



Quarterly Activities Report

Ended 30 September 2017

The Directors of Acacia Coal Limited (**Acacia** or the **Company**) are pleased to present the September 2017 quarterly report.

The key highlight during the quarter was the completion of the sale of the Comet Ridge project.

QUARTERLY ACTIVITY SUMMARY

CORPORATE

During the September quarter, AJC completed the sale of the Comet Ridge Project in Queensland to Bowen Coking Coal (ASX:BCB) for A\$350,000 in cash and 17,391,304 shares in Bowen Coking Coal.

Acacia's shares in Bowen are subject to escrow for a period of 12 months from the date of issue of the shares to Acacia.

PROJECT UPDATE – RIVERSDALE ANTHRACITE COLLIERY

The RAC project completed a detailed Pre Feasibility Study ahead of schedule on 1st May 2017, which demonstrated a project generating, from an initial 8 year mine life, an ungeared post tax IRR of 53% and NPV10 of A\$73m.

During the September Quarter, discussions over life of mine offtake agreements proceeded as expected with pleasing demand for the low impurity anthracite against a backdrop of declining volumes and quality, and rising costs at domestic competitors projects.

Detailed community consultations have concluded with evident goodwill and support for the mine development, and a clear path established towards securing the Water Use Licence.

AJC continues to engage with potential investors to secure funding for the completion of the Bankable Feasibility Study, and to reach a final decision to mine. However, as previously announced by the Company, the announcement in March by the South African government of amendments to the Mining Charter have created considerable uncertainty around the requirements expected of mining companies going forward. These changes are the subject of pending judicial review. The Company continues to evaluate the risk associated with investment in South Africa and will continue look to evaluate other resources assets in order to diversify its portfolio.

CASH MANAGEMENT

At 30 September 2017 Acacia had approximately \$0.9 million cash-at-bank.



For enquiries, please contact:

Hugh Callaghan
Managing Director
+61 8 9482 0520

Note on Forecast Financial Information

*The information contained in this presentation relating to a production target and forecast financial information derived from a production target was previously announced to ASX by the Company on 1st May 2017 in an announcement titled “Riversdale Anthracite Project Pre Feasibility Study” (**Previous Announcement**). The Company confirms the material assumptions underpinning the production target, or the forecast financial information derived from the production target in the Previous Announcement continue to apply and have not materially changed.*



ACACIA at a GLANCE

Acacia Coal Limited is focused upon coal exploration and development. The Company identifies, acquires and takes advantage of opportunities in coal resources.

Schedule of Tenements as at 30th September 2017

The Company had a 100% interest in coal exploration permit covering approximately 80 km² in Queensland's Bowen Basin, being EPC 1230 Comet Ridge during the quarter, the sale of which completed on 29 September 2017.

Acacia has entered into a sale and purchase agreement to acquire the Riversdale Anthracite Colliery in South Africa.

ASX Listing Code: AJC

Directors

Mr Adam Santa Maria	Executive Chairman
Mr Hugh Callaghan	Managing Director
Mr Rob Scott	Finance Director
Mr Brett Lawrence	Non-Executive Director
Mr Logan Robertson	Non-Executive Director

Registered and Principal Office

Ground Floor, 16 Ord Street, West Perth WA 6005, Australia
Telephone: +61 8 9482 0520

Website and Email Address

Please visit Acacia Coal's website for the Company's latest announcements and news: www.acaciacoal.com
Email: info@acaciacoal.com

Issued Capital and Market Capitalisation

At 30 September 2017 Acacia Coal's issued capital was 1,580,700,834 ordinary shares and 42,500,000 unlisted share options exercisable at A\$0.006 per share. Based on a share price of \$0.003 (30 September 2017), the undiluted market capitalisation was \$4.7 million.

Shareholder Enquiries

Matters relating to shares held and changes of address should be directed to the Company's Share Registry:

Link Market Services
Central Park Level 4,
152 St Georges Terrace
Perth WA 6000

Telephone: 1300 554 474
Outside of Australia:: +61 1300 554 474

Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au