

# A-Cap Energy Limited

ACN 104 028 542

## SUPPLEMENTARY PROSPECTUS

### Important Information

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 24 September 2021 (**Prospectus**) issued by A-Cap Energy Limited (**Company**).

This Supplementary Prospectus is dated 22 October 2021 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that day. Neither ASIC nor ASX (and their respective officers) take any responsibility as to the contents of this Supplementary Prospectus.

To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisors without delay.

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### 1 ISSUE OF FURTHER SECURITIES UNDER THE PROSPECTUS

The Company advises that, as a result of excess demand under the Shortfall Offer it has today agreed to issue an additional 50,000,000 New Shares under the Prospectus at an issue price of \$0.065 to raise an additional \$3,250,000 (**Follow-on Placement**). Additional funds raised will be used for the purposes set out in this Supplementary Prospectus.

The Follow-on Placement is made without Shareholder approval, and the securities will be issued under the Company's existing capacity under Listing Rule 7.1. Shortfall Shares and Shares under the Follow-on Placement were placed at Mahe Capital's discretion having regard to the Company's circumstances and demand for Shortfall Shares, with 20,518,015 Shortfall Shares allocated to Shenke. This necessitated changing the allocation policy as set out in section 5.1 of the Prospectus.

Attached to this Supplementary Prospectus is an announcement made by the Company to the ASX today.

The Company now closes the Shortfall Offer and no further issues will be made under the Prospectus.

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## 2 AMENDMENTS TO PROSPECTUS

The following sections of the Prospectus are amended as follows:

### 2.1 Capital structure

Sections 2, 4 and 5.4 of the Prospectus are amended to reflect the current number of securities on issue:

Shares on issue prior to the Offer	871,884,866
New Shares issued under the Prospectus	267,971,217
Total Shares on issue	1,139,856,083
Total Options on issue	8,000,000
Amount raised under the Prospectus (before costs)	\$17,418,129

The above table includes 8,000,000 Options issued to the Underwriter in part satisfaction of its fees. See section 8.4 of the Prospectus for further details on the fees to be paid to the Underwriter.

### 2.2 Use of funds

Sections 4 and 5.2 of the Prospectus are amended to reflect the increased amount raised:

Use of funds (approx.)	Amount (A\$'000)
Repayment of Shenke Debt	13,183,735
Repayment of Angang Shen Debt	866,180
Wilconi prefeasibility study	2,181,208
Optimisation study for Letlhakane uranium project	360,000
Working Capital	480,000
Costs of the Offer	347,006
<b>Total use of funds</b>	<b>17,418,129</b>

## 2.3 Statement of financial position

Set out in the annexure to this Supplementary Prospectus is the Statement of Financial Position for the Company, as at 30 June 2021 and on the basis of the following assumptions:

- (a) the Offer was effective on 30 June 2021;
- (b) no further Shares are issued other than all Shares offered under this Prospectus (the Offer and Follow-on Placement);
- (c) \$17,418,129 is received under the Offers; and
- (d) (cash) costs of the Offer are \$347,006.

The pro-forma Statement of Financial Position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company set out in the annexure to this Supplementary Prospectus. The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

## 2.4 Dilution

Shareholders who did not participate in the Offer will have their holdings diluted. Following is a table which sets out the dilutionary effect on the basis of the full amount raised under the Prospectus and assuming no further Shares are issued or Options exercised:

Holder	Holding at Record Date		Entitlement	Holding following the Offer if no Entitlement taken up	
	Number	%		Number	%
1	4,359,424	0.50	1,453,141	4,359,424	0.38
2	6,539,136	0.75	2,179,712	6,539,136	0.57
3	8,718,849	1.00	2,906,283	8,718,849	0.76
4	21,797,122	2.50	7,265,707	21,797,122	1.91

## 2.5 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Supplementary Prospectus with ASIC withdrawn their written consent:
  - (i) to be named in the Supplementary Prospectus in the form and context which it is named; and

- (ii) where applicable, to the inclusion in this Supplementary Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Supplementary Prospectus;
- (b) has not caused or authorised the issue of this Supplementary Prospectus;
- (c) has not made any statement in this Supplementary Prospectus or any statement on which a statement in this Supplementary Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Supplementary Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Supplementary Prospectus with the consent of that person.

Name	Role
Mahe Capital Pty Limited	Lead Manager and Underwriter

## 2.6 Expenses of the Offer

The total (cash) expenses of the Offer excluding GST are estimated to be \$347,006, consisting of the following:

Cost <sup>1</sup>	A\$
Underwriter	251,720
Legal fees	25,000
ASIC and ASX fees	40,286
Printing, postage & other	30,000
Total	347,006

<sup>1</sup> These expenses have or will be paid by the Company.

<sup>2</sup> The Company has also agreed to issue 8,000,000 Options to the Underwriter in part satisfaction of its fees. See section 8.4 of the Prospectus for details.

The Directors do not consider the circumstances disclosed in this Supplementary Prospectus to be materially adverse from the point of view of an investor, and no withdrawal rights will be offered to investors.

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with ASIC.

Dated: 22 October 2021

A handwritten signature in black ink, consisting of three Chinese characters: 何建东 (He Jiandong).

By Mr Jiandong He

Chairman

On behalf of A-Cap Energy Limited



## ASX RELEASE

22 October 2021

Company Announcements Office  
Australian Securities Exchange Limited  
4<sup>th</sup> Floor  
SYDNEY NSW 2000

Dear Sir/Madam

## ACAP RAISES \$17.4 MILLION IN HEAVILY OVERSUBSCRIBED RIGHTS ISSUE

### HIGHLIGHTS

- **Acap's Rights Issue closes heavily oversubscribed**
- **Significant support from shareholders and new institutional and professional investors**
- **Top-up placement of \$3.25 million to accommodate some of the excess demand**
- **Acap now well-funded to progress both the Wiluna nickel / cobalt and Botswana uranium projects.**

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**Acap Energy Ltd (ASX: ACB) (Company)** is pleased to advise that the renounceable Rights Issue announced on 24 September 2021 (**Rights Issue**) has closed heavily oversubscribed.

To accommodate some of the excess demand from existing shareholders and new investors, the Company has agreed to raise additional \$3.25 million before costs on the same terms as the Offer through its 15% placement capacity (**Follow-on Placement**).

The total amount raised is \$17.4 million (before costs) through the issue of 267,971,217 new fully paid ordinary shares (**Shares**). The securities in the Follow-on Placement will be issued without shareholder approval using the Company's existing capacity under Listing rule 7.1.

Mahe Capital Pty Ltd acted as Lead Manager and Underwriter to the Offer and advised the Company on the Rights Issue and the Follow-on Placement.

The Company would like to thank all its shareholders for their support of the Rights issue and would like to welcome new investors to the register. The Company's largest shareholder, Singapore Shenke International Pte Limited was allocated 20,518,015 shortfall shares and the Company's Directors and senior exploration staff also took up entitlements, and for some staff additional shares, demonstrating a strong commitment to and confidence in the company's projects and its future.

The new securities are expected to be issued on Tuesday, 26 October 2021, in accordance with the timetable in the Prospectus.

The final allocations are summarised below:

Entitlements taken up	\$8,692,508	133,730,885
Shortfall placed	\$5,475,622	84,240,332
Follow-on Placement	\$3,250,000	50,000,000
<b>Total</b>	<b>\$17,418,129</b>	<b>267,971,217</b>

This announcement is authorised for release by the Board of A-Cap Energy Limited. For further information about this announcement please contact Mal Smartt, company secretary, on +61 419 997 171 or [mal.smartt@hotmail.com](mailto:mal.smartt@hotmail.com).

Yours sincerely



M K Smartt  
Company Secretary



## SCHEDULE 2 PRO FORMA STATEMENT OF FINANCIAL POSITION

		Rights Issue & Placement	
	A-Cap 30.06.21	Pro-forma entries	Pro-forma Total
	\$	\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	3,584,498	3,021,208	6,605,706
Security deposits	61,411	-	61,411
Trade and other receivables	73,868	-	73,868
Prepayments	29,206	-	29,206
<b>Total Current Assets</b>	<b>3,748,983</b>	<b>3,021,208</b>	<b>6,770,191</b>
<b>Non-Current Assets</b>			
Plant and equipment	8,567	-	8,567
Capitalised exploration and evaluation	28,275,826	-	28,275,826
<b>Total Non-Current Assets</b>	<b>28,284,393</b>	<b>-</b>	<b>28,284,393</b>
<b>TOTAL ASSETS</b>	<b>32,033,376</b>	<b>3,021,208</b>	<b>35,054,584</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	313,870	-	313,870
Provision for employee entitlements	45,374	-	45,374
Interest-bearing liabilities	13,753,483	- 13,753,483	-
<b>Total Current Liabilities</b>	<b>14,112,727</b>	<b>- 13,753,483</b>	<b>359,244</b>
<b>Non-Current Liabilities</b>			
Interest-bearing liabilities	-	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>14,112,727</b>	<b>- 13,753,483</b>	<b>359,244</b>
<b>NET ASSETS</b>	<b>17,920,649</b>	<b>16,774,691</b>	<b>34,695,340</b>
<b>EQUITY</b>			
Issued capital	71,552,320	17,418,129	88,970,449
Reserves	8,794,126	-	8,794,126
Accumulated losses	- 62,425,797	- 643,438	- 63,069,235
<b>TOTAL EQUITY</b>	<b>17,920,649</b>	<b>16,774,691</b>	<b>34,695,340</b>