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ASX: AJC

Quarterly Activities Report

Ended 30 September 2020

OVERVIEW

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

Acquisition of Graphene Technology Solutions Ltd

During the quarter, the main focus of the Company was on the completion of the 100% acquisition of Graphene Technology Solutions Ltd ("GTS"), a South Australian based company seeking to commercialise graphene based technologies to disrupt or enhance multi bullion dollar industries.

The details of the acquisition were announced to the market on 22 July 2020 and the Company's securities were suspended until a shareholder meeting on 26 October 2020 to approve the transaction.

The Company lodged a prospectus to raise $3-4 million with ASIC on 5 October and ASX on 7 October 2020 to re-comply with Chapters 1 and 2 of the ASX listing rules.

Shareholders have been asked to vote on the acquisition of GTS on 26 October 2020, and the Board looks forward to transitioning the Company to GTS.

Overview of Project Activities

The Mt Windarra projects remained on maintenance.

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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^2.



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.

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Other

The Company lodged its annual report and notice of Annual General Meeting and a General Meeting notice with the ASX during the quarter.

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 September 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%

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.