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If you have sold or transferred, or subsequently sell or transfer, all of your shares in CAP-XX Limited, please send this document and the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was or is effected for onward transmission to the purchaser or transferee.

The Directors, whose names appear on page 2 of this document, and the Company accept responsibility, collectively and individually, in accordance with the AIM Rules, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (each of whom have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that, subject to the passing of the Resolution at the General Meeting, Admission will become effective and that dealings in the Placing Shares will commence on 30 August 2013. The Placing Shares will, on Admission, rank pari passu in all respects with the Existing Ordinary Shares.

CAP-XX Limited

(Incorporated and registered in Australia with Australian Company Number 050 845 291)

Placing of 28,181,819 new Ordinary Shares at a Placing Price of 5.5p per share

and

Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 7 to 11 of this document and which recommends Shareholders to vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Cenkos Securities, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the matters described in this document. Persons receiving this document should note that Cenkos Securities plc will not be responsible to anyone other than the Company for providing the protections afforded to customers of Cenkos Securities plc or for advising any other person on the arrangements described in this document. Cenkos Securities plc has not authorised the contents of, or any part of, this document and makes no representation or warranty, express or implied, as to the contents of this document and Cenkos Securities does not accept any liability whatsoever for the accuracy of any information or opinions contained in this document or for the omission of any information. Cenkos Securities plc as nominated adviser and broker to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company or the Directors or any other person.

Cenkos has given and not withdrawn its consent to the inclusion in this document of the references to its name in the form and context in which they appear. CAP-XX has given and not withdrawn its consent to the issue of this document and the references to its name in the form and context in which they appear.

Notice of a General Meeting of the Company, to be held at the offices of CAP-XX Limited, Units 9/12 Mars Road, Lane Cove, Australia at 7 pm AEST on 29 August 2013, is set out at the end of this document. To be valid the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned in accordance with the instructions printed on it as soon as possible and, in any event, so as to reach the Company's registrars, Computershare, by 7 pm AEST on 27th August 2013 or two working days before any adjourned meeting. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting in person should they so wish.

This document does not constitute an offer of securities and is accordingly not an approved prospectus for the purposes of, and as defined in, section 85 of the Financial Services and Markets Act 2000 (as amended) and has not been prepared in accordance with the Prospectus Rules, nor has it been approved by, or filed with, the FCA or by any other authority which could be a competent authority for the purpose of the Prospectus Rules. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

DIRECTORS AND ADVISERS

Directors	Patrick Elliott Bruce Grey Anthony Kongats	<i>(Non-Executive Chairman)</i> <i>(Non-Executive Director)</i> <i>(Chief Executive Officer)</i>
Company Secretary	Michael Taylor Robert Buckingham	
Registered Office	Suite 126 117 Old Pittwater Road Brookvale NSW 2100 Australia	
Nominated Adviser and Broker	Cenkos Securities plc 6.7.8. Tokenhouse Yard London EC2R 7AS	
Solicitors to the Company	DibbsBarker Level 8, 123 Pitt Street Sydney NSW 2000 Australia	
Solicitors to the Nominated Adviser and Broker	Rosenblatt Solicitors 9-13 St Andrew Street London EC4A 3AF	
Depositary	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZY	

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PLACING STATISTICS

Placing Price	5.5 pence
Number of Existing Ordinary Shares	86,277,430
Number of Placing Shares	28,181,819*
Estimated gross proceeds of the Placing	approximately £1.55 million*
Estimated proceeds of the Placing receivable by the Company, net of expenses	approximately £1.33 million
Number of Ordinary Shares in issue following the Placing	114,459,249
Placing Shares as a percentage of the Enlarged Ordinary Share Capital	24.6%

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

This document posted to Shareholders	24 July 2013
Latest time and date for receipt of Forms of Instruction	10:00 am (BST) 23 August 2013
Latest time and date for receipt of Forms of Proxy	7 pm (AEST) on 27 August 2013
General Meeting	7 pm (AEST) on 29 August 2013
Admission and dealings in the Placing Shares expected to commence on AIM	8:00 am (BST) on 30 August 2013
CREST accounts credited in respect of the Placing Shares (CREST shareholders only)	30 August 2013
Share certificates despatched in respect of the Placing Shares (non-CREST shareholders only)	by 6 September 2013

If any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service. All events listed in the above timetable following the General Meeting are conditional on the passing, at the General Meeting, of the Resolution contained in the Notice of General Meeting.

* includes shares issued to certain directors and Cenkos Securities in lieu of fees.

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“A\$”	the Australian dollar, the legal currency of Australia;
"Admission"	admission of the Placing Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
“AEST”	Australian Eastern Standard Time;
"AIM"	a market operated by the London Stock Exchange;
"AIM Rules"	the AIM Rules for Companies published by the London Stock Exchange from time to time;
"Board" or "Directors"	the directors of the Company whose names are set out on page 2 of this document;
“BST”	British Summer Time;
"Cenkos Securities"	Cenkos Securities plc;
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001 SI 2001: No.3755 (as amended)) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in those regulations);
"Company" or "CAP-XX"	CAP-XX Limited, registered in Australia with Australian Company Number 050845291;
“Depository Interests”	depository interests representing Ordinary Shares;
"Enlarged Ordinary Share Capital"	the entire issued ordinary share capital of the Company immediately following the issue and allotment of the Placing Shares;
"Existing Ordinary Shares"	the Ordinary Shares in issue as at the date of this document;
"FCA"	the UK Financial Conduct Authority;
“Forms of Instruction”	the form of written instruction for use by Depository Interest holders in connection with the General Meeting;
"Form of Proxy"	the form of proxy for use by Shareholders at the General Meeting, which accompanies this document;
"General Meeting"	the general meeting of the Company to be held at the offices of CAP-XX Limited at Units 9/12 Mars Road, Lane Cove, NSW 2006, Australia at 7 pm AEST on 29 August 2013 or any adjournment thereof, notice of which is set out at the end of this document;

"London Stock Exchange"	London Stock Exchange plc;
"Murata"	Murata Manufacturing Co. Ltd
"Notice of General Meeting"	the notice convening the General Meeting, which is set out at the end of this document;
"Ordinary Shares"	ordinary shares in the capital of the Company;
"Placing"	the proposed issue of the Placing Shares at the Placing Price;
"Placing Agreement"	the conditional agreement to be entered in to on or around 22 July 2013 between the Company, the directors and Cenkos Securities;
"Placing Price"	5.5 pence per Placing Share;
"Placing Shares"	28,181,819 new Ordinary Shares to be issued by the Company pursuant to the Placing;
"Prospectus Rules"	the Prospectus Rules issued by the FCA;
"Resolution"	the resolution to be proposed at the General Meeting set out in the Notice of General Meeting;
"Shareholders"	persons who are registered as holders of Ordinary Shares from time to time.
"£" or "Sterling"	pounds sterling

PART 1
LETTER FROM THE CHAIRMAN OF CAP-XX LIMITED

(Registered and incorporated in Australia with Australia Company Number 050 845 291)

Directors:		Registered Office:
<i>Patrick Elliott</i>	<i>(Non-Executive Chairman)</i>	<i>Suite 126</i>
<i>Bruce Grey</i>	<i>(Non-Executive Director)</i>	<i>117 Old Pittwater Road</i>
<i>Anthony Kongats</i>	<i>(Chief Executive Officer)</i>	<i>Brookvale NSW 2100</i>
		<i>Australia</i>

To Shareholders and, for information only, to the holders of options over Ordinary Shares

22 July 2013

Dear Shareholder

Placing of Placing Shares at 5.5 pence each and Notice of General Meeting

Introduction

It was announced today that the Company proposes to raise approximately £1.55 million by the issue of 28,181,819 Placing Shares at a price of 5.5 pence per Placing Share.

The Placing is conditional, inter alia, on the approval by Shareholders of the Resolution to authorise the Directors to allot the Placing Shares. The Resolution which proposes this authority is contained in the Notice of General Meeting which is set out at the end of this document. The General Meeting is being convened at the offices of CAP-XX Limited at 9/12 Mars Road, Lane Cove, Australia at 7 p.m. AEST on 29th August 2013.

The purpose of this letter is to explain the background to and reasons for the Placing and to set out why the Board considers the Placing to be in the best interests of Shareholders as a whole and why the Directors recommend that you vote in favour of the Resolution to be proposed at the General Meeting.

Background to and reasons for the Placing

As noted in the Company's interim results announced on 5 March 2013 tangible progress has been made in the development of the Company's supercapacitor product for CAP-XX's key target markets of portable electronic devices and micro hybrid automotive applications. Revenue continues to increase with the average selling price remaining steady and the current sales order book is running at historical averages. This resulted in the Company reporting a reduced net loss at the half year of A\$1.4 million.

As a result of CAP-XX's accelerated development of a large form supercapacitor, specifically targeted at the automotive market, the Company has received considerable interest in its technology from automobile manufacturers and tier 1 component suppliers. This led to the Company completing the development of a small production line for the production of supercapacitors and supercapacitor based systems for customer evaluation. On 6 June 2013 the Company announced that following the successful commissioning of this line it had received firm orders for sample volumes of its large supercapacitors and large supercapacitor systems from a number of global automotive manufacturers and tier 1 global automotive component suppliers. These companies are understood to be evaluating CAP-XX supercapacitors for incorporation into vehicle Stop-Start and regenerative braking/energy capture systems, as well as for enhanced cold cranking. Extensive testing and in vehicle trials of the CAP-XX supercapacitors are achieving good results. In one evaluation undertaken in April 2013 the

Company successfully completed an in vehicle trial with Club Assist, a leading global supplier of roadside vehicle breakdown assistance. Club Assist and CAP-XX are in discussions to trial the Company's product in a number of Club Assist vans. The Board expects the availability of sample scale quantities of this new small-scale production line will hasten the development of commercial systems which incorporate this technology into automotive Stop-Start and other energy intensive automotive regenerative systems.

To date, a significant number of non disclosure agreements are in place with potential licensees from Europe, USA, India, China and Japan and patents have been drafted and applications filed and the Board expects that at least one licensee will be in place before the end of the current financial year.

CAP-XX has completed the development work on its next-generation supercapacitor product, namely the surface mountable device ("SMD"). The real benefits of the SMD product are its lower manufacturing costs and reduced assembly costs for CAP-XX's customers. Again, external interest in this product development is encouraging, with a number of high profile component manufacturers in early stage discussions. The focus is now on producing sufficient samples to meet the demand from these interested parties which is expected to be completed before the end of the current financial year.

The Board and management are actively focussed on reducing manufacturing costs associated with the existing supercapacitor business and are currently implementing these initiatives, which have included the procurement and evaluation of new cheaper raw materials, upgrading existing plant and machinery and improving current product processes which the Directors hope will assist in increasing yield. The added benefit will be an improved supercapacitor which is expected to increase the overall competitiveness of the CAP-XX product. The cost savings comprise improved production processes, investment in new plant and equipment, sourcing cheaper raw materials and labour reductions. The overall cost reduction on the Company's own manufactured product expected, by the Directors, to accrue from this programme is around 30 per cent with the majority of the identified savings expected to positively impact the results for the current financial year. The Directors believe that such a cost reduction will hasten adoption of its current generation product in key markets including small portable devices, solid state drives, industrial controls and energy harvesting. The Board is forecasting that the second stage of this cost reduction process will require additional investment in the evaluation of additional raw materials and upgraded equipment which, the Board expects, will significantly reduce the current production cycle as well as eliminate further costs.

The royalty revenue received from Murata remains at modest levels. The total revenue recognised for the six month period to 31 March 2013 was flat at A\$22,000. Murata has been able to release additional generations of its supercapacitor range over the past year and have also added additional manufacturing capacity. Murata have also advised that it has dedicated additional resources to its supercapacitor sales force and the Board expects to see the benefit of these initiatives through an increase in royalty revenue during the current financial year.

The Company's cash reserves as at the end of June 2013 were approximately A\$1 million.

In light of the above, the Board believes that it is appropriate to raise additional funds at the current time in order to provide the Company with sufficient funds to enhance the current automotive technology offering (including plant and equipment), complete the SMD packaging and to provide samples to potential licensees, complete and deploy the supercapacitor cost reduction programme, and provide the Company with additional working capital.

Shareholders should be aware that, if the Resolution is not approved at the General Meeting, the Company will be unable to complete the Placing. If the Placing does not proceed the working capital available to CAP-XX may not be sufficient for its requirements for the next 12 months from the date of this document.

Current trading and prospects

New sales opportunities and requests for quotes continue to increase as the market acceptance of supercapacitors as reliable and proven energy storage devices grows. The majority of the opportunities currently under evaluation are for high volume applications for large multi-national

customers and their Tier-1 component suppliers.

CAP-XX is in the process of identifying potential partners who have the necessary manufacturing experience and scale to successfully partner with CAP-XX in the automotive market and for surface mount supercapacitors.

The major short term focus for CAP-XX will be to complete licensing of its automotive and surface mount technologies; complete the cost reduction program currently underway and to continue the development of the Company automotive products.

The Placing

The Company proposes to raise gross proceeds of £1.55 million (approximately £1.33 million net of estimated expenses) through the issue of the Placing Shares. The Placing Price represents a discount of approximately 13.8 per cent. to the closing mid-market price of 6.38 pence on 19 July 2013, being the latest practicable date prior to the publication of this document. The Placing Shares will represent approximately 24.6 per cent. of the Enlarged Share Capital immediately following Admission.

The Placing is conditional, *inter alia*, upon:

- the Resolution being passed at the General Meeting;
- the Placing Agreement becoming unconditional in all respects (save for Admission) and not being terminated in accordance with its terms prior to Admission occurring; and
- Admission occurring by 8:00 a.m. BST on 30 August 2013 (or such later date as Cenkos Securities may agree not being later than 13 September 2013).

The Placing Shares will be issued credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid in respect of the Ordinary Shares after the date of Admission and will otherwise rank *pari passu* in all respects with the Existing Ordinary Shares. The Placing Agreement contains provisions entitling Cenkos to terminate the Placing Agreement at any time prior to Admission in certain circumstances. If this right is exercised the Placing will lapse.

Certain fees and commissions payable to Cenkos Securities in relation to its obligations under the Placing Agreement will be satisfied by the issue of 863,636 Ordinary Shares to Cenkos Securities at the Placing Price. These Ordinary Shares, which will form part of the Placing Shares, will be issued if the Placing is completed.

The Directors have agreed to subscribe for Placing Shares as follows:

Directors	Number of Placing Shares	No. of Shares held post transaction (% of enlarged share capital)
Patrick Elliott	945,455	1,745,455 (1.5%)
Bruce Grey	917,273	917,273 (0.8%)
Anthony Kongats	428,182	5,660,333 (4.9%)

Pursuant to the terms of his director's service agreement ("Service Agreement") with the Company Patrick Elliott is entitled to annual fees of £24,000. He has agreed that his unpaid fees for the financial years 2012, 2013 and 2014 totalling £52,000 will be not paid in cash but, in lieu of cash, by Mr Elliott subscribing for 945,455 Placing Shares at the Placing Price.

Pursuant to the terms of his Service Agreement with the Company Bruce Grey is entitled to annual fees of £24,000. He has agreed that his unpaid fees for the financial years 2013 and 2014 totalling

£50,450 will be not paid in cash but by Mr Grey subscribing for 917,273 Placing Shares at the Placing Price, comprising 808,182 Placing Shares in lieu of cash and 109,091 Placing Shares as an additional cash investment.

Reason for the Resolution

CAP-XX is a company whose shares are admitted to trading on AIM but is not incorporated in the UK, and therefore the rights of shareholders are different from the rights of shareholders of a UK incorporated company.

The Companies Act 2006 (UK legislation) provides that the directors of a company incorporated in the UK may not allot shares unless authorised to do so by shareholders of such company.

While CAP-XX is not incorporated in the UK, the Directors are mindful of the requirements of UK law and of the expectations that UK institutional and other investors may have when they invest in CAP-XX. Accordingly, the Directors of CAP-XX have adopted a **Dilution Policy** as follows:

“the Company will not, without the approval of shareholders, issue further securities for cash unless :

- (i) such issues do not result in the aggregate number of securities issued for cash in the 12 months before the issue date exceeding 15 per cent. of the entire issued capital of CAP-XX; or*
- (ii) such issues are done by way of a rights issue or offering in favour of all holders of securities”.*

Under its dilution policy CAP-XX may currently issue, within the 15 per cent. limit, approximately 12,940,000 shares without shareholder approval. The intention of the proposed resolution set out in the Notice of Meeting is to seek Shareholders’ approval for authority to issue up to 28,181,819 new shares which will raise approximately £1.55 million (before the deduction of expenses associated with the Placing) in Placing Shares at 5.5 pence per share.

Dealings

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that subject to passing the Resolution at the General Meeting and the Placing Agreement becoming unconditional in all respects (save for Admission) Admission will become effective, and dealings in the Placing Shares will commence, at 8:00 am BST on 30 August 2013.

General Meeting

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of CAP-XX at Unit 9/12 Mars Road, Lane Cove, Australia at 7 pm AEST on 29 August 2013 for the purposes of considering and, if thought fit, passing the Resolution.

The Resolution will be proposed as an ordinary resolution. It is to authorise the Directors (conditionally upon Admission) to allot the Placing Shares.

The attention of Shareholders is also drawn to the voting intentions of the Directors as set out in the paragraph entitled “Recommendation” below.

Action to be taken

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions printed on it and returned to the Company's registrars, Computershare, as soon as possible and, in any event, so as to be received by no later than 7 pm AEST on 27 August 2013. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

A Form of Instruction is also attached. If required it should be completed, signed and returned to Computershare Investor Services PLC in accordance with the instructions on that form. This form must be received by 10:00 am (BST) on 23 August 2013.

Please note that it is important that you complete the Form of Instruction if you hold Depository Interests and the Form of Proxy if you hold Ordinary Shares in certificated form.

To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 10.00 am BST on 23 August 2013. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid an appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Recommendation

The Directors consider that the Placing is in the best interests of the Company and the Shareholders as a whole. The Directors unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the General Meeting as they intend to do so in respect of their own beneficial holdings amounting, in aggregate, to 6,032,151 Existing Ordinary Shares representing approximately 7.0 per cent of the Existing Ordinary Shares.

Yours faithfully

Patrick Elliot

Non-Executive Chairman

CAP-XX LIMITED
ACN 050 845 291
NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of shareholders of CAP-XX Limited will be held at CAP-XX's offices, Units 9/12 Mars Road, Lane Cove, Australia, at 7.00 pm (AEST) on 29 August 2013.

AGENDA

BUSINESS

Resolution - approval to issue shares

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

That the directors of the Company be and are generally and unconditionally authorised to exercise all the powers of the Company to allot the Placing Shares, provided that this authority shall be conditional upon Admission becoming effective on or before 8:00am BST on 30 August 2013 (or such later time and/or date as the Company and Cenkos Securities plc may agree, but in no event no later than 8:00am BST on 13 September 2013) and shall be limited to the allotment of the Placing Shares up to a maximum number of 28,181,819 Ordinary Shares.

NOTES

- Shareholders may listen to the General Meeting by phoning +61 3 8600 9130 and when prompted keying in Account No: 72207679 followed by Guest Pin No: 1931#. An opportunity will be given also to those shareholders to ask questions. The time for the Meeting equates with 10.00 am (BST) on Thursday, 29 August 2013.
- The Letter from the Chairman which accompanies and forms part of this Notice, describes the business to be considered at the General Meeting.
- A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
- The proposed Chairman of the meeting intends to vote undirected proxies in favour of the resolution.
- For the determination of voting entitlements, the directors have set a time to determine the identity of those entitled to attend and vote at the meeting. The time is 7.00 pm AEST on 27 August 2013 (48 business hours prior to commencement of the meeting) which equates with 10.00 am BST on Tuesday, 27 August 2013.
- A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office or Computershare Clearing Pty Ltd in accordance with the proxy instructions on that form. This form must be received by 7.00 pm AEST on Tuesday, 27 August 2013 which equates with 10.00 am BST on 27 August 2013.
- In respect of Depositary Interests a Form of Instruction must be lodged at the office of the Depositary at: Computershare Investor Services PLC, The Pavilions, Bridgwater Rd, Bristol BS99 6ZY by 23 August 2013 at 10.00 am BST.

By order of the Board

Michael Taylor
Company Secretary
Date: 22 July 2013