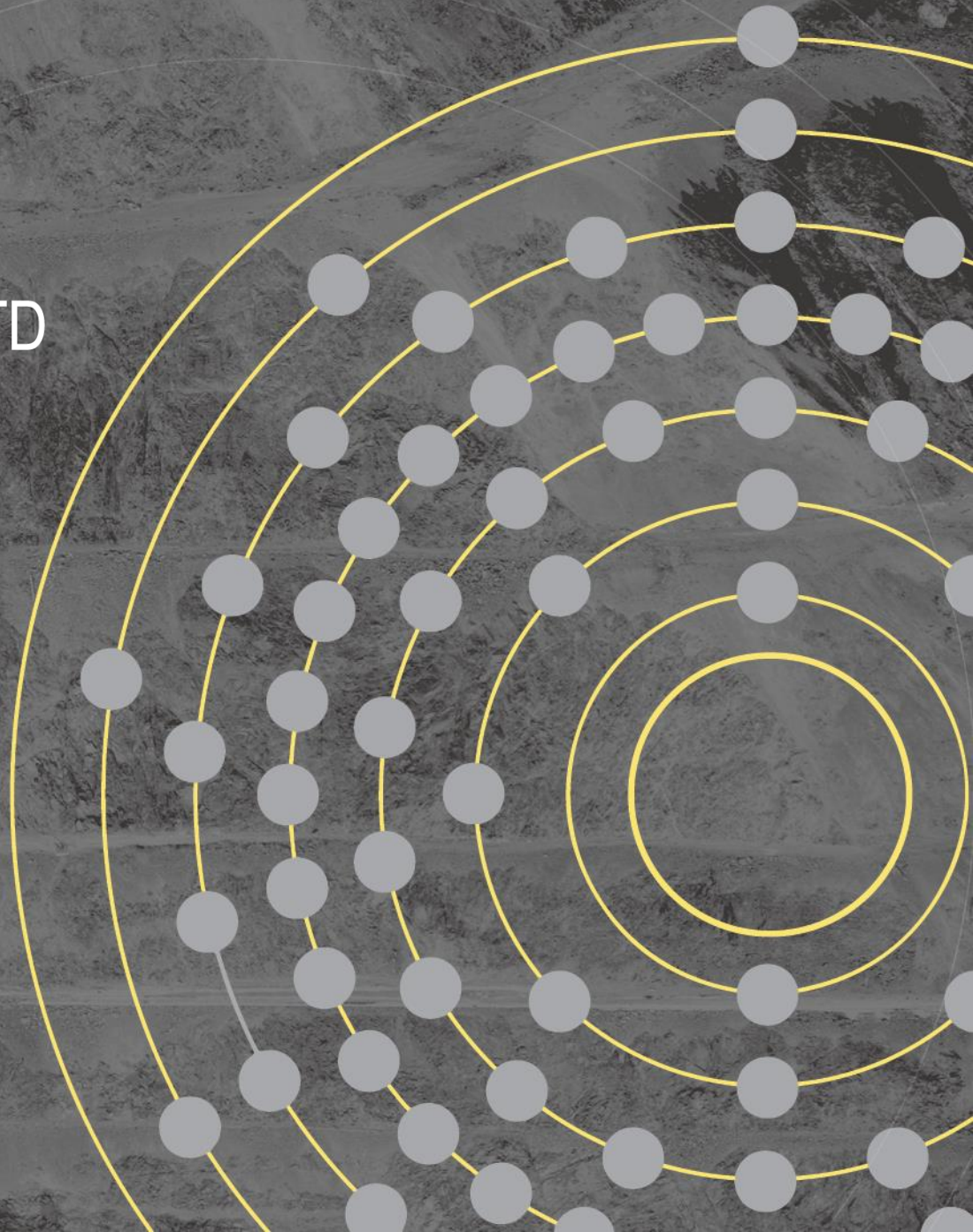


a-cap  
RESOURCES LTD

# Annual General Meeting

28 November 2017



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The information relating to forecast production and project economics set out on slide 4 are based on the outcomes of a Technical Study which was previously released to the ASX on 11 September 2015 "*Mining Licence Application Submitted & Technical Study Outcomes*". All material assumptions underpinning production targets or forecast financial information derived from production targets in the aforementioned initial announcement continue to apply and have not materially changed. The Technical Study outcomes and production targets reflected in this presentation are preliminary in nature as conclusions are drawn partly from indicated mineral resources and partly from inferred mineral resources. The Technical Study is based on lower level technical and economic assessments and is insufficient to support estimation of ore reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Technical Study will be realised. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

# A-Cap Overview

## CORPORATE



**WELL FUNDED –** strong shareholder support

**BASED IN BOTSWANA –** safe and stable jurisdiction

**EXPERIENCED MANAGEMENT–** & technical team

# Lethakane Uranium Project Overview

- △ **Advanced Uranium Project** – Mining licence issued Sep-16
- △ **Environmental Impact Statement** – approved May-16
- △ **Surface Rights** – provisionally granted, relocation action plan underway
- △ **Low cost mining and processing operation**
- △ **Low CAPEX** – all infrastructure available
- △ **Initial production (3Mlbs pa  $U_3O_8$ ) – 18 year Mine Life**
- △ **A-Cap production timeline** – in line with uranium market demand & price increases
- △ **Project Optimisation** – optimising and de-risking key project parameters

# Corporate Overview

## Capital Structure

### SHARE PRICE

**5.2** Cents\*

Market cap ***\$45M***\*

### SHARES

**872** Million  
Shares\*

Cash ***\$3.14M***\*\*

Debt ***\$Nil***

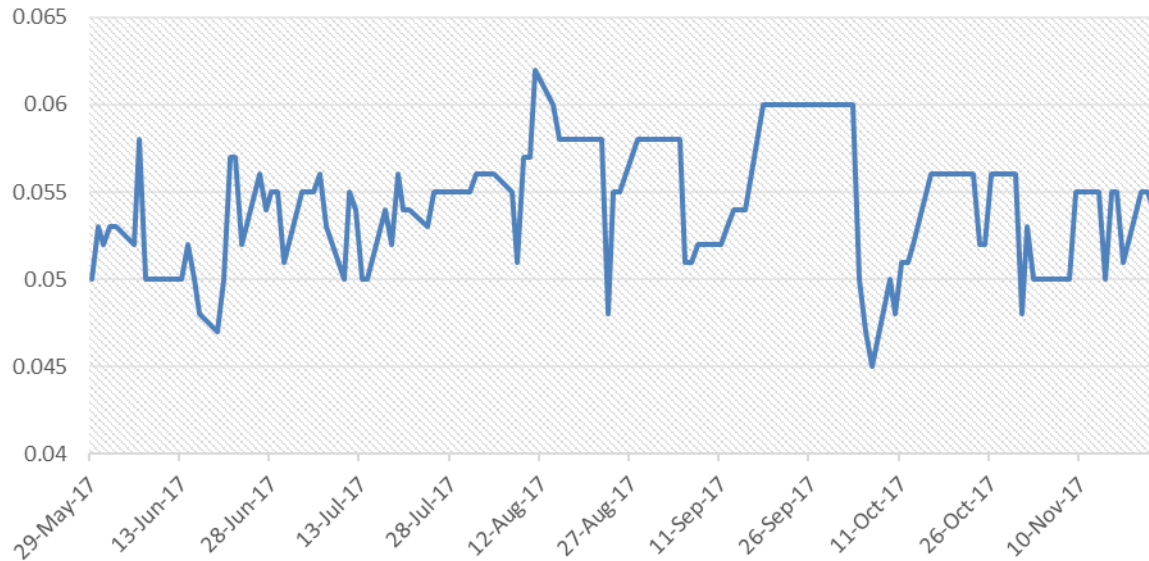
### OPTIONS

**5.7** Million  
Options\*

\* As at 23 Nov-17, \*\* as at 30 Sep-17

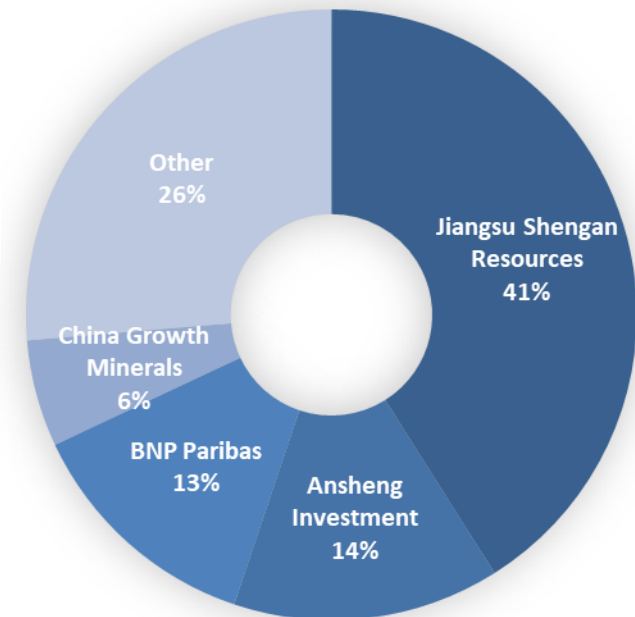
# Corporate Overview

A\$ cents



## Recent Share Price

## Share Ownership



# Corporate Overview

## Board

**Angang Shen**

Chairman

**Paul Ingram**

Deputy Chairman

Independent Non-Executive Director

**Jijing Niu**

Non-Executive Director

**Michael Liu**

Independent Non-Executive Director

**John Fisher-Stamp**

Independent Non-Executive Director

**Chenghu Zhu**

Non-Executive Director

## Management

**Paul Thomson**

Chief Executive Officer

**Ashley Jones**

Operations Manager

**Nicholas Yeak**

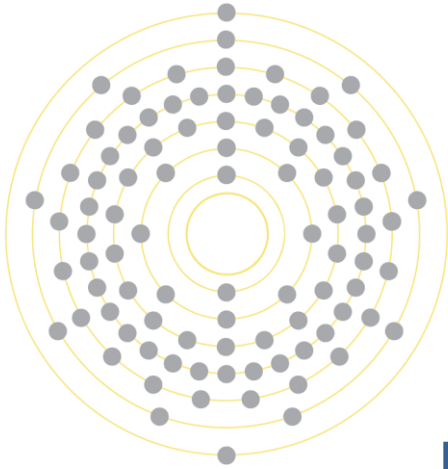
Company Secretary

# Botswana

- ▲ **No.1 in Africa** – Africa Investment Index 2016
- ▲ Stable, multi-party democracy since 1966
- ▲ **Least Corrupt in Africa** – Corruption Perception Index 2016
- ▲ Highest investment grade sovereign credit rating in Africa
- ▲ **Safe and secure place to invest** with an easy to understand mineral law and security of tenure



# Uranium Market

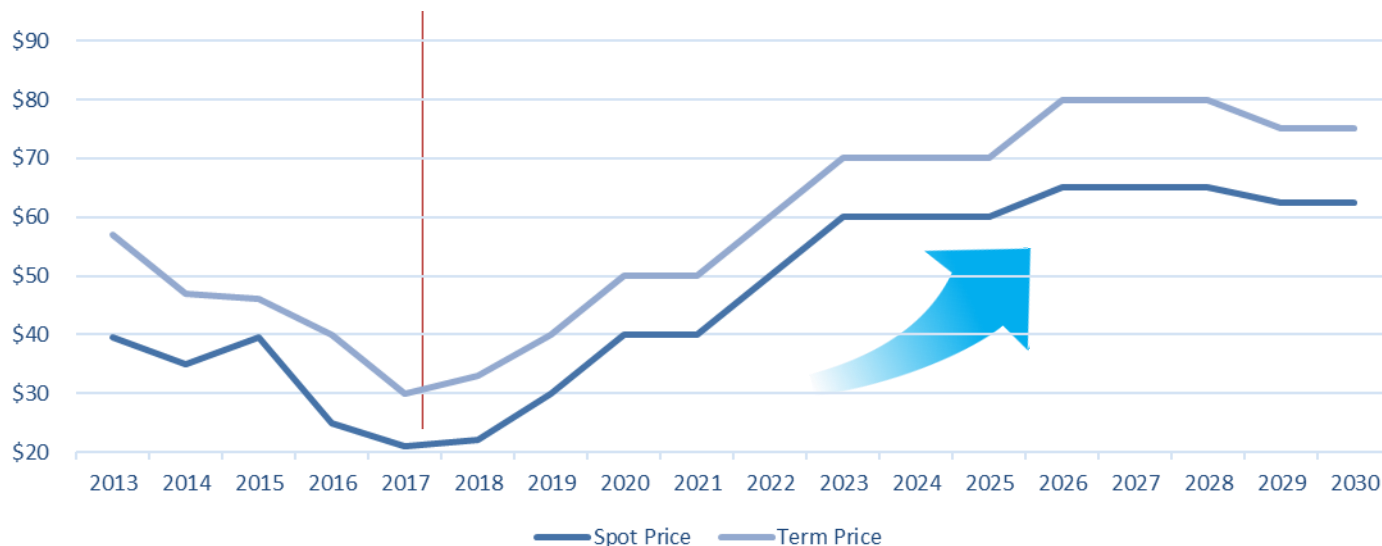


**447** reactors  
Operational\*

**56** under  
construction\*

**511** planned and  
proposed\*

## Forecast Uranium Prices \*\*

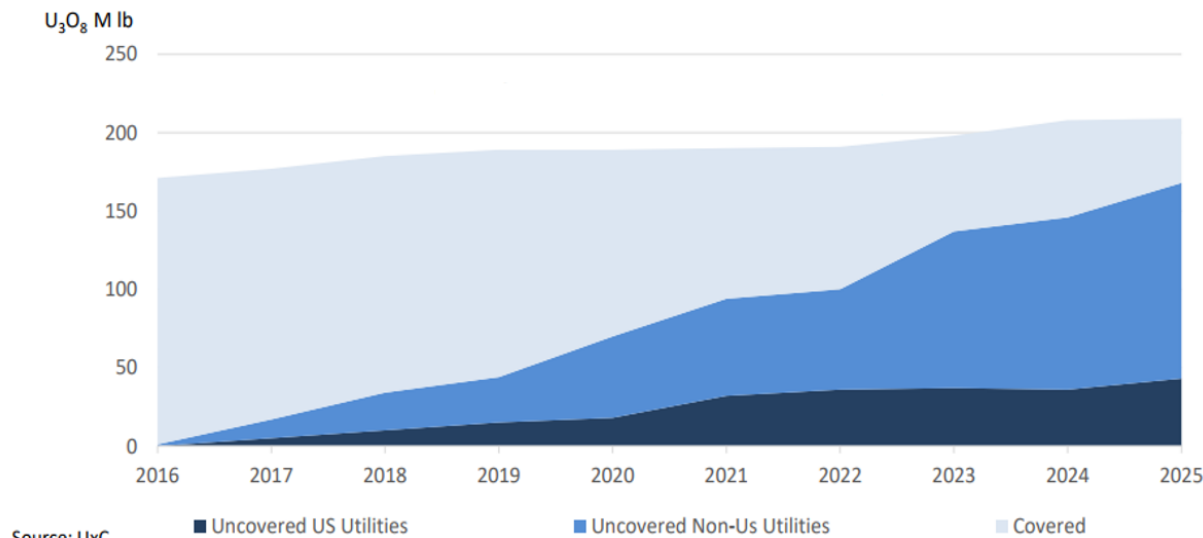


\* Source: World Nuclear Association, Sep-17

\*\* Uranium price source: RBC Capital Markets, Global Metals & Mining Q2/2017 Outlook

# Uranium Market

- △ Most producers cannot cover their production costs at current spot price levels. >80% of world production unsustainable at current prices
- △ **China** – 37 reactors operating, 20 under construction, planning 40 reactors and proposing 143 more
- △ Japanese reactors
  - ✓ **coming online**
- △ Utilities exposed
  - ✓ lack of long-term contracting
- △ Prices need to rise for contracting to return
  - ✓ Longer the wait, stronger the upward price pressure



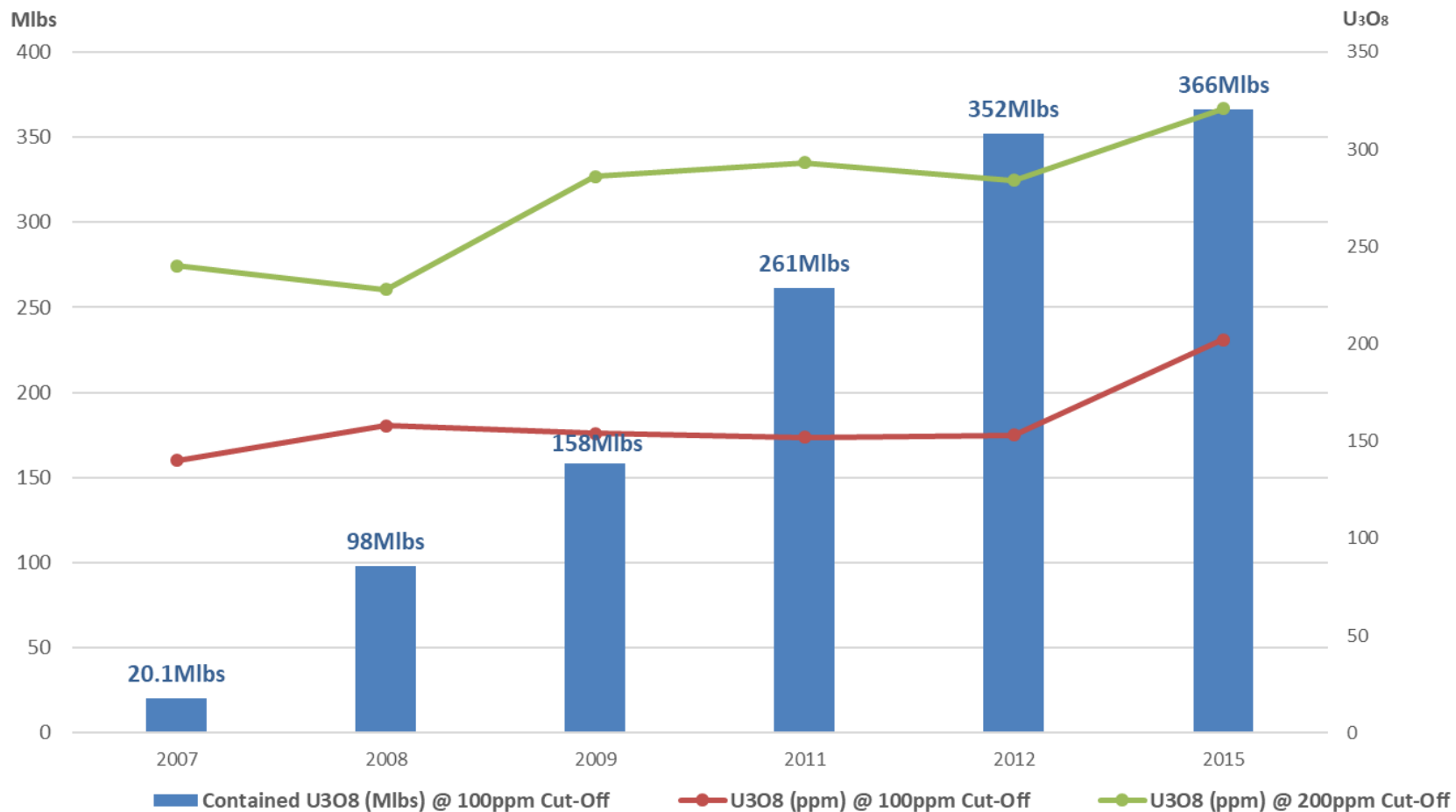
# Lethakane - Resource

- **Global top ten** undeveloped uranium resource of 365.7Mlbs
- Localised Uniform Conditioning (**LUC**) method utilised, which better reflects the mining method selectivity using continuous miners.

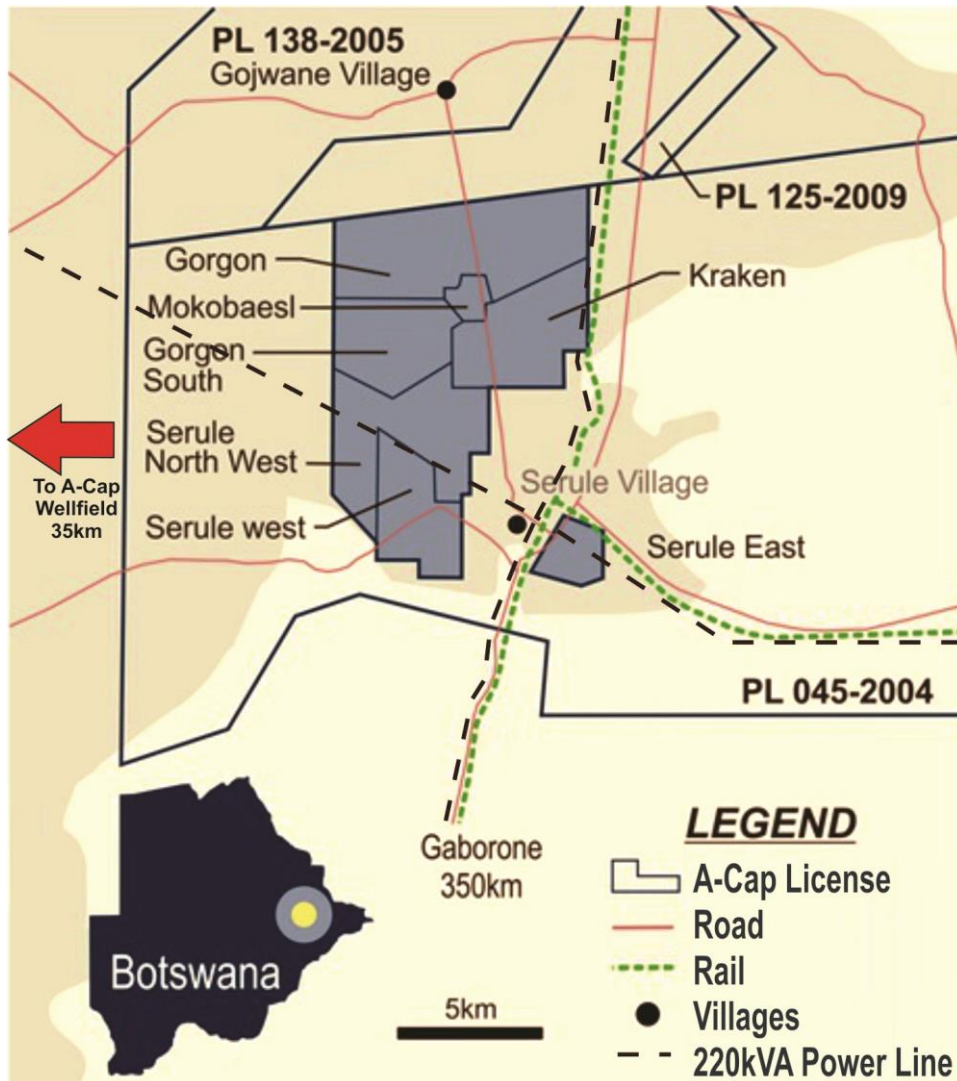
Cut-off (U <sub>3</sub> O <sub>8</sub> ppm)	Total Indicated			Total Inferred			Global Total		
	Mt	U <sub>3</sub> O <sub>8</sub> (ppm)	Contained U <sub>3</sub> O <sub>8</sub> (Mlbs)	Mt	U <sub>3</sub> O <sub>8</sub> (ppm)	Contained U <sub>3</sub> O <sub>8</sub> (Mlbs)	Mt	U <sub>3</sub> O <sub>8</sub> (ppm)	Contained U <sub>3</sub> O <sub>8</sub> (Mlbs)
100	197.1	197	85.5	625	203	280.1	822.1	202	365.7
200	59.2	323	42.2	209.7	321	148.2	268.9	321	190.4
300	22.2	463	22.7	81.6	446	80.3	103.8	450	102.9

*The above global mineral resource, completed by an independent expert and reported in compliance with the JORC 2012 code, was announced to the market on the 5<sup>th</sup> October 2015 ("release"). A-Cap confirms that it is not aware of any new information or data that materially affects the information included in the release and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the release continue to apply and have not materially changed.*

# Resource Growth



# Major Infrastructure in Place



Rail,



Road



Power



Water

**Available**

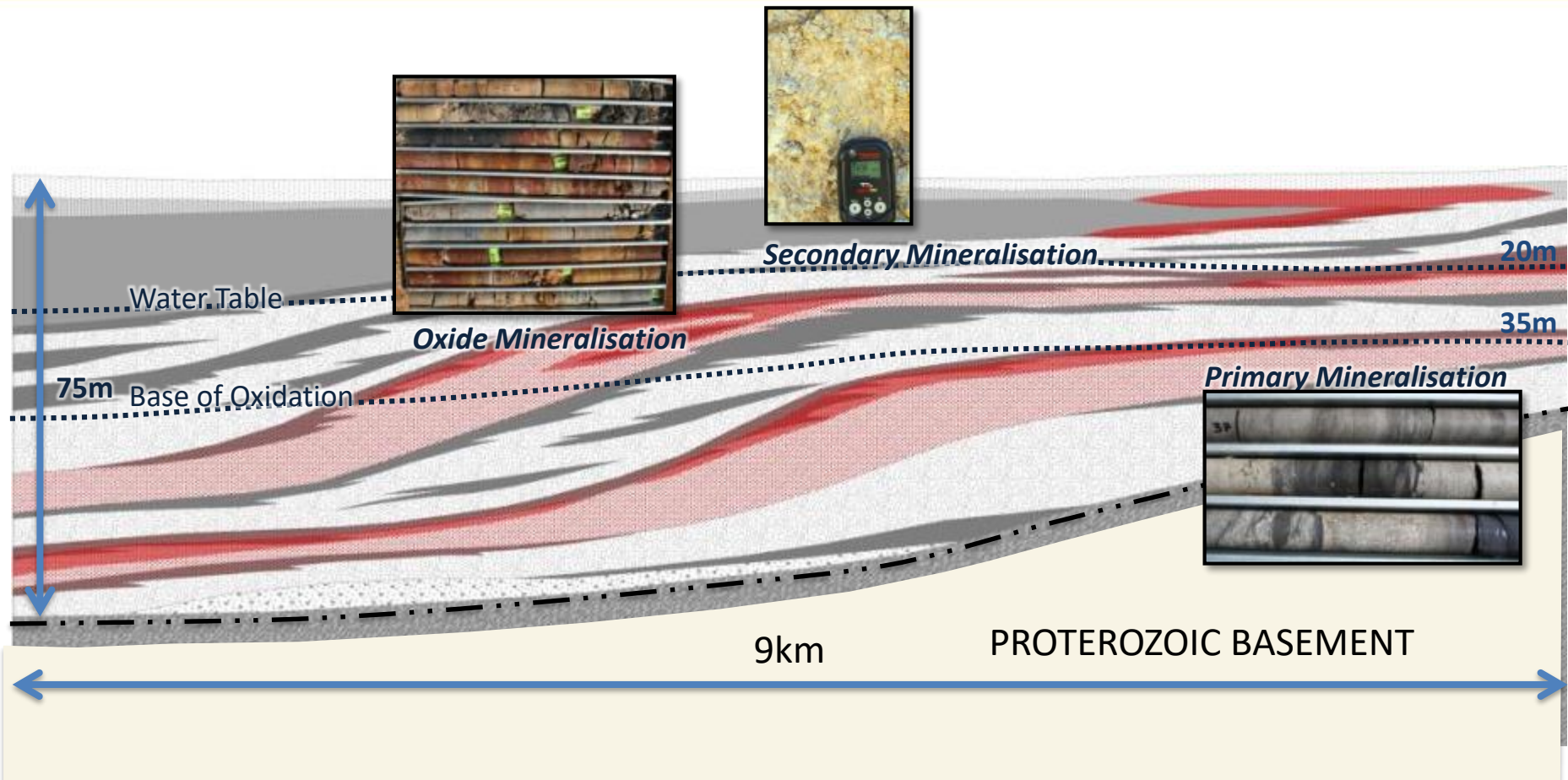


# Experienced Management & Technical Team

- ▲ 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



# Ore Body – Flat, shallow, easy to mine



- △ Shallow, Flat, Simple, Easy to mine, dips W at  $1^\circ$
- △ Layer cake type deposit with series of upward fining sequences

# Mining

- △ Innovative mining using state of the art surface miners (below) in open pit operation
- △ Surface miners allow very selective mining, less expensive than conventional mining
- △ Optimal particle size of 19mm eliminating first stage crushing
- △ Falling contractors rates for contract mining



**Wirtgen 4200 Direct Loading**

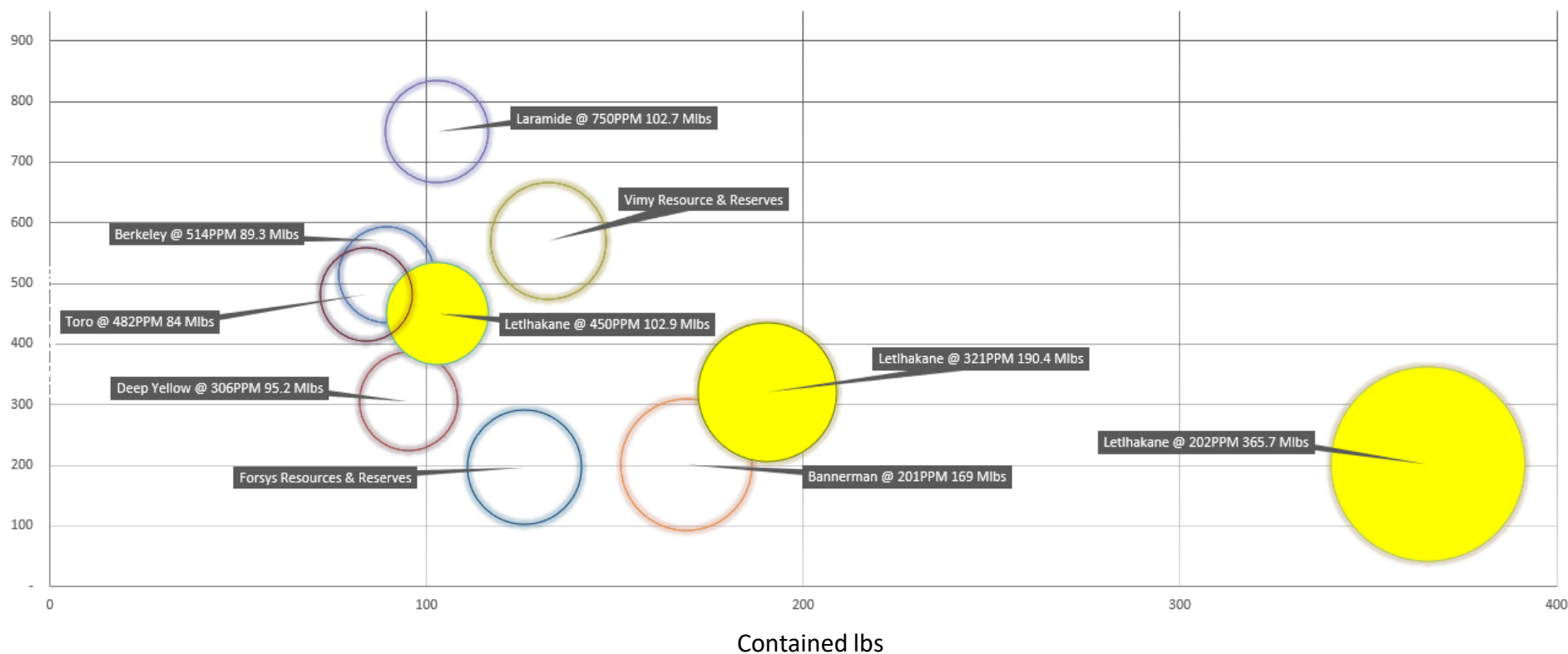


**Vermeer T1255DD**

# Uranium Market

## Peer Group U<sub>3</sub>O<sub>8</sub> Deposits: Grade U<sub>3</sub>O<sub>8</sub> vs Contained lbs

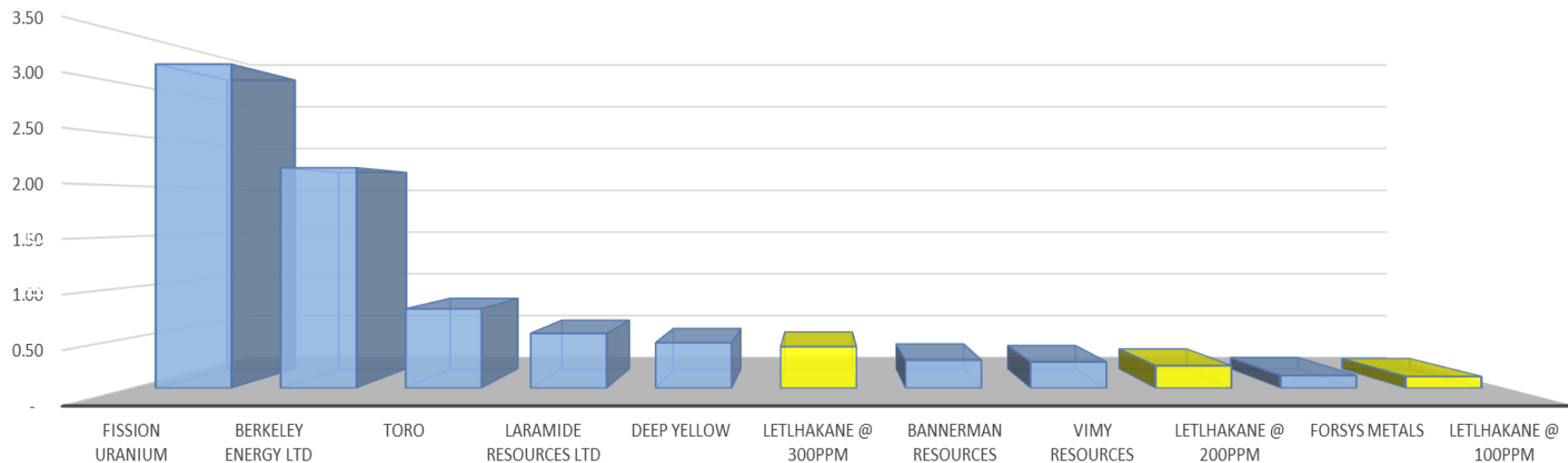
Grade



# Uranium Market

## Enterprise Value / lb U<sub>3</sub>O<sub>8</sub> Mineral Resource

A\$ EV/lb U<sub>3</sub>O<sub>8</sub>

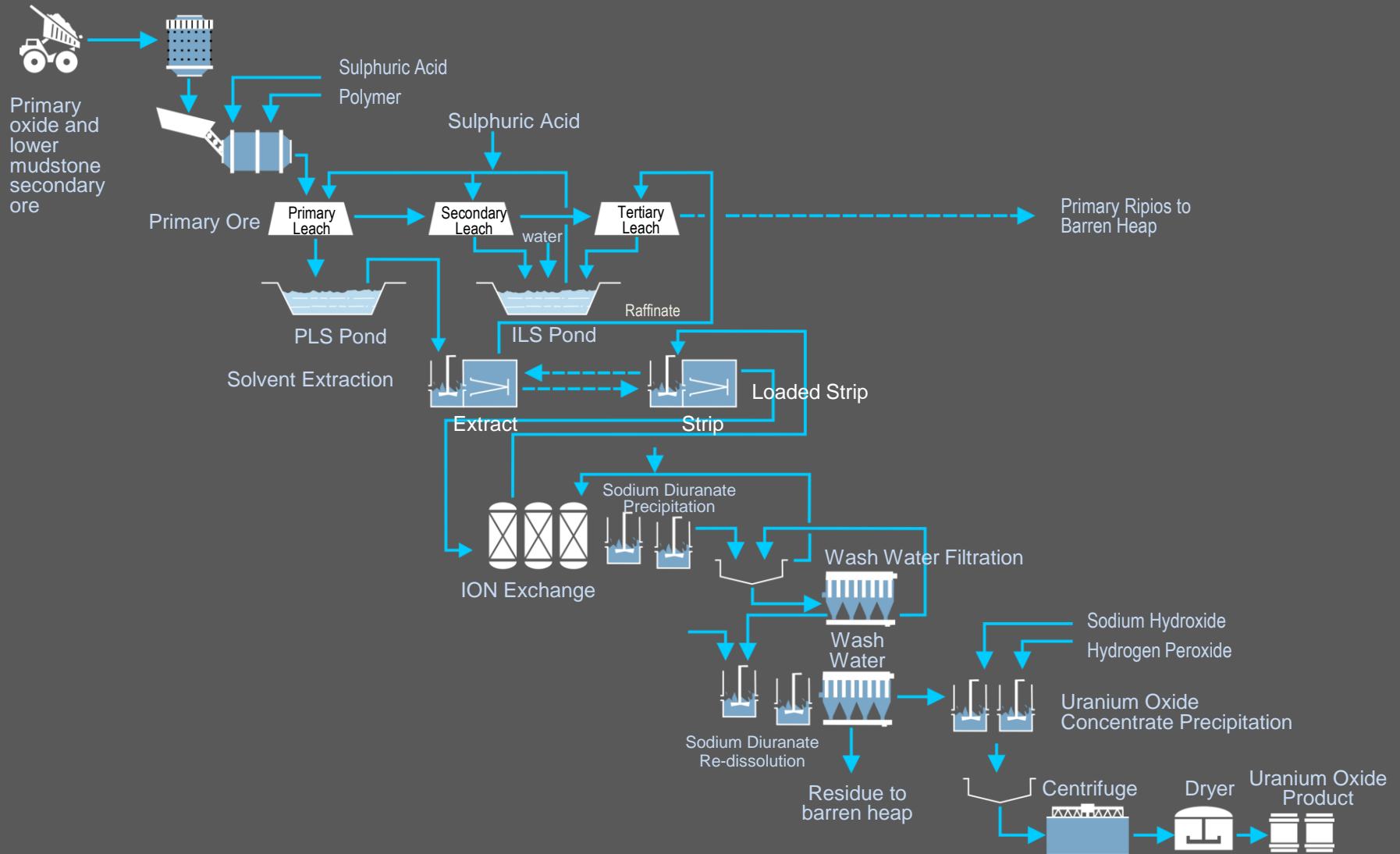


# Metallurgy and Process Design



- ⚠ 4m column leach tests completed at ANSTO & confirm good recoveries
- ⚠ The PLS from these columns were closed with the SX/IX circuit & achieved excellent recoveries
- ⚠ Uranium Oxide Concentrate product from the refinery circuit contained low contaminants & no penalty expected
- ⚠ Low cost and innovative process route
- ⚠ Acid approx. 50% of total processing costs
- ⚠ Investigating various options for acid supply

# Standard Heap Leach Process Plan

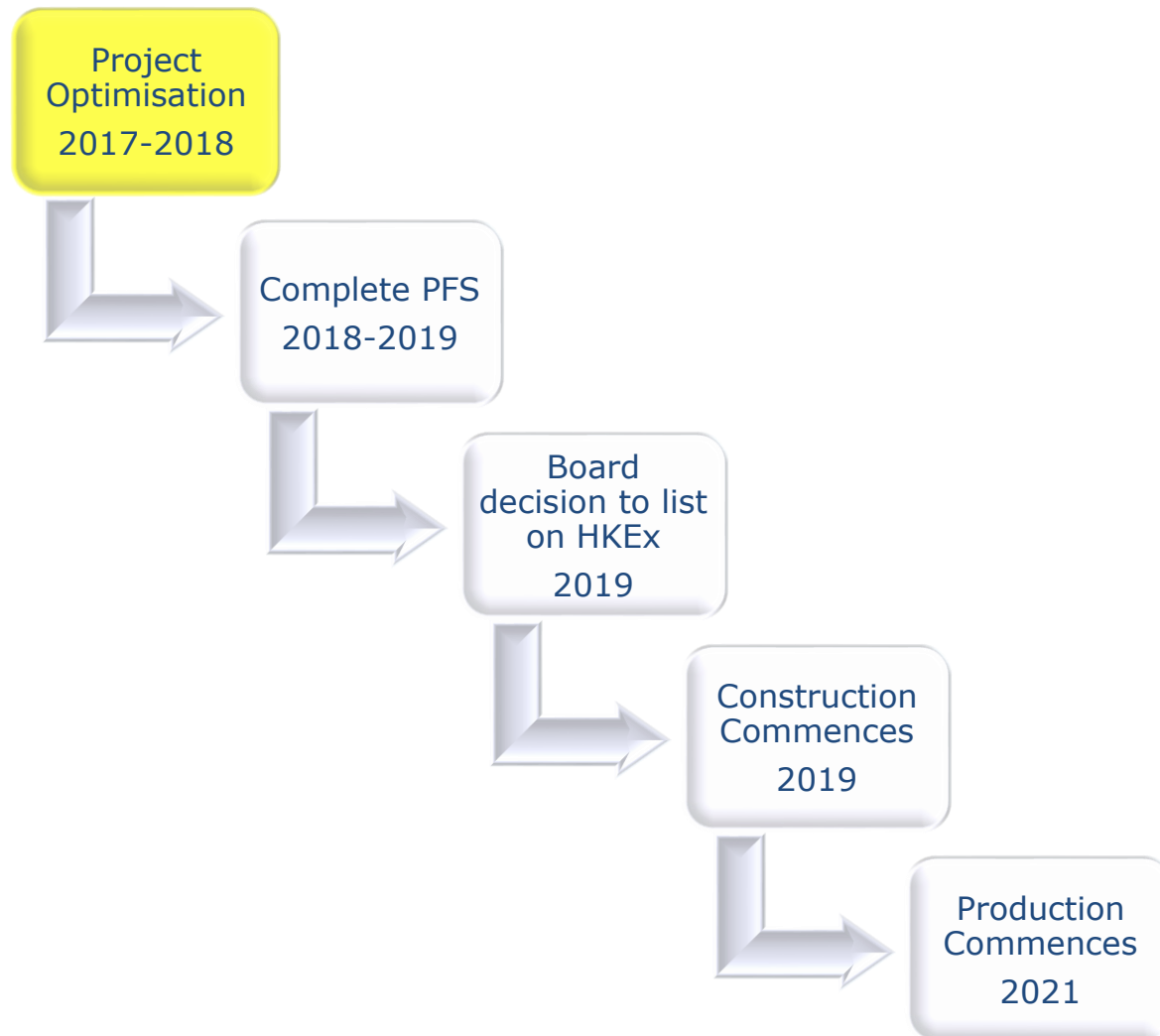


# Road to Production

- ▲ Complete Project Optimisation work to de-risk and optimise key project parameters
- ▲ Attain unconditional Project Surface Rights
- ▲ Finalise Feasibility Studies including trial mining and pilot plant
- ▲ Board decision to consider Hong Kong Stock Exchange listing
- ▲ Time construction and pre-production in line with forecast uranium price recovery and demand / supply crossover point



# Timeline to Production



# Summary

- △ **STRATEGY** – Prepare project for early production to capture upswing in the uranium market
- △ **SCALE** – Very large uranium deposit, long mine life, perfectly suited to end user seeking a reliable long term  $U_3O_8$  supply for nuclear builds.
- △ **LOW CAPEX** – Low capital heap leach processing with all infrastructure in place
- △ **COMPARATIVE ADVANTAGE** – One of the few new sources of production with low Capex, competitive operating costs and low sovereign risk
- △ **STRATEGIC** – Discussions with strategic partners
- △ **BOTSWANA** – A safe and stable investment destination
- △ **STRONG SHAREHOLDER BASE** – Well supported by major shareholders Jangu Shengan Resources, Ansheng Investments & China Growth Minerals



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