

## ASX Release

Tuesday 31 March 2015

ASX: ACB

### Despatch of Notice to Eligible Security Holders

A-Cap Resources Limited (“the Company”) (ASX : ACB) has despatched the Prospectus and the Entitlement and Acceptance Form to Eligible Shareholders (as defined in the Prospectus) in accordance with the timetable for the non-renounceable pro rata entitlement offer announced on 20 March 2015.

Attached to this announcement is a copy of the Prospectus dated 20 March 2015.

For those Eligible Shareholders who wish to participate in the non-renounceable pro rata entitlement offer, the Entitlement and Acceptance Form must be lodged prior to 5.00pm WST on Monday 20 April 2015.

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



**DENIS RAKICH**  
Company Secretary



**ABN 28 104 028 542**

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## **PROSPECTUS**

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For a pro-rata non-renounceable offer to Shareholders of 100,011,842 Shares on the basis of 1 New Share for every 3.75 Shares held as at the Record Date at an issue price of 4 cents per New Share to raise approximately \$4 million.

The Offer closes at 5.00pm WST on Monday 20 April 2015.

The Offer is fully underwritten by Ansheng Investment Company Limited.

The securities offered by this Prospectus are of a speculative nature.

### **THIS DOCUMENT IS IMPORTANT**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about this Prospectus, then you should consult your stockbroker, accountant or other professional adviser.

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## KEY DATES

Event	Date
Announcement of Offer	Friday 27 February 2015
Lodgement of Prospectus and Appendix 3B with ASX	Monday 23 March 2015
Notice sent to Shareholders	Tuesday 24 March 2015
Ex Date (date from which Shares commence trading without the entitlement to participate in the Issue)	Thursday 26 March 2015
Record Date to determine entitlements to New Shares ( <b>Entitlements</b> )	Monday 30 March 2015
Prospectus and Entitlement and Acceptance Forms despatched	Tuesday 31 March 2015
Opening day for acceptances and payment ( <b>Opening Date</b> )	Wednesday 1 April 2015
Last day for acceptance ( <b>Closing Date</b> )	Monday 20 April 2015
New Shares quoted on ASX on deferred settlement basis	Tuesday 21 April 2015
Notify ASX of under subscriptions	Thursday 23 April 2015
Issue of New Shares and despatch of holding statements	Monday 27 April 2015
Trading in New Shares commences	Tuesday 28 April 2015

These dates are subject to change and are indicative only. Subject to the Corporations Act and ASX Listing Rules, the Company reserves the right to amend this timetable including by extending or bringing forward the Closing Date.

### 1 IMPORTANT NOTES

This Prospectus is dated 20 March 2015 and a copy was lodged with ASIC and ASX on that date. ASIC and ASX take no responsibility for the content of this Prospectus.

No Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in the Prospectus. Any information or representation which is not contained in this Prospectus or disclosed by the Company pursuant to its continuous disclosure

obligations may not be relied upon as having been authorised by the Company in connection with the Issue of this Prospectus.

Application will be made to ASX within 7 days after the date of this Prospectus for official quotation of the New Shares.

This Prospectus has not been, and will not be, lodged, filed or registered with any regulatory authority under the securities laws of any country other than Australia, New Zealand or China (including Hong Kong). The securities that are the subject of this Prospectus have not been, nor will they be, approved by or registered with any regulatory authority of any other country. Moreover, this Prospectus does not constitute an offer or issue in any place in which, or to any person to whom, it would not be lawful to make such an offer or issue.

Those investors who receive this Prospectus electronically are advised that the issue of securities under the electronic prospectus is only available to persons receiving the electronic prospectus within Australia. A paper copy of this Prospectus may be obtained free of charge from the Company. The information on [www.a-cap.com.au](http://www.a-cap.com.au) does not form part of this Prospectus.

Certain words and terms used in this Prospectus have defined meanings, which are set out in section 11.

#### *Transaction-specific prospectus*

This Prospectus is a "transaction-specific" prospectus issued under section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. The Prospectus is therefore intended to be read in conjunction with the publicly-available information in relation to A-Cap which has been notified to the ASX; it does not include all of the information that would be included in a prospectus for an offering of securities in a company that is not already listed on the ASX. Investors should therefore also have regard to the other publicly-available information in relation to A-Cap before making a decision whether or not to invest in the Company.

## 2 CORPORATE DIRECTORY

### Directors

Robert Pett – Chairman  
Richard Lockwood  
Paul Thomson  
Angang Shen  
Paul Ingram  
Paul Woolrich  
Henry Stacpoole

### Chief Executive Officer

Paul Thomson

### Company Secretary

Denis I Rakich

### Registered Office

Level 16, AMP Building  
140 St Georges Terrace  
Perth WA 6000  
Tel: +618 9220 9890  
Fax: +618 9220 9820

### Operations Office

Plot 946 Old Matsiloje Road  
Francistown, Botswana  
Tel: +267 241 9717  
Fax: +267 240 2795

### Auditors

William Buck\*  
Level 20, 181 William Street  
Melbourne VIC 3000

### Legal Advisers

Squire Patton Boggs (AU)\*  
Level 2, 300 Murray Street  
Perth WA 6000

### Share Registrar

Advanced Share Registry\*  
110 Stirling Highway  
Nedlands WA 6009  
Tel: +618 9389 8033  
Fax: +618 9262 3723

### Email

[info@a-cap.com.au](mailto:info@a-cap.com.au)

### Website

[www.a-cap.com.au](http://www.a-cap.com.au)

### Securities Exchange Listing

Australian Securities Exchange\* - Code: ACB

\* These entities have not been involved in the preparation of this Prospectus. Their names are included for information purposes only.

## 3 KEY INFORMATION

The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

### 3.1 Offer

The Company is making a pro-rata non-renounceable issue offering Shareholders registered as such at 5.00pm WST on Monday, 30 March 2015 (**Record Date**) 1 New Share for every 3.75 Shares held as at the Record Date, at an issue price of 4 cents per New Share.

The Closing Date and time for acceptances is 5.00pm Perth time on Monday 20 April 2015. Subject to compliance with the Listing Rules, the Company reserves the right to close the Offer early or to extend the Closing Date.

**The Offer is fully underwritten by Ansheng Investment Company Limited (Ansheng), and the table set out in Section 5.4 shows the extent of the potential increase in Ansheng's voting power in the Company as a result of taking up any shortfall under the Offer pursuant to its underwriting obligation.**

Details of the Offer are set out in full in section 5.

### **3.2 What you need to do**

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. Fractional Entitlements will be rounded up to the nearest whole Share. You may do one of the following:

- accept your Entitlement **in full**;
- accept **part** of your Entitlement;
- allow your Entitlement to **lapse**; or
- accept your Entitlement **in full** and apply for additional New Shares in excess of your Entitlement.

See section 7 for detailed instructions on what you need to do.

### **3.3 Purposes of the Offer**

Following completion of the Offer (which is fully underwritten) the Company will issue approximately 100,011,842 New Shares, raising approximately \$4 million (before the costs of the Offer).

The purposes of the Offer are to:

- allow the Company to complete further work necessary for a mining licence application in the first half of this year at the Company's Letlhakane Uranium Project in Botswana;
- enable Shareholders to participate further in the ownership and growth potential of the Company;
- repay the short term loan from Ansheng Investment Company Limited (see section 8.1); and
- provide additional working capital.

The proposed use of the Offer proceeds is discussed more fully in section 6.

The Directors consider that the Offer represents the best means of capital raising given the current market for accessing capital for exploration and development, which has significantly deteriorated in recent times.

### **3.4 Effect of the Offer on the share capital of the Company**

Following completion of the Offer (which is fully underwritten) and the issue of New Shares there will be 475,056,253 Shares and 12,210,000 Options on issue.

A more detailed description of the effects of the Offer, including the effects of the Offer on the Company's capital structure, is contained in section 8.

## **4 RISK FACTORS**

Investing in the Company involves a degree of risk. This section describes the potential risks that may be significant for you to consider in relation to an investment in the Company.

Before applying for New Shares, you should consider whether they are a suitable investment for you and the risks associated with an investment in New Shares. Many of the risks are outside the control of the Company and its Directors. These risks include those identified in this section and other matters referred to in this Prospectus. Additional risks and uncertainties that the Company is unaware of or the Company currently believes immaterial, may also become important factors that affect the Company. The occurrence of any of the events which pose these risks could have a

material adverse effect on the Company's prospects, financial condition and results of operations. In that case, the trading price of Shares could decline and you could lose some or all of your investment

#### **4.1 Specific risk factors**

In addition to the general risks applicable to any investment in a listed resources company, the Directors believe that there are a number of specific factors that should be taken into account before investors decide whether or not to invest in the Company. These are set out below.

(a) Uranium prices

The Company's business is greatly influenced by the market price for uranium which is driven by supply and demand factors which are outside of the control of the Company. A fall in the market price of uranium could substantially impact on the economics of the Company's projects and on exploration and development programs, and consequently on the Company's share price.

(b) Project development timetable

The Company's primary business is currently focused on developing its Letlhakane Uranium Project in Botswana. As this project is at feasibility stage, there are significant milestones that must be achieved before the project can be developed.

(c) Capital requirements and costs

The Company has finite working capital and will therefore need to raise additional capital, through either equity or debt or joint venture financing or sale, to support its projects. The Company cannot guarantee that such funding will be available as it is required.

(d) Resource estimates

Resource estimates are expressions of judgment based on knowledge, experience and resource modelling. Resource estimates are inherently reliant on interpretations and are therefore imprecise. Estimates may be valid when originally calculated and then later be altered as new information or techniques become available. Although the Company employs qualified professionals to prepare resource estimates, as further information becomes available these estimates may change. Any changes to resource estimates could negatively affect the Company's projects.

(e) Regulatory risks

The Company's exploration and development activities are subject to various laws governing prospecting, development, permit and license requirements, industrial relations, environment, land use, royalties, water, toxic substances, mine safety and occupational health.

Approvals, licenses and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that the Company will be successful in obtaining any of these various approvals, licenses and permits or maintaining such authorisations in full force and effect without modification or revocation.



Where these approvals, licenses and permits are required and not obtained, the Company may be restricted or prohibited from continuing with its exploration projects.

(f) Personnel and access to labour

The Company is reliant on key personnel employed or engaged by the Company. Loss of such personnel may have an adverse effect on the performance of the Company. Further, the recruitment of additional personnel with appropriate qualifications is critical to the Company's success. As the Company's business grows it will require additional financial, administrative, mining and operations staff. While the Company believes it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

## 4.2 Minerals industry risk factors

(a) Operational risks

Exploration, development, mining and processing are labour and machinery-intensive processes. Notwithstanding that the Company intends to maintain its machinery regularly, unforeseen major failures, breakdowns or repairs required to key items of mining plant and equipment or mine infrastructure may result in significant delay or cost to the Company. In addition, poor weather conditions over a prolonged period may adversely affect mining and exploration activities and hence the timing of receipt of operating revenue.

A rise in operating costs (for materials or labour) may adversely affect the Company and could render some opportunities or projects uneconomic.

(b) Exploration and Mining licenses

The Company's activities depend on the grant or maintenance of appropriate licenses, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. Although the Company believes that the licenses, concessions, leases, permits or consents it requires will be granted and that those it holds will be renewed (if required, once they expire, according to the current laws), there can be no assurance that they will be granted or renewed (as the case may be) or as to the term of any such grant or renewal.

(c) Environmental risks

The Company's current and proposed projects and operations are subject to environmental laws and regulations under the law of Botswana. The Company expects that, due to the nature of its mineral exploration operations, its activities will have an impact on the environment.

The Company strives to carry out its activities in a responsible manner and in compliance with all applicable laws and regulations. Environmental laws and regulations are likely to evolve in a manner that will require exceedingly stricter and more disciplined standards. Also, as these laws and regulations develop those standards will likely carry greater penalties for non-compliance. Therefore the cost and requirements for complying with these standards may grow in the future and this may have a negative effect on the Company and may potentially prevent the Company from being able to develop an otherwise economically viable project.

While the Company seeks to minimise its impact on the environment, events either within or outside of the Company's control may occur which result in accidental and unforeseen spills, leakages or other consequences, which could damage the environment and expose the Company to extensive liability against which it has not (or may not be able to) insure.

#### **4.3 General risk factors**

(a) Liquidity risk

There may be relatively few buyers or sellers of securities on ASX at any given time. This may affect the volatility of the market price of the Company's Shares and the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a price that is less or more than the price paid under the Offer.

(b) Foreign exchange risk

International prices of various commodities are commonly denominated in United States Dollars, whereas the income of and expenditure of the Company is accounted for in Australian dollars and United States dollars, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

#### **4.4 Speculative nature of investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the performance of Company and the value of the New Shares offered under this Prospectus.

Therefore, the New Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Shareholders and other potential investors should regard an investment in the Company as speculative and should therefore consider carefully and consult their professional advisors to determine whether an investment in the Company is suitable for them.

### **5 DETAILS OF THE OFFER**

#### **5.1 The Offer**

On Friday 27 February 2015 the Company announced that it will raise approximately \$4 million (before costs) by offering Shareholders the opportunity to subscribe for 1 New Share for every 3.75 Shares held on the Record Date at an offer price of 4 cents per New Share. Each New Share will be issued fully paid. From the date of issue, New Shares will rank equally in all respects with existing Shares.

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. Fractional entitlements have been rounded up to the nearest whole Share.

The Closing Date and time for acceptances is 5.00pm Perth time on Monday, 20 April 2015.

## 5.2 Who is entitled to participate in the Offer

Every Shareholder registered as the holder of fully paid ordinary shares in the Company at 5.00pm Perth time on Monday, 30 March 2015, and whose registered address is in Australia, New Zealand or China (including Hong Kong), is entitled to participate in the Offer. These Shareholders are referred to in this Prospectus as “**Eligible Shareholders**”

## 5.3 No rights trading

The Offer is non-renounceable and therefore there will be no rights which are tradeable on ASX or otherwise transferable. Shareholders will therefore not receive any payment or value in respect of Entitlements not taken up.

## 5.4 Underwriting

The Offer is fully underwritten by Ansheng Investment Company Ltd (**Ansheng**) on the terms of the Underwriting Agreement. This means that Ansheng will take up any Entitlements or Additional Shares which are not accepted or subscribed for by Shareholders. The material terms of the Underwriting Agreement are set out in section 10.4.

As at the date of this Prospectus, Ansheng has a voting power in the Company of approximately 31.98%.

The table below demonstrates the approximate extent of the potential increase in the voting power of Ansheng as a result of underwriting the Offer (assuming no existing Options are exercised prior to the Record Date):

<b>Event/Date</b>	<b>Number of Shares in which Ansheng has a relevant interest</b>	<b>Voting Power of Ansheng (%)</b>
Date of Prospectus	119,952,105	31.98
After issue of New Shares and assuming 100% Shortfall.	219,963,947	46.30
After issue of New Shares and assuming 75% Shortfall.	202,957,793	42.72
After issue of New Shares and assuming 50% Shortfall.	185,951,640	39.14
After issue of New Shares and assuming 25% Shortfall.	168,945,486	35.56
After issue of New Shares and assuming no Shortfall.	151,939,333	31.98

The figures depicted above demonstrate the potential effect on control of the Company as a result of the underwriting by Ansheng. The extent of this control will depend on the extent to which Eligible Shareholders take up their Entitlements under the Offer. To the extent that Shareholders take up their Entitlements and Additional Shares under the Offer, the underwriting obligation of Ansheng will reduce correspondingly.

Ansheng has advised the Company that, in general, it fully supports the Company's strategy to prepare the Letlhakane Uranium Project for early development and production to take full advantage of the expected recovery in the uranium price. Ansheng will continue to use its voting power in the interest of the Company and its shareholders.

Ansheng has consented in writing to the inclusion in this Prospectus of the statement set out above in the form and context in which it appears.

## **5.5 ASX quotation**

The Company will make an application to ASX for admission of the New Shares to quotation on ASX within 7 days after the date of this Prospectus.

If the application referred to above is not made within the seven days, or the New Shares are not admitted to Official Quotation on ASX within 3 months after the date of this Prospectus (or such longer period as is permitted by the Corporations Act), none of the Shares offered by this Prospectus will be issued. In that circumstance, all applications will be dealt with in accordance with section 724 of the Corporations Act.

The fact that ASX may grant Official Quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares.

## **5.6 Issue of New Shares**

It is expected that New Shares will be issued and holding statements will be despatched to applicants by Monday, 27 April 2015.

Subscription moneys will be held in a subscription account until the New Shares are issued. This account will be established as a trust account and kept by the Company on behalf of Applicants.

Interest earned on the subscription moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether and when New Shares are issued.

## **5.7 Minimum subscription**

There is no minimum subscription to the Offer.

## **5.8 Participation in dividends**

The New Shares that are the subject of this Prospectus will rank for dividends *pari passu* in all respects with existing Shares. It is not envisaged that dividends will be paid on those Shares in the foreseeable future.

## **5.9 Overseas Shareholders**

This Offer is being made only to Eligible Shareholders.

In the Company's view it would be unreasonable to extend the Offer to Shareholders with registered addresses outside Australia, New Zealand and China (including Hong Kong) ('**Foreign Shareholders**') having regard to the number of Shareholders resident outside those jurisdictions, the number of New Shares that would be offered to them, and the cost of complying with the legal requirements in those jurisdictions in relation to the Offer.

Accordingly, the Offer is not being made to Foreign Shareholders or in any place where, or to any person to whom, it would otherwise be unlawful to make such an offer. It is the responsibility of Shareholders to ensure compliance with all laws of any country which may be relevant to the Offer.

#### 5.10 Applications for Additional Shares

In addition to being able to apply for New Shares, Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for New Shares that are not subscribed for under the Offer (**Additional Shares**), subject to the requirements set out in section 7.4.

The offer of Additional Shares (**Shortfall Offer**) is a separate offer pursuant to this Prospectus. The issue price of any New Shares offered pursuant to the Shortfall Offer shall be 4 cents per Share, being the price at which the Entitlements have been offered to Shareholders pursuant to this Prospectus. As permitted by the ASX Listing Rules, the Directors reserve the right to issue Shares comprised in the Shortfall at their discretion. Accordingly, the Company does not guarantee that you will receive any Additional Shares you may apply for in excess of your Entitlement. Related parties of the Company (including Directors), other than Ansheng in its capacity as Underwriter, may not apply for Additional Shares.

### 6 USE OF PROCEEDS

The funds raised by the Offer are proposed to be expended as follows:

	\$
Costs associated with Offer	199,100
Repayment of loan to Ansheng	1,000,000
Feasibility study – Letlhakane	1,895,000
Working capital	906,374
<b>Total</b>	<b>4,000,474</b>

The information set out in this section is indicative only and is a statement of the Directors' intention as at the date of this Prospectus. The exact quantum of funds expended by the Company on any particular item may vary depending on the Company's circumstances and objectives. The Directors reserve the right to alter the way funds are applied on this basis.

### 7 WHAT YOU NEED TO DO

If you have any questions about your Entitlements, please contact:

- the Company's share registry:  
Advanced Share Registry  
110 Stirling Highway  
Nedlands WA 6009  
Tel: +618 9389 8033  
Fax: +618 9262 3723

**OR**

- your stockbroker or professional adviser.

### **7.1 How to accept up ALL of your Entitlement**

Complete the accompanying Entitlement and Acceptance Form according to the instructions on the form.

Send the completed form, together with a cheque or bank draft in payment for all your Entitlements, to reach the Company's share registry Advanced Share Registry, 110 Stirling Highway, Nedlands WA 6009 Tel: +618 9389 8033 Fax: +618 9389 7871, no later than 5.00pm Perth time on Monday, 20 April 2015.

### **7.2 How to accept PART of your Entitlement**

Complete the accompanying Entitlement and Acceptance Form for those Entitlements that you wish to accept. Send the completed form, together with a cheque or bank draft for the amount due in respect of the New Shares you intend to accept, to the Company's share registry.

### **7.3 Lapse of Entitlement**

If you decide not to accept your Entitlement, you do not need to do anything. Your Entitlement will lapse on the Closing Date.

### **7.4 Apply for Additional Shares**

If you wish to accept your Entitlement in full and apply for Additional Shares, complete the Entitlement and Acceptance Form and also fill in the number of Additional Shares you wish to apply for in the space provided on that form.

You must make payment for the appropriate application monies (at 4 cents per Share subscribed) for the New Shares comprising your Entitlement and any Additional Shares as provided in section 7.5 below.

Additional Shares will only be issued if the Offer is undersubscribed. It is possible that there will be insufficient Additional Shares available for issue, depending on the level of take-up of Entitlements by Eligible Shareholders. The Directors reserve the right to reject any application for Additional Shares or to allot a lesser number of Additional Shares than the number applied for. Application moneys received but not applied toward subscription for Additional Shares will be refunded as soon as practicable. No interest shall be paid on application moneys held and returned. In the event that an Eligible Shareholder applies for Additional Shares, the Company will not allot those Shares to the extent that the allotment would cause the Shareholder's voting power in the Company to exceed 20% otherwise than in accordance with the Corporations Act.

Send the completed Entitlement and Acceptance Form, together with a single cheque or bank draft for the amount due in respect of your Entitlement and the Additional Shares for which you are applying, to reach the Company's share registry, Advanced Share Registry, 150 Stirling Highway, Nedlands WA 6009 Tel: +618 9389 8033 Fax: +618 9389 7871, no later than 5.00pm Perth time on Monday, 20 April 2015.

### **7.5 Payment**

Applications for New Shares must be accompanied by payment in full of 4 cents per New Share. Payments will only be accepted in Australian currency and as follows:

Payment by cheque or money order must be:

- in Australian currency drawn on an Australian branch of a financial institution; and
- payable to “A-Cap Resources Limited” and crossed “Not Negotiable”.

Shareholders must submit a completed personalised Entitlement and Acceptance Form if they elect to submit their application moneys by cheque or money order.

Payment by BPay®:

- The biller code and reference number appears on your personalised Entitlement and Acceptance Form.
- Payment by BPay® should be made according to the instructions set out on your personalised Entitlement and Acceptance Form. If you pay by BPay® and do not pay for all of your Entitlements, the balance of your Entitlements will be treated as not having been taken up.

Shareholders are not required to submit a completed personalised Entitlement and Acceptance Form if they elect to submit their application moneys using BPay®.

Cash payments will not be accepted. Receipts for payment will not be provided.

## **8 EFFECT OF THE ISSUE**

### **8.1 Effect on the Company’s balance sheet**

Set out below is an unaudited pro forma consolidated balance sheet of the Group as at 31 December 2014 incorporating the effect of the Issue, assuming the Offer is successfully completed, raising \$3,801,374 after costs.

## Consolidated Balance Sheet (unaudited)

	Audit Reviewed Dec 2014	Loan Facility (1)	Effect of transaction	Repayment of Loan Facility(2)	Pro forma Dec 2014
	\$				\$
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	1,541,905	1,000,000	3,801,374	<1,011,018>	5,332,261
Financial assets at fair value through profit and loss	395,914				395,914
Trade and other receivables	308,318				308,318
<b>Total Current Assets</b>	<b>2,246,137</b>	<b>1,000,000</b>	<b>3,801,374</b>	<b>&lt;1,011,018&gt;</b>	<b>6,036,493</b>
<b>Non-Current Assets</b>					
Plant & Equipment	293,388				293,388
Capitalised exploration and evaluation	42,958,570				42,958,570
<b>Total Non-Current Assets</b>	<b>43,251,958</b>				<b>43,251,958</b>
<b>Total Assets</b>	<b>45,498,095</b>	<b>1,000,000</b>	<b>3,801,374</b>	<b>&lt;1,011,018&gt;</b>	<b>49,288,451</b>
<b>Current Liabilities</b>					
Trade and other payables	1,584,405	1,000,000		<1,000,000>	1,584,405
<b>Total Current Liabilities</b>	<b>1,584,405</b>	<b>1,000,000</b>		<b>&lt;1,000,000&gt;</b>	<b>1,584,405</b>
<b>Total Liabilities</b>	<b>1,584,405</b>	<b>1,000,000</b>		<b>&lt;1,000,000&gt;</b>	<b>1,584,405</b>
<b>Net Assets</b>	<b>43,913,690</b>		<b>3,801,374</b>	<b>&lt;11,018&gt;</b>	<b>47,704,046</b>
<b>Equity</b>					
Issued capital	59,487,511		4,000,474		63,487,985
Reserves	3,837,293			<11,018>	3,837,293
Accumulated losses	<19,411,114>		<199,100>	<11,018>	<19,621,232>
<b>Total Equity</b>	<b>43,913,690</b>		<b>3,801,374</b>		<b>47,704,046</b>

Note:

(1) On 11 March 2015 the Company entered into an agreement with Ansheng under which Ansheng agreed to advance to the Company A\$1million as an unsecured short term loan, bearing interest at the rate of 10% per annum, compounded daily, and repayable on the earlier of completion of the Offer and three months after the date of advance of the loan.

(2) Repayment of loan together with interest estimated at \$11,018

### 8.2 Effect on the Company's Income Statement

The Issue will have no effect on the Company's income statement for the year ended 30 June 2015, other than interest earned on funds raised by the Issue pending their expenditure in the manner described in Section 6.

### 8.3 Effect on the Company's capital structure

Set out below is a table showing the changes (assuming the Offer is fully subscribed) to the capital structure of the Company:



<b>Shares</b>		<b>\$</b>
375,044,411	Existing issued capital as at 25 February 2015	59,487,511
100,011,842	New Shares the subject of this Prospectus	4,000,474
<u>475,056,253</u>	Total issued capital	<u>63,487,985</u>

#### **Options**

4,000,000	Options exercisable at \$0.50 expiring on 15.10.2015
1,000,000	Options exercisable at \$0.40 expiring on 15.12.2015
1,500,000	Options exercisable at \$0.33 expiring on 31.01.2016
5,700,000	Options exercisable at \$0.09 expiring on 31.10.2017
10,000	Options exercisable at 80% of market value
<u>12,210,000</u>	

#### **8.4 Effect on control of the Company**

If all Eligible Shareholders take up their Entitlements in full, then the Offer will have no effect on control of the Company.

If some Shareholders do not take up their full Entitlements, then the shareholding interests in the Company of those Shareholders will be diluted. If no Eligible Shareholder other than Ansheng participates in the Offer and the Offer is fully subscribed (pursuant to the Underwriting Agreement), existing Shareholders' interests in the Company will be diluted by approximately 14.32% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

The proportional interests of Foreign Shareholders will be diluted because those Shareholders are not entitled to participate in the Offer.

### **9 ENTITLEMENTS AND LIABILITIES ATTACHING TO THE NEW SHARES**

#### **9.1 New Shares**

The following is a summary to the rights and liabilities attaching to the Shares. Full details of the rights attaching to the Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The rights and liabilities attaching to Shares can be summarised as follows:

##### **Share Capital**

The share capital of the Company presently consists of ordinary shares only. All existing Shares are of the same class and rank equally in all respects.

##### **Voting Rights**

Subject to any right or restrictions for the time being attached to any class or classes of shares (at present there are none), at a general meeting every holder of Shares present in person or by proxy, attorney or corporate representative has one vote on a show of hands and one vote per Share on a poll. A person who holds a Share which is not fully paid is entitled to a fraction of a vote equal to

the amount paid up (but not credited as paid up) on the Share divided by the total amount paid and payable on the Share (excluding amounts credited).

### **Dividend rights**

Subject to the rights of holders of Shares issued with any special or preferential rights (at present there are none), holders of fully paid Shares on which any dividend is declared or paid are entitled to participate in that dividend equally. Each Share which is not fully paid is entitled to a fraction of the dividend declared or paid on a fully paid Share equivalent to the proportion which the amount paid up (but not credited as paid up) on the Share bears to the total amounts paid and payable, whether or not called, (excluding amounts credited) on the Share.

### **Rights on winding-up**

Subject to the rights of holders of Shares issued upon special terms and conditions (at present there are none), holders of Shares will share in any surplus assets on a winding-up of the Company in proportion to the numbers of Shares held by them respectively.

### **Transfer of shares**

Subject to the Constitution, the Corporations Act, the Listing Rules and any other applicable laws of Australia, and subject to any restrictions applicable to Shares that have been designated by the ASX as 'restricted securities', Shares are freely transferable.

### **Future Increases in capital**

The allotment and issue of any New Shares is under the control of the Directors. Subject to the Constitution, the Corporations Act, and the Listing Rules, the Directors may allot or otherwise dispose of new Shares on such terms and conditions as they may in their absolute discretion determine.

### **Variation of rights**

The rights attaching to the Shares may be varied in accordance with the Corporations Act.

## **10 ADDITIONAL INFORMATION**

### **10.1 Continuous Disclosure Obligations**

The Company is a "listed disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to the ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a "transaction-specific" prospectus in respect of the Issue.

In general terms, a "transaction-specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific requirements of the ASX as applicable from time-to-time throughout the 12 months before the issue of this Prospectus which require the Company to notify the ASX of information about specified events or matters as they arise for the purpose of the ASX making that information available to the stock market conducted by the ASX.

As a disclosing entity under the Corporations Act, the Company states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Issue Date:
  - (i) the annual financial report of the Company for the financial year ended 30 June 2014;
  - (ii) the half-year financial report of the Company for the six months ended 31 December 2014; and
  - (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules that investors or their professional advisers:

- (a) would reasonably require for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (ii) the rights and liabilities attaching to the securities the subject of this Prospectus; and
- (b) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with the ASX in respect of the Company since the lodgement with ASIC of the annual financial report for the year ended 30 June 2014:

Date	Title
16.03.2015	Appendix 3Y Change of Directors Interest Notice
16.03.2015	Expiry of Unlisted Options
13.03.2015	Half Year Report 31 December 2014
27.02.2015	Non-Renounceable Rights Issue to Raise \$4 million
25.02.2015	Request for Trading Halt
31.01.2015	December 2014 Quarterly Report and Appendix 5B
15.12.2014	High Grade Uranium Mineralisation

Date	Title
08.12.2014	JORC Compliant Coal Resource at Foley
12.11.2014	Appendix 3Y Change of Directors Interest Notice
12.11.2014	Appendix 3Y Change of Directors Interest Notice
12.11.2014	Appendix 3Y Change of Directors Interest Notice
11.11.2014	Appendix 3Y Change of Directors Interest Notice
11.11.2014	Appendix 3Y Change of Directors Interest Notice
10.11.2014	Appendix 3Y Change of Directors Interest Notice
10.11.2014	Appendix 3Y Change of Directors Interest Notice
06.11.2014	Appendix 3B New Issue Announcement
05.11.2014	Expiry of Unlisted Options
31.10.2014	Results of Annual General Meeting
31.10.2014	Annual General Meeting Presentation
30.10.2014	September 2014 Quarterly Report and Appendix 5B
02.10.2014	2014 Notice of Annual General Meeting
26.09.2014	Clarification of Letlhakane Drilling Results
19.09.2014	2014 Annual Report

## 10.2 Interests of Directors and Other Persons Named in this Prospectus

- (a) Other than as set out in section 10.3 or elsewhere in this Prospectus, no:
- (i) Director or proposed Director;
  - (ii) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
  - (iii) promoter of the Company; or
  - (iv) financial services licensee named in this Prospectus as a financial services licensee involved in the Issue,
- holds, or has held within two years before the date of this Prospectus, any interest in the Issue or in the formation or promotion of, or in any property acquired or proposed to be acquired by, the Company in connection with its formation or promotion or the Issue.
- (b) Other than as set out in section 10.3 or elsewhere in the Prospectus, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:
- (i) to a Director or proposed Director to induce him to become, or to qualify him as, a director of the Company; or
  - (ii) for services provided in connection with the formation or promotion of the Company or the Issue by any Director or proposed Director, any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, any promoter of the Company, or any underwriter or financial services licensee named in this Prospectus as an underwriter or financial services licensee involved in the Issue.

## 10.3 Details of Interests

- (a) Directors' interests in Shares and Options as at the date of this Prospectus are:

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
R J Pett	1,315,173	-	-	-
P Thomson	-	-	4,200,000**	-
R Lockwood	-	1,555,860	-	-
A Shen	-	120,315,273****	-	-
P Ingram	-	607,373	-	-
P Woolrich	514,286	1,149,724	1,000,000***	-
H Stacpoole	1,528,964	1,211,356	1,000,000***	-

\*\*1,500,000 options exercisable at \$0.33 each on or before 31/01/2016

200,000 options exercisable at \$0.40 cents on or before 15/12/2015

2,500,000 options exercisable at \$0.09 cents on or before 31/10/2017

\*\*\*exercisable at \$0.50 each on or before 15/10/2015

\*\*\*\*a total of 120,315,273 Shares are held by Angang Shen or by Ansheng Investment Company Ltd and China Growth Minerals Limited, companies controlled by Mr Shen.

- (b) The remuneration paid or payable to Directors, including share-based payments, during the period 1 July 2012 to the date of this Prospectus is as follows:

	Period 1 July 2014 to 20 March 2015 \$	2013/14 \$	2012/13 \$
R J Pett	85,324	55,813	99,917
P Thomson	304,395	358,984	333,641
R Lockwood	45,015	26,872	45,833
A Shen	35,188	16,250	-
P Ingram	49,226	27,313	49,958
P Woolrich	179,516	115,200	194,992
H Stacpoole	49,226	27,313	45,833

- (c) No amounts have been paid or agreed to be paid for services provided in connection with the formation or promotion of the Company or the Issue by a Director.
- (d) No amounts have been paid or agreed to be paid for services provided in connection with the formation or promotion of the Company or the Issue by an underwriter named as such in this Prospectus, save that Ansheng will receive a fee of \$160,019 (equating to 4% of the total funds to be raised pursuant to the Offer) for underwriting the Issue. Ansheng is an entity which is controlled by Angang Shen, a director of the Company.
- (e) On 11 March 2015 the Company entered into an agreement with Ansheng under which Ansheng agreed to advance to the Company A\$1million as an unsecured short term loan, bearing interest at the rate of 10% per annum, compounded daily, and repayable on the earlier of completion of the Offer and three months after the date of advance of the loan.

- (f) The professional fees paid or payable to persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus are as follows:

	<b>Fees</b> \$
Legal and accounting	5,000
<b>Total</b>	<b>5,000</b>

#### 10.4 Underwriting Agreement

The Company has entered into an underwriting agreement with Ansheng dated 4 March 2015 under which the Underwriter has agreed to fully underwrite the Issue.

The Underwriter's obligations under the Underwriting Agreement are conditional on the Company obtaining any necessary Shareholder approval (whether under the Corporations Act, the Listing Rules, or otherwise) for the Underwriter to acquire the New Shares.

The Underwriter will be paid a fee of \$160,019 for underwriting the Issue. The Underwriter may, by giving written notice to the Company at any time prior to the issue of the New Shares, terminate its obligations under the Underwriting Agreement if any one or more of the following events occurs:

- (a) **(breach)** the Company fails, in a material respect, to perform or observe any of its obligations under the Underwriting Agreement and that failure is not remedied to the reasonable satisfaction of the Underwriter before the date on which the Underwriter would otherwise be obliged to lodge its application or applications for the Shortfall;
- (b) **(section 652C events)** one of the events listed in section 652C(1) or (2) of the Corporations Act happens in relation to the Company (assuming that the Company was the 'target' for the purposes of that section);
- (c) **(contravention)** the Company or any of its officers contravenes, or is charged with a contravention of, any provision of its constitution or any law relating to companies or securities or the Listing Rules; and
- (d) **(All Ordinaries Index)** for five consecutive Business Days the All Ordinaries Index of ASX remains at or below 10% of the All Ordinaries Index as at the close of business of ASX on the date of the Underwriting Agreement.

The Underwriting Agreement does not contain the customary representations, warranties, indemnities and rights of termination in favour of the Underwriter

#### 10.5 Estimated Expenses of Offer

The estimated expenses of the Offer, assuming it is fully subscribed, are as follows:

	\$
ASIC fees	2,290
ASX fees	10,931
Legal and accounting fees	5,000
Printing and other costs	20,860
Underwriting fee	160,019
Total:	<u>199,100</u>

## **10.6 Consents and Liability of Persons Named in this Prospectus**

The following persons have given and have not, before the issue of this Prospectus, withdrawn their written consent to be named in this document in the form and context in which they are named:

- Squire Patton Boggs (AU) – Legal Advisers
- Ansheng Investment Company Ltd – Underwriter
- Advanced Share Registry – Share registry
- William Buck – Auditors

None of the above persons was involved in the preparation of any part of this Prospectus and they make no express or implied representation or warranty in relation to the Company, this Prospectus or the Offer, nor do they make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement made by them. To the maximum extent permitted by law, the above persons expressly disclaim and take no responsibility for any material in, or omission from, this Prospectus other than the reference to their name.

## 11 GLOSSARY

**A\$ or \$** means Australian dollars;

### **Additional Shares**

means New Shares applied for by Shareholders in excess of their Entitlements;

### **Ansheng or Underwriter**

means Ansheng Investment Company Ltd;

### **Applicant**

means an applicant for Shares under this Prospectus;

### **ASIC**

means the Australian Securities and Investments Commission;

### **ASX**

means ASX Limited (ACN 104 028 542) trading as the Australian Securities Exchange;

### **Business Day**

means a day on which trading takes place on the stock market of the ASX;

### **Closing Date**

means Monday, 20 April 2015, or such other date as the Company may in its absolute discretion notify Shareholders;

### **Company or A-Cap**

means A-Cap Resources Limited (ABN 28 104 028 542);

### **Constitution**

means the constitution of the Company;

### **Corporations Act**

means the *Corporations Act 2001* (Cth);

### **Director**

means the director of the Company;

### **Eligible Shareholder**

means a Shareholder described in section 5.2;

### **Entitlement and Acceptance Form**

means the Entitlement and Acceptance Form attached to this Prospectus;

### **Entitlements**

means entitlements to subscribe, on a pro rata basis for New Shares pursuant to this Prospectus;

### **Existing Options**

means unlisted Options on issue as at the date of this Prospectus with various exercise prices and expiry dates, details of which are set out in section 8.3;

### **Group**

means A-Cap and A-Cap Resources Botswana (Pty) Ltd;

### **Issue**

means the issue of New Shares the subject of this Prospectus;

### **Listing Rules or ASX Listing Rules**

means the Listing Rules of the ASX;

### **New Shares**

means the 100,011,842 Shares comprised in the Issue;

### **Option**

means an option to subscribe for a Share;

### **Offer**

means the pro-rata non-renounceable offer to Shareholders of 1 New Share for every 3.75 Shares held as at the Record Date, at an issue price of 4 cents per New Share of New Shares under this Prospectus;

### **Record Date**

means 30 March 2015 being the date for determining Entitlements to participate in the Offer;

### **A-Cap Shares or Shares**

means fully paid ordinary shares in the Company;

### **Shareholders**

means holders of Shares;

### **Shortfall**

means the number of New Shares for which applications (not being applications for Additional Shares) have not been received by the Company on or prior to the Closing Date; and

### **Underwriting Agreement**

means the agreement described in section 10.4.



In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.



.....  
Signed for and on behalf of A-Cap Resources Limited by

**DENIS I RAKICH**  
**Company Secretary**

Dated: 20 March 2015