

Rights Issue Update

Key points:

- **Non-renounceable 1-for-3 rights issue to Eligible Shareholders of fully paid ordinary shares at an issue price of \$0.012 each to raise up to \$238,100 (before costs).**
- **Shareholders may apply for additional shares as part of the Rights Issue shortfall.**
- **Funds raised will be used towards additional exploration activities on the Tambellup Kaolin Project, the WA Gold Projects and general working capital.**

Accelerate Resources Limited (ASX:AX8) ("**Accelerate**" or "the **Company**") is pleased to announce the lodgement of a prospectus for a pro-rata 1-for-3 non-renounceable rights issue at 1.2 cents per share to raise up to \$238,100 (before costs) ("**Rights Issue**").

Pursuant to the Rights Issue, the Company will issue up to approximately 19,841,666 new fully paid ordinary shares.

The funds raised by the Rights Issue will support additional exploration activities on the Tambellup Kaolin Project, as well as on the Company's existing gold projects in Western Australia and for general working capital.

Each shareholder registered on the Company's register of members on Friday, 24 April 2020 ("**Record Date**") with a registered address in Australia will be eligible to subscribe for 1 new fully paid ordinary share in the Company for every 3 fully paid ordinary shares held as at the Record Date at a price of \$0.012 (1.2 cents) per new share ("**Offer Price**").

Shareholders will be entitled to apply for all, part or none of their entitlement. Shareholders will also be able to apply for additional shares beyond their entitlements pursuant to the shortfall offer ("**Shortfall Offer**"). The shares offered under the Shortfall Offer will be issued at the Offer Price and allocated at the discretion of the directors pursuant to the allocation policy set out in the Prospectus. The Shortfall

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Offer will remain open for up to 3 months following the closing date of the Rights Issue (as noted in the indicative timetable below) or such shorter period determined by the directors.

The Offer Price represents a discount of:

- 20% to the Company's last close of \$0.015 on the ASX on 16 April 2020;
- 20% to the Company's 15 day VWAP of \$0.015, and
- 42.86% to the Company's 30 day VWAP of \$0.021.

Full details of the Rights Issue and the Shortfall Offer are contained in the Prospectus. The Prospectus can be accessed from the ASX and Company websites, www.asx.com.au and www.ax8.com.au respectively.

The Prospectus will also be dispatched to Eligible Shareholders in accordance with the indicative timetable set out in the Prospectus, as below.

Indicative timetable for Rights Issue

Event	Date
Lodgement of Prospectus with ASIC Lodgement of Prospectus and Appendix 3B with ASX	Tuesday, 21 April 2020
Shares quoted on an "EX" basis	Thursday, 23 April 2020
Record Date for determining Entitlements	Friday, 24 April 2020
Company sends Prospectus and Entitlement and Acceptance Form to Eligible Shareholders	Monday, 27 April 2020
Last day to extend Closing Date	Tuesday, 5 May 2020
Closing Date of Rights Issue (5pm AWST)*	Friday, 8 May 2020

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Event	Date
Shares quoted on a deferred settlement basis	Monday, 11 May 2020
Announcement of results of Rights Issue, including shortfall	Tuesday, 12 May 2020
Anticipated date for issue of the Shares under the Rights Issue Company lodges an Appendix 2A with ASX applying for quotation of the new Shares	Thursday, 14 May 2020
Anticipated date for commencement of new Shares trading on a normal settlement basis	Friday, 15 May 2020
Anticipated date for settlement of trades conducted on a deferred settlement basis and on a normal T+2 basis	Tuesday, 19 May 2020

* All dates are indicative only and subject to change without prior written notice. Any extension of the Closing Date will have a consequential effect on the date of issue of the Shares.

—ENDS—

For further information please contact
Yaxi Zhan
Managing Director

E: Yaxiz@AX8.com.au | P: +61 8 9482 0500 | W: www.AX8.com.au

This announcement was authorised for release by the Board of Accelerate Resources

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