Acacia Coal Limited

ABN 13 009 092 068

ANNUAL REPORT 2017

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CORPORATE DIRECTORY

Acacia Coal Limited
ACN: 009 092 068
ABN: 13 009 092 068

Directors
Mr Adam Santa Maria
Non-Executive Chairman

Mr Hugh Callaghan
Managing Director

Mr Robert Scott
Executive Director

Mr Logan Robertson
Non-Executive Director

Mr Brett Lawrence
Non-Executive Director

Company Secretary
Mr Brett Tucker

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Stock Exchange
Australian Securities Exchange (ASX Limited)
Home Exchange Perth

Securities
Code: AJC = Quoted Shares

Share Registry
Link Market Services
QV1 Building, Level 12, 250 St Georges Terrace,
Perth WA 6000

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Level 1, 914 Hay Street, Perth WA 6000

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Your Directors present their Report on Acacia Coal Limited (the 'Company') and its Controlled Entities (collectively the 'Group ') for the financial year ended 30 June 2017.

REVIEW OF OPERATIONS

Comet Ridge Project

Following a board review of potential avenues to realise value from its Comet Ridge project, the Company entered into a binding option agreement with Bowen Coking Coal Pty Ltd ("BCC") for the sale of this project.

In May 2017 Acacia announced that it has received notification from BCC of the formal exercise of its option to acquire Comet Ridge from the Group.

The sale of Comet Ridge is now subject to the receipt of the consideration due to the Group under the terms of the option agreement with BCC, which is a further $350,000 in cash and $400,000 in shares in a listed entity when BCC achieves a listing on the ASX. Acacia notes that BCC has entered into an agreement with Cabral Resources Limited under which BCC will, subject to conditions, be acquired and Cabral relisted on the ASX on successful completion. A total of 17,391,304 shares will be issued to the Group on completion, expected to be in September 2017.

Riversdale Anthracite Colliery Project

In October 2016 the Group announced it had signed an agreement to acquire Coalvent Limited. Coalvent holds the right to purchase a 74% interest in the Riversdale Anthracite Colliery (RAC) metallurgical coal project from a subsidiary company of Rio Tinto, which is located in South Africa. The Group also announced an underwritten entitlements issue to raise approximately A$2 million at $0.003 per share, which opened on 24 October 2016 and closed on 15 November 2016.

The acquisition is conditional upon, amongst other matters, the South African Minister for Mines giving consent for transfer of the project under section 11 of the Mineral & Petroleum Resources Development Act 28 of 2002.

Drilling and feasibility studies completed previously demonstrated the RAC project as a high grade, low impurity anthracite asset that is ideally positioned to service a South African anthracite market which is facing significant shortages in low impurity product, as well as generally within the seaborne export market. The Pre Feasibility study completed by the Group was delivered on budget and two months ahead of schedule on 1st May 2017.

In February 2017 Acacia announced a Maiden Resource statement reported in accordance with the JORC 2012 Code for the RAC project. RAC's initial resource demonstrated 9mt of high quality, low sulphur and low phosphorus anthracite in Indicated and Inferred Resource categories. Subsequently the Group undertook a 10-hole drill campaign to increase the confidence level of the Resource.

In April 2017 the Group announced an update to the JORC 2012 coal Resource comprising 10Mt of high quality, low sulphur and low phosphorus anthracite in Total Resources in the Gus Seam, of which 86% were in the Measured and Indicated category.

The Group engaged independent consultants to undertake a Pre-Feasibility study over the RAC Project which was completed in May 2017. Highlights of the study were:

- the RAC Project is estimated to cost $24 million to build on an outsourced operational model, with sustaining capital of $7.85m and is forecast to generate an average 438,000mt of sales per annum for an initial 8-year mine life
- Based upon an average selling price of A$125.10/tonne FCA mine gate and an effective 6% royalty rate, the project study demonstrates a cash margin after tax of A$34.40/t
- This will enable the RAC project to generate free cash-flow after tax averaging A$14.5m pa over the initial 8-year mine life

- The PFS found that these financial parameters would result in an ungeared post tax internal rate of return of 53% and underpin a Net Present Value at a 10% discount rate (NPV_{10}) for the Project of $73 million
- Metallurgical test work conducted as part of the PFS found the RAC coal was ideal for use in South Africa's ferrochrome industry, which is struggling to source sufficient quantities of low phosphorus and low sulphur anthracite

The Group confirms that there has been no material change to the assumptions used in the study.

In June 2017 the South African Government announced a revision to the Mining Charter, which, amongst other matters, requires the proportion of a project to be held by Black Economic Empowerment interests to rise to 30% from a current level of 26%. The implementation of the new Charter is suspended pending the results of legal proceedings, and the outcome of this process is uncertain.

The Group is considering options for funding the Bankable Feasibility Study and vendor payments as required under the RAC project acquisition agreement. A number of options are being considered including working with Coalvent to identify funding at a subsidiary or project level to progress the RAC project. This process is ongoing at the date of this report.

Board & Management Changes

August 2016	The Group appointed Mr Brett Lawrence to the Board as a Non-Executive Director. Mr Brett Mitchell resigned as a Director to pursue other business interests.
December 2016	The Group appointed Miss Lauren Nelson as Company Secretary and Mrs Rachael Kerr resigned as Company Secretary to focus on other business interests.
March 2017	The Group appointed Mr Hugh Callaghan and Mr Rob Scott as executive directors of the Group.
	The Group welcomed Mr Peet Snyders as Chief Operating Officer and Mr Filippo Faralla as General Manager of Strategy & Marketing.
June 2017	The Group appointed Mr Brett Tucker as Company Secretary and Miss Lauren Nelson resigned as Company Secretary.

DIRECTORS REPORT

DIRECTORS

The following were Directors of the Company at any time during the reporting period and, unless otherwise indicated, were Directors for the entire period.

Director	Title	Appointment Date	Resignation Date
Mr Adam Santa Maria	Non-Executive Chairman	16 December 2015	-
Mr Hugh Callaghan	Managing Director	21 March 2017	-
Mr Rob Scott	Non-Executive Director	21 March 2017	-
Mr Logan Robertson	Non-Executive Director	18 December 2015	-
Mr Brett Lawrence	Non-Executive Director	2 August 2016	-
Mr Brett Mitchell	Non-Executive Director	18 December 2015	2 August 2016

PRINCIPAL ACTIVITIES

The principal activities of the Group during the course of the financial year were the exploration and project development of the Riverside Anthracite project.

RESULTS

The consolidated loss of the Group for the financial year ended 30 June 2017 was $2,470,979 (2016: $9,976,890).

DIVIDEND

No dividends have been paid by the Group during the financial year ended 30 June 2017, nor have the Directors recommended that any dividends be paid.

OPTIONS

The Company had the following movements in options issued over shares during the financial year ended 30 June 2017:

- 8,000,000 options with an exercise price of 2 cents each lapsed;
- 40,000,000 options with an exercise price of 0.6 cents each, expiring on 31 December 2021; and
- 2,500,000 options which have an exercise price of 0.6 cents per share, expiring on 4 December 2021.

As at the date of this report, a total of 42,500,000 options were on issue by the Company.
Further details of these options can be found in the Director's Report Remuneration Report section.

REVIEW OF OPERATIONS

A detailed Review of Operations can be found commencing on page 2.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year the following significant changes in the state of affairs occurred:

- The Group announced the acquisition of Coalvent and the subsequent right to purchase the RAC project. The Group undertook works to better define the RAC project including Resource estimation and completion of a Pre feasibility study. Messrs Hugh Callaghan and Robert Scott were appointed as Directors of the Company, along with other management appointments in order to advance the RAC project.

  The Group is currently assessing various funding options to fund further required development works on the RAC project and to fund the remaining acquisition payment due to the project vendor. Due to the uncertainty of securing project funding, and ultimately recovering amounts capitalised for RAC project development, the Group decided to impair all such RAC project costs at 30 June 2017. Further to this, the Company raised a provision to fully impair all loan amounts that were advanced to Coalvent during the year at 30 June 2017.

DIRECTORS REPORT

The Group is continuing to investigate funding options, including securing funding at the RAC project level, and is also investigating other acquisitions in order to add value for shareholders; and

- The Company executed an option agreement with Bowen Coking Coal Pty Ltd to sell its Comet Ridge project. This option to acquire the Comet Ridge project was exercised during the year, with completion now conditional upon Bowen Coking Coal achieving a listing on the ASX. Completion of the sale of the Comet Ridge project is expected to occur in October 2017.

EVENTS SUBSEQUENT TO BALANCE DATE

No other matters or circumstances, not otherwise dealt with in the Financial Statements, have arisen since the end of the financial year or to the date of this Report that significantly affected, or may significantly affect, the operations of the Group Entity, the results of the Group Entity or the state of affairs of the Group Entity in the financial years subsequent to the financial year ended 30 June 2017.

LIKELY DEVELOPMENTS

The Group is considering a number of options to fund the acquisition and development of the RAC project including funding at a subsidiary or project. This process is ongoing at the date of this report.

Further information about likely developments in the operations of the group and the expected results of those operations in future financial years has not been included in this report, because disclosure of the information would be likely to result in unreasonable prejudice to the group.

ENVIRONMENTAL REGULATION

The group's operations are subject to various environmental laws and regulations under the relevant Governments' legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve. There have been no significant known breaches by the group during the financial year.

PARTICULARS OF DIRECTORS AND COMPANY SECRETARY

CURRENT DIRECTORS

Adam Santa Maria **LLB (Hons) BCom MAppFin**	**Non-Executive Chairman**
Qualifications and Experience	Mr Santa Maria is a practising lawyer and corporate finance executive with a range of experience gained in over 10 years of advising many of Australia's leading corporations undertaking significant corporate and commercial transactions, both as a legal advisor and in investment banking, as well as in acting as a corporate consultant. Mr Santa Maria has particular expertise in corporate and commercial law, focusing on governance and risk. He also has significant experience in transaction structuring, management and execution.
Interest in Shares and Options	247,000 Ordinary Shares
Directorships held in other listed entities in the past three years	-

DIRECTORS REPORT

Hugh Callaghan	**Managing Director – Appointed 21 March 2017**
Qualifications and Experience	Mr Callaghan was the founding Managing Director of Riversdale Mining which developed a portfolio of anthracite projects and operating mines. Hugh has a significant base of global resources experience with Rio Tinto and Xstrata that included roles in the USA, Canada, Chile, Brazil, and Australia. Subsequent to the sale of Riversdale Mining to Rio Tinto, Hugh has invested in, and developed copper projects in Chile, and potash projects in West Africa and the USA, and consulted to coal companies in the UK, USA, Canada, Australia, Zimbabwe and Columbia.
Interest in Shares and Options	-
Directorships held in other listed entities in the past three years	-

Logan Robertson	**Non-Executive Director**
Qualifications and Experience	Mr Robertson has over 5 years finance and investment experience gained initially in the corporate finance team of Argonaut and more recently with Hoperidge Capital, the family investment office of Rod Jones. Mr Robertson joined Hoperidge in January 2014, and is an analyst focused on investments in the technology and industrial sectors and has expertise investing in, financing and overseeing the management of growth businesses. Mr Robertson currently also holds a board position as a non-executive Director of Tamaska Oil and Gas Ltd (ASX: TMK). Logan has a Masters of Finance from the University of New South Wales and Bachelor of Commerce from the University of Western Australia.
Interest in Shares and Options	-
Directorships held in other listed entities in the past three years	Tamaska Oil and Gas Ltd (11 July 2016 – current)

DIRECTORS REPORT

Robert Scott	**Finance Director – Appointed 21 March 2017**
Qualifications and Experience	Mr Scott was formerly in the management team of TSX listed Uramin Inc. which was sold for US$2.5bn to Areva. Rob has substantial expertise in corporate affairs and management with experience in a number of sectors including in senior commercial roles at UK listed Lonhro as country manager and with Africa Mining Management Company. Rob also served as Non-Executive Director of several other public companies and has worked in the offices of global accounting and other advisory firms. Rob holds a Chartered Degree in Accounting.
Interest in Shares and Options	-
Directorships held in other listed entities in the past three years	Anglo African Agriculture PLC (5 September 2016 – current)

Brett Lawrence	**Non-Executive Director – Appointed 2 August 2016**
Qualifications and Experience	Mr Brett Lawrence has over 12 years of diverse experience in the resources industry, including seeking new venture opportunities with ASX listed companies. Mr Lawrence holds a Master of Petroleum Engineering, a Bachelor of Engineering (Mining) and Bachelor of Commerce (Finance) from Curtin University in Western Australia. Mr Lawrence is a Non-Executive Director of Tamaska Oil and Gas Ltd (ASX: TMK).
Interest in Shares and Options	2,708,699 shares 10,000,000 unlisted options exercisable at $0.006 and expiring 5 Dec 2021
Directorships held in other listed entities in the past three years	Tamaska Oil and Gas Ltd (1 February 2015 – current) Transerv Energy Ltd (9 Oct 2015 - 20 April 2016) DigitalX Ltd (21 March 2013 - 5 September 2014)

FORMER DIRECTORS

Brett Mitchell	**Non-Executive Director - resigned 2 August 2016**
Qualifications and Experience	Mr Mitchell is a corporate finance executive with over 20 years of experience in the finance and resources industries. He has been involved in the founding, financing and management of both private and publicly-listed resource companies and holds executive and non-executive directorship roles. Mr Mitchell holds a Bachelor of Economics from the University of Western Australia and is also a member of the Australian Institute of Company Directors (AICD).

DIRECTORS REPORT

COMPANY SECRETARY

Brett Tucker Qualifications and Experience	Mr Tucker has acted as Company Secretary to a number of ASX listed and private companies and has been involved in numerous public corporate acquisitions and transactions. Mr Tucker is a Chartered Accountant with a strong corporate and compliance background gained from experience in an international accounting practice, working in both audit and taxation across a wide range of industries.

DIRECTORS' MEETINGS

The Directors attendances at Board meetings held during the year were:

	Board Meetings	
	Number eligible to attend	**Number attended**
Adam Santa Maria	4	4
Hugh Callaghan	1	1
Rob Scott	1	1
Logan Robertson	4	4
Brett Lawrence	4	4

The Group does not have any remuneration, nomination or audit committees, these functions are performed by the Board.

REMUNERATION REPORT

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each key management person of Acacia Coal Limited, and for the executives receiving the highest remuneration.

Remuneration Policy

The remuneration policy of Acacia Coal Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component that provides cost effective services to the Group at an early stage of its development. The Board of Acacia Coal Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the group is as follows:

- The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the Board.
- All key management personnel receive a base salary or fee appropriate to the skills and responsibility of the role.
- The Board reviews key management personnel packages annually by reference to the consolidated group's performance, executive performance and comparable information from industry sectors.

DIRECTORS REPORT

Remuneration Report (continued)

The performance of key management personnel is measured against criteria agreed annually with each executive and is based predominantly on the forecast development of the Group's projects. Any bonuses or incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Key management personnel are also entitled to participate in the employee share and option arrangements.

All remuneration paid to key management personnel is valued at the cost to the Group and expensed. Shares given to key management personnel are valued as the difference between the market price of those shares and the amount paid by key management personnel. Options are valued using the Black-Scholes methodology.

The Board policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the consolidated group. However, to align directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

Performance-based Remuneration

It is the Company's intention when appropriate to include performance based remuneration as a component of management remuneration, and this was not deemed necessary in the year under review. As outlined within this report, during the year options were issued to key management personnel with no element dependent on the satisfaction of performance conditions. These options were issued to incentivise directors and align their interests to that of the Company and its shareholders.

Company Performance, Shareholder Wealth and Director and Executive Remuneration

The following table shows gross income, profits (losses) and dividends for the last 5 years as a listed entity, as well as the share price at the end of the respective financial years. As highlighted above, the group currently does offer any variable remuneration incentive plans or bonus schemes to Directors and, as such, there are no performance related links to the existing remuneration policies.

	2013 **$**	**2014** **$**	**2015** **$**	**2016** **$**	**2017** **$**
Gross Income	Nil	Nil	Nil	Nil	Nil
Net profit/(loss)	(687,414)	(6,613,382)	(213,562)	(9,976,890)	(2,470,979)
Share price at year-end	0.007	0.004	0.002	0.002	0.004
Dividends paid	Nil	Nil	Nil	Nil	Nil

Key Management Personnel Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of key management for the group is as follows:

The remuneration structure for key management personnel is based on a number of factors, including length of service, particular experience and skills of the individual concerned, and overall performance of the Group. The contracts for service between the Group and key management personnel are on a continuing basis, the terms of

DIRECTORS REPORT

Remuneration Report (continued)

which are not expected to change in the immediate future. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement.

The following Directors had contracts in place with the Group during the financial year as detailed below:

Adam Santa Maria, Non-Executive Chairman

- Confirmation of Appointment dated 16 December 2015 with no termination date;
  - Director fees of $10,000 per annum;
  - There will be no payment upon termination.

Hugh Callaghan, Managing Director

- Consultancy Appointment dated 21 March 2017 with no termination date;
  - Fees of $120,000 per annum prior to receiving Ministerial approval for the RAC project transaction from the Department of Mineral Resources in South Africa;
  - Fees of $150,000 per annum after receiving Ministerial approval for the RAC project transaction from the Department of Mineral Resources in South Africa;
  - The consultancy may be terminated with six month notice by the Group and three month notice by Mr Callaghan

Logan Robertson, Non-Executive Director

- Confirmation of Appointment dated 18 December 2015 with no termination date;
  - Director fees of $10,000 per annum;
  - There will be no payment upon termination.

Brett Lawrence, Non-Executive Director

- Confirmation of Appointment dated 2 August 2016 with no termination date;
  - Director fees of $10,000 per annum;
  - There will be no payment upon termination.

Robert Scott, Non-Executive (Finance) Director

- Consultancy Appointment dated 21 March 2017 with no termination date;
  - Fees of $120,000 per annum prior to receiving Ministerial approval for the RAC project transaction from the Department of Mineral Resources in South Africa;
  - Fees of $150,000 per annum after receiving Ministerial approval for the RAC project transaction from the Department of Mineral Resources in South Africa;
  - The consultancy may be terminated with six month notice by the Group and three month notice by Mr Scott.

Peet Snyders, Project Manager

- Consultancy Appointment dated 21 March 2017 with no termination date;
  - Fees of $228,000 per annum;
  - The consultancy may be terminated with three month notice by the Group.

Remuneration Report (continued)

Compensation of Key Management Personnel Remuneration - FY2017

Key Management Person	Short-term Benefits Cash, salary and fees $	Other $	Post-employment Benefits Superannuation $	Termination benefits $	Equity $	Share-based Payment Options $	Total $
Directors							
A Santa-Maria	9,773	55,477	-	-	-	65,022	130,272
H Callaghan[10]	3,000	81,932	-	-	-	-	84,932
R Scott[10]	3,000	57,615	-	-	-	-	60,615
L Robertson	9,890	-	-	-	-	32,511	42,401
B Mitchell[3]	833	167	-	-	-	-	1,000
B Lawrence[11]	9,167	-	-	-	-	32,511	41,678
KMP							
P Snyders	-	161,560	-	-	-	-	161,560
Total	**35,663**	**356,751**	**-**	-	-	**130,044**	**522,458**

Compensation of Key Management Personnel Remuneration - FY2016

Key Management Person	Short-term Benefits Cash, salary and fees $	Other $	Post-employment Benefits Superannuation $	Termination benefits $	Equity $	Share-based Payment Options $	Total $
Directors							
A Santa-Maria[1]	5,833	18,475	-	-	-	-	**24,308**
L Robertson[2]	5,425	-	-	-	-	-	**5,425**
B Mitchell[3]	5,833	1,167	-	-	-	-	**7,000**
G May[4]	228,197	-	13,664	177,500	-	35,934	**455,295**
K Livesley[5]	12,500	-	-	-	-	-	**12,500**
M Mulroney[6]	5,000	-	-	-	-	-	**5,000**
A Ward[7]	9,294	-	-	-	-	-	**9,294**
KMP							
G Colliss[8]	140,841	-	10,291	189,000	-	26,951	**367,083**
R Waring[9]	44,022	-	-	-	-	23,945	**67,967**
Total	**456,945**	**19,642**	**23,955**	**366,500**	**-**	**86,830**	**953,872**

[1] Appointed on 16th December 2015, [2] Appointed on 18th December 2015, [3] Appointed on 18th December 2015, resigned on 2 August 2017 [4] Resigned on 18th December 2015, [5] Resigned on 18th December 2015, [6] Resigned on 4th December 2016, [7] Resigned on 18th December 2015, [8] Cease employment 5th Feb 2016, [9] Resigned 16th June 2016, [10] Appointed on 21 March 2017 [11] Appointed on 2 August 2016

Share-based payments

This section only refers to those shares and options issued as part of remuneration. As a result they may not indicate all shares and options held by a Director or other Key Management Personnel.

Shares

No shares in the Company were issued to Directors or Other Key Management Personnel as part of their remuneration during the 2017 or 2016 financial years other than as disclosed in the table above.

Payments and Loan to Related Party Coalvent Limited

On 16 October 2016, the Company entered into a Sale and Purchase Agreement (SPA) with GTMS Mercantile Ltd, Coalvent Limited ('Coalvent'), Vryheid Anthracite Collieries Proprietary Limited ('VAC'), Carimar International Holdings Limited and Interminco Services Limited to acquire 74% of Riverside Anthracite Collieries Proprietary Limited ('RAC').

DIRECTORS REPORT

Remuneration Report (continued)

As part of the SPA with Coalvent, the Group advanced funds of $340,000 to fund the initial deposit to Riversdale Holdings Pty Ltd (Rio Tinto member currently holding 100% of RAC), in addition to other general corporate costs amounting to $9,419.

In March 2017, Hugh Callaghan and Robert Scott were appointed as Directors of Acacia. Mr Callaghan and Mr Scott are related parties of Coalvent by virtue of their interest in Coalvent.

During the year the Group had advanced funds, as part of its due diligence being performed on RAC, of $1.3m. Due to the uncertainty over the recoverability of the amounts, it has been assessed that a provision be raised over 100% of the balance in line with accounting standards.

Other Transactions with Related Parties

The Group paid consultant fees to Mr Peet Snyders of $161,560 during the 2017 financial year (nil: 2016). Consultant payments were made for project management services in relation to the RAC project. As at 30 June 2017, $19,060 inclusive of GST was due and payable to Mr Snyders.

Options

The following table discloses the value of options granted, exercised, sold or lapsed during the 2017 financial year.

	Options Granted Value at Grant Date $	Options Exercised Value at Exercise Price $	Options Lapsed Value at time of Lapse $	Value of Options yet to be Expensed $	Value of Options included in remuneration for the year $	Percentage of Total Remuneration for the Year that Consisted of Options %
Directors						
A Santa Maria	65,022	-	-	-	65,022	49.9
H Callaghan	-	-	-	-	-	-
L Robertson	32,511	-	-	-	32,511	76.7
B Lawrence	32,511	-	-	-	32,511	78.0
R Scott	-	-	-	-	-	-
Total	**130,044**	**-**	**-**	**-**	**130,044**	

Unissued ordinary shares the Company under option at the date of this report are as follows

	Date options granted	Number of unissued shares under option	Exercise price per option	Expiry date of options
A Santa Maria	05/12/2016	20,000,000	$0.006	05/12/2021
H Callaghan	-	-	-	-
L Robertson	05/12/2016	10,000,000	$0.006	05/12/2021
B Lawrence	05/12/2016	10,000,000	$0.006	05/12/2021
R Scott	-	-	-	-
Total		**40,000,000**		

No option holder has any right under the options to participate in any other share issue of the company. No shares were issued during the reporting period or up to the date of this report on exercise of options.

DIRECTORS REPORT

Remuneration Report (continued)

The following table discloses the value of options granted, exercised, sold or lapsed during the 2016 financial year.

	Options Granted Value at Grant Date $	Options Exercised Value at Exercise Price $	Options Lapsed Value at time of Lapse $	Value of Options yet to be Expensed $	Value of Options included in remuneration for the year $	Percentage of Total Remuneration for the Year that Consisted of Options %
Directors						
A Santa Maria	-	-	-	-	-	-
L Robertson	-	-	-	-	-	-
B Mitchell	-	-	-	-	-	-
G May	144,000	-	-	-	35,934	7.9
M Mulroney	-	-	-	-	-	-
A Ward	-	-	-	-	-	-
KMP						
G Colliss	108,000	-	-	-	26,951	7.3
R Waring	72,000			-	23,945	35.0
Total	**324,000**	**-**	**-**	**-**	**86,830**	

The assessed fair value at the grant date of options issued to the individuals is included in the remuneration tables above. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at the grant date, the expected price volatility of the underlying shares, the expected dividend yield and the risk-free interest rate for the term of the option.

The following table discloses the movement in Directors' and Key Management Personnel's Options during the 2017 financial year.

	Balance 1 Jul 16 No.	Options Granted No.	Options Exercised No.	Options Lapsed No.	Held at Resignation No.	Balance 30 Jun 17 No.	Vested during year No.	Vested and exercisable at 30 Jun 17 No.	Not Vested at 30 Jun 17 No.
A Santa Maria	-	20,000,000	-	-	-	20,000,000	-	20,000,000	-
H Callaghan	-	-	-	-	-	-	-	-	-
L Robertson	-	10,000,000	-	-	-	10,000,000	-	10,000,000	-
B Mitchell	-	-	-	-	-	-	-	-	-
B Lawrence	-	10,000,000	-	-	-	10,000,000	-	10,000,000	-
R Scott	-	-	-	-	-	-	-	-	-
R Waring	8,000,000	-	-	8,000,000	-	-	-	-	-
Total	**36,000,000**	**40,000,000**	**-**	**8,000,000**	**-**	**40,000,000**	**-**	**40,000,000**	**-**

Details of the Options

Grantee and Date	Date Vested and Exercisable	Expiry Date	Exercise Price	Fair Value per Option	Value of Options at Grant Date	No. of Options Issued
05/12/2016	05/12/2016	05/12/2021	$0.006	$0.003	$130,044	40,000,000

These options are measured under the Black Scholes method.

DIRECTORS REPORT

Remuneration Report (continued)

The following table discloses the movement in Directors' and Key Management Personnel's Options during the 2016 financial year.

	Balance 1 Jul 15	Options Granted	Options Exercised	Options Lapsed	Held at Resignation	Balance 30 Jun 16	Vested during year	Vested and exercisable at 30 Jun 16	Not Vested at 30 Jun 16
	No.	No.	No.	No.	No.	No.	No.	No.	No.
G May	16,000,000	-	-	16,000,000	-	-	-	-	-
M Mulroney	-	-	-	-	-	-	-	-	-
A Ward	-	-	-	-	-	-	-	-	-
G Colliss	12,000,000	-	-	12,000,000	-	-	-	-	-
R Waring	8,000,000	-	-	-	-	8,000,000	-	-	8,000,000
Total	**36,000,000**	**-**	**-**	**28,000,000**	**-**	**8,000,000**	**-**	**-**	**8,000,000**

DIRECTORS' INTERESTS

The relevant interest of each Director in the shares over such instruments issued by the companies within the Group, and other related bodies corporate, as notified by the Directors to the ASX in accordance with S205G(1) of the Corporations Act 2001, at the date of this Report is as follows:

	Opening Balance of Shares	Granted as Compensation	Options Exercised	Net Other Changes	Closing Balance of Shares
	No.	No.	No.	No.	No.
30 June 2017					
Directors					
Adam Santa Maria	247,000	-	-	1,026,400	1,273,400
H Callaghan	-	-	-	-	-
Logan Robertson	-	-	-	3,611,598	3,611,598
Brett Lawrence	-	-	-	2,708,699	2,708,699
Brett Mitchell	-	-	-	-	-
R Scott	-	-	-	-	-
Total	**247,000**	**-**	**-**	**7,346,697**	**7,593,697**
30 June 2016					
Directors					
Adam Santa Maria	247,000	-	-	-	247,000
Logan Robertson	-	-	-	-	-
Brett Lawrence	-	-	-	-	-
Brett Mitchell	-	-	-	-	-
Kym Livesley	1,000,000	-			1,000,000
Gavin May	17,000,000	-	-	-	17,000,000
Michael Mulroney	1,126,641	-	-	-	1,126,641
Amanda Ward	-	-	-	-	-
Adam Santa Maria					
KMP	1,000,000	-	-	-	1,000,000
Graham Colliss	6,400,000	-	-	-	6,400,000
Robert Waring	26,773,641				26,773,641
Total	**26,773,641**	**-**	**-**	**-**	**26,773,641**

End of Remuneration Report

DIRECTORS REPORT

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company or the Group, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

DIRECTORS' INDEMNITIES

The Company provides Directors' and Officers' Insurance to cover legal liability and expenses for the Directors and Officers performing work on behalf of the Group. Further disclosures of the details for this policy are not able to be provided due to privacy requirements. No amounts were paid to indemnify the Auditor of the Group.

CORPORATE GOVERNANCE

The Company's Appendix 4G is released to ASX on the same day the Annual Report is released. Acacia Coal Limited's Corporate Governance Statement, and the Company's Policies, Charters and Procedures, can be all found on the Company's website at http://www.acaciacoal.com.

AUDITOR INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

NON-AUDIT SERVICES

Pitcher Partners BA&A Pty Ltd consented to and was appointed as the Company's auditor on 28 November 2016 to replace the Company's former auditor Rothsay Resources.

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditors expertise and experience with the Company is important.

No non-audit services were provided to the Company by its current or former auditor.

DIRECTORS REPORT

ROUNDING OF AMOUNTS

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' report and in the financial report have been rounded to the nearest dollar unless otherwise specified.

Signed in Perth on the 29 day of September 2017 in accordance with a resolution of the Directors:

Adam Santa Maria
Executive Chairman

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Acacia Coal Limited and its controlled entities.

In relation to the independent audit for the year ended 30 June 2017, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of any applicable code of professional conduct.

This declaration is in respect of Acacia Coal Limited and the entities it controlled during the year.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD

Paul Mulligan

Paul Mulligan
Executive Director
Perth, 29 September 2017

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2017

	Note	2017 $	2016 $
Revenue from continuing operations			
Revenue from continuing operations	4	26,216	38,438
Research and development tax cashback		150,645	135,051
		176,861	**173,489**
Expenses			
Corporate costs		(41,113)	(36,871)
Professional and consultancy fees		(114,421)	(124,673)
Marketing and travel expenses		(58,676)	(5,711)
Directors' fees		(91,307)	(63,527)
Employee benefits expenses	6	(57,437)	1,764
Office and administrative expenses		(75,895)	(131,870)
Depreciation	12	-	(22,894)
Foreign exchange (losses)		(10,355)	(1,201)
Share based payment expense	22	(130,044)	(104,797)
Impairment of capitalised exploration expenditure	14	(300,679)	(9,658,155)
Impairment of loan to Coalvent	16	(349,419)	-
Impairment of RAC project due-diligence cost	16	(1,321,037)	-
Impairment of available-for sale financial assets	13	-	(13,850)
Gain on disposal of assets		19,999	24,898
Other expenses	5	(117,456)	(13,492)
(Loss) from continuing operations before income tax expense		**(2,470,979)**	**(9,976,890)**
Income tax expense	7	-	-
(Loss) from continuing operations before other income		**(2,470,979)**	**(9,976,890)**
Other comprehensive income		-	-
Gains arising from translating financial statements of foreign operations		-	-
Total comprehensive income		**(2,470,979)**	**(9,976,890)**
Earnings per share for (loss) from continuing operations attributable to the ordinary equity holders of the Group			
Basic and diluted earnings per share	19	**(0.19)**	**(1.10)**

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	Note	2017 $	2016 $
ASSETS			
Current Assets			
Cash and cash equivalents	9	973,694	952,864
Trade and other receivables	10	84,395	116,184
Other current assets	11	19,625	13,720
Assets held-for-sale	15	750,000	-
Total Current Assets		**1,827,714**	**1,082,768**
Non-Current Assets			
Plant and equipment	12	-	-
Available-for-sale financial assets	13	2,904	1,787
Capitalised exploration and evaluation	14	-	1,000,000
Loan to Coalvent Limited	16	-	-
Total Non-Current Assets		**2,904**	**1,001,787**
Total Assets		**1,830,618**	**2,084,555**
LIABILITIES			
Current Liabilities			
Trade and other payables	17	278,424	120,335
Total Current Liabilities		**278,424**	**120,335**
Total Liabilities		**278,424**	**120,335**
Net Assets		**1,552,194**	**1,964,220**
Equity			
Contributed equity	20	40,412,015	38,492,606
Reserves	21	3,198,599	3,059,055
Accumulated losses		(42,058,420)	(39,587,441)
Total Equity		**1,552,194**	**1,964,220**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2017

	Note	Contributed equity $	Share-based compensation $	Performance Shares $	Retained earnings $	Total equity $
Balance at 30 June 2015		38,492,606	2,301,480	652,778	(29,610,551)	11,836,313
Issue of shares		-	-	-	-	-
Share issue costs		-	-	-	-	-
Issue of options	20a)	-	104,797	-	-	104,797
Total comprehensive income		-	-	-	(9,976,890)	(9,976,890)
Balance at 30 June 2016		**38,492,606**	**2,406,277**	**652,778**	**(39,587,441)**	**1,964,220**
Issue of shares	19	2,045,739	-	-	-	2,045,739
Share issue costs		(126,330)	-	-	-	(126,330)
Issue of options	20a)	-	139,544	-	-	139,544
Total comprehensive income		-	-	-	(2,470,979)	(2,470,979)
Balance at 30 June 2017		**40,412,015**	**2,545,821**	**652,778**	**(42,058,420)**	**1,552,194**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2017

	Note	2017 $	2016 $
Cash Flows from Operating Activities			
Interest received		27,227	38,438
Research and development tax concession		150,645	135,051
Payments to suppliers and contractors (inclusive of goods and services tax)		(450,994)	(554,140)
Due diligence costs		(1,271,037)	-
Net cash (outflows) from operating activities	24	**(1,544,159)**	**(380,651)**
Cash Flows from Investing Activities			
Acquisition of exploration and evaluation	14	-	(958,649)
Receipt on disposal of property, plant and equipment		19,999	-
Received of options considerations		55,000	-
Loans to Coalvent Limited		(349,419)	-
Net cash (outflows) from investing activities		**(274,420)**	**(958,649)**
Cash Flows from Financing Activities			
Net proceed from issue of shares		1,965,739	-
Capital raising cost		(126,330)	-
Net cash inflow from financing activities		**1,839,409**	**-**
Net increase/(decrease) in Cash and Cash Equivalents		**20,830**	**(1,339,300)**
Cash and cash equivalents at the beginning of the financial year		952,864	2,292,164
Cash and cash equivalents at the end of the financial year	9	**973,694**	**952,864**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1. REPORTING ENTITY

Acacia Coal Limited (the Company) is a for profit company domiciled in Australia and limited by shares. The address of the Company's registered office is Ground Floor, 16 Ord Street, West Perth WA 6005. The consolidated financial statements of the Company as at, and for the year ended 30 June 2017 comprise the Company and its subsidiary (together referred to as the "Group" and individually as "Group Entities"). The Group is primarily involved in the resources sector.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The consolidated financial statements are general purpose financial statements, which have been prepared in accordance with Australian Accounting Standards (AASs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements of the Group comply with International Financial Reporting Standards (IFRSs) adopted by the International Financial Accounting Standards Board (IASB).

The consolidated financial statements were authorised for issue by the Board of Directors on 29 September 2017.

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- *Available-for-sale financial assets are measured at fair value; and*
- *Financial instruments at fair value through profit or loss are measured at fair value.*

Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

Financial report prepared on a going concern basis

The financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

During the year ended 30 June 2017 the consolidated Group incurred a loss from continuing operations of $2,470,979 (2016: $9,976,890), net operating cash outflows of $1,544,159 (2016: $380,651) and year-end cash and cash equivalents balance of $973,694 (2016: $952,864).

The Group's ability to continue as a going concern and pay its debts as and when they fall due is dependent upon the following:

- The Group curtailing further expenditures through careful cost management, which includes amounts paid to key management personnel and consultants; and
- The successful completion of the sale of the Comet Ridge asset in accordance with the terms set out in the option agreement with the acquiring entity as disclosed in Note 15.

The Group's cashflow forecasts for the 12 months ending 30 September 2018 indicate that the Group will be in a position to meet its committed operational and administrative expenditure and thus continue to operate as a going concern.

In the Directors' opinion there are therefore reasonable grounds to believe that the consolidated Group will be able to pay its debts as and when they become due and payable.

On this basis no adjustments have been made to the financial report relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern. Accordingly, the financial report has been prepared on a going concern basis.

Should the Group deviate from the expenditures and revenues included in the cash flow forecasts, the Group may in the future not be able to continue as a going concern and may therefore be required to realise assets and extinguish liabilities other than in the ordinary course of business with the amount realised being different from those shown in the financial statement.

b) Use of Estimates and Judgements

The preparation of the consolidated financial statements in conformity with AASB requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements, assumptions and estimation in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are disclosed below:

- *Note 7: Recoverability of Deferred Tax Assets*

  Deferred tax assets are not recognised for deductible temporary differences as the Board consider that it is not probable that the Group will be able to utilise these temporary differences until the Group becomes profitable.

- *Note 7: Utilisation of Tax Losses*

  A company cannot carry forward losses unless it satisfies either the "continuity of ownership" test (ITAA97 s 165-12) or the "same business" test (ITAA97 s 165-13) as described in the Income Tax Assessment Act 1997. It is assumed going forward the Group will continue to satisfy these conditions.

- *Note 13: Impairment of available for sale investments*

  The available for sale investments have been subjected to impairment in accordance with accounting standards and current market conditions, particularly those investments that are not listed on recognised stock exchanges. Impaired investments are expected to continue to mature and, where applicable, the impairment losses will be written back.

- *Note 14: Capitalisation of Exploration and Evaluation Expenditure*

  The Group has capitalised significant exploration and evaluation expenditure on the basis that capitalised expenditure is expected to be recouped through future successful development (or alternatively sale) of the Areas of Interest concerned or on the basis that it is not yet possible to assess whether it will be recouped.

- *Note 14: Impairment of Capitalised Exploration and Evaluation Expenditure*

  The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

  Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

  As at 30 June 2017, the carrying value of exploration expenditure was $750,000 and classified as a held for sale asset (2016: $1,000,000).

- *Note 28: Contingent liabilities*

  The Group measures contingent liabilities by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The Board has made further assumptions in regards to whether the criteria to meet the milestones are likely to be achieved.

- *Note 22: Share Based Payments*

  The Group measures the cost of equity-settled transactions with Directors, Key Management Personnel and service providers by reference to the fair value of the options at the date at which they are granted. The fair value at grant date is determined using the Black-Scholes option pricing model which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, expected volatility of the underlying share, and the risk free interest rate for the term of the option.

c) Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Loss of Control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

d) Foreign Currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group Entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars using average exchange rates for the reporting period.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

e) Financial Instruments

Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset of liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents and, trade and other receivables.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of available-for-sale financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the asset. External investments are initially recognised at fair value plus transaction costs for all financial assets. Other financial assets are initially recognised at fair value and transaction costs are expensed to the profit and loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in profit and loss as Cost of investment sold.

Available-for-sale financial assets are subsequently carried at fair value. The fair values of quoted investments are based on last trade prices. If the market for financial assets is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques.

Available-for-sale financial assets comprise equity securities.

Non-derivative financial liabilities

The Group initially recognises financial liabilities on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method. Other financial liabilities comprise borrowings, and trade and other payables.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Performance shares

Performance shares are classified as equity. Incremental costs directly attributable to the issue of performance shares are recognised as a deduction from equity, net of any tax effects.

f) Plant and Equipment

i. Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised net within other income / other expenses in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

ii. Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each part of an item of plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Plant and equipment: two to eight years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

g) Intangible Assets

i. Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

ii. Goodwill

Goodwill on consolidation is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

h) Impairment

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

i) Non-Current Assets Held For Sale

Non-current assets, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

j) Employee Benefits

i. Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date are recognised in employee provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

ii. Superannuation

The amount charged to the profit and loss in respect of superannuation represents the contributions paid or payable by the Group to the employee's superannuation funds.

iii. Employee Benefits on-costs

Employee benefit on-costs, including payroll tax, are recognised when paid or payable by the Group.

iv. Equity-settled compensation

The Company grants equity settled share-based payments to employees. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense, with a corresponding increase to an equity account. The fair value of shares is ascertained at the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options exercised to vest is reviewed and adjusted at each reporting date such that the amount recognised as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

k) Provisions

A provision is recognised if, as a result of a past event the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for Restoration and Rehabilitation

No provisions for restoration and rehabilitation have been made at this stage.

l) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

m) Finance Income and Finance Cost

Finance income comprises interest income on funds invested. Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, impairment losses recognised on financial assets.

Borrowing costs that are not directly attributable to the acquisition, of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

n) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Income from the Research & Development (R&D) Tax Offset is recognised in profit before tax over the periods necessary to match the benefit of the credit with the costs for which it is intended to compensate. Relevant expenditure is capitalised to the balance sheet in the year in which it is incurred (refer to Note 2(g)).

o) Taxes

i. Income tax

Income tax expense or revenue comprises current and deferred tax. Current and deferred taxes are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those rates which are enacted or subsequently enacted for each jurisdiction.

Deferred tax assets are recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Tax consolidation

The Group has decided not to elect to implement tax consolidation at this time.

iii. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which is disclosed as operating cash flows.

p) Earnings Per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss after income tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by dividing the profit or loss after income tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

q) Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that related to transactions with any of the Group's other components. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

3. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

a) New or revised standards and interpretations that are first effective in the current reporting period

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

b) Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the group for the annual reporting period ending 30 June 2017, are set out below.

Reference	Title	Summary	Application date for reporting periods beginning or after	Application date for Company in financial year end
AASB 9, AASB 2014-7, AASB 2014-8 Amendments arising to Australian Accounting Standards arising from AASB 9	Financial Instruments	The objective of this Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The Group are currently undergoing an assessment of the adoption of AASB 9 and its impact on the Group's financial instruments.	1 January 2018	30 June 2019
AASB 15, AASB 2014-5 Amendments arising from AASB 15, AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15, AASB 2016-3 Clarifications to AASB 15	Application of Australian Accounting Standards	AASB 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers; and replaces AASB 111 Construction Contracts, AASB 118 Revenue, Interpretation 13 Customer Loyalty Programmes, Interpretation 15 Agreements for the Construction of Real Estate, Interpretation 18 Transfers of Assets from Customers, and Interpretation 131 Revenue-Barter Transactions Involving Advertising Services. The core principle is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Group are currently undergoing an assessment of the adoption of AASB 15 and its impact on the Group's financial instruments.	1 January 2017	30 June 2018

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Reference	Title	Summary	Application date for reporting periods beginning or after	Application date for Company in financial year end
AASB 16	Leases	The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The Group is currently undergoing an assessment of the adoption of AASB 16 and its impact on the Group's operating leases.	1 January 2019	30 June 2020

The following new or amended standards, applicable for annual reporting periods beginning after 1 January 2017 (unless otherwise stated), are not expected to have a significant impact on the Group's consolidated financial statements:

- AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, AASB 2015-10 Amendments to Australian Accounting Standards – Effective Sate of Amendments to AASB 10 and AASB 128 (applicable 1 January 2018)
- AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based payment transactions
- IFRIC 22 Foreign Currency Transactions and Advance Consideration

4. REVENUE

	30-Jun-17	30-Jun-16
		$
Interest income	26,216	38,438
	26,216	**38,438**

5. OTHER EXPENSES

Loss before income tax has been determined after charging the following expenses:

	30-Jun-17	30-Jun-16
	$	$
Marketing & media	89,723	-
Conferences/seminars	17,597	-
Bank charges	3,573	2,918
Postage	3,120	-
Motor vehicle costs	1,491	-
Sundry expenses	1,952	10,574
	117,456	**13,492**

6. EMPLOYEE BENEFITS EXPENSE

	30-Jun-17	30-Jun-16
	$	$
Wages and salaries	57,437	84,890
Other employee costs	-	(86,654)
	57,437	**(1,764)**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

7. INCOME TAX EXPENSE

		30-Jun-17	30-Jun-16
a)	**The components of income tax expense comprise:**	**$**	**$**
	Current tax	-	-
	Deferred tax	(251,799)	(2,851,796)
	DTA not recognised (losses)	148,567	453,143
	DTA not recognised (temporary)	103,232	2,398,653
b)	**The prima facie tax on (loss) from continuing operations and discontinued operations before income tax is reconciled to the income tax as follows:**		
	Prima facie tax payable on (loss) from continuing operations and discontinued operations before income tax at 27.5%	(679,519)	(2,843,413)
	Add:		
	Tax effect of:		
	Other non-allowable items	406,795	30,107
	Other assessable items	79,723	-
	Less:		
	Tax effect of:		
	Non-assessable items	(41,427)	(38,490)
	Capital raising costs	(17,370)	-
	DTA not recognised (losses)	148,567	453,143
	DTA not recognised (temporary)	103,231	2,398,653
	Income tax expense / (benefit)	-	-
	Deferred Tax Assets Not Brought to Account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 o) occur		
	Tax Losses	11,017,597	11,587,876
	Temporary Differences	2,279,254	2,271,489
	Total	**13,296,851**	**13,859,365**

For the year ended 30 June 2017

8. AUDITORS REMUNERATION

	30-Jun-17 $	30-Jun-16 $
Remuneration of the auditors of the group:		
Audit fees and review of financial reports - Rothsay	-	20,600
Audit fees and review of financial reports - Pitcher Partners	21,625	-
	21,625	**20,600**

9. CASH AND CASH EQUIVALENTS

	30-Jun-17 $	30-Jun-16 $
Cash at bank	973,694	952,864
	973,694	**952,864**

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 30.

10. TRADE AND OTHER RECEIVABLES

	30-Jun-17 $	30-Jun-16 $
Current		
Trade receivables	-	9,225
Accrued revenue	708	1,719
Other receivables	30,303	46,056
Rental guarantee	51,684	51,684
Deposits	1,700	7,500
	84,395	**116,184**

The Group's exposure to credit and currency risks, and impairment losses related to trade and other receivables are disclosed in Note 30.

11. OTHER CURRENT ASSETS

	30-Jun-17 $	30-Jun-16 $
Prepayments	**19,625**	**13,720**

12. PLANT AND EQUIPMENT

	30-Jun-17 $	30-Jun-16 $
Plant and equipment		
- at cost	61,619	61,619
- accumulated depreciation	(61,619)	(61,619)
	-	-
Plant and equipment movement		
Opening balance at 1 July	-	52,997
Disposal	-	(30,103)
Depreciation	-	(22,894)
	-	-

13. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	30-Jun-17	30-Jun-16
	$	$
Opening balance at 1 July	1,787	15,637
Movement during the year		
Revaluation/(Impairment)	1,117	(13,850)
	2,904	**1,787**

The Group holds a number of available-for-sale financial assets, which have been revalued for accounting purposes. Any profit or loss realised when assets are disposed of will be brought to account at that time.

14. CAPITALISED EXPLORATION AND EVALUATION

	30-Jun-17	30-Jun-16
Comet Ridge Exploration Project - Queensland	$	$
Opening balance at 1 July	1,000,000	9,699,506
Expenditure during the year	50,679	958,649
Impairment expense	(300,679)	(9,658,155)
Transfer to assets held for sale	(750,000)	-
	-	**1,000,000**

The consolidated entity has assessed the carrying amount of exploration and evaluation in accordance with *AASB 6 Exploration for and Evaluation of Mineral Resources* and recognised an impairment of $300,679 (2016: $9,658,155) during the financial year.

The ultimate recoverability of the carrying amount is dependent upon the successful development and commercial exploitation, or alternatively, sale of the area of interest.

During the current financial year the Group executed an option agreement with Bowen Coking Coal Pty Ltd to sell its Comet Ridge project. This option to acquire the Comet Ridge project was exercised during the year, with completion now conditional upon Bowen Coking Coal achieving a listing on the ASX. The total sale consideration receivable by the Group as at 30 June 2017 is $750,000. All capitalised expenditure in excess of the sale amount has been impaired.

The written down expenditure in respect of the Comet Ridge project was transferred to Assets Held for Sale to reflect the Group's decision to dispose of this project.

15. ASSETS HELD-FOR-SALE

	30-Jun-17	30-Jun-16
	$	$
Comet Ridge Exploration Project - Queensland	750,000	-

The Group committed to sell its Comet Ridge project to Bowen Coking Coal Pty Ltd through an option agreement. The option was exercised during the year with the completion of the transaction conditional upon Bowen Coking Coal Pty Ltd achieving an ASX listing. The project comprises of the exploration tenements and associated capitalised exploration assets. Completion of the sale of the Comet Ridge project is expected to occur in October 2017.

16. LOAN AND PAYMENTS TO COALVENT LIMITED

On 16 October 2016, the Company entered into a Sale and Purchase Agreement (SPA) with GTMS Mercantile Ltd, Coalvent Limited ('Coalvent'), Vryheid Anthracite Collieries Proprietary Limited ('VAC'), Carimar International Holdings Limited and Interminco Services Limited to acquire 74% of Riverside Anthracite Collieries Proprietary Limited ('RAC').

As part of the SPA with Coalvent, the Group advanced funds of $340,000 to fund the initial deposit to Riversdale Holdings Pty Ltd (Rio Tinto member currently holding 100% of RAC), in addition to other general corporate costs amounting to $9,419.

During the year the Group had advanced funds, as part of its due diligence being performed on RAC, of $1,321,027.

Due to the uncertainty over the recoverability of the amounts, it has been assessed that a provision be raised over 100% of the balance in line with accounting standards.

17. TRADE AND OTHER PAYABLES

	30-Jun-17 $	30-Jun-16 $
Trade payables	186,951	89,402
Accruals	23,000	19,086
Other payables	68,473	11,847
	278,424	**120,335**

Refer to note 30 for details on management of financial risk.

18. CONTROLLED ENTITIES

The consolidated financial statements of the Group include:

	Country of incorporation	Percentage Owned (%)* 30-Jun-17	30-Jun-16
Parent Entity:			
Acacia Coal Limited	Australia		
Subsidiaries of Acacia Coal Limited:			
Mt Garnet Mines NL	Australia	100	100

** Percentage of voting power in proportion to ownership*

19. EARNINGS PER SHARE

	30-Jun-17 $	30-Jun-16 $
Basic loss per share (cents)	**(0.19)**	**(1.10)**
Diluted loss per share (cents)	**(0.19)**	**(1.10)**
Reconciliation of earnings to profit or loss		
(Loss) used in calculating basic and diluted EPS	(2,470,979)	(9,976,890)
	Number	**Number**
Weighted average number of ordinary shares and potential ordinary shares		
Weighted average number of ordinary shares used in calculating basic and diluted EPS	1,315,108,491	903,787,924

Diluted loss per share

The following potential ordinary shares are anti-dilutive and are therefore excluded from the weighted average number of ordinary shares for the purposes of diluted loss per share:

	30-Jun-17 No	30-Jun-16 No
Unlisted options exercisable at $0.006 on or before 5 Dec 2021	**42,500,000**	-

20. CONTRIBUTED EQUITY

	30-Jun-17 No.	30-Jun-16 No.	30-Jun-17 $	30-Jun-16 $
Ordinary shares on issue, fully paid	**1,580,700,835**	**903,787,924**	**40,412,015**	**38,492,606**

Reconciliation of movement in share capital

30 June 2017	**No. Of Shares**	**Issue Price**	**Amount $**
Opening balance at 1 July 2016	903,787,924		38,492,606
Placement – 24 October 2016	135,568,188	0.003	406,705
Entitlement rights issue – 18 November 2016	344,206,796	0.003	1,032,620
Placement underwritten – 23 November 2016	175,471,260	0.003	526,414
Shares issued in lieu of cash payment – 22 May 2017	5,000,000	0.006	30,000
Shares issued for services provided – 22 May 2017	16,666,667	0.003	50,000
Less issue costs for the above placements and rights issue			(126,330)
Closing balance at 30 June 2017	**1,580,700,835**		**40,412,015**
30 June 2016			
Opening balance at 1 July 2015	903,787,924		38,492,606
Closing balance at 30 June 2016	**903,787,924**		**38,492,606**

When managing capital, the Board's objective is to ensure the Group continues as a going concern as well as to maximise the returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the Group.

The Board is constantly reviewing the capital structure to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, the Board may issue new shares, return capital to shareholders or sell assets to reduce debt.

The Group was not subject to any externally imposed capital requirements during the year.

21. RESERVES

	30-Jun-17 $	30-Jun-16 $
Share based payment reserve (refer note 21a)	2,545,821	2,406,277
Performance share reserve (refer note 21b)	652,778	652,778
	3,198,599	**3,059,055**

Options and performance shares issued carry no dividend or voting rights. When exercisable each option and performance share is convertible to one ordinary share.

a) Share based payment reserve

	30-Jun-17 NUMBER	30-Jun-16 NUMBER	30-Jun-17 $	30-Jun-16 $
Unlisted options on issue	**42,500,000**	**8,000,000**	**2,545,821**	**2,406,277**

The share-based payment reserve is used to recognise the fair value of options issued to employees and other parties but not exercised.

30 June 2017	**No. of unlisted options**	**Share based payment at 30 June 2017**
Opening balance at 1 July 2016	8,000,000	2,406,277
Unlisted options expense during the year	42,500,000	139,544
Movement during the year		
Options cancelled	(8,000,000)	-
Closing balance at 30 June 2017	**42,500,000**	**2,545,821**

30 June 2016		
Opening balance at 1 July 2015	44,000,000	2,301,480
Unlisted options expense during the year	-	104,797
Movement during the year		
Options cancelled	(36,000,000)	-
Closing balance at 30 June 2016	**8,000,000**	**2,406,277**

b) Performance share reserve

	30-Jun-17 $	30-Jun-16 $
Closing balance at 30 June	**652,778**	**652,778**

The performance share reserve is used to recognise the value of performance shares issued to external parties but not exercised.

22. SHARE BASED PAYMENTS

On 28 November 2016, on shareholder's approval, the Group issued 40 million unlisted options to Directors in lieu of remuneration. The unlisted options are exercisable as $0.006 on or before 5 December 2021.

The following table lists the inputs to the model used for valuation of options:

Valuation date	28-Nov-16
Dividend yield (%)	Nil
Expected volatility (%)	115%
Risk-free interest rate (%)	2.15%
Option exercise price ($)	$0.006
Share price at grant date ($)	$0.004
Expiry date	05-Dec-21
Valuation of option	$0.0031
Total value of option	$124,000

On 22 May 2017 the Group issued 2.5 million unlisted options to a consultant as consideration for services. The unlisted options are exercisable as $0.006 on or before 5 December 2021.

The following table lists the inputs to the model used for valuation of options:

Valuation date	22-May-17
Dividend yield (%)	Nil
Expected volatility (%)	115%
Risk-free interest rate (%)	2.15%
Option exercise price ($)	$0.006
Share price at grant date ($)	$0.004
Expiry date	05-Dec-21
Valuation of option	$0.0062
Total value of option	$15,544

The total share based payment expense during the current financial year was $139,544 (2016: $104,797).

23. PARENT ENTITY DISCLOSURES

The individual financial statements for the parent entity show the following aggregate amounts:

a) Summary of financial information

	30-Jun-17 $	30-Jun-16 $
Current assets	1,827,714	1,082,768
Non-current assets	2,904	1,001,787
Total Assets	**1,830,618**	**2,084,555**
Current liabilities	278,424	120,335
Non-current liabilities	439,746	440,922
Total Liabilities	**718,170**	**561,257**
Contributed equity	40,412,015	38,492,606
Share based payment reserve	3,198,599	3,059,055
Accumulated losses	(42,498,166)	(40,028,363)
Total Equity	**1,112,448**	**1,523,298**
Loss for the year	**(2,469,803)**	**(9,976,888)**
Total comprehensive loss for the year	**(2,469,803)**	**(9,976,888)**

b) Commitments and contingent liabilities of the parent

Refer to note 29 for commitments. The parent entity did not have any contingent liabilities as at 30 June 2017 (30 June 2016: nil).

c) Guarantees entered into the parent entity

There were no guarantees entered into by the parent entity.

24. CASH FLOW INFORMATION

	30-Jun-17 $	30-Jun-16 $
Reconciliation of Cash Flow from Operations with Loss after Income Tax		
(Loss) after income tax	(2,470,979)	(9,976,890)
Add / (deduct) non-cash items		
Share based payment expense	139,544	104,797
Depreciation	-	22,894
Write off of capitalised exploration costs	604,419	9,658,155
Write off of assets held for sale	(1,117)	13,850
Gain on disposal of assets	-	(24,898)
Proceeds of motor vehicle disposal	-	55,000
Changes in assets and liabilities, net of the effects of purchase of subsidiaries		
Decrease / (Increase) in trade and other receivables	25,884	(25,649)
Increase / (Decrease) in trade payables and accruals	158,090	(207,910)
Cash Outflows from Operations	**(1,544,159)**	**(380,651)**

25. RELATED PARTY TRANSACTIONS

a) Key Management Personnel compensation

Disclosures relating to key management personnel are set out in the Directors Report.

b) Loans to Key Management Personnel and their related parties

On 16 October 2016, the Company entered into a Sale and Purchase Agreement (SPA) with GTMS Mercantile Ltd, Coalvent Limited (‘Coalvent’), Vryheid Anthracite Collieries Proprietary Limited (‘VAC’), Carimar International Holdings Limited and Interminco Services Limited to acquire 74% of Riverside Anthracite Collieries Proprietary Limited (‘RAC’).

As part of the SPA with Coalvent, the Group advanced funds of $340,000 to fund the initial deposit to Riversdale Holdings Pty Ltd (Rio Tinto member currently holding 100% of RAC), in addition to other general corporate costs amounting to $9,419.

In March 2017, Hugh Callaghan and Robert Scott were appointed as Directors of Acacia. Mr Callaghan and Mr Scott are related parties of Coalvent by virtue of their interest in Coalvent.

During the year the Group had advanced funds, as part of its due diligence being performed on RAC, of $1.3m. Due to the uncertainty over the recoverability of the amounts, it has been assessed that a provision be raised over 100% of the balance in line with accounting standards.

c) Other related party transactions

The Group paid consultant fees to Mr Peet Snyders of $161,560 during the 2017 financial year (nil:2016). Consultant payments were made for project management services in relation to the RAC project. As at 30 June 2017, $19,060 inclusive of GST was due and payable to Mr Snyders.

There were no other related party transactions.

26. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances, not otherwise dealt with in the financial statements, have arisen since the end of the financial year and to the date of this report that significantly affected, or may significantly affect, the operations of the Group Entity, the results of the Group Entity, or the state of affairs of the Group Entity in the financial years subsequent to the financial year ended 30 June 2017.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

27. SEGMENT INFORMATION

The Group operates in the coal segment of the resources industry in Queensland, Australia.

28. CONTINGENT LIABILITIES AND ASSETS

There are no contingent liabilities or assets at 30 June 2017 (2016: nil).

29. COMMITMENTS

Mining Tenement Leases

In order to maintain current rights of tenure to exploration tenements the Group is required to comply with the minimum expenditure obligations specified by the Queensland State Government. At 30 June 2017 the Group had one granted coal exploration tenement in the Bowen Basin, EPC 1230 (Comet Ridge).

	30-Jun-17	30-Jun-16
	$	$
Not later than 12 months	**5,000**	210,000
Not later than one year but less than five years	**-**	230,000
Not later than five years	**-**	-
	5,000	440,000

The Group expects to dispose of its remaining coal exploration tenement after 30 June 2017. Refer to Note 15 for detail on the Comet Ridge sale transaction.

30. FINANCIAL RISK

The group's financial instruments consist mainly of cash at bank, payables and receivables.

The group has not formulated any specific management objectives and policies in respect to debt financing, derivatives or hedging activity. As a result, the group has not formulated any specific management objectives and policies in respect to these types of financial instruments. Should the group change its position in the future, a considered summary of these policies will be disclosed at that time.

The Group's current exposure to the risk of changes in the market is managed by the Board of Directors. The Board of Directors is of the opinion that the carrying amount of the Group's financial instruments approximate their fair value

Market risks

The Group is exposed to a variety of financial risks through its financial instruments for example, interest rate risk, liquidity risk and credit risk, as well as foreign currency risk.

Interest rate risk

At reporting date, the Group does not have long term borrowings and its exposure to interest rate risk is assessed as low. The risk monitors its interest rate risk through sensitivity analysis, as outlined below.

The consolidated group's exposure to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets of the group are summarised in the following tables:

	Floating interest rate	1 Year or less	Over 1 to 5 years	Non-interest bearing	Remaining contractual maturities	Weighted average interest rate
30 June 2017	**$**	**$**	**$**	**$**	**$**	**%**
Financial assets						
Cash and cash equivalents	961,239	961,239		12,455	973,694	**2.69%**
Other receivables	-	-		84,395	84,395	
	961,239	**961,239**		**96,850**	**1,058,089**	
Financial liabilities						
Other payables and sundry accruals	-	-		278,424	278,424	
	-	**-**		**278,424**	**278,424**	
30 June 2016	**$**	**$**	**$**	**$**	**$**	**%**
Financial assets						
Cash and cash equivalents	952,864	952,864	-	-	952,864	**4.03%**
Other receivables	-	-	-	116,184	116,184	
	952,864	**952,864**	**-**	**116,184**	**1,069,048**	
Financial liabilities						
Other payables and sundry accruals	-	-	-	120,335	120,335	
	-	**-**	**-**	**120,335**	**120,335**	

At 30 June 2017, if interest rates had changed by -/+100 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been $9,612 lower/higher (2016: $9,528).

Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. The group monitors forecast cash flows on regular basis to manage its liquidity risk and it's exposure including the carrying amount of financial liabilities have been disclosed within the table above.

Credit risk

Management has assessed the credit risk exposure as minimal at reporting date. Credit risk arises from exposure to customers and deposits with banks. Management monitors its exposure to ensure recovery and repayment of outstanding amounts. Cash deposits are only made with reputable banking institutions.

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2017 $	2016 $
Financial Assets - Current		
Cash and cash equivalents	973,694	952,864
Trade and Other Receivables	84,395	116,184
Total Financial Assets	**1,058,089**	**1,069,048**
Financial Assets – Non-Current	**-**	**-**

Financial assets as at 30 June 2017 are neither past due nor impaired.

Foreign currency risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the GBP (£).

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using cash flow forecasting.

The consolidated entity has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency. The board manages the purchase of foreign currency to meet operational requirements.

The consolidated entity's exposure to foreign currency risk at the reporting date was as follows:

	30-Jun-17 $	30-Jun-16 $
Investment in denomination currency		
Investment - GBP	9,225	9,225
Investment in denomination currency		
Investment - ZAR	64,975	-
Consolidated entity sensitivity		
Exchange rates per AUD as at 30 June		
GBP	0.5911	0.5557
ZAR	10.0331	-

A 10% increase or decrease in value of Australia dollar against the above currencies at 30 June would have the following effect:

	30-Jun-17 $		30-Jun-16 $	
	Profit/(loss) 10% increase	**Profit/(loss)** 10% decrease	**Profit/(loss)** 10% increase	**Profit/(loss)** 10% decrease
GBP (£)	(923)	923	(923)	923
ZAR (R)	(6,498)	6,498	-	-
	(7,421)	**7,421**	**(923)**	**923**

DIRECTORS' DECLARATION

For the year ended 30 June 2017

In the opinion of the Directors of Acacia Coal Limited:

a) the financial statements and notes set out on the preceding pages are in accordance with the Corporations Act 2001 including:

   i. giving a true and fair view of the financial position of the Company and Group Entities as at 30 June 2017 and of their performance for the financial year ended on that date; and

   ii complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

c) the audited remuneration disclosures set out in the directors' report comply with Accounting Standard AASB 124 Related Party Disclosures and the Corporations Regulations 2001.

The Directors have been given the declarations by the Executive Chairman and Chief Financial Officer required by section 295A of the Corporations Act 2001.

Signed in Perth on the 29 September 2017.

This declaration is made in accordance with a resolution of the Directors.

Adam Santa-Maria
Executive Chairman

ACACIA COAL LIMITED
13 009 092 068

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ACACIA COAL LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Acacia Coal Limited "the Company" and its controlled entities "the Group", which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) in the consolidated financial report which indicates that the Group incurred a loss from continuing operations of $2,470,979, net operating cash outflows of $1,544,159 and cash and cash equivalents balance of $973,694 as at and for the year ended 30 June 2017. These conditions, along with other matters as set forth in Note 3(a), indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ACACIA COAL LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Carrying value of non-current asset held for sale *Refer to notes 14 & 15*	
The Group holds a non-current asset held for sale valued at $750,000 accounting for a significant portion (41.0%) of the Group's total assets. The evaluation of the recoverable amount of this asset is dependent on the acquiring entity's ability to achieve listing on the ASX and their ability to raise sufficient funds from which to fund the asset acquisition. The evaluation of the recoverable amount of this asset requires significant judgement in regard to identifying the elements to capitalise expenditure and identifying indicators of impairment.	Our procedures included amongst others: Obtaining an understanding of the key controls associated with the preparation of the valuation models used to assess the recoverable amount of the Group's held for sale assets. Confirming via external confirmation that the underlying mining tenement is held by the Group as at balance date. Assessing whether there is any indication that the asset may be impaired by critically evaluating management's assessment of impairment. Reviewing agreements regarding the pending asset sale for indications supporting the carrying value and appropriateness of the classification of the asset. Reviewing subsequent ASX announcement on 29 September 2017 regarding the sale of the non-current asset held for sale. Assessing the appropriateness of the disclosures included within the financial report.

Pitcher Partners

ACACIA COAL LIMITED
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INDEPENDENT AUDITOR'S REPORT
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Key Audit Matter	How our audit addressed the key audit matter
Going Concern *Refer to note 2 a)*	
The Group has ceased development in its main undertaking as it looks to dispose of its interest in the asset whilst maintaining the tenements minimum expenditure requirements. The Group has a history of operating losses. The Directors have continued to adopt the going concern basis of preparation in preparing the Group's financial report, taking into account the sufficiency of cash on hand at year end. Detailed cash flow forecasts have been prepared by Directors supporting the going concern assertion, that the Group will have sufficient resources to continue as a going concern for a period of at least 12 months from the date this financial report was approved. The Director's assessment of the Group's going concern ability was an area of focus and we paid particular attention to the key assumptions and judgements taken by the Directors that most significantly impacted these cash flow forecasts.	Our procedures included amongst others: Checking and satisfying ourselves that the cash flow forecasts prepared by Directors were consistent with the Group's strategy and current position. Applying sensitivities to the Directors' cash flow forecasts, including assessing the reasonableness of cost reduction measures by agreeing to standing agreements and consistency with prior year expenditure. Challenging management assumptions regarding the ability to generate future cash inflows through the sale of its non-current asset held for sale. This includes, amongst others, assessing the ability of the acquiring entity's ability to raise sufficient funds from which to fund the asset acquisition. Reviewing subsequent ASX announcements on 29 September 2017 regarding the sale of the non-current asset held for sale. Assessing the appropriateness of the disclosures included within the financial reports.

PITCHER PARTNERS

ACACIA COAL LIMITED
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ACACIA COAL LIMITED

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ACACIA COAL LIMITED

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

PITCHER PARTNERS

ACACIA COAL LIMITED
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
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From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2017. In our opinion, the Remuneration Report of Acacia Coal Limited, for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD

Paul Mulligan

PAUL MULLIGAN
Executive Director
Perth, 29 September 2017

SHAREHOLDER INFORMATION

EXCHANGE LISTING

Acacia Coal Ltd shares are listed on the Australian Securities Exchange. The Company's ASX code is AJC.

SUBSTANTIAL SHAREHOLDERS (HOLDING NOT LESS THAN 5%)

Name of Beneficial Holder	Total Number of Voting Share in Acacia Coal Ltd in which the Substantial Shareholders and its Associates Hold Relevant Interests
Argonaut Equity Partners Pty Limited	107,034,721

At 12 September 2017 there were 1,317 holders of 1,580,700,835 ordinary fully paid shares of the Company. The voting rights attaching to the ordinary shares are in accordance with the Company's Constitution being that:

a. each Shareholder entitled to vote may vote in person or by proxy, attorney or Representative;
b. on a show of hands, every person present who is a Shareholder or a proxy, attorney or Representative of a shareholder has one vote; and
c. on a poll, every person present who is a shareholder or a proxy, attorney or Representative of a shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or Representative, have one vote for the Share, but in respect of partly paid Shares, shall, have such number of votes as bears the proportion which the paid amount (not credited) is of the total amounts paid and payable (excluding amounts credited).

The number of shareholders holding less than a marketable parcel is 741.

UNLISTED OPTIONS

Securities	Number of Securities on issue	Number of Holders	Name of Holders holding more than 20%	Number Held
Unlisted Options exercisable at $0.006 expiring 5 December 2021	42,500,000	4	The Arcadia Investment Trust	10,000,000
			Winsome Santa Maria	20,000,000
			Technique Capital Pty Ltd	10,000,000
			District Racing & Breeding Pty Ltd	2,500,000

ESCROWED SECURITIES

Securities	Number of Securities on issue	Number of Holders	Name of Holders holding more than 20%	Number Held
Fully Paid Ordinary Shares	16,666,667	1	Distinct Racing & Breeding Pty Ltd	16,666,667

CASH USAGE

Since the time of listing on ASX, the entity has used its cash and assets in a form readily converted to cash that it had at the time of admission to the official list of ASX in a manner which is consistent with its business objectives.

TENEMENT SCHEDULE

As at 15 September 2017, mineral exploration tenements applied for or granted to the Company, or mineral exploration tenements in which the Company has an interest are as follows:

AREA OF INTEREST AUSTRALIA	TENEMENT	GROUP ENTITY'S INTEREST
Bowen Basin, Queensland	EPC1230 (Comet Ridge)	100%
	Mining Lease Application (MLA 700005)	

SHAREHOLDER INFORMATION

TOP 20 SHAREHOLDERS AT 15 SEPTEMBER 2017

	Ordinary Fully Paid - Shareholders	Number of Shares	% Issue Capital
1	ARGONAUT EQUITY PARTNERS PTY LIMITED	107,034,721	6.77%
2	JAMAX HOLDINGS PTY LIMITED	75,000,000	4.74%
3	HOPERIDGE ENTERPRISES PTY LTD	64,849,593	4.10%
4	PERSHING AUSTRALIA NOMINEES PTY LTD	64,538,128	4.08%
5	EAGLE EYE NOMINEES PTY LTD	56,250,000	3.56%
6	J P MORGAN NOMINEES AUSTRALIA LIMITED	53,233,895	3.37%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	49,697,842	3.14%
8	BLAMNCO TRADING PTY LTD	45,000,000	2.85%
9	AFM PERSEUS FUND LIMITED	37,624,999	2.38%
10	AVIEMORE CAPITAL PTY LTD	31,664,012	2.00%
11	MR SHANE ROBERT JONES & MRS CAROL ROBIN JONES	27,750,000	1.76%
12	SKYE EQUITY PTY LTD	24,500,000	1.55%
13	CLELAND PROJECTS PTY LTD	22,500,000	1.42%
14	CARJAY INVESTMENTS PTY LTD	22,223,197	1.41%
15	CITICORP NOMINEES PTY LIMITED	21,455,142	1.36%
16	SKYE EQUITY PTY LTD	20,000,000	1.27%
17	FIRST INVESTMENT PARTNERS PTY LTD	17,935,772	1.14%
18	MR JAMES PARKER BOTTOMLEY & MRS LISA KAY BOTTOMLEY	17,135,970	1.08%
19	BNP PARIBAS NOMS PTY LTD	16,839,355	1.07%
20	DISTRICT RACING & BREEDING PTY LTD	16,666,667	1.05%
	TOTAL TOP 20 SHAREHOLDERS	**791,915,793**	**52.09**

DISTRIBUTION OF SHAREHOLDERS – FULLY PAID ORDINARY SHARES

The following table sets out the distribution of the 1,580,700,835 ordinary fully paid shares on issue:

Spread of Holdings	Number of Holders	Number of Shares	% of Total Issue Capital
1 - 1,000	108	16,044	0.01
1,001 – 5,000	24	80,413	0.01
5,001 – 10,000	44	391,076	0.02
10,001 – 100,000	452	25,674,489	1.62
100,001 and over	688	1,554,538,813	98.34
TOTAL	**1,317**	**1,580,700,835**	**100.000**