

ASX Release

Tuesday 19 February 2019

ASX:ACB

**A-Cap Energy Additional US\$2 Million Drawdown
from ICBC Revolving Credit Facility**

The Board of A-Cap Energy Limited ("A-Cap or the "Company") advise that on 15 February 2019 an application for a further drawdown of US\$2 million (A\$2.8 million equivalent based on 19 Feb-2018 exchange rate) from the Company's revolving credit facility with the Industrial and Commercial Bank of China Limited (ICBC) Shanghai Hongqiao Branch was approved. The drawdown is for working capital and operational purposes and was received on Tuesday 19 February 2019.

As stated in the Company's ASX release dated 24 October 2018 regarding an initial loan application for US\$3 million, the revolving credit facility is considered by the board as interim funding whilst other capital raising options are advanced to ensure no disruption occurs with the implementation of the Company's diversified minerals strategy, including new cobalt laterite projects and related exploration activities.

The key terms of the Revolving Credit Facility with respect to the US\$2 million drawdown are as follows:

- i. Drawdown amount – US\$2 million;
- ii. Loan Term – 3 years (36 months from withdrawal date);
- iii. Loan Purpose – Working Capital;
- iv. Interest rate – LIBOR 6 Monthly Interest Rate plus 2%;
- v. Penalty Interest Rate – the overdue penalty rate is the Borrowing Rate plus 40%; the interest rate applicable for changing the purpose of the loan is the Borrowing Rate plus 70%;
- vi. Interest Payment – 6 months in Advance;
- vii. Loan Repayment – By One Payment at any time during the Loan Term or in accordance with the Loan Amortisation Schedule – US\$100,000 by 10 November 2021 and US\$1,900,000 by 12 February 2022.
- viii. In the event the Loan is repaid early, a 1% early repayment fee shall apply for each month remaining on the Loan unless the loan is repaid during the last month of the Loan Term;
- ix. Loan Guarantor – Third Party Cash Collateralised Bank Guarantee to ICBC provided by Jiangsu to the amount of US\$2 million.

For and on behalf of the Board

A-Cap Energy Limited



Nicholas Yeak
Company Secretary