

27 February 2015

Ms Anjuli Sinniah
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Dear Ms Sinniah

A-CAP RESOURCES LIMITED – RESPONSE TO ASX LETTER DATED 17 FEBRUARY 2015

I refer to your letter dated 17 February 2015 in relation to the Company's Appendix 5B for the period ended 31 December 2014, I advise as follows:

- 1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?**

The Company has today, 27 February 2015 announced a fully underwritten non-renounceable rights issue to raise \$4 million. This capital raising will raise sufficient cash to fund the Company's ongoing activities.

- 2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?**

As outlined in our response to Question 1, the Board anticipates raising sufficient cash to fund its activities.

- 3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?**

As noted above, the Company anticipates raising sufficient funds to continue the activities described in the Quarterly Report, in particular progress on the feasibility study on the Letlhakane Uranium Project in Botswana.

- 4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?**

We confirm that the Company is in compliance with the Listing Rules, in particular Listing Rule 3.1.

5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

The Company considers that its financial condition (including operating results) is adequate to warrant the continued quotation of its securities and its continued listing on ASX, and on this basis is in compliance with Listing Rule 12.2.

Yours faithfully

A-CAP RESOURCES LIMITED



DENIS RAKICH

Company Secretary





ASX Compliance Pty Limited
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PERTH WA 6000

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17 February 2015

Mr Denis Rakich
Company Secretary
A-Cap Resources Limited
Po Box 7654
CLOISTERS SQUARE WA 6850

By email: denis.rakich@a-cap.com.au

Dear Denis

A-Cap Resources Limited ("Company")

I refer to the Company's Quarterly Report in the form of Appendix 5B for the period ended 31 December 2014 released to ASX Limited ("ASX") on 29 January 2015 (the "Appendix 5B").

ASX notes that the Company has reported the following.

1. Receipts from product sales of \$0.
2. Net negative operating cash flows for the quarter of \$1,411,000.
3. Cash at end of quarter of \$1,542,000.

In light of the information contained in the Appendix 5B, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on facsimile number +61 8 9221 2020 or email anjuli.sinniah@asx.com.au. It should not be sent to ASX Market Announcements.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **5.00 pm WST on Monday 23 February 2015**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries please let me know.

Yours sincerely,

[sent electronically without signature]

Anjuli Sinniah

Adviser, Listings Compliance (Perth)