

Successful application for 2020/21 Income year Junior Minerals Exploration Incentive (JMEI)

- Accelerate Resources approved for JMEI scheme for the 2020/2021 income year
- JMEI credits are available to new AX8 shareholders issued shares between 8 July 2020 and 30 June 2021 via capital raising.

Accelerate Resources Limited (**AX8** or the **Company**) is pleased to announce that its application to participate in the Junior Minerals Exploration Incentive (**JMEI**) scheme for the 2020/21 income year has been accepted by ATO.

About The JMEI Scheme

The JMEI scheme encourages investment in mineral exploration companies that carry out “greenfields” mineral exploration in Australia, by allowing such companies to generate a tax incentive by choosing to give up a portion of their losses from “greenfields” mineral exploration expenditure for distribution to Australian residents who acquired new shares during the relevant eligibility period. The shares must be equity interests for the purposes of debt and equity tax rules.

The exploration credit that can be issued to an investor is limited to the amount paid by the investor to acquire the new shares multiplied by the corporate tax rate. Exploration credits must be issued in proportion to each eligible investor's investment so streaming of exploration credits to particular investors is not permitted.

Receiving a JMEI credit could have tax consequences and shareholders should obtain independent tax advice specific to their personal circumstances.

Accelerate Resources participation in the scheme

The Company has received an allocation of up to \$450,000 in tax credits which can be distributed to shareholders (**Eligible Shareholders**) who acquire new shares in Accelerate between 8 July 2020 and 30 June 2021 (**Eligibility Period**) are entitled to receive JMEI credits.

Market Data

ASX Code: AX8

Shares on Issue: 79.4M

CONTACTS

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BOARD

Grant Mooney
Yaxi Zhan
Richard Hill
Deborah Ho

Non-Executive Chairman
Managing Director
Non-Executive Director
Company Secretary

Investors should be aware that Accelerate cannot guarantee that Eligible Shareholders will receive the maximum number of JMEI credits available as the actual number of JMEI credits received by each Eligible Shareholder for the 2020/2021 income year will be dependent on a number of factors, including the number of new shares issued, the actual amount of allowable exploration incurred by Accelerate, and the Company's tax losses for the 2020/21 financial year.

Eligible Shareholders are expected to be notified by the Company of their JMEI credit entitlement (if any) in the approved form once Accelerate has lodged its 2020/2021 tax return. These JMEI credits will apply to their income tax assessment for the year ended 30 June 2021.

For further information about the JMEI please refer to the ATO website at:

<https://www.ato.gov.au/Business/Junior-Minerals-Exploration-Incentive/>

—ENDS—

**For further information please contact
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This announcement was authorised for release by the Managing Director

CONTACTS

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