



ASX: AJC

## Quarterly Activities Report

Ended 30 June 2020

### OVERVIEW

The Directors of Acacia Coal Limited (**Acacia** or the **Company**) provide a summary of activities in the June 2020 quarter.

During the quarter, the Company primarily focussed on reviewing new opportunities and the activities at its Mt Bruce and Mt Windarra projects. In particular, together with its geological consultants, the Company undertook a review of the exploration results at Mt Windarra and Mt Bruce to better understand the projects' perspective and the appropriate next steps in relation to each. Consistent with the Company's review and earlier determination and announcement that Mt Bruce was immaterial to the Company's strategic focus, the Mt Bruce tenement was surrendered during the quarter.

In respect of new projects, the Company is delighted that it has executed a binding share sale agreement to acquire 100% of Graphene Technology Solutions Ltd ("GTS"), a South Australian based company seeking to commercialise graphene based technologies to disrupt or enhance multi billion dollar industries. The details of the acquisition were announced to the market on 22 July 2020.

### Overview of Project Activities

#### **Mt Windarra Update**

Assay results received in the March quarter from Mt Windarra confirmed the presence of lateritic nickel-cobalt and sulphide-hosted nickel-copper mineralisation at the Mt Windarra project. The drill programme comprised nine reverse circulation holes for 946 metres.

Hole_ID	MGA51_EAST	MGA51_NORTH	RL	DIP	AZI	DEPTH
Hole_1	424295	6845575	433	-60	45	150
Hole_2	424240	6845630	433	-60	45	100
Hole_3	424210	6845600	433	-60	45	100

Hole_4	424200	6845730	433	-60	45	100
Hole_5	424170	6845700	433	-60	45	100
Hole_6	424140	6845675	433	-60	45	100
Hole_7	424060	6845875	433	-60	45	100
Hole_8	424030	6845845	433	-60	45	100
Hole_9	424000	6845820	433	-60	45	100

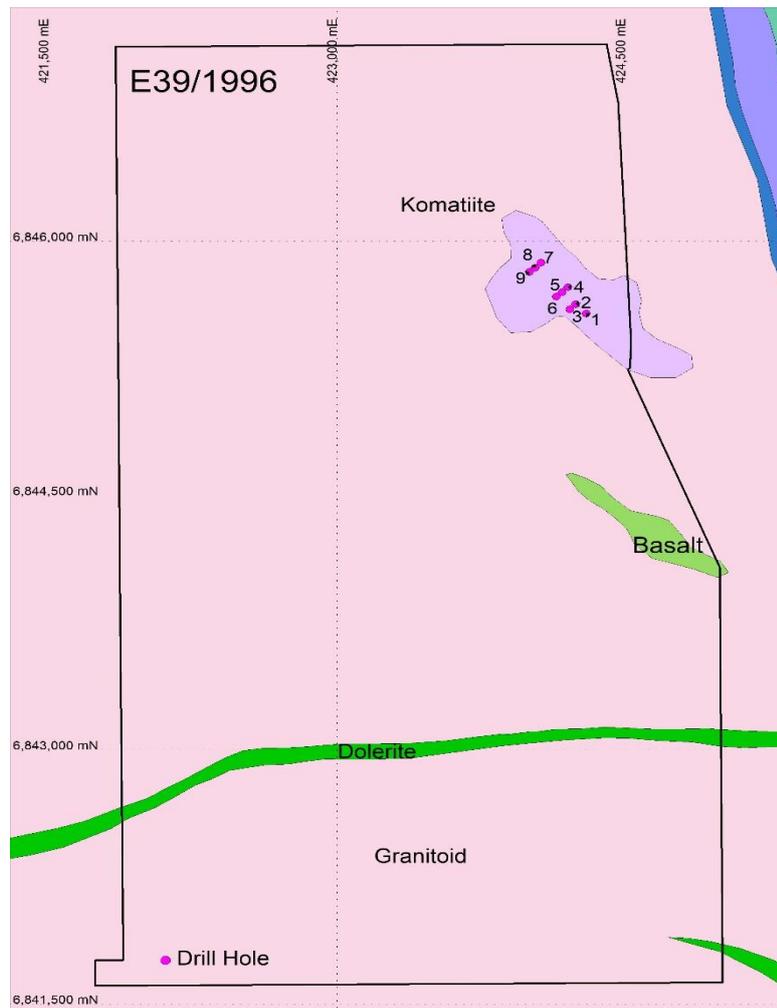
The objective of the drill programme was to confirm and define the extents and grade of previously indicated lateritic nickel-cobalt and nickel-copper sulphide mineralisation within the target ultramafic lithologies captured by the project. The indicated mineralisation lies within a komatiitic xenolith preserved within a major granitoid pluton. The komatiite body most likely represents roof pendants and synclinal keel root zones of greenstone synclinoria and is thought to be stratigraphically equivalent to the Windarra Ultramafic, host to economic nickel mineralisation at the Windarra group of nickel mines.

The observed mineralisation sits within or beneath the weathered profile developed in komatiitic xenolith. Extensive transported cover sequences obscure the underlying rocks with the local geology outlined by a combination of magnetic and drilling information.

Summary statistics for eight holes in tabular form are documented below (see ASX announcement 1 October 2019 for full details):

Descriptive Statistics						
Element	Mean	Std. Dev.	Count	Minimum	Maximum	# Missing
Ag	0.042	0.083	846	0.01	1.26	0
Au	1.898	4.374	846	0.37	105	0
Cu	55.665	65.021	846	1.5	889	0
Mn	727.088	1096.66	846	27.3	9000	0
Ni	1046.455	1508.803	846	10.6	8950	0
Co	86.277	216.328	846	1.5	2520	0
Pb	5.085	6.368	841	0.2	96.5	5
Zn	44.967	44.904	846	4	335	0
S	772.908	572.083	846	50	4590	0

Further assessment and exploration will be conducted within the prospective geological unit after all results have been received and are assessed.



## Mt Bruce

During the quarter the Company surrendered the Mr Bruce project and shift attention to Mt Windarra and new opportunities.

## GENERAL OVERVIEW OF PROJECTS & LOCATION

Acacia Coal has one granted tenement being the Mt Windarra Project.

### **Mt Windarra**

The Mt Windarra Project comprises a granted Exploration licence (39/1996), which is located in the Mt Margaret Goldfield of Western Australia and is situated about 25km to the west of Laverton. Access to the Mt Windarra Project is via the sealed Leonora-Laverton road to Mt Windarra. The Mt Windarra 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 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 stoped out the greenstone units.

### Exploration Completed

A total of 50 drill holes for 4,103m of drilling have now been completed to date inclusive of RAB, Aircore, RC and Diamond Drilling. Previous exploration completed has delineated nickel and cobalt mineralisation associated with ultramafic lithologies. Extensive transported cover sequences have obscured the underlying lithologies, and thus the local geology has been defined based on a combination of



magnetic and drilling information.

## Other

The Company has lodged a voluntary suspension request whilst it undertakes the completion of the GTS transaction and it is expected that the Company will return to trade on satisfying the requirements of Chapters 1 and 2 of the ASX Listing Rules in connection with the transaction.

The Company is looking forward on behalf of shareholders to transition the Company to focus on Graphene opportunities within the GTS portfolio and will be pursuing completion of that transaction as soon as practicable.

For the purpose of Section 6 of the Appendix 5B, all payments made to related parties have been paid in relation to director fees.

Acacia confirms it holds the current tenement as of 30 June 2020:

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	E39/1996	Granted	Mt Windarra	100%	100%

The following tenements were disposed of during the Quarter.

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	E47/3627	Granted	Mt Bruce	100%	100%

This announcement has been authorised by Adam Santa Maria on behalf of the Company.

For enquiries, please contact:

### Adam Santa Maria

Chairman

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## COMPETENT PERSON STATEMENT

The exploration results included in this report for the Mt Windarra Project were first announced by the Company in its announcements of 31 January 2019, 14 March 2019 and 1 October 2019. The Company



confirms it is not aware of any new information or data that materially affects the information included in those market announcements. The exploration results included in this report for the Mt Bruce Project were first announced by the Company in its announcement of 13 March 2019 and 30 August 2019.