



ASX Release

Wednesday 6 July 2016

ASX : ACB

CONVERTIBLE NOTE AGREEMENT

A-Cap Resources Limited (ASX Code – ACB) (the Company) has been notified by Jiangsu Chixiang Precision Gear Co., Ltd (Jiangsu Chixiang) that the transfer of the A\$5 million issue price in order to subscribe for a convertible note in the Company, pursuant to the convertible note subscription deed entered into between the Company and Jiangsu Chixiang on 20 June 2016 (convertible note agreement), has been turned down by the State Administration of Foreign Exchange, Yancheng Branch, China. Accordingly, in accordance with the terms of the convertible note agreement, the convertible note in the Company has not been issued to Jiangsu Chixiang.

The determination by the State Administration of Foreign Exchange, Yancheng Branch was made pursuant to the listing rules applicable to companies listed on China's New Three Board, of which Jiangsu Chixiang is a listed entity.

The Company is considering alternative methods of raising capital in the Company.

The trading halt in the Company's shares can now be lifted.

*****Ends*****

For further information contact:

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