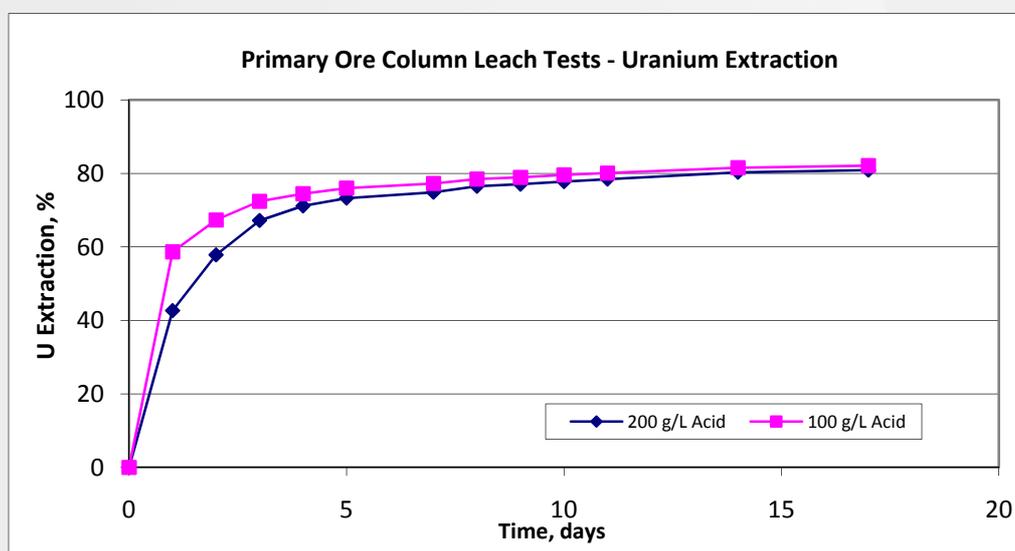


PRIMARY ORE RETURNS HIGHEST RECOVERIES TO DATE

A-Cap Resources Limited wishes to announce the results of the latest metallurgical testwork being carried out at the Company's key Letlhakane Project in Botswana has returned the most positive results to date. The application of a strong acid during leaching has resulted in excellent recoveries of over 80% in radiometrically sorted **Primary Ore**. This latest result provides the first positive indication that uranium for the **Primary Ore** can be recovered, which significantly changes the potential size of the development of Letlhakane.

The Primary Ore contained within Letlhakane represents 67% of A-Cap's total **resource base of 158M lbs U₃O₈**. The Company therefore recognises that these new and exciting results will drastically alter the projected mine plans currently being carried out as part of the ongoing Bankable Feasibility Study ('BFS'), which had previously only been focusing on the Secondary and Oxide Ore zones, for the proposed development of the Letlhakane Project. As such, A-Cap has committed to fully investigate the metallurgy of the Primary Ore with the continuation of a radiometric sorting program and further testing of the metallurgical recoveries.



The attached graph shows the results from recent testwork which demonstrates recoveries of 80% achieved after 10 days leaching. This work was carried out on a sample of radiometrically sorted Primary Ore that graded **316ppm U₃O₈**. Variation in the amount of acid between 200g/L and 100g/L resulted in no change in the recovery.

CEO Andrew Tunks said, “This fantastic result from the Primary Ore is certainly the most significant result we have had since the initial discovery of the Letlhakane deposit. For the first time, we are in a position where we can consider all ore types for development rather than only focusing on the Secondary and Oxide Ores.

“Pending continued positive testwork; this is the equivalent of discovering 100Mlbs of uranium oxide overnight. Therefore the result has intensified the Board’s resolve to continue with the metallurgical testwork of the Primary Ore and the radiometric sorting which if successful, will completely transform the prospects of the deposit for future development.”

CONCLUSIONS OF THE CURRENT TESTWORK

This preliminary work on the Primary Ore has provided great encouragement for the Project. Consequently the Board of A-Cap has now committed to a much larger program that involves continued evaluation of Radiometric Sorting on a 4 tonne ore parcel and subsequent leach testing of the upgraded Primary Ores.



Dr Andrew J. Tunks
Managing Director

Information in this report that relates to exploration results, data and cut off grades is based on information compiled by Dr Andrew Tunks who is a member of the Australian Institute of Geoscientists. Dr Tunks is a fulltime employee of A-Cap Resources. Dr Tunks has sufficient experience which 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 as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.” Dr Tunks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ends

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BACKGROUND

The Letlhakane Project is in northeast Botswana and has a JORC compliant resource of 158 Mlbs U₃O₈. Currently the Company is in conducting a BFS on the project and the metallurgical testwork forms a crucial aspect of that study.

There are three significant ore types that occur in the deposit;

- **Secondary Ore** typically occurs within 15m of the surface and is characterised by carnotite as the main ore mineral. Secondary ore occurring close to the surface often contains significant amounts of carbonate which gradually decrease with depth.
- **Oxide Ore** has been variously affected by weathering and oxidation, some examples are strongly oxidised and some are only weakly oxidised and are termed **transitional** ores that are mineralogically similar to primary ore. Oxide ores occur between 10m to 25m below the surface.
- **Primary Ores** represent the uranium ores as they originally formed and are unaffected by weathering and oxidation from the earth’s surface, primary ore types occur below 25m depth. Primary ore represents 67% of the total ore resource.