - Very large uranium deposit with significant new high grade resource 83.7Mt at 447ppm U_3O_8
- **High Grade** - Resource indicates competitive operating cost per pound
- **Low Capex** - Capital costs for plant and infrastructure US\$309M
- **Comparative Advantage** - One of the few new sources of production with low Capex, competitive operating costs and low sovereign risk
- **Coal Assets** - Major new coal discoveries being developed and evaluated - **Incremental spend for potential large value increase**
- **Strategic** - Discussions with strategic partners on coal and uranium
- **Botswana** - A safe and stable investment destination
- **Strong Register** – Well funded with strong ongoing support from major shareholders

A wide-angle photograph of a sunset over a body of water. The sun is a large, bright, glowing orb in the upper left quadrant, casting a warm, orange and yellow light across the sky. The water in the foreground is dark and calm, reflecting the light from the sun. In the middle ground, a small white vehicle, possibly a boat or a small truck, is visible on the water, with a few people standing nearby. The horizon line is low, and the overall scene is peaceful and serene.

THANK YOU

A-Cap Resources Ltd
Level 16, AMP Building, 140 St Georges Terrace
Perth Western Australia 6000
Telephone: +61 8 9220 9850
Facsimile: +61 8 92209820

CEO: pthomson@a-cap.com
Business Development: pcallander@a-cap.com.au
Web: www.acap.com.au