

# **A-Cap Resources Limited**

**ACN 104 028 542**

**TO: THE STOCK EXCHANGE OF NEWCASTLE LIMITED**

**DATE: 24<sup>th</sup> March 2006**

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## **NOTICE OF GENERAL MEETING**

A Notice of a General Meeting of A-Cap Resources Limited to be held on Wednesday 26<sup>th</sup> April 2006 together with the accompanying notes was dispatched to shareholders today.

Shareholders are being asked to approve the reconstruction of the Company's capital and a further renewal of the period for completion of the issue of 25,000,000 ordinary shares to 25<sup>th</sup> July 2006.

The Notice and accompanying notes are attached.

**JOHN WILSON**  
**Company Secretary**

**A-Cap Resources Limited**

**REGISTERED OFFICE**

Suite 5.10, 737 Burwood Rd, Hawthorn, Australia

Telephone +61 3 9813 3228 Facsimile +61 3 9813 2668

**A-CAP RESOURCES LIMITED**  
(ACN 104 028 542)

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**NOTICE OF GENERAL MEETING**

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**Date of Meeting**

26 April 2006

**Time of Meeting**

9.00 am AEST

**Place of Meeting**

Ground Floor  
Pacific Tower  
737 Burwood Road  
Hawthorn Victoria 3122

# **A-CAP RESOURCES LIMITED**

(ACN 104 028 542)

## **NOTICE OF GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT A GENERAL MEETING OF SHAREHOLDERS OF A-CAP RESOURCES LIMITED (ACN 104 028 542) ("COMPANY") WILL BE HELD AT GROUND FLOOR, PACIFIC TOWER, 737 BURWOOD ROAD HAWTHORN IN THE STATE OF VICTORIA ON 26 APRIL 2006 AT 9.00AM (AEST).**

## **AGENDA**

### **BUSINESS:**

**Ordinary: Nil**

**Special**

### **Resolution 1 – Reconstruction of Capital**

**To consider and, if thought fit, to pass the following resolution as an ordinary resolution:**

“That subject to the Company first placing 3,333,334 ordinary shares to clients of Bell Potter Securities Limited, the capital of the Company be reconstructed from 90,064,268 ordinary shares each credited as fully paid to 67,548,201 ordinary shares each credited as fully paid by consolidating each 4 ordinary shares in the capital of the Company into one ordinary share and by subdividing each such resultant share into 3 ordinary shares each credited as fully paid on the basis where a members holding is not divisible by 4, then any fractional entitlement to a share which would result from any such consolidation and subdivision shall be aggregated with all like fractional entitlements of each of the members being aggregated and with the shares representing the aggregate of such fractional entitlements being issued and allotted to the company secretary who shall hold same on trust for the members entitled thereto in accordance with their respective entitlements on the basis that, subsequent to the consolidation and subdivision taking effect, the company secretary shall sell same and account to each member for any net amount to which that member is entitled after deduction of the costs of sale thereof and an allowance for the costs of postage.”

### **Resolution 2 – Placement of Shares**

**To consider, and if thought fit, to pass the following as an ordinary resolution:**

"That in accordance with the provisions of Listing Rule 6.25 of Section IIA of the Listing Rules of Stock Exchange of Newcastle Limited, the directors of the Company be authorised to place up to 25,000,000 ordinary shares in the capital of the Company with such shares being placed at an issue price of \$0.20 (20 cents) per share with such shares being placed pursuant to a prospectus to be issued by the Company with such issue not being required to be by way of an entitlements issue but with liberty for the directors to make such issue open to any person resident within Australia and New Zealand and with directors having the right, but not the obligation, to include as a term of the issue that a general priority as to whole or part of the issue be reserved for members of the Company."

By Order of the Board of

**A-Cap Resources Limited**

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John Wilson

Company Secretary

Dated: 21 March 2006

## NOTES

### 1. Voting

- (a) A-Cap Resources Limited has determined, in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), that the shares of A-Cap Resources Limited that are quoted on the Stock Exchange of Newcastle Limited as at the close of business on 24 April 2006, will be taken, for the purposes of the General Meeting, to be held by the persons who held them at that time. Accordingly, those persons will be entitled to attend and vote at the meeting.
- (b) A Member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on his behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Member's voting rights.
- (c) A proxy duly appointed need not be a Member. In the case of joint holders all must sign.
- (d) A form of proxy accompanies this Notice and, to be effective, the form and any document necessary to show the validity of the form of proxy must be lodged at the registered office of the Company not less than 48 hours before the time appointed for the Meeting. Any proxy lodged after that time will be treated as invalid.
- (e) Directors and Officers of all corporate shareholders should note that unless the corporate shareholder either:
  - (i) completes and lodges with the Company a valid appointment of proxy in accordance with the instructions on the enclosed Proxy Form; or
  - (ii) completes and either lodges with the Company prior to the meeting a form of appointment of or certificate of appointment of personal representative in accordance with the provisions of Section 250D of the Corporations Law or causes such personal representative to attend the meeting with such form of appointment or certificate; or
  - (iii) has appointed an attorney;and such proxy, personal representative or attorney attends the relevant meeting, then such corporate shareholder will be unable to exercise any votes at the relevant meeting.
- (f) Proxies and corporate appointment of representative forms may be returned to the Company by delivery (by hand, mail, courier or facsimile) to the Company Secretary, A-Cap Resources Limited at its registered office at

Suite 5.10

Level 5

737 Burwood Road

Hawthorn Vic 3122.

Facsimile: **61+ 3 9813 2668**

- (g) Corporate Members should comply with the execution requirements set out on the proxy form or otherwise comply with the provisions of Section 127 of the Act. Section 127 of the Act provides that a company may execute a document without using its common seal if the document is signed by:
  - (i) 2 directors of the company; or
  - (ii) a director and a company secretary of the company; or
  - (iii) for a proprietary company that has a sole director who is also the sole company secretary - that director.

For A-Cap Resources Limited to rely on the assumptions set out in Sections 129(5) and (6) of the Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable.

In particular a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

- (h) Completion of a proxy form will not prevent individual Members from attending the meetings in person if they wish. Where a Member completes and lodges a valid proxy form and attends the meeting in person then the proxy's authority to speak and vote for that Member is suspended while the Member is present at the meeting.

- (i) Where a proxy form or form of appointment of or certificate of appointment of personal representative is lodged and is executed under power of attorney the power of attorney must be lodged in like manner as a proxy.

**2. Resolution 1: Reconstruction of Capital**

The Chairman's covering letter to this Notice of General Meeting explains the reason for the reconstruction of the Company's capital in the context of the proposed fund raising and application for listing on the ASX.

**3. Resolution 2: Approval for placement of shares**

General Meetings of shareholders of the Company held on 31<sup>st</sup> October 2005 and 13<sup>th</sup> February 2006 approved the same resolution being put to shareholders on 26 April 2006. The earlier approvals however were granted on the basis of the information provided in the respective Notices of those meetings which included inter alia the condition that the securities be placed not more than three (3) months from the date of the meetings. The approval granted on 13<sup>th</sup> February expires on 13<sup>th</sup> May 2006.

The reason for the extension granted on 13<sup>th</sup> February was delay in finalising the issue and although it is expected that the Prospectus will be lodged around the end of March 2006 it is considered prudent to seek a further extension beyond 13<sup>th</sup> May for the completion of the issue of the shares pursuant thereto.

This Resolution is therefore being put again to the shareholders on 26 April 2006 to extend the time for the securities to be placed and on the basis of the following information.

**(a) Maximum Number of Securities proposed to be placed**

The maximum number of securities proposed to be placed is 25,000,000 ordinary shares as set out in the resolution.

**(b) Date by which Securities will be placed.**

The securities will be placed, if at all by not later than 27 July 2006 being a date not more than 3 months from the date of the meeting. Depending on whether the proposed shares are placed in one or more tranches, placement will occur either at one time or progressively as such shares are placed.

**(c) Price at which Securities proposed to be placed**

As set out in the resolution the securities are to be issued at a minimum price of \$0.20 (20 cents) per share.

**(d) Names of allottees of Securities proposed to be placed**

The names of the proposed allottees of the shares are not known at this stage. The shares will be placed in accordance with the requirements of the Corporations Act 2001. Placement will be by way of general offer s at the time the offer is made and will not be by way of an entitlements offer. Related parties will not participate in the proposed issue. No placement or allotment of the securities or any of them will be made to any director or related party or any of its associates within the meaning of the Corporations Act 2001.

**(e) Terms of Securities proposed to be placed**

The securities will be ordinary shares which will rank pari passu with all other ordinary shares on issue with effect from the date of allotment.

**(f) Use of funds raised**

The funds raised will be used as working capital generally. Details of the use of Funds will be set out in particular in the Prospectus to be issued in relation to the issue.

**(g) Voting Exclusion Statement: Proposed Allottees**

The Company advises that it will disregard any votes cast on the resolution by any proposed allottee or any associate thereof within the meaning of the Corporations Act 2001. However, the Company will not disregard a vote if:

- (i) it is cast by any such person or any of its associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**PROXY FORM**  
**A-CAP RESOURCES LIMITED (ACN 104 028 542)**

The Company Secretary  
A-Cap Resources Limited  
Suite 510,  
Level 5  
737 Burwood Road  
Hawthorn Vic 3122

I/We (name of shareholder).....  
of (address).....

being a member/members of A-Cap Resources Limited HEREBY APPOINT

(name) .....

of (address) .....

and/or failing him (name) .....

of (address) .....

or failing that person then the Chairman of the General Meeting as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at Ground Floor, Pacific Tower, 737 Burwood Road, Hawthorn, in the State of Victoria on 26 April 2006 at 9.00 am AEST and at any adjournment of the meeting.

**INSTRUCTIONS AS TO VOTING ON RESOLUTIONS**

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. Otherwise the Proxy is to vote for or against the resolutions referred to in the notice convening the General Meeting as follows:

		<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 1–	To approve the consolidation and subdivision of the Shares in the capital of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

		<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 2–	To approve the placement of 25,000,000 Shares in the capital of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**This Proxy is appointed to represent \_\_\_\_ % of my voting right, or if 2 proxies are appointed Proxy 1 represents \_\_\_\_% and Proxy 2 represents \_\_\_\_% of my total votes. My total voting right is \_\_\_\_\_ shares.** If no direction is given above or if more than one box is marked, I/we authorise my/our proxy to vote or abstain as my/our proxy thinks fit in respect of the resolution to be considered by the meeting and any adjournment of the meeting.

**Signature(s)**

Date

Individual or  
Joint Shareholder 1

Director/Company Secretary

Joint Shareholder 2

Director

Joint Shareholder 3

Sole Director & Sole Company  
Secretary

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

A Member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on his behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Member's voting rights.

4. A proxy duly appointed need not be a Member. In the case of joint holders all must sign.
5. A form of proxy accompanies this Notice and, to be effective, the form and any document necessary to show the validity of the form of proxy must be lodged at the registered office of the Company not less than 48 hours before the time appointed for the Meeting. Any proxy lodged after that time will be treated as invalid.
6. Directors and Officers of all corporate shareholders should note that unless the corporate shareholder either:
  - (a) completes and lodges with the Company a valid appointment of proxy in accordance with the instructions on the enclosed Proxy Form; or
  - (b) completes and either lodges with the Company prior to the meeting a form of appointment of or certificate of appointment of personal representative in accordance with the provisions of Section 250D of the Act or causes such personal representative to attend the meeting with such form of appointment or certificate; or
  - (c) has appointed an attorney;and such proxy, personal representative or attorney attends the relevant meeting, then such corporate shareholder will be unable to exercise any votes at the relevant meeting.
7. Proxies and corporate appointment of representative forms may be returned to the Company by delivery (by hand, mail, courier or facsimile) to the Company Secretary, A-Cap Resources Limited at its registered office:

Suite 510, Level 5  
737 Burwood Road  
Hawthorn Vic 3122.  
Facsimile: **61+ 3 9813 2668**

8. Corporate Members should comply with the execution requirements set out on the proxy form or otherwise comply with the provisions of Section 127 of the Act. Section 127 of the Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company; or
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary - that director.For the Company to rely on the assumptions set out in Sections 129(5) and (6) of the Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. **In particular a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.**
9. Completion of a proxy form will not prevent individual Members from attending the meetings in person if they wish. Where a Member completes and lodges a valid proxy form and attends the meeting in person then the proxy's authority to speak and vote for that Member is suspended while the Member is present at the meeting.
10. Where a proxy form or form of appointment of or certificate of appointment of personal representative is lodged and is executed under power of attorney the power of attorney must be lodged in like manner as a proxy.
11. Inasmuch as the Chairman of the meeting is appointed as proxy for a securityholder if the securityholder does not nominate another person as his primary proxy and inasmuch as, in the absence of a primary proxy so appointed, the proxy form also provides for the Chairman of the meeting to act as proxy, the following information is given.

### **Chairman's Voting Intention in relation to Undirected Proxies**

Subject to the operation of the express voting exclusions contained in the notes to the notice of meeting and their operation it is the Chairman's intention to vote undirected proxy in favour of each resolution to be put to the meeting.

If you do not wish to direct your proxy how to vote, please place a mark in the box.

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**By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.**



20 March 2006

Dear Member,

A-Cap Resources Limited (the Company) proposed that it will make application for listing of its securities on the stock market conducted Australian Stock Exchange Limited ("ASX") and for this purpose will shortly lodge a prospectus with ASIC in relation to a proposed issue to raise \$3,000,000 with a right to retain over subscriptions to raise a further \$2,000,000. That issue was approved at a general meeting of members of the Company on 31 October 2005 and renewed on 13 February 2006. A further renewal is sought at this meeting as explained in the attached Notice of General Meeting.

The issue will not proceed by way of an entitlements issue but members will be entitled to apply for shares pursuant to the Prospectus. Applications for shares will only be available pursuant to an application form that will accompany or form part of the prospectus and the prospectus will be mailed to all members to enable them to consider applying for shares.

The issue will not be underwritten but Bell Potter Securities Limited will act as the broker to the issue.

Clients of Bell Potter Securities Limited who are excluded offerees pursuant to the provisions of Section 708 of the Corporations Act have agreed to subscribe a total amount of \$500,000 for new shares in the capital of the Company at an issue price of \$0.15 per share (15 cents) on the basis that the Company convene this meeting to reconstruct the capital of the Company so that for every 4 shares held, each member will end up with 3 fully paid shares (disregarding fractional entitlements).

The effect of the resolution is that, if it is passed, the clients of Bell Potter Securities Limited will have subscribed the \$500,000 referred to above at an effective subscription price of \$0.20 per share (20 cents) which is the same price as the issue will be made pursuant to the Prospectus referred to above.

Members of the Company holding in aggregate in excess of 50% of the issued shares in the capital of the Company have indicated to the Company that they intend to vote in favour of the resolution.

By way of background, the following information is provided. The Company is presently listed on Newcastle Stock Exchange Limited (NSX) with its shares trading under the Code ARD.

Since listing on the NSX in March 2004, A-Cap's main focus has been progressively building its exploration land bank, principally in Botswana and that bank is now in excess of 8000km.

This tenement portfolio includes tenements with exploration potential for:

- Gold
- Nickel
- Uranium
- Platinum Group Metals
- Copper
- Other base metals such as Zinc and Lead; and
- Diamonds.

The Company's strategy is to continue to explore and, as appropriate, joint venture these assets to ensure maximum exploration opportunity whilst maintaining its core major assets.

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*A-Cap Resources Limited (ACN 104 028 542)*

*Registered Office: Suite 5.10 Level 5 Pacific Tower, 737 Burwood Road, Hawthorn, Vic 3122*

*Telephone: 03 9813 3228; Facsimile: 03 9813 2668*



A-Cap has well established joint venture agreements and other arrangements with:

- Gallery Gold Ltd (listed on ASX and the Manager of the Jim's Luck project);
  - Republic Gold NL (listed on ASX and the Manager of the Hodgkinson Basin project in Queensland);
  - Gansu Qinqi Minerals Company Ltd (the Gansu Government's commercial arm being the Company's joint venturer in Gansu province, China);
- being parties with significant mining and exploration experience.

I am excited with A-Cap's broad base of prospects and with the present strong demand for gold and base metals which, the board believes, places A-Cap in an attractive position if it achieves continuing exploration success.

The Company can see potential for future cash flow if it achieves continued success in drilling in Botswana at:

- The Jim's Luck gold prospect: particularly as our joint venture partner Gallery Gold has its own treatment plant only 50 km away which would likely be used by the parties to treat material to be processed from any mining operation at Jim's Luck. A major new drilling program has been announced for the Jim's Luck project with the aim of upgrading mineralisation into an indicated resource within the meaning of the JORC Code.
- The Maibele North Nickel Prospect where further drilling is required to prove the continuity of the resource. Again, the Maibele North Nickel Prospect is only 50km away from a nickel smelter owned by BCC.
- The Mokabesi uranium deposit where near surface mineralisation will be the focus of further exploration to evaluate that deposit. The Mokabesi uranium deposit has been estimated to contain uraniferous mineralisation of 1.75 million tonnes of mineralisation at a grade of 0.069%  $U_3O_8$  calculated from data collected from 22 pits to a depth of 3 metres on 300 metre centres. The highest maximum value from any single pit was recorded as being 0.173%  $U_3O_8$  (1,730 ppm  $U_3O_8$ ) and was subsequently estimated by Falconbridge Explorations (Botswana) (Pty) Ltd ("FEB") as a deposit of uraniferous mineralisation containing up to 1.683 million tonnes at a grade of 0.0315%  $U_3O_8$ , at a block cut-off (blocks of 100x100, or 100x200 metres) of 0.02%  $U_3O_8$ . FEB carried out further extensive testing and estimated the underlying fine grained Karoo sediments as containing an estimated volume of 30 million cubic metres of mineralised material over an area of approximately 1,000 x 1,200 metres and 25 metres thickness, or approximately 75 million tonnes of mineralisation with a grade range of 0.015-0.035%  $U_3O_8$ . The aim of additional work will be to attempt to define an economic resource.

Generally, in Botswana;

- Reassessment of the Dibeki prospect (previously known as Airstrip Copper Prospect) which prior drilling has indicated contains significant intersections for copper including 3.9%Cu over 2.44 metres and 4.3% Cu over 1.83 metres. Recent trenching has shown the presence of visible oxidised copper mineralisation (malachite) in one trench.
- The Bobonong PL being granted for diamonds, with recovery from samples of a 0.25 carat diamond having previously been made from this area.

The Directors recommend that you to vote in favour of the proposed resolutions which will facilitate the Company's endeavour to raise sufficient funds to facilitate the listing of the Company on the ASX and to further explore and/or develop the above projects.

Yours faithfully,

Pat Volpe  
Chairman