

14 March 2019

## Program of Works Approved to Facilitate Drilling of Windarra Nickel-Cobalt Project

### HIGHLIGHTS

- Received Program of works approval facilitating scout air core drilling across the Windarra Nickel-Cobalt Project
- Drilling aims to define the extents and grade of Nickel-Cobalt mineralisation within the prospective ultramafic lithologies
- Previous drilling has confirmed both lateritic- and sulphide-hosted nickel-cobalt mineralisation at the Project
- Drilling scheduled to commence

Acacia Coal Limited ("AJC" or the "Company") is pleased to announce that the Department of Industry, Resources and Safety (DMIRS) has approved a program of works to facilitate drilling of the Windarra Nickel-Cobalt Project.



Figure 1: Project Location Plan

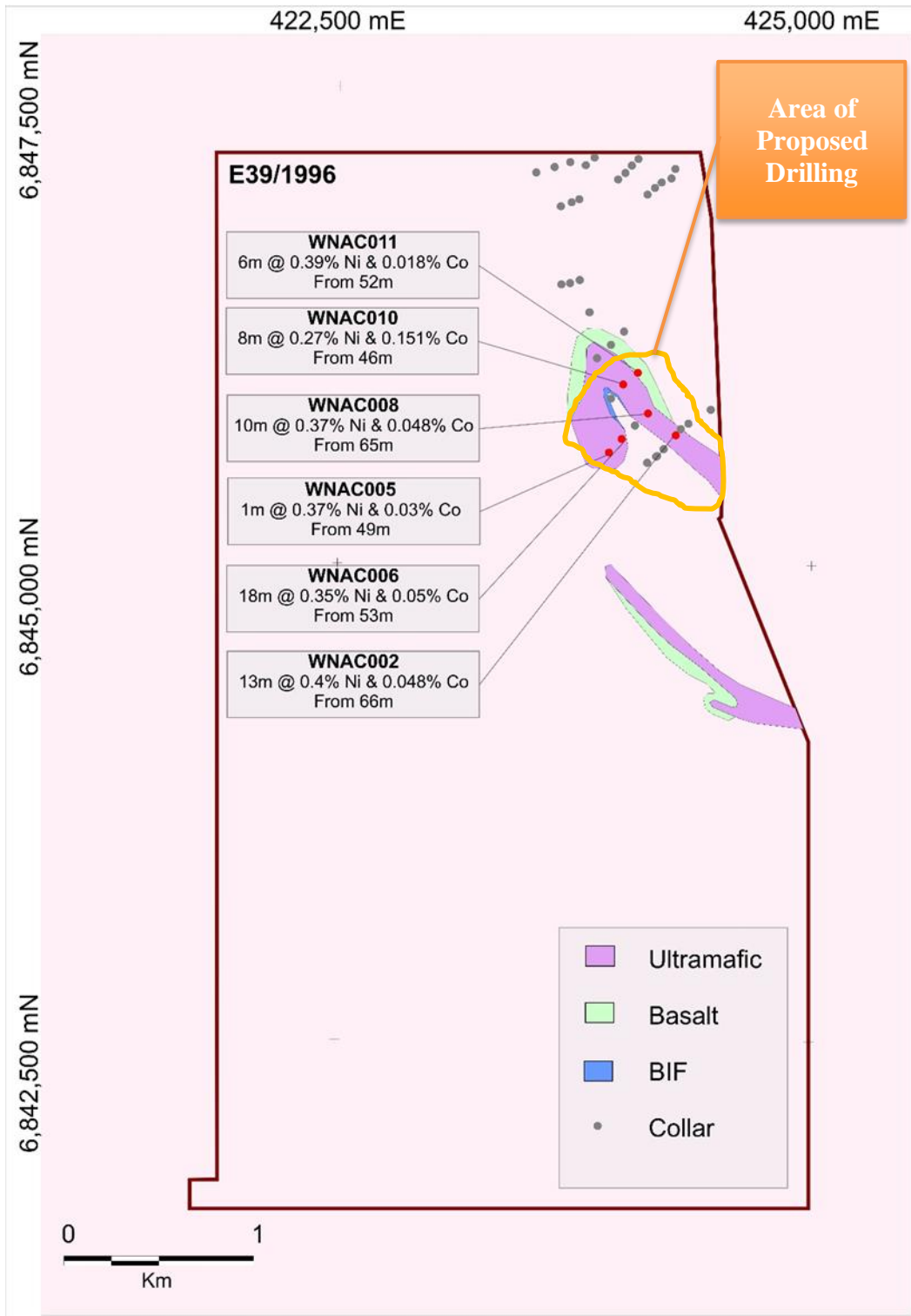
The drilling program will determine the potential within the Project for significant nickel-cobalt mineralisation.

### OVERVIEW OF PROJECTS & LOCATION

The Mt Windarra Project comprises a granted Exploration licence (39/1996). The tenement is located in the Mt Margaret Goldfield of Western Australia about 25km west of Laverton. Access to the Project is via the sealed Leonora-Laverton road to Mt Windarra. The Project covers a land area of 16.11km<sup>2</sup>.

### Mt Windarra Exploration Program:

Lateritic nickel and cobalt mineralisation was delineated in prior exploration completed across the Windarra Project. The proposed work program will expand on this potential and improve the understanding of the bedrock geology to facilitate better targeting of the nickel-cobalt sulphide mineralisation.



For further details, contact:

#### Investors

Mr Adam Santa Maria, Executive Chairman  
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**Competent person's statement:**

The information in this announcement is based on information compiled and fairly represented by Mr Jonathan King, consultant geologist to Acacia Coal, who is a Member of the Australian Institute of Geoscientists. Mr King has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr King consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

## PROJECT INFORMATION

### Mt Windarra

#### Location

The Project lies in the Mt Margaret Goldfield of Western Australia approximately 25km to the west of Laverton. Access to the Project is via the sealed Leonora-Laverton road thence to Mt Windarra. The Project covers a land area of 16.11km<sup>2</sup>.

#### Project Geology

The Archaean Komatiites of the eastern Yilgarn Craton are the focus for Ni-Cu-Co mineralisation. Basal accumulations of massive sulphide mineralisation are generally concentrated in structural depressions and the basal contacts of thick ultramafic flows (Kambalda-type) and as disseminated sulphides in thick dunite units (Mt Keith-type). Deposits in the Windarra region are predominantly the Kambalda-type.

The Windarra region forms as part of the Mt Margaret Goldfield. Mafic and ultramafics, metavolcanics and intrusives form important members of the Windarra Greenstone Belt. A major granitoid pluton has intruded the stratigraphy and has locally stopped out the greenstone units.

#### Exploration Completed

A total of 41 drill holes for 3,157m of drilling completed to date, inclusive of RAB, Aircore, RC and Diamond Drilling. The completed exploration has delineated nickel and cobalt mineralisation associated with ultramafic lithologies. Extensive transported cover sequences have obscured the underlying prospective lithologies, and thus the local geology has been defined based on a combination of magnetic and drilling information.

Significant cobalt and nickel mineralisation intersected in drilling, results include:

- WNAC002: 13m at 0.4% Ni & 0.048% Co from 66m to EOH
  - Including 1m at 0.54% Ni & 0.233% Co from 68m
- WNAC006: 18m at 0.35% Ni & 0.05% Co from 53m
  - Including 1m at 0.37% Ni and 0.28% Co from 53m
- WNAC008: 10m at 0.37% Ni & 0.048% Co from 65m to EOH
  - Including 1m at 0.71% Ni and 0.168% Co from 71m
- WNAC010: 8m at 0.27% Ni and 0.151% Co from 46m
  - Including 3m at 0.33% Ni and 0.218% Co
- WNAC011: 6m at 0.39% Ni & 0.018% Co from 52m

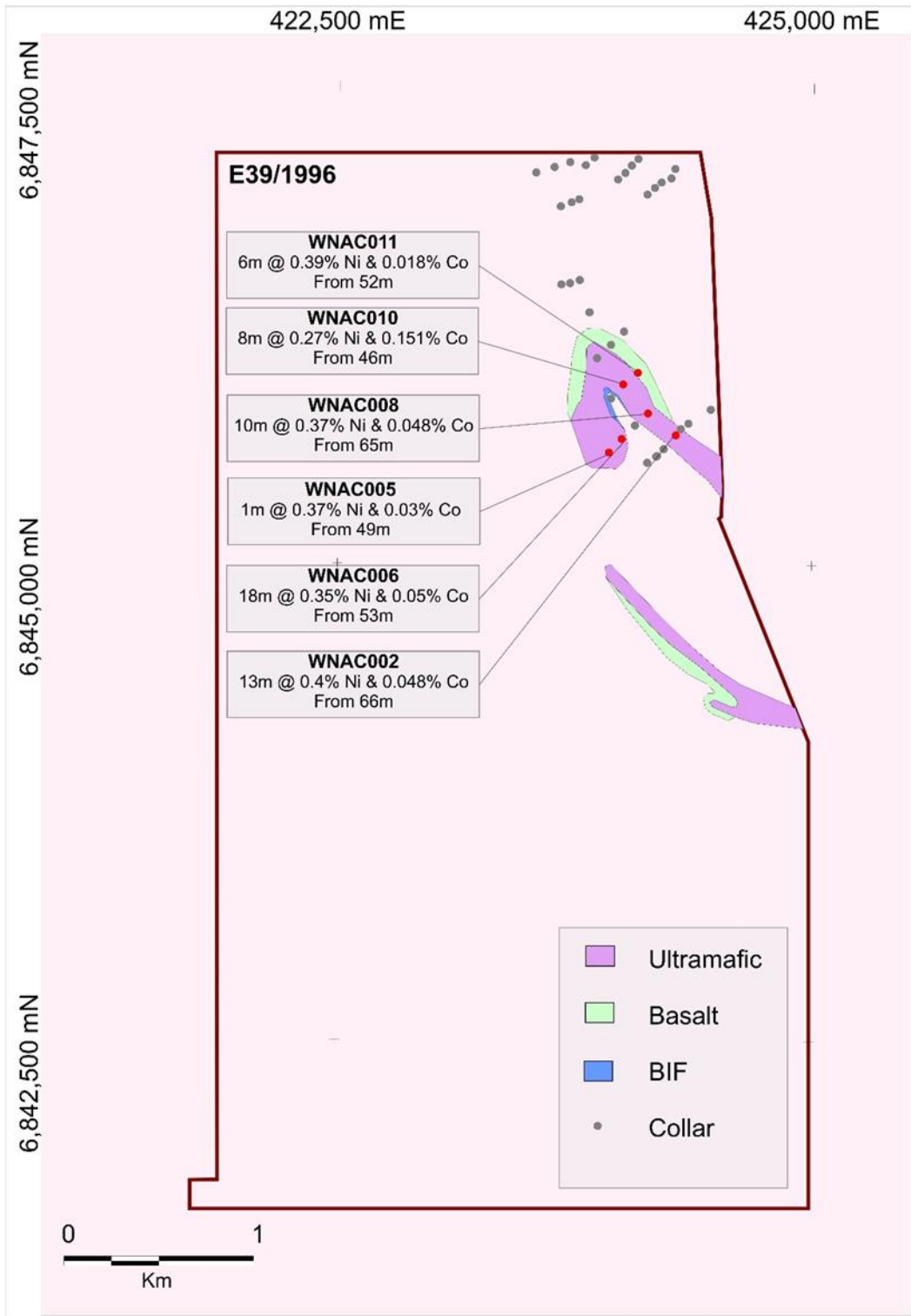


Figure 2: Historical Exploration Plan Mt Windarra

# APPENDIX 1: Mt WIndarra Drilling Data

Hole	Easting	Northing	Total Depth	Type	Dip	Azi	From	To	Co ppm	Ni ppm
WNAC001	424215	6845612	75	AC	-60	225	No Significant Intercepts			
WNAC002	424278	6845684	79	AC	-60	225	66	67	100	3530
							67	68	387	4190
							68	69	2330	5440
							69	70	597	2980
							70	71	602	4000
							71	72	518	4220
							72	73	296	3060
							73	74	332	3810
							74	75	297	4630
							75	76	224	5450
							76	77	191	3690
							77	78	211	3570
							78	79	197	3570
WNAC003	424345	6845746	36	AC	-60	225	No Significant Intercepts			
WNAC004	424128	6845540	64	AC	-60	225	No Significant Intercepts			
WNAC005	423926	6845593	50	AC	-60	225	49	50	292	3790
WNAC006	423993	6845664	70	AC	-60	225	53	54	2830	3730
							54	55	572	2890
							55	56	253	3470
							56	57	263	2570
							57	58	107	3140
							58	59	192	3640
							61	62	323	3610
							65	66	66	4030
							66	67	59	4320
WNAC007	424062	6845735	89	AC	-60	225	No Significant Intercepts			
WNAC008	424131	6845799	75	AC	-60	225	65	66	127	3120
							66	67	116	3020
							67	68	131	3830
							68	69	108	3440
							69	70	97	2110
							70	71	380	3820
							71	72	1680	7120
							72	73	914	4020
							73	74	870	4000
							74	75	369	2920
WNAC009	423935	6845875	110	AC	-60	225	No Significant Intercepts			
WNAC010	424000	6845950	54	AC	-60	225	46	47	2240	2580
							47	48	434	1325
							48	49	1860	2240
							49	50	2690	4570
							50	51	1985	3150
							51	52	506	1750

Hole	Easting	Northing	Total Depth	Type	Dip	Azi	From	To	Co ppm	Ni ppm
							52	53	1135	3250
							53	54	1250	2620
WNAC011	424077	6846012	70	AC	-60	225	52	53	187	3170
							53	54	168	3510
							54	55	130	3130
							55	56	160	4240
							56	57	184	4560
							57	58	248	4790
WNAC012	423933	6846157	88	AC	-60	225	No Significant Intercepts			
WNAC013	424002	6846227	53	AC	-60	225	No Significant Intercepts			
WNAC014	424304	6845717	81	AC	-60	225	No Significant Intercepts			
WNAC020	423670	6846473	64	AC	-60	250	No Significant Intercepts			
WNAC021	423767	6846496	82	AC	-60	250	No Significant Intercepts			
WNAC022	423716	6846480	70	AC	-60	70	No Significant Intercepts			
WNAC023	423722	6846904	35	AC	-60	250	No Significant Intercepts			
WNAC027	423534	6847059	56	AC	-60	250	No Significant Intercepts			
WNAC028	423630	6847088	60	AC	-60	250	No Significant Intercepts			
WNAC029	423713	6847114	67	AC	-60	250	No Significant Intercepts			
WNAC035	423665	6846883	32	AC	-60	250	No Significant Intercepts			
WNAC036	423762	6846920	41	AC	-60	250	No Significant Intercepts			
WNDD001	424462	6845820	399.9	DD	-60	225	No Significant Intercepts			
WNDD002	424180	6845575	348.8	DD	-60	45	90	91	76	4970
							91	92	94	3820
							92	93	108	2870
							93	94	184	6500
WNDD003	423820	6846328	351	DD	-60	45	No Significant Intercepts			
WNRB001	423861	6846087	24	RAB	-60	225	No Significant Intercepts			
WNRC002	424176	6845573	162	RC	-60	45	No Significant Intercepts			
WNRC003	423819	6846328	6	RC	-60	45	No Significant Intercepts			
WNAC043	423841	6847139	35	AC	-60	45	No Significant Intercepts			
WNAC044	423795	6847099	50	AC	-60	45	No Significant Intercepts			
WNAC046	424073	6847134	51	AC	-60	45	No Significant Intercepts			
WNAC047	424038	6847098	34	AC	-60	45	No Significant Intercepts			
WNAC048	424004	6847059	31	AC	-60	45	No Significant Intercepts			
WNAC049	423966	6847025	30	AC	-60	45	No Significant Intercepts			
WNAC050	424267	6847082	23	AC	-60	45	No Significant Intercepts			
WNAC051	424247	6847032	30	AC	-60	45	No Significant Intercepts			
WNAC052	424195	6847011	29	AC	-60	45	No Significant Intercepts			
WNAC053	424160	6846982	30	AC	-60	45	No Significant Intercepts			
WNAC054	424121	6846947	22	AC	-60	45	No Significant Intercepts			

### **Notes:**

All coordinates reported in MGA94-Zone 51 located using handheld GPS



## JORC Code, 2012 Edition- Section 1

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Comments
Sampling techniques	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	<p>Air core drilling was completed in April 2005 by Gryphon Minerals Ltd. A single Rotary Air Blast hole was completed but difficult hole conditions due to the deep transported cover sequences meant that Aircore drilling was required. Drilling targeted the main enclave of prospective stratigraphy within the tenure. The drilling intersected mafic and ultramafic lithologies and their weathered derivatives in a narrow unit hosted within granitoids.</p> <p>In June 2005 and September 2007, a second and third air core program commenced respectively.</p> <p>Three RC drill holes were completed which were not able to reach target depth due to drilling difficulties. A diamond drilling program was completed was also completed for a total of 1100m of drilling across three holes.</p>
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Field duplicate samples were included in the published historical reports by Gryphon Minerals.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	The only information published by Gryphon that all assays were completed by Aqua Regia digest with ICP analysis at ALS Laboratories.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	RAB, Aircore, RC and Diamond Drilling has been completed. No further details are available with respect to the parameters pertaining to the drilling parameters.
Drill Sample Recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	No recoveries have been reported.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	No sample recoveries have been reported. Duplicate field samples have been taken and submitted for analysis to ensure representative sampling.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No sample recoveries have been reported and therefore no analysis can be performed towards bias.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Logging has been completed of all holes, level of detail in terms of logging is sufficient to be included in a mineral resource estimation.



Criteria	JORC Code explanation	Comments
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging completed is both qualitative and quantitative.
	The total length and percentage of the relevant intersections logged.	All holes and intervals of their respective holes have been logged.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	Quarter core was submitted for analysis.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No method of sub sampling was described in reports relating to the drilling.
	For all sample types, the nature, quality and appropriateness of the sample preparation techniques	Sample preparation was completed by ALS Laboratories, no description of the method was documented.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No QC procedures are documented
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Duplicate samples were submitted for analysis.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes were not reported.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Samples were submitted to ALS Laboratories for sample preparation and analysis using aqua regia digestion ICP-mass spectrometry. The method is considered total digestion.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools utilised.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	No QAQC samples reported
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	No independent verification completed.
	The use of twinned holes.	No twinned holes completed.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	No documentation available with respect to capture of primary data. Data available through WAMEX report system was captured into a validated GIS database.
	Discuss any adjustment to assay data.	No adjustments were performed to data.
Location of Data Points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Samples were located using a Garmin handheld GPS with an accuracy of +/- 5m
	Specification of the grid system used.	MGA94- Zone 51
	Quality and adequacy of topographic control.	Topographic control using GPS which is sufficient for the level of exploration completed.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Drilling was completed on an irregular grid on the basis that the activities are purely of a reconnaissance nature.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Drilling completed is of reconnaissance nature and not for the purposes of the delineation of a mineral resource.
	Whether sample compositing has been applied.	Composites have been reported in the highlights. A full listing of results is published in Appendix 1: Drilling
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and	It is not yet known whether the orientation of sampling has achieved unbiased results.



Criteria	JORC Code explanation	Comments
	the extent to which this is known, considering the deposit type.	
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The geometry of mineralisation is not presently understood and therefore it is uncertain whether bias has been introduced due to the orientation.
Sample security	The measures taken to ensure sample security.	No documentation exists with respect to sample security protocol.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits or reviews have been conducted.

## JORC Code, 2012 Edition- Section 2

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	E39/1996 is 100% legally and beneficially held by Acacia Coal Ltd.  E39/1996 is not subject to any third party joint ventures, partnerships or royalties.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	No impediments with respect to development of the project have been identified.
Exploration	Acknowledgment and appraisal of exploration by other parties.	Exploration was predominantly completed by Gryphon Minerals Ltd. Activities completed included AC, RAB, RC and diamond drilling.
Geology	Deposit type, geological setting and style of mineralisation.	The Project is located in the Norseman-Wiluna Greenstone Belt, covering an enclave of mafic to ultramafic lithologies surrounded by granitoids. This supracrustal remnant is folded by the Margaret Anticline, a major structure which plunges moderately southwards.
Drill Hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length.	Full details of drilling inclusive of holes with no significant results reported in Appendix 1.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	All available results including those with no significant results have been reported.
Data Aggregation Methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.	Weighted average results have been reported in highlights which are based weighted averages of the individual sample intervals.  The following criteria have been applied: <ul style="list-style-type: none"> <li>Intercepts are reported as intervals &gt;0.3% Ni with intervals of up to 1m at &lt;0.3% NI included</li> <li>No high grade cuts utilised</li> <li>All intersections reported are downhole intercepts</li> </ul>
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Weighted averages have been applied which utilise length weighting of individual intervals. Individual intervals have additionally been reported in Appendix 1 for all drilling results.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents are reported.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results.	The results reported are down hole intervals. The geometry of mineralisation is not yet understood.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	The geometry of mineralisation is not yet understood.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Down hole intervals have been reported, the true width is not yet known.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole	Maps illustrating the location of collars, significant intervals and underlying geology have been included in the body of the results.



Criteria	JORC Code explanation	Commentary
	collar locations and appropriate sectional views.	
Balanced Reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All results including those with no significant results have been included in the release.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	All available information available has been included in the release.
Further Work	<p>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	<p>An extensive review of the open file information relating to the Project will be completed.</p> <p>Further releases will be made to market upon completion of further exploration planning.</p>