

**THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

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 New Ordinary 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 New Ordinary Shares will commence on 10 April 2015. The New Ordinary Shares will, on Admission, rank pari passu in all respects with the Existing Ordinary Shares.

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# **CAP-XX Limited**

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

## **Placing and Subscription of 120,000,000 New Ordinary Shares at a Placing Price of 1p 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 8 to 13 of this document and which recommends Shareholders to vote in favour of the Resolution to be proposed at the General Meeting referred to below.**

Allenby Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as broker to the Company in connection with the matters described in this document. Persons receiving this document should note that Allenby Capital Limited will not be responsible to anyone other than the Company for providing the protections afforded to customers of Allenby Capital Limited or for advising any other person on the arrangements described in this document. Allenby Capital Limited 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 Allenby Capital Limited 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. Allenby Capital Limited, as 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 Securities plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser 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 plc 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 joint-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.

Allenby Capital Limited and Cenkos Securities plc have given and not withdrawn their consent to the inclusion in this document of the references to their names 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 7:00 pm AEST on 9 April 2015, 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 Investor Services Pty Ltd, by 7:00 pm AEST on 7 April 2015 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.**

**Holders of Depositary Interests should complete a Form of Instruction or give an instruction via the CREST system. To be valid the accompanying Form of Instruction for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach Computershare Investor Services PLC by 10:00 am (BST) on 2 April 2015. 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 2 April 2015. 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**

<b>Directors</b>	Patrick Elliott Bruce Grey Anthony Kongats	<i>(Non-Executive Chairman)</i> <i>(Non-Executive Director)</i> <i>(Chief Executive Officer)</i>
<b>Company Secretary</b>	Michael Taylor Robert Buckingham	
<b>Registered Office</b>	Suite 126 117 Old Pittwater Road Brookvale NSW 2100 Australia	
<b>Joint Broker and Broker to the Placing</b>	Allenby Capital Limited 3 St Helen's Place London EC3A 6AB UK	
<b>Nominated Adviser and Joint Broker</b>	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS UK	
<b>Solicitors to the Company as to Australian Law</b>	DibbsBarker Level 8 123 Pitt Street Sydney NSW 2000 Australia	
<b>Solicitors to the Company as to English Law</b>	Olswang LLP 90 High Holborn London WC1V 6XX	
<b>Solicitors to Allenby Capital Limited</b>	Rosenblatt Solicitors 9-13 St Andrew Street London EC4A 3AF UK	
<b>Registrar</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZY UK	
	<i>or:</i>	
	Computershare Investor Services Pty Ltd Yarra Falls 452 Johnston Street Abbotsford	

Victoria 3067  
Australia

**Depositary**

Computershare Investor  
Services PLC  
The Pavilions  
Bridgwater Road  
Bristol  
BS99 6ZY  
UK

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## FUNDRAISING STATISTICS

Placing Price	1p
Number of Existing Ordinary Shares	116,227,365
Number of New Ordinary Shares	120,000,000
Gross proceeds of the Fundraising	£1.2 million
Estimated proceeds of the Fundraising receivable by the Company, net of expenses	approximately £1.1 million
Number of Ordinary Shares in issue following the Fundraising	236,227,365
New Ordinary Shares as a percentage of the Enlarged Ordinary Share Capital	50.80%

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of this document	5 March 2015
Latest time and date for receipt of Forms of Instruction	10:00 am (BST) on 2 April 2015
Latest time and date for receipt of Forms of Proxy	7:00 pm (AEST) on 7 April 2015
General Meeting	7:00 pm (AEST) 9 April 2015
Admission and dealings in the New Ordinary Shares expected to commence on AIM	8:00 am (BST) on 10 April 2015
CREST accounts credited in respect of the New Ordinary Shares (CREST shareholders only)	10 April 2015
Share certificates despatched in respect of the New Ordinary Shares (non-CREST shareholders only)	by 17 April 2015

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.

## 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 New Ordinary 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;
"Allenby Capital"	Allenby Capital Limited;
"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;
"Company" or "CAP-XX"	CAP-XX Limited, registered in Australia with Australian Company Number 050 845 291;
"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);
"Computershare"	Computershare Investor Services PLC or Computershare Investor Services Pty Ltd, as appropriate;
"Depositary Interests"	depositary 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 New Ordinary 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 Depositary 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;
"Fundraising" or "Placing & Subscription"	together the Placing and Subscription of a total of 120,000,000 New Ordinary Shares at 1p per share to raise

	£1.2 million before expenses;
<b>"General Meeting"</b>	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 7:00pm AEST on 9 April 2015 or any adjournment thereof, notice of which is set out at the end of this document;
<b>"London Stock Exchange"</b>	London Stock Exchange plc;
<b>"New Ordinary Shares"</b>	together, the Placing Shares and the Subscription Shares, representing a total of 120,000,000 new Ordinary Shares;
<b>"Notice of General Meeting"</b>	the notice convening the General Meeting, which is set out at the end of this document;
<b>"Ordinary Shares"</b>	ordinary shares of no par value in the capital of the Company;
<b>"Placing"</b>	the proposed issue of the Placing Shares at the Placing Price;
<b>"Placing Agreement"</b>	the conditional agreement entered into on 5 March 2015 between the Company, the Directors and Allenby Capital;
<b>"Placing Price"</b>	1p per Placing Share;
<b>"Placing Shares"</b>	104,500,000 new Ordinary Shares to be issued by the Company pursuant to the Placing;
<b>"Prospectus Rules"</b>	the Prospectus Rules issued by the FCA;
<b>"Resolution"</b>	the resolution to be proposed at the General Meeting set out in the Notice of General Meeting;
<b>"RFID"</b>	Radio Frequency Identification;
<b>"Shareholders"</b>	persons who are registered as holders of Ordinary Shares from time to time;
<b>"Subscription"</b>	the conditional subscription by certain investors, including the Directors, for the Subscription Shares at the Placing Price;
<b>"Subscription Shares"</b>	the 15,500,000 new Ordinary Shares to be issued to subscribers pursuant to the Subscription;
<b>"US" or "United States"</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction;
<b>US\$</b>	US dollars, the legal currency of the United States; and
<b>"£" or "Sterling"</b>	pounds sterling, the lawful currency of the United Kingdom.

**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*

5 March 2015

Dear Shareholder

**Placing & Subscription of New Ordinary Shares at 1p each and Notice of General Meeting**

***Introduction***

It was announced today that the Company proposes to raise £1.2 million by the issue of 120,000,000 New Ordinary Shares at a price of 1p per Ordinary Share. In addition, the Company also announced its interim results for the six months ended 31 December 2014.

The Fundraising is conditional, *inter alia*, on the approval by Shareholders of the Resolution to authorise the Directors to allot the New Ordinary 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 7:00pm AEST on 9 April 2015.

The purpose of this letter is to explain the background to and reasons for the Fundraising and to set out why the Board considers the Fundraising 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 Fundraising***

On 3 February 2015, CAP-XX announced that it had signed a mutually exclusive memorandum of understanding with a North American Global Tier-1 automotive components company, initially for the development of products for the North American truck market.

This memorandum of understanding is for the development of CAP-XX's large automotive supercapacitors for a standalone system which can serve both original equipment and aftermarket applications, via potentially replacing one in three or one in four truck batteries with a supercapacitor unit. CAP-XX has produced prototypes of this product under the name '*truckStart*'.

According to the counterparty to the memorandum of understanding, the truck market in the US uses between 9 and 12 million batteries annually. In line with this, the counterparty to the memorandum of understanding believes that there is a large market for a supercapacitor-powered truck starter unit and the Board believes that the total addressable market for a product such as *truckStart* in the US could potentially be as large as US\$1.8bn.

The counterparty to the memorandum of understanding has purchased *truckStart* prototypes for



testing, which will also include field testing as a next step. This sale of *truckStart* prototypes represented the first commercial application for heavy duty supercapacitors.

On 3 February 2015, the Company also announced that in terms of trading generally, supercapacitor revenues and volume had improved, with demand driven primarily by wider adoption of CAP-XX's supercapacitor technology in medical and consumer wearables, RFID/logistics support and automated meter reading.

Finally, the Company highlighted its continued focus on manufacturing cost reduction, which had already resulted in annualised cost savings of approximately US\$1 million, with additional savings expected in the subsequent financial year.

Despite these positive developments, and reflecting CAP-XX's level of cash and cash equivalents, which at 31 December 2014 was approximately A\$0.5 million, it was announced that the Board was seeking additional working capital.

The Fundraising will provide the Company with this working capital and is necessary to ensure that the Company is able to capitalise on the opportunities available to it. The net proceeds of the Fundraising will be used in the following areas:

- investment in further costs saving initiatives in the production of supercapacitors, including equipment, factory optimisation and materials;
- investment in the product engineering, testing and qualification necessary for the development and commercialisation of the Company's new *truckStart* automotive product; and
- general working capital.

### ***Interim results for the six months ended 31 December 2014***

The Company's interim results for the six months ended 31 December 2014 have also been announced today.

The table below sets out summarised financial information on CAP-XX, which has been extracted from the Company's unaudited interim financial results for the six month periods ended 31 December 2014 and 31 December 2013 and the Company's audited financial statements for the year ended 30 June 2014.

	<i>Unaudited</i>		<i>Audited</i>
	6 months ended 31 December 2014 (A\$'000)	6 months ended 31 December 2013 (A\$'000)	Year ended 30 June 2014 (A\$'000)
Revenue from sale of goods and services	2,265,654	2,222,376	3,970,181
<b>Gross margin (loss) on sale of goods and services</b>	<b>656,992</b>	<b>568,224</b>	<b>734,172</b>
<b>(Loss) before income tax</b>	<b>(873,104)</b>	<b>(1,222,130)</b>	<b>(2,543,060)</b>
Income tax benefit/(expense)	-	-	-
<b>Net (loss) for the period</b>	<b>(873,104)</b>	<b>(1,222,130)</b>	<b>(2,543,060)</b>

As at 31 December 2014, the Company had cash and cash equivalents of A\$546,466 (30 June 2014: A\$ 900,397; 31 December 2013: A\$2,729,595).

CAP-XX's full interim results for the six months to 31 December 2014 will be available for download from the Company's website [www.cap-xx.com](http://www.cap-xx.com).

### ***Current trading and prospects***

#### *Target markets*

The Board believes that CAP-XX's market share within existing electronics markets has been fairly steady, with growth in these markets being modest to date. However, the Board also believes that demand for thin, small devices, such as wearable electronics and growth in energy-harvesting as a

power source, will drive rapid growth in these markets. As a consequence, CAP-XX has been seeking to increase the end use of its supercapacitors in multiple high growth markets, including:

- sports gear and small personal medical devices within the wearable electronics field;
- building and industrial control systems and RFID tags within the energy harvesting systems; and
- a variety of metering and telemetry applications.

Large cell markets, such as automotive, have also been growing strongly and CAP-XX now has the prototype large capacity devices required to enter these markets. To date, CAP-XX has engaged with over 20 companies in the automotive industry and supply chain. This activity is now moving towards evaluations and licence opportunities.

In addition to the memorandum of understanding for the development of *truckStart* for the North American truck market, a separate global Tier-1 automotive systems company has bought a number of 500F cells, in November 2014, for the development of a Kinetic Energy Recovery System (KERS) for use in racing cars, prior to anticipated broader adoption in sports cars. Should this proceed beyond trial status, then module development and laboratory testing is anticipated later in 2015, track testing is planned during 2016, and racing scheduled to commence in 2017/2018.

Another global Tier-1 automotive components company has approached CAP-XX to licence a patent and has tabled an initial offer involving an upfront license fee, plus a sliding scale royalty on sales. This opportunity is currently in active negotiation.

The Board continues to remain confident that trading for the 2014/15 financial year will continue to better the previous period.

#### *Manufacturing Cost Reductions and Margin Improvements*

Since mid-2014, CAP-XX has achieved significant reductions in production costs and improvements in gross margins. In June 2014, the Board's target was to reduce total production cost by approximately 30 per cent. As at the end of November 2014, savings of 27 per cent. had been achieved. The Board now expects a total production cost reduction of 36 per cent. between June 2014 and June 2015 and believes that further savings can be achieved beyond June 2015, including additional raw material cost reductions, which are currently being investigated.

The manufacturing cost reduction programme has resulted in material and process improvements, which have already delivered improved product performance. The Board believes that the ongoing programme should deliver numerous further benefits, including:

- allowing CAP-XX to be cost-competitive on higher volume business, whilst increasing the margin contribution; and
- a more focussed product range, which will drive further reductions in production costs and working capital requirements over time.

An updated version of CAP-XX's corporate presentation will be available for download from the Company's website [www.cap-xx.com](http://www.cap-xx.com).

#### ***The Fundraising***

The Company proposes to raise gross proceeds of £1.2 million (approximately £1.1 million net of estimated expenses) through the issue of the New Ordinary Shares. The Placing Price represents a premium of approximately 11 per cent. to the closing mid-market price of 0.9p on 4 March 2015, being the latest practicable date prior to the publication of this document. The New Ordinary Shares will represent approximately 50.80 per cent. of the Enlarged Ordinary Share Capital immediately following Admission.

The Fundraising 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;
- the Subscription becoming unconditional; and
- Admission occurring by 8:00 a.m. BST on 10 April 2015 (or such later date as Allenby Capital may agree, not being later than 30 April 2015).

The New Ordinary 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 Allenby Capital to terminate the Placing Agreement at any time prior to Admission in certain circumstances. If this right is exercised the Fundraising will lapse.

#### ***Directors' participation in the Fundraising***

All of the Directors have agreed to subscribe, in aggregate, for 8,000,000 Subscription Shares under the Subscription as follows:

<b>Directors</b>	<b>Number of Subscription Shares to be acquired</b>	<b>Number of Ordinary Shares held following Admission (% of Enlarged Ordinary Share Capital)</b>
Patrick Elliott	2,500,000	4,593,281 (1.94%)
Bruce Grey	1,500,000	2,765,099 (1.17%)
Anthony Kongats	4,000,000	9,660,333 (4.09%)

#### ***Related Party Transactions***

The entire Board's participation in the Subscription, as outlined above, will constitute a related party transaction for the purposes of Rule 13 of the AIM Rules. In addition, the participation in the Placing by Legal & General Investment Management also constitutes a related party transaction, as Legal & General Investment Management is deemed a substantial shareholder pursuant to the AIM Rules. As there are no independent Directors for the purposes of providing the fair and reasonable statement required under Rule 13 of the AIM Rules, Cenkos Securities, the Company's nominated adviser, considers that the terms of these related party transactions are fair and reasonable insofar as Shareholders are concerned.

#### ***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 17,200,000 shares without shareholder approval. The intention of the proposed resolution set out in the Notice of General Meeting is to seek Shareholders’ approval for authority to issue up to 120,000,000 new shares which will raise approximately £1.2 million (before the deduction of expenses associated with the Fundraising), via the issue of the New Ordinary Shares at 1p per share.

### ***Dealings***

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that subject to passing the Resolution at the General Meeting and the Placing and Subscription becoming unconditional in all respects (save for Admission) Admission will become effective, and dealings in the New Ordinary Shares will commence, at 8:00 am BST on 10 April 2015.

### ***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 7:00 pm AEST on 9 April 2015 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 New Ordinary 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 Investor Services Pty Ltd, as soon as possible and, in any event, so as to be received by no later than 7:00 pm AEST on 7 April 2015. 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.**

**In respect of Depository Interests, 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 2 April 2015.**

**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 2 April 2015. 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*

Shareholders should be aware that if the Fundraising is not approved at the General Meeting, the Company will not have sufficient working capital available to it for the next 12 months from the date of this document and the Board may, in due course, be required to take action to protect the interests of creditors.

The Directors consider that the Fundraising 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 9,018,713 Existing Ordinary Shares representing approximately 7.8 per cent of the Existing Ordinary Shares.

Yours faithfully,

**Patrick Elliott**  
*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 9 April 2015.

**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 New Ordinary Shares, provided that this authority shall be conditional upon Admission becoming effective on or before 8:00am BST on 10 April 2015 (or such later time and/or date as the Company and Allenby Capital Limited may agree, but in no event no later than 8:00am BST on 30 April 2015) and shall be limited to the allotment of the New Ordinary Shares up to a maximum number of 120,000,000 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 9 April 2015.
- 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 7 April 2015 (48 business hours prior to commencement of the meeting) which equates with 10:00 am BST on 7 April 2015.
- 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 7 April 2015 which equates with 10:00 am BST on 7 April 2015.
- 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 2 April 2015 at 10:00 am BST.

By order of the Board

Michael Taylor  
Company Secretary  
Date: 5 March 2015