

## ASX Release

6 June 2012

# MAJOR 90 MILLION POUND INCREASE IN URANIUM RESOURCE AT LETLHAKANE

A-Cap Resources Limited (“A-Cap” or “the Company”) is pleased to announce a 90 million (m) pound (lb) increase in the resource at its Letlhakane Uranium Project in Botswana from the previously reported **261.5 Mlbs to 351 Mlbs (at 100ppm cut-off) - an increase of 35% (Table 1)**. The Company is also pleased to announce that within this global resource it has defined a higher grade resource of **143.2Mt at 284ppm U<sub>3</sub>O<sub>8</sub> for a contained 89.7Mlbs of U<sub>3</sub>O<sub>8</sub>**. With this upgrade in resource, Letlhakane now ranks as one of the largest undeveloped uranium deposits in the world. The updated Global Mineral Resource has been completed by an independent expert and reported in compliance with the JORC code.

### HIGHLIGHTS

- The resource upgrade represents a global resource **growth of 35%** in contained uranium at Letlhakane since the last reported resource upgrade in May 2011
- At a 200ppm U<sub>3</sub>O<sub>8</sub> cut-off grade, the Letlhakane Uranium Project contains **143.2Mt at 284ppm U<sub>3</sub>O<sub>8</sub> for a contained 89.7Mlbs of U<sub>3</sub>O<sub>8</sub>**  
This Mineral Resource is summarised by deposit and resource category in Table 2.
- Mineralisation remains open along the western boundary of the resource area indicating that additional **resource growth is highly likely with further exploration**
- Botswana remains a stable and excellent jurisdiction for mining investment, with transparent laws and excellent infrastructure
- The vast size of this resource provides a very strong leverage to a rising uranium price

Commenting on the Resource upgrade, A-Cap CEO, Paul Thomson, said, “This is a fantastic result for A-Cap and confirms Letlhakane as a globally significant uranium deposit. The Letlhakane Uranium Project ranks well inside the top ten largest undeveloped uranium deposits in the world and has the tangible benefit of being in Botswana, a country which is a premier investment destination in Africa. The project has all of the required infrastructure, with road, rail, power and water readily available. Furthermore, at a 200ppm cut-off grade the deposit contains 89Mlbs at 284ppm U<sub>3</sub>O<sub>8</sub> and gives us a strategic resource in today’s market. Our exploration program is ongoing and we believe that real potential exists for us to continue to high grade this resource and mine these areas first. Based on this resource increase A-Cap is committing considerable efforts to concluding our Bankable Feasibility Study and focusing on bringing this project into early production.”

## Resource Estimation Details

The additional uranium resources have been defined at the Gorgon West prospect, which was identified and drill-tested in late 2011 (A-Cap ASX Release 23/11/11). 59 Reverse Circulation holes drilled at a 400m by 400m hole spacing, coupled with downhole gamma probe testing, defined significant mineralisation over an area of 9.5km<sup>2</sup> immediately to the west of the Gorgon Main resource. The drilling revealed a number of significant uranium intersections including

- 6.2m @ 1129ppm eU<sub>3</sub>O<sub>8</sub>
- 3.05m @ 755ppm eU<sub>3</sub>O<sub>8</sub>
- 3.95m @ 669ppm eU<sub>3</sub>O<sub>8</sub>
- 7.80m @ 349ppm eU<sub>3</sub>O<sub>8</sub>
- 17.25m @ 269ppm eU<sub>3</sub>O<sub>8</sub>

A-Cap Resources contracted Optiro to conduct an independent Mineral Resource calculation on the Gorgon West prospect in March 2012. The Gorgon West resource as calculated by Optiro falls within the Inferred category and is summarised in Table 1.

**Table 1 GORGON WEST INFERRED RESOURCES 2012 at 100ppm cut-off**

Domain	Tonnes [Mt]	Grade U <sub>3</sub> O <sub>8</sub> [ppm]	Metal [Mlbs]
<b>Oxide</b>	4.5	120	1.2
<b>Primary</b>	255.9	158	89.3
<b>Total</b>	<b>260.4</b>	<b>158</b>	<b>90.5</b>

The Gorgon West mineralisation remains open to the west and south and additional resource growth is highly likely with further exploration. Table 2 summarises by deposit the Mineral Resource estimate for the Letlhakane Project at a cut-off of 200ppm U<sub>3</sub>O<sub>8</sub>.

**Table 2 2012 Mineral Resource Estimates for ALL DEPOSITS - 200 ppm U<sub>3</sub>O<sub>8</sub> cut-off**

Ore type	Deposit	Indicated			Inferred			TOTAL		
		Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs	Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs	Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs
Secondary	Gojwane	2.9	256	1.6	-	-	-	2.9	256	1.6
	Serule	-	-	-	-	-	-	-	-	-
	Gorgon West	-	-	-	-	-	-	-	-	-
	<b>Total Secondary</b>	<b>2.9</b>	<b>256</b>	<b>1.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.9</b>	<b>256</b>	<b>1.6</b>
Oxide	Gojwane	7.5	275	4.6	1.9	248	1.0	9.4	269	5.6
	Serule	-	-	-	5.4	280	3.3	5.4	280	3.3
	Gorgon West	-	-	-	-	-	-	-	-	-
	<b>Total Oxide</b>	<b>7.5</b>	<b>275</b>	<b>4.6</b>	<b>7.3</b>	<b>270</b>	<b>4.3</b>	<b>14.8</b>	<b>274</b>	<b>8.9</b>
Primary	Gojwane	22.2	275	13.5	11.6	261	6.6	33.7	270	20.1
	Serule	-	-	-	50.0	317	35.0	50.0	317	35.0
	Gorgon West	-	-	-	41.8	261	24.1	41.8	261	24.1
	<b>Total Primary</b>	<b>22.2</b>	<b>275</b>	<b>13.5</b>	<b>103.4</b>	<b>288</b>	<b>65.7</b>	<b>125.5</b>	<b>286</b>	<b>79.2</b>
<b>TOTAL</b>	<b>All DEPOSITS</b>	<b>32.6</b>	<b>274</b>	<b>19.7</b>	<b>110.7</b>	<b>287</b>	<b>70.0</b>	<b>143.2</b>	<b>284</b>	<b>89.7</b>

Mineral Resources for all deposits at 100ppm cut-off are summarised in Table 3.

**Table 3 2012 Mineral Resource Estimates for ALL DEPOSITS - 100 ppm U<sub>3</sub>O<sub>8</sub> cut-off**

Ore type	Deposit	Prospect	Indicated			Inferred			TOTAL		
			Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs	Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs	Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs
Secondary	Gojwane	Mokobaesi	8.5	175	3.3				8.5	175	3.3
		Gorgon South	0.5	112	0.1				0.5	112	0.1
	<b>Total Secondary</b>		<b>9.0</b>	<b>172</b>	<b>3.4</b>				<b>9.0</b>	<b>172</b>	<b>3.4</b>
Oxide	Gojwane	Mokobaesi	5.3	142	1.7				5.3	142	1.7
		Gorgon	30.3	150	10.0	38.4	128	10.8	68.7	138	20.9
		Gorgon South	10.3	157	3.6	5.6	129	1.6	16.0	147	5.2
		Kraken	14.4	140	4.5	15.5	124	4.2	29.9	132	8.7
	Serule	Serule Northwest	-	-	-	10.5	129	3.0	10.5	129	3.0
		Serule West	-	-	-	46.0	143	14.5	46.0	143	14.5
		Serule East	-	-	-	3.8	130	1.1	3.8	130	1.1
	Gorgon West		-	-	-	4.5	120	1.2	4.5	120	1.2
	<b>Total Oxide</b>		<b>60.4</b>	<b>148</b>	<b>19.7</b>	<b>124.3</b>	<b>133</b>	<b>36.4</b>	<b>184.8</b>	<b>138</b>	<b>56.3</b>
Primary	Gojwane	Mokobaesi	3.6	141	1.1	2.3	124	0.6	5.9	134	1.7
		Gorgon	73.6	138	22.5	108.7	128	30.6	182.3	132	53
		Gorgon South	35.8	181	14.3	47.5	156	16.4	83.3	167	30.7
		Kraken	38.8	159	13.7	21	133	6.2	59.9	150	19.8
	Serule	Serule Northwest	-	-	-	188.6	170	70.7	188.6	170	70.7
		Serule West	-	-	-	70.8	172	26.8	70.8	172	26.8
		Serule East	-	-	-	-	-	-	-	-	-
	Gorgon West		-	-	-	255.9	158	89.3	255.9	158	89.3
	<b>Total Primary</b>		<b>151.9</b>	<b>154</b>	<b>51.5</b>	<b>694.8</b>	<b>157</b>	<b>240.6</b>	<b>846.7</b>	<b>157</b>	<b>292.1</b>
<b>TOTAL</b>	<b>All DEPOSITS</b>		<b>221.3</b>	<b>153</b>	<b>74.7</b>	<b>819.1</b>	<b>153</b>	<b>277.0</b>	<b>1,040.5</b>	<b>153</b>	<b>351.8</b>

## Independent Expert for the resource update

In accordance with JORC requirements, the Mineral Resource update has been supervised by Mr. Ian Glacken of Optiro. Ian Glacken is a Fellow of the AusIMM, a Chartered Engineer and a Competent Person as defined by the JORC Code for the reporting of uranium resources. Mr Glacken has more than 25 years of experience in resource estimation and reporting and has had direct uranium resource experience at Olympic Dam, Yeelirrie, Ranger, Jabiluka and Four Mile. Mr. Glacken is a Director and the Principal Consultant at Optiro. For the ten years prior to this, he held the role of Group General Manager - Resources for the Snowden Group.

The Optiro letter detailing the work completed in the calculation of the Mineral Resource estimate is appended to this announcement.

## Summary

The Board of A-Cap Resources is extremely encouraged with the Company's progress of the Resource and sees this upgrade as a vital step towards the development of Botswana's first uranium mine.

## About A-Cap Resources

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 5000km<sup>2</sup> of exploration licences.

The 100% owned Letlhakane Uranium Project is in northeast Botswana and contains a JORC Code compliant resource of 351 Mlbs U<sub>3</sub>O<sub>8</sub>. Currently the Company is completing a Bankable Feasibility Study (BFS) on the project; the metallurgical testwork forms a crucial aspect of that study. In addition to the BFS, the Botswana based exploration team is focusing strongly on targets for uranium in the Southern Pans Project, located to the northwest of Letlhakane.

### **Paul Thomson**

#### **Chief Executive Officer**

#### **A-Cap Resources Limited**

*Information in this report that relates to Mineral Resources, exploration results, data and cut off grades is based on information compiled by Steve Groves who is a member of the Australian Institute of Geoscientists and Jerome Randabel and Brent Laws who are members of the Australian Institute of Mining and Metallurgy. Steve Groves, Jerome Randabel and Brent Laws are fulltime employees of A-Cap Resources. Mr Randabel 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."*

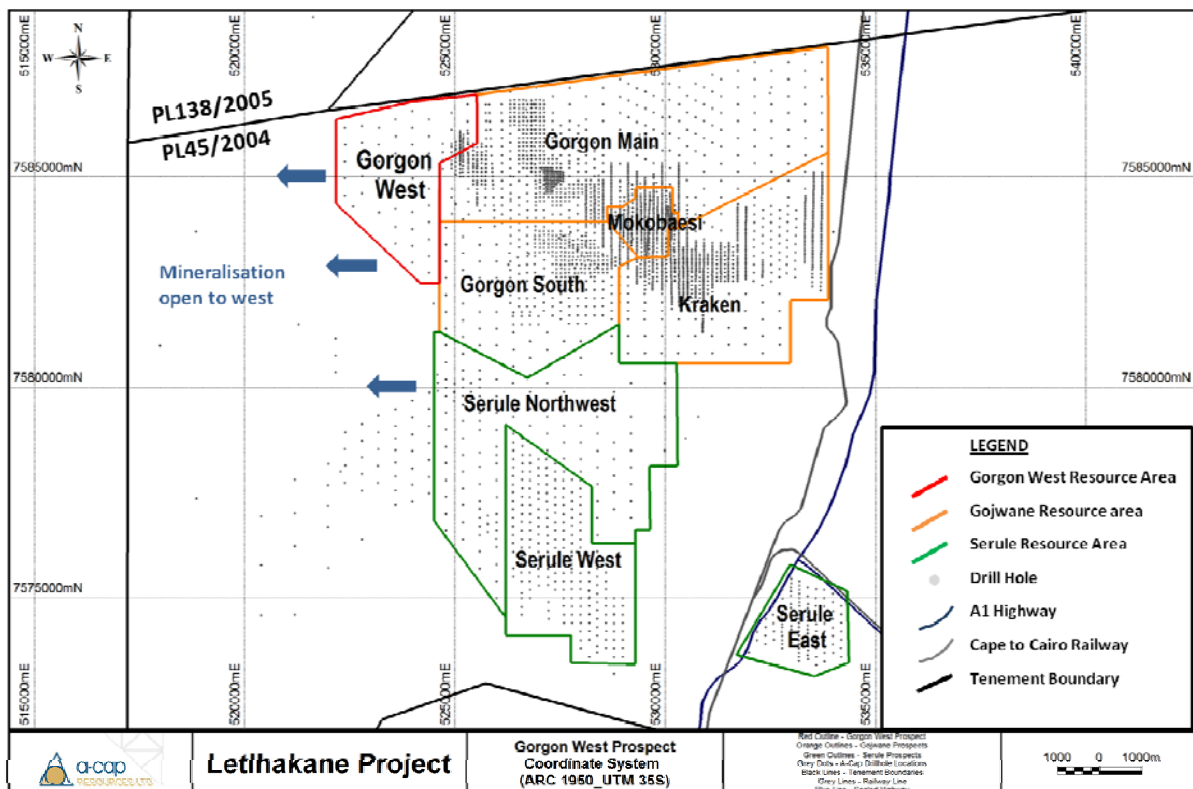
Mr Randabel consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

For Further information contact

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**Figure 1** The Letlhakane Project highlighting the Resource Areas and prospect names as well as the excellent local infrastructure.