Uranium Market

Prices must more than double to incentivise production and head off projected global uranium deficit

Above graph source: WNA, Raymond James, 2016
Letlhakane Uranium Project

- 1st Uranium project in Botswana to secure a Mining Licence
- Environmental Impact Statement approved
- Provisional surface rights granted
- Shallow open pit mining operation with low cost acid heap leach to produce 3 Million pounds $U_3O_8$ per annum
- Initial construction CAPEX of US$351 million
- 3Mlbs p.a. $U_3O_8$ life of mine

<table>
<thead>
<tr>
<th>DCR</th>
<th>Pre-tax</th>
<th>Post-tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%</td>
<td>383M</td>
<td>240M</td>
</tr>
</tbody>
</table>

- Project NPV 8% 383M 240M
- Project IRR 29% 24%
- Operating costs of US$35/lb $U_3O_8$ over first 5 years and approximately $41/lb $U_3O_8$ over 18 year process life
Letlhakane - Resource

- Global top ten undeveloped uranium resource of 365.7Mlbs
- Re-assessment of Total Resource was completed in September 2015 using Localised Uniform Conditioning (LUC)
- LUC method of resource calculation better reflects the mining method selectivity using continuous miners.

<table>
<thead>
<tr>
<th>Cut-off (U₃O₈ ppm)</th>
<th>Total Indicated</th>
<th>Total Inferred</th>
<th>Global Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mt</td>
<td>U₃O₈ (ppm)</td>
<td>Contained U₃O₈ (Mlbs)</td>
</tr>
<tr>
<td></td>
<td>Mt</td>
<td>U₃O₈ (ppm)</td>
<td>Contained U₃O₈ (Mlbs)</td>
</tr>
<tr>
<td>100</td>
<td>197.1</td>
<td>197</td>
<td>85.5</td>
</tr>
<tr>
<td>200</td>
<td>59.2</td>
<td>323</td>
<td>42.2</td>
</tr>
<tr>
<td>300</td>
<td>22.2</td>
<td>463</td>
<td>22.7</td>
</tr>
</tbody>
</table>

The above global mineral resource, completed by an independent expert and reported in compliance with the JORC 2012 code, was announced to the market on the 5th October 2015 ("release"). A-Cap confirms that it is not aware of any new information or data that materially affects the information included in the release and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the release continue to apply and have not materially changed.
Resource Growth

- Contained U3O8 (Mlbs) @ 100ppm Cut-Off
- U3O8 (ppm) @ 100ppm Cut-Off
- U3O8 (ppm) @ 200ppm Cut-Off


- 2007: 20.1 Mlbs
- 2008: 98 Mlbs
- 2009: 158 Mlbs
- 2011: 261 Mlbs
- 2012: 352 Mlbs
- 2015: 366 Mlbs

Graph shows the growth in contained U3O8 and U3O8 concentrations over the years.
Major Infrastructure in Place

- Rail
- Road
- Power
- Water

Available

Legend:
- A-Cap License
- Road
- Rail
- Villages
- 220kVA Power Line
Experienced Management & Technical Team

- Highly experienced technical and operational team
- World best expertise in geology, mining, metallurgy, process design and development engaged
- Team with project development, infrastructure & construction expertise
- Board and management with strong track record of taking projects from exploration to production
- Demonstrated ongoing continuous improvement in project economics
Ore Body – Flat, shallow, easy to mine

- Shallow, Flat, Simple, Easy to mine, dips W at 1°
- Layer cake type deposit with series of upward fining sequences
Mining

- Innovative mining using state of the art surface miners (below) in open pit operation
- Surface miners allow very selective mining, less expensive than conventional mining
- Optimal particle size of 19mm eliminating first stage crushing
- Falling contractors rates for contract mining

Wirtgen 4200 Direct Loading  
Vermeer T1255DD
Uranium Market

Peer Group U₃O₈ Deposits: Grade U₃O₈ vs Contained lbs

- **Laramide** @ 870PPM, 51.9 Mlbs
- **Vimy** @ 520PPM, 75 Mlbs
- **Berkeley** @ 514PPM, 89.3 Mlbs
- **Toro** @ 482PPM, 84 Mlbs
- **Deep Yellow** @ 328PPM 75.8 Mlbs
- **Forsys** @ 197PPM 126.2 Mlbs
- **Bannerman** @ 201PPM 169 Mlbs
- **Letlhakane** @ 321PPM, 190.4 Mlbs
- **Letlhakane** @ 450PPM, 102.9 Mlbs
- **Letlhakane** @ 321PPM, 190.4 Mlbs
- **Letlhakane** @ 450PPM, 102.9 Mlbs
- **Letlhakane** @ 202PPM, 365.7 Mlbs