

ASX Release

Monday 30 April 2018

ASX: ACB

NON-RENOUNCEABLE RIGHTS ISSUE TO RAISE \$4 MILLION

Non-Renounceable Rights Issue

A-Cap Resources Limited ("the Company") is pleased to announce that the Company's board of directors has unanimously resolved to raise approximately A\$4 million by way of a non-renounceable entitlement offer (**Rights Issue or Offer**) to shareholders of approximately 66,657,864 new ordinary shares (**New Shares**) on the basis of 1 new ordinary share in the Company for every 13.08 ordinary shares held on 10 May 2018 (**Record Date**), at an issue price of 6 cents per share (**Issue Price**) which will be fully underwritten.

New Shares issued under the Offer will rank equally in all respects with the Company's existing fully paid ordinary shares.

Proceeds from the Rights Issue will be used to fund Letlhakane Uranium Project expenditure, company operational expenditure and progress the Company's new energy strategy which includes exploration work programmes on nickel-cobalt mineral deposits. The funding will also provide additional working capital.

Eligible shareholders will be entitled to subscribe for one (1) New Share for every 13.08 existing ordinary shares held at 5.00pm (AWST) on the Record Date.

The Issue Price represents a 18.14% discount on the 20-day volume weighted average price of the Company's ordinary shares on the ASX up to the 24th April 2018.

The Company advises that under the Offer, eligible shareholders will be entitled to participate in a shortfall facility and apply for New Shares in excess of their pro rata entitlements. Any final shortfall will be underwritten by Jiangsu Shengan Resources Group Co., Ltd ("**Jiangsu**").

Full details of the Rights Issue will be set out in the offer document to be dispatched to eligible shareholders in accordance with the timetable below.

Underwriting

It is proposed that the Offer will be fully underwritten by Jiangsu, a company registered and incorporated in China. Jiangsu is listed on National Equities Exchange and Quotations ("NEEQ") in China known as the New Third Board, the over-the-counter ("OTC") stock exchange in China. Jiangsu is a shareholder of the Company and currently holds as at the date of this announcement 357,786,934 ordinary shares out of 871,884,866 issued ordinary shares in the Company.

An underwriting agreement is currently being finalised and the full details of the agreement will be set out in the offer document. The current material terms that have been agreed to date are as follows:

- Underwriting fee of A\$120,000 (3% of capital raising proceeds), payable in cash following the completion of the Rights Issue;

- Jiangsu is required to take up any shortfall which is not accepted or subscribed for by Shareholders under the Offer;
- Jiangsu will not be taking up its entitlement under the Offer and will only be taking up New Shares pursuant to the underwriting agreement should there be any shortfall.

Jiangsu has previously acted as the Underwriter for the most recent capital raising completed by the Company in August 2016. Jiangsu is not a foreign government investor and A-Cap is not an Australian land rich entity, FIRB approval is not required for the Offer.

Timetable

The Rights Issue will be conducted in accordance with the following indicative timetable:

Announcement of rights issue	Monday	30-Apr-18
Lodge Offer Document for rights issue with ASX, ASIC	Friday	4-May-18
Send notice to shareholders	Monday	7-May-18
Ex Date	Wednesday	9-May-18
Record Date to determine entitlements to New Shares (Entitlements)	Thursday	10-May-18
Offer Document and Entitlement and Acceptance Forms despatched	Friday	11-May-18
Opening day for acceptances and payment (Opening Date)	Wednesday	16-May-18
Last day for acceptance (Closing Date)	Monday	28-May-18
New Shares quoted on ASX on deferred settlement basis	Tuesday	29-May-18
Notify ASX of undersubscriptions	Thursday	31-May-18
Issue of New Shares and despatch of holding statements	Friday	1-Jun-18
Trading in New Shares commences	Monday	4-Jun-18

For further information, please contact Nicholas Yeak on +61 (8) 9467 2612, email info@a-cap.com.au.

The trading halt in the Company's shares can now be lifted.

For and on behalf of the board of
A-Cap Resources Limited



NICHOLAS YEAK
Company Secretary