



ASX Release

Tuesday 30 July 2013

ASX : ACB

MAJOR UPGRADE IN URANIUM RESOURCE

A-Cap Resources Limited (“A-Cap” or the “Company”) is pleased to announce a major upgrade of the uranium resource at its Letlhakane Project in Botswana.

A-Cap has employed independent resource consultants Optiro Pty Ltd to complete the Mineral Resource estimate which has been reported in accordance with the 2004 JORC Code.

The new mineral resource estimates at various cut off grades between 100ppm and 300ppm is as follows:

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
250	23.4	322	16.6	114.9	390	98.7	138.3	378	115.2
300	11.3	376	9.4	72.4	458	73.2	83.7	447	82.5

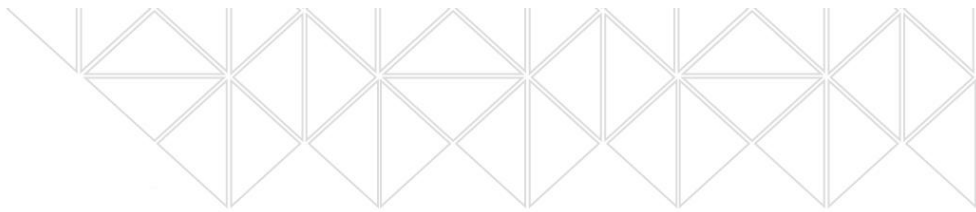
June 2013 Mineral resource estimates for ALL DEPOSITS at various U₃O₈ ppm cut-offs

This is a significant upgrade from the previous resource announced on 6 June 2012 as follows:

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	221.3	153	74.7	819.1	153	277.0	1,040.5	153	351.8
200	32.6	274	19.7	110.7	287	70.0	143.2	284	89.7

HIGHLIGHTS:

- ▲ There has been a major increase in the grade of the Inferred Resources
- ▲ A significant new high grade resource has been identified using higher cut off grades
- ▲ At cut off grades of 250ppm and 300ppm the grade has increased to 378ppm and 447ppm for contained pounds of 115 million and 83 million respectively
- ▲ The previous high grade resource at 200ppm has increased by 80% to 168 million contained pounds at an increased grade of 8.5% to 308ppm, this has been through the addition of Inferred Resources
- ▲ The previous global resource at 100ppm has decreased by 10% but grade increased by 40% to 211ppm
- ▲ The resources at Serule, Gorgon South and Gorgon West remain open to the west
- ▲ This resource upgrade has significant implications for the economics of the project.



This upgrade is the result of extensive work conducted by the A-Cap technical team and its consultants over the last 12 months focused on identifying high grade mineralisation within the global resource. It follows comprehensive modelling and interpretation of the geology, the geometry of the mineralisation and the addition of new drilling data using a data base including 47,000 assays, 2 million gamma probes and 143,000 metres of drilling.

Commenting on the resource upgrade A-Cap's CEO, Mr Paul Thomson stated:

"This is a fantastic result for A-Cap and its shareholders. It shows that there is quality as well as quantity in the uranium resource at Letlhakane. A very large high grade resource has now been identified which has profound implications for the economics of the project. A scoping study based on the previous resource completed in January showed competitive operating costs. This scoping study will be revised over the next quarter incorporating much higher resource grades which are expected to impact significantly on operating cost per pound".

INTRODUCTION

The Letlhakane Uranium Deposit has been the focus of detailed technical work since 2010, resulting in the February 2013 release of a positive Scoping Study for the project. The thorough examination of the all aspects of the resource have led to a greater understanding of the geometries and grade distribution of uranium mineralisation and the consideration of appropriate mining techniques to maximise the economics of the deposit.

The Uranium mineralisation is hosted predominately in carbonaceous mudstones and siltstones and occurs in relatively thin (0.5m – 5m), laterally extensive lenses with lower grade material separating ore horizons. This ore geometry, coupled with the shallow, flat-lying and soft strata lends itself well to extraction using surface miners which can mine variable cut thicknesses as required with a typical range of 0.25m up to 1.2m.

The 2012 resource (6 June 2012) estimate did not take into account the selective mining advantages of the surface miner and consequently used a broader mineralisation envelop which resulted in a large tonnage, lower grade resource that didn't truly reflect the actual higher grade ore geometry. This resulted in grade dilution of these higher grade lenses.

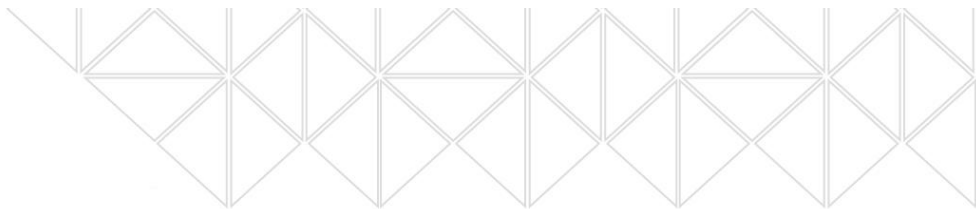
The 2013 mineral resource takes into account the selective nature of a continuous miner and largely preserves the extents and grade of higher grade ore horizons with the anticipation that this will reduce dilution and processing tonnes in future mining studies.

The new resource figures reported here are a result of extensive work by the A-CAP team and its consultants.

The data used includes assays (47,842) and gamma logging probe readings (2,346,470) from 3,507 drill holes for 143,395m of drilling.

In addition:

- drillhole data including collar, assay (XRF) and geology data
- downhole deconvoluted gamma log probe data
- downhole specific gravity (SG) readings collected by the water immersion method from diamond core



- DTM surfaces delineating the topography, base of oxidation and the basement surface
- wireframes and strings representing the prospect boundaries
- 3D mineralisation wireframes based on a 100ppm U₃O₈ cut off were completed for all deposits
- Lithological interpretation was completed on each deposit and has been modelled and assists the interpretation of the mineralised zones.

Prior to undertaking the remodelling of the whole deposit, the Serule deposit was wireframed at 100ppm U₃O₈ showed that by excluding mineralisation less than 100ppm there was an overall increase in grade of 6%. Thus all deposits were wireframed at the 100ppm cut-off to determine the impact on grade and tonnage.

In addition to the greater understanding of the ore geometry, A-Cap has also continued to study the mineralisation for uranium disequilibrium issues across the deposit in an effort to refine the uranium grade measurements using the gamma probe.

Prior to the 2013 resource estimate, all gamma probe data collected was factored down to correlate with geochemical assays but recent studies by A-Cap have shown that the Oxide and Primary ore zones, which account for approximately 99% of the Letlhakane orebody are in fact in secular equilibrium and down-factoring of the gamma data is unnecessary.

Optiro, the independent consultant conducting the current resource estimate have verified that the un-factored gamma data for the primary and oxide components of the resource are appropriate for use in the current and future resource calculations. The result is a uniform application of verified grades across all prospects.

Further positive effects in the new resource have resulted where some of the more recent additions to the global resource such as Gorgon West and Serule Northwest have been seamlessly integrated into the new block model, thus removing artificial breaks in the block model extents where mineralisation and geological horizons are known to extend continuously.

Resource Estimation Details

Optiro Pty Ltd (Optiro) was engaged to review and update the uranium resources at Letlhakane during 2013. Optiro have been involved in the Letlhakane project for four years and were responsible for the 2009, 2011 and 2012 resources estimations.

All resource estimates to date for Letlhakane have employed a wireframed mineralised envelope to constrain the resource calculation. This envelope has typically been constructed at a 50ppm U₃O₈ grade boundary, creating a large volume of mineralisation which effectively dilutes the actual mineable ore horizons. Based on the greater understanding of ore geometry and extraction techniques, A-Cap proposed a re-estimation of the resource using a 100 ppm U₃O₈ envelope which would be more appropriate for the orebody and mining method. Due to the large and complex nature of the Letlhakane orebody the wireframing took several months to complete. Similarly a modelling exercise of this magnitude would take many months to complete.

In April 2013, Optiro undertook a trial of a categorical modelling approach over the Serule and Gorgon prospects as an alternative to wireframing to generate a volume model. Using a grade indicator of 100 ppm U₃O₈, a categorical indicator model was created, estimating the probability (P100) of a block having a grade greater than 100 ppm U₃O₈. Blocks with a probability greater than 0.1 (10%), were then selected for grade estimation using Ordinary Kriging. The result of the categorical modelling estimate was compared to

an estimate of the same area using the mineralisation within a 100ppm U₃O₈ mineralised wireframe. The two estimates compared favourably and honoured the actual data well (Figure 1).

Optiro also noted the correlation between carbonaceous sediments and anomalous U₃O₈ mineralisation and subsequently generated a separate categorical model based on the presence or absence of carbonaceous sediments. This lithology probability model was then used in combination with the grade model to help understand the distribution of the mineralisation.

The categorical modelling technique was then applied to the entire ore-body to produce the new resource estimate.

Optiro has reported and classified the resource in accordance with the 2004 JORC Code. Optiro did not update the previously modelled secondary mineralisation and has adopted the same criteria for resource classification as used in the previous estimate. Summaries of the entire resource at a cut-off of 200 ppm U₃O₈ and 100ppm cut-off U₃O₈ are included in Tables 2 and 3 respectively.

Categorical Indicator Kriging

Categorical Indicator Kriging is a well-established statistical method commonly used in estimating Mineral Resources. It is used across a range of commodities, including a number of uranium deposits that are publicly reported on the ASX and other stock exchanges.

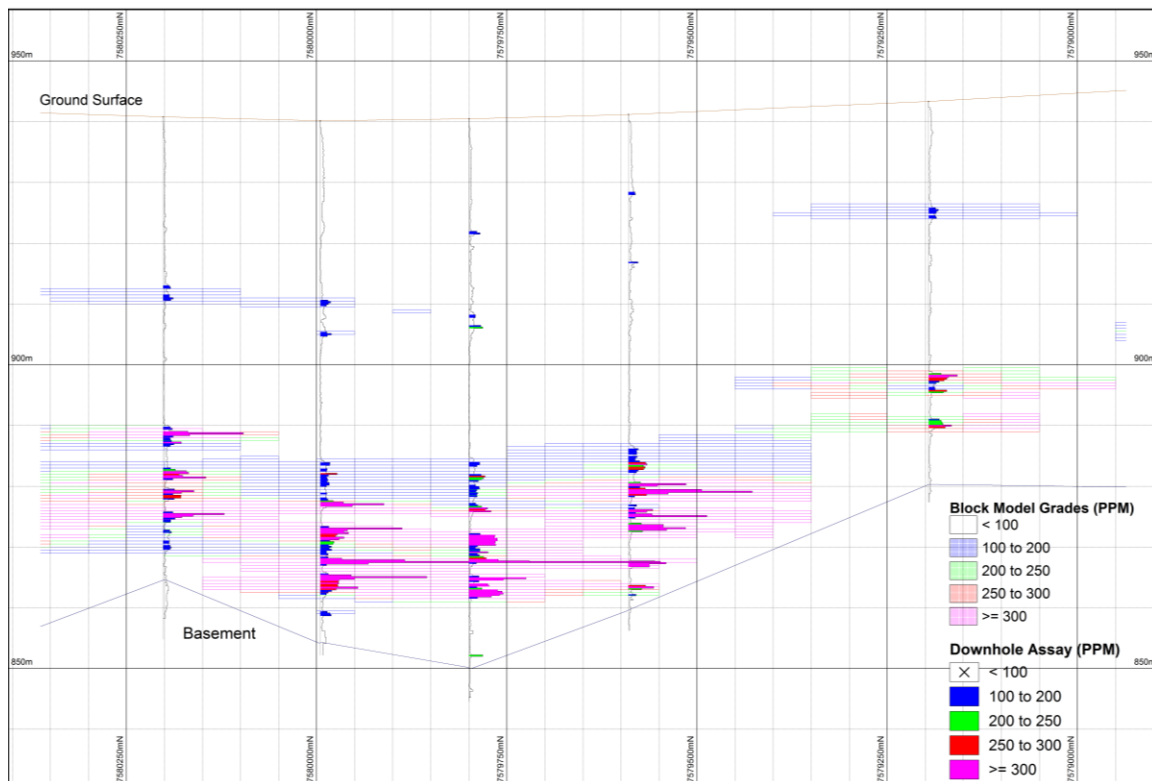


Figure 1 Cross section through the Serule deposit showing the strong correlation between the new block model and drill assay data. Coloured histograms along drill traces represent uranium grade as ppm U₃O₈.

The new mineral resource estimates at various cut off grades between 100ppm U₃O₈ and 300ppm U₃O₈ is as follows:

Table 1 – June 2013 Mineral Resource estimates for ALL DEPOSITS at various U₃O₈ cut-offs

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
150	95.5	222	46.9	365.1	252	202.9	460.7	246	249.8
200	49.4	269	29.4	198.6	319	139.7	248.1	309	168.9
250	23.4	322	16.6	114.9	390	98.7	138.3	378	115.2
300	11.3	376	9.4	72.4	458	73.2	83.7	447	82.5

This is a significant upgrade from the previous resource announced on 6 June 2012 as follows:

Table 2 - 2012 Mineral resource estimates for ALL DEPOSITS at 100 & 200ppm U₃O₈ cut-offs

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	221.3	153	74.7	819.1	153	277.0	1,040.5	153	351.8
200	32.6	274	19.7	110.7	287	70.0	143.2	284	89.7

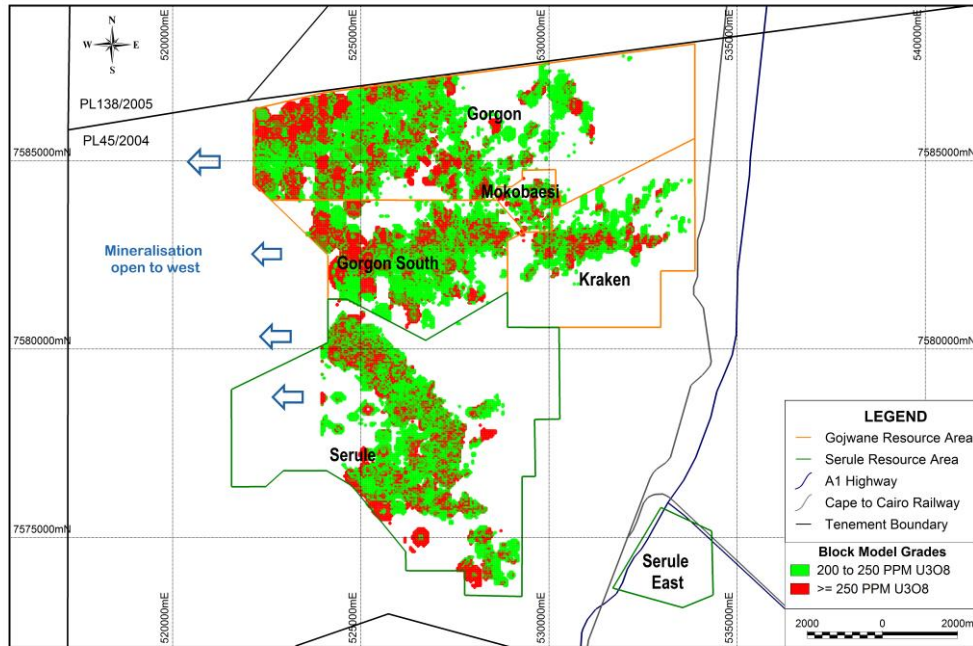


Figure 2 shows the distribution of grade for the Letlhakane Project deposits from the Categorical Indicator Kriging. It should be noted that mineralisation is open to the west.

Tables 1 and 2 show the mineral resource estimates for all deposits at 200ppm U₃O₈ cut-off and 100ppm U₃O₈ cut-off, respectively.

Table 3 – June 2013 Mineral resource estimates for ALL DEPOSITS - 200 ppm U₃O₈ cut-off

Letlhakane Mineral Resource June 2013 - 200 ppm U3O8 cut-off					
Mineralisation Style	Resource Category	Deposit	Mt	U3O8 (ppm)	Contained U3O8 (Mlbs)
Secondary	Indicated	Mokobaesi	2.6	253	1.5
	Total Secondary		2.6	253	1.5
Oxide	Indicated	Gorgon	5.5	275	3.4
		Gorgon South	1.5	267	0.9
		Kraken	2.3	273	1.4
		Mokobaesi	1.7	275	1.0
	Total		11.0	274	6.6
	Inferred	Gorgon	6.7	278	4.1
		Gorgon South	3.3	257	1.9
		Kraken	1.2	233	0.6
		Serule	8.6	300	5.7
		Serule East	0.2	248	0.1
	Total		20.0	281	12.4
	Oxide Total		31.0	278	19.0
Primary	Indicated	Gorgon	17.3	254	9.7
		Gorgon South	11.6	281	7.2
		Kraken	6.3	286	4.0
		Mokobaesi	0.6	315	0.4
	Total		35.8	269	21.3
	Inferred	Gorgon	74.4	313	51.4
		Gorgon South	39.8	351	30.8
		Kraken	1.3	277	0.8
		Serule	63.1	319	44.3
	Total		178.6	323	127.3
Primary Total		214.5	314	148.5	
Letlhakane Total			248.1	309	168.9

Table 4 - 2013 Mineral resource estimates for ALL DEPOSITS - 100 ppm U₃O₈ cut-off

Letlhakane Mineral Resource June 2013 - 100 ppm U ₃ O ₈ cut-off					
Mineralisation Style	Resource Category	Deposit	Mt	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)
Secondary	Indicated	Mokobaesi	8.7	171	3.3
		Gorgon	0.5	112	0.1
	Total Secondary		9.2	168	3.4
Oxide	Indicated	Gorgon	12.6	210	5.8
		Gorgon South	4.6	195	2.0
		Kraken	7.4	191	3.1
		Mokobaesi	4.5	204	2.0
	Total		29.1	202	12.9
	Inferred	Gorgon	34.7	173	13.2
		Gorgon South	10.8	188	4.5
		Kraken	10.9	154	3.7
		Serule	30.8	192	13.0
		Serule East	3.8	130	1.1
	Total		91.0	177	35.5
Oxide Total		120.1	183	48.5	
Primary	Indicated	Gorgon	55.7	186	22.8
		Gorgon South	22.6	219	10.9
		Kraken	13.1	221	6.4
		Mokobaesi	2.2	200	1.0
	Total		93.7	199	41.1
	Inferred	Gorgon	193.6	216	92.3
		Gorgon South	116.0	217	55.6
		Kraken	5.7	182	2.3
		Serule	124.1	238	65.2
	Total		439.5	222	215.4
Primary Total		533.1	218	256.2	
Letlhakane Total			662.4	211	308.1

Comparison with the 2012 Resource Estimate

Table 5 (below) compares the 2012 Resource at a 200 ppm U₃O₈ cut off to the 2013 Resource. A major increase in tonnes, grade and pounds is observed and reflects the lack of ore horizon dilution and grade continuity in the new estimate. This is directly attributable to additional drilling completed, the use of unfactored gamma data, the adoption of the categorical kriging technique and the consolidation of material that was not included in previous wireframing of the resources that have all been considered in the current estimate.

Table 5 - Comparison of 2012 and 2013 mineral resource estimates for ALL DEPOSITS at 200 ppm U₃O₈ cut-off

Letlhakane Mineral Resource Comparison		2012_200ppm cut-off			2013_200ppm cut-off		
Mineralisation Style	Deposit	Mt	U3O8 ppm	Contained U3O8 (Mlbs)	Mt	U3O8 ppm	Contained U3O8 (Mlbs)
Secondary	Mokobaesi	2.9	256	1.6	2.6	253	1.5
	Secondary Total	2.9	256	1.6	2.6	253	1.5
Oxide	Mokobaesi	0.4	258	0.3	1.7	275	1.0
	Gorgon All (G, GS, GW)	7.3	274	4.5	17.0	272	10.2
	Kraken	1.6	254	0.9	3.5	259	2.0
	Serule (SW & SNW)	5.2	280	3.2	8.6	300	5.7
	Serule East	0.2	248	0.1	0.2	248	0.1
	Oxide Total	14.8	274	8.9	31.0	278	19.0
Primary	Mokobaesi	0.4	270	0.3	0.6	315	0.4
	Gorgon All (G, GS, GW)	25.0	266	14.6	143.2	314	99.1
	Kraken	8.3	284	5.2	7.6	284	4.8
	Serule (SW & SNW)	50.0	317	35.0	63.1	319	44.3
	Primary Total	125.5	286	79.2	214.5	314	148.5
Letlhakane Total		143.2	284	89.7	248.1	309	168.9

Resource Classification and Reporting

Mineralisation within the Letlhakane project has been assigned resource confidence categories in accordance with the JORC 2004 Code. Currently no Measured Resources have been defined at Letlhakane.

Indicated resources have been drilled on a drill grid of 100 m by 100 m or less. Inferred resources have been drilled on a drill grid wider than 100 m by 100 m. The same criteria and extent for the previous estimate (Letlhakane Project - 2012 Mineral Resource Update) has been applied to the update. Approximately 17% of the Inferred Resources could be considered to be extrapolated. Only blocks with P100 > 0.3 (30%) have been reported, and only that proportion of the block that equates to the P100 value.

Summary

The Board of A-Cap Resources Limited is extremely pleased with the new resource and sees this upgrade as a vital step towards the development of Botswana's first operational uranium mine.

*****Ends*****

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JORC CODE COMPETENCY DECLARATION

The information presented in this report is based on a geological model that was produced in June 2013. Michael Andrew M.AusIMM, 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.

About A-Cap Resources Limited

A-Cap Resources Ltd is an ASX Listed exploration company that focuses its efforts in the investment friendly country of Botswana in Southern Africa, where it has over 3600km² of exploration licences.

The 100% owned Letlhakane Uranium Project is in northeast Botswana and contains a resource of 308 Mlbs U₃O₈ at a cut-off of 100 ppm U₃O₈. Currently the Company is updating a Scoping Study on the project. In addition, the Botswana based exploration team has discovered two vast coal deposits and are currently assessing the development options for these exciting prospects in addition to the globally important Letlhakane Uranium Project.

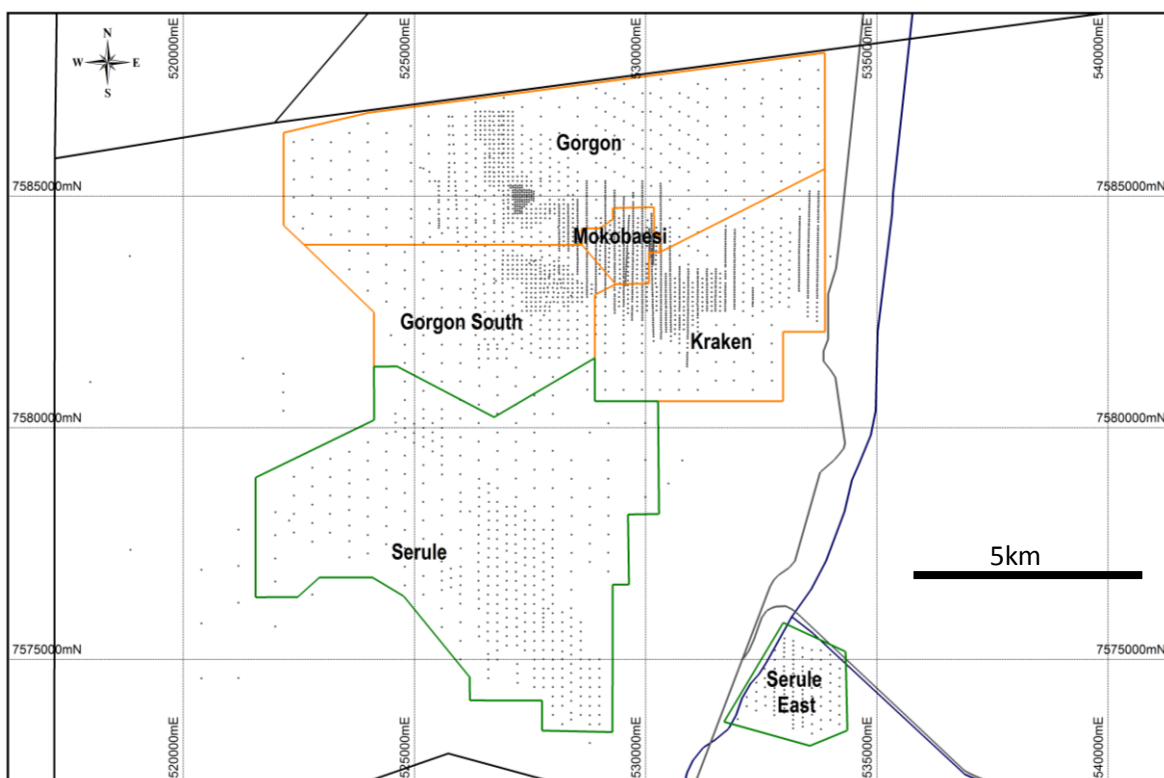


Figure 3 The Letlhakane Project highlighting the Resource Areas and prospect names as well as the excellent local infrastructure.

Appendix 1: Parameters used in resource estimate:

Compositing: Optiro chose to composite the samples to 0.25 m prior to statistical analysis. This composite length was chosen because A-Cap proposes to mine the deposit using a continuous miner, which has selectivity in the vertical direction of 0.25 m.

Sampling intervals over the Letlhakane project vary from between 0.05 m to 0.10 m for probe data and 0.1 m to 2.1 m for assay data.

Block Size: A 50mE by 50mN by 0.25 mRL block size has been applied to all the deposits, based on the results of the Kriging Neighbourhood Analysis (KNA) undertaken during the trial of categorical kriging.

Blocks were allowed to sub-cell down to 5mE by 5mN by 0.25 mRL to adequately represent the deposit geometries.

At the request of A-Cap the block model was regularised to 50mE by 50mN by 0.5 mRL block size to facilitate the optimisation process - the regularised model is the model that has been reported.

Categorical Indicator Modelling: Two categorical indicator estimations were completed for each prospect at Letlhakane. After coding of the composites and variography, an estimation of the probability of each parent block being above/below the defined threshold (one grade based, the other lithology) was completed.

- **Grade Probability Model:** The probability of each parent block being above the 100 ppm U3O8 threshold (P100) was estimated using Ordinary Kriging in Datamine.
- **Lithology Model:** The probability of each parent block containing carbonaceous material (NLITH) was estimated using Ordinary Kriging.

Grade Estimation: Estimation of U3O8 (ppm) was completed using 0.25 m composited drillhole data comprising both equilibrated probe and XRF data. Probe data was given preference over XRF data in areas where the two data types overlapped. The estimation process was completed using Ordinary Kriging and was restricted to blocks which had a probability of at least 0.1 or 10% of being above 100 ppm U3O8 as defined by the grade-based categorical model. Drillhole composites were also restricted to those above 100 ppm U3O8. Only blocks with P100 > 0.3 (30%) have been reported, and only that proportion of the block that equates to the P100 value.

The full Optiro report will be provided on A-Cap's website.