

## Quarterly Activities Report

Period Ended 30 June 2014

### HIGHLIGHTS

- **Environmental and Mining Studies achieved 75% completion for Mining Lease Application**
- **Comet Ridge Resource Updated to 2012 JORC Code compliant**
- **Acacia receives \$325,000 R & D tax refund**
- **Cash at bank of \$3.6 million**

### COMET RIDGE PROJECT (EPC 1230)

*Acacia Coal Limited (Acacia) is aiming to develop a 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.*

### Updated JORC Report

An updated Competent Persons Report to the 2012 JORC Code was released subsequent to the quarter. The report shows Measured and Indicated Resources of 10.4 Million tonnes in the 0 – 30m depth increment, and a total of 17 Million tonnes in the 0 – 50m depth increment. Total resources are 18 Million tonnes in the 0 – 30m depth increment, and 57 Million tonnes in the 0 – 50m depth increment. (See table below)

Mining Method	Depth Interval (m)	Measured (mt)	Indicated (mt)	Measured + Indicated (Mt)	Inferred (Mt)
Open cut	0 – 30	6.8	3.6	10.4	8
Open cut	30 – 50	0.7	5.8	6.5	35
Total		7.5	9.4	16.9	43
<b>Total Resources (rounded)</b>		<b>8</b>	<b>9</b>	<b>17</b>	<b>40</b>

*A summary of the Competent Person Report was released to the market on 16 July 2014, and the full report will be available on the Company's website.*

## QUARTERLY ACTIVITIES

### Coal Dry Processing R&D Tax Refund

The sampling and trialling of innovative dry processing techniques of high ash Fair Hill and Triumphs Seam coal has been conducted by Acacia Coal's technical team headed by Harvey Crowden, Acacia's metallurgist. This research has been instrumental in the development of the Comet Ridge PFS and the viability of realising the potential of these low yielding seams. Acacia is pleased to report it received \$325,000 from the ATO in respect of the 2011/12 Research & Development Claim for this Dry Processing research work.

### Mining Lease and Environmental Assessment

Acacia continues to make good progress on environmental and other studies required for the environmental approvals process and the Mining Lease application. Currently, the Company is well advanced (75%) through the studies (see table below) with approximately \$450,000 remaining to be spent.

#### Comet Ridge Project Environmental Studies

Technical /Environmental Study	Completion Status
Groundwater	100%
Terrestrial Flora & Fauna	95%
Aquatic Flora & Fauna	100%
Waste Rock	100%
Cultural Heritage	10%
Soils/Land	100%
Surface Water and Flood studies	20%
Air, Noise & Greenhouse Gas	10%
Project Management, Consultation & Applications	30%

## EXPLORATION TENEMENTS RATIONALISATION

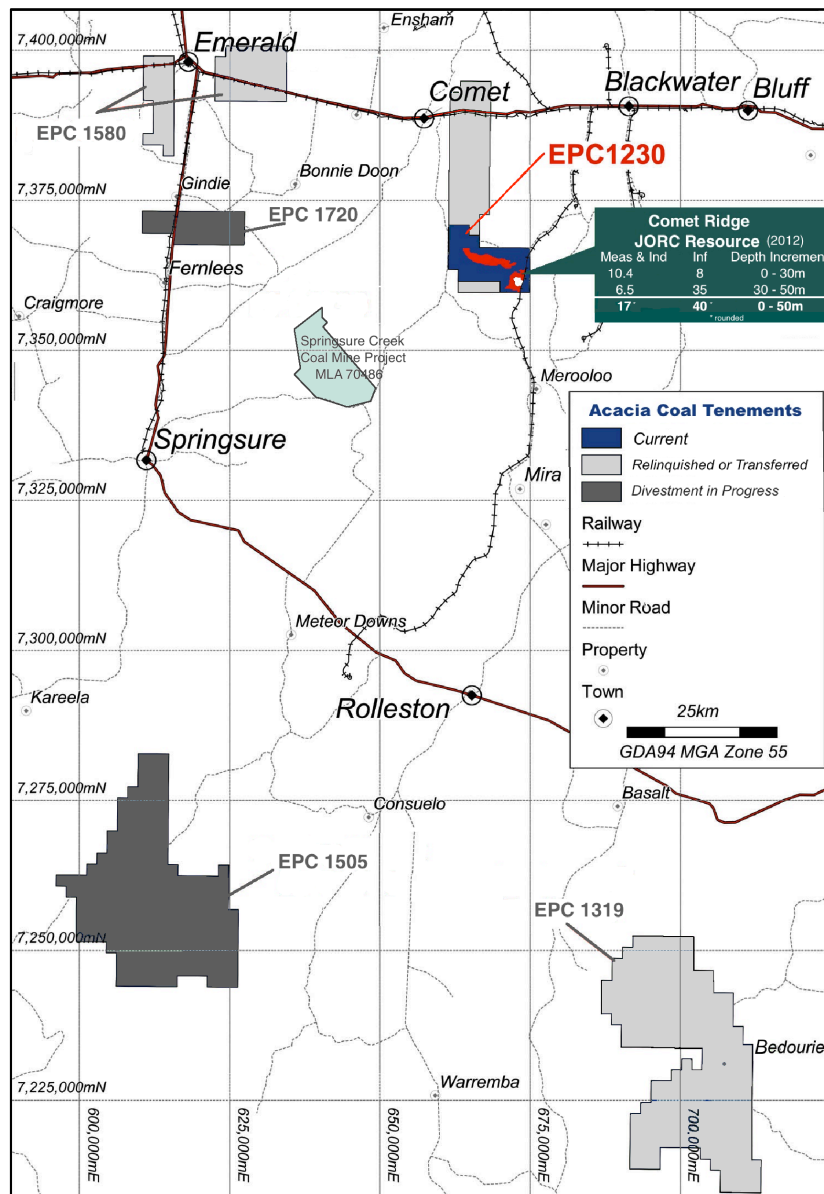
Acacia Coal is in the final stages of divesting EPC 1505 Spring Creek and EPC 1720 Sandhurst Creek. EPC 1230 Comet Ridge will remain the Company's primary development target.

## CORPORATE

### Cash Management

At 30 June 2014 Acacia held \$3.628 million cash-at-bank.

### Acacia Coal Tenement Plan



Release Date: 16 July 2014

For more information, please contact:

<b>Gavin May</b> Managing Director T: 1300 222 625 E: gavin.may@acaciacoal.com	<b>Robert Waring</b> Company Secretary / CFO T: 1300 222 625 E: robert.waring@acaciacoal.com
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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 to provide coking thermal and coal suitable for the export market.

### Schedule of Tenements as at 30 June 2014

The Company has a 100% interest in a coal exploration permit covering approximately 80 km<sup>2</sup> in Queensland's Bowen Basin, being EPC 1230 Comet Ridge. There were two permits dropped during the quarter, EPC 1505 Spring Creek and EPC 1720 Sandhurst Creek.

### ASX Listing Code: AJC

#### Directors

Mr Kym Livesley	Non-Executive Chairman
Mr Gavin May	Managing Director
Mr Michael Mulrone	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

Suite 1902, Level 19, Tower A, The Zenith, 821 Pacific Highway, Chatswood NSW 2067 Australia  
PO Box 758, Chatswood NSW 2057 Telephone: 1300 222 625 Facsimile: +61 2 9475 0869

### Website and Email Address

Please visit Acacia Coal's website for the Company's latest announcements and news: [www.acaciacoal.com](http://www.acaciacoal.com)  
Email: [info@acaciacoal.com](mailto:info@acaciacoal.com)

### Issued Capital and Market Capitalisation

At 16 July 2014 Acacia Coal's issued capital was 903,787,924 ordinary shares and 119,000,000 unlisted options exercisable between 2 and 5 cents. At a share price of \$0.006 (16 July 2014) the undiluted market capitalisation was \$5.43 million.

### Number of Shareholders and Major Shareholders

At 7 July 2014 Acacia Coal had 1,363 shareholders. The Share Register records the following as major shareholders at 30 June 2014 accounting for 39.77% 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
Pershing Australia Nominees Pty Ltd <Argonaut Account>	2.92
HSBC Custody Nominees (Australia) Limited	2.73
UBS Wealth Management Australia Nominees Pty Ltd	2.51
AFM Perseus Fund Limited	2.41
JP Morgan Nominees Australia Limited	2.03
UOB Kay Hian Private Limited <Clients A/C>	2.02
Citicorp Nominees Pty Limited	1.93

### Cash Balance

At 30 June 2014 Acacia Coal's cash balance was approximately \$3.628 million.

### Shareholder Enquiries

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

Boardroom Pty Limited

Level 7, 207 Kent Street, Sydney NSW 2000

GPO Box 3993, Sydney NSW 2001

Telephone: +61 2 9290 9600

Facsimile: +61 2 9279 0664

Email: [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au) Website: [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)