TO: COMPANY ANNOUNCEMENTS OFFICE  
ASX LIMITED  
DATE: Friday 17 October 2008

SCOPING STUDY LETLHAKANE URANIUM PROJECT

The board of A-Cap Resources Limited is pleased to release the results of the Scoping Study conducted by SRK Consulting over the previous 9 months.

HIGHLIGHTS

- Scoping Study supports robust project economics
- Project focuses on near surface calcrite and oxide portions of the resource
- Preferred project option contains 45Mdmt @180 ppm containing 18Mlbs U3O8
- Metallurgical recoveries between 78%-90% within the oxide and calcrite mineralisation
- Target production rates 7Mdmt for 2.2Mlbs of U3O8 per annum
- Total cash cost USD29/lb U3O8
- Capital Expenditure USD 169M plus 10M sustaining capital.

SCOPING STUDY DETAILS

A-Cap commissioned SRK in March 2008 to manage the Scoping Study for the Letlhakane Project Uranium deposit in North Eastern Botswana. Four principal development options were considered during the course of the study. For the purpose of this report A-Cap has elected to focus on option one which completed a Whittle Pit Optimisation using a long term price of USD 55/lb of U3O8 and a production rate of 20ktpd.

Aspects of the Letlhakane Uranium Project that were assessed in the SRK scoping Study Include

- Resource drilling and re-estimation
- Mine Optimisation based at USD 55 and USD 80 /lb U3O8
- Metallurgical projections
- Infrastructure assessment including; access, power water
- Capital and operating cost estimates
- Technical and economic modeling

The significant detail of the SRK reports follows.

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Letlhakane Scoping Study results

Following on from the release of its latest JORC Inferred Mineral Resource estimate in July 2008, an independent scoping-level study has been completed to evaluate the potential economic returns of a commercial operation that is developed within the next two years. The indicative results from this study support continued funding of further technical and economic studies, and resource development, which will be required as part of a Feasibility Study and will likely be undertaken in 2009 with a view to producing U₃O₈ by mid to late 2010.

Acknowledging the confidence levels associated with resource estimates being classified as Inferred, the following results should only be considered as indicative and are subject to the assumed quantity and quality of the projected production being appropriately modified to reserves. The company is confident that the majority of the current Inferred Resources will be upgraded to Indicated Resources following the completion of ongoing resource definition drilling and metallurgical testwork, as recommended in the associated Resource Report which supports the July 2008 estimate.

Four options were considered during the scoping study, the summary results below are from Option One, at a production rate of 20ktpd based on a pit optimisation using a long term price of USD55/lb U₃O₈.

**INDICATIVE RESULTS**  **Not Based on Reserves**

**Technical Results:**
- Total Inferred Resource : 280Mdmt @ 160 ppm containing 98Mlbs U₃O₈
- Stripping ratio : 1.2 waste tonnes to ore tonnes
- Target RoM Production : 45Mdmt @ 180 ppm containing 18Mlbs U₃O₈
- Target Production Rate : 7Mdmt per annum
- Target Average RoM Grade : 180ppm eU₃O₈
- Target Contained U₃O₈ : 18Mlbs eU₃O₈
- Assumed Production rate : 20kdmt per day
- Assumed Leach Recovery : 80% on average (includes leach, SX and IX recovery)
- U₃O₈ production : 2.2Mlbs per annum

**Economic Results:**
- Unit Direct Operating Costs : USD25/lb U₃O₈
- Unit Indirect Operating Costs : USD2/lb U₃O₈
- Unit Marketing & Logistics : USc8/lb U₃O₈
Government Royalty : USD2/lb U₃O₈
Total Cash Costs of Sales : USD29/lb U₃O₈ FoB Walvis Bay
Capital Expenditure : USD169 million
Sustaining Capital : USD10 million

**Reporting Standards**

This summary is extracted from SRK’s "Scoping Study Report: Letlhakane Uranium Prospect – September 2008" and comprises the results of a Technical Economic Model ("TEM"). The resultant indicative cash flow is based purely on a conceptual geological model, pit optimisation and associated depletion schedule – it is not a Valuation Report and does not express an opinion as to the fair market value of the property, nor to the ‘fairness and /or reasonableness’ of any potential future transactions whereby any attempt is made to utilise the results derived from the TEM to derive either an asset or enterprise valuation.

Aspects reported on herein include hypothetical assumptions relating to exploration success, operating permits, lawful ownership, contract terms, metallurgical test work, product specifications, transportation logistics, environmental and social approvals, long-term commodity prices and macro economics.

The results presented throughout this extract summary are primarily based on conceptual ideas and on the collective experience of SRK’s team members and are generally not supported by adequate underlying data. At the time of this report, SRK confirms that there was insufficient exploration data and metallurgical testwork to support Indicated Mineral Resources and therefore any formal income based valuation, in accordance with the VALMIN Code, is deemed inappropriate.

In view of the above statements and the reliance placed on the success of ongoing exploration, the outcomes of the conceptual TEM cannot be, and are not, guaranteed by SRK.

**Scoping Study Overview**

A-Cap Resources Limited ("A-Cap") mandated SRK Consulting (Australasia) Pty Ltd ("SRK") to undertake a scoping-level study of its Letlhakane uranium prospect located in east-central Botswana.

The scoping-level study is based on the fundamental assumption that further geological, mineralogical and metallurgical studies, as part of the ongoing resource development program, will support appropriately classified Indicated Mineral Resources of sufficient quantity and quality to allow modification to Ore Reserves of similar or greater quantum as the total production targets assumed for the scoping-level study.
SRK undertook site visits on three occasions covering geology, geotechnics and geochemistry.

The underlying technical assumptions of the scoping-level study are:

- that Ore Reserves equal to or greater than 45Mt @ 180ppm will be generated following the completion of a Feasibility Study to a standard that will support financing;
- that the shallow lying ore will be extracted by conventional open-pit mining equipment under a typical mining contract where the contractor assumes responsibility for all earth works to the point at which the RoM production is delivered to the crushers;
- that the crushed ore will be stacked on a purpose designed leach pad. U$_3$O$_8$ will then be recovered by alkaline heap leaching, solvent extraction and ion exchange;
- that the U$_3$O$_8$ product will be exported to the port at Walvis Bay in Namibia on a FoB basis and sold to third parties for converting;
- that the site power will be sourced through a new 10km power line connecting to the Botswana state grid at the switch station in Serule; and
- that the water will be sourced from a borefield developed into aquifers within the exploration tenement, this assumption has yet to be verified.

Four options were considered during the scoping study:

- Option One at a production rate of 20ktpd based on a pit optimisation using USD55/lb U$_3$O$_8$;
- Option Two at a production rate of 40ktpd based on a pit optimisation using USD55/lb U$_3$O$_8$;
- Option Three at a production rate of 20ktpd based on a pit optimisation using USD80/lb U$_3$O$_8$; and
- Option Four at a production rate of 40ktpd based on a pit optimisation using USD80/lb U$_3$O$_8$. 
**Inferred Mineral Resources**

The following figure shows the area containing the current (July 2008) Inferred Mineral Resource and where the defined orebody sits in relation to the overall prospecting lease area. The following shows the 100ppm grade shell wireframe used to constrain the resource estimate (top) and sections through the three defined mineralisation domains (calcrete, oxide and primary).
The resources were estimated using ordinary kriging which is a linear unbiased estimator deemed suitable by SRK due to the relatively low coefficient of variation encountered in each domain. This suggests that few estimation issues would be encountered which normally relate to high variance and/or nugget effects.

The following grade tonnage curves were generated from the resource estimation work.
A global Inferred Mineral Resource Statement was announced by A-Cap from these estimates dated July 2008: 280Mdmt @ 158ppm containing 98Mlbs of U$_3$O$_8$ above a cut-off grade of 100ppm.
The underlying resource block model from which these estimates were derived was used by Cube Consulting Pty Ltd (“Cube”) to run pit optimisations using Whittle 4D.

**Conceptual Mine Optimisation**

A-Cap outsourced the pit optimisation work to Cube. SRK has therefore been provided with, and has placed reliance on, the results from Cube’s optimised pit shells. Two price scenarios were generated, one using USD55/lb U₃O₈ and a second using USD80/lb U₃O₈. Of the 21 pits generated for each price scenario, pit 11 resulted in the highest projected cash flow and the pit shell contents from these final pits were used by SRK to schedule depletion and conceptualise the likely push back sequencing.

The key optimisation parameters used by Cube are presented in the following table.

<table>
<thead>
<tr>
<th>Pit Optimisation Parameters</th>
<th>Unit</th>
<th>Value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average slope angle</td>
<td>degrees</td>
<td>45</td>
<td>relatively shallow pits (+/- 20 m deep)</td>
</tr>
<tr>
<td>Processing Cost</td>
<td>USD/t ore</td>
<td>5.10</td>
<td>Calcrete and Oxide</td>
</tr>
<tr>
<td>Processing Cost</td>
<td>USD/t ore</td>
<td>9.96</td>
<td>Primary</td>
</tr>
<tr>
<td>Transport and selling cost</td>
<td>USD/t ore</td>
<td>1.21</td>
<td></td>
</tr>
<tr>
<td>Rehab Costs</td>
<td>USD/t ore</td>
<td>0.12</td>
<td></td>
</tr>
<tr>
<td>Mine Administration cost</td>
<td>USD/t ore</td>
<td>0.12</td>
<td></td>
</tr>
<tr>
<td>Metallurgical Recovery</td>
<td>%</td>
<td>90%</td>
<td>Calcrete</td>
</tr>
<tr>
<td>Metallurgical Recovery</td>
<td>%</td>
<td>78%</td>
<td>Oxide</td>
</tr>
<tr>
<td>Metallurgical Recovery</td>
<td>%</td>
<td>36%</td>
<td>Primary</td>
</tr>
<tr>
<td>Selling price</td>
<td>USD/lb U₃O₈</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>Selling price</td>
<td>USD/g U₃O₈</td>
<td>0.1212</td>
<td></td>
</tr>
<tr>
<td>Government Royalty</td>
<td>%</td>
<td>3%</td>
<td>of U₃O₈ price</td>
</tr>
<tr>
<td>Mining costs</td>
<td>USD/BCM</td>
<td>Mining costs vary by bench 5.5 USD/BCM at surface Cost increment 0.10 USD/BCM per additional 10m depth</td>
<td></td>
</tr>
</tbody>
</table>

No resource to reserve modification factors (extraction losses, design losses and dilution) have been assumed for this level of study; however, in reality there will likely be both loss and dilution. No conceptual pit designs were undertaken to estimate ore loss and additional waste associated with constructing access ramps and implementing bench designs. Similarly, no geotechnical studies have been undertaken to optimise the pit wall angles which may reduce the current stripping ratio, however this was not considered an issue given the shallow nature of the optimised pits.

**Conceptual Mine Depletion**

SRK used the Cube pit optimisation results to perform conceptual production scheduling, depleting the Inferred Resources contained in the final pit shells at a rate of 20ktpd and 40ktpd.
SRK used a minimum mining width of 50m when performing the pit pushback analysis. The pit pushbacks are shown in the following figure.

SRK assumed that mining will be undertaken by a suitably experienced mining contractor based in Southern Africa. Mining will be performed by a conventional truck and excavator fleet, as will be determined by the mining contractor. In addition, the assumed contractor rates include appropriate provision for workshops, spare parts inventory, a fuel farm, explosives storage and offices. The contractor will be responsible for all site preparation including the removal of up to 30cm of topsoil placed in temporary stockpiles for future reclamation activities.

The current contractor rates are based on SRK’s and Cube’s internal database utilising data from comparable Southern African contractor operations. Mobilisation of the contractor has been included in the capital.

**Conceptual Metallurgical Projections**

Two phases of metallurgical testwork was undertaken at Mintek in South Africa. However, due to issues with sample integrity with the phase 1 samples, they were not considered representative by SRK and were discarded. Thus, only the second phase results have been considered in this study. Furthermore, a single round of mineralogy testing was undertaken by SRK at the University of Wales, Cardiff. The mineralogy work indicated that up to 30% of uranium in the primary ore is held in refractory phases (such as organic matter and orthobrannerite) and therefore unless a very fine
grain size is achieved, the contained uranium will not be exposed to leaching solutions resulting in a very poor recovery.

The secondary and calcrite ores comprise a complex assemblage of coarser uranium minerals that are likely to be highly soluble and leach easily. High clay content in some ore types result in the need for agglomeration to ensure good solution percolation through the ore once stacked on the leach pad.

Bottle roll tests at variable temperatures, and with sulfuric acid and alkaline reagents were completed on the three size fraction samples ( -25mm; -6mm and fines). The samples included calcrite and secondary mudstones (oxides) primary sandstones, mudstones and carbonaceous mudstones/shales (primary)

For the secondary ores non-oxidative carbonate rinsing showed relatively good response with up to 80% extraction in 7 days. This improved with decreasing grain size with up to 100% extraction in 7 days for the fines.

By contrast the primary ores showed less than 45% extraction throughout the testwork and the uranium that was amenable to extraction was removed within 5 days. Uranium extraction under both acid and alkaline conditions appears to be a function of mineralogy, uranium speciation and presence of reactive gangue minerals. Alkaline leaching appeared to be the more efficient on secondary ores.

The results for the alkaline (non oxidative carbonate) leach are:

- **Mokobaesi Mudstone – Secondary mineralisation (oxides)** Range 50 to 85%
- **Mokobaesi Calcrete – Secondary mineralisation (calcrete)** Range 70 to 95%
- **Kraken Sandstone – Primary mineralisation (primary)** Range 20 to 40%
- **Mokobaesi mudstone – Primary mineralisation (primary)** Range 40 to 50%
- **Kraken carbonaceous mudstone - Primary mineralisation (primary)** Range 20 to 30%

From these testwork data, SRK used the following flat recovery assumptions in its Technical and Economic Model (TEM).

<table>
<thead>
<tr>
<th>Heap Leach Recovery</th>
<th>Recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcium</td>
<td>%</td>
</tr>
<tr>
<td>Oxida</td>
<td>%</td>
</tr>
<tr>
<td>Primary</td>
<td>%</td>
</tr>
</tbody>
</table>

| Recovery |%
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcium</td>
<td>90%</td>
</tr>
<tr>
<td>Oxida</td>
<td>78%</td>
</tr>
<tr>
<td>Primary</td>
<td>35%</td>
</tr>
</tbody>
</table>

Based on the current results from the metallurgical tests, SRK's proposed flow sheet will comprise conventional processing techniques currently proven for the heap leaching of uranium ores to produce uranium as a "yellowcake" product for shipment to consumers for off-site converting. The flowsheet includes:

- Crushing (two stages of primary and secondary) and agglomeration;
- Ore stacking on leach pads;
Solution collection of the uranium-bearing solution from leaching;
Ion exchange (resin) of the contained uranium from solution;
Elution of the uranium from the resin and precipitation of the uranium from the eluate;
Thickening, filtering, and drying of the uranium as yellowcake; and
Packaging of the yellowcake into drums for shipment.

To date, minimal technical data has been developed in the metallurgical test programs for the formulation of process flow sheet and design criteria for the heap leaching and process plant parameters, equipment sizing, and reagent consumption rates. As more information becomes available from the on-going test work, refinement of the plant design criteria and equipment selection can take place.

The current assumption is that the calcrete and oxide ores will be processed together on the same leach pads. The RoM ore will be crushed in a two stage crushing system to a nominal 4.8mm size for leaching. The crushed product will be conveyed to an agglomerating drum where a specified amount of lime and spray water will be added to achieve the desired agglomeration consistency.

The agglomeration adheres the fine ore particles to larger ones to improve the permeability of the stacked material, and minimise channelling and blinding in the heap leaching process. SRK has used a lime application rate of 4 kg per tonne of ore for this scoping study.

The agglomerated ore will be conveyed to the heap leaching pads to the design lift height of 9m – total height of 27 m. The stacked ore will be irrigated with an alkaline solution of 40 g/l Na2CO3-5 g/l NaHCO3. The leach cycle is assumed at 120 days.

From the pregnant solution pond, the solution will be passed through sand filters ahead of the ion exchange columns and adsorbed from the solution onto the resin. Typically, there will be two or three columns operating in series. The loaded resin will be transferred in a batch operation to the elution columns where the uranium will be stripped from the resin using NH4NO3 in a sulphuric acid solution.

The uranium-bearing eluate will be pumped to a series of precipitation tanks, thickened and filtered to reduce the solids to about 35-40%. The filter cake will be dried at about 350°C. The dried yellowcake product will then be packaged into drums for shipment.

**Infrastructure**

**Access:** The existing access road between Serule and Gojwane will be upgraded to an all weather road between Serule and the process plant. The road will be upgraded such that it is capable of handling trucks delivering bulk process chemicals. It is assumed that the road would need to be reformed, a base coarse added and with an asphalt finish (assumed chip and spray).

**Power:** For electrical supply to the mine and process area it is assumed that this would come through a new overhead pole line from the main switching yard at Serule approximately 10 km away and terminate at a main substation located at the process plant. The power distribution would be through overhead lines to the crusher, process plant and leach pad(11kV), and the administration, canteen and workshops (6.6kV).
**Water:** The water balance indicates that the operation is a net water user. The estimated required flow rate to maintain the process solution is in the order of 174 – 240 m$^3$/hr range. The total water requirement, including dust suppression and potable supplies, is estimated to be 350m$^3$ per hour, based on a 20ktpd operation. This water has been assumed to be sourced from a raw water borefield situated within the extent of the property boundaries. Assuming 5ℓ/sec yielding boreholes, a total of approximately 25 production boreholes will be required to meet the water requirements for the project. SRK has assumed that a total of 35 holes would be drilled based on the assumption that 5 will have very low yields and 5 boreholes will be maintained as backup. A total of 30 boreholes will be equipped.

**Environmental & Social**

No environmental studies have yet been undertaken to support the anticipated project development.

The legal framework that governs mining in Botswana comprises the Mining Policy and the Minerals Act. Environmental standards applicable to prospecting/exploration activities are assembled from a variety of well documented land use, resource and pollution control legislation, however, the key act with regards to environmental requirements is the Environmental Impact Assessment Act, 2005.

In many respects, uranium mining is the same as any other mining in terms of the environmental legislation. Projects must have environmental approvals prior to commencing, and must comply with all environmental, safety and occupational health conditions applicable. Increasingly, these are governed by international standards, with external audits.

The major isotope U-238 has a half-life equal to the age of the earth; it is certainly not strongly radioactive. U-235 has a half life one sixth of this and emits gamma rays as well as alpha particles. Hence, a lump of pure uranium would give off some gamma rays, but less than those from a lump of granite for example. Its alpha radioactivity in practical terms depends on whether it is as a lump (or in rock as ore), or as a dry powder. In the latter case the alpha radioactivity is a potential, though not major hazard. It is also toxic chemically, being comparable with lead. Uranium metal is commonly handled with gloves as a sufficient precaution.

The gamma radiation detected by exploration geologists looking for uranium actually comes from associated elements such as radium and bismuth, which over geological time have resulted from the radioactive decay of uranium.

On completion of the mining operation, it is normal for the leach pads to be covered to reduce radiation levels to near those normally experienced in the region of the ore body, and for a vegetation cover to be established.

SRK’s is currently undertaking environmental baseline and permitting work for a project of a similar size in northwest Botswana. The cost of this project is approximately ZAR3.5 million and this estimate has been incorporated into this study. SRK has included a closure estimate amounting to USD20 million to be accrued annually into a dedicated closure fund which is considered good practice in Southern Africa.
SRK developed a conceptual reclamation plan for the heap leach pad, process ponds and the waste dumps. The reclamation plan also includes for the management of process solutions. It is assumed that only nominal work would be undertaken to secure access to the pit for animal and humans.

SRK anticipates that should environment studies commence in Q4 2008, then providing no material issues arise, all appropriate documentation in support of the required permits and authorisations could be generated by Q4 2009 with approvals granted in Q1 2010.

**Technical and Economic Model**

**Capital Cost Estimates**  Capital Cost estimate for the four scenarios where generated by SRK to within a scoping-level of accuracy, which is generally considered to be +/-35%. In the current climate of rapidly increasing project developed costs, which are far exceeding the normal CPI benchmarks, SRK cautions that the rising cost of materials could impact on these estimates significantly should development delays occur. The estimates presented include all EPCM costs and are effective Q3 2008. The underlying estimates have been generated from a combination of in-house data, supplier budget quotations and comparable operations. No formal engineering has been undertaken to support the estimates and as such no formal quotes from equipment suppliers has been sought.

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
<th>Option 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital</td>
<td>kUSD</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Mine</td>
<td>kUSD</td>
<td>148,959</td>
<td>203,462</td>
<td>148,959</td>
<td>172,374</td>
</tr>
<tr>
<td>Process</td>
<td>kUSD</td>
<td>10,333</td>
<td>14,226</td>
<td>10,333</td>
<td>14,226</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>kUSD</td>
<td>169,291</td>
<td>227,687</td>
<td>169,291</td>
<td>196,600</td>
</tr>
<tr>
<td>Total - Capital</td>
<td></td>
<td>179,975</td>
<td>231,514</td>
<td>190,488</td>
<td>206,071</td>
</tr>
<tr>
<td>Sustaining Capital</td>
<td>kUSD</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mine</td>
<td>kUSD</td>
<td>9,831</td>
<td>3,357</td>
<td>19,663</td>
<td>8,533</td>
</tr>
<tr>
<td>Process</td>
<td>kUSD</td>
<td>852</td>
<td>469</td>
<td>1,534</td>
<td>939</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>kUSD</td>
<td>10,684</td>
<td>3,827</td>
<td>21,197</td>
<td>9,471</td>
</tr>
<tr>
<td>Total - Sustaining Capital</td>
<td>kUSD</td>
<td>179,975</td>
<td>231,514</td>
<td>190,488</td>
<td>206,071</td>
</tr>
</tbody>
</table>

The majority of the expenditure is due to the direct construction of the heap leach and process plant facilities. A contingency of 35% is applied to the direct construction expenditure.

**Operating Costs**  SRK has estimated the operating costs for each of the four options assuming the mining is contractor operated and the heap leaching-processing plant is owner operated. A summary of the assumed operating costs is shown below. The total cost of sales, FoB Walvis Bay, for Option One is therefore just over USD29/lb (real terms pre tax pre finance cash cost), giving an average operating margin of between USD20/lb and USD35/lb depending on the long-term view on price. A flat USD65/lb was assumed in the TEM. However, as stated earlier, the mine schedules supporting the four options were based on pit optimisations using USD55/lb and USD80/lb. Option One is the USD55/lb model.
<table>
<thead>
<tr>
<th></th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
<th>Option 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tonne Stacked</strong></td>
<td>45.54</td>
<td>45.54</td>
<td>76.82</td>
<td>76.82</td>
</tr>
<tr>
<td>Mining (USD/t stacked)</td>
<td>5.37</td>
<td>5.37</td>
<td>7.28</td>
<td>7.28</td>
</tr>
<tr>
<td>Processing (USD/t stacked)</td>
<td>1.76</td>
<td>1.56</td>
<td>1.81</td>
<td>1.58</td>
</tr>
<tr>
<td>G&amp;A (USD/t stacked)</td>
<td>0.70</td>
<td>0.70</td>
<td>0.85</td>
<td>0.85</td>
</tr>
<tr>
<td>Indirects (USD/t stacked)</td>
<td>0.69</td>
<td>0.72</td>
<td>0.58</td>
<td>0.58</td>
</tr>
<tr>
<td>Marketing &amp; Distribution (USD/t stacked)</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
<td>0.02</td>
</tr>
<tr>
<td>Royalty (USD/t stacked)</td>
<td>0.61</td>
<td>0.61</td>
<td>0.70</td>
<td>0.70</td>
</tr>
<tr>
<td><strong>Total CoS</strong> (USD/t stacked)</td>
<td>9.16</td>
<td>8.99</td>
<td>11.24</td>
<td>11.01</td>
</tr>
</tbody>
</table>

| **U3O8 Produced**   | 14.4     | 14.4     | 22.5     | 22.5     |
| Mining (USD/lb)     | 17.03    | 17.02    | 24.87    | 24.87    |
| Processing (USD/lb) | 5.59     | 4.96     | 6.19     | 5.39     |
| G&A (USD/lb)        | 2.22     | 2.22     | 2.90     | 2.90     |
| Indirects (USD/lb)  | 2.20     | 2.29     | 1.97     | 1.98     |
| Marketing & Distribution (USD/lb) | 0.08     | 0.08     | 0.08     | 0.08     |
| Royalty (USD/lb)    | 1.95     | 1.95     | 2.40     | 2.40     |
| **Total CoS** (USD/lb) | 29.06    | 28.51    | 38.41    | 37.61    |

**TEM Summary**

The figure below shows the production, capital and operating expenditure profiles and highlights the operating margin assuming a USD65/lb yellow cake price (FoB Walvis Bay).
Scoping – Level Study Recommendations

Based on the results of the scoping study, SRK recommends the following:

- Additional drilling both infill reverse circulation and diamond should be undertaken to improve the resource reporting accuracy.
- Additional metallurgical testing should be undertaken to support the assumptions used in the study;
- Commence groundwater investigations
- Commence environmental baseline work for the Environmental Impacts Assessment; and
- Undertake pre-feasibility/feasibility engineering
The Next Stage

A-Cap is now well placed to progress the Letlhakane Uranium Project to a Feasibility Study. The Company is currently seeking tenders and reviewing its funding to progress this exciting project to the Feasibility stage.

The market will be kept informed of the Company’s plans.

Dr Andrew Tunks
Managing Director A-Cap Resources Limited