



**A-CAP RESOURCES LIMITED**  
**(ABN 28 104 028 542)**

## **NOTICE OF ANNUAL GENERAL MEETING**

## **EXPLANATORY MEMORANDUM**

## **PROXY FORM**

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**Date :** Tuesday 28 November 2017

**Time :** 10.30am (AEST)

**Venue :** The offices of Ashurst Australia  
Level 38 Riverside Centre  
123 Eagle St  
Brisbane QLD 4000

*These documents should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting*

**A-CAP RESOURCES LIMITED**  
(ABN 28 104 028 542)

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the annual general meeting of A-Cap Resources Limited (the "Company") will be held at the offices of Ashurst Australia, Level 38, Riverside Centre, 123 Eagle St, Brisbane, QLD 4000 on Tuesday 28 November 2017 at 10.30 am (AEST).

**AGENDA**

**ORDINARY BUSINESS**

**FINANCIAL STATEMENTS**

To receive, consider and discuss the Company's financial statements for the year ended 30 June 2017 and the reports of the directors and auditors on those statements.

**RESOLUTION 1 – RE-ELECTION OF MR JOHN FISHER-STAMP AS A DIRECTOR**

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

***"That Mr. John Fisher-Stamp, who retires in accordance with Rule 58.1 of the Company's Constitution and Listing Rule 14.4 and, being eligible for re-election, is re-elected as a director."***

**RESOLUTION 2 – RE-ELECTION OF MR MICHAEL LIU AS A DIRECTOR**

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

***"That Mr. Michael Liu, who retires in accordance with Rule 58.1 of the Company's Constitution and Listing Rule 14.4 and, being eligible for re-election, is re-elected as a director."***

**RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT**

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

***"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report contained in the 2017 Annual Report be adopted by shareholders"***

**Note:**

- (1) In accordance with section 250R(3) of the Corporations Act, this resolution is advisory only and does not bind the directors of the Company.
- (2) **Voting Exclusion Statement:**  
The Corporations Act prohibits any votes being cast on Resolution 3 by or on behalf of a person who is a member of the key management personnel of the Company (which includes the chairman and the directors), whose remuneration details are included in the Remuneration Report ("Key Executive") or any closely related party of a Key Executive ("CRP"). The Company will disregard any votes cast on Resolution 3 (in any capacity) by or on behalf of a Key Executive or any CRP.

However, the Company need not disregard a vote if it is cast by a Key Executive or any CRP as a proxy appointed in writing that specifies how the proxy is to vote on the resolution and the vote is not cast on behalf of a Key Executive or any CRP.

Further, the Company will disregard a vote if it is cast by a Key Executive or any CRP as a proxy appointed in writing where the proxy appointment does not specify the way the proxy is to vote on Resolution 3, unless the proxy is the Chairman of the Meeting and the proxy appointment expressly authorises the Chairman to exercise the proxy even if Resolution 3 is connected directly or indirectly with the remuneration of a Key Executive.

## **SPECIAL BUSINESS**

### **RESOLUTION 4 – RATIFY ALLOTMENT OF SHARES TO CONSULTANTS**

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

***“That for the purpose of ASX Listing Rule 7.4 and all other purposes, the issue of 66,375 fully paid ordinary shares in the Company on the terms described in the Explanatory Memorandum be approved.”***

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue the subject of the Resolution or any associate of those persons.

However, the Company need not disregard a vote if it is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **RESOLUTION 5 – RATIFY ALLOTMENT OF SHARES TO CONSULTANT**

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

***“That for the purpose of ASX Listing Rule 7.4 and all other purposes, the issue of 250,000 fully paid ordinary shares in the Company on the terms described in the Explanatory Memorandum be approved.”***

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue the subject of the Resolution or any associate of those persons.

However, the Company need not disregard a vote if it is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **SNAPSHOT TIME**

In accordance with regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that shares held as at 10.30 am (AEST) on Sunday 26 November 2017 will be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time.

## **PROXIES**

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company;
- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purposes of receipt of proxy appointments:

Postal Address:	PO Box 291, Nedlands WA 6909
Principal Place of Business:	Level 1, 136 Stirling Hwy, Nedlands WA 6009
Facsimile Number:	(08) 7200 7612

Each member entitled to vote at the Annual General Meeting has the right to appoint a proxy to attend and vote at the meeting on his behalf. The member may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his discretion.

The instrument appointing the proxy must be received by the Company at the address specified above at least 48 hours before the time notified for the meeting (proxy forms can be lodged by facsimile).

By Order of the Board



**NICHOLAS YEAK**  
**Company Secretary**  
**A-Cap Resources Limited**

30 October 2017

# A-CAP RESOURCES LIMITED

(ABN 28 104 028 542)

## EXPLANATORY MEMORANDUM TO SHAREHOLDERS

### 1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of shareholders of A-Cap in connection with the business to be transacted at the Annual General Meeting of the Company to be held on Tuesday 28 November 2017.

At that meeting, shareholders will be asked to consider resolutions:

- re-electing two directors who retire by rotation;
- adopting the remuneration report;
- ratifying an allotment of Shares;

The purpose of this Explanatory Memorandum is to provide information that the Board believes to be material to shareholders in deciding whether or not to pass those resolutions. The Explanatory Memorandum explains the resolutions and identifies the Board's reasons for putting them to shareholders. It should be read in conjunction with the accompanying Notice of Meeting.

### 2. GLOSSARY

The following terms and abbreviations used in this Explanatory Memorandum have the following meanings:

<b>Act or Corporations Act</b>	<i>Corporations Act 2001</i> (Cth)
<b>AGM or Annual General Meeting</b>	The annual general meeting of the Company to be held on Tuesday 28 November 2017
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	ASX Limited (ACN 008 624 691)
<b>ASX Listing Rules or Listing Rules</b>	The Official Listing Rules of ASX, as amended from time to time
<b>Board</b>	The board of directors of the Company
<b>Company or A-Cap</b>	A-Cap Resources Limited (ABN 28 104 028 542)
<b>Constitution</b>	The Company's Constitution from time to time
<b>Notice of Meeting</b>	The notice convening the Annual General Meeting which accompanies this Explanatory Memorandum
<b>Options</b>	Options to subscribe for Shares
<b>Proxy Form</b>	The proxy form which accompanies this Explanatory Memorandum
<b>Shares or A-Cap Shares</b>	Fully paid ordinary shares in the Company

### 3. FINANCIAL STATEMENTS AND REPORTS

The first item on the Notice of Meeting deals with the presentation of the Company's Annual Financial Report for the financial year ended 30 June 2017. Shareholders will be given an opportunity to raise any matters of interest with directors when this item is being considered.

The Company's Annual Financial Report for the year ended 30 June 2017 has been released to the ASX and is available on the Company's website ([www.acap.com.au](http://www.acap.com.au)).

No vote is required on this item of business.

### 4. ELECTION OF DIRECTORS

In accordance with ASX Listing Rule 14.4 and pursuant to Rule 58.1 of the Constitution, at each AGM, one-third of the directors (excluding the Managing Director) must retire from office. Each retiring director is entitled to offer himself for re-election as a director at the annual general meeting.

Each of Mr Fisher-Stamp and Mr Liu will retire by rotation in accordance with the requirements of the Constitution of the Company at the AGM. Being eligible, each of Mr Fisher-Stamp and Mr Liu seek re-election as a director of the Company at the AGM.

## 5. RESOLUTION 1 – RE-ELECTION OF MR JOHN FISHER-STAMP AS A DIRECTOR

Mr Fisher-Stamp is a Chartered Accountant and has held executive and consulting positions in corporate finance and as Chief Financial Officer. Mr Fisher-Stamp is a director of USA based mining developer Ouro Mining, Inc and is Deputy Chair of QT Mutual Bank Limited, an Australian APRA regulated ADI. Mr Fisher-Stamp currently serves with QT Mutual Bank Limited as a member of the Risk and Remuneration Committee and is Chair of the QT Mutual Bank Limited's Audit Committee. Mr Fisher-Stamp's experience extends to Public Practice as a Chartered Accountant and Principal with DKM Group, Brisbane for 8 years and a Partner with Deloitte, Brisbane, Australia for 10 years providing business advisory, corporate taxation and support services.

Mr Fisher-Stamp was appointed as a director of the Company on 18 June 2015.

### ***Recommendation***

The directors (with Mr Fisher-Stamp abstaining) recommend that shareholders vote in favour of Mr Fisher-Stamp's re-election.

The Chairman intends to vote all undirected proxies in favour of this Resolution.

## 6. RESOLUTION 2 – RE-ELECTION OF MR MICHAEL LIU AS A DIRECTOR

Mr Liu is the current Chairman of East China Capital Investments Ltd and has over 20 years' experience in public company management, corporate investment and finance, and international M&A. In the past 10 years, Mr Liu has overseen several successful acquisitions and divestitures of mining assets including gold, copper, and coal in China and overseas. Mr Liu holds a Master of Arts from the University of New Brunswick and an MBA from The University of British Columbia in Canada and holds directorships in a number of public companies listed in Canada, UK, and USA.

Mr Liu was appointed as a director of the Company on 2 July 2015.

### ***Recommendation***

The directors (with Mr Liu abstaining) recommend that shareholders vote in favour of Mr Liu's re-election.

The Chairman intends to vote all undirected proxies in favour of this Resolution.

## 7. RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT

The Corporations Act includes disclosure requirements for companies whose shares are quoted on the ASX by requiring that the directors of the company include a remuneration report in the Company's annual report and that a resolution be put to shareholders each year to adopt that report.

The remuneration report is set out in the Company's Annual Report.

The remuneration report:

- outlines the Board's policy for determining the nature and amount of remuneration for directors and executives of the Company;
- discusses the relationship between the Board's remuneration policy and the Company's performance;
- details and explains any performance condition applicable to the remuneration of a director or executive;
- details the remuneration (including Options) of each director and executive of the Company for the year; and
- summarises the terms of any contract under which any director or executive is engaged, including the period of notice required to terminate the contract and any termination payments provided for under the contract.

The vote on the resolution is advisory only and does not bind the directors or the Company, nor does it affect the remuneration paid or payable to the Company's directors or the executives. However, the Board will take the outcome of the resolution into account when considering future remuneration policy.

Section 250R(4) of the Corporations Act prohibits any votes on this resolution being cast by senior executives (or their associates) whose remuneration details are disclosed in the report.

This prohibition extends to undirected proxy votes to be cast by the Chairman. In this regard, you should specifically note that if you indicate on the Proxy Form that you do not wish to specify how your proxy should vote on Resolution 3, you will be deemed to have expressly directed the Chairman to cast your votes **in favour of** Resolution 3.

**If you wish to appoint the Chairman as your proxy but do NOT want your votes to be cast in favour of Resolution 3, you must indicate your voting intention by marking either 'against' or 'abstain' against Resolution 3 in the Proxy Form.**

## **8. RESOLUTION 4 – RATIFY ALLOTMENT OF SHARES TO CONSULTANTS**

Following the Last Annual General Meeting, the following shares were issued to consultants under Listing Rule 7.1:

- on 19 April 2017, the Company issued:
  - 66,375 Shares at 6.346 cents per Share

The issue of the abovementioned Shares was for no cash consideration and consequently no funds were raised by the issue.

The 66,375 Shares issued at 6.346 cents per Share were issued pursuant to a resolution of directors on 23 May 2013 to reduce company overheads including consultancy fees and salaries to a number of employees ("Cost Reduction Plan").

In order to compensate those persons whose remuneration was reduced, the Board resolved to allot A-Cap Shares for the amount of the reduction for the period in which the reduction is in effect. It was further resolved that the issue price of the Shares allotted would be equal to the volume-weighted average price of A-Cap Shares traded on the ASX for the period covering the reduction.

Listing Rule 7.1 prohibits a company from issuing shares representing more than 15% of its expanded capital in any 12-month period without first obtaining shareholder approval. Listing Rule 7.4 allows a company to seek ratification by shareholders of the issue of shares which has been made without approval under Listing Rule 7.1, provided the issues did not breach Listing Rule 7.1.

As the issue of Shares the subject of Resolution 4 were not in breach of Listing Rule 7.1 and were not previously approved by shareholders, the Board now seeks shareholder ratification of those issues pursuant to Listing Rule 7.4.

The effect of passing Resolution 4 will be to refresh the Company's 15% capacity under Listing Rule 7.1 to the extent of the 66,375 Shares issued since the Last Annual General Meeting.

The Board considers that this is a timely and cost-effective opportunity to put Resolution 4 to shareholders at the Annual General Meeting.

For the purpose of Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (1) The total number of Shares issued was 66,375;
- (2) 66,375 Shares were issued at 6.346 cents per Share;
- (3) The Shares issued rank equally in all respects with the Company's existing Shares;
- (4) The securities issued are fully paid ordinary shares in the Company;
- (5) On 23 May 2013, the directors resolved to reduce company overheads including director fees, consultancy fees and salaries to a number of employees ("Cost Reduction Plan"). The 66,375 Shares issued at 6.346 cents per Share were issued to consultants of the Company who agreed to a pay reduction in line with the approved Cost Reduction Plan;
- (6) The issue of Shares was for no cash consideration and consequently no funds were raised by the issue.

### ***Recommendation***

The directors recommend that shareholders vote in favour of this Resolution.

The Chairman intends to vote all undirected proxies in favour of this Resolution.

## 9. RESOLUTION 5 – RATIFY ALLOTMENT OF SHARES TO CONSULTANT

Following the Last Annual General Meeting, the following shares were issued to consultants under Listing Rule 7.1:

- on 19 April 2017, the Company issued:
  - 250,000 Shares at 2 cents per Share.

The issue of the abovementioned Shares was for no cash consideration and consequently no funds were raised by the issue.

The 250,000 Shares issued at 2 cents per Share were issued pursuant to the terms of a service agreement entered into by the Company on 25 October 2015 to compensate for consultancy services to the value of \$A5,000 determined by dividing the compensation value by the closing ASX quoted stock price at the end of the invoice month (31 October 2015).

Listing Rule 7.1 prohibits a company from issuing shares representing more than 15% of its expanded capital in any 12-month period without first obtaining shareholder approval. Listing Rule 7.4 allows a company to seek ratification by shareholders of the issue of shares which has been made without approval under Listing Rule 7.1, provided the issues did not breach Listing Rule 7.1.

As the issue of Shares the subject of Resolution 5 were not in breach of Listing Rule 7.1 and were not previously approved by shareholders, the Board now seeks shareholder ratification of those issues pursuant to Listing Rule 7.4.

The effect of passing Resolution 5 will be to refresh the Company's 15% capacity under Listing Rule 7.1 to the extent of the 250,000 Shares issued since the Last Annual General Meeting.

The Board considers that this is a timely and cost-effective opportunity to put Resolution 5 to shareholders at the Annual General Meeting.

For the purpose of Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (1) The total number of Shares issued was 250,000;
- (2) 250,000 Shares were issued at 2 cents per Share;
- (3) The Shares issued rank equally in all respects with the Company's existing Shares;
- (4) The securities issued are fully paid ordinary shares in the Company;
- (5) The 250,000 Shares issued at 2 cents per Share were issued to a consultant of the Company pursuant to a consultancy services agreement between the consultant and the Company dated 25 October 2015, which provided that the consultant be compensated the equivalent of A\$5,000 of Shares in the Company at the closing ASX quote stock price at the end of the invoice month (31 October 2015); and
- (6) The issue of Shares was for no cash consideration and consequently no funds were raised by the issue.

### ***Recommendation***

The directors recommend that shareholders vote in favour of this Resolution.

The Chairman intends to vote all undirected proxies in favour of this Resolution.

## 10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the Resolutions set out in the Notice of Meeting.

Attached to the Notice of Meeting is a Proxy Form for use by shareholders. All shareholders are invited and encouraged to attend the AGM or, if they are unable to attend in person, to complete, sign and return the Proxy Form to the Company in accordance with the instructions contained in the Proxy Form and the Notice of Meeting. Lodgement of a Proxy Form will not preclude a shareholder from attending and voting at the AGM in person.



## PROXY FORM

The Secretary  
A-Cap Resources Limited  
PO Box 291  
Nedlands WA 6909



I/We .....  
(Full Name – Block Letters)

of .....  
being a member of A-Cap Resources Limited hereby appoint

..... to exercise .....% of my/our voting rights  
(Name of 1<sup>st</sup> Proxy)

..... to exercise .....% of my/our voting rights  
(2<sup>nd</sup> Proxy - Optional)

or in his/her absence, or if no person is named, the Chairman of the meeting as my/our proxy/proxies to act generally and vote on my/our behalf at the Annual General Meeting of the Company to be held at 10.30 am on Tuesday 28 November 2017 and at any adjournment thereof in accordance with this Proxy Form.

I/We understand that if I/we have not directed my/our proxy how to vote, my/our proxy may vote or abstain from voting as he thinks fit.

The Chairman of the meeting will act as your proxy if you do not appoint someone or failing the attendance of any person named as your proxy. It is the Chairman's intention to exercise undirected proxies in favor of Resolutions 1, 2, 3, 4 and 5. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

In the case of Resolution 3, if the Chairman is appointed as your proxy (either expressly or by default), then he will cast your votes in favour of the Resolution if you have not specifically directed him to vote against, or abstain from voting on, the Resolution, and by completing and returning this Proxy Form you expressly authorise the Chairman to exercise your proxy on Resolution 3 (except where you have indicated a different voting intention below) even though Resolution 3 is connected directly or indirectly with the remuneration of a member of the key management personnel of the Company. **If you wish to appoint the Chairman as your proxy but do not wish your votes to be cast in favour of Resolution 3, you must indicate your voting intention by marking either 'against' or 'abstain' against Resolution 3 below.**

**Voting directions to your proxy - please mark only one of the boxes with an "X" for each resolution to indicate your directions.**

	RESOLUTIONS	FOR	AGAINST	ABSTAIN*
1.	To re-elect Mr John-Fisher Stamp as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	To re-elect Mr Michael Liu as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	To adopt the remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	To ratify allotment of Shares to consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	To ratify allotment of Shares to consultant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* If you mark the "Abstain" box with an "X" for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority.

Date:.....2017.

Signature of Member .....

Signature of Joint Member .....

Or if a company:

THE COMMON SEAL OF ..... )  
was affixed in the presence of, )  
and the sealing is attested by: )

Secretary .....

Director .....

Or if a company with no common seal:  
EXECUTED by authority of its directors

Signature of Director .....

Signature of Director / Company Secretary .....

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

- (1) A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies.
- (2) Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If that proportion is not specified, each proxy may exercise one-half of the member's voting rights.
- (3) A proxy need not be a member of the Company.
- (4) Forms to appoint proxies and the Power of Attorney (if any) under which it is signed or an office copy or notarially certified copy thereof must be deposited with the Company at PO Box 291, Nedlands WA 6909 or faxed to the Company (Fax No: (08) 7200 7612 and for overseas shareholders: (618) 7200 7612), not less than 48 hours before the time appointed for holding the meeting. A proxy presented by a company should be under the common seal of that company.