
Quarterly Activities Report

Period Ended 31 March 2014

HIGHLIGHTS

- **Environmental and mining studies progressing towards Environmental Assessment and Mining Lease Application**
- **Conservation of cash continues to be a high priority. Acacia holding \$3.8 million in cash**

COMET RIDGE PROJECT (EPC 1230)

Acacia Coal Limited (Acacia) is aiming to develop low capital, shallow open cut mining operations at Comet Ridge, producing semi hard coking and thermal coals.

The 2013 Pre-Feasibility Study confirmed the Comet Ridge Project (EPC 1230) is feasible.

Acacia has an Agreement with Bandanna Energy Limited (ASX:BND) for the Comet Ridge Project to access the proposed Triumph Creek Train Loading Facility.

Coal Market Update

There continues to be significant negative market sentiment in the coal sector, especially with the further decline in coking and thermal coal benchmark sale prices. While many investors might be concerned about the long term viability of the coal market, Acacia sees this cyclical low as a good time to finalise project approvals, and to be ready for the inevitable market recovery.

Acacia is planning to have the Comet Ridge Project Environmental Assessment (EA) completed in the third quarter of 2014 and the Mining Lease application lodged immediately afterwards. The completion of the Bankable Feasibility Study and Project commitment remain dependant on Bandanna Energy's development of their Springsure Creek Coal Project. Regardless, Acacia Coal intends to have a Mining Lease over the Comet Ridge Project by the end of 2015.

Quarterly Activity

During the Quarter Acacia focussed on the following major activities for the Comet Ridge Project:

- All of the Environmental Studies for the EA have been commissioned and well progressed;
- On-going environmental monitoring and sampling;
- Cultural Heritage Management Agreement, being finalised prior to the site survey, scheduled for Q2 2014;

- Environmental Assessment Pre-lodgment session held with the Department of Heritage and Environmental Protection in Rockhampton: No concerns were raised;
- The draft JORC Competent Persons Resource Report is being completed and is will be released in early May; and
- Mining Study is in progress.

EXPLORATION TENEMENTS RATIONALISATION

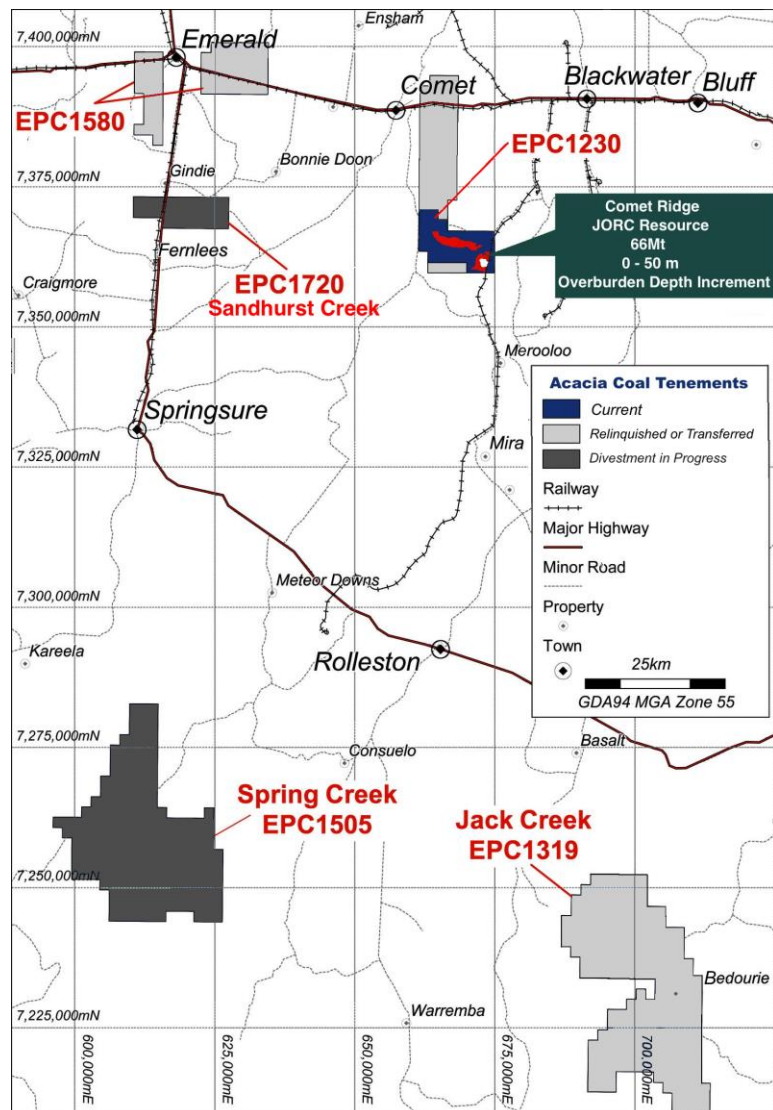
Acacia Coal has made the decision to concentrate on Comet Ridge development, on EPC 1230 which was recently renewed to September 2018. The remaining EPCs, which include EPC 1505 and EPC 1720 are to be relinquished.

EPC 1720 Sandhurst Creek

The decision to divest this EPC, has been based on the low potential of finding any resource and the even lower development potential given the high cost of capital and the location over strategic cropping land.

EPC 1505 Spring Creek

The relinquishment of this permit is in progress.



CORPORATE

Cash Management

Acacia continues practices to conserve cash. Acacia has sufficient cash to progress the Comet Ridge Project through the approvals process and to the granting of a Mining Lease.

At 31 March 2014 Acacia held \$3.845 million cash-at-bank.

Release Date: 30 April 2014

For more information, please contact:

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Competent Person's Statement

The information in this announcement that relates to the mineral resources is based on information evaluated by Rob Dyson who is a Fellow of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Dyson is a fulltime employee of McElroy Bryan Geological Services Pty Ltd. Mr Dyson is a qualified Geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Dyson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ACACIA at a GLANCE

Acacia Coal Limited is involved in coal exploration and development. The Company identifies, acquires and exploits opportunities in coal resources that could be brought into production to provide thermal and coking coal suitable for the export market.

Schedule of Tenements as at 31 March 2014

The Company has a 100% interest in three coal exploration permits covering approximately 720 km² in Queensland's Bowen Basin. EPC 1230 Comet Ridge, EPC 1505 Spring Creek and EPC 1720 Sandhurst Creek. There have been no changes in tenements during the quarter.

Directors

Mr Kym Livesley	Non-Executive Chairman
Mr Gavin May	Managing Director
Mr Michael Mulroneo	Non-Executive Director
Ms Amanda Ward	Non-Executive Director

Management

Mr Robert Waring	Chief Financial Officer
Mr Graham Colliss	Chief Project Officer
Mr Harvey Crowden	Chief Metallurgist

Registered and Principal Office

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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 29 April 2014 Acacia Coal's issued capital was 903,787,924 ordinary shares, 128,000,000 unlisted options exercisable between 2 and 15.5 cents, and 5,000,000 23 June 2014 performance shares. At a share price of \$0.01 (29 April 2014) the undiluted market capitalisation was \$9.04 million.

Number of Shareholders and Major Shareholders

At 29 April 2014 Acacia Coal had 1,420 shareholders. The Share Register records the following as major shareholders at 31 March 2014 accounting for 40.03% of the Company's issued shares:

Shareholder	%
Charlotte Investments Pty Ltd	12.00
Argonaut Equity Partners Pty Limited	6.30
Skye Equity Pty Ltd	4.92
HSBC Custody Nominees (Australia) Limited	2.98
Pershing Australia Nominees Pty Ltd <Argonaut Account>	2.88
UBS Wealth Management Australia Nominees Pty Ltd	2.51
AFM Perseus Fund Limited	2.41
JP Morgan Nominees Australia Limited <Cash Income Account>	2.30
UOB Kay Hian Private Limited <Clients A/C>	2.02
Scott Paul Jones and Rodney Malcolm Jones and Carol Robin Jones <Scopa Family A/C>	1.71

Cash Balance

At 31 March 2014 Acacia Coal's cash balance was approximately \$3.845 million.

Shareholder Enquiries

ASX Listing Code: AJC

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

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 Website: www.boardroomlimited.com.au