

## ASX RELEASE

28 July 2020

## QUARTERLY REPORT FOR THE QUARTER ENDED 30 JUNE 2020

### HIGHLIGHTS

- ⚠️ *Covid19 has necessitated all on ground exploration at Wilconi to be delayed.*
- ⚠️ *Metallurgical work has continued on the Wilconi Co-Ni Project in Western Australia. "Acid Bake" metallurgical testwork has shown that high cobalt and nickel recoveries can be obtained while reducing acid consumptions.*
- ⚠️ *Drilling to collect bulk samples at Wilconi for continued metallurgical testwork is planned for 3<sup>rd</sup> Quarter 2020, depending on travel restrictions.*
- ⚠️ *Lethakane Uranium Project all expenditure reduced.*

### QUARTERLY ACTIVITIES

#### Metallurgical Testwork – Wilconi Co-Ni Project WA

Discussions have been held with metallurgical groups to plan the next phase of testing once suitable core samples have been collected in light of the positive results obtained last quarter. Refer ASX announcement dated 30<sup>th</sup> April 2020 for further information. To continue the metallurgical testing programme more sample representative of ores across the deposit are required. Drilling has been planned to collect these bulk samples in the 3rd Quarter 2020. A programme of work (POW) has been approved by the Department Mines Industry Regulation and Safety (DMIRS) for the drilling and access to the drill sites have been prepared.

#### Resource Modelling and Drill Planning

In-house modelling of the geology, structure, laterite profile and nickel – cobalt geochemistry of the resource was conducted to get a better understanding on the controls on mineralisation. Results identified near surface (<10m) higher grade areas and thicker zones of mineralisation localised along steep structures, "keels" that will be the focus of exploration when drilling recommences.

### **WILCONI PROJECT – JOINT VENTURE WITH WILUNA MINING CORPORATION LTD (Formally BLACKHAM RESOURCES LTD)**

#### **Project Overview**

- ⚠️ **Project highlights (refer ASX announcement dated 21 Dec-18):**
  - *The Wilconi project has significant past drilling to enable A-Cap to value its potential*
  - *The deposit lies in largely granted mining tenements*
  - *Infrastructure associated with Wiluna Mining's gold mining is in place*
  - *Environmentally safe with a long history of mining in the area*
  - *New and innovative geophysics and metallurgical technology will be utilised during the feasibility work*
  - *The Wilconi Project tenements list comprises twelve granted mining leases, eight granted exploration licences, one prospecting licence and one retention licence. The Project covers a total area of 800 square kilometres.*

## WILCONI PROJECT – JOINT VENTURE WITH BLACKHAM RESOURCES LTD (cont)

- ⚠ The Wilconi Project will focus on cobalt and nickel materials supply to the global electric vehicle (EV) market through the establishment of key strategic and commercial relationships to take advantage of new materials processing and refinery technologies, particularly in production of cobalt and nickel sulphates products used directly in battery manufacture.

### Proposed Exploration

A-Cap plan to infill the previous drill pattern to increase the confidence in the JORC resources from inferred to indicated. In combination with ground geophysics (DGPR), the drilling will focus on the higher cobalt grades in the resource.

## LETLHAKANE URANIUM PROJECT

- ⚠ The Letlhakane Uranium Project, located in Botswana, is one of the world's largest undeveloped Uranium Deposits. A Mining Licence designated ML 2016/16L was granted on 12 September 2016 and is valid for 22 years. The Department of Environmental Affairs formally approved the Letlhakane Uranium Project's Environmental Impact Statement on 13 May 2016. Provisional surface rights were granted on 6 June 2016.
- ⚠ The Company's Letlhakane Uranium Project remains an important project asset within the diversified minerals strategy. While the nuclear industry is confident in the long-term fundamentals of uranium and nuclear power, there is less certainty in the short term with industry expectation that the market will gradually move towards balance from calendar year 2025. Please refer to the Company's 2019 Annual Report for information relating to the Letlhakane Uranium Project's mineral resources and exploration results.
- ⚠ In December 2019, due to the current low price of uranium, regrettably A-Cap have retrenched some staff at its Botswana operations. Staff remaining will provide administration and technical continuity for the project whilst waiting for market conditions to improve. The remaining team will keep the mining licence conditions in compliance and complete low-level desktop studies to further the project. The Commissioner of Labour and the Department of Mines were duly informed of the retrenchments.
- ⚠ Due to the Covid19 virus, Botswana is now like other countries in complete lockdown.

## CORPORATE

### During the quarter ended 30 June 2020:

- ▲ Covid19 has necessitated the slowing of all exploration work.
- ▲ Suspension of director fees and director associated service fees remain until completion of capital raising.

### Directors:

Jiandong He  
 Meng Weijun  
 Michael Liu  
 Paul Ingram  
 Jijing Niu  
 Mark Syropolou

### Capital Structure at 30 Jun 20.

871,884,866 shares on issue  
 12,500,000 Performance Rights  
 Market Capitalisation (21 July) \$12.21 million

### Shareholder Information:

1,816 shareholders with Top 20 holding 86.16%

### Tenement Information:

TENEMENT ID	LOCATION	PROJECT	STATUS	INTEREST AT START OF QUARTER	INTEREST AT END OF QUARTER
E53/2076	WILUNA	WILCONI	APPLICATION	20%	20%
E53/1645	WILUNA	WILCONI	GRANTED	20%	20%
E53/1791	WILUNA	WILCONI	GRANTED	20%	20%
E53/1794	WILUNA	WILCONI	GRANTED	20%	20%
E53/1803	WILUNA	WILCONI	APPLICATION	20%	20%
E53/1852	WILUNA	WILCONI	GRANTED	20%	20%
E53/1853	WILUNA	WILCONI	GRANTED	20%	20%
E53/1864	WILUNA	WILCONI	APPLICATION	20%	20%
E53/1908	WILUNA	WILCONI	GRANTED	20%	20%
E53/1912	WILUNA	WILCONI	GRANTED	20%	20%

**Tenement Information (cont)**

TENEMENT ID	LOCATION	PROJECT	STATUS	INTEREST AT START OF QUARTER	INTEREST AT END OF QUARTER
E53/2048	WILUNA	WILCONI	APPLICATION	20%	20%
E53/2050	WILUNA	WILCONI	APPLICATION	20%	20%
E53/2053	WILUNA	WILCONI	APPLICATION	20%	20%
E53/2054	WILUNA	WILCONI	APPLICATION	20%	20%
M53/0024	WILUNA	WILCONI	GRANTED	20%	20%
M53/0026	WILUNA	WILCONI	GRANTED	20%	20%
M53/0034	WILUNA	WILCONI	GRANTED	20%	20%
M53/0041	WILUNA	WILCONI	GRANTED	20%	20%
M53/0049	WILUNA	WILCONI	GRANTED	20%	20%
M53/0052	WILUNA	WILCONI	GRANTED	20%	20%
M53/0071	WILUNA	WILCONI	GRANTED	20%	20%
M53/0092	WILUNA	WILCONI	GRANTED	20%	20%
M53/0131	WILUNA	WILCONI	GRANTED	20%	20%
M53/0139	WILUNA	WILCONI	GRANTED	20%	20%
M53/0188	WILUNA	WILCONI	GRANTED	20%	20%
M53/1098	WILUNA	WILCONI	GRANTED	20%	20%
P53/1560	WILUNA	WILCONI	GRANTED	20%	20%
R53/0001	WILUNA	WILCONI	GRANTED	20%	20%

Paul Ingram  
 DEPUTY CHAIRMAN

Competent person's statement

*Information in this report relating to Mineral Resources is based on information compiled by Mr Stephen Godfrey, the Principal Consultant of Mining Plus Pty Ltd. Mr Godfrey of Resources Evaluation Services is a Fellow of the AusIMM and a Member of the AIG. Mr Godfrey 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 Godfrey 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. Mr Ingram consents to the inclusion of the data in the form and context in which it appears.*

*Information in this report relating to Uranium Exploration results, is based on information compiled by Mr Ashley Jones a consultant of A-Cap Energy Limited and a member of AusIMM. 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.*

\*\*\* Ends\*\*\*