

## ASX Release

Wednesday 12 February 2014

ASX : ACB

### MEA COAL STUDY POSITIVE

#### HIGHLIGHTS

-  Positive study on Mea Coal Project completed by Sedgman
-  Sedgman recommends that Mea Coal Project proceeds to definitive feasibility study

A-Cap Resources (“The Company or A-Cap”) is pleased to announce positive results from an independent study conducted by Sedgman, South Africa. A-Cap commissioned Sedgman to assess the potential for development of the Mea Coal Project covering geological, engineering and marketing.

A-Cap announced in 2012 the discovery of a major new coal field at the Mea project in Northern Botswana. Coal was found in multiple seams, ranging from high quality domestic thermal coal, export quality coal and possibly material suitable for metallurgical applications

The Mea coal deposit is located approximately 120km west of Francistown on PL134/2005 (Figure 1). The project is situated 5km north of the A30 highway that links Francistown to Orapa with all weather roads and grid power lines passing through the prospect area. A rail spur to Sua Pan passes just north of the project.

With these positive results, Sedgman were commissioned to do an independent report to determine whether Mea had potential for commercial development. Sedgman have excellent experience in coal in Africa with capabilities to draw on local product specification knowledge, infrastructure, mining expertise, market requirements etc. It was a detailed and comprehensive study based on data generated to date. The phases addressed sequentially by the study were:

- Review of geological data
- Resource modeling
- Mining suitability referencing other existing operations
- Conceptual mine design and block sequencing
- High level mining costing
- Washability analysis and product selection
- Design of suitable coal handling and washing plant
- Capital Cost definition
- Operating Costs
- High level financial model
- Marketing Assessment
- Recommendations for future development

The positive study received, indicates the Mea Coal Project is robust and Sedgman recommends that the project proceed to a definitive feasibility study (DFS).

A-Cap CEO Paul Thomson stated “From our initial drilling results we knew the Mea coal project had distinct advantages because the quality of the coal is superior to many other deposits in Botswana. We chose Sedgman as they have excellent experience in Botswana and South Africa both within the coal sector and also developing mining operations within the region. The study supports our decision to assess the potential of the project and the development options available for this exciting discovery”.

Work to date on the Mea coal discovery has identified some of the best quality coal found in Botswana. Results have shown that there is a significant resource of export quality coal and high quality feed for domestic use. The results from previous test work shows potential for PCI coal adding further value to this discovery. The Sedgman study was commissioned to determine the commercial viability of this project. The company is currently assessing options to advance this exciting discovery to feasibility and production.

In parallel A-Cap is also continuing further coal evaluation programmes at the recently announced Bolau and Foley Projects surrounding African Energy as well as the coal on the Letlhakane Uranium Project.

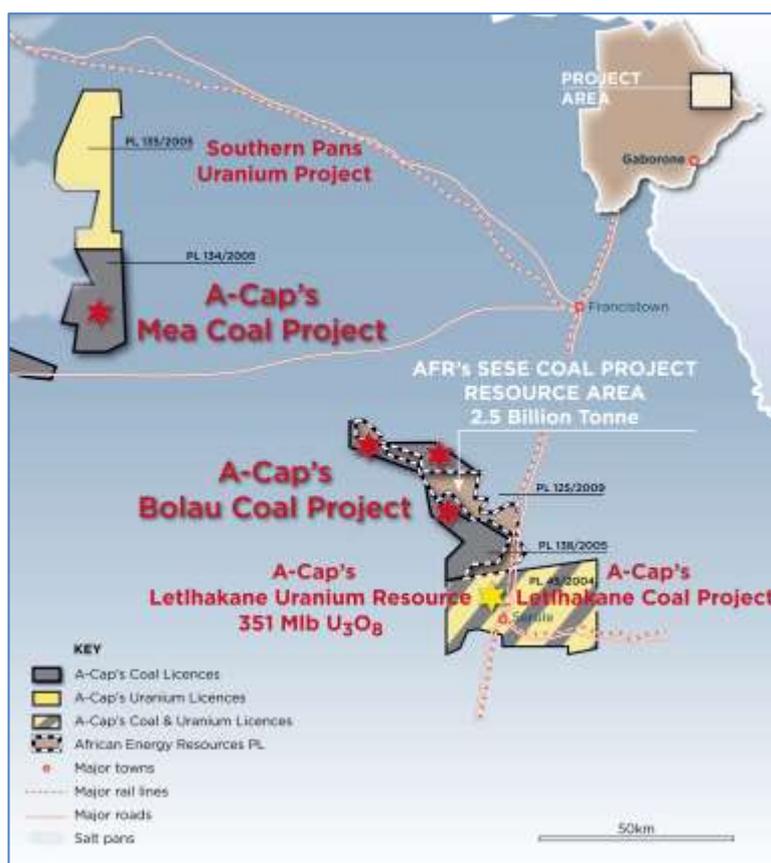


Figure 1: A-Cap's portfolio of projects in Botswana

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

For further information contact:

Paul Thomson, CEO, A-Cap Resources

+ 61 8 9220 9850