



NOTICE OF THE 2015 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2015 Annual General Meeting (AGM) of the members of Acacia Coal Limited (the Company) will be held at the Company's offices at Suite 1902, Level 19, Tower A, The Zenith, 821 Pacific Highway, Chatswood, Sydney on Monday, 9 November 2015 commencing at 11:30am.

ORDINARY BUSINESS

1. To Consider the Financial Report

To consider the Reports of the Directors and the Auditor, and the Financial Statements of the Company for the year ended 30 June 2015.

2. Resolution 1 – To Elect a Director – Ms Amanda Ward

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

That, for the purpose of Article 3.6 of the Company's Constitution, ASX Listing Rule 14.4 and all other purposes, Ms Ward, who was originally appointed as a Director of the Company on 12 November 2010, retires and, being eligible, submits herself for re-election as a Director.

3. Resolution 2 – To Adopt the Remuneration Report

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

That the Remuneration Report for the financial year ended 30 June 2015, as set out in the Directors' Report in the Company's 2015 Annual Report, be adopted.

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

4. To transact any other business brought forward in accordance with the Company's Constitution.

Further information in relation to the matters to be considered at the AGM is set out in the attached Explanatory Notes.

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) on Resolution 2 by or on behalf of any person who is a member of the key management personnel (KMP) or a closely-related party of any member of KMP. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form, or if it is cast by the person chairing the AGM as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form to vote as the proxy decides.

The prohibition in the Corporations Act on members of the Company's KMP voting does not apply to the Chairman of the AGM as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the AGM to vote.

PROXIES

To be effective, Proxy Forms must be received by the Company at its registered office by 11:30am on 7 November 2015.

By Hand Delivery:

Suite 1902, Level 19
Tower A, The Zenith
821 Pacific Highway
Chatswood, Sydney

By Mail:

PO Box 758
Chatswood NSW 2057

By Facsimile:

(02) 9475 0869

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth), the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the Register of Shareholders as at 11:30am (Sydney time) on 7 November 2015. Share transfers registered after that time will be disregarded in determining entitlements to vote at the AGM. In addition, Australian legal requirements limit the eligibility of certain people to vote on some items of business to be considered at the AGM. This voting exclusion is designed to limit the capacity of people who stand to benefit from a Resolution to influence whether or not the Resolution is passed. The applicable voting exclusion for Resolution 2 is set out above.

A member entitled to attend and vote at the AGM is entitled to appoint not more than two persons as his / her proxy to attend and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. Unless under Power of Attorney (which should have been noted by the Company) a Proxy Form by a corporation should be executed under its common seal or in accordance with the Corporations Act 2001.

If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that Resolution as they think fit. Should any resolution, other than those specified in the Notice of AGM, be proposed at the AGM, a proxy may vote on that resolution as they think fit.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on any poll that may take place and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their Proxy Forms with a direction on how to vote, but do not nominate the identity of their proxy, will be taken to have appointed the Chairman of the AGM as their proxy to vote on their behalf. If a Proxy Form is returned, but the nominated proxy does not attend the AGM, or does not vote on the Resolution, the Chairman of the AGM will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the AGM, the Company Secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the Resolutions proposed in the Notice of AGM.

Dated in Sydney on this 8th day of October 2015.

BY ORDER OF THE BOARD

Robert J Waring

Company Secretary

EXPLANATORY NOTES

These Explanatory Notes set out information in connection with the business to be considered at the 2015 Acacia Coal Limited (the Company) Annual General Meeting (AGM).

ORDINARY BUSINESS

The following items of ordinary business will be considered at the AGM.

To Consider the Financial Report

This item of business relates to the consideration of the Company's Financial Statements, and the Reports of the Directors and the Auditor for the year ended 30 June 2015, as required by the Corporations Act, and gives the Shareholders the opportunity to ask questions or to make comments concerning the Financial Report during the AGM. Shareholders who elected to do so will have received a printed or email version of the Company's Annual Report, and a copy is available on the ASX website and Company's website at www.acaciacoal.com.au. A copy of the 2015 Annual Report may also be requested from the Company Secretary. There is no requirement for a formal resolution on this item.

Resolution 1

To Elect a Director – Ms Amanda Ward

Ms Amanda Ward retires by rotation in accordance with the Company's Constitution, whereby at least one third of Directors must retire (and may seek re-election) at each AGM and, being eligible, she stands for re-election. The Board oversaw a review of the performance of all Directors, which was designed to assess the effectiveness of each Director. All Directors contributed to that review. The Board has also reviewed the skills, backgrounds, knowledge, experience, and diversity of gender and nationality represented on the Board. On the basis of these reviews, the Board considers that Ms Ward demonstrates commitment to her role, continues to make a valuable contribution to the Board and that the Board as a whole has an appropriate mix of skills, backgrounds, knowledge, experience and diversity to operate effectively.

Ms Ward has a Bachelor of Business (Accountancy) degree from Royal Melbourne Institute of Technology. She is a qualified Certified Practising Accountant with more than 14 years of experience in finance and accounting, with a strong focus in the mining industry. Ms Ward is the director and principal of her own accounting practice in Sydney. She also acts as Chief Financial Officer for a group of privately-owned companies focused in the coal mining industry in Queensland.

Ms Ward was appointed as a Non-Executive Director of the Company on 12 November 2010.

Directors' recommendation: The Directors (except Ms Ward) recommend that Shareholders vote in favour of Resolution 1.

Resolution 2

To Adopt the Remuneration Report

The Corporations Act requires that a resolution be put to members to adopt the Remuneration Report for the year ended 30 June 2015, as disclosed in the Directors' Report in the Company's Annual Report. The vote on this Resolution is advisory only and non-binding. The Resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the AGM. Under the Corporations Act 2001, if 25% or more of votes that are cast vote against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a spill resolution) that another meeting be held within 90 days at which all of the Company's

Directors (other than the Managing Director) must go up for re-election. The Company encourages all shareholders to cast their votes on Resolution 2.

In accordance with Section 250R(4) of the Corporations Act, the Company will disregard votes cast on Resolution 2 by any member of the Company's key management personnel (KMP) whose remuneration details are included in the Remuneration Report, or any closely-related parties of such a member, unless the vote is cast:

- (a) as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form; or
- (b) by the Chairman of the AGM as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

KMP of the Company are the Directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's KMP for the financial year to 30 June 2015. The KMP closely-related parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 2 by marking either "For", "Against" or "Abstain" on the Proxy Form for that item of business.

GLOSSARY

In this Notice of AGM and in the Explanatory Notes, the following expressions have the meaning set out in this Glossary.

Annual General Meeting, AGM or Meeting mean the annual general meeting of the Company convened by this Notice.

ASX means the Australian Securities Exchange.

Company means Acacia Coal Limited ACN 009 092 068.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company as elected from time-to-time.

Explanatory Notes means the explanatory notes accompanying this Notice of AGM.

Listing Rules means the ASX Listing Rules as published by the ASX from time-to-time.

Resolution means a resolution proposed in this Notice of AGM.

Share means a fully paid ordinary share in the issued share capital of the Company.

Shareholder means a holder of a Share.



FORM OF PROXY

By hand delivery: Suite 1902, Level 19, Tower A, The Zenith, 821 Pacific Highway, Chatswood, Sydney
By facsimile: (02) 9475 0869
By mail: PO Box 758, Chatswood NSW 2057

I / We

(full name in block letters)

of

(address)

being a member of Acacia Coal Limited (the Company), and being entitled to attend and vote at the Company's Annual General Meeting (AGM), hereby appoint:

(the name of the person (or body corporate) you are appointing if this person is someone other than the Chairman of the AGM)

of

(address)

or, failing that person:

(the name of the person (or body corporate) you are appointing if this person is someone other than the Chairman of the AGM)

of

(address)

or, failing that person, the Chairman of the AGM as my / our proxy / proxies to vote for me / us and on my / our behalf at the AGM of Acacia Coal Limited to be held at the Company's offices at Suite 1902, Level 19, Tower A, The Zenith, 821 Pacific Highway, Chatswood, Sydney on Monday, 9 November 2015 commencing at 11:30am and at any adjournment thereof.

If you do not wish to direct your proxy how to vote, please place a mark in this box: ☐

By marking this box, you acknowledge that, if the Chairman is your proxy, the Chairman may exercise your proxy even if the Chairman has an interest in the outcome of the Resolution and votes cast by the Chairman other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the Resolution and your votes will not be counted in calculating the required majority if a poll is called on the Resolution.

If the Chairman of the AGM is voting as your proxy, the Chairman intends to vote any undirected proxies held on the item of business in favour of the Resolution on that item of business.

Chairman authorised to exercise undirected proxies on remuneration-related Resolution: ☐

Where I / we have appointed the Chairman of the AGM as my / our proxy (or the Chairman becomes my / our proxy by default), I / we expressly authorise the Chairman to exercise my / our proxy on Resolution 2 (except where I / we have indicated a different voting intention below) even though Resolution 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the AGM intends to vote all available proxies in favour of each item of business.

Signature of shareholder

(This section **MUST** be signed to enable your directions to be implemented.
Companies are to execute under seal or director's signature if applicable.)

Dated this _____ day of _____ 2015

If you desire to direct your proxy / proxies how to vote (or to abstain from voting) on any Resolution, please insert an **X** in the appropriate box. If you do not direct your proxy / proxies, the proxy holder may vote as they think fit or may abstain from voting.

ORDINARY BUSINESS

	For	Against	Abstain
Resolution 1 – To Elect a Director – Ms Amanda Ward	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

To be effective, the Proxy Form and the Power of Attorney or other authority (if any) under which each is signed (or a copy of that Power or authority certified in a manner acceptable to the Directors of the Company) must be received at least 48 hours prior to the AGM (i.e. not later than 11:30am on 7 November 2015), or to any adjourned meeting, at the Company's office being:

By hand delivery: Suite 1902, Level 19, Tower A, The Zenith, 821 Pacific Highway, Chatswood, Sydney

By facsimile: (02) 9475 0869

By mail: PO Box 758, Chatswood NSW 2057

Additional Proxy Forms will be supplied on request. A body corporate may appoint a representative to attend, vote at and otherwise act for it at the AGM in accordance with section 250D of the Corporations Act 2001.

SIGNING INSTRUCTIONS

You must sign this Proxy Form, in the spaces provided, as follows:

Individual: Where the holding is in one name, the holder must sign.

Joint Holding: Where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this Proxy Form must be signed by that person.

If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this Proxy Form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a company shareholder or a company proxy is to attend the Meeting the appropriate Appointment of Corporate Representative Certificate should be produced prior to admission. This form may be obtained from the Company.