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RESOURCES LTD

Developing Uranium in Botswana

AGM
November 2015



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A-Cap Overview

CORPORATE



WELL FUNDED - with strong
shareholder support

BASED IN BOTSWANA - safe and stable
jurisdiction

EXPERIENCED MANAGEMENT - and technical
team

Lethakane Uranium Project Overview

- **Advanced Uranium Project** – Recently applied for Mining Licence - August 2015
- **Recently submitted ESIA and EMP** - for approval-Q2, 2015
- **Low cost mining and processing operation,**
- Low CAPEX all infrastructure available
- **Initial production (3Mlbs pa U₃O₈) - 18 year Mine Life**
- **Project planned for early development and production** - capitalising on recovery of uranium market
- **A-Cap production timeline** - in line with uranium market demand and price increases



Corporate Overview

CAPITAL STRUCTURE

SHARE PRICE

2.0 Cents*

SHARES

475 million shares

OPTIONS

8.2 million options

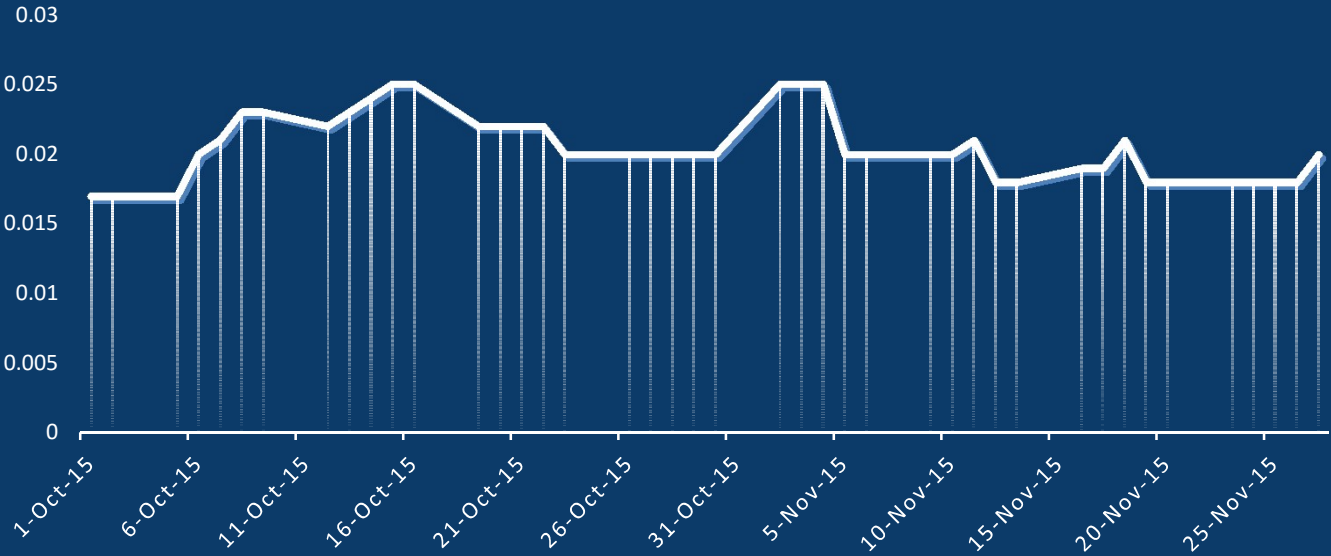
Market cap **\$9.5M**

Cash **\$1.1M***

Debt **\$1M**

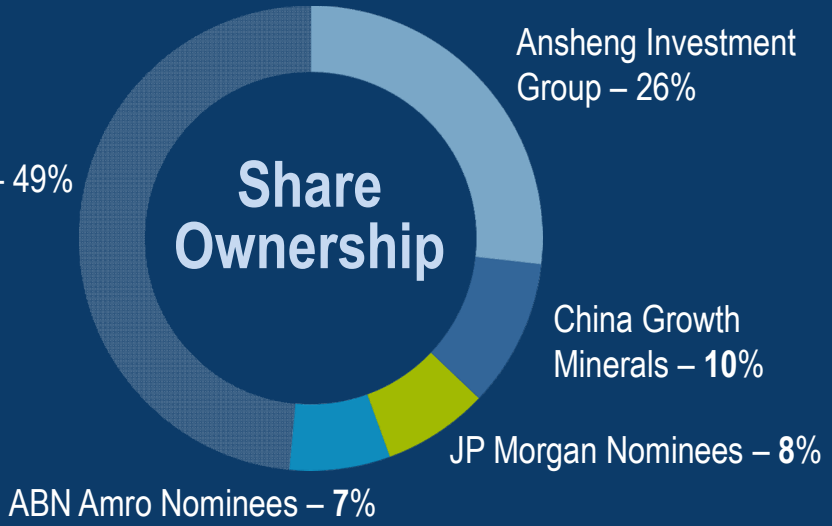
Investment held for trade **\$0.25M**

Corporate Overview



Recent Share Price

Share Ownership



Corporate Overview

BOARD & MANAGEMENT

Angang Shen

Chairman

Paul Ingram

Deputy Chairman, Director

Paul Thomson

CEO, Managing Director

Paul Woolrich

Executive Director

Harry Stacpoole

Non-Executive Director

Anthony Khama

Chairman, A-Cap Botswana Pty Ltd

Michael Liu

Business Development Manager

John Fisher-Stamp

Finance Director

Botswana

- Botswana ranks **FIRST** in Africa for political stability, democracy and rule of law
- Stable, multi-party democracy since 1966
 - Skilled mining work force
 - English speaking
 - Highest GDP per capita in Africa
- **Mining** accounts for **40%** of current **GDP** and is critical for continued economic growth
- Botswana a safe and **secure place to invest** with an easy to understand mineral law and security of tenure



Uranium Market

437 reactors
operational

66 under
construction

488 planned and
proposed



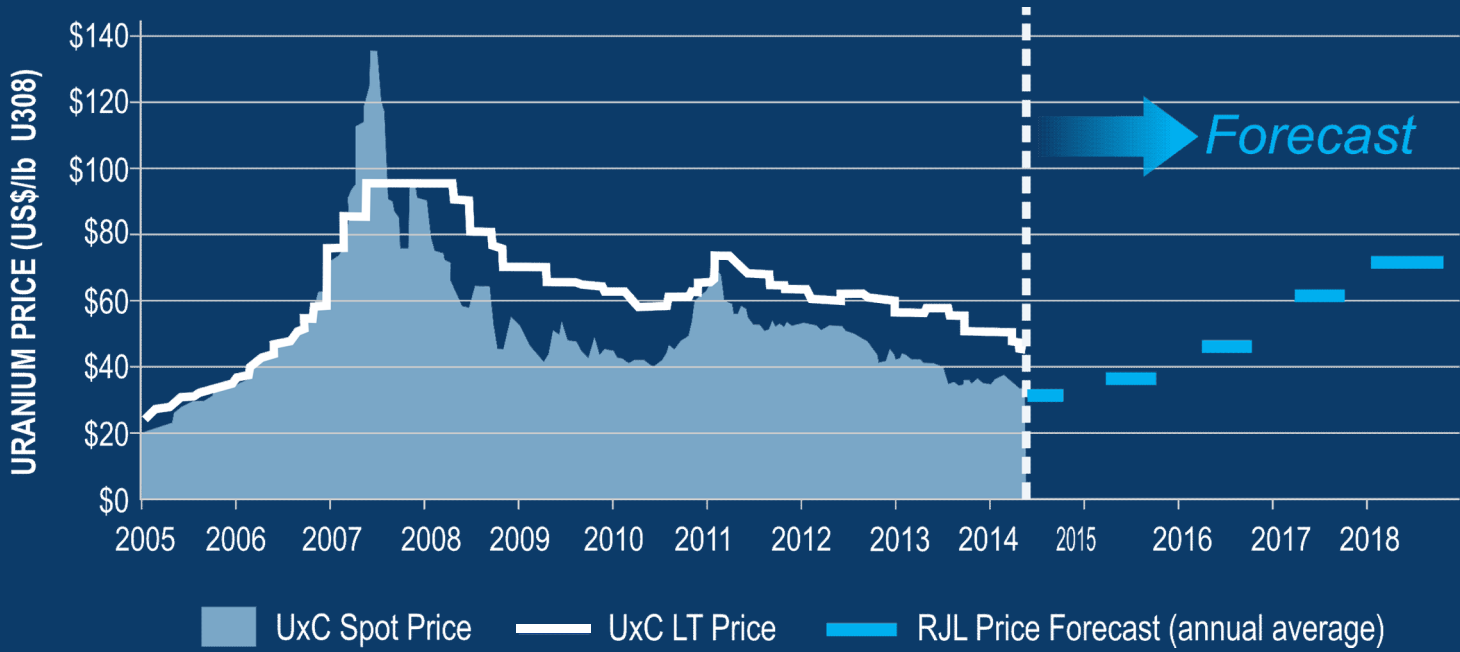
- Japan has commenced re-starting reactors

Uranium Market

**NUCLEAR
ENERGY**



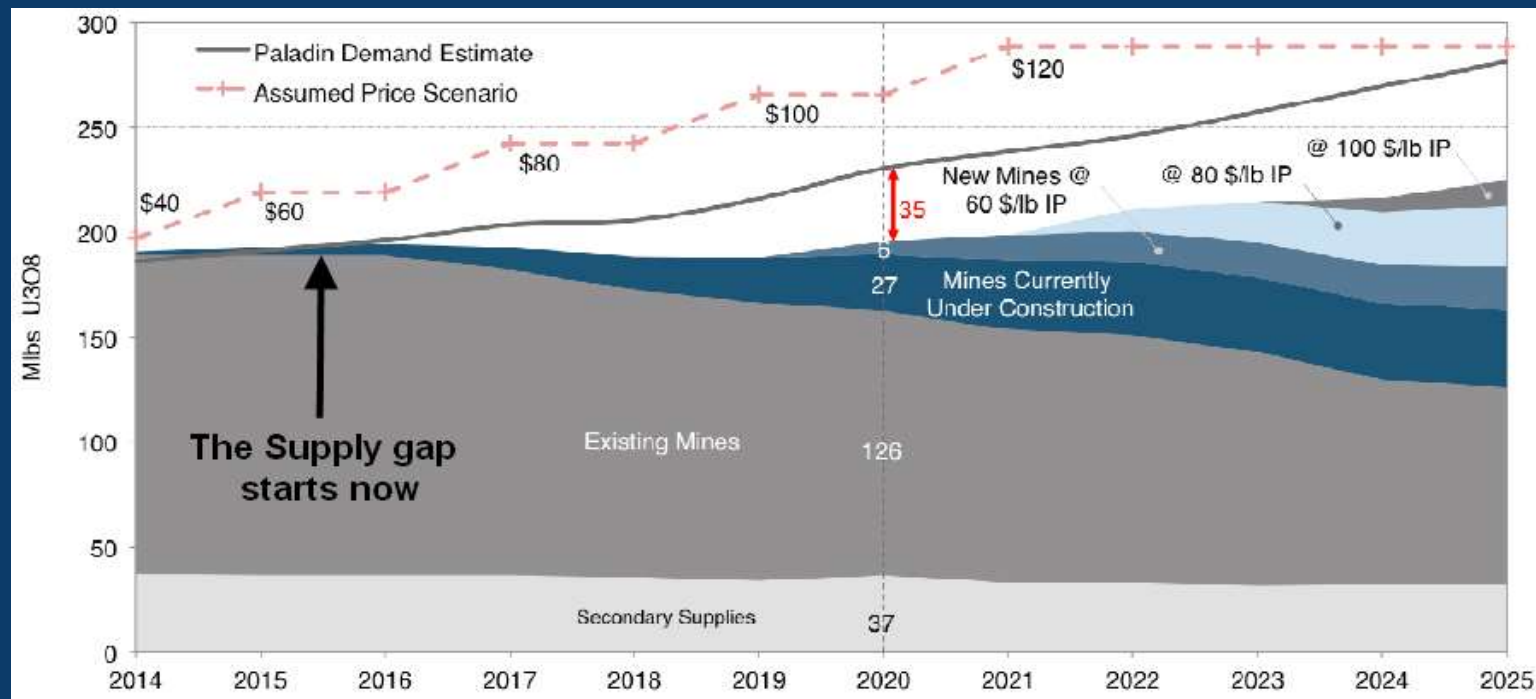
is the fastest
growing ENERGY
source globally



Source: Raymond James Ltd., UxC

Uranium Market

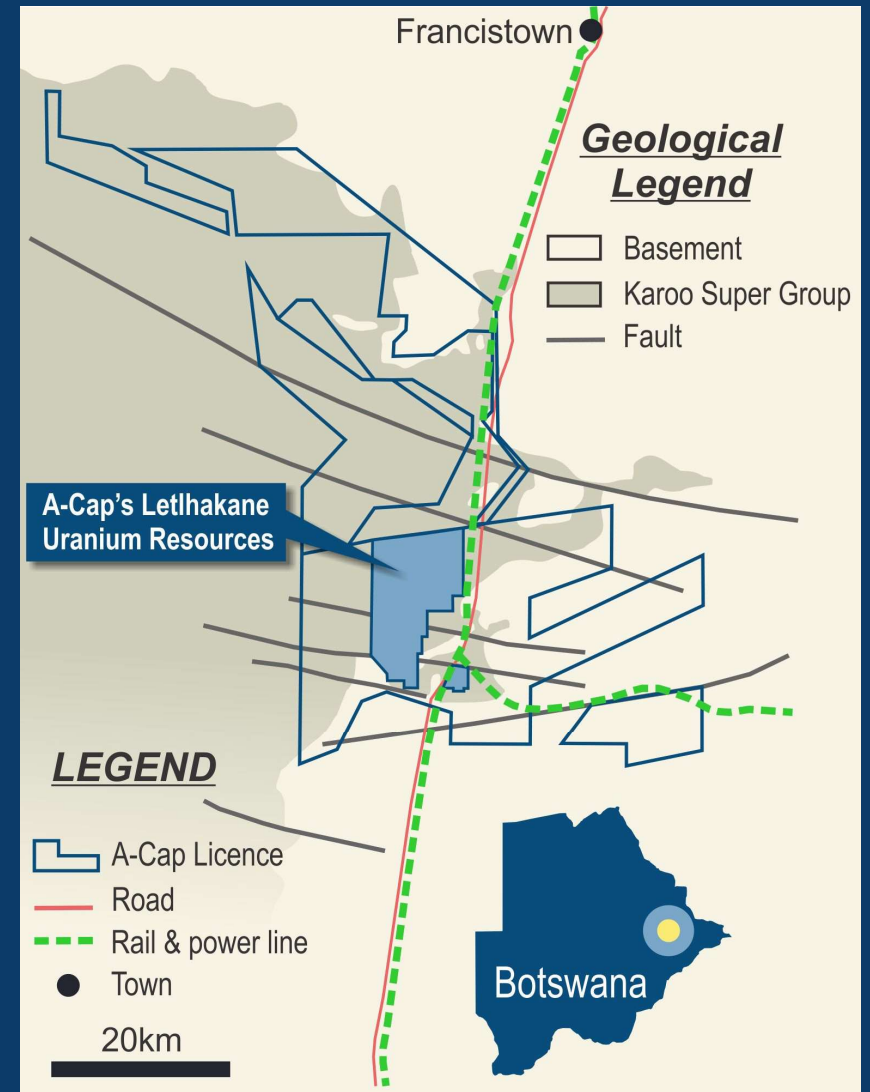
- Prices must more than double to incentivise production and head off projected global uranium deficit



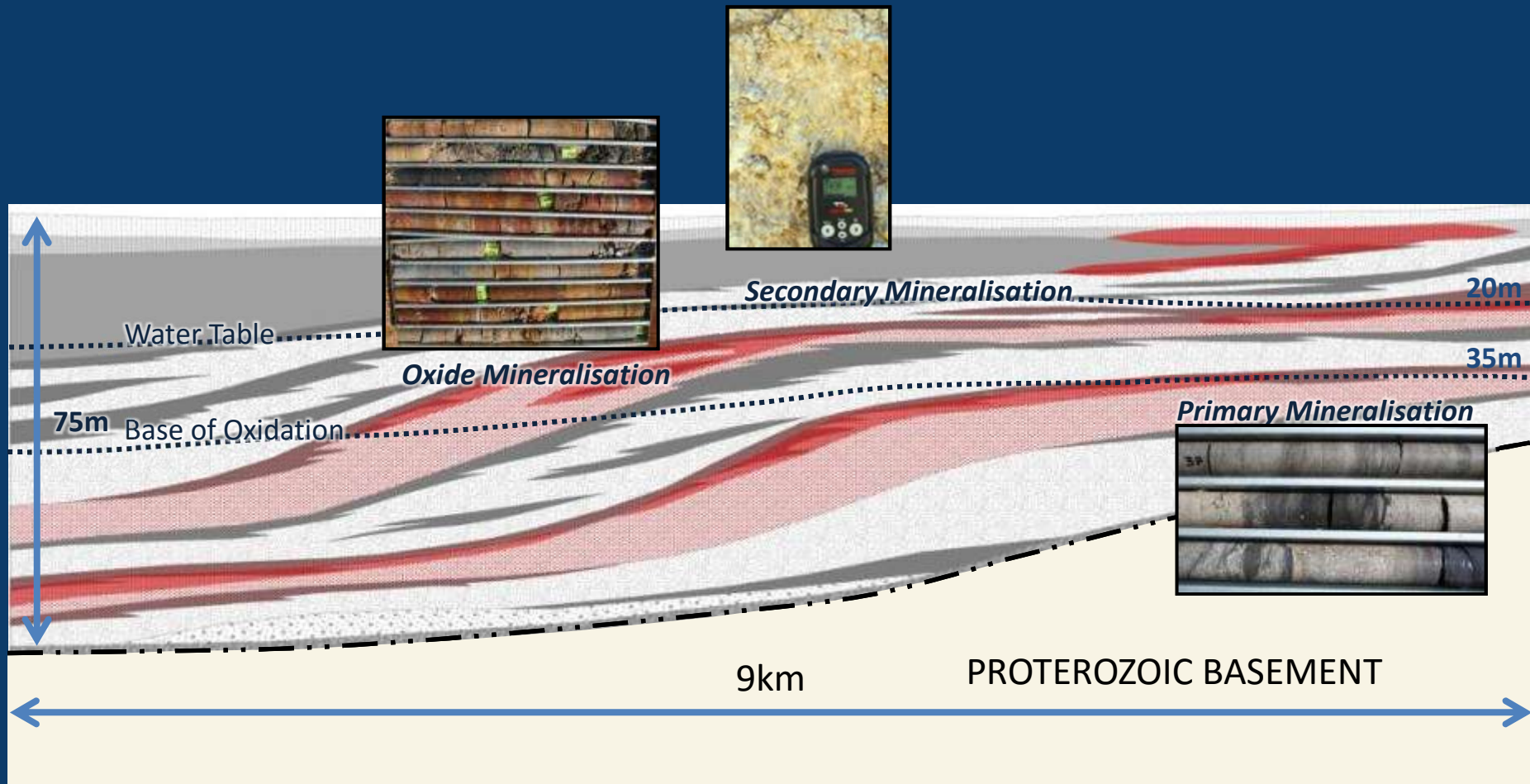
Source: Paladin

Lethakane Uranium Project

- **Feasibility work** for Mining License application **complete**
- Mining License Application submitted
- ESIA and EMP submitted
- 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**
- Targeting up to **3.75 million lb U_3O_8 p.a.** over first 5 years
- Pre-Tax **NPV of US\$383 million** at a discount rate of 8% and IRR of 29%
- **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



Ore Body – Flat, shallow, easy to mine



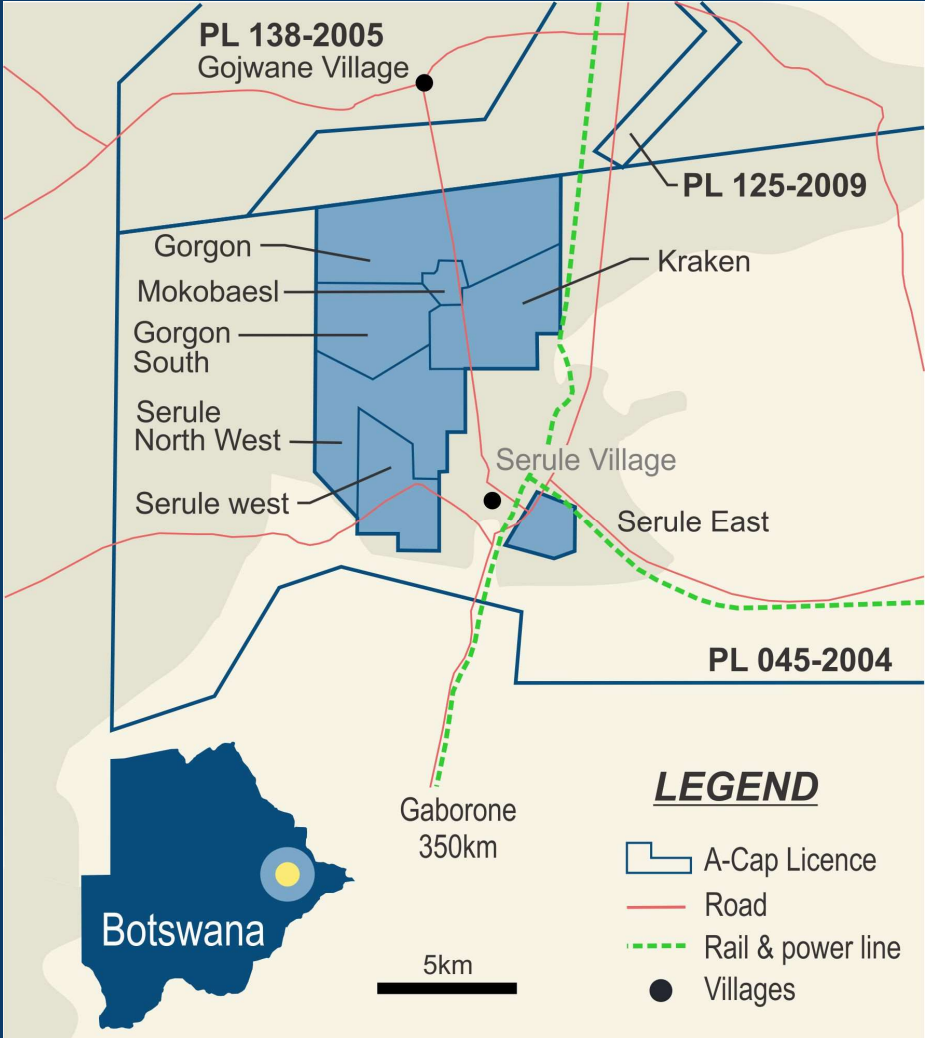
- Shallow, Flat, Simple, Easy to mine, dips W at 1°
- Layer cake type deposit with series of upward fining sequences

Lethakane - 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.

Cut-off (U ₃ O ₈ ppm)	Total Indicated			Total Inferred			Global Total		
	Mt	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)	Mt	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)	Mt	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)
100	197.1	197	85.5	625	203	280.1	822.1	202	365.7
200	59.2	323	42.2	209.7	321	148.2	268.9	321	190.4
300	22.2	463	22.7	81.6	446	80.3	103.8	450	102.9

Major Infrastructure in Place



- ✓ Rail,
- ✓ Road
- ✓ Power
- ✓ Water

Available



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



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



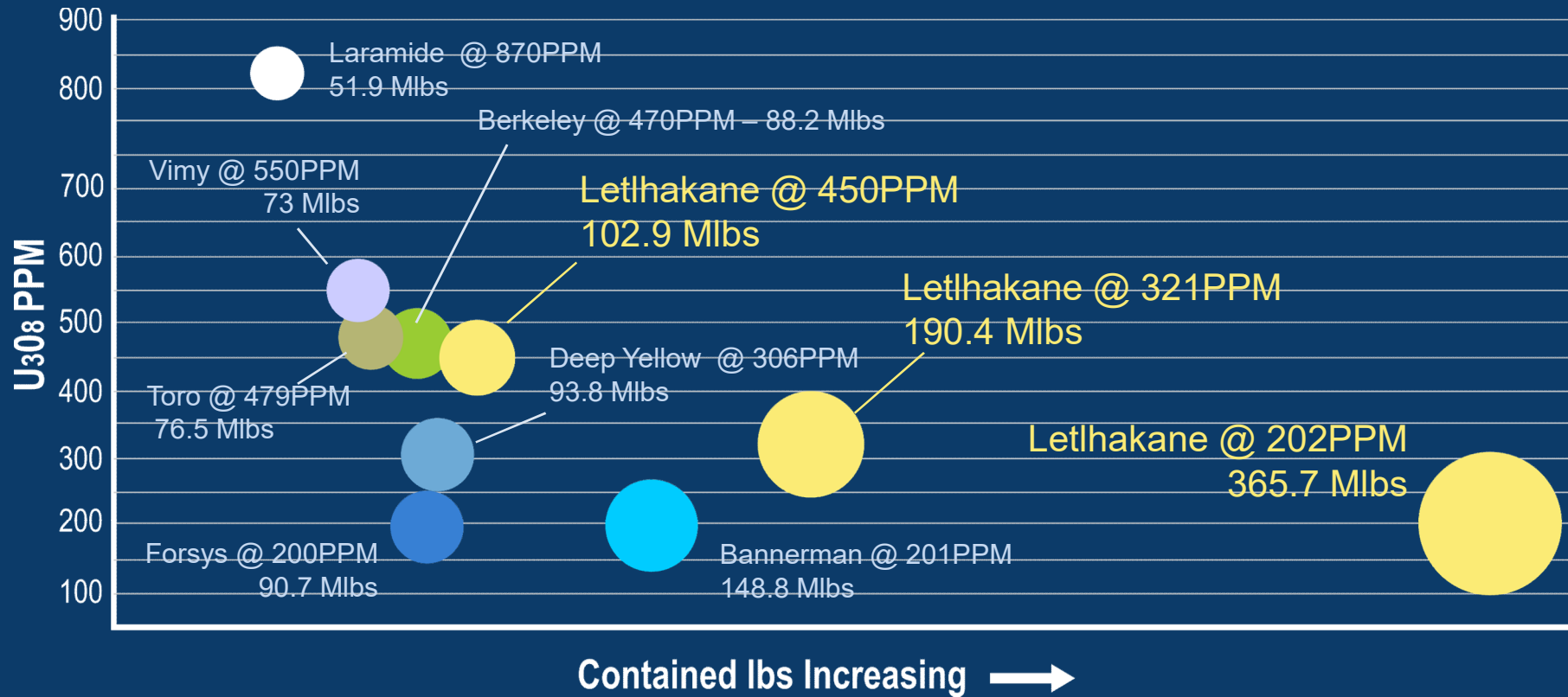
Wirtgen 4200 Direct Loading



Vermeer T1255DD

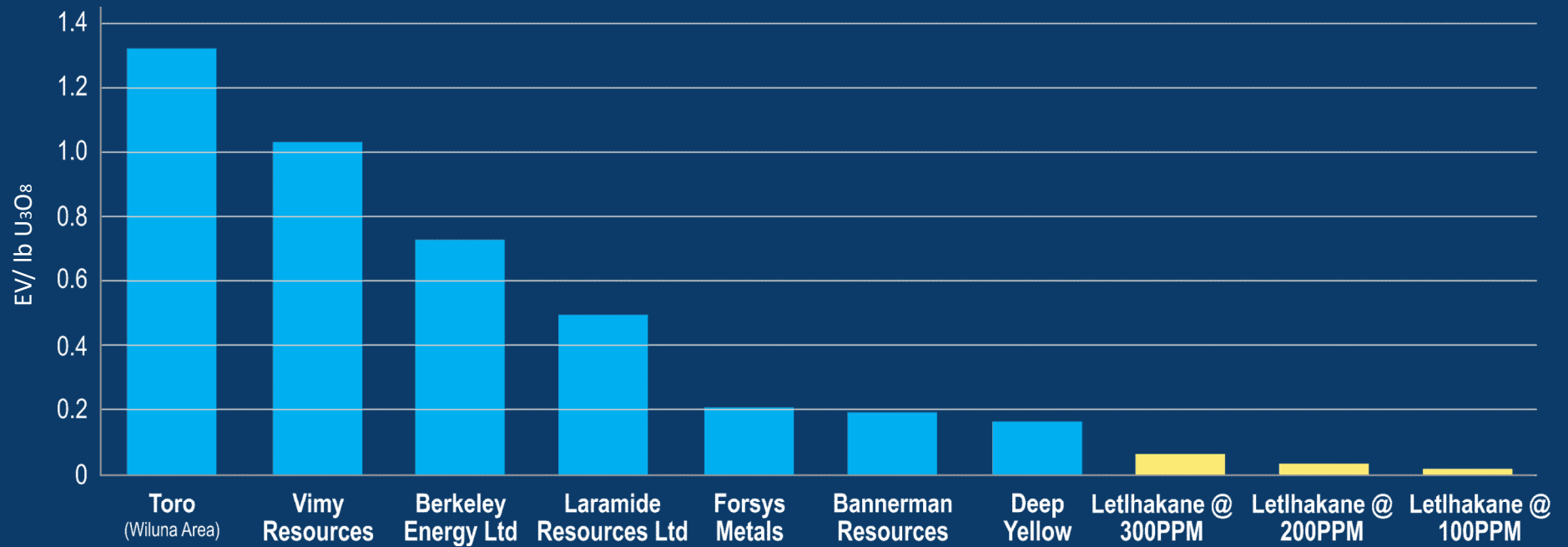
Uranium Market

Peer Group U₃₀₈ Deposits: Grade U₃₀₈ vs Contained lbs



Uranium Market

Enterprise Value / lb U₃O₈ Mineral Resource



Project Economics

	Pre-tax	Post-tax
NPV (\$US)	383M	240M
IRR (%)	29%	24%
Pay-back period from start of production (yrs)	3	
CAPITAL COSTS (\$US)		
Construction	351M	
WORKING CAPITAL (\$US)	40M	
INPUTS & ASSUMPTIONS		
Price of Uranium (flat price over LOM) (U ₃ O ₈ \$US/lb)	\$81	
Discount rate	8%	
Life of Mine (LOM) (yrs)	18	
PROJECT SUMMARY		
Average Mining Cost (\$US/lb)	\$18	
Average Processing Cost (\$US/lb)	\$23	
CASH FLOWS		
Total Revenue (\$US)	\$3,499M	
Project Cash Flow (\$US)	\$841M	\$549M

Metallurgy and Process Design



- 4m column leach tests completed at ANSTO & confirm good recoveries
- The PLS from these columns were closed with the SX/IX circuit & achieved excellent recoveries
- Uranium Oxide Concentrate product from the refinery circuit contained low contaminants & no penalty expected
- Low cost and innovative process route
- Acid approx. 50% of total processing costs
- Positive discussions on local acid supply with potential to significantly reduce operating cost per pound

Road to Production

- Lethakane has all of the **key ingredients for a successful project** & is one of the largest undeveloped uranium deposits in the world
- The **mining lease application was submitted** in late August, 2015.
- Ongoing work through to end 2016 will be directed at **completing the Bankable Feasibility Study** suitable for financing requirements.
- **Low capital costs**, competitive operating costs, in a stable political and permitting friendly environment
- Project development will take full advantage of **expected uranium price recovery**

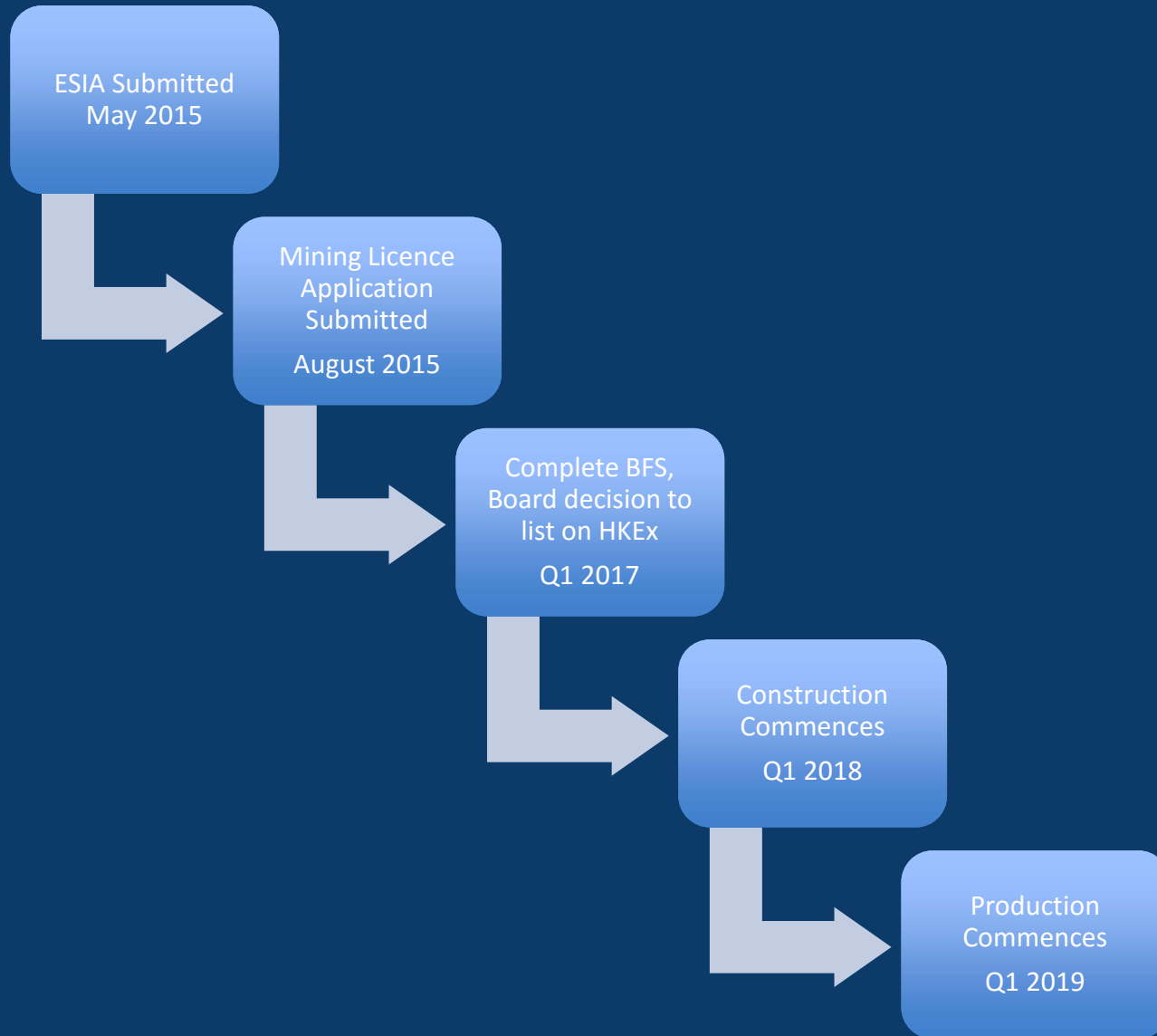


Planned Work

- Work planned for 2015-2016 is to finalise BFS studies.
- Pilot plant metallurgical work on bulk samples obtained from drilling will be undertaken.
- Trial mining in selected areas will be done to assess surface miners as well as obtain better lithological controls on the mineralisation and grade control drilling.
- In order for JORC reserves to be refined, further infill drilling is required.
- Complete mining studies and pit optimisation and finalise metallurgical and process design work
- Complete Bankable Feasibility Study
- Board decision point to list on HK Stock Exchange



Timeline

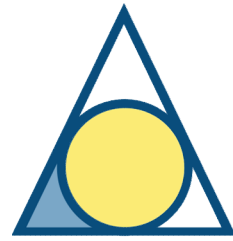


Summary

- **CREATE** – Serious value for shareholders
- **STRATEGY** – Prepare project for early production to capture upswing in the uranium market
- **SCALE** - Very large uranium deposit with significant high grade resource 103.8Mt at 450ppm U₃O₈
- **LOW CAPEX**– Low capital heap leach processing with all infrastructure in place
- **COMPARATIVE ADVANTAGE** - One of the few new sources of production with low Capex, competitive operating costs and low sovereign risk
- **STRATEGIC** - Discussions with strategic partners
- **BOTSWANA** - A safe and stable investment destination
- **STRONG REGISTER** – Strong on-going support from major shareholders

Uranium Investment Proposition

- **URANIUM** – Current price all-time low offering considerable upside
- **LONG LIFE** – The deposit style is perfectly suited to expansion with increasing uranium price. Perfectly suited to end user seeking a reliable long term U_3O_8 supply for nuclear builds.
- **WORLD CLASS** – Letlhakane ranks in the top ten undeveloped deposits in the world
- **SECURE JURISDICTION** – Botswana is a stable country with excellent infrastructure
- **CONTINUAL DE-RISKING** – Recent mining lease submission adds to the continual derisking of this project. Securing off-take and supply arrangements for heap leach processing
- **STRONG SHAREHOLDER BASE** – Well supported by major shareholder Ansheng Investments and China Growth Minerals



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