19 April 2018

Results for the 3 months ended 31 March 2018 (Unaudited)

Based on IFRS and expressed in US Dollars (US$)

Acacia Mining plc ("Acacia'') reports first quarter results

"Acacia continued to demonstrate resilience during the first quarter, delivering solid production of 120,981 ounces at all-in sustaining costs ("AISC") of US$976 per ounce sold," said **Peter Geleta, Interim Chief Executive Officer**. "Production at all three of our assets was in line with our mine plans and puts us in a good position to deliver against our full year guidance of 435,000-475,000 ounces at an AISC of US$935-985 per ounce. The switch to stockpile processing at Buzwagi and the move to reduced operations at Bulyanhulu in late-2017 were effectively executed and we are pleased to report an increase in our cash balance to US$107 million. This was driven by the delivery of our operational plans and the sale of a non-core royalty that completed in January 2018. We continue to take measures to further stabilise our balance sheet and continue to provide support to Barrick in its on-going discussions with the Government of Tanzania."

Operational Highlights

- Production tracked full-year guidance whilst all three operations delivered in line with their respective mine plans
- Gold production of 120,981 ounces, 45% lower than Q1 2017, primarily due to Bulyanhulu being transitioned to reduced operations in September 2017, and Buzwagi's production being sourced primarily from lower grade ore stockpiles
- Gold sales of 116,955 ounces, 37% lower than Q1 2017, slightly below gold produced for the quarter due to the timing of shipments
- AISC[1] of US$976 per ounce sold, 4% above Q1 2017 and cash costs[1] of US$715 per ounce sold, 24% higher than Q1 2017

Financial Highlights

- Q1 revenue of US$157 million, 33% lower than Q1 2017 due to lower sales, offset slightly by higher realised gold prices
- Q1 EBITDA[1] of US$86 million, 4% higher than Q1 2017, primarily due to the sale of a non-core royalty asset for US$45 million which completed in January 2018. Q1 2018 Adjusted EBITDA of US$44 million
- Net earnings of US$50 million (US12.2 cents per share), up from US$27 million in Q1 2017, with adjusted net earnings[1] of US$7 million (US1.7 cents per share), 73% lower than Q1 2017
- Cash on hand of US$107 million as of 31 March, an increase of US$26 million from 2017 year end with net cash of US$50 million
- Entered into option agreements to provide a floor price of at least US$1,320 per ounce for majority of H1 2018 production
- In response to a number of expressions of potential interest, commenced a process during the quarter with a small number of Chinese investors to explore the value to the Company of selling a stake in its Tanzanian operations.

	Three months ended 31 March		Year ended 31 December
(Unaudited)	2018	2017	2017
Gold production (ounces)	120,981	219,670	767,883
Gold sold (ounces)	116,955	184,744	592,861
Cash cost (US$/ounce)[1]	715	577	587
AISC (US$/ounce)[1]	976	934	875
Net average realised gold price (US$/ounce)[1]	1,332	1,221	1,260
(in US$'000)			
Revenue	156,517	233,901	751,515
EBITDA [1]	85,774	82,193	257,180
Adjusted EBITDA[1]	43,804	82,193	310,527
Net earnings/(loss)	49,995	26,827	(707,394)
Basic earnings/(loss) per share (EPS) (cents)	12.2	6.5	(172.5)
Adjusted net earnings[1]	7,116	26,827	146,218
Adjusted net earnings per share (AEPS) (cents)[1]	1.7	6.5	35.7
Cash generated from/(used in) operating activities	23,954	25,224	(22,972)
Capital expenditure[2]	25,779	46,828	149,376
Cash balance	106,557	281,442	80,513
Total borrowings	56,800	85,200	71,000

[1] These are non-IFRS measures. Refer to page 14 for definitions
[2] Excludes non-cash capital adjustments (reclamation asset adjustments) and include land purchases recognised as long term prepayments

Other Developments

Update on Discussions between Barrick Gold Corporation ("Barrick") and the Government of Tanzania

Barrick and the Tanzanian Government continued their discussions during the quarter, aimed at agreeing and documenting in H1 2018 the details of the framework announced in 2017. Acacia continues to support Barrick in its discussions with the Government as the two parties work towards identifying a possible negotiated resolution. Acacia is not directly involved in the on-going discussions and awaits a detailed agreed proposal and documented final agreements for a comprehensive settlement in the coming months. This will then be reviewed by an Independent Committee formed of the Company's Directors.

Asset Level Discussions with Interested Parties

As previously announced, in response to a number of expressions of potential interest from Chinese counterparties, the Company is engaging with a small number of potential investors to explore the value to the Company of the sale of a stake in one or more of its Tanzanian assets. There is currently no certainty as to whether any agreement will be reached with any of the potential investors. Acacia remains committed to shareholder value and evaluates all opportunities against strict strategic and financial criteria. Any transaction will be pursued only if it is determined by Acacia's Board to be in the best interests of all shareholders.

Buzwagi Flotation Circuit

In September 2017 Buzwagi took the decision to cease operating the flotation circuit which had previously been planned to run into the first part of 2018. The mine continues to operate the existing gravity and CIL circuits which means that all gold production is now in doré form. Buzwagi engaged extensively with relevant government agencies prior to and at the time of the implementation of this decision, although it did not require prior regulatory approvals and did not involve additional or new process plant or processing technology. During the first quarter and subsequent to the shutdown of the flotation circuit, Buzwagi received correspondence from the Ministry of Minerals requiring the restoration of operation of the flotation circuit and seeking further explanations from Buzwagi on the Government's position regarding potentially applicable regulatory approvals. Buzwagi continues to engage closely with Government agencies on this matter.

Indirect Taxation

During the first quarter, Acacia incurred a further US$14 million of VAT outflows and received no cash VAT refunds. We have also declared our first provisional corporate tax payment for 2018 relating to North Mara, amounting to approximately US$10 million. This payment has been offset against indirect tax receivables in line with an existing agreement with the Tanzanian Revenue Authority. As a result, the net increase in our indirect tax receivable amounted to approximately US$4 million, with our total indirect tax receivables increasing to approximately US$174 million as at 31 March 2018.

As previously disclosed, Tanzania's new mining legislation includes an Amendment to the VAT Act 2015 to the effect that no input tax credit can be claimed for the exportation of "raw minerals", with effect from 20 July 2017. Bulyanhulu, Buzwagi and North Mara have each now received notices from the Tanzania Revenue Authority that they are not eligible for any VAT relief from July 2017 onwards on the basis that all production (both doré and concentrate) constitutes "raw minerals". The total VAT claims submitted since July 2017 amount to approximately US$50 million. We have disputed this interpretation of the legislation as a matter of Tanzanian law, while this is also a matter that is in contravention of the relevant terms of our MDAs with the Government of Tanzania.

Entry into Gold Price Protection Measures

As previously reported, in January 2018, as part of on-going measures to mitigate cash outflows, Acacia bought put options covering 120,000 ounces of gold at a strike price of US$1,320 per ounce. The total cost of the options was US$2.0 million and they provide a minimum price for the majority of Acacia's planned doré production until June 2018 above our budgeted gold price of US$1,200 per ounce, with full upside exposure should the gold price trade above US$1,320 per ounce. The options will expire in equal instalments of 30,000 ounces per month over the period.

Contribution to Tanzania

Since the inception of its businesses, over 15 years ago, the Acacia Group, and its predecessors, have invested over US$4 billion into Tanzania and paid over US$1 billion of taxes and royalties and we remain committed to supporting efforts towards Tanzania's socio-economic advancement and, in particular, the realisation of the Government's Development Vision 2025. In the first quarter of 2018, Acacia has incurred a total of US$30.3 million to the Tanzanian Government in taxes and royalties. This includes royalties and clearing taxes of US$12.2 million, corporate tax of US$9.6 million, payroll taxes of US$7.6 million, and US$0.9 million in import duties. We have also paid US$1.1 million in local service levies due on H2 2017 revenues.

During the first quarter Acacia continued to implement its strategy to develop local talent within its workforce, furthering its commitment to localisation. In March 2018, 105 of our first line leaders graduated from the Acacia Rainbow Leadership Development Programme which is aimed at developing our future leaders.

Through its Sustainable Communities programme Acacia has completed projects during Q1 2018 which increase the accessibility of clean and safe water in rural areas and contribute to resolving challenges identified in Tanzania's education sector. In February, Acacia completed a water infrastructure project in Msalala District near Bulyanhulu where we invested US$84,000 in the installation of an electric water pump and water tower. The facility, which has been linked to the national grid, channels clean water to the local Kakola village and provides safe drinking water to 3,000 residents.

Further to the above investment Acacia is currently collaborating with the Ministry of Water and Irrigation, three local District Councils, the Kahama Shinyanga Water Supply and Sanitation Authority (KASHWASA) to tackle water scarcity on behalf of residents around Bulyanhulu. The Company has committed almost US$2 million to fund an extension of a transmission pipeline from Lake Victoria to 14 villages spanning four districts. Once complete, the pipeline will deliver clean water to approximately 100,000 people living around the mine.

We have also continued our library refurbishment project in partnership with the NGO, Read International Tanzania. During the quarter we officially opened four new libraries in Tarime, Shinyanga and Kahama districts.

Local Content Rules

Post period-end Acacia submitted preliminary local content plans to the Tanzanian Government in line with the new local content regulations that came into force on April 10, 2018. These preliminary plans build on the work undertaken by Acacia over the past years to enhance and develop our local supply chain and increase local employment in the workforce. Under Acacia's existing Mineral Development Agreements, Acacia is protected from changes to laws that govern our operations including the introduction of the local content regulations, but as part of our commitment to development in the country, the Company intends to work with the Government to clarify the requirements of the new local content regulations and to practically meet these requirements where possible. We continue to seek advice on clarification of specific points around these regulations and the practical implications thereof.

Key Statistics

(Unaudited)		Three months ended 31 March 2018	2017	Year ended 31 December 2017
Tonnes mined	Kt	4,027	9,481	31,917
Ore tonnes mined	Kt	838	3,216	13,707
Ore tonnes processed	Kt	2,159	2,420	8,719
Process recovery rate exc. tailings reclaim	%	91.0%	93.4%	92.4%
Head grade exc. tailings reclaim	g/t	2.2	3.5	3.3
Process recovery rate inc. tailings reclaim	%	86.5%	89.8%	90.0%
Head grade inc. tailings reclaim	g/t	2.0	3.1	3.0
Gold production	oz	120,981	219,670	767,883
Gold sold	oz	116,955	184,744	592,861
Copper production	Klbs	-	4,656	12,897
Copper sold	Klbs	-	2,487	1,341
Cash cost per tonne milled exc. tailings reclaim[1]	US$/t	47	51	43
Cash cost per tonne milled inc. tailings reclaim[1]	US$/t	39	44	40
Per ounce data				
Average spot gold price[2]	US$/oz	1,329	1,219	1,257
Net average realised gold price[1]	US$/oz	1,332	1,221	1,260
Total cash cost[1]	US$/oz	715	577	587
All-in sustaining cost[1]	US$/oz	976	934	875
Average realised copper price	US$/lbs	-	2.79	2.98

Financial results

(Unaudited, in US$'000 unless otherwise stated)	Three months ended 31 March 2018	2017	Year ended 31 December 2017
Revenue	156,517	233,901	751,515
Cost of sales	(108,400)	(149,396)	(458,447)
Gross profit	**48,117**	**84,505**	**293,068**
Corporate administration	(5,458)	(6,642)	(26,913)
Share based payments	1,527	(10,424)	8,236
Exploration and evaluation costs	(3,623)	(6,778)	(24,829)
Corporate social responsibility expenses	(1,546)	(2,195)	(8,213)
Impairment charge	-	-	(850,182)
Other income/(charges)	22,767	(10,815)	(90,370)
Profit before net finance expense and taxation	**61,784**	**47,651**	**(699,203)**
Finance income	132	597	1,944
Finance expense	(3,836)	(2,238)	(12,407)
Profit before taxation	**58,080**	**46,010**	**(709,666)**
Tax expense	(8,085)	(19,183)	2,272
Net profit for the period	**49,995**	**26,827**	**(707,394)**

[1] These are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to “Non IFRS measures” on page 14 for definitions.
[2] Reflect the London PM fix price.

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About Acacia Mining plc

Acacia Mining plc (LSE: ACA) is Tanzania's largest gold miner and one of the largest producers of gold in Africa. We have three mines, all located in north-west Tanzania: Bulyanhulu, Buzwagi, and North Mara, and a portfolio of exploration projects in Kenya, Burkina Faso and Mali.

Acacia is a UK public company headquartered in London. We are listed on the Main Market of the London Stock Exchange with a secondary listing on the Dar es Salaam Stock Exchange. Barrick Gold Corporation is our majority shareholder. Acacia reports in US dollars and in accordance with IFRS as adopted by the European Union, unless otherwise stated in this report.

Conference call

A conference call will be held for analysts and investors on 19 April 2018 at 08:30 BST.

The access details for the conference call are as follows:

Participant dial in:	+44 020 3936 2999
Password:	88 94 64

A recording of the conference call will be made available on the Company's website, www.acaciamining.com, after the call.

FORWARD- LOOKING STATEMENTS

This report includes "forward-looking statements" that express or imply expectations of future events or results. Forward-looking statements are statements that are not historical facts. These statements include, without limitation, financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future production, operations, costs, projects, and statements regarding future performance. Forward-looking statements are generally identified by the words "plans," "expects," "anticipates," "believes," "intends," "estimates" and other similar expressions.

All forward-looking statements involve a number of risks, uncertainties and other factors, many of which are beyond the control of Acacia*, which could cause actual results and developments to differ materially from those expressed in, or implied by, the forward-looking statements contained in this report. Factors that could cause or contribute to differences between the actual results, performance and achievements of* Acacia *include, but are not limited to, changes or developments in political, economic or business conditions or national or local legislation or regulation in countries in which* Acacia *conducts - or may in the future conduct - business, industry trends, competition, fluctuations in the spot and forward price of gold or certain other commodity prices (such as copper and diesel), currency fluctuations (including the US dollar, South African rand, Kenyan shilling and Tanzanian shilling exchange rates),* Acacia*'s ability to successfully integrate acquisitions,* Acacia*'s ability to recover its reserves or develop new reserves, including its ability to convert its resources into reserves and its mineral potential into resources or reserves, and to process its mineral reserves successfully and in a timely manner,* Acacia*'s ability to complete land acquisitions required to support its mining activities, operational or technical difficulties which may occur in the context of mining activities, delays and technical challenges associated with the completion of projects, risk of trespass, theft and vandalism, changes in* Acacia*'s business strategy including, the ongoing implementation of operational reviews, as well as risks and hazards associated with the business of mineral exploration, development, mining and production and risks and factors affecting the gold mining industry in general. Although* Acacia*'s management believes that the expectations reflected in such forward-looking statements are reasonable,* Acacia *cannot give assurances that such statements will prove to be correct. Accordingly, investors should not place reliance on forward-looking statements contained in this report.*

Any forward-looking statements in this report only reflect information available at the time of preparation. Save as required under the Market Abuse Regulation or otherwise under applicable law, Acacia explicitly disclaims any obligation or undertaking publicly to update or revise any forward-looking statements in this report, whether as a result of new information, future events or otherwise. Nothing in this report should be construed as a profit forecast or estimate and no statement made should be interpreted to mean that Acacia*'s profits or earnings per share for any future period will necessarily match or exceed the historical published profits or earnings per share of Acacia.*

Operating Review

Acacia delivered production of 120,981 ounces in Q1 2018, a decrease of 45% compared to the prior year quarter, whilst AISC of US$976 per ounce sold was 4% higher than Q1 2017. Cash costs of US$715 per ounce sold were 24% higher than the prior year period.

North Mara achieved gold production of 76,769 ounces for the quarter, 20% lower than in Q1 2017. This was a result of lower average grades at the Gokona underground mine on account of a higher proportion of mining taking place in the lower-grade West Zone. The grade was also negatively impacted by lower grades received from the Nyabirama pit. Gold sold of 74,955 ounces for the quarter was 20% lower than the prior year quarter due to the lower production base but broadly in line with production. AISC of US$950 per ounce sold was 32% higher than Q1 2017 (US$717/oz) as a result of higher cash costs and lower sales volumes.

Buzwagi produced 35,685 ounces of gold in the quarter, 40% lower than in Q1 2017 due to the mine transitioning to the processing of lower grade stockpiles compared to run-of-mine ore from open pit. Gold sold for the quarter of 32,460 ounces was 9% lower than production and 13% behind Q1 2017, due to the timing of shipments at quarter end and the lower production base, respectively. Buzwagi will continue to solely produce doré until the end of its life of mine. AISC per ounce sold of US$1,052 was 36% higher than Q1 2017 (US$773/oz), mainly driven by the transition to processing lower grade stockpiles which drove higher cash costs.

At **Bulyanhulu**, gold production of 8,527 ounces was 87% lower than Q1 2017 as a result of the decision to place the underground mine on reduced operations. All production resulted from the reprocessing of tailings which was 6% lower compared to the prior year quarter due to lower feed grades. Gold sold for the quarter of 9,540 ounces was 12% higher than production due to the selling of gold ounces on hand at the end of 2017 and 87% lower than Q1 2017 mainly as a result of the lower production base. AISC per ounce sold for the quarter of US$923 was 25% lower than Q1 2017 (US$1,229/oz) driven by reduced operating and capital spend.

Total tonnes mined during the quarter amounted to 4.0 million tonnes, 58% lower than Q1 2017, mainly as a result of the transition to a stockpile processing operation at Buzwagi and the halting of all underground mining at Bulyanhulu. Total tonnes mined at North Mara were in line with Q1 2017.

Total ore tonnes mined of 0.8 million tonnes were 74% lower than Q1 2017 mainly due to the cessation of mining at Buzwagi and Bulyanhulu. Ore tonnes mined at North Mara were 12% lower than Q1 2017, mainly due to higher rainfall towards the end of the quarter which resulted in mining delays at the Nyabirama open pit.

Ore tonnes processed amounted to 2.2 million tonnes, a decrease of 11% on Q1 2017, mainly driven by the halting of run-of mine processing at Bulyanhulu and a 7% reduction in ore tonnes processed at Buzwagi due to an extended planned plant shutdown during the quarter. North Mara ore tonnes processed were in line with Q1 2017.

Cash costs of US$715 per ounce sold for the quarter were 24% higher than in Q1 2017, primarily due to:

- A decreased build-up in finished gold inventory compared to Q1 2017 (US$103/oz), given Q1 2017 was impacted by the imposition of the concentrate export ban, resulting in a build- up of finished gold inventory in Q1 2017 of approximately 35,000 ounces;
- Increased drawdown of ore stockpiles at Buzwagi (US$133/oz) partially offset by stockpile increases at North Mara (US$37/oz); and
- Lower co-product revenue compared to Q1 2017 as a result of the concentrate export ban (US$64/oz).

This was offset by:

- Savings in direct mining costs at Buzwagi and Bulyanhulu as a result of ceased mining activities partly offset by higher direct mining costs at North Mara mainly driven by increased maintenance costs, offset in part to the impact of the lower production base on unit costs (US$105/oz); and
- Lower selling related costs driven by lower sales volumes (US$22/oz).

All-in sustaining cost of US$976 per ounce sold for the quarter was 4% higher than Q1 2017, mainly due to the impact of lower sales volumes on individual cost items (US$207/oz) and higher cash costs (refer to above) (US$207/oz). This was partly offset by lower capitalised expenditure relating to North Mara and Bulyanhulu (US$154/oz), lower shared based payment charges (US$102/oz) and lower sustaining capital spend mainly driven by Bulyanhulu being on reduced operations (US$24/oz).

Cash generated from operating activities was an inflow of US$24.0 million which was a decrease of US$1.2 million from Q1 2017 (US$25.2 million). Adjusted EBITDA of US$44 million was offset by working capital outflows of US$7 million, provisional corporate tax payments of US$10 million, finance costs of US$3 million and other non-cash items of US$7 million. Working capital outflows mainly relate to an increase in indirect tax receivables of US$5 million.

Capital expenditure amounted to US$25.8 million compared to US$46.8 million in Q1 2017. The decrease was mainly driven by lower capitalised development costs. Capital expenditure primarily comprised capitalised development and stripping (US$15.6 million), investment in mobile equipment and component change-outs mainly relating to North Mara (US$3.9 million), capitalised drilling for resource and reserve development at North Mara's Gokona underground (US$1.5 million).

Mine Site Review

Bulyanhulu

Key statistics

(Unaudited)		Three months ended 31 March 2018	2017	Year ended 31 December 2017
Key operational information:				
Ounces produced	oz	8,527	63,346	175,491
Ounces sold	oz	9,540	53,805	107,855
Cash cost per ounce sold[1]	US$/oz	713	786	840
AISC per ounce sold[1]	US$/oz	923	1,229	1,373
Copper production	Klbs	-	1,498	3,906
Copper sold	Klbs	-	956	588
Run-of-mine:				
Underground ore tonnes hoisted	Kt	-	205	596
Ore milled	Kt	-	221	612
Head grade	g/t	-	8.4	8.6
Mill recovery	%	-	91.4%	90.1%
Ounces produced	oz	-	54,256	153,279
Cash cost per tonne milled[1]	US$/t	-	171	126
Reprocessed tailings:				
Ore milled	Kt	450	413	1,010
Head grade	g/t	1.1	1.4	1.4
Mill recovery	%	52.6%	47.5%	48.0%
Ounces produced	oz	8,527	9,089	22,212
Capital Expenditure				
- Sustaining capital	US$('000)	1,355	4,212	9,033
- Capitalised development	US$('000)	-	16,070	39,543
- Expansionary capital	US$('000)	274	478	1,190
		1,629	**20,760**	**49,766**
- Non-cash reclamation asset adjustments	US$('000)	(1,732)	1,042	(4,158)
Total capital expenditure	**US$('000)**	**(103)**	**21,802**	**45,608**

[1]These are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to 'Non-IFRS measures" on page 14 for definitions.

Operating performance

Gold production amounted to 8,527 ounces, which was 87% lower than Q1 2017 as a result of the decision taken in September 2017 to transition to reduced operations at Bulyanhulu. Production consisted of the reprocessing of tailings which was 6% lower compared to the prior year quarter due to lower feed grades. Gold sold for the quarter of 9,540 ounces was 12% higher than production due to the selling of gold ounces on hand at the end of 2017 and 87% lower than Q1 2017 mainly as a result of the lower production base. AISC per ounce sold for the quarter of US$923 was 25% lower than Q1 2017 (US$1,229/oz) driven by reduced operating and capital spend, partly offset by lower sales.

No copper production or sales for the quarter as a result of Bulyanhulu being on reduced operations since the end of Q3 2017, resulting in no concentrate production.

No underground ore tonnes hoisted during the quarter due to the mine's reduced operational state and cessation of all underground mining activity.

Cash costs of US$713 per ounce sold were 9% lower than Q1 2017 (US$786/oz), mainly due to lower direct mining costs compared to the prior year period as a result of Bulyanhulu being on reduced operations and lower sales related costs driven by lower sales volumes. This was partly offset by the lower production base and lower co-product revenue.

AISC per ounce sold for the quarter of US$923 was 25% lower than Q1 2017 (US$1,229/oz) driven by the impact of lower capitalised development due to the ceased underground development activities and lower corporate administration charges. This was partly offset by the impact of lower sales ounces on individual cost items.

Capital expenditure for the quarter before reclamation adjustments amounted to US$1.6 million, significantly lower than Q1 2017 (US$20.8 million), mainly driven by lower capitalised development due to Bulyanhulu being on reduced operations, resulting in lower sustaining capital spend due to projects being deferred or cancelled.

Capital expenditure consisted primarily of investment in mobile equipment and component change-outs (US$0.8 million), costs relating to the completion of underground ventilation raise borings (US$0.3 million), expansionary capital relating to the Bulyanhulu feasibility studies (US$0.3 million) and TSF wall raise (US$0.1 million).

During the quarter, reduced operating costs amounted to US$8.2 million and mainly consisted of site overhead costs including labour, power and camp related costs, security costs associated with protecting the site and surrounding infrastructure and ongoing maintenance related work.

Buzwagi

Key statistics

		Three months ended 31 March		Year ended 31 December
(Unaudited)		2018	2017	2017
Key operational information:				
Ounces produced	oz	35,685	59,856	268,785
Ounces sold	oz	32,460	37,199	160,552
Cash cost per ounce sold[1]	US$/oz	964	694	594
AISC per ounce sold[1]	US$/oz	1,052	773	667
Copper production	Klbs	-	3,158	8,991
Copper sold	Klbs	-	1,531	752
Mining information:				
Tonnes mined	Kt	-	5,267	15,368
Ore tonnes mined	Kt	-	2,053	9,309
Processing information:				
Ore milled	Kt	1,001	1,076	4,256
Head grade	g/t	1.3	1.8	2.1
Mill recovery	%	88.3%	96.7%	94.3%
Cash cost per tonne milled[1]	US$/t	31	24	22
Capital Expenditure				
- Sustaining capital	US$('000)	1,300	141	4,338
- Capitalised development	US$('000)	-	-	-
		1,300	**141**	**4,338**
- Non-cash reclamation asset adjustments	US$('000)	133	(78)	(1,978)
Total capital expenditure	**US$('000)**	**1,433**	**63**	**2,360**

[1]These are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to "Non-IFRS measures" on page 14 for definitions.

Operating performance

Gold production for the quarter of 35,685 ounces was 40% lower than in Q1 2017 due to Buzwagi transitioning to a low-grade stockpile processing operation compared to the processing of run-of-mine ore in the previous period. Gold sold for the quarter of 32,460 ounces was 9% lower than production due to the timing of shipments at quarter end. Sales were 13% lower than the prior year period due to the lower production base. Buzwagi will continue to solely produce doré until the end of its life of mine. AISC per ounce sold of US$1,052 was 36% higher than Q1 2017 (US$773/oz), mainly driven by the impact of the processing of lower grade stockpiles.

Following Buzwagi's transition to a stockpile processing operation there was no copper production and therefore no copper sales during the quarter. Recoveries of 88.3% were lower than the previous year period due to lower grades and the bypassing of the flotation circuit due to the low copper content of the stockpiles.

There were no tonnes mined for the quarter, but we plan to mine the last ore blocks from the main zone in the open pit in late Q2 2018 once the wet season has concluded. These tonnes have been deferred from Q4 2017 due to flooding of the bottom of the pit.

Cash costs for the quarter of US$964 per ounce sold were 39% higher than Q1 2017 (US$694/oz) mainly due to a drawdown in ore inventory as a result of ceased mining activities (US$133/oz), lower co-product revenue (US$134/oz) and the lower production base, offset by lower direct mining costs as a result of Buzwagi transitioning to a stockpile processing operation (US$34/oz).

AISC per ounce sold of US$1,052 was 36% higher than Q1 2017 (US$773/oz). This was driven by the higher cash costs as discussed above (US$270/oz) and higher sustaining capital spend relating to the expansion of the tailings storage facility (US$36/oz).

Capital expenditure before reclamation adjustments amounted to US$1.3 million, significantly higher than in Q1 2017 (US$0.1 million), mainly consisting of the expansion of the tailings storage facility (US$1.0 million) which started in late 2017.

North Mara

Key statistics

		Three months ended 31 March		Year ended 31 December
(Unaudited)		2018	2017	2017
Key operational information:				
Ounces produced	oz	76,769	96,468	323,607
Ounces sold	oz	74,955	93,740	324,455
Cash cost per ounce sold[1]	US$/oz	607	410	498
AISC per ounce sold[1]	US$/oz	950	717	803
Open pit:				
Tonnes mined	Kt	3,840	3,854	15,299
Ore tonnes mined	Kt	651	803	3,147
Mine grade	g/t	1.7	2.8	1.7
Underground:				
Ore tonnes trammed	Kt	187	154	654
Mine grade	g/t	7.8	11.3	8.7
Processing information:				
Ore milled	Kt	709	710	2,841
Head grade	g/t	3.7	4.6	3.9
Mill recovery	%	92.3%	92.6%	92.0%
Cash cost per tonne milled[1]	US$/t	64	54	57
Capital Expenditure				
- Sustaining capital[2]	US$('000)	5,688	6,256	22,563
- Capitalised development	US$('000)	15,568	17,797	61,066
- Expansionary capital	US$('000)	1,525	1,536	10,270
		22,781	**25,589**	**93,899**
- Non-cash reclamation asset adjustments	US$('000)	(491)	124	(2,951)
Total capital expenditure	US$('000)	**22,290**	**25,713**	**90,948**

[1]These are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to 'Non-IFRS measures" on page 17 for definitions.
[2] Includes land purchases recognised as long term prepayments.

Operating performance

Gold production for the quarter of 76,769 ounces was 20% lower than in Q1 2017. The reduction stemmed from lower average grades at the Gokona underground mine on account of a higher proportion of mining taking place in the lower-grade West Zone, with the reconciled grade of 7.8g/t (declared ore mined of 7.0g/t), compared to 11.3g/t in the previous period. The grade was also negatively impacted by lower grades received from the Nyabirama pit. Gold ounces sold for the quarter of 74,955 ounces were 20% lower than the prior year quarter due to the lower production base but were broadly in line with production.

Cash costs of US$607 per ounce sold were 48% higher than Q1 2017 (US$410), mainly driven by increased direct operating costs (US$117/oz) mainly relating to increased maintenance costs and a lower proportion of mining costs being capitalised as a result of a lower stripping ratio, the lower production base (US$51/oz) and higher sales related costs driven by the increase in royalties and clearance fees (US$31/oz).

AISC of US$950 per ounce sold was 32% higher than Q1 2017 (US$717/oz) as a result of higher cash costs discussed above (US$197/oz) and the impact of lower sales volumes on individual cost items (US$77/oz), partly offset by lower capitalised development costs (US$30/oz).

Capital expenditure for the quarter before reclamation adjustments amounted to US$22.8 million, 11% lower than in Q1 2017 (US$25.6 million). Key capital expenditure included capitalised stripping costs (US$10.6 million), capitalised underground development costs (US$5.0 million), capitalised drilling mainly for resource and reserve development at Gokona underground (US$1.5 million), investment in mobile equipment and component change-outs (US$3.9 million).

Exploration Review

Brownfield Exploration

North Mara

Gokona Underground

A total of 9,215 metres of extension and infill drilling were completed by four rigs at Gokona Underground during Q1 2018, with a further 76 holes for 8,851 metres of grade control drilling also undertaken. Drilling continued to define the Upper Central zone beneath the open pit; with further significant intercepts returned during the quarter including:

UGKD453	15.0m @ 13.2 g/t Au from 176m
UGKD457	7.0m @ 53.1 g/t Au from 193m; and 17.0m @ 6.3 g/t Au from 225m
UGKD458	14.6m @ 8.1 g/t Au from 190m and 26.0m @ 4.1 g/t Au from 222m
UGKD463	10.0m @ 7.7 g/t Au from 174m
UGKD472	10.0m @ 14.3 g/t Au from 174m
UGKD448	20.0m @ 8.7 g/t Au from 157m

Drilling of the Central zone between the base of the open pit and the 1,000mRL elevation has now been completed, and results will be incorporated into an updated Mineral Resource model during the year. The mine development design and schedule will then be revised in accordance with the defined economic mineralisation. The drilling activity in the Central zone is currently restricted to two drill rigs that will now test the mineralisation below 1,000m RL down to the projected position of the Banana Fault.

The drilling programme testing the base of the second and top of the third panels of mineralisation in the West zone continued. Drilling has confirmed a low grade zone between the 1,000mRL and 970mRL elevations; which can be left as a pillar between the second and third West mining panels. Planned drilling for the third mining panel of the West zone is scheduled for the next six months, with the Mineral Resource model due to be updated subsequent to this.

Greenfield Exploration

Kenya

West Kenya Project

During Q1 2018 the focus of the exploration was on testing for structures within the Liranda Corridor, parallel to Isulu, within five kilometres of the existing inferred resources in order to expand the current inferred resource of 1.17Moz at 12.6g/t. We are also progressing a scoping study, which commenced in Q4 2017, with results expected in H2 2018. We continue to believe that 2Moz is a resource target for the Liranda Corridor Project.

During Q1 2018 two diamond rigs were active across the West Kenya Project with 11 holes drilled for 3,590 metres. In addition, prospect focused geological mapping and multi-element soil geochemical surveys were underway.

In the Liranda Corridor, nine diamond holes for 3,400 metres were completed on the Isulu South East Prospect. These holes intersected multiple shear zones with disseminated sulfides, quartz veining, carbonate and sericite alteration. Results for two holes were received during Q1 2018 with low grade mineralisation within shears of similar orientation and composition to the Isulu prospect. Detailed structural analysis is presently underway to assist with defining high grade shoots along these shears.

In the Lake Zone Camp geological mapping and soil geochemical surveys were undertaken across the historic colonial mine workings at Ramba Lumba and Rambi Aila to assist with drill targeting. This has confirmed gold bearing quartz veins within several kilometre zones of altered and sheared mafic to intermediate volcanics. Drilling commenced in Q1 2018 with six holes totalling 2,000 metres to be finalised in Q2 2018. The first hole drilled at Rumba Lumba intersected a wide, strongly altered shear zone hosting visible gold.

Burkina Faso

During Q1 2018 exploration work on the Houndé Belt in southwest Burkina Faso, where Acacia currently manages four joint ventures covering approximately 2,700km² of prospective greenstone belt, comprised air-core drilling on the Tankoro corridor and field mapping, geochemistry sampling and IP surveys on the regional targets.

South Houndé JV (Sarama Resources Limited)

Tankoro Corridor

Air-core drilling was conducted at the Djimbaké zone (south-western extension of the Tankoro Corridor) to test the continuity of mineralisation along strike. 3,668 metres were drilled during the quarter out of a programme total of 4,900 metres. First results include 6m @ 2.63g/t Au from surface (including 2m @ 7.25g/t Au) in AC3664 and 6m @ 4.01g/t Au from 36m (including 4m @ 5.6g/t Au) in AC3665.

An IP geophysical survey, comprising 38 line kilometres, was conducted on the Ben target (West of the resource area). Infill soil geochemistry sampling and detailed field mapping was also done at Ben.

SRK Consulting (UK) Limited has been contracted to update the mineral resource estimation, based on the new 3D geology model. Preliminary results are expected in Q2 2018. The programme for the year on the Tankoro Corridor includes 7,000 metres of diamond drilling to test high-grade shoots at depth and 22,000 metres of combined air-core and reverse circulation drilling to outline additional high grade mineralisation. This programme may be revised depending on the results of the new mineral resource estimation.

Ouangoro Corridor

An IP survey comprising 120 line kilometres, was conducted over the five kilometre-long Yankadi zone. Detailed geology and regolith mapping, associated with rock-chip and termite mound sampling, continued at Yankadi. The programme for the year on the Ouangoro Corridor comprises 7,400 metres of air-core drilling and 2,250 metres of reverse circulation drilling to test the continuity of the gold mineralisation along strike and at depth.

Central Houndé JV (Thor Explorations Limited)

Detailed field geological mapping and rock-chip sampling continued on the Légué-Bongui Corridor and on the Ouéré gold soil anomaly. An IP geophysical survey, comprising 40 line kilometres, was conducted on the Legué South-West target. The programme for the year on the Central Houndé project comprises 11,500 metres of air-core drilling to test the continuity of the gold mineralisation along strike and to test soil anomalies. The drilling will be converted to RC where ground conditions are not suitable.

Pinarello & Konkolikan JV (Canyon Resources Limited)

An IP geophysical survey, comprising 53 line kilometres, was conducted on the Tangolobé target. The programme for the year on the Pinarello & Konkolikan project comprises 30,000 metres of air-core drilling to test the continuity of the gold mineralisation along strike on the priority targets (Tankoro Corridor South, Tangolobé and Gagnhy). The drilling will start in Q2 2018.

Frontier JV (Metallor SA)

No field work was conducted on the Frontier project in Q1 2018. The programme for the year comprises 6,000 metres of air-core.

Mali

Acacia currently manages two joint ventures and holds one permit covering 191km².
Tintinba-Bané Project JV (Demba Camara and Cadem Gold)

The last results from the Q4 2017 reverse circulation drilling programme were disappointing. At Tribala, only one significant result was returned: 2m @ 3.01g/t Au from 19m in TIRC0136. The original drilling programme planned for Q1 2018 has been put on hold until a more detailed interpretation of the targets has been finalised.

Boubou JV (Mande Empire) & Gourbassi Est – 100% Acacia (ABG Exploration Mali SARL)

No field work was conducted on either the Boubou JV or Gourbassi Est in Q1 2018. A soil geochemistry survey will be conducted on both projects in Q2 2018 before running a reconnaissance drilling programme.

Non-IFRS Measures

Acacia has identified certain measures in this report that are not measures defined under IFRS. Non-IFRS financial measures disclosed by management are provided as additional information to investors in order to provide them with an alternative method for assessing Acacia's financial condition and operating results, and reflects more relevant measures for the industry in which Acacia operates. These measures are not in accordance with, or a substitute for, IFRS, and may be different from or inconsistent with non-IFRS financial measures used by other companies. These measures are explained further below.

Net average realised gold price per ounce sold is a non-IFRS financial measure which excludes from gold revenue:
- Unrealised gains and losses on non-hedge derivative contracts; and
- Export duties

It also includes realised gains and losses on gold hedge contracts reported as part of cost of sales.

Net average realised gold price per ounce sold have been calculated as follow:

(US$000)	Three months ended 31 March		Year ended 31 December
(Unaudited)	2018	2017	2017
Gold revenue	155,746	225,628	744,294
Less: Realised gold hedge losses	-	-	2,693
Net gold revenue	155,746	225,628	746,987
Gold sold (ounces)	116,955	184,744	592,861
Net average realised gold price (US$/ounce)	1,332	1,221	1,260

Cash cost per ounce sold is a non-IFRS financial measure. Cash costs include all costs absorbed into inventory, as well as royalties, and production taxes, and exclude capitalised production stripping costs, inventory purchase accounting adjustments, unrealised gains/losses from non-hedge currency and commodity contracts, depreciation and amortisation, reduced operation costs and corporate social responsibility charges. Cash cost is calculated net of co-product revenue. Cash cost per ounce sold is calculated by dividing the aggregate of these costs by total ounces sold.

The presentation of these statistics in this manner allows Acacia to monitor and manage those factors that impact production costs on a monthly basis. Cash costs and cash cost per ounce sold are calculated on a consistent basis for the periods presented.

The table below provides a reconciliation between cost of sales and total cash cost to calculate the cash cost per ounce sold.

(US$'000)	Three months ended 31 March		Year ended 31 December
(Unaudited)	2018	2017	2017
Cost of Sales			
Direct mining costs	70,990	98,783	299,591
Third party smelting and refining fees	1,269	5,321	9,675
Realised losses on economic hedges	-	108	743
Realised losses on gold hedges	-	-	(2,693)
Royalty expense	12,151	10,642	44,930
Depreciation and amortisation*	23,990	34,542	106,201
Total	**108,400**	**149,396**	**458,447**
Total cost of sales	**108,400**	**149,396**	**458,447**
Deduct: Depreciation and amortisation*	(23,990)	(34,542)	(106,201)
Deduct: Realised losses on gold hedges	-	-	2,693
Deduct: Co-product revenue	(771)	(8,273)	(7,221)
Total cash cost	**83,639**	**106,581**	**347,718**
Total ounces sold	116,955	184,744	592,861
Total cash cost per ounce sold	**715**	**577**	**587**

*Depreciation and amortisation includes the depreciation component of the cost of inventory sold

All-in sustaining cost (AISC) is a non-IFRS financial measure. The measure is in accordance with the World Gold Council's guidance issued in June 2013. It is calculated by taking cash cost per ounce sold and adding corporate administration costs, share-based payments, reclamation and remediation costs for operating mines, corporate social responsibility expenses, mine exploration and study costs, realised gains and/or losses on operating hedges, capitalised stripping and underground development costs and sustaining capital expenditure. This is then divided by the total ounces sold. A reconciliation between cash cost per ounce sold and AISC for the key business segments is presented below:

(Unaudited)	Three months ended 31 March 2018				Three months ended 31 March 2017			
(US$/oz sold)	Bulyanhulu	North Mara	Buzwagi	Group	Bulyanhulu	North Mara	Buzwagi	Group*
Cash cost per ounce sold	713	607	964	715	786	410	694	577
Corporate administration	51	43	42	47	32	26	34	36
Share based payments	(43)	(3)	(7)	(13)	13	8	25	56
Rehabilitation	29	8	6	9	12	10	5	10
CSR expenses	32	11	6	13	8	6	12	12
Capitalised development	27	208	-	135	299	190	-	183
Sustaining capital	114	76	41	70	79	67	3	60
Total AISC	923	950	1,052	976	1,229	717	773	934

** The group total includes a cost of US$56/oz in Q1 2017 mainly related to corporate costs incurred.*

AISC is intended to provide additional information on the total sustaining cost for each ounce sold, taking into account expenditure incurred in addition to direct mining costs and selling costs.

Where reference is made to AISC per ounce produced, this is calculated in a similar manner as set out above, but adjusted for the impact of the change in inventory charge/credit relating to finished gold inventory. This recalculated number is then divided by ounces produced.

Cash cost per tonne milled is a non-IFRS financial measure. Cash costs include all costs absorbed into inventory, as well as royalties, co-product credits, and production taxes, and exclude capitalised production stripping costs, inventory purchase accounting adjustments, unrealised gains/losses from non-hedge currency and commodity contracts, depreciation and amortisation and corporate social responsibility charges. Cash cost is calculated net of co-product revenue. Cash cost per tonne milled is calculated by dividing the aggregate of these costs by total tonnes milled.

EBITDA is a non-IFRS financial measure. Acacia calculates EBITDA as net profit or loss for the period excluding:

- Income tax expense;
- Finance expense;
- Finance income;
- Depreciation and amortisation; and
- Impairment charges of goodwill and other long-lived assets.

EBITDA is intended to provide additional information to investors and analysts. It does not have any standardised meaning prescribed by IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA excludes the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore is not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate EBITDA differently.

Adjusted EBITDA is a non-IFRS financial measure. It is calculated by excluding one-off costs or credits relating to non-routine transactions from EBITDA. It excludes other credits and charges that, individually or in aggregate, if of a similar type, are of a nature or size that requires explanation in order to provide additional insight into the underlying business performance.

A reconciliation between net profit for the period and EBITDA, and between EBITDA and adjusted EBITDA is presented below:

(US$000)	Three months ended 31 March		Year ended 31 December
(Unaudited)	2018	2017	2017
Net profit for the period	49,995	26,827	(707,394)
Plus income tax expense	8,085	19,183	(2,272)
Plus depreciation and amortisation*	23,990	34,542	106,201
Plus: impairment charges[1]	-	-	850,182
Plus finance expense	3,836	2,238	12,407
Less finance income	(132)	(597)	(1,944)
EBITDA	**85,774**	**82,193**	**257,180**
Adjusted for:			
Restructuring costs	-	-	23,577
Profit on sale of non-core mineral royalty	(45,000)	-	-
One off legal settlements	3,030	-	5,083
Reduced operational costs	-	-	11,411
Discounting of indirect taxes	-	-	13,276
Adjusted EBITDA	**43,804**	**82,193**	**310,527**

[1] For the year ended 31 December 2017, US$850.2 million represents the gross impairment charge (net US$644.3 million) following the carrying review conducted in light of changes in the operating environment in Tanzania, and by reference to the terms of the Framework announcements by Barrick and the GoT, US$838 million relating to Bulyanhulu and US$12.2 million relating to Nyanzaga.
*Depreciation and amortisation includes the depreciation component of the cost of inventory sold.

EBIT is a non-IFRS financial measure and reflects EBITDA adjusted for depreciation and amortisation and goodwill impairment charges.

Adjusted net earnings is a non-IFRS financial measure. It is calculated by excluding certain costs or credits relating to non-routine transactions from net profit attributed to owners of the parent. It includes other credit and charges that, individually or in aggregate, if of a similar type, are of a nature or size that requires explanation in order to provide additional insight into the underlying business performance. Adjusted net earnings and adjusted earnings per share have been calculated as follows:

(US$000)	Three months ended 31 March		Year ended 31 December
(Unaudited)	2018	2017	2017
Net earnings	**49,995**	**26,827**	**(707,394)**
Adjusted for:			
Restructuring costs[1]	-	-	23,577
Profit on sale of non-core mineral royalty	(45,000)	-	-
One off legal settlements[2]	3,030	-	5,083
Reduced operational costs[3]	-	-	11,411
Discounting of indirect taxes	-	-	13,276
Impairment charges/write-offs[4]	-	-	850,182
Provision for uncertain tax positions[5]	-	-	172,000
Tax impact of the above	(909)	-	(221,917)
Adjusted net earnings	**7,116**	**26,827**	**146,218**

[1] Restructuring costs for the year ending 31 December 2017 mainly relate to Bulyanhulu (US$16.9 million) as a result of the transitioning to reduced operations and other sites (US$8.2 million).
[2] One off legal settlements relates to the North Mara royalty settlement.
[3] Reduced operations costs not part of Bulyanhulu's AISC cost and includes stock obsolescence costs (US$6 million) and contractor exit costs (US$4.9 million) for 2017.
[4] For the year ended 31 December 2017, US$850.2 million represents the gross impairment charge (net US$644.3 million) following the carrying review conducted in light of changes in the operating environment in Tanzania, and by reference to the terms of the Framework announcements by Barrick and the GoT, US$838 million relating to Bulyanhulu and US$12.2 million relating to Nyanzaga.
[5] Includes a tax provision raised in 2017 of US$172.0 million for uncertain tax positions, based on an estimate of the impact of a comprehensive settlement reflecting the key terms of the Framework announcements made by Barrick and the GoT in October 2017.

Adjusted net earnings per share is a non-IFRS financial measure and is calculated by dividing adjusted net earnings by the weighted average number of Ordinary Shares in issue.

Free cash flow is a non-IFRS measure and represents the change in cash and cash equivalents in a given period.

Net cash is a non-IFRS measure and is calculated by deducting total borrowings from cash and cash equivalents.

Mining statistical information - the following describes certain line items used in Acacia's discussion of key performance indicators:

- Open pit material mined – measures in tonnes the total amount of open pit ore and waste mined.
- Underground ore tonnes hoisted – measures in tonnes the total amount of underground ore mined and hoisted.
- Underground ore tonnes trammed – measures in tonnes the total amount of underground ore mined and trammed.
- Total tonnes mined includes open pit material plus underground ore tonnes hoisted.
- Strip ratio – measures the ratio of waste-to-ore for open pit material mined.
- Ore milled – measures in tonnes the amount of ore material processed through the mill.
- Head grade – measures the metal content of mined ore going into a mill for processing.
- Milled recovery – measures the proportion of valuable metal physically recovered in the processing of ore. It is generally stated as a percentage of the metal recovered compared to the total metal originally present.