

ASX Release

Monday 7 April 2014

ASX: ACB

PLACEMENT AND NON-RENOUNCEABLE RIGHTS ISSUE TO RAISE \$5.8 MILLION

Capital Raising

A-Cap Resources Limited (“Company”) (“ACB”) is pleased to announce that the Company’s board of directors has resolved to raise \$5.8 million by way of:

- a) a placement to raise \$1.32 million from institutional investors based in the United Kingdom (**Placement**); and
- b) a subsequent non-renounceable, entitlement offer to shareholders of approximately 81,824,282 new shares on the basis of one (1) new share in the Company for every 3.5 shares held, at an issue price of 5.5 cents per share (**Issue Price**) to raise approximately \$4.5 million, which will be fully underwritten (**Rights Issue**);

(together, the **Capital Raising**).

Proceeds from the Capital Raising will be used to enable the company to complete further feasibility work necessary for a mining licence application in the first half of next year at the Company’s Letlhakane Uranium Project in Botswana. The funds received from the placement will enable critical path drilling, process design and environmental work to commence immediately. Funds will also be used to advance the Company’s coal projects following positive reports received from independent consultants on the development potential of these assets.

Placement

The Placement will comprise an issue of up to 24,000,000 shares at an issue price of 5.5 cents each. The Placement will be made to professional and sophisticated investors, pursuant to section 708 of the Corporations Act 2001 (Cth) (**Act**) and in accordance with Listing Rule 7.1 of the ASX Listing Rules.

The Placement will be conducted by Arlington Group Asset Management Limited (“Arlington”) for a commission fee of 4% (**Placement Commission Fee**) of the total amount to be raised pursuant to the Placement. Arlington is an entity which is associated with Richard Lockwood, a director of the Company.

Having conducted investigations with respect to the market standard terms for placements which are equivalent to the Placement, the Company is satisfied that the Placement Commission Fee represents a fee which is at least arm’s length terms. Accordingly, the Company is satisfied that the Placement fits within the arm’s length exemption in section 210 of the Act.

Non-Renounceable Rights Issue

The Rights Issue will raise approximately \$4.5 million. Eligible shareholders will be entitled to subscribe for one (1) New Share for every 3.5 existing shares held at Monday 28 April 2014, the Record Date, at the Issue Price.

The Issue Price represents a 5.6% discount to the volume weighted average of the closing price for the past 15 trading days.

The Company advises that eligible shareholders will be entitled to participate in a shortfall facility and apply for new shares in excess of their pro rata entitlements under the Rights Issue. Any final shortfall will be subscribed for by Ansheng Investment Company Ltd. Further information on the underwriting arrangements will be set out in the offer document.

Full details of the Rights Issue will be set out in the offer document and Appendix 3B to be lodged with the ASX and dispatched to eligible shareholders in accordance with the timetable below.

Eligible shareholders who wish to acquire shares under the Rights Issue should consider the offer document carefully and must complete the personalised entitlement and acceptance form attached to the offer document, a copy of which will be sent to eligible shareholders.

Underwriting

It is proposed that the Rights Issue will be fully underwritten by Ansheng Investment Company Ltd (“Ansheng”) for a commission fee of 4% (**Underwriting Fee**). Ansheng is an entity which is controlled by Angang Shen, a director of the Company.

Having conducted investigations with respect to the market standard terms for an underwriting of rights issue which is equivalent to the Rights Issue, the Company is satisfied that the proposed Underwriting Fee represents a fee which is at least arm’s length terms. Accordingly, the Company is satisfied that the Rights Issue fits within the arm’s length exemption in section 210 of the Act.

Timetable

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

Event	Date
Announcement of placement and rights issue	Monday 7 April 2014
Close and allot placement shares	Wednesday 16 April 2014
Lodge Offer Document for rights issue with ASX, ASIC	Thursday 17 April 2014
Record Date to determine entitlements to New Shares (Entitlements)	Monday 28 April 2014
Offer Document and Entitlement and Acceptance Forms despatched	Thursday 1 May 2014
Opening day for acceptances and payment (Opening Date)	Friday 2 May 2014
Last day for acceptance (Closing Date)	Wednesday 21 May 2014
New Shares quoted on ASX on deferred settlement basis	Thursday 22 May 2014
Issue of New Shares and despatch of holding statements	Wednesday 28 May 2014
Trading in New Shares commences	Thursday 29 May 2014



For further information please contact Denis Rakich, Company secretary on (08) 9220 9882 or email:
admin@a-cap.com.au

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

A handwritten signature in black ink, appearing to read 'P. Thomson', is written over a light blue horizontal line.

PAUL THOMSON
Chief Executive Officer