



ASX Release

Tuesday 24 April 2018

ASX : ACB

REVISED PROSPECTUS – NON RENOUNCEABLE RIGHTS ISSUE

Please be advised that the Prospectus for the Non Renounceable Rights Issue released to the market on 16 April 2018 has been revised.

The basis of allocation has been corrected from 2 New Shares for every 6.54 Shares held at the Record Date to 1 New Share for every 13.08 Shares held at the Record Date (20 April 2018).

Aside from the above, there are no further changes to the prospectus dated 16 April 2018.

For and on behalf of the Board of
A-CAP RESOURCES LIMITED



NICHOLAS YEAK
Company Secretary

Ends

ABN 28 104 028 542

This Prospectus is a replacement prospectus dated 24 April 2018. It replaces the Prospectus dated 16 April 2018, relating to the pro-rata non-renounceable entitlement offer to Shareholders of 66,657,864 Shares. This replacement Prospectus was lodged with ASIC on 24 April 2018.

P R O S P E C T U S

For a pro-rata non-renounceable entitlement offer to Shareholders of 66,657,864 Shares on the basis of 1 New Share for every 13.08 Shares held at the Record Date at an issue price of 6 cents per New Share.

The Offer closes at 5.00pm Perth time on Thursday 17 May 2018.

The Offer is fully underwritten.

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	6-Apr-18
Lodgement of Prospectus and Appendix 3B with ASX and ASIC	Monday	16-Apr-18
Notice sent to Eligible Shareholders	Tuesday	17-Apr-18
Ex Date (date from which securities will commence trading without the entitlement to participate in the Issue)	Thursday	19-Apr-18
Record Date to determine entitlements to New Shares (Entitlements)	Friday	20-Apr-18
Prospectus and Entitlement and Acceptance Forms despatched	Thursday	26-Apr-18
Opening day for acceptances and payment (Opening Date)	Monday	30-Apr-18
Last day for acceptance (Closing Date)	Thursday	17-May-18
New Shares quoted on ASX on deferred settlement basis	Friday	18-May-18
Notify ASX of undersubscriptions	Monday	21-May-18
Issue of New Shares and despatch of holding statements	Wednesday	23-May-18
Trading in New Shares commences	Thursday	24-May-18

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 16 April 2018 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 New 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 or 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 and China. 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 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

Angang Shen
Paul Ingram
John Fisher-Stamp
Michael Liu
Jijing Niu
Chenghu Zhu

Chief Executive Officer

Paul Thomson

Company Secretary

Nicholas Yeak

Registered Office

Ashurst Australia
Level 38, Riverside Centre
123 Eagle Street
Brisbane QLD 4000

Principal Place of Business

Level 1, 136 Stirling Hwy
Nedlands WA 6009
Tel: +61 8 9467 2612
Fax: +61 8 7200 7612

Auditors

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

Legal Advisers

Ashurst Australia*
Level 38, 123 Eagle Street
Brisbane QLD 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

Website

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 entitlement offer to Eligible Shareholders of 1 New Share for every 13.08 Shares held as at the Record Date, at an issue price of 6 cents per New Share (**Original Offer**).

The Company is also making a shortfall offer open to Eligible Shareholders, under which Eligible Shareholders are entitled to subscribe for Additional Shares not taken up under the Original Offer, up-to an additional 50% of their entitlement under the Original Offer (**Shortfall Offer**).

The Closing Date and time for acceptances and payments is 5.00pm Perth time on Thursday 17 May 2018. 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 Jianguo in accordance with the terms and conditions of the Underwriting Agreement. Further details of the underwriting, including the extent of any potential increase in the voting power of Jianguo as a result of its underwriting the Offer, is set out in section 5.4.

Further 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 under the Shortfall Offer.

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 66,657,864 New Shares, raising approximately \$4 million (before the costs of the Offer).

The purposes of the Offer are to raise further capital to enable the Company to, among other things:

- Project optimisation work for the Company's Letlhakane Uranium Project;
- Update mine plan and pit optimisations;
- Progress the Company's new energy strategy which includes exploration work programmes on nickel-cobalt mineral deposits;
- Additional working capital.

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

The Directors consider that the Offer represents the most appropriate means of capital raising in the current capital markets for exploration and development.

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 938,542,730 Shares and 10,000 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 may be 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.

(g) Potential Acquisitions

The Company may pursue and assess other new business opportunities in the resource sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

Such transactions (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed transaction is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If a transaction is undertaken, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new transaction/business activities will remain.

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 for the sale of Shares (including the New Shares) 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 Shares.

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 the 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 6 April 2018, the Company announced that the board had resolved unanimously to raise approximately \$4 million (before costs) by offering Eligible Shareholders the opportunity to subscribe for 1 New Share for every 13.08 Shares held on the Record Date at an offer price of 6 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 Issue Price represents a 15.25% discount on the 20-day volume weighted average price of the Company's ordinary shares on the ASX up to the 4th April 2018.

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 and payments, is 5.00pm Perth time on Thursday 17 May 2018.

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 the Record Date and whose registered address is in Australia, New Zealand and China, 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 Jianguo on the terms of the Underwriting Agreement. Under the Underwriting Agreement, Jianguo is required to take up any Shortfall which is not accepted or subscribed for by Shareholders under the Offer. The material terms of the Underwriting Agreement are set out in section 10.4.

As at the date of this Prospectus:

- (a) Jianguo has a voting power in the Company of approximately 41.04%;
- (b) no A-Cap shareholder has a voting power exceeding 20% in Jianguo;
- (c) No executive officer of A-Cap is a director or executive officer of Jianguo;
- (d) No executive officer or director of Jianguo is an executive officer of A-Cap;

- (e) A-Cap non-executive director Mr Jijing Niu is a director of Jiangsu; and
- (f) A-Cap non-executive director Mr Chenghu Zhu is a director of Jiangsu; and
- (g) Jiangsu is not an associate (as that term is defined in the Corporations Act) of any of the shareholders of A-Cap.

Jiangsu has advised the Company that it will not be taking up its Entitlement under the Offer and will only be taking up New Shares pursuant to the Underwriting Agreement should there be any Shortfall. The Underwriter will be paid a fee for underwriting the Issue, which the Company may, at its election, settle by way of issue of Shares to the Underwriter in lieu of cash for the underwriter fee. Such Shares would be issued at the Issue Price. See section 10.4 for further details on the terms of the Underwriting Agreement.

The table below demonstrates the approximate extent of the potential increase in the voting power of Jiangsu as a result of underwriting the Offer (assuming no existing Options are exercised prior to the Record Date) and depending on whether the Company elects to settle the underwriting fee by way of issue of Shares in lieu of cash.

Event	Assuming no shares issued in settlement of underwriting fee		Assuming 100% of underwriting fee settled by way of share issue	
	No. of Shares which Jiangsu has a relevant interest	Voting power of Jiangsu %	No. of Shares which Jiangsu has a relevant interest	Voting power of Jiangsu %
Date of Prospectus	357,786,934	41.04%	357,786,934	41.04%
After issue of New Shares assuming a 100% Shortfall	424,444,798	45.22%	426,444,798	45.34%
After issue of New Shares assuming a 75% Shortfall	407,780,332	43.45%	409,780,332	43.57%
After issue of New Shares assuming a 50% Shortfall	391,115,866	41.67%	393,115,866	41.80%
After issue of New Shares assuming a 25% Shortfall	374,451,400	39.90%	376,451,400	40.02%
After issue of New Shares assuming no Shortfall	357,786,934	38.12%	359,786,934	38.25%

The figures depicted above demonstrate the potential effect on control of the Company as a result of the underwriting by Jiangsu. The extent of control ultimately acquired by Jiangsu as a result of its underwriting the Offer will depend on the extent to which Eligible Shareholders take up their Entitlements and any Additional Shares issued under the Offer. The underwriting obligations of Jiangsu, and subsequently the level of control it will have over the Company, will reduce proportionately to the extent to which Eligible Shareholders take up their Entitlement and receive Additional Shares under the Offer.

Jiangsu has advised the Company that:

- (a) 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; and
- (b) progress the Company's new energy strategy including exploration work programmes on nickel-cobalt mineral deposits; and
- (c) Jiangsu will continue to use its voting power in the interest of the Company and the Shareholders.

Jiangsu 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 7 days, or the New Shares are not admitted to official quotation on the ASX within 3 months after the date of this Prospectus (or such longer period as is permitted by the Corporations Act):

- (a) no New Shares offered under this Prospectus will be issued; and
- (b) 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 the Closing Date.

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 under 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 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 (**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 under the Shortfall Offer

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 under the 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 6 cents per Share, being the price at which the Entitlements have been offered to Shareholders under the Original Offer.

Eligible Shareholders will be entitled to apply for the number of Additional Shares under the Shortfall Offer equal to up-to 50% of their Entitlement under the Original Offer. New Shares issued under the Shortfall Offer will be allocated on a pro-rata basis of those Shareholders that apply. As permitted by the ASX Listing Rules and the Corporations Act, Directors reserve the right to issue Additional Shares 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 Jiangsu in its capacity as Underwriter, may not apply for Additional Shares.

Any offer for any portion of the Shortfall is made on the basis of this Prospectus.

6 USE OF PROCEEDS

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

	\$
Costs associated with Offer (including fees payable to the Underwriter)	168,400
Project optimisation works – Letlhakane	933,248
Cobalt & Nickel exploration programmes	1,500,000
Corporate and administration costs	1,281,913
Working capital	115,911
Total	\$3,999,472

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 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 the Closing Date.

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 Advanced Share Registry, 110 Stirling Highway, Nedlands WA 6009 Tel: +618 9389 8033 Fax: +618 9389 7871, no later than the Closing Date.

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 6 cents per New Share subscribed) for the New Shares comprising your Entitlement and any Additional Shares as provided in section 7.5.

Additional Shares will only be issued if the Original Offer is undersubscribed. Eligible Shareholders will be entitled to apply for the number of Additional Shares under the Shortfall Offer equal to up-to 50% of their Entitlement under the Original Offer. Additional Shares will be allocated on a pro-rata basis of those Eligible Shareholders that apply. 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 taken up and the Additional Shares for which you are applying, 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 the Closing Date.

7.5 Payment

Applications for New Shares must be accompanied by payment in full of 6 cents per New Share.

Payments must be made by the Closing Date, and 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 March 2018 incorporating the effect of the Issue, assuming the Offer is successfully completed, raising \$3,831,072 after costs.

	UNAUDITED MAR-18	EFFECT OF TRANSACTION	PROFORMA UNAUDITED MAR-18
Assets			
Current Assets			
Cash and cash equivalents	1,958,352	3,831,072	5,789,424
Trade receivables and other current assets	109,788	-	109,788
Total Current Assets	2,068,140	3,831,072	5,899,212
Non-Current Assets			
Plant and Equipment	82,467	-	82,467
Capitalised Exploration & Evaluation	51,529,880	-	51,529,880
Total Non-Current Assets	51,612,347	-	51,612,347
Total Assets	53,680,487	3,831,072	57,511,559
Current Liabilities			
Trade and other payables	455,396	-	455,396
Total Current Liabilities	455,396	-	455,396
Total Liabilities	455,396	-	455,396
Net Assets	53,225,091	3,831,072	57,056,163
Equity			
Issued Capital	71,552,319	3,831,072	75,383,391
Reserves	5,444,287	-	5,444,287
Accumulated Losses	(23,771,515)	-	(23,771,515)
Total Equity	53,225,091	3,831,072	57,056,163

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 2018, 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:

Shares		\$
871,884,866	Existing issued capital as at 31 March 2018*	71,552,319
66,657,864	New Shares (net of share issue costs)	3,831,072
<u>938,542,730</u>	Total issued capital	<u>75,383,391</u>

Options

10,000 Unlisted Options exercisable at 80% of market value

8.4 Effect on control of the Company

If all Eligible Shareholders take up their Entitlements in full, then the Offer will have no material effect on the ownership, or 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 participates in the Offer and the Offer is fully subscribed by Jiangsu (pursuant to the Underwriting Agreement), existing Shareholders' interests in the Company will be diluted by approximately 4.19% (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 New Shares. Full details of the rights attaching to the New 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 New 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 for 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 this Prospectus and the issue date:
 - (i) the annual financial report of the Company for the financial year ended 30 June 2017;
 - (ii) the half-year financial report of the Company for the six months ended 31 December 2017;
 - (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 2017:

Date	Title
12/04/2018	A-Cap Resources Limited Terminates Binding Term Sheet
11/04/2018	Trading Halt
6/04/2018	Appendix 3B
6/04/2018	Non-Renounceable Rights Issue to Raise \$4 million
4/04/2018	Trading Halt
23/03/2018	Response to ASX Price and Volume Query
23/03/2018	A-Cap Resources Limited enters into a binding Term Sheet
21/03/2018	Trading Halt
15/03/2018	Half Year Financial Report - 31 December 2017
31/01/2018	Quarterly Activities Report & Appendix 5B Dec-17
28/11/2017	Results of 2017 Annual General Meeting
28/11/2017	2017 Annual General Meeting Presentation
1/11/2017	Expiry of Unlisted Options
31/10/2017	Quarterly Activities Report & Appendix 5B - Sep-17
30/10/2017	2017 Annual Report
30/10/2017	Notice of Annual General Meeting & Proxy Form
6/10/2017	Extension of Coal Prospecting Licences
28/09/2017	Appendix 4G & Corporate Governance Statement
28/09/2017	2017 Annual Financial 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 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
A Shen *	850,218	172,491,060	-	-
P Ingram	1,482,376	6,366,858	-	-
J Fisher-Stamp	1,147,450	5,220,418	-	-
M Liu	5,087,265	6,275,635	-	-
JJ Niu	-	-	-	-
CH Zhu	-	-	-	-

* A total of 172,491,060 Shares are held by Ansheng and China Growth Minerals Limited, each being companies controlled by Mr. Angang Shen.

- (b) The remuneration paid or payable to Directors, including share-based payments, during the period 1 July 2015 to the date of this Prospectus is as follows:

	Period 1 July 2017 to 31 March 2018 \$	2016/17 \$	2015/16 \$
A Shen	95,356	359,346	45,740
P Ingram	95,104	426,034	252,450
J Fisher-Stamp	95,104	420,059	218,553
M Liu	95,356	416,887	210,839
JJ Niu	37,503	39,397	-
CH Zhu	37,503	39,397	-
P Thomson*	120,498	486,842	436,416
P Woolrich	-	30,226	119,271
H Stacpoole	-	22,607	46,135

R Pett	-	-	24,318
R Lockwood	-	-	7,848

* Retired from the board on 31 August 2017.

- (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 Jiangsu will receive a fee of \$120,000 (equating to 3% of the total funds to be raised pursuant to the Offer) for underwriting the Issue.
- (e) As at the date of this Prospectus, the following directors of the Company, hold an interest (directly or indirectly) in Jiangsu, who has voting power of approximately 41.04% in the Company:
- (i) Mr JJ Niu is a director of, and holds voting power of, 4.58% in Jiangsu;
 - (ii) Mr CH Zhu is a director of, and holds voting power of, 15.82% in Jiangsu; and
 - (iii) Mr CH Zhu's spouse holds voting power of 6.42% in Jiangsu.
- (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 is estimated as follows:

	Fees \$
Legal fees	20,000

10.4 Underwriting Agreement

The Company has entered into an underwriting agreement with Jiangsu dated 12 April 2018 under which the Underwriter has agreed to fully underwrite the Issue. Jiangsu is a company registered and incorporated in China. Jiangsu is listed on National Equities Exchange and Quotations in China known as the New Third Board, the over-the-counter stock exchange in China. Jiangsu is a shareholder of the Company and currently holds as at the date of this Prospectus 357,786,934 ordinary shares out of 871,884,866 issued ordinary shares in the Company, representing approximately 41.04% in the issued capital of the Company.

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 \$120,000 for underwriting the Issue. The Company may, at its election, issue Shares to the Underwriter in lieu of cash for the underwriter fee, which Shares would be issued at the Issue Price. 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 and such event has or is likely to have a material adverse effect on the success of the Offer:

- (a) 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) one of the events listed in section 652C(1) or (2) of the Corporations Act occurs in relation to the Company (assuming that the Company was the 'target' for the purposes of that section);
- (c) 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; or
- (d) 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 and indemnities 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 & ASX fees	12,400
Legal and accounting fees	20,000
Printing and other costs	16,000
Underwriting fee	120,000
Total:	<u><u>168,400</u></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:

- Ashurst – Legal Advisers
- Jiansu – Underwriter
- Advanced Share Registry – Share registry
- William Buck – Auditors

None of the above persons were 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

<p>\$ means Australian dollars;</p> <p>Additional Shares means New Shares applied for by Shareholders in excess of their Entitlements;</p> <p>Ansheng means Ansheng Investment Company Ltd;</p> <p>Anpengsheng means Anpengsheng Investment Corporate Company Limited;</p> <p>Applicant means an applicant for Shares under this Prospectus;</p> <p>ASIC means the Australian Securities and Investments Commission;</p> <p>ASX means ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange;</p> <p>Business Day means a day on which trading takes place on the stock market of the ASX;</p> <p>Closing Date means 5.00pm Perth time on 17 May 2018, or such other date as the Company may in its absolute discretion notify Shareholders;</p> <p>Company or A-Cap means A-Cap Resources Limited (ACN 104 028 542);</p> <p>Constitution means the constitution of the Company;</p> <p>Corporations Act means the <i>Corporations Act 2001</i> (Cth);</p> <p>Director means the director of the Company;</p> <p>Eligible Shareholder means a Shareholder described in section 5.2;</p> <p>Entitlement and Acceptance Form means the Entitlement and Acceptance Form attached to this Prospectus;</p> <p>Entitlements means entitlements to subscribe, on a pro rata basis for New Shares under the Original Offer pursuant to this Prospectus;</p> <p>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;</p>	<p>Foreign Shareholders mean Shareholders with registered addresses outside Australia, New Zealand and China;</p> <p>Group means A-Cap and A-Cap Resources Botswana (Pty) Ltd;</p> <p>Issue means the issue of New Shares the subject of this Prospectus;</p> <p>Jiangsu or Underwriter means Jiangsu Shengan Resources Group Co., Ltd.</p> <p>Listing Rules or ASX Listing Rules means the Listing Rules of the ASX;</p> <p>New Shares means the 66,657,864 Ordinary Shares comprised in the Issue;</p> <p>Offer means the Original Offer and the Shortfall Offer;</p> <p>Option means an option to subscribe for a Share;</p> <p>Original Offer means the pro-rata non-renounceable entitlement offer to Shareholders of 1 New Share for every 13.08 Shares held as at the Record Date, at an issue price of 6 cents per New Share under this Prospectus</p> <p>Record Date means 5.00pm Perth time on 20 April 2018, being the date for determining entitlements to participate in the Offer;</p> <p>Shares means fully paid ordinary shares in the Company;</p> <p>Shareholders means holders of Shares;</p> <p>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;</p> <p>Shortfall Offer means the Offer described in section 5.10, under which Eligible Shareholders are entitled to subscribe for Additional Shares under any Shortfall, up-to an additional 50% of their Entitlement under the Original Offer; and</p> <p>Underwriting Agreement means the agreement described in section 10.4.</p>
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In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.



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Signed for and on behalf of A-Cap Resources Limited by
NICHOLAS YEAK
Company Secretary

Dated: 16 April 2018