

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 6 of this Circular have, where appropriate, been used on this cover page.

Action required:

You are encouraged to read this Circular in its entirety.

If you have disposed of all of your Shares, this Circular should be sent to the agent through whom you have disposed of such Shares, for onward delivery to the purchaser of those Shares.

If you are in doubt as to the action you should take in relation to this document, please consult your stockbroker, banker, legal advisor or other professional advisor immediately.



A-CAP ENERGY LIMITED

(Incorporated in Australia under registration number ABN 28 104 028 542)

(Share codes: ASX: ACB, FSE: VUT, BSE: ACAP ISIN: AU000000ACB7)

("A-Cap" or "the Company")

CIRCULAR TO A-CAP SHAREHOLDERS REGISTERED ON THE BOTSWANA SHARE REGISTER relating to:

- the delisting of A-Cap's shares from the Venture Capital Board of the Botswana Stock Exchange;
- the establishment of a Share Sale Facility, and
- The transfer of all remaining Shares on the Botswana Register to the Australian Register.

Transaction Advisors and Botswana Transfer Secretaries



Botswana Sponsoring Broker

IMARA
INVESTING
IN AFRICA

Imara Capital Securities
(A Member of the Botswana Stock Exchange)

Date of issue: 29 January 2021

BSE DISCLAIMER

The BSE's approval of this Circular should not be taken as any indication as to the merits of the Share Sale Facility and Delisting. The BSE has not verified the accuracy and truth of the contents of the documentation submitted to it and the BSE accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the Share Sale Facility and Delisting.

CORPORATE INFORMATION

Directors and officers:

Paul Anthony Ingram, Deputy Chairman,
Independent Non-Executive Director
Michael Liu, Independent Non-Executive Director
Jijing Niu, Non-Executive Director
Mark Syropoulo, Independent Non-Executive
Director
Jiandong He, Non-Executive Director
Zhenwei Li, Non-Executive Director
Malcolm Smartt, Company Secretary

Botswana Sponsoring Broker:

Imara Capital Securities (Pty) Limited
Unit 1E, Ground Floor Peelo Place, Plot 54366,
Western Commercial Rd, New Central Business
District, Gaborone
(Private Bag 00173, Gaborone)

Botswana Transfer Secretaries:

Transaction Management Services (Pty) Ltd
Trading as Corpserve Botswana
Unit 206, Showgrounds Close, Plot 64516,
Fairgrounds, Gaborone
(P O Box 1583 ADD, Gaborone)

Company Secretary and Registered Office:

Malcolm Smartt
52 Ord St, West Perth, Western Australia 6005,
Australia
(P O Box 108, West Perth WA 6872 Australia)

Transaction Advisors:

Transaction Management Services (Pty) Ltd
Unit 206, Showgrounds Close, Plot 64516,
Fairgrounds, Gaborone
(P O Box 1583 ADD, Gaborone)

Australia Transfer Secretaries:

Advanced Share Registry Services Limited
110 Stirling Highway, Nedlands Western
Australia 6009, Australia
(P O Box 1156 Nedlands WA 6909, Australia)

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ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 6 of this Circular shall apply to this statement regarding the action required by Shareholders.

Please take careful note of the following provisions regarding the actions required by Shareholders. If you are in any doubt as to the action you should take, please consult your broker, attorney, banker or professional advisor immediately.

For Shareholders who wish to sell their Shares under the Share Sale Facility

Shareholders who wish to sell all of their Shares (and not some only) under the Share Sale Facility must complete the attached Share Sale Facility Instruction Form and return it to Corpserve Botswana at contactus@corpservebotswana.com or by hand at Unit 206, Showgrounds Close, Plot 64516,

Fairgrounds, Gaborone or by post to P O Box 1583 ADD, Gaborone, to be received no later than 07 March 2021.

For Shareholders who wish to have their Shares transferred to the Australian Register

Shareholders who do not wish to sell their Shares under the Share Sale Facility and who wish to have their Shares transferred from the Botswana Register to the Australian Register do not need to do anything and their Shares will be transferred to the Australian Register by 12 March 2021.

Shareholders who do nothing

If a Shareholder has not, as at close of business on 07 March 2021, opted to participate in the Share Sale Facility they shall be deemed to have authorised Corpserve Botswana to act on their behalf to transfer their Shares from the Botswana Register to the Australian Register with the same registered postal address and other details as recorded on the Botswana Register.

IMPORTANT DATES AND TIMES

The definitions and interpretations commencing on page 6 of this Circular shall apply mutatis mutandis to the dates and times set out hereunder.

2021

Announcement confirming delisting and issuance of Circular to Shareholders	Friday 29 January
Planned delisting date from the BSE, and Record Date for Shareholders	Friday 12 February
Share Sale Facility opens	Monday 15 February
Last date by which Share Sale Facility Instruction Forms must be received by Corpserve Botswana for those Shareholders wishing to participate in the Share Sale Facility	Monday 07 March
Announcement confirming results of the Share Sale Facility and transfer of Shares to the Australian Register	Wednesday 10 March
Removal of Shares to Australian Register finalised and issuer sponsored statements dispatched by Advanced Share Registry to Shareholders	Friday 12 March
Expected earliest date for receipt of proceeds by participants in the Share Sale Facility	Friday 19 March

Note: The above dates and times are subject to change at the discretion of the Company. Any such changes will be publicly announced on the BSE's X-News service.

QUESTIONS

Should Shareholders have any further questions, they are advised to contact Corpserve Botswana (by phone on: 393 22 44 or by fax on 393 22 43 or by email on contactus@corpservebotswana.com or in person at Unit 206, Showgrounds Close, Plot 64516, Fairgrounds, Gaborone.) or Imara Capital Securities (by phone on 318 88 86 or by fax on 318 88 87 or by email on icsales@imara.com or in person at Unit 1E, Ground Floor Peelo Place, Plot 54366, Western Commercial Rd, New Central Business District, Gaborone.

DEFINITIONS AND INTERPRETATIONS

In this Circular and the schedules hereto, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, a natural person includes a juristic person and vice versa, the singular includes the plural and vice versa and the words in the first column have the meaning stated opposite them in the second column as follows:

“A-Cap” or “the Company”	A-Cap Energy Limited ACN 104 028 542;
“Advanced Share Registry”	Advanced Share Registry Services Limited, 110 Stirling Highway, Nedlands Western Australia 6009, Australia (P O Box 1156 Nedlands WA 6909, Australia);
“ASX”	the Australian Stock Exchange, on which A-Cap Energy has a primary listing of its shares under the share code “ACB”;
“Australian Register”	the Australian share register of A-Cap Energy as maintained in Australia by Advanced Share Registry Services Limited;
“Botswana Register”	the consolidated record of all Shareholders whose Shares are held in Botswana.
“BSE”	the Botswana Stock Exchange Limited, on which A-Cap has a secondary listing of its Shares on the Foreign Venture Capital Board under the share code “ACAP”
“Business Day”	any day other than a Saturday, Sunday or public holiday in Botswana;
“Circular”	this Circular, dated 29 January 2021 and appendices attached hereto;
“Corpserve Botswana”	Transaction Management Services (Pty) Ltd, Trading as Corpserve Botswana, Unit 206, Showgrounds Close, Plot 64516, Fairgrounds, Gaborone. (P.O. Box 1583 ADD, Gaborone);
“CSD”	the Central Securities Depository of Botswana Limited, the central securities depository of the BSE;
“ICS”	Imara Capital Securities (Pty) Limited, members of the Botswana Stock Exchange and sponsoring broker to A-Cap and any stockbroker registered with the ASX and acting under instruction by ICS on their behalf;
“Final Date”	07 March 2021

“Instruction Form”	the form attached to this Circular which when completed by Shareholders and is returned to Corpserve Botswana in accordance with the terms and conditions as stated on that form shall entitle Shareholders to participate in the Share Sale Facility.
“Issuer Sponsored Sub-register”	the A-Cap sponsored share sub-register of the Australian Register as maintained in Australia by Advanced Share Registry;
“Omnibus account”	a non trading account on the CSD reflecting all of the dematerialised Shares that are not held in a CSD account in the Shareholders name;
“Record Date”	the close of business on 12 February 2021 or such later date as may be announced being the last date to be recorded as a Shareholder on the Botswana Register;
“Shareholders”	holders of Shares as of the Record Date;
“Shares”	issued shares in the capital of A-Cap as recorded in the Botswana Register and as held by the Shareholders as at the Record Date and which may be submitted for sale under the Share Sale Facility or failing which will be transferred to the Australian Register;
“Share Sale Facility”	the arrangement offered to Shareholders, as is set out in this Circular, whereby they may elect to instruct ICS to sell their Shares, rather than have them transferred to the Australian Register.



A-CAP ENERGY LIMITED

(Incorporated in Australia under registration number ABN 28 104 028 542)

(Share codes: ASX: ACB, FSE: VUT, BSE: ACAP ISIN: AU000000ACB7)

("A-Cap" or "the Company")

CIRCULAR TO SHAREHOLDERS IN RESPECT OF THE DELISTING FROM THE BSE

1. INTRODUCTION

A-Cap is an Australian domiciled resource development company, listed on the ASX. The Company listed its shares on the BSE Venture Capital Board and established the Botswana Register on 5 September 2006.

A-Cap's principal investment in Botswana is the establishment and development of the Letlhakane Uranium Project, which is one of the world's largest undeveloped Uranium Deposits.

A Mining Licence designated ML 2016/16L was granted on 12 September 2016 and is valid for 22 years. The Department of Environmental Affairs formally approved the Letlhakane Uranium Project's Environmental Impact Statement on 13 May 2016. Provisional surface rights were granted on 6 June 2016.

The Company's Letlhakane Uranium Project remains an important project asset within the diversified minerals strategy. While the nuclear industry is confident in the long-term fundamentals of uranium and nuclear power, there is less certainty in the short term with industry expectation that the Board will gradually move towards balance from calendar year 2025.

On Tuesday 20 August 2019, the Company received confirmation by letter from the Botswana Minister of Mineral Resources, Green Technology and Energy Security, that the amendment was approved. The amended date for the commencement of the pre-construction and construction period is 30th October 2021.

A-Cap is keeping its Letlhakane Uranium Project on a low-cost strategy with a small team in Botswana to keep the licence in good stead and keep communicating the project to the local communities. There has been some upward movement in the uranium price this financial year which is a positive sign of a forecast supply constraints in the coming years.

The Company has reduced the carrying value of the Letlhakane Uranium Project during the half-year ended 31 December 2019 to \$25 million. Given the continued low uranium price and decline in the Company's share price, the Company undertook a review of the carrying value and based on past exploration expenditure, status of the uranium market and comparative valuations of similar projects; has assessed the recoverable amount at \$25 million, resulting in a write-down of \$27.6 million during the year.

Diversified Minerals Strategy

A-Cap has a clean energy approach towards future energy requirements, diversifying its minerals portfolio focussing on the acquisition of nickel-cobalt laterite projects. The nickel and cobalt battery materials industry is responding to an anticipated demand increase driven predominantly by the new electric vehicle (EV) battery industry. The Wilconi Project represents A-Cap's first nickel-cobalt laterite project.

In September 2019, independent geological resource specialists, Mining Plus Pty Ltd (Mining Plus) were commissioned by A-Cap using historical and recent drilling data to estimate the Wilconi resource to the latest JORC standard. The work involved utilising results of 443 drillholes and 18,425 assays to create the updated resource model. Geological modelling of the high cobalt-nickel zone from the underlying dominantly nickel zone helped discriminate the cobalt rich areas of the resource.

By dividing the zones based both on the background magnesium content as well as selected cut-off grades, the resource geologists defined ore shells that geologically and metallurgically better reflect the practical conditions for future mining. The overall global inferred resource of 78.8 million tonnes grading 0.74% nickel and 0.07% cobalt has been divided into an overlying cobalt dominant zone (29 million tonnes) and an underlying nickel dominant zone (49.7 million tonnes).

Ongoing metallurgical testwork objectives are intended to define the Wilconi ore body's preferred ore processing method, processing technology and flow sheet design. The company will ensure the selection of its preferred processing method and flow sheet design is cost effective in terms of capital investment and operating expenditures. Additionally, the preferred processing method will need to meet best practice environmental standards in processing and ore refuse management.

Following the completion of a metallurgical drill sampling programme early April 2019, (refer ASX announcement dated 30 April 2019), representative ore samples were prepared and sent for external minerals assay and then delivered to selected labs for metallurgical atmospheric leach testing. The results of the testwork clearly demonstrate that the Wilconi ore reacts favourably to a variety of different leaching solutions used in the industry. In January 2020, leach tests completed at the Australian Nuclear Science and Technology Organisation (ANSTO) in New South Wales showed that high cobalt recoveries (83%) could be achieved at room temperature using low levels of sulfuric acid and sulfur dioxide. At slightly higher temperatures and under more acidic conditions nickel recoveries were over 90%. Refer ASX announcement dated 29th January 2020 for further information.

In April 2020 metallurgical testwork continued with Simulus Laboratories (Perth) evaluating the "baked acid" method, where acid is added to dry ore and baked prior to leaching of the metals with water. The aim of the tests were to determine if high metal recoveries could be achieved while reducing acid consumption. Tests were conducted over a range of acid doses, baking temperatures, baking times and sodium sulphate addition. Results of the baked acid tests showed that high cobalt (72-80%) and nickel (73-80%) recoveries could be achieved with modest acid consumptions. The addition of sodium sulphate prior to leaching significantly improved cobalt and nickel recoveries to between 88 and 92%. Refer ASX announcement dated 27th April 2020 for further information.

Metallurgical testwork is on-going, aimed at identifying the optimum processing method, targeting the highest cobalt and nickel recoveries while minimising capital and operating costs. To continue the metallurgical testing programme more sample representative of ores across the deposit are required. Drilling has been planned to collect these bulk samples in the 2nd half 2020. A programme of work (POW) has been approved by the Department Mines Industry Regulation and Safety (DMIRS) for the drilling and access to the drill sites have been prepared.

In-house modelling of the geology, structure, laterite profile and nickel – cobalt geochemistry of the resource was conducted to get a better understanding on the controls on mineralisation. Results identified near surface (<10m) higher grade areas and thicker zones of mineralisation localised along steep structures, “keels” that will be the focus of exploration when drilling recommences.

BPL Environmental (Perth, WA) were approached to detail what government environmental approvals would be required as part of a feasibility study and approvals pathway through to mining. The BPL report included a list of technical studies required, anticipated timing and costs.

2. A-CAP'S CURRENT FINANCIAL POSITION

From 1 September 2019, the board of directors voluntarily suspended directors' fees and director associated service fees until the completion of a capital raising exercise.

The repayment date of the short-term accommodation facility of A\$500,000 from Mr Angang Shen has been extended requiring repayment of all principal and capitalised interest on or before 28 March 2021.

The Company secured a further short-term accommodation facility from Mr Angang Shen of A\$200,000 on 25 September 2019, repayable in 12 months at an interest rate of 10% p.a. The repayment of this facility has been extended to 25 September 2021.

The Company secured a loan of A\$500,000 from Shenke International Investment Pty Ltd which was drawn down on 7 January 2020.

3. HISTORICAL SHARE PRICE AND VOLUME DATA

3.1. ASX trading

The graph below illustrates the volumes and turnover and range of share price (in Australian dollars) for A-Cap shares traded on the ASX for the periods as indicated.

3.1.1. Last three years (to December 2020)

Graphical illustration

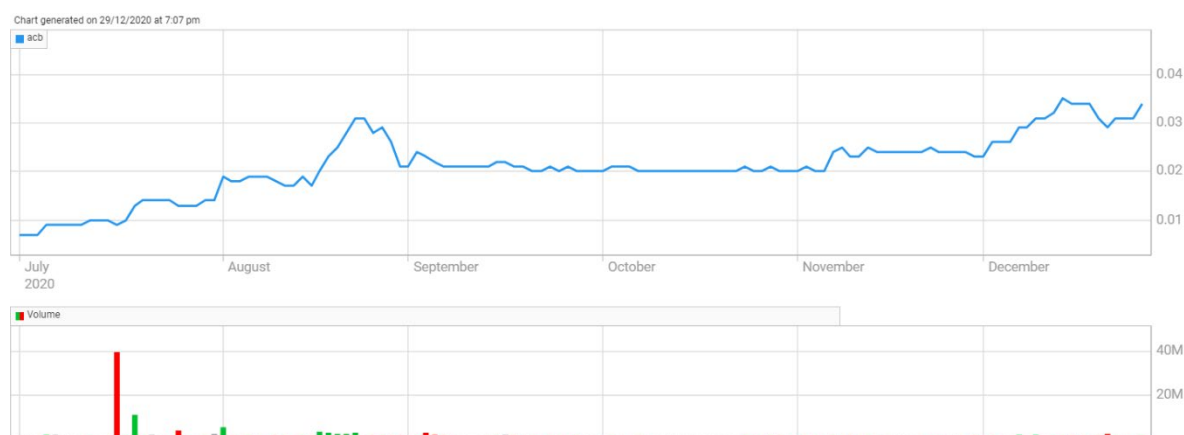


Share price movement (A\$)

Period	High	Low	Average
Jan 2018 – Dec 2020	0.084	0.004	0.0325

3.1.2. Last six months (June to December 2020)

Graphical illustration



Share price (A\$) and volume movement

Month (2020)	Volume	High	Low	Average
July	63,988,326	0.0170	0.0070	0.0111
August	25,091,260	0.0340	0.0160	0.0219
September	9,642,762	0.0240	0.0200	0.0211
October	7,753,598	0.0220	0.0200	0.0204
November	2,332,233	0.0260	0.0200	0.0233
December	9,647,215	0.0350	0.0230	0.0302

3.2. BSE trading

There has been no trading in A-Cap shares on the BSE since 18 February 2019.

The following table illustrates the volumes and weighted average value of A-Cap shares traded daily on the BSE in the past 4 years prior to the last practicable date prior to release of the announcement of delisting from the BSE:

Date traded	Volume	Price per share (Pula)	Turnover (Pula)
18-Feb-2019	200	0.39	78.00
17-Jan-2019	9,894	0.39	3,858.66
13-Apr-2018	2,65	0.39	1,035.84
10-Apr-2018	15,000	0.39	5,850.00
28-Mar-2018	8	0.39	3.12
27-Mar-2018	5,498	0.38	2,089.24
23-Mar-2018	92	0.35	32.20
04-Jan-2017	93	0.35	32.55
Total	33,441	0.38	12,979.61

4. CAPITAL STRUCTURE AND MAJOR SHAREHOLDERS

Shareholders are encouraged to read the Company's 2020 annual report and other recent corporate reports, copies of which can be downloaded from either the BSE's website (<https://www.bse.co.bw/acap/>) or from the Company's website (<https://acap.com.au/financial-reports/>) for current information on the Company.

The Company has only one class of listed security, being ordinary shares, of which there are currently 871,884,866 in issue.

Substantial shareholders controlling more than 5% of the Company are detailed in the table below, which has been extracted from the Company's 2020 Annual report.

Name	Shareholding	Percentage
Singapore Shenke International Investment Pte. Ltd	357,786,934	41.04%
Ansheng Investment Co Ltd	172,491,060	14.12%
Buttonwood Nominees Pty Ltd	47,956,489	5.5%

There is no controlling shareholder.

There will be no change or effect on the above resulting from the delisting as described in this Circular.

5. DELISTING FROM THE BSE

Since listing on the venture capital board of the Botswana Stock Exchange (“BSE”) in September 2006, there are only 223 shareholders holding less than 0.08% (663,327 shares out of the total shares in issue being 871,884,866 shares) of the Company’s Ordinary Shares on the BSE and trading has been negligible, with the last trade in February 2019. In light of these circumstances the Directors have formed the view that the administrative costs and related obligations associated with maintaining the BSE listing are no longer justifiable and thus recommended that shareholders vote in favour of a delisting from the BSE. This resolution was approved without any votes against or abstentions at the Company’s Annual General Meeting which was held on 27 November 2020 and the results of which were published on X-News on 2 December 2020.

A-Cap is not required, by either its constitution or the rules of the ASX, to seek any further approvals to delist its shares from the BSE.

A-Cap is offering Shareholders the opportunity to sell their Shares through the Share Sale Facility following the delisting of the Shares from the BSE. Alternatively, Shareholders can retain their Shares and these Shares will be transferred from the Botswana Register to the Australian Register (see below for further details).

6. STATEMENTS BY THE BOARD OF DIRECTORS OF A-CAP

The board of directors of the Company confirm and certify that:

- There has been no material deviation in utilisation of proceeds of the issue of securities made during the five years immediately preceding the date of this Circular, from the stated object of the issue;
- There is currently no litigation or action pending against the Company pertaining to its activities in the securities markets in which it operates or any other matter that has a material bearing on the interests of shareholders; and
- all material information which is required to be disclosed under the provisions of continuous listing under the BSE Listing Requirements have been disclosed to the Exchange.

7. THE SHARE SALE FACILITY

7.1. Background

The Share Sale Facility provides Shareholders with the opportunity to sell their Shares during a 21 day period following the delisting of the Shares from the BSE. The date of delisting will be from the close of business on 12 February 2021 and the Share Sale Facility will open on 15 February 2021 and close on 07 March 2021.

The Company makes no recommendation to Shareholders as to whether they should or should not participate in the Share Sale Facility and Shareholders are advised to seek advice from their own professional advisors.

The Share Sale Facility is voluntary and any Shareholders who do not elect to participate in the Share Sale Facility will have their Shares transferred from the Botswana Share Register to the Australian Register.

The Share Sale Facility will be managed by ICS, in Botswana. All Shares submitted for sale in accordance with the terms and conditions of the Share Sale Facility will be transferred to the Australian Register by ICS and offered for sale at the then prevailing market price on the ASX following the last date by which Instruction Forms must be received by Corpserve Botswana, being 07 March 2021.

If you elect to participate in the Share Sale Facility and submit a valid Instruction Form you irrevocably appoint and authorise each ICS, Corpserve Botswana, Advanced Share Registry and A-Cap to do all things necessary and execute all documents (including to effect any ; transfer to ICS, removal from Botswana to Australia or other transaction) to facilitate the sale of all those Shares submitted for sale under the Share Sale Facility.

7.2. Eligibility to participate in the Share Sale Facility

If you are a Shareholder as at the Record Date you are entitled to participate in the Share Sale Facility.

Only those Shareholders wishing to sell all of their Shares may participate in the Share Sale Facility.

Only those Shareholders who have completed and submitted the Instruction Form to Corpserve Botswana in accordance with the instructions on that form by 07 March 2021 will be entitled to participate in the Share Sale Facility.

7.3. Costs

Shareholders who opt to participate in the Share Sale Facility will be subject to the deduction from the proceeds due to them of all selling costs (including, without limitation, brokerage charged by ICS and their share of the selling costs incurred in Australia).

Any tax consequences arising from the sale of Shares under the Shares Sale Facility are the sole responsibility of the Shareholder. If Shareholders are in any doubt as to their individual tax circumstances that may arise from their participation in Share Sale Facility they should consult their own advisor.

7.4. Warranties and undertakings

By signing and returning the Instruction Form a Shareholder

- a) irrevocably appoints A-Cap, Corpserve Botswana and ICS as its agents to arrange the sale of its Shares under the Share Sale Facility;

- b) acknowledges that they have read and agree to the terms and conditions of the Share Sale Facility in this Circular;
- c) acknowledges that they are irrevocably bound to sell all of their Shares through the Share Sale Facility;
- d) acknowledges that the risk of change in market conditions (and in particular the price at which A-Cap shares can be sold on the ASX) may change between the time that they submit the Instruction Form and the time that their Shares are sold under the Share Sale Facility;
- e) agree that none of A-Cap, Corpserve Botswana or ICS or any other person will on any account be liable, and you may not bring a claim or action against them, for not having sold your Shares at any specific price, in any specific manner or on any specific day;
- f) acknowledges and agrees that none of A-Cap, Corpserve Botswana or ICS accept any responsibility in respect of the sale price received for the sale of your Shares;
- g) acknowledges that A-Cap, Corpserve Botswana, and ICS may in their sole discretion at any time determine that the Instruction Form is a valid instruction in terms of the Share Sale Facility even if the Instruction Form is incomplete, contains errors or is defective in any manner;
- h) authorises A-Cap, Corpserve Botswana and ICS to correct any error or omission from the Instruction Form by the insertion of any missing details;
- i) acknowledges that none of A-Cap, Corpserve Botswana, ICS or any other party involved in the Share Sale Facility has any liability to the Shareholder other than for payment of the sale proceeds determined and due in accordance with the terms and conditions of the Share Sale Facility;
- j) acknowledges that none of A-Cap, Corpserve Botswana, ICS nor any other party involved in the Share Sale Facility has provided the Shareholder with any investment advice or made any securities recommendations nor has any obligation to provide such advice or make any such recommendations concerning the Shareholder's decision to sell Shares and the Shareholder has made its own decision to sell Shares through the Share Sale Facility based on its own objectives, financial and tax situation and needs and its own investigations of the affairs of A-Cap and its own analysis of this Circular;
- k) acknowledges that A-Cap, Corpserve Botswana and ICS will not acquire any legal or beneficial interest in the Shareholder's Shares in acting under the Share Sale Facility;
- l) warrants that at the time of executing and returning the Instruction Form they are the registered holder of the Shares specified in the Instruction Form and that they have not previously used the Share Sale Facility for that holding and that the information disclosed on the Instruction Form is accurate and complete;
- m) agrees not to sell their Shares to any other person once the Instruction Form has been executed and returned, and authorise Corpserve Botswana to lock your holding to prevent transfer of your Shares until they are required for settlement. Further, if any Shares are sold in breach of this warranty, you will be deemed to have appointed ICS or any officer of ICS as attorney to purchase Shares in your name, and at your expense, to satisfy your obligations in relation to the sale of your Shares, and you will indemnify ICS for all costs incurred in connection with any such purchase;
- n) authorises the transfer of their Shares to ICS for settlement of the sale;

- o) warrants (and authorises ICS to warrant on your behalf) to any buyer of your Shares through the Share Sale Facility that the buyer will acquire good title to those Shares and full legal and beneficial ownership of them free from any encumbrances, charges, liens mortgages restrictions on transfer of any kind and from any third party rights;
- p) accepts the risk associated with payment being by electronic funds transfer to the bank account details as disclosed on the Instruction Form or by dispatched to the Shareholder by cheque to the Shareholder's registered address as shown on the Botswana Register;
- q) acknowledges and agrees that A-Cap, Corpserve Botswana and ICS may appoint agents and delegates to perform any of their obligations or exercise any of their powers or discretions under the Share Sale Facility;
- r) acknowledges and agrees to ratify the decisions, actions and exercise of discretion by A-Cap, Corpserve Botswana, ICS or any other party involved in the Share Sale Facility and that the terms and conditions applicable to the Share Sale Facility do not oblige those parties to consult with the Shareholder regarding the exercise of those functions in relation to the operation of the Share Sale Facility;
- s) acknowledges that the Share Sale Facility is governed by the laws in force in Western Australia.

7.5. Common questions

7.5.1. Can I sell some of my Shares and retain the remainder

No. If you elect to participate in the Share Sale Facility, you must sell all of your Shares (and not some only).

7.5.2. How do I utilise the Share Sale Facility?

If you are eligible to participate in the Share Sale Facility and wish to sell all (and not some only) of your Shares you must complete the Instruction Form attached to this Circular in accordance with instructions on the form and return it to Corpserve Botswana, to be received by them no later than 07 March 2021.

7.5.3. What price will I receive for my Shares?

Under the Share Sale Facility you cannot specify at which price your shares will be sold. All Shares submitted by Shareholders under the Share Sale Facility will be offered for sale on the ASX and all Shareholders will receive the same price per Share, net of costs. The price achieved will be dependent on ASX Board conditions at the time the Shares are sold and may be higher or lower than the price at which A-Cap shares are currently trading.

ICS will provide each Shareholder participating in the Share Sale Facility with a brokers' note reflecting the gross value achieved for the sale of that Shareholder's Shares and all costs incurred in selling the Shares and the Botswana Pula equivalent net proceeds that are due to each Shareholder.

7.5.4. When will I receive the net proceeds from my shares sold under the Share Sale Facility?

Remittance of the net proceeds, as reflected on the brokers note, will be made by ICS in Botswana Pula within 5 working days of receipt by them of the proceeds from the entire Share Sale Facility, which date is expected to be around 19 March 2021. All payments will be settled by Electronic Funds Transfer (“EFT”) to the bank account details as per the completed Instruction Form submitted by the Shareholder. If for any reason settlement cannot be effected by EFT then cheques will be issued by ICS, made out in favour of the Shareholder and will be posted to the Shareholder’s address as reflected on the Botswana Register at the Record Date. Shareholders cannot claim any interest, costs or other charges against the Company, ICS or Corpserve Botswana for any delays they may suffer in settlement of the net proceeds due to them.

7.5.5. Can I withdraw my application to participate in the Share Sale Facility after it has been submitted?

Once your Instruction Form has been received by Corpserve Botswana it cannot be withdrawn and you are irrevocably bound to participate in the Share Sale Facility.

7.5.6. When and how will the Shares be sold under the Share Sale Facility?

Once Corpserve Botswana has received your Instruction Form they will commence the process of transferring your Shares to ICS and transferring them to the Australian Register for sale by ICS on the ASX.

As all A-Cap shares will be de-listed after the Record date 12 February 2021, your shares will be withdrawn from your CSD account, details of which you will have completed on the Instruction Form, and thereafter Corpserve Botswana will arrange these to be transferred to the Australian Register in the name of ICS.

ICS is a BSE Registered Stockbroker and member of the Botswana Stock Exchange and Shareholders participating in the Share Sale Facility will be protected by the BSE rules governing the operation of member stockbrokers.

Within 5 business days of the Final Date ICS will arrange for all the Shares that have been submitted under the Share Sale Facility and that have been transferred to the Australian Register by Corpserve Botswana in the name of ICS to be offered for sale on the ASX. Depending on market conditions prevailing on the ASX at that time it may take a number of days before all the Shares are sold.

ICS has sole and complete discretion as to when and at what price these Shares are to be sold. If ICS considers that selling all the Shares on one day may not be prudent or appropriate in light of prevailing market conditions ICS may delay the sale of some or all the Shares. Despite this ICS shall, unless trading in A-Cap shares is halted, sell all the Shares no more than 10 working days after the Final Date. This deadline shall be capable of extension by the same number of days that trading in A-Cap shares has been halted, should this be the case.

The gross proceeds raised from the sale of all these shares divided by the number of shares sold will determine the gross selling price per share for Shares sold under the Share Sale Facility.

ICS will receive the gross proceeds arising from selling all of the Shares submitted for sale under the Share Sale Facility less any fixed and variable costs incurred in selling the shares on the ASX in Australian Dollars and have these proceeds converted to Botswana Pula by their bankers at the exchange rate prevailing on the day that the proceeds are received in Botswana by ICS's bankers. Shareholders cannot elect to receive payment in Australian Dollars.

7.5.7. It is anticipated that the process of remittance of the Australian dollars to Botswana, conversion to Botswana Pula and subsequent settlement to those Shareholders participating in the Share Sale Facility will be completed on or around the 19 March 2021. How does the selling of my shares under the Share Sale Facility compare with selling them myself?

The process for effecting a sale of Shares under the Share Sale Facility is fundamentally no different to that which ICS would use if a Shareholder were to approach them in the ordinary course of business with an instruction to sell their Shares.

The main difference arises from the fact that the Shares submitted by all Shareholders electing to participate under the Share Sale Facility will be pooled and thus all Shareholders will receive the same price per share, which price cannot be determined or set by any Shareholder. The fixed costs of processing individual sale orders is likely to exceed the fixed costs to be incurred under the Share Sale Facility as these fixed costs are shared amongst all Shareholders participating in the Share Sale Facility.

7.5.8. I wish to participate under the Share Sale Facility but am in the Omnibus account?

If your shares are held in the Omnibus account (not in your own CSD account), you will need to complete an indemnity form that is available from Corpserve Botswana and submit this, once duly completed, with your Instruction Form and a copy of your Omang or passport.

8. TRANSFER OF SHARES TO THE AUSTRALIAN REGISTER

If you remain on the Botswana Register on the date of de-listing (12 February 2021) and do not submit an Instruction Form (to participate in the Share Sale Facility) before the Final Date or if your Instruction Form is rejected for any reason your Shares will be transferred from the Botswana Register to the Australian Register by no later than 12 March 2021. Shareholders do not need to do anything to have their Shares moved to the Australian Register. On or about 12 March 2021, Advanced Share Registry will send each Shareholder whose Shares have been transferred to the Australian Register an issuer sponsored statement confirming their shareholding on the Issuer Sponsored Sub-register and provide relevant contact details and instructions for any future correspondence.

Once your Shares have been transferred to the Australian Register Corpserve will not be in a position to assist Shareholders with any queries or instructions. Queries or instructions should be directed to Advanced Share Registry following the transfer of your Shares to the Australian Register. Advanced Share Registry can be contacted on +61 08 9389 8033.

8.1. Costs

Shareholders will not be subject to any costs for the process of moving their Shares from the Botswana Register to the Australian Register.

Shareholders may be subject to costs in the future as may be charged by Advanced Share Registry for certain activities undertaken by Advanced Share Registry on the specific instruction of the Shareholder.

8.2. Common questions

The ASX website (<https://www2.asx.com.au/investors/start-investing/how-to-buy-and-sell-investments>) provides useful information for Shareholders who will hold their Shares on the Australian Register.

8.2.1. Once my Shares are on the Australian Register how do I sell them?

Shareholders will need to appoint a stockbroker in Australia or alternatively approach a BSE member stockbroker, such as ICS, as they may be in a position to assist. Please note, that a stockbroker is likely to charge you a settlement fee for the sale of your Shares.

8.2.2. How does the selling of my Shares under the Share Sale Facility compare with selling them on the ASX?

The main difference arises from two key factors; price and costs.

Price – Those Shares submitted by Shareholders electing to participate under the Share Sale Facility will be pooled and sold together as a single sell order, thus all Shareholders will receive the same price per share, which price cannot be determined or set by an individual Shareholder.

Costs - the fixed costs to be incurred under the Share Sale Facility are shared amongst all Shareholders participating in the Share Sale Facility so may likely be less than the fixed cost of processing an individual sale order. Fixed costs vary by stockbroker and depend on the services offered by the respective stockbroker.

8.2.3. What price will I get if I sell my Shares on the ASX

The price of A-Cap shares may go up or down and this depends, in part, on the performance of the Company in the future and the Board conditions prevailing at the time of sale.

8.2.4. How will I receive the net proceeds due to me if I sell my Shares on the ASX

If you appoint your own stockbroker in Australia the net proceeds on sale of your Shares will be denominated in Australian Dollars. If you wish to receive these proceeds in Botswana you will need to provide your Australian stockbroker with your Botswana bank account details and they will need to arrange for the money to be converted to Botswana Pula and sent to your Botswana bank. This may result in additional costs and bank charges and delays in receipt of the net proceeds.

If you utilise the services of a BSE member stockbroker, such as ICS, they will handle the entire selling process on your behalf and pay the net proceeds to you in Botswana Pula after deduction of their charges and costs.

8.2.5. What happens if the value of my Shares is less than the costs of selling them on the ASX?

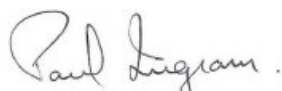
A stockbroker is unlikely to accept a sell order instruction where the sale proceeds may be less than the cost for processing such an order.

9. OTHER QUESTIONS

Should Shareholders have any further questions they are advised to contact Corpserve Botswana (by phone on: 393 22 44 or by fax on 393 22 43 or by email on contactus@corpservebotswana.com or in person at Unit 206, Showgrounds Close, Plot 64516, Fairgrounds, Gaborone.) or Imara Capital Securities (by phone on 318 88 86 or by fax on 318 88 87 or by email on icssales@imara.com or in person at Unit 1E, Ground Floor Peelo Place, Plot 54366, Western Commercial Rd, New Central Business District, Gaborone).

Signed on behalf of all the directors of A-Cap Energy Limited by the two authorised signatories below.

Dated at Perth, Australia 29 January 2021



Paul Anthony Ingram



Malcolm Smartt

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are unsure or in doubt as to what action you should take you must immediately consult your stockbroker, accountant, attorney, or other professional advisor.

Any term which is used in this Instruction Form and which has been defined in the Circular to which this Instruction Form is attached shall bear the same meaning as that defined in the Circular.

The Share Sale Facility provides Shareholders with the opportunity to sell all their Shares (and not some only) during a 21-day period following the delisting of the Shares from the BSE. The date of delisting will be 12 February 2021 and the Share Sale Facility will open on 15 February 2021 and close on 07 March 2021.

Shareholders who wish to participate in the Share Sale Facility, as is fully described in the attached Circular, must complete this Instruction Form in full and return it to Corpserve Botswana by email at contactus@corpservebotswana.com or by hand at Unit 206, Showgrounds Close, Plot 64516, Fairgrounds, Gaborone or by post to P.O. Box 1583 ADD, Gaborone as soon as possible and in any event in time for it to reach them by no later than 07 March 2021.

Any Shareholder wishing to participate in the Share Sale Facility must sell all their Shares and thus if the number of Shares indicated in this Instruction Form is less than the number of Shares reflected in the Botswana Register as being owned by the Shareholder then the Instruction Form shall be amended to reflect that higher number of Shares.

I/We hereby request that, subject to the terms and conditions of the Share Sale Facility as set out in the Circular to which this Instruction Form is attached, you sell all of my/our Shares as reflected in the Botswana Register on the Record Date, being 12 February 2021.

I/We hereby request that the net sale proceeds be remitted to me/us as per the following bank account details set out below, or failing which to the postal address detailed below or failing which the registered address as reflected in the Botswana Register.

USE BLOCK LETTERS

1) FULL NAME OF SHAREHOLDER

2) POSTAL ADDRESS

3) CONTACT DETAILS (TELEPHONE NUMBER AND EMAIL ADDRESS)

4) NUMBER OF SHARES TO BE SOLD THROUGH THE SHARE SALE FACILITY

5) CSDB DETAILS

CSDB ACCOUNT NAME _____

CSDB NUMBER _____

6) BOTSWANA BANK ACCOUNT DETAILS FOR REMITTANCE OF NET SALE PROCEEDS

BANK NAME _____

BANK BRANCH _____

ACCOUNT NAME _____

ACCOUNT NUMBER _____

7) SIGNATURE OF SHAREHOLDER OR AUTHORISED REPRESENTATIVES OF THE SHAREHOLDER*

SIGNATORY NAME/S _____

SIGNATURE/S _____

***SIGNATORIES**

If the Instruction Form is completed in terms of a power of attorney such power of attorney (or a certified copy thereof) must be attached to and submitted with the Instruction Form

If the Instruction Form is completed in the name of a deceased estate the executor or administrator as the case may be, must sign the Instruction Form in his/her representative capacity and attach and submit with this Instruction Form the authority under which he/she represents the capacity to sign on behalf of the deceased estate.

If the Instruction Form is completed in the name of Joint Shareholders then both Shareholders must sign the Instruction Form but the remittance of sale proceeds will only be made to a single bank account.

TERMS AND CONDITIONS

By completing and signing this Instruction Form you hereby fully accept the terms and conditions of the Share Sale Facility as are fully set out and described in the Circular to which this Instruction Form is attached.

In addition, the following terms and conditions apply:

Alterations: other than where made by virtue of the terms and conditions of the Share Sale Facility all alterations must be signed for in, against the alteration, by the person signing the Instruction Form

Postal and settlement risk: All documents posted to or by Shareholders in terms of their participation in the Share Sale facility will be at the risk of the Shareholder. Registered post should not be used. The Shareholder hereby indemnifies and holds the Company, ICS, Corpserve Botswana and any other agent of the Company harmless for any responsibility for the action or failure by any bank to follow the remittance instructions as detailed in this Instruction Form.