ASX Release

Friday 25 January 2013

ASX : ACB

BOTSWANA GOVERNMENT GRANTS COAL LICENCES FOR BOLAU DISCOVERY

A-Cap Resources Limited (“A-Cap” or “the Company”) is pleased to announce that it has been granted coal rights within its Bolau tenements which sit next to the Sese Coal and Power Project owned by African Energy Resources and located immediately north of the Letlhakane Project in Botswana.

The thermal coal horizons within A-Cap’s Bolau tenements are interpreted to be the up and down dip extension of the adjacent Sese Coal Project which contains over 2.5 billion tonnes of thermal coal. Initial drilling by A-Cap has discovered coal in seams of comparable thickness and quality to the Sese coal deposit.

A-Cap now has another major coal project next to its Letlhakane Uranium Project. This, together with the Mea Coal Discovery which has been made to the north east of Letlhakane (see Figure 1) makes A-Cap a major player in the coal business in Botswana.

The granting of coal licences at Bolau follows the approval by the Botswana Government to the renewal of the Bolau Discovery Licences PL138/2005 and PL125/2009 and the amendment to those tenements to include the rights to coal as well as uranium rights already held by A-Cap.

A-Cap CEO Paul Thomson commented “The approval of the amendment to include coal is a major milestone in terms of building our energy business in Botswana. The location of the Bolau tenements next to the Sese Coal Deposit combined with the continuity of coal horizons into our ground provides the Company with another major coal project in close proximity to the Letlhakane Uranium Project (See Figure 2). This new coal project together with our discovery of a major coal deposit at Mea to the north east of Letlhakane means that A-Cap is a major player in both the coal and uranium in Botswana”. 
Figure 1. Location map highlighting A-Cap’s Bolau Coal Project in relation to its location to AFR’s Sese Coal Project

The amendment, granted by Minister of Minerals, Energy and Water Resources, Mr Onkokame K. Mokaila, details that the tenements have been renewed for a period of two years subject to the following conditions:

- Pursuant to Section 19 (2) of the Mines and Minerals Act ("the Act"), the area of PL125/2009 shall be reduced to one hundred and seventy six square kilometres (176km²) and the area of PL138/2005 shall be reduced to two hundred and fourteen square kilometres (214km²).

- The Company shall incur the minimum annual expenditure and shall expeditiously carry out the programme of prospecting operations.
Coal was discovered at Bolau through A-Cap’s ongoing uranium exploration program and to date, six RC holes and seven diamond drill holes have intersected coal horizons with the following observations being made:

- Coal thickness averages at 20m and occurs in two seams – the upper at approximate 4m and the lower at 16m
- The stratigraphic package at Bolau dips shallowly to the south west at around 10 degrees
- The coal is interpreted to be sub bitumous thermal coal
- Potential for production to both local markets and export abroad

In addition to the ongoing exploration of these tenements, A-Cap is currently assessing the potential economic synergies of mining and processing its coal and uranium concurrently.
For further information contact:

Paul Thomson, CEO, A-Cap Resources + 61 8 9220 9850
Victoria Thomas, Six Degrees Investor Relations + 61 3 9645 7567

Information in this report relating to Coal Exploration results, is based on information compiled by Mr Steven Groves (a full-time employee of A-Cap Resources Limited and a member of The Australian Institute of Geoscientists) and Mr Darryl Stevenson (Consulting Coal Geologist to A-Cap Resources). Mr Stevenson has sufficient experience that 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 under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources. Mr Stevenson consents to the inclusion of the data in the form and context in which it appears].