2015
ANNUAL REPORT

a-cap
RESOURCES LTD

Contents

Chairman's Report

This year has been one of the most unpredictable years in the resource sector in recent memory, where not one or two commodities have dropped in value, but almost all have severely declined. After the Fukushima accident in 2011, we saw the uranium price collapse and uranium stock prices fall. It was since then that most of your Company's important work was being undertaken at the Letlhakane Uranium Project. An incredible amount of technical work has now been completed on the project, which has culminated in the submission to the Government of Botswana of a mining licence application in August 2015.

At a corporate level, the Company completed during the year an underwritten non-renounceable shareholder rights issue, raising a total of A$4,000,000. This capital raising together with cash and cash equivalents held at 30 June 2014 of A$5,070,514 has allowed your Company to complete its planned project feasibility works within budget and within time constraints. To this end, we are now in a strong position to capitalise on a predicted increasing uranium price going forward as well as completing our trial pits and pilot plant work as part of a Bankable Feasibility Study to be completed in Q1, 2017. Construction is planned to commence in Q1, 2018.

An important catalyst aiding the expected increase in uranium usage is threefold. Firstly we are now seeing that Japan is restarting nuclear reactors after the 2011 accident. Japan alone has an annual usage of twenty million pounds of uranium in its fifty-four existing nuclear reactors.

Secondly, there are sixty-six nuclear reactors under construction worldwide, with 50% being in Asia. Each reactor will use around 400,000 lbs of uranium per year.

A third and important factor influencing future uranium use and pricing is the anticipated Chinese nuclear build offshore. China has become a world leader in nuclear plant design and construction, and is currently actively engaged in nuclear reactor supply contracts in South Africa, Kenya and the United Kingdom. More will follow.

As the world steadily moves away from fossil fuels for power production, and adopts clean nuclear power as the best alternative, we will see the demand for large uranium deposits with significant upside in production such as Letlhakane become an extremely important component of nuclear builds. A-Cap is becoming well positioned in this important global demand.

During the year, the Board initiated a review of corporate and operational costs, which resulted in a significant reduction in corporate head office costs, including corporate office premises relocation and a reduction in corporate, marketing and support personnel.

Additionally the following changes in Office Holders occurred during the year:

i. Mr Robert Pett resigned as a Director and Chairman of the Company on 11 June 2015;

ii. I was elected Chairman of the Company on 11 June 2015;

iii. Mr John Fisher-Stamp was appointed as a Director on 18 June 2015;

iv. Mr Richard Lockwood resigned as a Director on 19 June 2015

v. Mr Paul Ingram was appointed as Deputy Chairman of the Company on 3 July 2015;

vi. Mr Michael Liu was appointed as a Director on 3 July 2015;

vii. Mr Denis Rakich resigned as Company Secretary on 3 July 2015; and

viii. Mr Nicholas Yeak was appointed as Company Secretary on 3 July 2015

The board appointments of Mr John Fisher-Stamp and Michael Liu will add to the Board's commercial and corporate experience to support the Company's activities in the capital markets, listing on a public exchange and roadshow engagement with the investment community.

The Company's planned activities for the 2016 financial year will focus on the planning, approvals and development of the Letlhakane Uranium Project. Non-core Company assets comprising coal assets and Duke Royalty Limited investment will be the subject to a board directed review to consider options to release value and monetise these assets through joint venture participation, corporate re-organisation and assets sale.

I wish to thank our team in Botswana for their excellent work in preparing the necessary documentation for our mining lease submission to the Government of Botswana. This is the culmination of many years of hard work by the team headed by CEO Paul Thomson, and involving some of the leading consultants in the resource business. The Chairman of A-Cap Botswana, Anthony Khama has greatly assisted our work in Botswana by providing sound advice on many matters on our Company's work. It is a real pleasure operating in Botswana and the wonderful stability, integrity and professionalism of the people that we encounter every day is greatly appreciated.

Angang Shen
Chairman

Operational Report from the CEO

Overview

This year A-Cap has again been successful in securing the funding necessary to complete the feasibility work required for a Mining Licence Application for our Letlhakane Uranium Project. This funding has been made available through the financial support of our shareholders. On completion of the feasibility work the Mining Licence application was submitted to the Botswana Department of Mines in August 2015. This is consistent with the Company's strategy of preparing the project for early development and production so that we can take full advantage of an expected recovery in the uranium market and the forecast increase in the price of uranium.

"We have been successful in securing the funding necessary to complete the feasibility work required for a mining licence application for our Letlhakane Uranium Project"

The current price of uranium has been flat, but A-Cap fully expects the Uranium market to turn. With Japan restarting their nuclear program, commencing with the Sendai No. 1 Reactor, coupled with an additional 66 new nuclear

Figure 1: A-Cap's Tenement portfolio in Botswana

reactors under construction, A-Cap is well placed to have the project ready to take advantage of a forecast supply shortage and a rising uranium price.

The technical study required for our Mining Licence application comprehensively incorporated all of the work completed to date, providing a strong framework for the development of the project, based on shallow open pit mining and heap leach processing to produce up to 3.75 million pounds of U_3O_8 per annum over an 18 year plus mine life. The results of the study indicate encouraging project economics in a rising uranium market and highlight a number of distinct advantages with competitive CAPEX and OPEX cost estimates.

The Environmental and Social Impact Assessment (ESIA) was completed and submitted to the Department of Environmental Affairs (DEA) in May 2015 in line with the Botswana Government requirements.

"Our aim is to have the project ready to take advantage of a uranium price recovery".

All of the major infrastructure is in place with the project located adjacent to a main highway, railway line, national power grid with water supply already identified and permitted, enabling capital costs to be kept to a minimum.

The deposit is shallow, soft and amenable to inexpensive open pit mining using a mix of conventional and surface miners. Detailed studies have been completed to understand the effect of utilising surface miners on the resource and understand the costs and productivity. Extensive metallurgical test work has demonstrated excellent recoveries from acid leaching and supports a low cost heap leach processing route using solvent extraction to recover uranium.

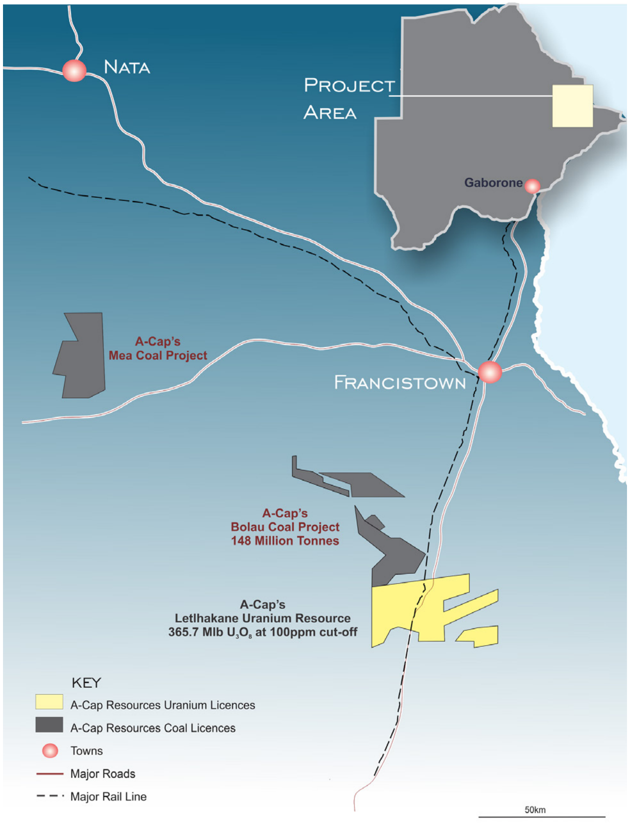


Figure 2: Location of A-Cap's Uranium and Coal Licences

A drilling programme was completed in September 2014 focussing on shallow high-grade zones earmarked for early mining in the project life. This drilling was designed to test the continuity and mine scale variability of mineralisation in three main project areas: Kraken, Gorgon and Serule West, and to provide data for further resource modelling and mine planning. This drilling yielded excellent results and confirmed the presence and continuity of high grade mineralisation within these areas.

Further metallurgical test work was completed to optimise the process design and provide geotechnical, geochemical and hydrological data for studies on heaps and waste products. Column leach tests of 2 and 4 metres were conducted at ANSTO labs in NSW, providing the basis for the Projects recoveries and processing costs.

The coal resources on our Bolau and Mea coal tenements add an extra dimension to our activities in Botswana. A maiden resource was announced at Bolau of sufficient tonnage to support a thermal power venture. Discussions with third parties are currently underway to decide on the best way to progress these projects.

We are fortunate to have secured some of the best specialists in their fields to conduct the feasibility work. This includes a team with proven expertise and experience in geology, mineralogy, mining, metallurgy, process design, hydrology, environmental, radiation and engineering.

To them and our dedicated operating and administrative team, my sincere thanks for all your efforts during the year.

Letlhakane Uranium Project

Feasibility Programme

The Letlhakane Uranium Project is one of the world's largest undeveloped Uranium Deposits. The Project lies adjacent to Botswana's main North-South infrastructure corridor that includes a sealed all-weather highway, railway line and the national power grid, all of which make significant contributions to keeping the capital cost of future developments low.

In August 2015 A-Cap submitted the Mining Licence application for PL 45/2004 (Letlhakane) to the Botswana Department of Mines. The application was based on the results of a technical study and financial modelling. The technical study was based on shallow open pit mining and heap leach processing to produce up to 3.75 million pounds of uranium per annum over a mine life of 18 years, incorporating the most up to date metallurgical results and process route, optimised mineral resources, mining, capital and operating costs developed by our feasibility specialists in Australia and internationally. The technical study confirms that the Project has the right mix of a good resource, low capital and operating costs and is well positioned to be taken into early production, reaping the benefits of projected shortfalls in supply in the uranium market and forecast rising uranium prices.

The outcomes of the technical study were released to the market (refer ASX release 11th September 2015) which highlighted the following:

- Positive economics based on forecast uranium average contract price
- Initial construction CAPEX of US$351 million
- Initial working capital of US$40 million
- Pre-tax NPV of US$383 million at a discount rate of 8% and IRR of 29%
- Operating costs of US$35/lb U_3O_8 over first 5 years, approximately $40/lb U_3O_8 over 18 year process life.

Operational Report from the CEO (Continued)

The technical study and financial modelling was completed with the assistance and in collaboration with a world-class team of consultants including Optiro, Cube Consulting, SLR Consulting (South Africa), Kappes Cassiday & Associates, OMC Hydromet and Lycopodium Minerals Pty Ltd. The key parameters for the project are summarised in Table 1.

Project Economics		Pre-tax	Post-tax
NPV	$US	$383M	$240M
IRR	%	29%	24%
Pay-back period from start of production	yrs	3	3
Capital Costs			
Construction	$US	351M	
Working Capital	$US	40M	
Inputs & Assumptions			
Price of Uranium (flat price over LOM)	U_3O_8 US $/lb	$81	
Discount rate	%	8%	
Life of mine (LOM)	yrs	18	
Project Summary			
Average Mining cost	$US /lb	$18	
Average Processing Cost	$US /lb	$23	
	$US /lb	**$41**	
Cash Flows		**Pre-tax**	**Post-tax**
Total Revenue	$US	$3,499M	
Project Cash flow	$US	$841M	$539M

Table 1: Summary of outcomes of the technical study

The Technical Study results and production targets reflected in this annual report are preliminary in nature as conclusions are drawn partly from indicated mineral resources and partly from inferred mineral resources. The Technical Study is based on lower level technical and economic assessments and is insufficient to support estimation of ore reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Technical Study will be realised. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

The following work programmes were completed during the year which culminated in the completion of the feasibility studies required for the Mining Licence Application:

Metallurgy

- Campaign 1 – 2 metre acid leach columns
- Campaign 2 – 4 metre acid leach columns integrated with SX and IX recovery
- Process optimisation following a review of these test results
- Heap leach design following an option review

Plant Design

- Development of Opex and Capex requirements
- Plant construction and implementation studies
- Geotechnical, geochemical and hydrological study of the heaps and waste products

Resources

- LUC resource trials utilising Localised uniform conditioning (LUC)
- Remodelling of mineralisation
- Drill spacing studies
- Grade control patterns

Mining

- Physical testwork on expected lithology mixes to evaluate productivity and mining costs using Wirtgen and Vermeer surface miners with the vendors
- Budget quotations were received from three experienced African mining contractors for a bulk waste prestrip, mining of the ore zone with surface miners and haulage by truck to the ROM
- Updates of pit optimisations and schedules using latest cost data

The ESIA was submitted to the Department of Environmental Affairs in May 2015. This has been a long process requiring a series of study iterations over the years to coincide with A-Cap's ever-expanding uranium resource. The Department of Environmental affairs are currently assessing this report. One consultation feedback meeting occurred in June 2015 and final feedback is due in the following months.

Metallurgy & Process Design

A detailed programme of acid column leaching, Solvent Extraction (SX) and Ion Exchange (IX) testwork has been completed over the last 12 months to better define recoveries and process operating costs for the Letlhakane heap leach operation. This programme was carried out at ANSTO in Sydney and SGS in Perth. In addition, SLR Consulting of South Africa, carried out a detailed engineering study of the heap leap facility including stability tests of the heaps.

At ANSTO, two campaigns of 2m and 4m columns were completed on the main ore types: Gorgon and Kraken primary ore, Serule West primary ore and a mixed oxide ore using the 2 stage acid leaching process which was developed over the last 2 years. This 2 stage acid leach has been shown to improve leach kinetics and economics. The 4m columns were leached in closed circuit with the SX/IX recovery circuit to demonstrate that the leachate can be processed by SX followed by IX then refining to yield a high purity saleable uranium oxide concentrate product.

The SX/IX combination is novel though each component uses conventional technology and was demonstrated in the ANSTO Campaign 2 program. It was developed to optimise the water and acid balance and minimise acid loss in SX stripping.

At SGS, a 4m acid leach column test of the mixed secondary mudstone ore indicated good recoveries with moderate acid consumption indicating this process was the most effective way of treating this secondary mudstone mineralisation.

This testwork was used to develop engineering design data and process plant designs for acid heap leaching of all ore types excluding the calcrete ore. This data was used to define capital and operating costs for the process plant. The calcrete ore, which only accounts for <2 million lbs U_3O_8 resource, will be stockpiled for future processing once the main acid heap leach facility is complete.

The acid heap circuit process flow diagram is summarised in Figure 3. The surface miners will produce primary, oxide and secondary mudstone ore feed for the closed screening and secondary crushing circuit which will produce a <19mm product feeding the agglomeration drums. The ore will be agglomerated using acid and polymer and then stacked by a grasshopper conveying system using 6 metre lifts. Leaching will be carried out in multiple stages using intermediate and raffinate solutions to limit the volume of PLS feeding the SX plant. Uranium will be recovered from the SX strip solution using continuous ion exchange, followed by purification and precipitation as sodium diuranate using hydrogen peroxide, before final precipitation of uranium oxide concentrate (UOC) and drying.

The technical study announced to the ASX on the 11th September 2015 focussed on treating 9 million tonnes of mineralisation per year through crushing, agglomerating, stacking and sulphuric acid leaching on one of two permanent leach pads, each with a capacity of 79 million tonnes. Leached material will be left in place and each lift sealed with a geomembrane liner.

The design capacity of the processing plant is 3.75 million pounds per annum of U_3O_8 equivalent per year, to allow for peaks in production, with average annual production estimated at 2.4 million pounds. The acid leach project is expected to operate for 18 years based on the current in- pit resources of Oxide, Primary and Secondary mineralisation.

The uranium recoveries vary from 60.5% to 77.7% depending on mineralisation type and were derived by applying discounts of 2% for scale-up from laboratory conditions to commercial field operations plus losses in ripios interstitial liquor of 0.8% and 0.1% for losses in the refinery. The recoveries used per mineralisation type were calculated following the 4m column testing completed at ANSTO and other column tests carried out at SGS labs in Perth.

Comminution tests indicate that these materials are soft and not very abrasive with the average crushing work index (CWi) of 8.82 kWh/t (range 5.9-13.3kWh/t).

Process costs were calculated by mineralisation type and pit. The major contributor to production is the Primary mineralisation. The summary of the process costs are shown in Table 2. The main operating consumable is determined by the acid consumption.

Cost Centre	Mixed Oxide		Gorgon & Kraken Primary		Serule West Primary		Lower Mudstone (Acid Leach)		Mixed Mudstone Low Acid Leach (65% UM, 35% LM)	
	USD/ wet t	% Cost	USD/ wet t	% Cost	USD/ wet t	% Cost	USD/ wet t	% Cost	USD/ wet t	% Cost
Operating Consumables	3.46	60%	3	57%	4.62	67%	3.1	58%	3.11	57%
Product Transportation	0.08	1%	0.08	2%	0.13	2%	0.05	1%	0.06	1%
Maintenance	0.51	9%	0.51	10%	0.51	7%	0.51	9%	0.51	9%
Power	0.68	12%	0.68	13%	0.68	10%	0.68	13%	0.68	13%
Laboratory	0.05	1%	0.05	1%	0.05	1%	0.05	1%	0.05	1%
Labour -Processing & Maintenance	0.46	8%	0.46	9%	0.46	7%	0.46	9%	0.46	9%
Sub-Total - Processing & Maintenance	5.25	90%	4.79	89%	6.46	92%	4.86	90%	4.89	90%
Labour - Administration	0.22	4%	0.22	4%	0.22	3%	0.22	4%	0.22	4%
General & Administration Cost	0.35	6%	0.35	7%	0.35	5%	0.35	6%	0.35	6%
Sub-Total - General & Administration	0.57	10%	0.57	11%	0.57	8%	0.57	11%	0.57	10%
TOTAL	5.82	100%	5.36	100%	7.02	100%	5.42	100%	5.45	100%
Processing Cost, USD/t U	53,783		49,219		39,618		88,809		64,487	
Processing Cost, USD/lb U_3O_8	20.69		18.93		15.24		34.16		24.81	

Table 2 – Process costs per mineralisation type, inclusive of Labour and Administration costs.

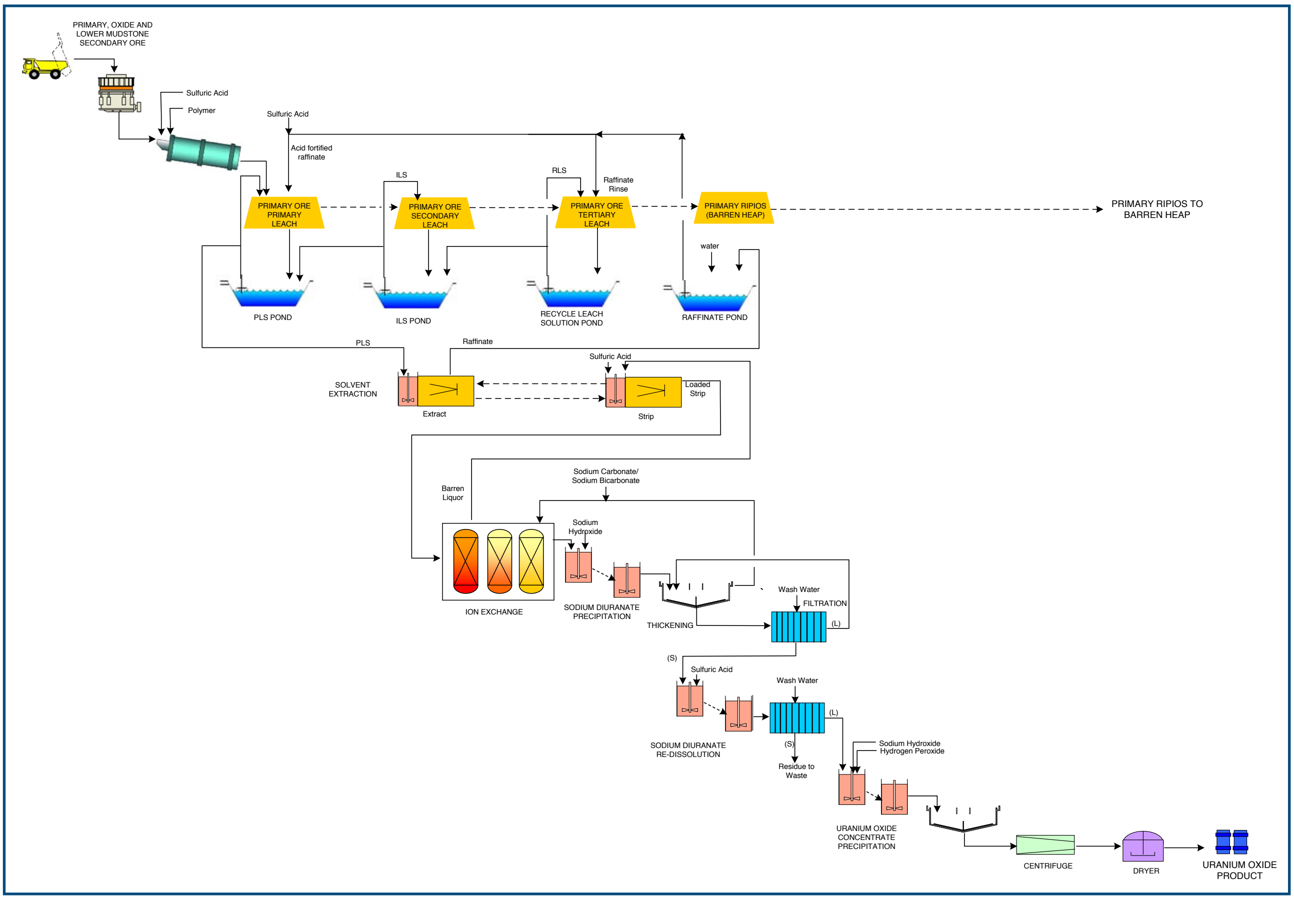


Figure 3: Letlhakane Uranium Project Acid Leach Circuit

Mineral Resource & Drilling Programme

Drilling was focussed in areas where initial optimisation runs delineated possible early pits. The results have been successful in increasing the confidence in these areas. A drill optimisation study has also been completed by Optiro. The drill study focussed on the Kraken area where infill drilling had previously been completed. Holes were then excluded to make pre – infill drilling grids. These were completed at 400m spacing and 200m spacing and also 100 x 100m and 50 x 100m. At the 400m and 200m spacing alternate offset grids were also used to evaluate consistency.

The results from the Kraken area concluded that the drilling defines the resource at 200m spacing and only small variations in grade and contained metal occur when the infill drilling is conducted. This gives A-Cap an excellent guide to defining mineralisation on the project as a whole.

An infill drilling programme following up on the major RC and Diamond drilling programme which was completed in June 2014, commenced in October 2014 to further define potential early start pits. This programme was successfully completed in November with results confirming the presence and continuity of high grade uranium mineralisation. These results will now be incorporated into a new resource model.

Best intervals* at 200ppm eU_3O_8 cut-off include:

3.25m @2386 ppm eU_3O_8 in hole SERC0364

2.05m @2124 ppm eU_3O_8 in hole MOKR2582

1.25m @2123 ppm eU_3O_8 in hole SERC0362

2.95m @1514 ppm eU_3O_8 in hole MOKR2571

2.20m @904 ppm eU_3O_8 in hole SERC0358

2.55m @772 ppm eU_3O_8 in hole MOKR2584

2.60m @588 ppm eU_3O_8 in hole MOKR2596

1.90m @798 ppm eU_3O_8 in hole MOKR2603

*all intervals are reported above 200ppm eU_3O_8 with a maximum internal dilution of 0.5m.

Resource modelling trials utilising Uniform Conditioning (UC) and Localised Uniform Conditioning (LUC) resource modelling techniques during the year have been successful. The LUC uses the proposed mining unit which has been reduced in size due to the selectivity of the surface miners that will be utilised.

In September 2015, A-Cap announced an upgraded Letlhakane Uranium Resource utilising LUC. The updated Global Mineral Resource, completed by an independent expert and reported in compliance with the JORC 2012 code, is summarised below:

Cut-off (U_3O_8 ppm)	Total Indicated			Total Inferred			Global Total		
	Mt	U_3O_8 (ppm)	Contained U_3O_8 (Mlbs)	Mt	U_3O_8 (ppm)	Contained U_3O_8 (Mlbs)	Mt	U_3O_8 (ppm)	Contained U_3O_8 (Mlbs)
100	197.1	197	85.4	625.1	203	280.2	**822.3**	**202**	**365.8**
200	59.3	323	42	209.9	321	148.1	**269**	**321**	**190.4**
300	22.1	463	22.8	81.7	446	80.4	**103.9**	**450**	**103.1**

Table 3: 2015 LUC Mineral resource estimates for ALL DEPOSITS at various U_3O_8 cut-offs

The new global resource estimate using LUC best reflects the mining methodology envisaged, taking into account the surface miners' selective mining capability, combined with the proposed grade control methodology.

When comparing the 2015 LUC Resource against previous estimates, the LUC resource contains more tonnes and slightly more grade. The 2015 resource utilised wireframes that delineated continuity over larger areas, whereas the 2013 resource was completed using a categorical modelling approach. The global resources were similar when comparing the two models, however it was found that the categorical approach, although correctly estimating the quantum of the uranium resource, had less continuity of grade extrapolation compared to using a wireframe. Furthermore the takes the UC result and localises it into SMU scale blocks, making it more suited to extraction and optimisation studies.

Operational Report from the CEO (Continued)

Mining

Quotations for a bulk prestrip, mining with surface miners and truck haulage to the ROM were received from several mining contractors. Vermeer and Wirtgen also evaluated productivity and costs from the testwork undertaken on various lithologies expected during the operations.

The proportion of material to be mined is approximately;

- 64% mudstone and carbonaceous mudstone,
- 14% siltstone and fine sandstone,
- 12% sandstone and arkosic sandstone and
- 5% conglomerate and breccia and
- 5% surficial material.

These rock types have variable Cerchar abrasiveness (CAI) from slightly abrasive to very abrasive with an overall average of 2.0 (medium abrasiveness) and hardness's (UCS) which average from 10 to 55Mpa. Occasional (<1%) very high UCS values of >100Mpa have been observed from thin sandstone units. With this range of UCS values surface mining costs are low with high productivity.

Haulage distances from the pits to the ROM vary from 1.3 to 8.3km and a study is to be undertaken to see if a central conveying system may offer benefits over truck haulage.

The in-pit resources were scheduled using the Minemax Scheduler and produced a 16 year mine life and an 18 year process life with:

- Total process feed of 157mt at a grade of 191 ppm U3O8, including 103mt which is direct feed to the leach pads.
- 53,778,206 tonnes is reclaimed from stockpiles in the latter years of the Project,
- The Indicated resources amount to 29,257,991 tonnes averaging 209 ppm U_30_8 while the Inferred resources total 73,563,172 averaging 164 ppm U_3O_8
- The proportion of Indicated to Inferred in the direct feed to process is currently 28.5% to 71.5%.

The mining costs are calculated by using quoted prices from operating mining contractors within Southern Africa. The costs take into account, pit depth, specific gravity and hardness of the material moved.

OPEX	Mining cost	Processing including G&A	Total Operating costs
	US$/lb	US$/lb	US$/lb
LOM	18.1	22.7	40.7

Table 4 – Opex costs over life on mine

OPEX	Mining cost	Processing including G&A	Total Operating costs
Year	US$/lb	US$/lb	US$/lb
1	18.0	14.2	32.2
2	18.8	14.7	33.4
3	21.7	14.9	36.6
4	24.3	15.8	40.0
5	14.2	18.0	32.2
Average*			34.9

* the average is weighted against the UO2 produced per annum.

Table 5 – Opex for first 5 years production

Construction CAPEX

Table 6 below summarises the initial construction CAPEX cost of US$351 million which includes a contingency of $US43 million. Working capital of approximately $US40 million is required (includes US$5M contingency). Owners Project costs incorporate admin and plant pre-production costs, spare parts and mobile plant. A pre strip is required in the Serule West area to access potential higher grade mineralisation.

Main Area	US$ (Million)
Construction Indirects	30
Process Plant	176
Reagents & Plant Services	30
Infrastructure	33
Mining - Pre strip	26
Management Costs	25
Owners Project Costs	28
Owners pre-production buildup	3
Grand Total exc. Working Capital	**351**

Table 6 – Total initial construction CAPEX

Environmental and Social Impact Assessment

SLR Consulting completed the ESIA and submitted the report to the Department of Environmental Affairs (DEA) in May 2015. Specialist studies determined that with appropriate mitigation all environmental and social aspects during the construction and planned operations were addressed. Presentations of the ESIA findings were presented to the Serule and Gojwane Kgoltas', the Mmadindare and Paje sub land Boards, and the Tonata council. A review session was undertaken at the request of the DEA in July. Further feedback as a result of the meeting is expected.

Tenure

An application for extension of the prospecting licence PL45/2005 was submitted to the Botswana Department of Mines in February 2015. While the extension is still pending, the DOM has given a three (3) months extension whilst the application is being processed. Tenement extensions of 2 years were also granted for Foley 125/2009, Bolau 134/2005 and Mea 138/2005.

Feasibility Team

The project is fortunate to have a strong team conducting the feasibility work with proven expertise and experience in all aspects of the project. This includes specialists in geology, mineralogy, mining, metallurgy, process design, hydrology, environmental, radiation and engineering. These specialists are considered to be some of the best in their field. These include Dr Paul Woolrich (A-Cap Director) and our specialist consultants Lycopodium Minerals (lead consultant), SGS Lakefield Oretest and ANSTO (metallurgical testing), SRK Consulting (mineralogy), Alan Taylor of Alta Metallurgical Services, Grenvil Dunn of Orway Mineral Consultants and Randall Pyper of Kappes Cassiday & Associates (metallurgical and process design), SLR Consulting (ESIA and geochemical, geotechnical and hydrological aspects of feasibility study), David Cairns of Mitico, Optiro and Cube Consulting (optimisation, mining & scheduling).

Uranium Market

It has been a challenging period for the Uranium industry, however the fundamentals of nuclear energy as a base load energy option remains sound. Brian Lundin, publisher of Gold Newsletter states "As a relatively cheap and clean source of energy, the demand for nuclear energy has been growing for fundamental reasons that even the Fukushima accident couldn't derail". With the increasing need to significantly reduce global carbon emissions across the world, nuclear is the clear choice of electricity generation.

Ben Heard, Director of ThinkClimate Consulting reported that there was little to no evidence that the world could shift to 100% renewables any time soon despite the touting from Greens and environmentalists.

His research group concluded that a much faster growing nuclear sector is needed to meet decarbonisation targets around the globe. Given that forecast global nuclear capacity will grow to 552 gigawatts equivalent (GWe) by 2035 (currently 379GWe), the International Energy Agency estimates that nuclear capacity needs to reach 660GWe in 2030 and more than 900GWe by 2050.

Operational Report from the CEO (Continued)

Since the start of the financial year the spot price of Uranium has climbed roughly 35% to US$38.85 /lb eU_3O_8 from June 2014 levels of US$28. The restart of the Sendai Power Plant in Japan on the 14th August 2015 (under strict safety standards) is expected to pave the way for a revival of the price of uranium and uranium investments. China alone currently has 26 operational nuclear reactors and a further 25 under construction. With planned reactor builds taken into consideration, the Chinese nuclear capacity could rise to 58GWe by 2020-21, then some 150GWe by 2030 (World Nuclear Association, August 2015) to counter the current air pollution issues associated with coal-fired power stations.

Coal Projects

The Foley and Bolau prospects together make up the Bolau Coal Project incorporating the shallow up dip extension (Foley Prospect) of African Energy's Sese Project and the down dip areas (Bolau prospect). Drilling concentrated on the shallow resource at Foley to establish an indicated resource on the Coal deposit, with a smaller programme completed at the deeper Bolau prospect.

A maiden resource was completed totalling 148 million tonnes and a low stripping ratio of 1.15: 1. This is ideally suited to power generation and third parties are currently been engaged to investigate progressing the project with a suitable specialist power generation group.

The 2014 drilling on the Mea prospect has assessed the open pitiable resource, however the extraction costs are increased due to a dolerite sill ranging from 5 to 38m thick overlying the seams. Other extraction options are being considered, but accessing the coal via open pits is currently not viable with respect to current coal prices. No further drilling is warranted at this stage.

Bolau Coal Project

The Company discovered coal at the Bolau Coal Project (which comprises two PLs Foley PL125/2009 and Bolau PL138/2005) during its ongoing regional uranium exploration program. The Bolau Coal Project constitutes the up and down dip extension of African Energy's Sese Coal Project that extends into A-Cap's prospecting licences PL138/2005 and PL125/2009. The adjacent Sese thermal coal deposit contains a JORC compliant Mineral Resource of over 2.5 billion tonnes, comprising a Measured Resource of over 650 Mt coal, with an additional ~1,850 Mt in Indicated and Inferred Resource category.

A scoping study is being conducted on the project by Sedgman to determine the economic viability of the project. This study includes the maiden resource announcement in Dec 2014. Option of coal power generation is currently being considered. The deposit is near to surface and can be extracted at a low stripping ratio.

In Situ Coal Tonnes at Foley total 148 million tonnes, of which 71 million tonnes is classified as Indicated (Table 7). The resource drilling covers a small percentage of the tenement area allowing for potential upside to the current declared resource tonnage.

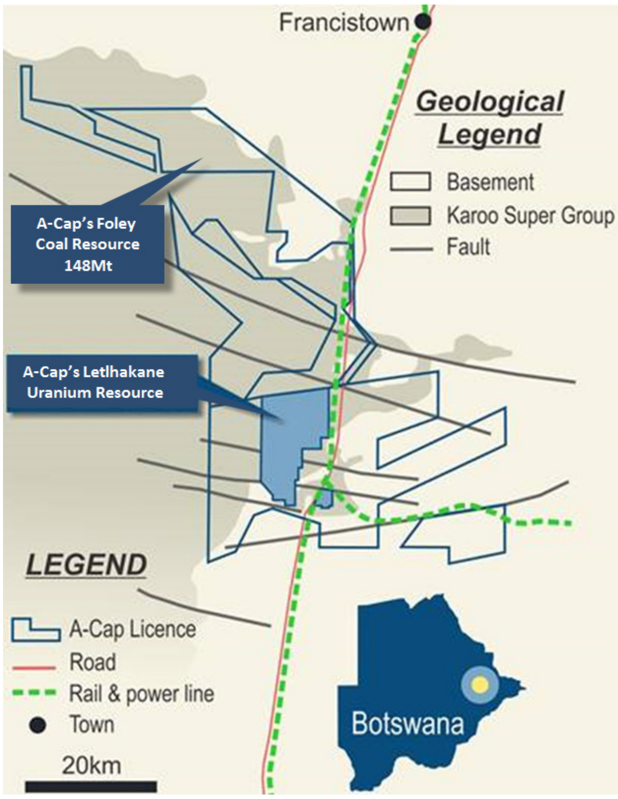


Figure 4: Bolau Coal Study location map

SEAM	THICKNESS (m)	VOLUME (m^3)	GTIS (Gross Tonnes In-Situ)	RD (Relative Density)	GEOLOGICAL LOSS (%)	TTIS (Total Tonnes In-Situ)	CATEGORY
SS	6.84	21 970 000	35 246 000	1.60	15%	29 959 000	INDICATED
SST	7.45	20 291 000	36 123 000	1.78	15%	30 705 000	INDICATED
SSU	3.17	6 675 000	12 174 000	1.82	15%	10 348 000	INDICATED
TOTAL INDICATED			83 543 000			71 012 000	
SS	7.07	30 390 000	48 930 000	1.61	25%	36 700 000	INFERRED
SST	7.08	2 360 000	39 580 000	1.77	25%	29 690 000	INFERRED
SSU	3.02	7 820 000	14 230 000	1.82	25%	10 670 000	INFERRED
TOTAL INFERRED			102 740 000			77 060 000	
TOTAL FOLEY RESOURCES			186 283 000			148 072 000	

Table 7: Foley Coal Resources

Cut-offs applied: >1m seam thickness, <50% ash and >8MJ/Kg CV, High geological loss applied due to occurrence of dolerite intrusions. Tonnes rounded according to resource confidence (Ind = 1000; Inf = 10,000).

Once beneficiated, the quality of the coal improves to coal suitable for power generation, with increased Calorific Value ('CV'), lower Total Sulphur ('TS') and a promising yield. The yields averaged in Table 8 for the SS seam from the individual drill holes range from 66.8% to 85.7% at a 1.70 float fraction.

SEAM	TTIS (Total Tonnes In-Situ)	IM (%) (Inherent Moisture)	AS (%) (Ash Content)	VM (%) (Volatile Matter)	FC (%) (Fixed Carbon)	CV (Calorific Value) (MJ/Kg)	TS (%) (Total Sulphur)	YIELD (%)	RESOURCE CATEGORY
SS	29 959 000	6.53	20.41	23.41	54.58	21.1	0.3	77.54	INDICATED
SST	30 705 000	5.65	26.86	21.17	46.32	19.3	0.2	39.10	INDICATED
SSU	10 348 000	5.89	23.83	25.25	45.03	20.1	0.5	26.36	INDICATED
ALL SEAMS	71 012 000	6.06	23.70	22.71	49.62	20.2	0.3	53.46	
SS	36 700 000	5.09	20.03	23.41	54.93	21.3	0.3	78.82	INFERRED
SST	29 690 000	5.09	27.00	19.60	47.47	19.5	0.2	41.34	INFERRED
SSU	10 670 000	5.72	24.90	24.75	44.59	20.0	0.4	29.06	INFERRED
ALL SEAMS	77 060 000	5.18	23.39	22.13	50.62	20.4	0.3	57.49	

Table 8: Foley Coal Resource Washed Qualities

Cut-offs applied are >1m seam thickness, <50% ash and >20MJ/Kg CV, Washed cumulative qualities reported for the 1.7 float fraction. Tonnes rounded according to resource confidence (Ind = 1000; INF = 10,000).

The Foley JORC indicated resource announced in December 2014 brings this project to the stage where mining studies can rapidly define the economic potential. The resource of close to 30 million tonnes in the SS seam allows for a substantial mine life for power generation. A Cap is actively engaging third parties on potential development options to progress the project.

Mea Coal Project

The Mea Coal deposit is located approximately 120km west of Francistown on PL134/2005. The project is situated 5km north of the A30 highway that links Francistown to Orapa with all-weather roads and grid power lines passing through the prospect area. The Mea Coal Project on PL134/2005 contains multiple coal seams within a thicker carbonaceous unit that extends to over 100m true thickness. Initial results indicate that Raw Coal Quality at Mea is potentially higher than the typical coal found elsewhere in Botswana. A JORC compliant inferred resource of 335 million tonnes of coal in multiple seams has been announced.

The Mea Coal Study completed by Sedgman South Africa in February 2014 led to further drilling which was completed in the December quarter 2014. The study assessed the potential underground extraction of the BC seam at that time. The 2014 drilling has assessed the open pittable resource, however the extraction costs are increased due to a dolerite sill ranging from 5 to 38m thick overlying the seams. Other extraction options are being considered, but accessing the coal via open pits is currently not viable with respect to current coal prices. No further drilling is warranted at this stage.

During the first quarter 2015, A-Cap received confirmation that our second extension application for the Mea prospecting licence (PL134/2005) had been approved by the Botswana Department of Mines, and expires in September 2016.

Schedule Of Interest In Mining Tenements

During the year A-Cap was awarded 14 new tenements in the southern part of Botswana. Historical reports and data were collated from the government libraries for the 14 new tenements (Figure 5) for base metal exploration. The tenements overlay the inferred extents of the Kaapvaal Craton. The Kaapvaal Craton in South Africa is host to a number of platinum and PGEs, iron ore and manganese mines. Desktop studies on the new tenements areas have been undertaken and are currently under review.

During the year several tenements were also relinquished due to the expiry of tenure extensions. These included Sua 135/2005, Lebala PL 72/2008, Diretse PL 73/2008 and Mmatshumo PL 74/2008.

Tenement	Location	Percentage Holding	Title Holder
Letlhakane PL 45/2004	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Mea PL 134/2005	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Bolau PL 138/2005	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Foley PL 125/2009	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Hukuntsi 002/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Hukuntsi 003/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Hukuntsi 004/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Werda 005/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Kokong 006/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Kokong 007/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Kokong 008/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe 009/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe 010/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe 011/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Jwaneng 012/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Jwaneng 013/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Sojwe 014/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Sojwe 015/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd

Table 9: Schedule of Prospecting Licences

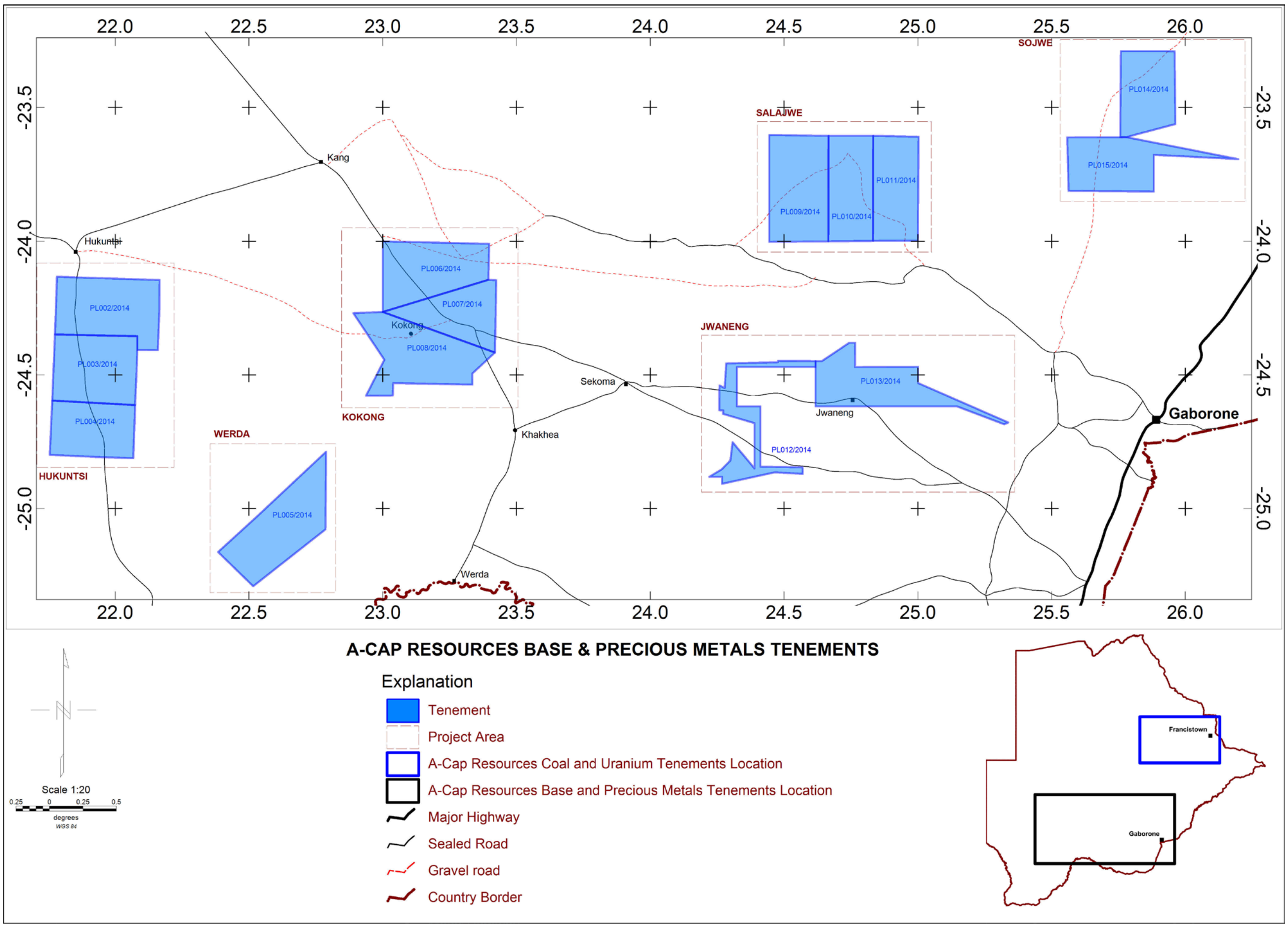


Figure 5: Locality plan of A-Caps granted tenements during the year

Botswana

With 55% of future worldwide uranium production estimated to be from projects with significant technical, political and regulatory risk, A-Cap is fortunate to operate in the stable and secure jurisdiction of Botswana. Botswana has an easy to understand minerals law along with English-speaking legal and parliamentary systems. Botswana was again the highest ranked jurisdiction in all of Africa on policy factors, and ranks second in terms of Investment Attractiveness in Africa, based on the Fraser Institute Survey of Mining Companies. The survey highlights improvements in nearly all policy factors compared to last year, including the availability of labour and skills, less uncertainty concerning the administration, interpretation, or enforcement of existing regulations, and security. Furthermore the survey highlights the Botswana Department of Mines' quick decision making, with access to decision makers and no corruption at all.

A-Cap values the talented and highly skilled workforce that Botswana offers. We are proud that we have maintained the same core team of Motswana professional and administrative staff over several years and thank them for their commitment to helping A-Cap achieve its strategies. A-Cap continues to be actively involved in many local community health initiatives.

Moving Forward

For the main Letlhakane Uranium Project, we have completed a major milestone and submitted the Mining Licence application to the Botswana Department of Mines. Already further improvements to the project have been identified and whilst we await the outcome of the Mining Licence Application and an improvement in the price of uranium, the team will continue to revise our project parameters and drive down the cost per pound of uranium production.

A-CAP RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

ACN 104 028 542

ANNUAL FINANCIAL REPORT

30 JUNE 2015

Directors' Report

The Directors present their report on the Consolidated Group consisting of A-Cap Resources Limited ("A-Cap") and the entities it controlled ("the Consolidated Group") at the end of, or during the financial year ended 30 June 2015.

Directors

Directors of A-Cap Resources Limited during and since the end of the financial year are listed below. Directors were in office for the entire period unless otherwise stated.

Angang Shen
Paul Anthony Ingram
Paul Thomson
Henry James Stacpoole
Paul Woolrich
John Fisher-Stamp (appointed 18th June 2015)
Michael Muhan Liu (appointed 3rd July 2015)
Robert James Pett (resigned 11th June 2015)
Richard Lockwood (resigned 19th June 2015)

Directors Information

Angang Shen
Chairman

Mr Angang Shen joined the Board of A-Cap in November 2013, bringing with him years of expertise and success in the areas of finance, investment, real estate and mining resources. Mr Shen is the Chairman of China Growth Minerals Ltd and Ansheng Investment Co, Ltd.

Mr Shen has not served as a director of any other ASX listed companies over the past three years.

Paul A. Ingram
Deputy Chairman, Member of Audit Committee

B. Applied Sc. (Geology), MAusIMM

Mr Ingram is a geologist with extensive experience in corporate and technical management of exploration and mining companies for over 30 years. He has held senior management positions in a number of successful resource companies in the precious metals sector and energy sector, and has managed projects in countries throughout East Asia and in Australia.

During the past 3 years, Mr Ingram has also served as Director of the following ASX listed companies:

- Impact Minerals Limited (since July 2009)
- Australian Pacific Coal Limited (since March 2011)
- Consolidated Global Investments Limited (since September 2006)

Paul Thomson
Managing Director, Chief Executive Officer

HND (Electrical Engineering)

Mr Thomson is an engineer with over 35 years of experience in mining and project development in Africa. Mr Thomson joined A-Cap in 2009 as Project Manager for the Letlhakane Uranium Project and was appointed CEO in February 2012. Prior to joining A-Cap, Mr Thomson held senior management positions within the mining industry including Managing Director of African Copper Mining and Exploration Botswana, Director and Country Manager of Corridor Sands in Mozambique and Construction Manager of the Golden Pride Gold Project in Tanzania. He held various engineering and operational positions with JCI in South Africa.

Directors Information (Continued)

He has been responsible for many projects, both surface and underground and has led greenfield exploration teams through subsequent progression to building and operational stages of successful mines. Mr Thomson has extensive project development experience and depth of knowledge of the African operating environment. He holds a South African Government Certificate of Competency Mines and Works (Electrical).

During the past three years Mr Thomson has not served as Director for any other ASX listed companies.

Henry J. Stacpoole
Independent Non-Executive Director, Member of Audit Committee

Mr Stacpoole is a Director of Stacpoole Enterprises Pty Ltd, a civil contracting, drilling and mining exploration company based in Launceston in Tasmania. He was a founding Director of Beaconsfield Gold Mines Ltd in 1987 and was closely involved in the development of that company's mine in Tasmania becoming Chairman of the restructured Beaconsfield Gold N.L. in 1992. He resigned as a Director in 2001. He is a Life Member of the Tasmanian Minerals Council.

During the past three years Mr Stacpoole has not served as Director for any other ASX listed companies.

Paul Woolrich
Executive Director
B. Sc. (Hons), M.Sc., Ph.D.

Dr Woolrich has over 40 years' experience in the international exploration and mining industry focussed on gold, base metals and PGEs, with the last 20 years spent in senior management positions with Western Mining Corporation, Ranger Minerals Ltd, Orion Resources, Gallery Gold and Platmin Ltd. He was Project Manager in charge of the feasibility study of Platmin's Pilanesberg PGE Project in South Africa in 2004-2006. Dr Woolrich is managing the metallurgical aspect of A-Cap's Bankable Feasibility Study into the viability of the Letlhakane Uranium Project. He holds degrees in geology (BSc honours), geochemistry (MSc) and metallurgy (PhD).

During the past 3 years, Dr Woolrich has also served as a director of the following ASX listed companies:

- Botswana Metals Limited (ASX) (since January 2008)

John Fisher-Stamp
Non-Executive Director, Chairman of the Audit Committee
FCA, FTIA, GAICD, MIMC

Mr Fisher-Stamp is a Chartered Accountant and has worked in the resources sector for the past 10 years. John has held executive and consulting positions in corporate finance and as CFO. These roles covered compliance with corporate regulations and reporting in Australia, USA, UK and Asia. 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. John currently serves with QT Mutual Bank Limited as a member of the Risk and Remuneration Committees and is Chair of the bank'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.

During the past three years Mr Fisher-Stamp has not served as Director for any other ASX listed companies.

Michael Liu
Non-Executive Director
MA, MBA

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.

During the past three years Mr Liu has not served as Director for any other ASX listed companies.

Interest in the shares and options of the Company

As at the date of this report, the interests of the Directors in the shares and options of the Company were:

	A Shen	P Ingram	P Thomson	H Stacpoole	P Woolrich	J Fisher-Stamp	M Liu
Ordinary Shares							
Ordinary shares, fully paid	172,064,110	607,373	-	2,740,320	1,664,010	38,000	5,177,110
Unlisted Options							
Exercisable at 50c, expiring 15 Oct-15	-	-	-	1,000,000	1,000,000	-	-
Exercisable at 40c, expiring 15 Dec-15	-	-	200,000	-	-	-	-
Exercisable at 33c, expiring 31 Jan-16	-	-	1,500,000	-	-	-	-
Exercisable at 9c, expiring 31 Oct-17	-	-	2,500,000	-	-	-	-

Company Secretary

Denis Rakich (resigned 3rd July 2015)

FCPA

Mr Rakich is an Accountant and Company Secretary with extensive experience within mineral production and exploration industries. Mr Rakich is responsible for the legal, financial and corporate management of A-Cap Resources Ltd. He is a fellow of the CPA Australia and serves as Company Secretary for other Companies within the resources sector.

Nicholas Yeak (appointed 3rd July 2015)

BCom, CPA, Grad Dip (App Corp Gov), ACIS

Mr Yeak has managed A-Cap's financial affairs over the past five years and is responsible for the legal and corporate management of the Consolidated Group. Mr Yeak is a Certified Practicing Accountant and Chartered Company Secretary with over 12 years postgraduate experience in senior finance positions.

Principal Activities

The Consolidated Group's principal activities during the year have been the ongoing feasibility studies into the Letlhakane Uranium Project, continuing exploration of its tenement portfolio in Botswana and the evaluation of our coal discoveries.

There were no significant changes in the nature of the Consolidated Group's principal activities during the financial year.

Review of Operations

- In July 2014, A-Cap commenced a diamond drilling campaign at its coal projects at Mea, Foley and Bolau Coal Projects. Drilling at Mea focussed on establishing indicated resources on a portion of the deposit most suitable for early mining. Drilling at Foley and Bolau is to establish indicated resources on the shallow up dip extension of African Energy's Sese Coal deposit adjacent, and to drill the down dip extension.
- In August 2014, the result of the drilling programme at Letlhakane, which commenced in May 2014 were released. The drilling programme comprised of:
  - 617 metres PQ diamond drilling completed to collect samples for lithological gamma studies and comminution work;
  - 3734 metres RC drilling was completed to establish mining scale uranium variability and selected infill drilling to improve information in higher grade areas.

  The drilling results showed excellent grades supporting higher grade areas. Best intervals at 300 eU_3O_8ppm cut-off include:

9.85m @571 ppm eU_3O_8 in hole SERC0341	2.45m @1214 ppm eU_3O_8 in hole SERC0336
10.35m @368 ppm eU_3O_8 in hole SERC0335	8.1m @355 ppm eU_3O_8 in hole SEDD0026
2.25m @1354 ppm eU_3O_8 in hole SERC0344	1.95m @1224 ppm eU_3O_8 in hole SEDD0023
3.05m @979 ppm eU_3O_8 in hole MOKD0112	

- In December 2014, A-Cap announced a maiden JORC compliant coal resource at its Foley prospect. A successful drilling campaign within a portion of the field defined 148 million tonnes of coal (total tonnes in situ).
- An infill RC drilling programme consisting of 2812 metres which was completed in November 2014 showed excellent results confirming the presence and continuity of high grade uranium mineralisation including:

3.25m @2386 ppm eU_3O_8 in hole SERC0364	2.20m @904 ppm eU_3O_8 in hole SERC0358
2.05m @2124 ppm eU_3O_8 in hole MOKR2582	2.55m @772 ppm e eU_3O_8 in hole MOKR2584
1.25m @2123 ppm eU_3O_8 in hole SERC0362	2.60m @588 ppm eU_3O_8 in hole MOKR2596
2.95m @1514 ppm eU_3O_8 in hole MOKR2571	1.90m @798 ppm eU_3O_8 in hole MOKR2603

- Uniformed Conditioning (UC) and Localised Uniform Conditioning (LUC) trials were utilised as resource techniques, proving successful. The LUC uses the proposed mining unit which has been reduced in size due to the selectivity of the surface miners that will be utilised.
- Ongoing evaluation of mining operations including evaluation of Vermeer and Wirtgen Surface Miners continued during the year, which will allow very selective mining of the ore body.
- Metallurgical testwork completed during the year comprised:
  - A secondary ore test programme at SGS labs in Perth, which commenced mid-June 2014. The test programme, for the purpose of supplying geotechnical and geochemical samples for the engineering study required for the Letlhakane Mining Licence Application (MLA), comprised one 4m column using all four ore types (Kraken Primary, Gorgon South Primary, Serule West Primary and Mixed Oxide);
  - 3 x 2m column leaches at ANSTO labs in NSW were completed in September 2014, to optimise the 2 stage acid leach process to achieve the correct acid balance between the 2 stage leach and recovery part of the process.
  - 3 x 4m columns, commencing September 2014, using a modified SX collection system and data from the 3 x 2m columns to determine recoveries, process costs and acid consumption data for use as inputs into a financial model for the MLA.
- The Environmental and Social Impact Assessment (ESIA), completed by SLR Consulting, was submitted to the Department of Environmental Affairs in May 2015.
- A new set of mining optimisations were completed during the June 2015 quarter. The Letlhakane pits have an average strip ratio of 2.2:1 while Gorgon West the strip ratio is 1.5:1. A series of mining schedules to optimise the extraction were prepared to assess the potential sequence of pits, with the information incorporated into the MLA financial model.
- The work programmes progressed during the 2015 financial year and the results were incorporated into a technical study prepared A-Cap Resources with the assistance of consultants Optiro, Cube Consulting, SLR Consulting (South Africa), Kappes Cassidy & Associates, OMC Hydromet and Lycopodium Minerals Pty Ltd. This technical study formed the basis of A-Cap's Letlhakane MLA, which was submitted to the Botswana Department of Mines following the end of the 2015 financial year.

Financial Performance And Position

The consolidated loss for the year attributable to the members of the Consolidated Group was $2,969,116 (2014: $2,145,610).

The net assets of the Consolidated Group for the financial year ended 30 June 2015 was $49,206,550 (2014: $41,440,078).

The Directors believe the Consolidated Group is in a strong and stable financial position and able to expand and grow its current operations.

Company Strategy

A-Cap continues to pursue its key objective of taking the Letlhakane Uranium Project, one of the largest uranium deposits in the world with distinct comparative advantages in terms of process design and infrastructure towards early production. Having submitted a mining licence application for the Letlhakane Uranium Project, A-Cap is now planning the next phase of feasibility work to take the project to the construction stage. A-Cap remains well positioned to take advantage of a forecast upturn in the uranium market. A-Cap continues to evaluate and understand the size and quality of the coal discovered, the potential synergies with our uranium project and the long term opportunities that it may provide. Our regional exploration tenements continue to be evaluated for uranium and coal prospectivity.

Corporate Activity

- On the 31st October 2014 5,000,000 unlisted options exercisable at 40 cents each lapsed.
- On the 6th November 2014 A-Cap issued 6,835,143 ordinary fully paid shares and 5,700,000 unlisted options. These comprised:
    - 4,502,857 ordinary fully paid shares issued to Directors of A-Cap as approved by shareholders at the AGM held on the 31st October 2014. These shares were issued to compensate the Board in lieu of reduced director fees from 1st June 2013 to 31st August 2014. The fair value of those equity instruments determined by reference to market price was 5.1 cents per share.
    - 2,332,286 ordinary fully paid shares were issued to employees and consultants of A-Cap in lieu of reduced wages and consultancy fees for the period 1st June 2013 to 30th September 2014. The fair value of those equity instruments determined by reference to market price was 5.1 cents per share.
    - 2,500,000 unlisted options to Mr Paul Thomson as approved by shareholders at the AGM held on the 31st October 2014. These shares are exercisable at a price of 9 cents per share expiring on the 31st October 2017.
    - 3,200,000 unlisted options issued to A-Cap employees at an exercise price of 9 cents per share, expiring on the 31st October 2017.
- On the 27th February 2015 A-Cap announced a fully underwritten non-renounceable rights issue to raise $4 million by issuing 100,011,842 new shares on the basis of 1 new share in the Company for every 3.75 shares held, at an issue price of 4 cents per share. The rights issue was underwritten by Ansheng Investment Company Ltd (Ansheng). Mr Shen is the Chairman of Ansheng Investment Company Limited, please refer to Note 23 of the Financial Statements: Related Party Information.
- On the 15th March 2015 2,000,000 unlisted options exercisable at 45c each lapsed.
- The non-renounceable rights issue closed on the 20th April 2015 with applications for 5,222,727 ordinary shares received, resulting in a shortfall of 94,789,115 ordinary shares. These shortfall shares were fully allotted with 57,289,115 ordinary shares subscribed to by Ansheng, and the balance taken up by overseas professional investors unrelated to the Company. An underwriting fee of $160,019 was paid to Ansheng (4% of the total non-renounceable rights issue).
- On the 11th June 2015 Mr Robert Pett resigned as Director and Chairman of A-Cap. At the same time, Mr Angang Shen was appointed as Chairman of A-Cap.
- On the 18th June 2015 Mr John-Fisher Stamp was appointed a non-executive Director of A-Cap, and at the same time Mr Lockwood resigned as a non-executive Director of A-Cap.

Significant Changes In The State Of Affairs

There have been no other significant changes in the state of affairs during this financial year.

Dividends

As the Company's principal activities are minerals exploration it has not as yet paid any dividends and does not see any short–term return to shareholders via dividend payments.

Company Projects

A-Cap currently holds 18 Prospecting Licenses (PL) across Botswana, covering over 12,136 sq. km's.

Tenement	Expiry Date	Percentage Holding	Title Holder
Letlhakane PL 45/2004	30/09/2015*	100	A-Cap Resources Botswana (Pty) Ltd
Mea PL 134/2005	31/12/2016	100	A-Cap Resources Botswana (Pty) Ltd
Bolau PL 138/2005	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Foley PL 125/ 2009	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Hukuntsi PL 002/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Hukuntsi PL 003/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Hukuntsi PL 004/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Werda PL 005/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Kokong PL 006/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Kokong PL 007/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Kokong PL 008/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe PL 009/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe PL 010/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe PL 011/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Jwaneng PL 012/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Jwaneng PL 013/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Sojwe PL 014/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd
Sojwe PL 015/2014	31/03/2017	100	A-Cap Resources Botswana (Pty) Ltd

* The Company has submitted an application for extension of prospecting licence PL 45/2004. The Department of Mines have granted a three month extension to the 30th September 2015 while they review our application. Subsequent to the end of the 2015 financial year, in August 2015 A-Cap submitted a Mining Licence Application for PL 45/2004 to the Botswana Ministry of Minerals, Energy and Water Resources.

Environmental Issues

The Consolidated Group's exploration activities are governed by the Botswana Mines and Mineral Act 1999 and the Botswana Environmental Assessment Act 2011. To the best of the Directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of the applicable environmental legislation and is not aware of any breach of those requirements during the financial year and up to the date of the Directors' Report.

After Balance Date Events

- On the 3rd July 2015:
  - Mr Michael Liu was appointed as Director of the Company;
  - Mr Denis Rakich resigned as Company Secretary of the Company. Subsequent to this Mr Nicholas Yeak was duly appointed as Company Secretary.
- On the 17th August 2015, the Company submitted a Mining Licence Application to the Botswana Government's Ministry of Minerals, Energy and Water Rights for the Letlhakane Uranium Project (PL 45/2004). The economics from the technical study based on forecast uranium average contract price were disclosed to the market, which highlighted the following information:
  - Initial construction CAPEX of US$351 million;
  - Initial working capital of US$40 million;
  - Targeting up to 3.75 million pounds p.a. over first 5 years;
  - Pre-Tax NPV of US$383 million at a discount rate of 8% and IRR of 29%;
  - Operating costs of US$35/lb U3O8 over first 5 years and approximately $40/lb U3O8 over 18 year process life.

  The technical study outcomes do not reflect a bankable feasibility level of confidence and the Company will need to complete key work programmes such as further drilling, trial mining, a pilot plant and complete the process design and engineering studies before the Project is ready for project financing and construction.
- On the 28th August 2015 the Company changed its registered office to Level 38, 123 Eagle St, Brisbane QLD 4000, and its principal place of business to Level 15, 140 St Georges Terrace, Perth WA 6000.
- The Consolidated Group received confirmation from Ansheng Investment Company Limited on the 28th September 2015 that a drawdown financial accommodation facility of up to $2 million will be put in place, commencing 1st November 2015 to fund working capital requirements. This facility will be on arm's length terms at an interest rate of 10% p.a., maturing on or before the 15th October 2016.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect the operations of the Consolidated Group, the results of these operations or the state of affairs of the Consolidated Group in subsequent years.

Likely Developments

A-Cap has submitted a Mining Licence Application to the Botswana Department of Mines for the Letlhakane Uranium Project and await the outcome from the Minister of Minerals, Energy and Water Resources. A-Cap are preparing for the next phase of feasibility work to take the project to construction stage, whilst continuing to evaluate our coal assets at Mea and Bolau and the prospectivity of our regional tenements.

Directors' Meetings

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2015, and the numbers of meetings attended by each Director were:

Director	Board of Directors		Audit Committee	
	Held	Attended	Held	Attended
A Shen	5	5		-
P Ingram	5	5	2	2
P Thomson	5	5	-	-
H Stacpoole	5	5	2	2
P Woolrich	5	5	-	-
J Fisher-Stamp	-	-	-	-
R Pett	5	4	2	-
R Lockwood	5	4	-	-

Remuneration Report - Audited

Remuneration Policy

Executive Director Remuneration

The remuneration policy of A-Cap Resources Limited has been designed to align Director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives. The Board of A-Cap Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and Directors to run and manage the Consolidated Group, as well as create goal congruence between Directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Consolidated Group is as follows:

- The remuneration policy, setting the terms and conditions for the Executive Directors and other senior executives was developed internally based on industry-wide benchmarks, and approved by the Board based on the research and information provided.
- All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation.
- The Board reviews executive packages annually by reference to executive performance and remuneration packages for similar positions in comparable companies.

The Directors and executives receive a superannuation guarantee contribution in compliance with government requirements.

All remuneration paid to Directors and executives is valued at the cost to the Company and expensed. Options are valued using the Black & Scholes model.

Non-executive Director Remuneration

The Board's policy is to remunerate non-executive Directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. The maximum aggregate amount of fees (currently set at $300,000 p.a. as of the 2010 Annual General Meeting) that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Consolidated Group. The maximum aggregate amount of fees excludes consulting fees paid to Non-executive Director's for work outside the scope of their role as Non-executive Directors.

To align Directors' interests with shareholder interest, the Directors are encouraged to hold shares in the Company. Director options are issued in accordance with resolution passed at the Company's Annual General Meeting.

Company Performance, Shareholders Wealth and Directors' and Executives Remuneration

Remuneration of Directors is not impacted by the following

(i) dividends paid by the Company to its shareholders during the year;

(ii) changes in share price at which shares in the Company are traded between the beginning and the end of the year;

(iii) any return of capital by the Company to its shareholders during the year that involves cancellation of shares in the Company and payments to shareholders that exceeds the price at which shares in that class are being traded at the time when the shares are cancelled; and

(iv) any other relevant matter.

Key Management Personnel (other than Directors) Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of key management (other than directors) for the group follows.

The remuneration structure for key management personnel (other than directors) is based on a number of factors, including length of service and particular experience of the individual concerned.

The contracts for service between the Company and key management personnel (other than directors) are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement, key management personnel are paid employee benefit entitlements accrued at the date of retirement.

For the reporting year, the Company currently has no performance based remuneration component built into director and executive remuneration packages. Options issued are commensurate with the level of responsibility held by the director or executive, and aligns the long term goals and objectives between shareholders, directors and executives.

Service Agreements

As at the date of this report, the Company has no service agreements with any Directors except the following:

Remuneration and other terms of employment for the chief executive officer is formalised in a service agreement. The service agreement specifies the components of remuneration, benefits and notice periods.

Paul Thomson

Term:	Three years commencing 1st September 2014
Base salary:	USD $320,000 per annum
Notice period:	Three months' written notice
Redundancy:	12 months service fee

Mr Thomson's service agreements relates to his position as Chief Executive Officer of A-Cap.

No executive is entitled to any termination payments apart from remuneration payable up to and including the date of termination and all payments due by way of accrued leave.

Use of Remuneration Consultants

Due to the size and nature of the organisation, the Company has not engaged remuneration consultants to review and measure its policy and strategy. The Board reviews remuneration strategy periodically and may engage remuneration consultants in future to assist with this process.

Voting and comments made at the company's 2014 Annual General Meeting ('AGM')

At the 2014 AGM, 89% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2014. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Remuneration Report - Audited (Continued)

Directors

Name	Short-term Benefits			Long-term Benefits	Post-employment Benefits		Share-based Payment		Total
	Salary & Fees	Consulting Fees	Annual leave	Long service leave	Superannuation	Termination benefits	Options	Shares	
	$	$	$	$	$	$	$	$	$
30 June 2015									
A Shen	20,833	-	-	-	-	-	-	18,522	39,355
P Ingram	25,000	-	-	-	2,375	-	-	30,976	58,351
P Thomson	385,865	-	-	-	-	-	48,304	-	434,169
H Stacpoole	25,000	-	-	-	2,375	-	-	30,976	58,351
P Woolrich	25,000	169,400	-	-	-	-	-	53,749	248,149
J Fisher-Stamp*	-	-	-	-	-	-	-	-	-
R Pett**	23,783	25,000	-	-	2,259	-	-	67,074	118,116
R Lockwood***	25,000	-	-	-	-	-	-	28,349	53,349
Total	530,481	194,400	-	-	7,009	-	48,304	229,646	1,009,840
30 June 2014									
A Shen	16,250	-	-	-	-	-	-	-	16,250
P Ingram	25,000	-	-	-	2,313	-	-	-	27,313
P Thomson	233,432	-	9,520	-	-	-	-	-	242,952
H Stacpoole	25,000	-	-	-	2,313	-	-	-	27,313
P Woolrich	25,000	90,200	-	-	-	-	-	-	115,200
R Pett	25,000	28,500	-	-	2,313	-	-	-	55,813
R Lockwood	26,872	-	-	-	-	-	-	-	26,872
Total	376,554	118,700	9,520	-	6,939	-	-	-	511,713

Executives

Name	Short-term Benefits			Long-term Benefits	Post-employment Benefits		Share-based Payment		Total
	Salary & Fees	Non-monetary	Annual leave	Long service leave	Superannuation	Termination benefits	Options	Shares	
	$	$	$	$	$	$	$	$	$
30 June 2015									
D Rakich****	128,000	-	-	-	12,800	-	-	42,495	183,295
Total	128,000	-	-	-	12,800	-	-	42,495	183,295
30 June 2014									
P Thomson	116,032	-	-	-	-	-	-	-	116,032
D I Rakich	123,887	-	-	-	12,801	-	-	-	136,688
Total	239,919	-	-	-	12,801	-	-	-	252,720

* Mr Fisher-Stamp was appointed to the Board of A-Cap on the 18th June 2015.

** Mr Pett resigned from the Board of A-Cap on the 11th June 2015.

*** Mr Lockwood resigned from the Board of A-Cap on the 22nd June 2015.

**** Mr Rakich resigned as Company Secretary of A-Cap on the 3rd July 2015.

No portion of Director and Key Management Personnel's remuneration were linked to performance during the year.

Transactions with Key Management Personnel

	Consolidated Group	
	2015	2014
	$	$
Geological and metallurgical consulting fees paid to Woolrich & Associates, a company in which Dr Paul Woolrich is a Director and shareholder.	169,400	90,200
Consulting fees paid to Raba-Rax Solutions, a company in which Mr Paul Thomson is a Director. Raba-Rax also provides consulting on health & radiation safety to A-Cap.	468,997	450,526
Underwriting fee paid to Ansheng Investment Co, Ltd, a company in which Mr Shen is the Chairman of.	174,112	180,013
Consulting fees paid to Robert Pett for business development services.	25,000	28,500
	837,509	749,239

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. As at the reporting date an amount of $8,863 (2014: $12,570) was owed to Woolrich & Associates and $160,019 (2014: $180,013) was owed to Ansheng Investment Co, Ltd. Payments made to Raba-Rax Solutions include remuneration paid to Paul Thomson under his service agreement with A-Cap. These amounts are disclosed in the remuneration report.

Elstree Nominees Pty Ltd ("Elstree") provides the Group with office premises and associated facilities, and accounting, taxation, payroll, legal, investor relations and secretarial services. All services provided by Elstree are at cost. Mr Denis Rakich is a Director of Elstree and served as Company Secretary of A-Cap (Resigned on the 3rd July 2015). The total amount paid to Elstree during the financial year was $617,557 (2014: $677,497). The services provided by Elstree were terminated by A-Cap as at the 31st August 2015.

Options Issued as part of remuneration of Key Management Personnel

2,500,000 options were issued as part of remuneration during the year and up to the date of this report (2014: Nil).

Grant Date	Date of Expiry	Exercise Price	Number of Options	Fair Value of Options at Grant Date $
31/10/2014	15/12/2016	$0.09	2,500,000	21,186

- The options are unlisted but upon exercise will rank equally in all respects with the fully paid ordinary shares in the Company
- The options tabled above are not performance related
- The options tabled above are vested immediately and entitles the option holder to one ordinary share for each option exercised
- No option holder has the right under the options to participate in any other share issue of the Company or any other entity
- No options were exercised during the financial year to 30 June 2015 and subsequent to the reporting date.

Number of Shares held by Key Management Personnel

2015	Balance 1.7.2014	Remuneration	Issue of Shares from Rights Issue	Net Change Other	Balance 30.6.2015
Directors					
R J Pett *	-	1,315,173	-	(1,315,173)	-
H J Stacpoole	2,132,947	607,373	-	-	2,740,320
P Woolrich	610,100	1,053,910	-	-	1,664,010
P A Ingram	-	607,373	-	-	607,373
R Lockwood *	1,000,000	555,860	-	(1,555,860)	-
A Shen **	119,952,105	363,168	57,289,115	(5,540,278)	172,064,110
Executives					
D I Rakich	-	833,228	-	-	833,228
Total	123,695,152	5,336,085	57,289,115	(8,411,311)	177,909,041

* These reductions represent the resignation of the above key management personnel from the Company

** This reduction represents a previously overstated number of shares held by Mr Shen.

Number of Options Held by Key Management Personnel

2015	Balance 1.7.2014	Remuneration	Options Exercised	Options Expired During the Year	Net Change Other	Balance 30.6.2015	Vested and exercisable 30.6.2015	Unvested and unexercisable 30.6.2015
Directors								
RJ Pett	1,000,000	-	-	1,000,000	-	-	-	-
HJ Stacpoole	1,000,000	-	-	-	-	1,000,000	1,000,000	-
P Woolrich	1,000,000	-	-	-	-	1,000,000	1,000,000	-
PA Ingram	1,000,000	-	-	1,000,000	-	-	-	-
R Lockwood	-	-	-	-	-	-	-	-
P Thomson	2,000,000	2,500,000	-	300,000	-	4,200,000	4,200,000	-
A Shen	-	-	-	-	-	-	-	-
Executives								
D I Rakich	500,000	-	-	500,000	-	-	-	-
Total	6,500,000	2,500,000	-	2,800,000	-	6,200,000	6,200,000	-

There have been no other transactions involving equity instruments other than those described above. For details of other Key Management Personnel transactions, refer to Note 23: Related Party Information.

This concludes the remuneration report which has been audited.

Options Issued During the Year

5,700,000 options were issued as part of remuneration during the year and up to the date of this report (2014: Nil).

At the date of this Report, the unissued ordinary shares of the Company under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number of Options	Fair Value of Options at Grant Date $
15/08/2007	-	Exercisable at eighty percent (80%) of market price on exercise date with the grantee required to be in the employ of the Company or subsidiary thereof, at the time of exercise.	10,000	-
04/11/2011	15/10/2015	$0.50	4,000,000	699,871
22/12/2011	15/12/2015	$0.40	1,000,000	120,559
30/03/2012	31/01/2016	$0.33	1,500,000	163,740
31/10/2014	15/12/2016	$0.09	5,700,000	48,304
Total			12,210,000	

- The options are unlisted but upon exercise will rank equally in all respects with the fully paid ordinary shares in the Company
- The options tabled above are not performance related
- The options tabled above are vested immediately and entitles the option holder to one ordinary share for each option exercised
- No option holder has the right under the options to participate in any other share issue of the Company or any other entity
- No options were exercised during the financial year to 30 June 2015 and subsequent to the reporting date.
- During the year 7,000,000 unlisted options issued to A-Cap employees lapsed. Refer to Note 5: Share based payments.

Indemnification and Insurance of Directors and Officers

The Company has agreed to indemnify the current directors and officers of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their designated position of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet to the maximum extent permitted by law, the full amount of any such liabilities, including costs and expenses.

The Company paid a premium during the year in respect of a director and officer liability insurance policy, insuring the directors of the Company, the company secretary, and all executives of the Company against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001.

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor. During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

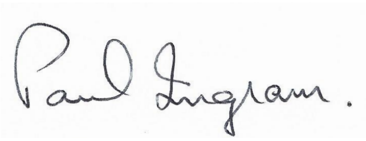
Non-Audit Services

There were no fees for non-audit services paid to the external auditors during the year ended 30 June 2015.

Auditor's Independence Declaration

The lead Auditor's Independence Declaration for the year ended 30 June 2015 has been received and can be found on page 31 of this Report.

This report is made in accordance with a resolution of the Directors.



Paul Ingram
Deputy Chairman

Dated this 30th day of September 2015
Perth, Western Australia

William Buck

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF A-CAP RESOURCES LIMITED

I declare that, to the best of my knowledge and belief during the year ended 30 June 2015 there have been:

— no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (VIC) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director

Dated this 30th day of September, 2015

CHARTERED ACCOUNTANTS & ADVISORS

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Melbourne VIC 3000

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Level 1, 465 Auburn Road
Hawthorn East VIC 3123

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Corporate Governance Statement

This Statement reflects A-Cap Resources Limited's corporate governance policies and practices as at 30 June 2015 and which were in place throughout the year.

The Board's philosophy is to adopt practices that are consistent with the best practice recommendations of the ASX Corporate Governance Council and in the best interests of the Company. The governance practices are reviewed regularly.

A description of the Company's main corporate governance practices is set out below.

Principle 1: Lay Solid Foundations For Management And Oversight

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

The Board's responsibilities include:

- Leadership of the organisation
- Strategy formulation
- Overseeing planning activities
- Shareholder liaison
- Monitoring compliance and risk management
- Company finances
- Human resources
- Remuneration policy

The Board has delegated the responsibility for management of the Company to the CEO and senior management who implement the Board's strategies and compliance activities. The Board constantly monitors the performance of the CEO and senior management in their undertaking of these duties.

The Board is responsible for evaluating its performance and that of individual Directors and key executives and in doing so may engage independent external advisors if thought appropriate to do so. The Company has not established a formal process to evaluate the performance of the Board, its committees and individual Directors, however the performance of the Board, the Directors, officers and employees is monitored on a regular basis by the Board, with appropriate feedback and necessary training given to those parties.

Prior to appointing a Director or executive, or putting forward to security holders a candidate for election or re-election, the Company undertakes an internal due diligence process to ensure the candidate is of good fame and character. Qualifications and experience are carefully considered in the context of the overall organisation, with appropriate background and reference checks undertaken. The Company ensure that all material information for the election / re-election of Directors is provided to security holders in order for them to make an informed decision.

The terms of service agreements of Directors and senior executives are agreed and set out in writing, with disclosures made to the market in line with ASX Listing Rules for material terms of service agreements.

The Board has not formalised a Diversity Policy due to the size of the Company, however the Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. The Consolidated Group currently employs five women (34 employees) full time and one part-time. No women currently hold a position on the Board or in a senior management position.

Principle 2: Structure The Board To Add Value

There is currently one Director on the Board at present that is 'Independent', being Mr Harry Stacpoole. The number of independent Directors on the Board is likely to increase as the Company develops and the Board believes that it can attract appropriate independent Directors with the necessary industry experience. The Chairman of the Company is a non-executive Director and major shareholder, and is not the same person as the CEO.

Where any Director has material personal interest in a matter and, in accordance with the Corporations Act 2001, the Director will not be permitted to be present during discussion or to vote on the matter. The enforcement of this requirement aims to ensure that the interest of shareholders, as a whole, is pursued and that their interest or the Director's independence is not adversely affected.

The Company does not have a Nomination Committee because the Board considers that selection and appointment of Directors is such an important task that it should be the responsibility of the entire Board to consider the nominations process.

The Company does not have a formal process for inducting new Directors, however all new Directors are provided a comprehensive brief on the operations and compliance requirements of the Company by the Deputy Chairman and Company Secretary.

The Board has been formed so that it has an effective mix of personnel who are committed to discharging their responsibilities and duties, and being of value to the Company. The Company does not have a formal board skills matrix in place.

The names of the Directors, and their qualifications and experience are stated under the Directors Information section of the Financial Report with the term of office held by each Director stated on the A-Cap website (www.a-cap.com.au).

Directors collectively or individually have the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities. All advice obtained is made available to the full Board.

Principle 3: Promote Ethical And Responsible Decision-Making

Due to the size of the Company and the resources available to it, the Board does not consider that a formal Code of Conduct for Directors and other key executives is appropriate. Rather, it is agreed by the Board that all officers of the Company will act ethically and in the best interests of the Company.

The Company has a Securities Trading Policy that regulates the dealings by Directors, officers and employees, in shares, options and other securities issued by the Company.

Under the Company's Securities Trading Policy, an Executive, including a Director, Company Secretary, or employee (and any employee of any subsidiary) must not trade in any securities of the Company at any time when they are in possession of unpublished price sensitive information in relation to those securities or the Company's operations.

Before commencing to trade, an executive must first obtain the approval of the Board to purchase (including the exercise of any options) or sell any securities of the Company.

The policy has been formulated to ensure that Directors, officers, employees and consultants who work on a regular basis for the Company are aware of the legal restrictions on trading in company securities while in possession of unpublished price-sensitive information.

Principle 4: Safeguard Integrity In Financial Reporting

The Chief Executive Officer and Company Secretary provide written declarations to the Board confirming that the Company's financial reports present a true and fair view of the Company's financial condition and operational results and in accordance with the relevant accounting standards.

The Company's Audit Committee during the financial year comprised of the following Directors:

Paul Anthony Ingram (Chairman)

Robert James Pett *

Henry James Stacpoole

- Mr Pett resigned as a Director of the Company on the 11th June 2015. Following the end of the financial year, The Board of Directors subsequently appointed Mr John Fisher-Stamp to the Audit Committee, at the same time taking over the Audit Committee Chair from Mr Paul Ingram.

The auditors of the Company, William Buck Audit (Vic) Pty Ltd, are invited to the AGM to answer any questions related to the audit of the financial statements of the Company, in line with the requirements of the Corporations Act 2001.

Principle 5: Make Timely And Balanced Disclosure

The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the Australian Securities Exchange ("ASX") as well as communicating with the ASX. In accordance with the ASX's 'Listing Rules' the Company immediately notifies the ASX of information concerning the Company:

1. That a reasonable person would or may expect to have a material effect on the price or value of the Company's securities; and
2. That would, or would be likely to influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Due to the size of the Company, it achieves compliance with ASX 'Listing Rules' disclosure requirements without the need for formal policies and procedures, however there are specific processes followed by the Board and officers with regard to ensuring the Company complies with its disclosure requirements.

Principle 6: Respect The Rights Of Shareholders

Due to the size of the Company, it does not have a formal policy regarding the promotion of effective communications with shareholders and encouraging their participation at general meetings, the Company respects the rights of its Shareholders, and to facilitate the effective exercise of those rights, the Company is committed to:

1. Communicating effectively with shareholders through ongoing releases to the market via the ASX, and the general meetings of the Company;
2. Giving shareholders ready access to balanced and understandable information about the Company and Corporate Proposals;
3. Making it easy for shareholders to participate in general meetings of the Company and providing appropriate notice periods and disclosure for general meetings; and
4. Requesting the External Auditor to attend the Annual General Meeting and be available to answer shareholders' questions about the conduct of the audit, and the preparation and content of the Auditor's Report.

Principle 7: Recognise And Manage Risk

The Company has not established formal policies for the oversight and management of material business risks or has an internal audit function. Due to the size of the Company and the size of the Board, the Board monitors all key areas of the Company's risk management on an ongoing basis and keeps shareholders informed of any changes in the risk profile of the Company.

The Board has delegated the responsibility of designing risk management and internal control systems to the CEO and senior management who manage the Company's material business risks and report to the Board on the effectiveness of those systems.

The Board seeks assurance from the CEO and the Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material aspects in relation to financial reporting risks and discloses accordingly.

The Company's takes its compliance with economic, environmental and social sustainability with the utmost care and attention. An Environmental and Social Impact Assessment has been completed for the Company's main project. In parallel the Company is involved in many community health initiatives and continues to engage with the local communities in our operating environment, including participation in the village management committee meetings. The Company employs local employees as a priority and seeks to ensure the communities reap the economic benefits of the operating environments natural assets.

Principle 8: Remunerate Fairly And Responsibly

Due to the size of the Company, it has not established a Remuneration Committee and it currently uses independent external consultants to determine the level and components of remuneration for the Directors. The Company has two employees. The remuneration paid to executive Directors and senior executives is distinguished from that paid to non-executive Directors.

Non-Executive Directors are paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of non-executive Directors. Non-executive Directors do not receive performance based bonuses and do not participate in Equity Schemes of the Company without prior shareholder approval. Current remuneration details are disclosed in the Directors' Report.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015	2014
		$	$
Revenue	2	56,868	49,710
R&D tax credits received		270,378	381,618
Other income	2	215,990	15,122
Administration		(183,583)	(359,645)
Corporate		(419,556)	(445,948)
Employment entitlements		(1,275,576)	(880,667)
Impairment of capitalised exploration and evaluation		(764,738)	-
Loss on financial assets at fair value through profit and loss		(606,820)	(649,938)
Occupancy		(142,695)	(147,800)
Travel		(119,384)	(108,062)
Loss from ordinary activities before income tax expense		(2,969,116)	(2,145,610)
Income tax expense	3	-	-
Loss from ordinary activities after income tax expense attributable to the parent		(2,969,116)	(2,145,610)
Other Comprehensive Income			
Items that may be reclassified to profit & loss			
Gains / (losses) arising from translation of foreign controlled operation		6,477,742	(860,355)
Total comprehensive (loss) / income attributable to the parent		3,508,626	(3,005,965)
Basic loss per Share (cents per share)	7	(0.78)	(0.79)
Diluted loss per Share (cents per share)	7	(0.78)	(0.79)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

AS AT 30 JUNE 2015

	Notes	2015	2014
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	8	2,207,637	5,070,514
Financial assets at fair value through profit and loss	9	186,924	793,744
Trade and other receivables	10	211,265	354,156
Total current assets		2,605,826	6,218,414
Non-current assets			
Plant and equipment	13	239,484	340,708
Capitalised exploration and evaluation	14	47,335,421	36,073,994
Total non-current assets		47,574,905	36,414,702
TOTAL ASSETS		50,180,731	42,633,116
LIABILITIES			
Current liabilities			
Trade & other payables	15	974,181	1,193,038
Total current liabilities		974,181	1,193,038
TOTAL LIABILITIES		974,181	1,193,038
NET ASSETS		49,206,550	41,440,078
EQUITY			
Contributed equity	16	62,818,725	60,204,327
Reserves	17	6,015,075	(462,667)
Accumulated losses		(19,627,250)	(18,301,582)
TOTAL EQUITY		49,206,550	41,440,078

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2015

	Ordinary shares	Options reserve	Accumulated losses	Foreign currency translation reserve	Total
	$	$	$	$	$
At 1 July 2014	57,554,845	2,649,482	(18,301,582)	(462,667)	41,440,078
Loss for the period	-	-	(2,969,116)	-	(2,969,116)
Other comprehensive income	-	-	-	6,477,742	6,477,742
Total comprehensive income for the year	-	-	(2,969,116)	6,477,742	3,508,626
Transactions with owners in their capacity as owners:					
Issued capital	4,349,069	-	-	-	4,349,069
Issued unlisted options	-	110,132	-	-	110,132
Expired unlisted options	-	(1,643,448)	1,643,448	-	-
Share issue costs – net of tax	(201,355)	-	-	-	(201,355)
At 30 June 2015	61,702,559	1,116,166	(19,627,250)	6,015,075	49,206,550

	Ordinary shares	Options reserve	Accumulated losses	Foreign currency translation reserve	Total
	$	$	$	$	$
At 1 July 2013	52,022,147	2,761,009	(16,267,499)	397,688	38,913,345
Loss for the period	-	-	(2,145,610)	-	(2,145,610)
Other comprehensive income	-	-	-	(860,355)	(860,355)
Total comprehensive income for the year	-	-	(2,145,610)	(860,355)	(3,005,965)
Transactions with owners in their capacity as owners:					
Issued capital	5,820,323	-	-	-	5,820,323
Expired unlisted options	-	(111,527)	111,527	-	-
Share issue costs – net of tax	(287,625)	-	-	-	(287,625)
At 30 June 2014	57,554,845	2,649,482	(18,301,582)	(462,667)	41,440,078

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015	2014
		$	$
Cash Flows from Operating Activities			
Payments to suppliers and employees (inclusive of goods and services tax)		(1,793,383)	(1,867,383)
R&D Tax Credit		270,378	381,618
Interest received		59,209	52,535
Net Cash (Outflow) from Operating Activities	21	(1,463,796)	(1,433,230)
Cash Flows from Investing Activities			
Exploration Expenditure		(5,334,152)	(2,233,146)
Purchase of property, plant and equipment		(9,974)	(15,148)
Proceeds from sale of property, plant and equipment		-	739
Net Cash (Outflow) from Investing Activities		(5,344,126)	(2,247,555)
Cash Flows from Financing Activities			
Proceeds from issues of ordinary shares		3,986,381	5,820,336
Payments of share issue costs		(41,336)	(287,625)
Net Cash Inflow from Financing Activities		3,945,045	5,532,711
Net Increase in Cash and Cash Equivalents Held		(2,862,877)	1,851,926
Cash and cash equivalents at the Beginning of the Financial Year		5,070,514	3,218,588
Cash and cash equivalents at the End of the Financial Year	8	2,207,637	5,070,514

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes To The Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements include the consolidated financial statements and notes of A-Cap Resources Limited and controlled entities ('Consolidated Group'). A-Cap Resources Limited is a for-profit company limited by shares incorporated in Australia and whose shares are publicly traded on the Australian Stock Exchange.

Supplementary information about the parent entity is disclosed in Note 12: Parent Entity Information.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, ('AASB') and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going concern

During the year, the Consolidated Group generated a loss after tax of $2,969,116 (30 June 2014: $2,145,610) and incurred net cash outflows from operations of $1,463,796 (30 June 2014: $1,433,230). As at 30 June 2015, the Group had $2,207,637 in cash (30 June 2014: $5,070,514), $186,924 of marketable securities (30 June 2014: $793,744) and net available working capital of $1,631,645 (30 June 2014: $5,025,376). Net investment outflow for the half year attributable to its exploration program was $5,334,152 (30 June 2014: $2,233,146).

The Consolidated Group anticipates future expenditure on its current rights of tenure to exploration and mining tenements up until the expiry of its current Prospecting Licences and on tenement renewals and extensions that have been applied for but not yet granted. In the event the Group does not meet the minimum exploration expenditure the licences may be cancelled or not renewed.

The Consolidated Group has submitted a Mining Licence Application for the Letlhakane Uranium Project and continue the work required to take the project to production, whilst continuing to evaluate our coal assets. In order to achieve these objectives, the Group's continuing viability, its ability to continue as a going concern and to meet its debts and commitments as they fall due, the Board of Directors of the Group have considered the following:

The Consolidated Group:

- Will defer feasibility work on the Letlhakane Uranium Project until a Mining Licence has been awarded to A-Cap. In that time the Consolidated Group expects to keep expenditure to a minimum and has the ability to implement further cost reduction measures where appropriate, and will continue to monitor any cost reductions already implemented;
- Has a strong record of raising capital from existing and prospective investors, recently successfully completing a fully underwritten non-renounceable rights issue in April 2015 for $4 million;
- Is currently finalising capital raising plans for the short and medium term. The structure of the upcoming capital raise which will commence in October 2015 and be finalised by December 2015 is expected to be in a similar format to the recent capital raise completed in April 2015. The Company is planning to raise an additional $5 million which will secure the Consolidated Group in the short term, providing management with sufficient time to raise additional funding to commence the feasibility work required to take the project to the construction stage. A short term financial accommodation facility for an amount of $2 million will form part of the $5 million capital raise, to be entered into on an arms-length basis with Ansheng Investment Co., Ltd, a company which Mr Angang Shen is the Chairman of. Management is targeting the subsequent capital raise towards the end of the first quarter or early second quarter, 2016.
- Continues to investigate commercial options with regards to our coal assets.
- Should the Consolidated Group not successfully achieve these assumptions as described above, it may be unable to realise its assets, nor acquit its liabilities, in accordance with its basis of preparation of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Policies

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of A-Cap Resources Limited ('company' or 'parent entity') as at 30 June 2015 and the results of all subsidiaries for the year then ended. A-Cap Resources Limited and its subsidiary together are referred to in these financial statements as the 'Consolidated Group'. Subsidiaries are all those entities over which the Consolidated Group has control. The Consolidated Group controls an entity when the Consolidated Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Consolidated Group. Losses incurred by the Consolidated Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Consolidated Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(c) Income Tax

The income tax expense (benefit) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantially enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profits will be available against which the benefits of deferred tax assets can be utilised.

When temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(d) Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on a cost basis. The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Consolidated Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Consolidated Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Consolidated Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment – vehicles	25%
Plant and equipment – computer hardware & software	20%
Plant and equipment – furniture and fittings	15%
Plant and equipment – geophysical equipment	20%
Plant and equipment – containers and sheds	15%
Plant and equipment – camp & field establishment	15%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(e) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Notes To The Financial Statements (Continued)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Exploration, Evaluation and Development Expenditure (Continued)

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on a present value basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Consolidated Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The Effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Refer to Note 1 (p) for further information.

Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

(g) Impairment of Assets

At the end of each reporting period, the Consolidated Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(h) Foreign Currency Transactions and Balances

Functional and presentation currency

The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. The Directors have determined that an Australian dollar presentation currency will continue to deliver Shareholders with more relevant and reliable information, on the basis that users of A-Cap Resources Limited's financial statements are currently predominantly Australian investors, with the majority of funds raised to date being in line with the presentation currency of the parent entity.

Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange difference arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Consolidated Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at the end of the reporting period.
- Income and expenses are translated at average exchange rates for the period.
- Retained profits are translated at the exchange rates prevailing at the date of the transaction.

Notes To The Financial Statements (Continued)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exchange differences arising on translation of foreign operations are transferred directly to the Consolidated Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

(i) Employee Benefits

Provision is made for the Consolidated Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits expected to be wholly settled later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those benefits are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows.

(j) Trade & Other Payables

Trade and other payables represent liabilities outstanding at the end of the reporting period for goods and services received by the Consolidated Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of liability.

(k) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(l) Revenue

All revenue is stated net of the amount of goods and services tax (GST) & Value Added Tax (VAT).

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset

Revenue from R&D credits paid by the Australian Taxation Office are recognised at the time the payment is received.

(m) Goods and Services Tax (GST) & Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of GST/VAT, except where the amount of GST/VAT incurred is not recoverable from the Australian Tax Office and Botswana Unified Revenue Services. In these circumstances the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST/VAT.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST/VAT component of investing and financing activities, which are disclosed as operating cash flows.

(n) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Operating Segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(p) Fair Value Measurement

The fair value of financial instruments traded in active markets (such as publicly traded securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1 of the Fair Value Hierarchy as defined in AASB13 *Fair Value Measurement.*

(q) Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of A-Cap Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(r) Share-based payments

Equity-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied. If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(s) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Consolidated Group.

Key judgement – Exploration and Evaluation Expenditure

The Consolidated Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the Directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. For further details refer to note 14.

Notes To The Financial Statements (Continued)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Critical Accounting Estimates and Judgements (Continued)

The Department of Mines have confirmed that all our other prospecting licences are in good standing and all annual rental payments due have been paid. As of the reporting date the prospecting licence for PL 45/2004 expired 30th June 2015. An extension of prospecting licence was submitted to the Department of Mines for a further six month period. The Department of Mines confirmed receipt of our application and are assessing it. In the interim they have granted A-Cap a three month extension on PL 45/2004 to 30th September 2015. Following the end of the financial year a Mining Licence Application was submitted in August 2015 to the Botswana Ministry of Minerals, Energy and Water Services.

Key estimates – Withholding Tax

Withholding tax is applicable to all management and consultancy fees paid by the Consolidated Group to non-residents of Botswana. On an annual basis, any withholding tax liability estimates are reviewed and where a more appropriate and correct amount is calculated, the re-estimated balance is adjusted against the statement of profit or loss and other comprehensive income. During the year, management evaluated that the withholding tax payable balance and noted that the balance was overstated. Following taxation advice an adjustment was passed to accurately account for the Consolidated Group's withholding tax liability.

Deferred tax assets

The Directors have determined that currently the Consolidated Group will not be able to offset its tax losses and temporary tax differences against future taxable income, and on this basis has not recognised a net deferred tax asset in the financial statements.

(t) New Revised or Amending Accounting Standards and Interpretations Adopted

The Consolidated Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Group. The following Accounting Standards and Interpretations are most relevant to the Consolidated Group:

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

The Consolidated Group has applied AASB 2012-3 from 1 July 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

The Consolidated Group has applied AASB 2013-3 from 1 July 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

The Consolidated Group has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 2 'Share-based Payment': clarifies the definition of 'vesting condition' by separately defining a 'performance condition' and a 'service condition' and amends the definition of 'market condition'; AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; AASB 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of AASB 9 and AASB 139; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity.

(u) New Accounting Standards and Interpretations not yet mandatory or early adopted

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the Company has decided not to early adopt. A discussion of those future requirements and their impact on the Consolidated Group is as follows:

AASB 9 Financial Instruments (December 2014) and AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) (applicable for annual reporting periods commencing on or after 1 January 2018)

AASB 9 includes requirements for the classification and measurement of financial assets, the accounting requirements for financial liabilities, impairment testing requirements and hedge accounting requirements.

The changes made to accounting requirements by these standards include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value and an allowance for debt instruments to be carried at fair value through other comprehensive income in certain circumstances
- simplifying the requirements for embedded derivatives
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument
- financial assets will need to be reclassified where there is a change in an entity's business model as they are initially classified based on (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows
- amending the rules for financial liabilities that the entity elects to measure at fair value, requiring changes in fair value attributed to the entity's won credit risk to be presented in other comprehensive income
- introducing new general hedge accounting requirements intended to more closely align hedge accounting with risk management activities as well as the addition of new disclosure requirements
- requirements for impairment of financial assets

The Consolidated Group has not yet assessed the impact of this standard.

AASB 15 Revenue from Contracts with Customers and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 (applicable for annual reporting periods commencing on or after 1 January 2017)

AASB 15 establishes a single, comprehensive framework for revenue recognition, and replaces the previous revenue Standards AASB 118 Revenue and AASB 111 Construction Contracts, and the related Interpretations on revenue recognition Interpretation 13 Customer Loyalty Programmes, Interpretation 15 Agreements for the Construction of Real Estate, Interpretation 18 Transfers of Assets from Customers and Interpretation 131 Revenue—Barter Transactions Involving Advertising Services.

AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

This standard is not expected to impact the Consolidated Group.

AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation (applicable for annual reporting periods commencing on or after 1 January 2016)

This standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset and to clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate. The standard also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

This standard is not expected to impact the Consolidated Group.

Notes To The Financial Statements (Continued)

NOTE 2 REVENUE

	2015	2014
	$	$
Revenue from ordinary activities		
Interest - received	56,868	49,710
Other income		
Insurance Recoveries	2,368	15,122
Re-estimation of withholding tax*	213,622	-
Total other income	272,858	64,832

* Refer Note 1q: Key Estimates – Withholding tax

NOTE 3 INCOME TAX EXPENSE

	2015	2014
	$	$
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Profit/(loss) before income tax expense	(2,969,116)	(2,145,610)
Prima facie tax payable on profit / (loss) from ordinary activities before income tax at the Australian tax rate of 30% (2014: 30%):	(890,735)	(643,683)
Difference in overseas tax rates (Botswana tax rate: 22% (2014: 22%)		
Add:		
Tax effect of:	30,119	26,543
- Non-assessable income	(64,087)	-
- Non- deductible expenses	549,658	239,941
Income Tax benefit not recognised	(375,045)	(377,199)

There was no current income tax expense for the year ended 30 June 2015 (2014: $nil) due to the loss from operations.

At 30 June 2015, the Consolidated Group reviewed the quantum of its unrecognised carry forward tax losses and timing differences. As at that date management has assessed that its carry forward tax losses and timing differences of $3,483,769 (2014: $3,108,724) potentially available to offset against future years' taxable income.

These tax losses have not been brought to account as utilisation of these losses is not probable. Income tax losses can only be recovered by the company deriving future assessable income, conditions for deductibility imposed by law being complied with and no changes in tax legislation adversely affecting the realisation of the benefit from the deductions. Therefore, carry forward losses may not be available to offset future assessable income.

Due to the inherent uncertainty whether or not the Consolidated Group's existing losses can be used going forward, which will be dependent upon satisfaction of the "same business test" as required by the Australian Tax Office, the directors have not estimated the potential carry-forward loss tax credits available to the company.

NOTE 4 KEY MANAGEMENT PERSONNEL

Details of key management personnel

The Directors and key management personnel of the Company during the financial year were:

A Shen	(Chairman)	P A Ingram	(Deputy Chairman, Non-Executive Director)
P Thomson	(Managing Director)	H J Stacpoole	(Independent Non-Executive Director)
P Woolrich	(Executive Director)	J Fisher-Stamp	(Non-Executive Director) (appointed 18th June 2015)
R J Pett	(Director) (resigned 11th June15)	R Lockwood	(Non-Executive Director) (resigned 22nd June 2015)
D I Rakich	(Company Secretary) resigned 3rd July 2015)		

Key management personnel compensation

	2015	2014
	$	$
Short-term employee benefits	852,881	744,693
Post-employment benefits	19,809	19,740
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	320,444	-
Total compensation	1,193,134	764,433

Refer Note 5: Share-based payments for further information relating to the Company's Executive & Employee option plan.

NOTE 5 SHARE-BASED PAYMENTS

- On the 31st October 2014 5,000,000 unlisted options exercisable at 40 cents each lapsed.
- On the 31st October 2014, 4,502,857 ordinary shares and 2,332,286 ordinary shares were granted to Directors and employees respectively as share-based payments. These share-based payments were to compensate those directors and employees for reductions in their remuneration which resulted from Company cost reductions, including directors' fees, consulting fees and salaries. The fair value of those equity instruments determined by reference to market price was 5.1 cents per share.

  Included under employment benefits expense in the Statement of Profit or Loss and Other Comprehensive Income is $356,129, which relates to equity-settled share-based payment transactions. Included under Capitalised Exploration and Evaluation in the Statement of Financial Position is $28,388, which relates to equity-settled share-based payment transactions.
- On the 31st October 2014:
  - 2,500,000 options were granted to Paul Thomson (Managing Director) on the 31st October 2014 to reward him for his efforts to date and to align his interests with those of the shareholders, providing additional incentive to continue his efforts for the benefit of the Company. These options are exercisable at 9 cents per share and are vested immediately on grant date. These options are unlisted but upon exercise will rank equally in all respects with the fully paid ordinary shares in the Company. These options hold no voting or dividend rights and are not transferable.
  - 3,200,000 options were granted to employees pursuant to the Executive and Employee Option Plan on the 31st October 2014 at an exercise price of 9 cents and are vested immediately on grant date. These options are unlisted but upon exercise will rank equally in all respects with the fully paid ordinary shares in the Company. These options hold no voting or dividend rights and are not transferable.

Notes To The Financial Statements (Continued)

NOTE 5 SHARE-BASED PAYMENTS (Continued)

The weighted average fair value of the options granted to Paul Thomson and employees was $0.02. These values were calculated using the Black-Scholes option pricing model applying the following inputs:

Weighted average exercise price:	$0.09
Weighted average life of the options:	3 years
Expected share price volatility:	76.78%
Risk-free interest rate:	3.72%

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future volatility.

On the 15th March 2015 2,000,000 unlisted options exercisable at 45c each lapsed.

	2015		2014	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		$		$
Outstanding at the beginning of the year	13,510,000	0.43	14,210,000	0.41
Granted	5,700,000	0.09	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	(7,000,000)	0.48	(700,000)	0.44
Outstanding at year-end	12,210,000	0.28	13,510,000	0.43
Exercisable at year-end	12,210,000	0.28	13,510,000	0.43

At 30 June 2015 there were 12,210,000 unissued ordinary shares of the Company for which options were outstanding as follows:

Grant Date	Date of expiry	Exercise price	No. of options (i)	Fair value per option
15 Aug-07	-	80% of market value	10,000	
4 Nov-11	15 Oct-15	50 cents	4,000,000	17.5c
22 Dec-11	15 Dec-15	40 cents	1,000,000	12c
30 Mar-12	31 Jan-16	33 cents	1,500,000	11c
31 Oct-14	31 Oct-17	9 cents	5,700,000	1.9c

(i) All options on issue are vested and exercisable and are valued using the Black & Scholes model.

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements. The weighted average remaining contractual life of share options outstanding at year end was 1.30 years (2014: 0.90 years).

The Consolidated Group has an Executive and Employee Option Plan. Options granted under the plan carry no dividend or voting rights. All employees except Directors are entitled to participate in the scheme at the discretion of the Directors and upon terms stipulated by the Directors. Director options are issued in accordance with a resolution passed at the Company's annual general meeting. All options granted to key management personnel are for ordinary shares in A-Cap Resources Limited, which confer a right of one ordinary share for every option held.

NOTE 6 REMUNERATION OF AUDITORS

	2015	2014
	$	$
Remuneration of the auditors of the Consolidated Group for :		
Audit and review of the financial report – William Buck Audit (Vic) Pty Ltd	34,500	40,000
Audit and review of the financial report of subsidiary entity – Non William Buck audit firm	13,815	15,421
	48,315	55,421

NOTE 7 EARNINGS PER SHARE

	2015	2014
	$	$
a) Reconciliation of losses to profit or loss		
Loss used to calculate basic EPS	(2,969,116)	(2,145,610)
Loss used to calculate diluted EPS	(2,969,116)	(2,145,610)
	No.	No.
b) Weighted average number of ordinary shares used in the calculation of basic earnings per share	390,165,026	271,266,975
c) Weighted average number of dilutive options	10,000	10,000
d) Weighted average number of ordinary shares used in the calculation of dilutive earnings per share	390,165,026	271,266,975
e) Anti-dilutive options on issue not used in dilutive earnings per share calculation	12,200,000	13,500,000

NOTE 8 CASH AND CASH EQUIVALENTS

	2015	2014
	$	$
Cash at bank and on hand	66,667	61,002
Call deposit	2,140,970	1,209,512
Term deposits	-	3,800,000
	2,207, 637	5,070,514

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement financial position as follows:

	2015	2014
Cash and cash equivalents	2,207,637	5,070,514
	2,207,637	5,070,514

Notes To The Financial Statements (Continued)

NOTE 9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss are:

	2015	2014
	$	$
Current assets		
London Stock Exchange listed equity securities *	186,924	793,744

	2015	2014
Movement for the year	$	$
Opening balance	793,744	1,443,682
Acquisition of financial assets	-	-
Foreign exchange gain	77,357	124,603
Loss in market value of securities	(684,177)	(774,541)
Closing balance	186,924	793,744

***The securities consist of:**

Securities	No. of securities	Unit price as at 30th June 2015
Duke Royalty Limited (Ordinary fully paid shares)	176,837	£0.515

On the 16th June 2015, Praetorian Resources Ltd consolidated its ordinary shares on a 1 for 20 basis and changed its name to Duke Royalty Limited.

NOTE 10 TRADE AND OTHER RECEIVABLES

	2015	2014
	$	$
Current		
Prepayments / Deposits paid	128,919	158,688
Other receivables	82,345	195,468
	211,265	354,156

There were no impaired receivables for the financial years ended 30th June 2015 and 30th June 2014.

There were no receivables past due but not impaired for the financial years ended 30th June 2015 and 30th June 2014.

NOTE 11 CONTROLLED ENTITIES

	Country of Incorporation	Class of Share	Equity Holding	
			2015 %	2014 %
A-Cap Resources Botswana (Pty) Ltd	Botswana	Ordinary	100	100

The controlled entity's holds 100% of the prospecting licences of the Consolidated Group's tenements in Botswana. The controlled entity's principal activities during the year were in line with the Company Strategy (please refer to the Directors Report for further information).

NOTE 12 PARENT ENTITY INFORMATION

Information relating to the parent entity, A-Cap Resources Ltd	2015	2014
	$	$
ASSETS		
Current assets	2,522,669	6,044,599
Total assets	41,227,174	40,315,140
LIABILITIES		
Current liabilities	453,239	496,980
Total liabilities	453,239	496,980
EQUITY		
Issued capital	62,818,707	59,920,012
Accumulated losses	(22,044,772)	(20,101,852)
Total shareholders' equity	40,773,935	39,818,160
Loss of the parent entity	(1,942,870)	(1,769,748)
Total comprehensive loss of the parent entity	(1,942,870)	(1,769,748)

A-Cap Resources Ltd holds as security the Consolidated Group's exploration assets in Botswana for financial support provided to the Subsidiary. The parent entity does not have any contingent liabilities or contractual commitments for the acquisition of property, plant or equipment (2014: Nil).

Notes To The Financial Statements (Continued)

NOTE 13 PLANT AND EQUIPMENT

Cost	Motor Vehicles	IT hardware & software	Geophysical equipment	Other plant & equipment	Total
Balance as at 30 June 2013	741,430	410,638	305,136	152,961	1,610,165
Additions	-	4,919	9,818	412	15,149
Disposals	-	(299)	-	(441)	(740)
FX gains / losses	(22,548)	(14,888)	(9,535)	(10,695)	(57,666)
Balance as at 30 June 2014	718,882	400,370	305,419	142,237	1,566,908
Additions	-	8,857	-	1,117	9,974
Disposals	-	-	-	-	-
FX gains / losses	165,349	73,992	70,249	32,408	341,998
Balance as at 30 June 2015	884,231	483,219	375,668	175,762	1,918,880

Accumulated Depreciation	Motor Vehicles	IT hardware & software	Geophysical equipment	Other plant & equipment	Total
Balance as at 30 June 2013	(469,190)	(347,470)	(160,936)	(72,822)	(1,050,418)
Disposals	-	-	-	(2,472)	(2,472)
Depreciation	(126,875)	(29,338)	(43,880)	(19,477)	(219,570)
FX gains / losses	17,569	13,502	6,036	9,153	46,260
Balance as at 30 June 2014	(578,496)	(363,306)	(198,780)	(85,618)	(1,226,200)
Disposals	-	-	-	-	-
Depreciation	(91,184)	(19,190)	(44,610)	(19,343)	(174,327)
FX gains / losses	(140,900)	(67,216)	(49,557)	(21,196)	(278,869)
Balance as at 30 June 2015	(810,580)	(449,712)	(292,947)	(126,157)	(1,679,396)
Carrying amount as at 30 June 2014	140,386	37,064	106,639	56,619	340,708
Carrying amount as at 30 June 2015	73,651	33,507	82,721	49,605	239,484

NOTE 14 CAPITALISED EXPLORATION AND EVALUATION

	2015	2014
	$	$
At cost	47,335,421	36,073,994
Movements in carrying values		
Balance at beginning of year	36,073,994	34,125,950
Expenditure during the year	5,512,532	2,985,073
Expenditure written-off during the year	(764,738)	-
Foreign currency translation	6,513,633	(1,037,029)
Balance at end of year	47,335,421	36,073,994

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and sale of Uranium and Coal. During the 2015 financial year, a termination report was submitted for PL's 135/2008, 72/2008, 73/2008 and 74/2008. Therefore the capitalised expenditure on the prospects which amounted to $764,738 was impaired as at 30 June 2015 and charged to the statement of profit or loss and other comprehensive income. Included in the expenditure during the year is depreciation of plant and equipment for the exploration activities amounting to $152,298 (2014: $174,428).

The foreign currency translation movement of $6,513,633 reflects the depreciation of the Australian dollar against the US dollar during the financial year. The functional currency of the Consolidated Group's Controlled Entity, A-Cap Resources Botswana (Pty) Ltd is US dollars. Exchange rates fluctuate from time to time and there is no impact on shareholders as the Financial Statements have been prepared on a going concern basis, with the Parent Entity holding 100% control of the Controlled Entity.

NOTE 15 TRADE AND OTHER PAYABLES

	2015	2014
	$	$
Current *(unsecured liabilities)*		
Trade and Sundry Payables	655,802	1,013,996
Provision for employee benefits *	318,379	179,042
	974,181	1,193,038

** Amounts not expected to be settled within the next 12 months*

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Consolidated Group does not have an unconditional right to defer settlement. However, based on past experience, the Consolidated Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The employee leave benefit obligation not expected to be taken within the next 12 months is $135,115 (2014: $67,609)

NOTE 16 ISSUED CAPITAL

		2015	2014
		$	$
475,056,253 (2014: 368,209,268) fully paid ordinary shares	(a)	**61,702,559**	57,554,845
12,210,000 (2014: 13,510,000) options (expiring various dates)	(b)	**1,116,166**	2,649,482
		62,818,725	60,204,327

(a) Ordinary Shares

2015		Number of Shares	Issue Price $	$
At the beginning of the reporting period		368,209,268		57,554,845
31 October 2014	Shares Issued to Directors	4,502,857	5.1c	229,646
31 October 2014	Shares Issued to Employees	2,332,286	5.1c	118,946
28 April 2015	Ordinary shares	5,222,727	4.0c	208,909
28 May 2015	Ordinary shares	94,789,115	4.0c	3,791,565
	Share issue costs			(201,352)
At the end of the reporting period		475,056,253		61,702,559

2014		Number of Shares	Issue Price $	$
At the beginning of the reporting period		262,384,986		52,022,147
17 April 2014	Placement	24,000,000	$0.055	1,320,000
3 June 2014	Rights issue	28,729,321	$0.055	1,580,113
17 June 2014	Rights issue	53,094,961	$0.055	2,920,210
	Share issue costs			(287,625)
At the end of the reporting period		368,209,268		57,554,845

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding-up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The Company's ordinary shares have no par value, and the Company does not have a limited amount of authorised capital.

(b) Options

Information relating to the employee share option plan is set out in Note 5: Share-based Payments.

(c) Capital Management

Management controls the capital of the Consolidated Group in order to maintain a good debt to equity ratio and ensure that the Consolidated Group can fund its operations and continue as a going concern.

The Consolidated Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

Currently the Group's borrowing activity is limited to its trade & sundry payables and that it has no material commercial borrowings.

There are no externally imposed capital requirements.

Management effectively manages the Consolidated Group's capital by assessing the Consolidated Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Consolidated Group since the prior year.

NOTE 17 RESERVES

Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign controlled operations as described in Note 1(g).

Options Reserve

The options reserve records the value of unlisted options issued by the Company and unexercised options lapsed during the year.

NOTE 18 CAPITAL AND LEASING COMMITMENTS

	2015	2014
Planned exploration expenditure	$	$
Payable		
- not later than 12 months	2,169,071	7,312,153
- between 12 months and 5 years	1,602,242	382,870
	3,771,313	7,695,023

These estimated figures include amounts submitted to the Department of Geological Survey in Botswana in order to maintain the Group's current rights of tenure to exploration and mining tenements up until the expiry of the leases.

The Group anticipates future expenditure on its current rights of tenure to exploration and mining tenements up until the expiry of its current Prospecting Licences and on tenement renewals and extensions that have been applied for but not yet granted, which are included in the above table. In the event the Group does not meet the minimum exploration expenditure the licences may be cancelled or not renewed.

NOTE 19 CONTINGENT LIABILITIES

There are no outstanding contingent liabilities as at 30 June 2015 (2014: Nil).

Notes To The Financial Statements (Continued)

NOTE 20 SEGMENT INFORMATION

Identification of reportable segments

The Consolidated Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Makers) in assessing performance and determining the allocation of resources.

The Consolidated Group only operates within one business segment being that of minerals exploration.

The Chief Operating Decision Makers review the Monthly Directors Report on at least a monthly basis. The accounting policies adopted for internal reporting to the Chief Operating Decision Makers are consistent with those adopted in the financial statements.

The reportable segment is represented by the primary statements forming this financial report.

NOTE 21 CASH FLOW INFORMATION

	2015	2014
	$	$
Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Operating Loss after income tax	**(2,969,116)**	(2,145,610)
Non –Cash flows in profit		
- Depreciation / impairment of assets	**786,768**	45,143
- Share-based remuneration	**403,323**	-
- Loss on investments held at fair value	**606,820**	649,938
- Reversal of withholding tax estimate	**(213,622)**	-
Changes in assets and liabilities net of the effects of purchase and disposal of subsidiaries		
- (Increase)/decrease in trade and other receivables	**142,891**	(77,026)
- Increase/(decrease) in trade and other payables	**(220,860)**	94,325
Net cash (outflow) from operating activities	**(1,463,796)**	(1,433,230)

	2015	2014
	$	$
Non-Cash Financing and Investing Activities		
Capitalised depreciation of plant & equipment for the year	**152,298**	174,428
Share-based remuneration	**28,988**	-
Interest on loan	**14,093**	-
	195,379	174,428

NOTE 22 EVENTS OCCURRING AFTER THE REPORTING PERIOD

- On the 3rd July 2015:
  - Mr Michael Liu was appointed as Director of the Company;
  - Mr Denis Rakich resigned as Company Secretary of the Company. Subsequent to this Mr Nicholas Yeak was duly appointed as Company Secetary.
- On the 17th August 2015, the Company submitted a Mining Licence Application to the Botswana Government's Ministry of Minerals, Energy and Water Rights for the Letlhakane Uranium Project (PL 45/2004). The economics from the technical study based on forecast uranium average contract price were disclosed to the market, which highlighted the following information:
  - Initial construction CAPEX of US$351 million;
  - Initial working capital of US$40 million;
  - Targeting up to 3.75 million pounds p.a. over first 5 years;
  - Pre-Tax NPV of US$383 million at a discount rate of 8% and IRR of 29%;
  - Operating costs of US$35/lb U_3O_8 over first 5 years and approximately $40/lb U_3O_8 over 18 year process life.

  The technical study outcomes do not reflect a bankable feasibility level of confidence and the Company will need to complete key work programmes such as further drilling, trial mining, a pilot plant and complete the process design and engineering studies before the Project is ready for project financing and construction.
- On the 28th August 2015 the Company changed its registered office to Level 38, 123 Eagle St, Brisbane QLD 4000, and its principal place of business to Level 15, 140 St Georges Terrace, Perth WA 6000.
- The Consolidated Group received confirmation from Ansheng Investment Company Limited on the 28th September 2015 that a drawdown financial accommodation facility of up to $2 million will be put in place, commencing 1st November 2015 to fund working capital requirements. This facility will be on arm's length terms at an interest rate of 10% p.a., maturing on or before the 15th October 2016.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect the operations of the Consolidated Group, the results of these operations or the state of affairs of the Consolidated Group in subsequent years.

NOTE 23 RELATED PARTY INFORMATION

	Consolidated Group	
	2015	2014
	$	$
Transactions with Key Management Personnel		
Geological and metallurgical consulting fees paid to Woolrich & Associates, a company in which Dr Paul Woolrich is a Director and shareholder.	169,200	90,200
Consulting fees paid to Raba-Rax Solutions, a company in which Mr Paul Thomson is a director. Raba-Rax also provides consulting on health & radiation safety to A-Cap.	468,997	450,526
Underwriting fees paid and interest on loan settled through equity to Ansheng Investment Co. Ltd, of which Mr Angang Shen is a Director of.	174,112	180,013
Consulting fees paid to Mr Robert Pett for corporate advisory services.	25,000	28,500
	837,309	720,739

Notes To The Financial Statements (Continued)

NOTE 23 RELATED PARTY INFORMATION (Continued)

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. As at the reporting date an amount of $8,863 (2014: $12,570) was owed to Woolrich & Associates and $160,019 is owed to Ansheng Investment Co, Ltd.

Payments made to Raba-Rax Solutions include remuneration paid to Paul Thomson under his service agreement with A-Cap. These amounts are disclosed in the remuneration report. Elstree Nominees Pty Ltd ("Elstree") provides the Group with office premises and associated facilities, and accounting, taxation, payroll, legal, investor relations and secretarial services. All services provided by Elstree are at cost. Mr Denis Rakich is a Director of Elstree and serves as Company Secretary of A-Cap until his resignation on the 3rd July 2015. The total amount paid to Elstree during the financial year was $617,557 (2014: $677,497).

Ownership Interests in Related Parties

Interests held in the following classes of related parties are set out in the following notes:

(a) Controlled Entities Note 11

NOTE 24 FINANCIAL RISK MANAGEMENT

(A) Financial Risk Management Policies

The Consolidated Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to subsidiaries.

(i) Treasury Risk Management

The Board of Directors meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

(ii) Financial Risk Exposures and Management

The main risks the Consolidated Group is exposed to through its financial instruments are foreign currency risk, liquidity risk and price risk.

Foreign Currency Risk

The Consolidated Group is exposed to foreign currency risk arising from equity investments, specifically A-Cap's investment in Praetorian Resources, a London Stock Exchange listed company. This investment is subject to fluctuations in exchanges rates between the Australian dollar and the

pound sterling. Relevant consensus currency rate forecasts are continuously reviewed and analysed by management, and appropriate measures are put in place where necessary to protect the Group's cash from significant fluctuations in foreign currency exchange rates.

Liquidity Risk

Liquidity risk arises from the possibility that the Consolidated Group might encounter difficulty in settling its debts or otherwise meeting its non-cancellable obligations related to financial liabilities and leases. The Consolidated Group manages liquidity risk by:

- Preparing forward-looking cash flow analyses in relation to its exploration & evaluation, investing and financing activities,
- Obtaining funding from capital markets rather than debt,
- Maintaining credit risk related to financial assets,
- Only investing surplus cash with major financial institutions,
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets, and

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation.

Price Risk

The Consolidated Group is exposed to equity price risk arising from equity investments, specifically A-Cap's investment in Praetorian Resources, a London Stock Exchange listed company. These shares and options are marketable securities held for the purpose of trading on the open market to gain access to cash when needed. This investment is subject to movements in the market value of Praetorians shares and options. Management will assess the industry and market data and forecasts to ensure that the market price for our equity investment represents best value to the Consolidated Group before making any decision to sell the investment for cash.

(B) Financial liability and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the statement of financial position.

	Within 1 Year		Total	
	2015	2014	2015	2014
Consolidated Group	$	$	$	$
Financial liabilities due for payment				
Trade and other payables	805,299	997,746	805,299	997,746
Amounts payable to related parties	168,882	12,570	168,882	12,570
Total contractual outflows	974,181	1,010,316	974,181	1,010,316
Financial assets – cash flows realisable				
Trade and other receivables	147,377	286,583	147,377	286,583
Total anticipated inflows	147,377	286,583	147,377	286,583
Net inflow on financial instruments	(826,804)	(723,733)	(826,804)	(723,733)

* Note that planned expenditures on tenements are excluded. For further details refer to note 18.

(C) Net Fair Values

With the exception of financial assets at fair value through the profit & loss, the net fair values of financial assets and liabilities approximate their carrying value due to its short-term nature.

The fair values of the financial assets traded on active liquid markets are determined with reference to quoted market prices (level 1 of the Fair Value hierarchy based on the definition in AASB 13).

(D) Sensitivity Analysis

The following table illustrates sensitivities to the Consolidated Group's exposures to changes in the value of securities and exchange rates. The table indicates the impact on how profit and asset values reported as at the end of the reporting period would have been affected by changes in relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated Group 2015	
	Profit	Liabilities
	$	$
Increase in AUD to GBP by 10%	18,692	-
Decrease in AUD to GBP by 10%	(18,692)	-
Increase in AUD to USD by 10%	-	25,726
Decrease in AUD to USD by 10%	-	(25,726)

Directors' Declaration

The Directors declare that:

(a) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

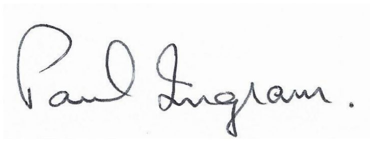
(b) In the Directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements

(c) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with Australian Accounting Standards and the *Corporations Regulations 2001*, giving a true and fair view of the financial position and performance of the Consolidated Group, and

(d) The Directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Board of Directors



Paul Ingram
Deputy Chairman

Dated this 30th day of September 2015
Perth, Western Australia

William Buck

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A-CAP RESOURCES LIMITED AND CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying consolidated financial report of comprising A-Cap Resources Limited (the Company) and the entities it controlled at year's end or from time to time during the financial year (the consolidated entity) on pages 24 to 58. The consolidated financial report comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

CHARTERED ACCOUNTANTS & ADVISORS

Melbourne Office
Level 20, 181 William Street
Melbourne VIC 3000

Hawthorn Office
Level 1, 465 Auburn Road
Hawthorn East VIC 3123

PO Box 185, Toorak VIC 3142
Telephone: +61 3 9824 8555
williambuck.com

William Buck

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A-CAP RESOURCES LIMITED AND CONTROLLED ENTITIES (CONT)

Auditor's Opinion

In our opinion:

a) the financial report of the consolidated entity on pages 24 to 58 is in accordance with the Corporations Act 2001, including:
   i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
   ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(a) in the financial report which indicates that the consolidated entity incurred a net loss from ordinary activities after income tax expense attributable to the parent entity of $2,969,116 (2014: loss of $2,145,610) and had net total cash outflows of $2,862,877 during the year ended 30 June 2015 (2014: net total cash inflows of $1,851,926). These conditions, along with other matters as set forth in Note 1(a), indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 16 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of A-Cap Resources Limited for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of A-Cap Resources Limited for the year ended 30 June 2015 included on A-Cap Resources Limited's web site. The company's directors are responsible for the integrity of the A-Cap Resources Limited's web site. We have not been engaged to report on the integrity of the A-Cap Resources Limited's web site. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

William Buck

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A-CAP RESOURCES LIMITED AND CONTROLLED ENTITIES (CONT)

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director

Dated this 30th day of September, 2015

Shareholder Information

The shareholder information set out below was applicable as at 28th September 2015.

(a) Distribution Of Equity Securities

Analysis of numbers of equity security holders by size of holding:

	Ordinary Shares	Unlisted Options
1 – 1,000	202	-
1,001 – 5,000	564	-
5,001 – 10,000	336	1
10,001 – 100,000	982	8
100,001 and over	269	9
	2,353	**18**

There were 1,598 holders of less than a marketable parcel of ordinary shares.

(b) Equity Security Holders

The names of the twenty largest holders of quoted equity securities are listed below:

	Ordinary Shares	
	Number Held	Percentage of Issued Shares
Ansheng Investment Co Ltd	127,874,290	26.92%
China Growth Minerals Limited	49,366,930	10.39%
Abn Amro Clearing Sydney	31,370,570	6.60%
Bnp Paribas Noms Pty Ltd	29,180,214	6.14%
Vermar Pty Ltd	21,245,815	4.47%
Citicorp Nominees Pty Limited	11,239,372	2.37%
Hsbc Custody Nominees A/C 3	9,570,000	2.01%
Hsbc Custody Nominees	9,181,502	1.93%
Mr Duan Wenyi	7,500,000	1.58%
J P Morgan Nominees Australia	6,614,155	1.39%
Mr Mark Anthony O'sullivan & Mrs Jaime Jane O' Sullivan	5,993,270	1.26%
Nefco Nominees Pty Ltd	4,510,000	0.95%
Mr Mark Anthony O'sullivan	4,234,441	0.89%
Berne No 132 Nominees Pty Ltd	3,926,667	0.83%
Trayburn Pty Ltd	3,911,220	0.82%
Bellarine Gold Pty Ltd	3,714,695	0.78%
Ubs Wealth Management	3,626,588	0.76%
For Amy Pty Ltd	3,300,000	0.69%
Methuselah Capital Management	2,879,522	0.61%
M & K Korkidas Pty Ltd	2,379,305	0.50%
	341,618,556	71.91%

(c) Substantial Shareholders

Substantial shareholders in the Company are:

	Ordinary Shares	
	Number Held	Percentage of Issued Shares
China Growth Minerals Limited	177,241,220	37.31%
Mr Patrick John Volpe	24,116,597	5.08%

(d) Voting Rights

The voting rights attaching to each class of equity security are set out below:

Ordinary Shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options

No voting rights.

A-Cap Resources Limited and its Controlled Entities

Principal Place of Business:	Level 15, AMP Building 140 St Georges Terrace Perth WA 6000
Registered Office:	Level 38/123 Eagle St Brisbane QLD 4000
Contact Details:	Telephone (08) 9278 2614 Facsimile (08) 9278 2617 Email: info@a-cap.com.au Website: www.a-cap.com.au

Directors:	Angang Shen	(Chairman)
	Paul Anthony Ingram	(Deputy Chairman, Non-Executive Director)
	Paul Thomson	(Managing Director)
	Paul Woolrich	(Executive Director)
	Henry James Stacpoole	(Independent Non-Executive Director)
	John Fisher-Stamp	(Non-Executive Director)
	Michael Liu	(Non-Executive Director)

Chief Executive Officer:	Paul Thomson
Company Secretary:	Nicholas Yeak
Share Registry:	Advanced Share Registry Services Limited 150 Stirling Highway Nedlands WA 6009 Telephone (08) 9389 8033 Facsimile (08) 9389 7871
Bankers:	Westpac Banking Corporation 109 St Georges Terrace Perth WA 6000
Auditors:	William Buck Level 20, 181 William St Melbourne VIC 3000
Solicitors:	Ashurst Level 38/123 Eagle St Brisbane QLD 4000
Stock Exchange:	A-Cap Resources is listed on the Australian Securities Exchange (ASX code: ACB) and the Botswana Stock Exchange (BSE code: A-CAP).

www.a-cap.com.au