



ACN 104 028 542

TO: THE STOCK EXCHANGE OF NEWCASTLE LIMITED

DATE: 20th October 2005

COMMENCEMENT OF NEW DRILL PROGRAM IN BOTSWANA

The Board of A-Cap Resources Limited ("A-Cap") is pleased to advise that a three hole diamond drill program to test the extension of its Maibele North nickel deposit in Botswana will commence in the next few days.

The tenement containing the Maibele North prospect is 100% owned by A-Cap with a 5% net profit royalty held by Mineral Holdings (Botswana) Pty Ltd.

The drilling is designed to test the continuity of the high grade massive main ultramafic and sulphide mineralisation at the east end of the deposit. The eastern holes will test ground EM anomalies that Falconbridge Exploration Botswana (Pty) Ltd detected at the east end of their grid, but never investigated. They are believed to represent enhanced sulphide mineralisation.

The holes will be 225m, 350m and 400m deep with the first planned to intersect high grade massive sulphides at the footwall contact of the main ultramafic body, to establish continuity of high grade mineralisation with that intersected in previous boreholes.

The second and third holes are planned to establish the down plunge extension of the main ultramafic and sulphide mineralisation to the east.

The program is expected to be completed in November.

PAT VOLPE
Chairman