

ASX Release

Friday 6 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 2 new ordinary shares in the Company for every 6.54 ordinary shares held on 20 April 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 two (2) New Shares for every 6.54 existing ordinary shares held at 5.00pm (AWST) on the Record Date.

The Issue Price represents a 15.25% discount on the 20-day volume weighted average price of the Company's ordinary shares on the ASX up to the 4th 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 Shengnan 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	Friday	6-Apr-18
Lodge Offer Document for rights issue with ASX, ASIC	Monday	16-Apr-18
Send notice to shareholders	Tuesday	17-Apr-18
Ex Date	Thursday	19-Apr-18
Record Date to determine entitlements to New Shares (Entitlements)	Friday	20-Apr-18
Offer Document and Entitlement and Acceptance Forms despatched	Thursday	26-Apr-18
Opening day for acceptances and payment (Opening Date)	Monday	30-Apr-18
Last day for acceptance (Closing Date)	Thursday	17-May-18
New Shares quoted on ASX on deferred settlement basis	Friday	18-May-18
Notify ASX of undersubscriptions	Monday	21-May-18
Issue of New Shares and despatch of holding statements	Wednesday	23-May-18
Trading in New Shares commences	Thursday	24-May-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