



22 March 2018

Ms Anjuli Sinniah  
Senior Adviser, Listings Compliance (Perth)  
Level 40, Central Park  
152 – 158 St Georges Terrace  
Perth WA 6000

**By email:** [anjuli.sinniah@asx.com.au](mailto:anjuli.sinniah@asx.com.au), [tradinghaltsp Perth@asx.com.au](mailto:tradinghaltsp Perth@asx.com.au)

Dear Ms Sinniah

**A-Cap Resources Limited (ACB): price query**

We refer to your letter dated 21 March 2018 (**your letter**) in which you have requested a response to the following questions with regards to the increased price and volume of trading in the securities of ACB.

In response to your various questions, we respond as follows.

- 1. Is ACB aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?**

Yes, at the time of receiving your letter, ACB was in the final stages of negotiating and entering a term sheet with ARC Marlborough Pty Limited ACN 127 139 780 (**ARC**) in respect of the potential acquisition by ACB of a Nickel-Cobalt Project in North Queensland. The entry into this term sheet was subject to ACB board approval. ACB's board approved the entry into the term sheet and transactions contemplated under it, late yesterday and ACB has today made an announcement in respect of entry into the term sheet.

However, ACB has no knowledge in respect of whether any such information became known to the market.

- 2. (a) Is ACB relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?**

Yes, ACB was relying on Listing Rules 3.1A.1 and 3.1A.2 in not making an announcement in respect of entry into the term sheet.

Until ACB's board had approved the term sheet, the term sheet was non-binding and therefore the information concerned an incomplete proposal or negotiation. In addition, until ACB's board had approved entry into the term sheet and communicated this to ARC, ACB was subject to confidentiality restrictions on release of information subject of the term sheet.

- (b) Can an announcement be made immediately?**



An announcement in respect of entry into the term sheet could not be made immediately following the receipt of your letter due to the reasons outlined in paragraphs 1 and 2(a) above. However, following the receipt of your letter and ASX's subsequent telephone call on 21 March, ACB requested an immediate trading halt, which was implemented from 21 March 2018.

**(c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?**

Please refer to the responses outlined in paragraphs 1 and 2(a) above. An announcement in respect of entry into the term sheet has been made today and the trading halt has been lifted.

**3. Please confirm that ACB is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

I confirm that ACB is in compliance with the Listing Rules and in particular Listing Rule 3.1.

**4. Please confirm that ACB's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ACB with delegated authority from the board to respond to ASX on disclosure matters.**

I confirm that ACB's responses to the questions above have been authorised and approved by the ACB's board.

For and on Behalf of the Board of  
**A-CAP RESOURCES LIMITED**

A handwritten signature in black ink, appearing to read 'J Fisher-Stamp', is written over a white rectangular box.

**JOHN FISHER-STAMP**  
Finance Director



21 March 2018

Nicholas Yeak  
Company Secretary  
Level 15, AMP Building  
140 St Georges Terrace  
Perth WA 6000

By email: [nyeak@a-cap.com.au](mailto:nyeak@a-cap.com.au)

Dear Mr Yeak

**A-Cap Resources Limited (“ACB”): price query**

We note the change in the price of ACB’s securities from a close of \$0.071 to an intraday high of \$0.084 today, 21 March 2018.

We also note the significant increase in the volume of ACB’s securities traded today.

In light of this, ASX asks ACB to respond separately to each of the following questions and requests for information:

1. Is ACB aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
  - a) Is ACB relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in ACB’s securities would suggest to ASX that such information may have ceased to be confidential and therefore ACB may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
  - b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
  - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that ACB may have for the recent trading in its securities?
4. Please confirm that ACB is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

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5. Please confirm that ACB's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ACB with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, **by not later than half an hour before the start of trading (ie before 6.30 am WST) on Friday 23 March 2018**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in ACB's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ACB's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [anjuli.sinniah@asx.com.au](mailto:anjuli.sinniah@asx.com.au) and [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au). It should **not** be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Listing Rules 3.1 and 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to ACB's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that ACB's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

#### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in ACB's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Anjuli Sinniah  
**Senior Adviser, Listings Compliance (Perth)**

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