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ASX Release

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Metallurgical testwork confirms high metal recoveries from Wilconi nickel – cobalt ores using multiple extraction methods.

Highlights

- **Excellent Nickel and Cobalt Recoveries in excess of 90% for Ni and cobalt were achieved through high pressure acid leaching for the limonitic and saprolite ore types**
- **Acid bake testing also showed good recoveries OF Ni and Co with lower acid consumption**
- **Further metallurgical testwork will be undertaken to confirm these results and look at further optimisation**

Acap Energy Limited ("Acap", "the Company") is pleased to update the market on results of recent metallurgical testwork conducted on ores from the company's Wilconi Nickel – Cobalt Project ("Wilconi"), in Western Australia. Samples of drill cores representative of different ore types (limonitic, saprolitic and saprock) were selected and provided to Simulus Laboratories (Perth) for testing. The samples were tested for their amenability to nickel and cobalt leaching using five different processing methods, including: Atmospheric Leach, High Pressure Acid Leach (HPAL), Reductive (SO_2) Leach, Acid Bake and Water Leach and Salt Roast and Water Leach. Results are summarised in Table 1 and Appendix 1.

Results show high metal recoveries for limonitic and saprolitic ores (Samples #1 – 3), with averages between 73.6 – 93.1% Ni and 71.1 – 93.2% Co from HPAL, atmospheric leach and acid bake methods. Metal recoveries for Reductive Leach and Salt Leach tests on the same samples were lower (<9.2% Ni and <28.7% Co). Tests conducted on saprock (Sample #4) ore showed good metal recoveries using the atmospheric leach method of 79% Ni and 72.8% Co but were much lower for other methods tested (Table 1).

HPAL returned the highest metal recoveries out of all the methods used, with >93% Ni and >91% Co leached from both the limonitic and saprolitic ores. The atmospheric leach and acid bake methods had similar high recoveries for the limonitic and saprolitic ore types however the acid bake method required much lower acid consumption.

More metallurgical testwork is planned using samples from recently drilled diamond cores to continue to refine the preferred processing methods and fine tune the recoveries for the different ore types.

Managing Director Andrew Tunks commented, *"metallurgical studies by Simulus are aimed at identifying the optimum process and conditions for treatment of Wilconi ores. The high yields of nickel and cobalt metal derived from a variety of extraction methods is encouraging as this provides flexibility in future mine planning*".

TABLE 1: Summary of metal recoveries and acid consumption for various Wilconi ore types and different processing methods.

ACAP ENERGY METALLURGICAL TESTWORK SUMMARY TABLE						
TEST DETAILS				METAL EXTRACTION		
TYPE	**SAMPLE**	**% SOLIDS**	**Acid kg/t**	**Ni%**	**Co%**	**Fe%**
Atm Leach	1	10	1050	80.2	69.9	59.9
Atm Leach	2	10	493	72.8	59.6	43.2
Atm Leach	3	10	1380	77.7	83.8	62.7
Atm Leach	4	10	962	79	72.8	42
HPAL	1	20	395	97.4	96.2	1.2
HPAL	2	20	371	97.5	91.2	8.2
HPAL	3	20	402	93.4	92.3	3.4
HPAL	4	20	747	28.2	56.8	6.1
SO_2 Leach	1	30	25	17.6	64.5	1.6
SO_2 Leach	2	30	25	6.9	15.4	0.5
SO_2 Leach	3	30	25	3.2	6.4	0.1
SO_2 Leach	4	30	25	1.1	0.7	0
Acid Bake	1	40	400	83.2	96.4	6.6
Acid Bake	2	40	400	76.9	83.6	12.3
Acid Bake	3	40	400	60.8	77.3	0.3
Acid Bake	4	40	600	45.7	47	2.2
Salt Roast	1	25	187.5	1.2	3.5	0.2
Salt Roast	2	25	187.5	1.6	2.7	0.9
Salt Roast	3	25	187.5	2.5	10.4	0.2
Salt Roast	4	25	187.5	0.5	1.7	0.3

*Ore types: 1 & 3) Limonitic – intensely weathered, high iron >30% and low magnesium content, 2) Saprolitic – moderately weathered with moderate iron and magnesium content, 4) Saprock – weakly weathered with low iron and high magnesium content.
**% Solids represents the percentage of pulped solids dissolved in solution measured by weight.

A-Cap Energy's Board has authorised the release of this announcement to the market.

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About A-Cap Energy

A-Cap Energy is an Australian resources company focused on the development of critical minerals serving the world's path to carbon net zero. Amid renewed global focus on nuclear energy, the company's flagship Letlhakane Uranium Project in Botswana hosts one of the world's top 10 undeveloped uranium resources – 365.7 million pounds of contained U3O8 (100ppm U_3O_8 cut-off). A-Cap's Wilconi Project, which represents the company's first nickel-cobalt laterite project interest, is being advanced in response to the significant growth expectation in the supply of battery materials to the OEM automotive and battery industries. The company aims to establish key strategic and commercial relationships to take advantage of material processing and refinery technologies according to the highest Environmental, Social and Governance (ESG) standards.

Competent person's statement

Information in this report relating to exploration drill results, is based on information compiled by Mr Harry Mustard, a full-time employee of A-Cap Energy Limited and a member of AIG. Mr Mustard 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 Mustard consents to the inclusion of the data in the form and context in which it appears. Information in this report relating to cobalt, nickel and associated metals of the Wiluna Cobalt Nickel Project (Wilconi Project), is based on information compiled by Mr Paul Ingram, a director of A-Cap Energy Limited and a Member of AusIMM. Mr Ingram has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting Exploration Results Mineral Resources and Ore Reserves.

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APPENDIX 1 : WILCONI METALLURGICAL SAMPLE ASSAY RESULTS

ACAP WILCONI METALLURGICAL SAMPLE ASSAYS															
SAMPLE	DRILL HOLE	ORE TYPE	FROM (m)	TO (m)	DENSITY	Ni %	Co %	Al %	Ca %	Cr %	K %	Mg %	Mn %	Na %	Si %
1	WCN21DDH22A	Limonitic	9	11	2.86	1.36	0.20	1.28	0.16	1.28	0.26	1.80	0.84	1.30	19.80
2	WCN21DDH22A	Saprolitic	12	16	2.47	0.70	0.054	0.54	0.17	0.65	0.27	2.86	0.31	1.07	31.20
3	WCN21DDH031	Limonitic	36	41	3.32	1.03	0.16	3.31	0.07	1.84	0.29	1.07	0.57	1.62	8.60
4	WCN21DDH032	Saprock	41	46	2.69	1.14	0.04	0.52	0.14	0.84	0.43	11.86	0.32	3.00	18.30

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JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	• All diamond drill cores were sampled at 1 metre intervals. • All sampling intervals were recorded in Acap's standard sample record spreadsheets. Sample condition and recoveries were recorded for all samples. • To ensure optimum recoveries in soft, clayey lateritic material larger diameter cores (PQ sized – 90mm) were collected. • Cores were sampled at 1m intervals by cutting the samples in half using a core saw. Clay samples that were very soft were cut using a knife or spatula. • All drill holes were geologically logged at 1m intervals. • All the drill samples were sent to ALS Geochemistry Perth for analysis. ALS Perth conforms to Australian Standards ISO9001 and ISO17025. • The samples collected for analysis were dried, crushed, pulverised and analysed for 17 elements and oxides via ALS Nickel Laterite package i.e. fusion XRF (ME-XRF12n) normalised for loss on ignition (LOI). • Quality assurance of the sampling was carried out with a duplicate, blank or standard inserted every 10th sample. Duplicate samples were prepared as quartered core. Details on QA/QC protocols are provided in the Quality of Assay data and laboratory tests section below.
Drilling techniques	• All diamond drilling was completed using an LF90 track mounted rig. Holes were drilled in PQ sized core. • The holes were designed to infill between lines of historical holes spaced 100 metres apart. The infill drilling closed up the drill spacing to 50 metre centres over shallower, better grade portions of the resource. • Holes drilled were shallow, ranging between 20m to 60m depth. • All holes were drilled using triple tube core barrels to collect PQ3 size core. • Upon completion, all drill holes were surveyed from the top to bottom of the hole at 10m intervals using a Reflex, north seeking Gyro.
Drill sample recovery	• All core samples were logged in detail. At the end of each drill run (0.1 – 3m) the driller noted on wooden or plastic core blocks the depth drilled and core recovered. These recoveries were checked by geologists during geotechnical logging of the cores. • Core recoveries were maximised by using a larger diameter core barrel (90mm), triple tubes and reducing penetration rates and drilling shorter runs in variable and poor ground conditions. • Average core loss over the entire drill programme was acceptable at 6.4% and core loss in the mineralised intervals was 9.6%.

Criteria	Commentary
Logging	• All drill holes were logged in detail by geologists on site during the drill programme. Geotechnical data such as core recovery, RQD index, rock hardness, fracture and vein density and type were recorded. Geological data such as lithology, weathering intensity, mineralisation and alteration was recorded in detail. • Data was entered directly into spreadsheets on tablets and laptops. • Logging was both qualitative and quantitative depending on the criteria being recorded. • All core trays were photographed after core was marked out and prior to logging and sampling. • Half core was retained on site following sampling except for mineralised intercepts sent for metallurgical testwork. • Bulk density readings were determined from selected samples (1 sample for each metre) using the Archimedes method.
Sub-sampling techniques and sample preparation	• Cores were sampled at 1m intervals. • All cores were split in half. With half retained on site for reference and half sent to ALS for analysis. Where possible cores were sawn using a core saw. Where clayey and soft, cores were split using a knife and/or paint scraper. • In most core holes the unmineralised overburden was not sampled. • These sampling methods are industry standard and considered appropriate for sampling of cores. • In this most recent drill programme a duplicate, blank or standard was inserted in the sample stream at every 10th sample. Every 30th sample was a duplicate collected as quarter core. • A range of OREAS nickel laterite standards were inserted into the sample stream. • Duplicate sample analyses were within 10% for the main elements targeted. • Analysis of standards and blanks inserted were all within +/- 10% of the recommended value for the main elements targeted. • Sample sizes are considered appropriate for the grain size
Quality of assay data and laboratory tests	• All samples were analysed by ALS laboratories in Perth. Each sample was entirely crushed to 70% passing 2mm (CRU-31). A 3kg split of the crushed samples were pulverised to 85% passing 75 microns (PUL-23). A split from the pulverised sample was analysed using Fusion XRF (ALS method ME-XRF12n). • Loss on ignition (LOI) by thermo-gravimetric analysis (ALS method MEGRA05) is reported for each sample. • ALS is a reputable commercial laboratory with extensive experience in analysing nickel – cobalt samples from numerous West Australian nickel laterite deposits. • ALS Geochemistry (Perth) has been audited and conforms to Australian Standards ISO9001 & ISO17025. • ALS also ran their own laboratory internal checks via repeat analyses, standards and blanks. • No data from geophysical tools or hand-held assay devices have been reported. • In this most recent drill programme a duplicate, blank or standard was inserted in the sample stream at every 10th sample. Every 30th sample was a duplicate collected using the same sampling technique as the original sample. Standards and blanks used were OREAS certified reference material. • Duplicate sample analyses were within 10% for the main elements

Criteria	Commentary
	targeted. • Analysis of standards and blanks inserted were all within +/- 10% of the recommended value for the main elements targeted. • Internal laboratory standards and repeats demonstrated a high level of accuracy and precision in the analysis.
Verification of sampling and assaying	• ACap Energy geological personnel independently reviewed the diamond drill intersections and verified their suitability to be included in the drilling results. • The recent diamond drill programme was designed as infill drilling of the resource, QA/QC verification of the RC drilling and did not twin any of the historical holes. • Primary data was recorded directly into spreadsheets on tablets and laptops in the field. Once assay results were received the information was sent for merging, validation and compilation using acQuire software. • No adjustment to assay data has been required.
Location of data points	• All recently completed holes have been surveyed using a real time DGPS system to <5cm accuracy. • Once completed, all drill holes were surveyed from top to bottom at 10m intervals using a Reflex, north seeking gyro. • The grid system for the Wiluna Nickel Project is Map Grid of Australia GDA 94, Zone 51. • A DGPS survey of drill hole collar locations is considered sufficiently accurate for reporting of resources, but is not suitable for mine planning and reserves.
Data spacing and distribution	• The drill programme was designed to increase the drill hole density of the near surface, better grade portions of the resource to 100m x 100m and 100m x 50m drill spacings. • This spacing is considered sufficient to establish confidence in geological and grade continuity. • Sample compositing of drill cores was not conducted.
Orientation of data in relation to geological structure	• Recent drill holes were angled to match orientations of previous drilling and to cover the possibility of steep dipping structures being present that may focus deeper laterite development i.e. mineralised “keels”. • Drilling has been done along lines perpendicular to the strike of the mineralisation. • Angled holes (-60˚) have been drilled at a high angle to the mineralisation which is known to be broadly horizontal. The down hole intercept widths maybe 15% longer than true widths, however there is not considered to be any bias in grade.
Sample security	• Once a drill core was split in half, cores were placed into plastic sample bags and zip tied. Samples were always under the care and supervision of ACap geologists until samples were loaded onto trucks for shipment to ALS Perth laboratory by ACap personnel.

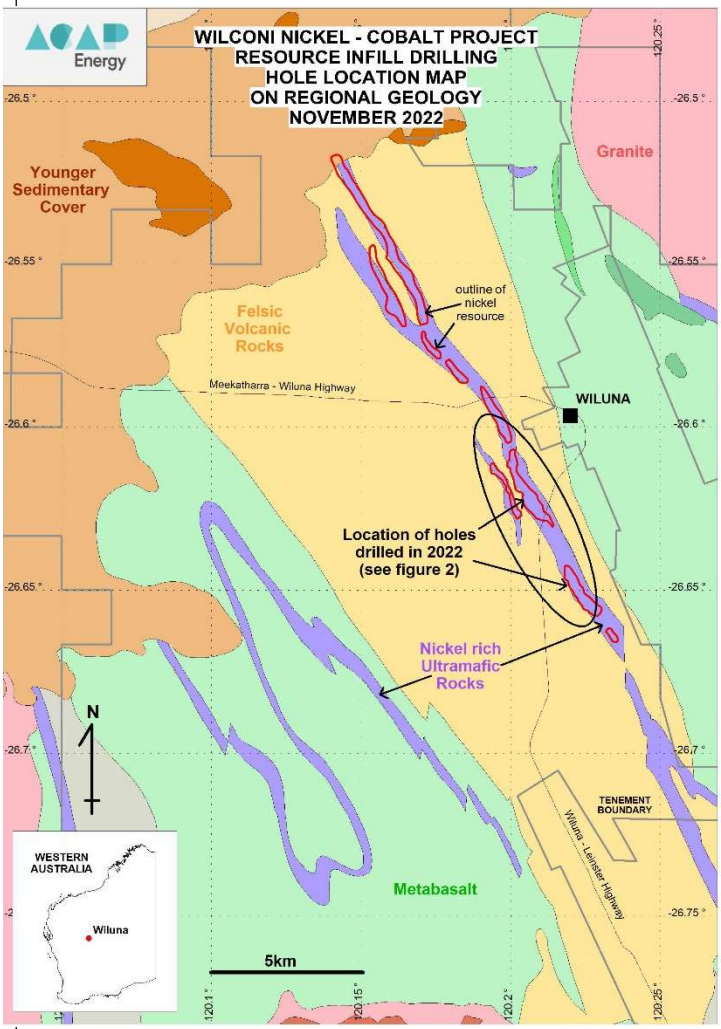
Criteria	Commentary
Audits or reviews	• Drilling and sampling methods have been inspected on site by consultants employed by MiningPlus (Perth). The methods are considered suitable for the style of mineralisation being tested.

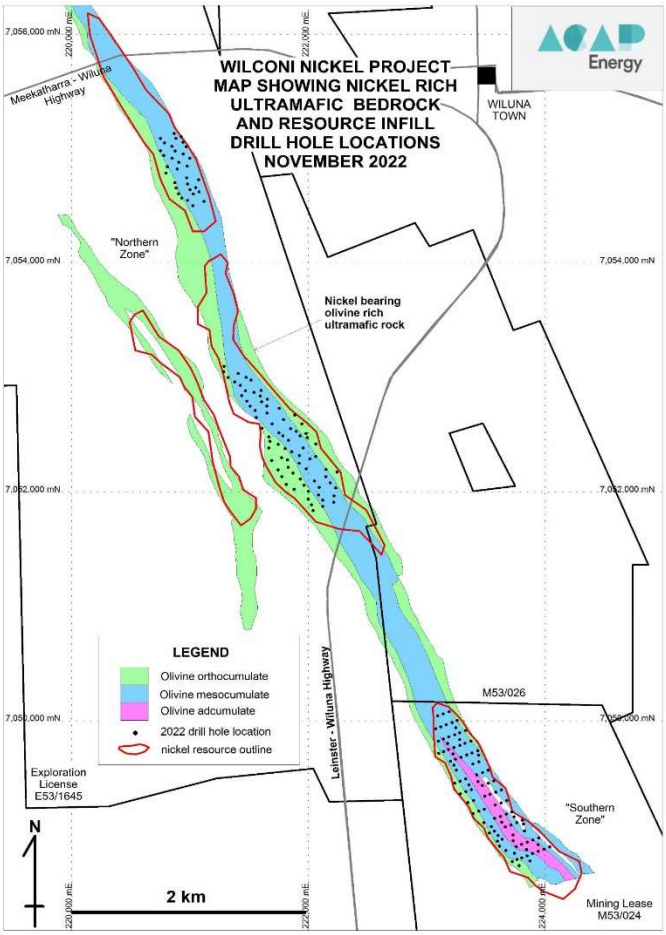
Section 2 Reporting of Exploration Results

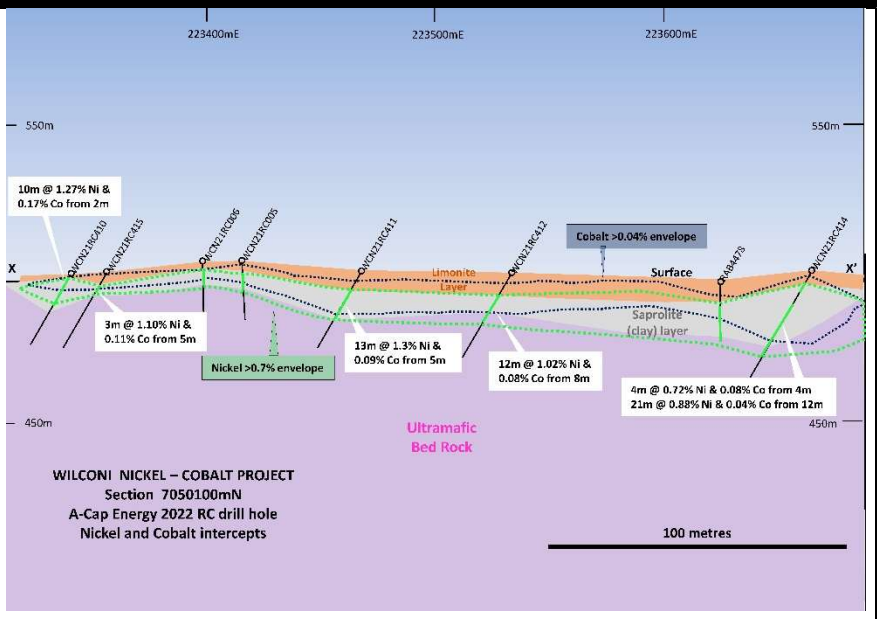
(Criteria listed in the preceding section also apply to this section.)

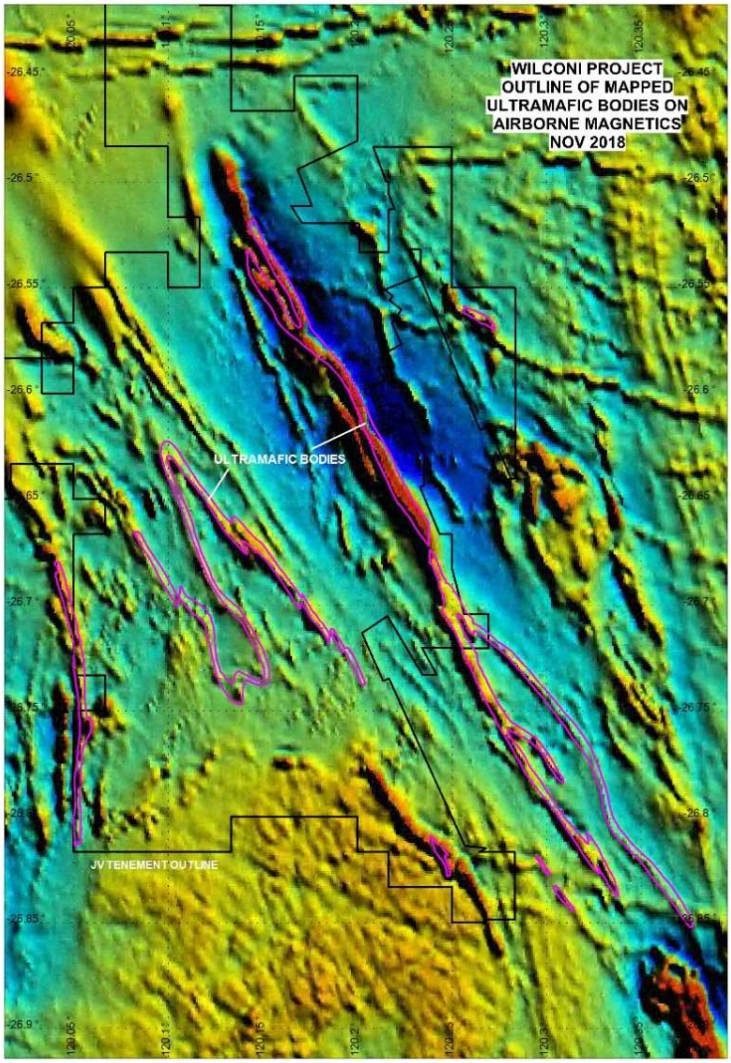
Criteria	Commentary
Mineral tenement and land tenure status	• A-Cap Energy Ltd and Wiluna Mining Corp. have entered into a definitive Farm-in and Joint Venture Agreement (JVA). • Tenements in the JVA consist of the following exploration tenements: E53/1794, E53/1645, E53/1908, E53/1803, E53/1864, E53/2048, E53/1852, E53/2050, E53/1791, E53/1853, E53/1912, E53/2054, E53/2053, E53/2076, R53/0001 • Tenements in the JVA consist of the following mining leases: M53/0092, M53/0139, M53/0026, M53/0024, M53/1098, M53/0049, M53/0071, M53/00131, M53/00034, M53/00052, M53/00041, M53/00188 • All the JVA tenements are held in the name of Kimba Resources Pty Ltd and Matilda Operations Pty Ltd both companies are subsidiaries of Wiluna Mining Corp. All tenements are current except exploration licenses E53/2053, E53/2054, E53/1803, E53/1864, E53/2048 and E53/2050 which are pending grant. • All tenements are contiguous and cover an 881 km² area around the town of Wiluna. • Franco Nevada Australia Pty Ltd hold a 2% net smelter return royalty over nickel metal produced from the existing mining leases only. • Clive Jones, Nathan McMahon and Buckland Capital Pty Ltd have a 1% net operating profit from nickel production with Wiluna Mining Corp on the Wilconi Project. A-Cap Energy is not a party to this agreement. • The tenements are located on the traditional lands of the Tarlka, Matuwa and Piarku people (NTA ID WR2016/001). Wiluna Mining Corp. currently have an agreement with the traditional owners that requires any areas within the JVA tenements be cleared by cultural heritage survey prior to any surface disturbance. • There are no known impediments to obtaining a license to operate in the area outside of standard landholder, traditional owner and Western Australia Department of Mines & Petroleum (DMP) regulations.
Exploration done by other parties	• Delhi 1968 conducted initial costeaning and sampling for Ni gossans and Kambalda type Ni sulphides. Numerous assays >2% Ni were returned from laterite. Kennecott 1969-1972 completed further soil sampling and pitting which identified coincident Ni+Cu anomalies. This was followed up by a percussion drilling program that covered several kilometres of strike length with 850 holes to a typical depth of 10-15m, which confirmed the previously identified soil geochemical targets. • Kennecott conducted extensive RC drilling of the laterite profile, which has subsequently formed part of the laterite Ni resource. Kennecott followed up by drilling 2 diamond holes, which from the sections and plans it appears have failed to test the targeted ultramafic basal contact, due to structural complexity. Despite failing to directly detect the targeted Mount Keith-style mineralisation, this drilling does not preclude the possibility that some laterite Ni mineralisation has resulted from weathering of an underlying Ni sulphide body • During 1973-1976 WMC followed up with IP and EM geophysical surveys and drilled 4 further percussion holes and 1 diamond hole testing the resulting

Criteria	Commentary
	anomalies. There are no significant assays reported and the source of geophysical anomalism was attributed to variably massive and disseminated pyrrhotite and pyrite logged in association with amphibolites. • In 1993-4 the CSIRO and Asarco Australia conducted mapping and petrographic analysis of ultramafic rocks at several prospects. These researchers recommended further drilling to determine whether the Perseverance ultramafics were extrusive or intrusive as per the high-energy extrusives / sub-volcanic intrusives around Agnew - Leinster, and therefore prospective for Ni sulphide deposits. • In 1995 Wiluna Mines intersected Ni sulphide and PGE mineralisation of up to 2m @ 2.15%Ni + 1g/t Pd+Pt from 74m in hole 95WJVP251 at Bodkin prospect. The massive sulphide is located within an interpreted thermally eroded footwall basalt unit. This was the first recorded massive sulphide occurrence in the Perseverance ultramafics and has major implications for the prospectivity of the immediate Bodkin area and the wider ultramafic stratigraphy. (Wiluna Mining Corp, Wiluna Nickel Project- Information Memorandum Oct 2014). • Between 1992 and 1997, CRA in joint venture with Wiluna Mines drilled 372 holes (mostly RC) totalling 41,273 metres over the extent of the ultramafic units. Much of the data collected from this drilling has been used in the JORC nickel laterite resource estimates completed by Snowden for Agincourt Resources in 2005 and by Mining Plus for A-Cap Energy in 2019.
Geology	• The Wilconi project is located on the north eastern edge of the Archaean Yilgarn Block, in the Wiluna Greenstone Belt. The Wiluna Greenstone Belt can be divided into two metamorphic domains, the Wiluna domain in the east and the Matilda domain in the west. The major north west trending Perseverance Fault separates the domains. • The Wiluna domain is a low grade, prehnite-pumpellyite facies, metamorphic terrain comprising mafic to ultramafic lavas with intercalated sedimentary units, felsic volcanics and dolerite sills overlain by a thick pile of felsic volcanics, tuffaceous sediments, and sedimentary rocks, interrupted by extrusion of a large volume of komatiitic lava. Primary igneous textures and structures are well preserved, and deformation is predominantly brittle. • The Matilda domain is a medium to high grade, greenschist to lower amphibolite facies, metamorphic terrain with predominantly ductile deformation. It consists of a volcano sedimentary sequence in an interpreted major northwest trending synclinal structure, with the axis close to the Perseverance Fault. The sequence comprises basal banded iron formation in the west, overlain by komatiitic volcanics with limited basal peridotite members. These grades upwards into high magnesium basalt and basalt with interflow chert and graphitic sediments. Metabasalt predominates in the project area. Felsic volcanic rocks and sediments are interpreted to form the core of the syncline. • A number of granite plutons intruded both domains during the very latest stages of volcanism, or the earliest stages of subsequent compressional deformation and regional metamorphism. Emplacement was essentially along the contact between the greenstones and the unknown substrate. • Exposure at the Wiluna Nickel-Cobalt Project ground is virtually non-existent and the geology of the Wiluna ultramafic rocks has been largely determined from previous drilling results aided by an interpretation of magnetic surveys. Approximately 10km northwest of Wiluna the ultramafics are buried under Proterozoic cover. • Drilling has shown that the ultramafics form the base part of a differentiated igneous intrusion which is represented by serpentinised dunite, serpentinised peridotite, pyroxenite and gabbro. The intrusion appears to be conformable or slightly discordant and is thought to have been emplaced as a dyke or sill. • Near Wiluna, this ultramafic unit is between 200-300m wide at the surface but thins rapidly south to less than 100m at the surface before disappearing under

Criteria	Commentary
	the surficial cover. The ultramafic rocks are dislocated by several faults trending north and northeast. • Nickel – cobalt mineralisation is concentrated in laterite profiles developed over units of the Perseverance ultramafic sequence. Previous drilling has shown that the mineralisation forms a thin, generally <10m thick laterally extensive blanket. Where cut by steep structures, intense lateritisation and mineralisation can extend down to 100 metres depth. • From the top of the profile magnesium levels typically increase from less than 1% to 20% at the saprock interface. This typically occurs within approximately 6 metres allowing an Mg discontinuity surface to be easily identified. This discontinuity is a redox front which forms between the reduced water table and the overlying oxidised saprolite. In many locations the nickel and cobalt peak values occur above this surface. 
Drill hole Information	• See Appendix 1 for metallurgical sample assays.
Data aggregation methods	• Wiluna Nickel-Cobalt Project significant intercepts calculated using the following parameters: Ni≥0.7%, minimum width of 2m, internal dilution up to 1m waste with a minimum grade of final composite of >0.7% Ni
Relationship between mineralisation	• The Laterite is flat lying and drilling is either vertical or at a 60 degree angle. The intersections are a reasonable approximation of the mineralization thickness.

Criteria	Commentary
widths and intercept lengths	
Diagrams	• See Appendices 1 and 2 and maps below 

Criteria	Commentary
	
Balanced reporting	• Appendix 1 lists assays for samples reported in this announcement.
Other substantive exploration data	• Ultramafic units in the Wiluna region are strongly magnetic and show up as conspicuous linear magnetic highs in the ground and airborne magnetic survey data (see Figure). The magnetic data highlights the continuity of the ultramafic units over which the cobalt and nickel rich laterite deposits are developed.

Criteria	Commentary
	
Further work	• Future work will consist of an update of the mineral resource estimate incorporating the new assay results from drilling completed in 2022. The close spaced infill drilling completed should allow the upgrade of nickel resources from inferred and indicated to indicated and measured categories. • Other work planned as part of the PFS includes: Hydrogeological studies including baseline surface and ground water studies, subterranean fauna studies, cultural heritage surveys, design and geotechnical assessment of constructed landforms including waste dumps, open cuts and tailings storage facilities, soil, waste rock and tailings characterisation studies, noise and greenhouse gases assessment. • Ongoing metallurgical testwork forms a major part of future work planned.