21 April 2016

Results for the three months ended 31 March 2016 (Unaudited)

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

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

"I am delighted by our excellent start to 2016, having produced 190,210 ounces at an all-in sustaining cost of US$959 per ounce during the quarter, our best cost performance since 2010", **said Brad Gordon, Chief Executive Officer of Acacia.** "All three operations performed ahead of expectations leading to a US$19 million increase in our net cash position, after making our first prepayment of corporate tax amounting to US$10 million. This performance is not reflected in our headline net earnings given the tax provision we have taken following a recent adverse court ruling, but our underlying adjusted earnings of US$18 million were 71% higher than Q1 2015."

Financial Highlights

- Revenue of US$221 million, 3% higher than Q1 2015, driven by increased gold sales
- EBITDA[1] of US$66 million, 24% higher than Q1 2015, mainly due to higher revenue and lower cash costs
- Net loss of US$52 million as a result of additional tax provisions of US$70 million
- Adjusted net earnings[1] of US$18 million (US4.4 cents per share), 71% higher than Q1 2015
- Operational cash flow of US$52 million, 11% up on Q1 2015, driven primarily by increased EBITDA
- Capital expenditure of US$36 million, 15% lower than Q1 2015, due to stringent capital controls and timing of spend
- Prepayment of US$10 million of corporate tax following the MOU with the Tanzanian Revenue Authority
- Net cash position increased to US$124 million, US$19 million higher than 31 December 2015
- Cash balance increased to US$237 million as at 31 March 2016

Operational Highlights

- Gold production of 190,210 ounces, 5% higher than Q1 2015
- Gold sales of 184,181 ounces, 7% higher than Q1 2015, and 3% behind production
- All-in sustaining cost[1] (AISC) of US$959 per ounce sold, 14% lower than Q1 2015
- Cash costs[1] of US$693 per ounce sold, 11% lower than Q1 2015
- Appointment of Mark Morcombe as Chief Operating Officer

	Three months ended 31 March		Year ended 31 December
(Unaudited)	2016	2015	2015
Gold production (ounces)	190,210	181,660	731,912
Gold sold (ounces)	184,181	171,415	721,203
Cash cost (US$/ounce)[1]	693	783	772
AISC (US$/ounce)[1]	959	1,117	1,112
Average realised gold price (US$/ounce)[1]	1,150	1,207	1,154
(in US$'000)			
Revenue	220,909	214,894	868,131
EBITDA[1]	65,550	52,975	174,971
Adjusted EBITDA[1]	66,411	53,572	180,916
Net (loss)/ earnings	(52,410)	9,207	(197,148)
Basic (loss)/ earnings per share (EPS) (cents)	(12.8)	2.2	(48.1)
Adjusted net earnings[1]	18,109	10,619	6,838
Adjusted earnings per share (AEPS) (cents)[1]	4.4	2.6	1.7
Cash generated from operating activities	52,232	47,129	156,465
Capital expenditure[2]	36,030	42,578	183,617
Cash balance	237,429	285,569	233,268
Long term borrowings	113,600	142,000	127,800

[1] These are non-IFRS measures. Refer to page 12 for definitions
[2] Excludes non-cash capital adjustments (reclamation asset adjustments) and includes finance lease purchases and land purchases recognised as long term prepayments

Other Developments

Safety

Regrettably, in January, Chacha Range, an operator for one of our contractors at North Mara, passed away following a vehicle accident at the mine. The accident occurred at approximately 3 a.m. when the haul truck he was driving overturned on the haul road to the Gokona deposit. We have completed an investigation into the incident and have implemented the findings into ongoing operations. We continue to target zero injuries and remain committed to every person going home safely every day. In Q1 2016, we saw further improvement in our total reportable incident frequency rate of 3% over Q1 2015, and a 2% improvement over Q4 2015.

Tax Environment in Tanzania

Following the October 2015 elections, the new Tanzanian Government has focused on reducing corruption, wasteful spending and reliance on foreign aid with the aim of self-funding the national budget. To achieve this, the Government has targeted a significant increase in tax revenue, and have specifically mandated the Tanzanian Revenue Authority ("TRA") and the Tanzanian courts to accelerate the handling of a backlog of over 400 cases that are currently sitting in the court system. In March the focus on the TRA increased further following the USA withdrawing approximately US$470 million of aid in protest at the re-running of the Zanzibar election. Other major donor nations are also assessing their funding to Tanzania.

Following the acceleration of court cases, there have been a number of unexpected rulings across a range of sectors. Acacia has experienced several of these adverse court rulings, with one, relating to the Court of Appeal decision described below, leading to an increase in our tax provisions of approximately US$70 million. As previously disclosed, Acacia has a number of other material tax disputes in various stages of the tax tribunal and court processes. We continue to believe these claims have no merit and will vigorously defend our position in each of them.

Historic Tax Assessments

During the quarter, we received a judgement from the Court of Appeal regarding a long-standing dispute over tax calculations at Bulyanhulu from 2000-2006. The Court of Appeal was reviewing seven issues initially raised by the TRA in 2012 regarding certain historic tax loss carry forwards and ruled in favour of Bulyanhulu by the Tax Appeals Board in 2013. The TRA appealed against this ruling and in 2014 the Tax Tribunal reversed the decision for all seven issues. Acacia appealed against this judgement and in March 2016 the Court of Appeal found in favour of the TRA in five of the seven issues. The legal route in Tanzania has now been exhausted; however we are considering our options for the next steps. Acacia is yet to receive a revised tax assessment following the judgement, but has raised further tax provisions of US$69.9 million in Q1 2016 in order to address the direct impact of the ruling on Bulyanhulu's tax loss carry forwards and the potential impact this may have on the applicability of certain deductions for other years and our other mines. The additional tax provisions raised are US$35.1 million relating to Bulyanhulu, US$30.4 million relating to North Mara and US$4.4 million relating to Tulawaka for historical tax assessments from when the mine was in our portfolio. Total provisions for uncertain tax positions now amount to US$128 million. The judgement does not have a short term cash flow impact but means that Bulyanhulu will be in a tax payable situation approximately one year earlier than previously expected, whilst the amounts for North Mara and Tulawaka will be offset against the long term indirect tax receivable and prepaid corporate taxes.

Tax Tribunal judgment on dividend withholding tax

As previously disclosed, the TRA have claimed US$41 million of withholding tax on historic offshore dividend payments made by Acacia Mining plc to its shareholders on the basis that Acacia Mining plc has a permanent establishment in Tanzania and therefore is liable for Tanzanian tax. In 2015, the Tanzanian Tax Board ruled in favour of the TRA and Acacia appealed the ruling to the Tax Tribunal. The appeal was heard in March 2016 with judgement delivered in favour of the TRA. Acacia has filed a notice of intention to appeal to the Court of Appeal in April 2016. We believe that the judgment is fundamentally flawed as Acacia Mining plc does not have permanent residency in Tanzania. As a result, no provision has been raised during the quarter. Furthermore, Acacia fully refutes the tax evasion allegations that were included within the judgement. Acacia and its subsidiaries fully comply with all international and domestic tax legislation and have not and never will undertake any form of tax evasion. This position is confirmed by the corporate tax prepayment MOU signed with the TRA in March 2016, whereby this agreement has been recognised as a prepayment by all parties, making it clear that no corporate tax is currently owed and therefore none has been evaded.

Prepayment of corporate tax

In order to demonstrate our commitment to Tanzania, we initiated discussions with the Tanzanian government in 2015 regarding a tax strategy that involved us bringing forward corporate tax payments by approximately three years. This agreement was concluded in March 2016 whereby we will begin prepaying corporate tax by offsetting an agreed amount from our VAT refunds due from the TRA on an annual basis with any shortfall paid in cash. The prepayment amount will be determined annually however the 2016 prepayment has been set at a maximum of US$20 million. To date, US$10 million of prepayments have been made, fully offset against the current indirect tax receivable.

Indirect taxes

During the first quarter, the total indirect tax receivable reduced from US$110.2 million at December 2015 to US$97.8 million at March 2016. The main reason for the decrease is the offset of the corporate tax prepayments discussed above against the receivable balance (US$10 million). At the end of the quarter, the outstanding amount relating to the total current indirect tax receivable, not covered by the 2011 Memorandum of Settlement, stood at US$46.1 million, compared to US$57.6 million at the end of the previous quarter.

Mitigation of gold price risk at Buzwagi

In February 2016 we entered into zero cost collars in relation to the majority of our gold production from the short life Buzwagi mine. The agreements provide a guaranteed floor price of US$1,150 per ounce and provide exposure to the gold price up to an average of US$1,290 per ounce. These agreements cover 136,000 ounces of production in 2016 in order to mitigate cash flow risk associated with a potential fall in the gold price. The entry into these contracts during the quarter has not resulted in any significant unrealised revaluation gains or losses. We have subsequently added further zero cost collar positions covering 43,000 ounces of Buzwagi's 2017 expected production, with an average floor price of US$1,150 per ounce and a cap of US$1,421 per ounce. We have Board approval to enter into contracts covering a further 77,000 ounces of Buzwagi production in 2017 and will assess whether to do so as we move through the year. We remain fully unhedged for all gold production from North Mara and Bulyanhulu.

Appointment of Chief Operating Officer

Acacia announced the appointment of Mark Morcombe as Chief Operating Officer in February. Mark is a professional Mining Engineer with more than 20 years of gold industry experience, primarily in the underground mining environment, and has operated across the African continent for a number of years. He will be starting with Acacia in late April 2016 and will split his time between London and our operations.

North Mara Commission

In February 2016, the Minister of Mines formed a commission to look at the root causes of disputes between North Mara and the communities surrounding the mine. The commission was formed of local elders, Acacia employees, government officials and politicians from outside the local area, and conducted interviews and assessments into issues pertaining to land acquisition and compensation, artisanal mining, water and environment. The Chairman of the Commission has now reported his findings privately to the Minister of Mines and we await the recommendations that have been made.

Key statistics

(Unaudited)	Three months ended 31 March 2016	Three months ended 31 March 2015	Year ended 31 December 2015
Tonnes mined (thousands of tonnes)	9,407	10,153	41,390
Ore tonnes mined (thousands of tonnes)	2,445	2,507	10,311
Ore tonnes processed (thousands of tonnes)	2,488	2,075	9,268
Process recovery rate (percent)	86.3%	88.0%	87.4%
Head grade (grams per tonne)	2.8	3.1	2.8
Gold production (ounces)	190,210	181,660	731,912
Gold sold (ounces)	184,181	171,415	721,203
Copper production (thousands of pounds)	3,803	3,499	14,981
Copper sold (thousands of pounds)	3,681	2,827	13,318
Cash cost per tonne milled (US$/t)[1,3]	51	65	60
Per ounce data (US$/ounce)			
Average spot gold price[2]	1,183	1,218	1,160
Average realised gold price[1]	1,150	1,207	1,154
Total cash cost[1]	693	783	772
All-in sustaining cost[1]	959	1,117	1,112
Average realised copper price (US$/lb)	2.10	2.47	2.33

Financial results

(Unaudited, in US$'000 unless otherwise stated)	Three months ended 31 March 2016	Three months ended 31 March 2015	Year ended 31 December 2015
Revenue	220,909	214,894	868,131
Cost of sales	(171,900)	(174,941)	(734,167)
Gross profit	49,009	39,953	133,964
Corporate administration	(5,302)	(9,390)	(34,455)
Share-based payments	(3,938)	(1,518)	(5,537)
Exploration and evaluation costs	(5,951)	(4,694)	(19,737)
Corporate social responsibility expenses	(2,870)	(2,080)	(12,882)
Impairment charges	-	-	(146,201)
Unrealised non-hedge derivative gains	2,426	396	2,293
Other charges	(3,034)	(2,356)	(30,372)
(Loss)/profit before net finance expense and taxation	30,340	20,311	(112,927)
Finance income	293	346	1,384
Finance expense	(2,866)	(3,239)	(12,617)
(Loss)/profit before taxation	27,767	17,418	(124,160)
Tax expense	(80,177)	(8,211)	(72,988)
Net (loss)/profit for the period	(52,410)	9,207	(197,148)

[1] These are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to "Non IFRS measures" on page 12 for definitions.
[2] Reflect the London PM fix price.
[3] Cash cost per tonne milled excluding the reprocessing of tailings at Bulyanhulu amounted to US$59 per tonne for the quarter ended 31 March 2016, US$69 per tonne for the quarter ended 31 March 2015, and US$58 per tonne for the full year ended 31 December 2015.

***Reported process recovery rates and head grade include tailings retreatment at Bulyanhulu. Excluding the impact of the tailings retreatment Q1 2016 process recovery would be 93.0% with head grade being 2.9g/t, in Q1 2015 process recovery would be 89.3% with head grade being 3.3g/t and for the full year 2015 process recovery would be 89.7% with head grade being 3.1g/t.

For further information, please visit our website: www.acaciamining.com or contact:

Acacia Mining plc +44 (0) 207 129 7150

Brad Gordon, Chief Executive Officer
Andrew Wray, Chief Financial Officer
Giles Blackham, Investor Relations Manager

Bell Pottinger +44 (0) 203 772 2500
Daniel Thöle

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 producing mines, all located in north-west Tanzania: Bulyanhulu, Buzwagi, and North Mara and a portfolio of exploration projects in Tanzania, Kenya, Burkina Faso and Mali.

Our approach is focused on strengthening our core pillars; our business, our people and our relationships, whilst continuing to invest in our future. Our name change from African Barrick Gold to Acacia in November 2014 reflected a new approach to mining, and an ambition to create a leading African Company.

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 21 April 2016 at 08:45 London time.

The access details for the conference call are as follows:

Participant dial in:	+44 (0) 207 663 4861 / +1 917 677 7402
Password:	Acacia

A recording of the conference call will be available on our 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. Subject to the requirements of the Disclosure and Transparency Rules and the Listing Rules or 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.*

First Quarter Review

We had another strong quarter operationally with production of 190,210 ounces, an increase of 5% on Q1 2015. AISC of US$959 per ounce sold was 14% lower than the prior year period of US$1,117 with an 11% decrease in cash costs to US$693 per ounce sold. Increased production drove a 7% increase in sales volumes to 184,181 ounces. The reported AISC of US$959 per ounce represents Acacia's best performance since 2010 and is further evidence of our cost control measures, and improved volumes. We expect to see continued benefits from these as we go through the year.

Bulyanhulu saw a 27% increase in production to 78,426 ounces. This was due to ounces produced from underground mining increasing by 20% over Q1 2015, as a result of an 18% increase in head grade as underground mine grades improved; and a 148% increase in ounces produced from the new CIL circuit due to a significant increase in throughput. AISC decreased by 32% to US$983 per ounce sold due to the higher production base, lower direct mining costs and lower sustaining capital expenditure.

North Mara's production of 74,721 ounces was in line with the prior year as a 6% increase in throughput and a 3% higher recovery rate were partly offset by a 10% lower head grade due to lower open pit grades partially offset by increased proportion of high grade underground material in the mill feed. AISC fell by 11% to US$737 per ounce sold predominantly due to lower cash costs.

At Buzwagi, gold production for the quarter of 37,063 ounces was 16% lower than Q1 2015, due to a 27% reduction in head grade as a result of the focus on waste stripping in Q1 2016 which led to mining of ore from the lower grade splay zones as previously guided. The lower production base drove an 11% increase in AISC to US$1,246 per ounce sold from US$1,118 per ounce sold in 2015.

Total tonnes mined in Q1 amounted to 9.4 million tonnes, 7% lower than Q1 2015 primarily due to lower open pit tonnes mined at North Mara as mining in the Gokona pit was completed in 2015. Ore tonnes mined were 2.4 million tonnes, in line with 2015 ore tonnes mined of 2.5 million.

Ore tonnes processed amounted to 2.5 million tonnes, an increase of 20% on Q1 2015. This was primarily driven by increased throughput at Bulyanhulu as reprocessed tailings increased from 0.2 million tonnes in Q1 2015 to 0.4 million tonnes in 2016 and increased throughput at Buzwagi as a result of good mill performance in 2016 where there was an unplanned plant shutdown in Q1 2015.

Head grade for the quarter of 2.8 g/t was 10% lower than in Q1 2015 (3.1 g/t). This was due to a 27% drop in head grade at Buzwagi, a 10% drop in head grade at North Mara and increased processing of lower grade re-claimed tailings at Bulyanhulu, partially offset by increased Bulyanhulu underground grades.

Our cash costs for the quarter were 11% lower than in Q1 2015, and amounted to US$693 per ounce sold. The decrease was primarily due to:

- Lower labour costs at all sites due to a reduction in national and international employees (US$37/oz);
- Higher production base (US$26/oz);
- Lower energy and fuel costs due to lower realised diesel prices (US$21/oz); and
- Increased capitalisation of operating costs at North Mara (US$17/oz);

This was partially offset by:

- Higher sales related costs due to higher sales volumes (US$17/oz).

The all-in sustaining cost of US$959 per ounce sold for the quarter was 14% lower than the first quarter of 2015 mainly due to the lower cash costs, the impact of the higher production base, lower corporate administration expenditure and lower sustaining capital expenditure.

Cash generated from operating activities increased by 11% in Q1 2016 over the prior year period to US$52.2 million, driven mainly by the higher EBITDA as higher sales volumes aided revenue, partly offset by working capital outflows mainly related to the higher average cost valuation for ore stockpiles at North Mara and Buzwagi, and a build-up of finished goods on hand at Bulyanhulu due to the timing of sales.

Average realised gold price of US$1,150 per ounce was US$33 per ounce below the average market price of US$1,183 per ounce. This was as a result of intra quarter forward sales early in the quarter in order to help ensure our budgeted price of US$1,100 per ounce was achieved in Q1 2016 given the expected lower production and cash generation compared to the remainder of the year. We have not entered into any other forward sales for the remainder of the year.

Capital expenditure amounted to US$36.0 million in Q1 2016 compared to US$42.6 million in Q1 2015. Capital expenditure primarily comprised capitalised development expenditure (US$24.8 million), investments in tailings and infrastructure (US$5.5 million), investment in mobile equipment and component change-outs (US$1.5 million) and land purchases at North Mara (US$0.4 million).

Mine Site Review

Bulyanhulu

Key statistics

(Unaudited)		Three months ended 31 March 2016	2015	Year ended 31 December 2015
Key operational information:				
Ounces produced	oz	78,426	61,718	273,552
Ounces sold	oz	72,448	54,486	265,341
Cash cost per ounce sold[1]	US$/oz	661	921	797
AISC per ounce sold[1]	US$/oz	983	1,453	1,253
Copper production	Klbs	1,817	1,580	6,308
Copper sold	Klbs	1,580	1,161	5,424
Run-of-mine:				
Underground ore tonnes hoisted	Kt	243	242	993
Ore milled	Kt	252	250	983
Head grade	g/t	9.8	8.3	8.6
Mill recovery	%	87.9%	87.0%	88.5%
Ounces produced	oz	69,776	58,234	240,044
Cash cost per tonne milled[1]	US$/t	174	187	195
Reprocessed tailings:				
Ore milled	Kt	378	173	1,368
Head grade	g/t	1.5	1.1	1.3
Mill recovery	%	46.1%	55.7%	56.6%
Ounces produced	oz	8,650	3,484	33,508
Capital Expenditure				
- Sustaining capital	US$('000)	7,085	8,982	42,419
- Capitalised development	US$('000)	13,168	16,120	59,830
- Expansionary capital	US$('000)	194	784	(957)
		20,447	25,886	101,292
- Non-cash reclamation asset adjustments	US$('000)	4,214	3,158	(5,663)
Total capital expenditure	US$('000)	24,661	29,044	95,629

[1]These are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to 'Non-IFRS measures" on page 12 for definitions.

Operating performance

Gold production for the quarter of 78,426 ounces was 27% higher than Q1 2015. This was due to ounces produced from underground mining increasing by 20% over Q1 2015, driven by an 18% increase in head grade as underground mined grades improved; and a 148% increase in ounces produced from the new CIL circuit due to a significant increase in throughput and grade. Gold sold for the quarter amounted to 72,448 ounces, 33% higher than Q1 2015 but 8% lower than production due to the timing of production at quarter end impacting the shipment of ounces. Copper production of 1.8 million pounds for the quarter was 15% higher than in Q1 2015 due to higher copper grades.

Recoveries for the quarter continued to be below plan as a result of maintenance issues in the plant, together with interruptions to grid power impacting the stability of the circuit.

Cash costs for the quarter of US$661 per ounce sold were 28% lower than Q1 2015 (US$921), mainly due to the higher production base, lower labour costs driven by lower international and national employee headcount, lower maintenance costs as a result of changes in maintenance schedules driving cost savings and lower contracted services, partly offset by lower capitalised mining costs driven by lower direct mining costs.

AISC per ounce sold for the quarter of US$983 was 32% lower than Q1 2015 (US$1,453) driven by the lower cash cost, the impact of the higher production base, lower capitalised underground development and lower sustaining capital expenditure.

Capital expenditure for the quarter before reclamation adjustments amounted to US$20.4 million, 21% lower than the Q1 2015 expenditure of US$25.9 million, mainly driven by lower capitalised underground development costs and sustaining capital spend. Capital expenditure consisted mainly of capitalised underground development costs (US$13.2 million), investment in mobile equipment and component change-outs (US$1.2 million), investments in tailings and infrastructure (US$4.0 million) and investments in an underground refrigeration plant (US$0.4 million).

Buzwagi

Key statistics

(Unaudited)		Three months ended 31 March 2016	Three months ended 31 March 2015	Year ended 31 December 2015
Key operational information:				
Ounces produced	oz	37,063	44,328	171,172
Ounces sold	oz	37,433	41,395	166,957
Cash cost per ounce sold[1]	US$/oz	1,171	1,004	1,046
AISC per ounce sold[1]	US$/oz	1,246	1,118	1,187
Copper production	Klbs	1,985	1,920	8,672
Copper sold	Klbs	2,100	1,666	7,894
Mining information:				
Tonnes mined	Kt	5,926	6,211	24,989
Ore tonnes mined	Kt	1,303	1,375	5,658
Processing information:				
Ore milled	Kt	1,128	962	4,085
Head grade	g/t	1.1	1.5	1.4
Mill recovery	%	94.3%	94.0%	94.1%
Cash cost per tonne milled[1]	US$/t	39	43	43
Capital Expenditure				
- Sustaining capital	US$('000)	1,150	2,027	10,855
- Capitalised development	US$('000)	-	22	1,480
		1,150	2,049	12,335
- Non-cash reclamation asset adjustments	US$('000)	1,421	620	(7,364)
Total capital expenditure	US$('000)	2,571	2,669	4,971

[1]These are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to "Non-IFRS measures" on page 12 for definitions.

Operating performance

Gold production for the quarter of 37,063 ounces was 16% lower than Q1 2015, as a result of a planned focus on waste stripping in Q1 2016 which led to mining of ore from the lower grade splay zones, while in Q1 2015 the focus was on mining the main ore zone. The lower grade was partially offset by a 17% increase in throughput as a result of good mill performance in Q1 2016 as the mill exceeded nameplate capacity and maintained strong recoveries despite the significantly lower grade. Gold sold for the quarter amounted to 37,433 ounces, in line with production.

Total tonnes mined for the quarter of 5.9 million tonnes were 5% lower than Q1 2015 and ore tonnes mined of 1.3 million tonnes were 5% lower than Q1 2015 due to increased haulage distances as the pit size increased, the use of only one access ramp to the pit and handling of rill material.

Copper production of 2.0 million pounds for the quarter was in line with Q1 2015.

Cash costs for the quarter of US$1,171 per ounce sold were 17% higher than in Q1 2015 (US$1,004). Cash costs were primarily impacted by the lower production base, partly offset by lower consumables costs as a result of the timing of mill liner replacements and lower mining activity, and lower labour costs driven by a decrease in international and national employees and lower energy and fuel costs.

AISC per ounce sold for the quarter of US$1,246 was 11% higher than Q1 2015 (US$1,118). This was mainly driven by the higher cash cost as discussed above, partly offset by lower corporate administration expenditure and lower sustaining capital expenditure.

Capital expenditure for the quarter before reclamation adjustments of US$1.2 million was 44% lower than Q1 2015 (US$2.0 million). Key capital expenditure consists of investments in tailings and infrastructure of US$0.8 million.

North Mara

Key statistics

(Unaudited)		Three months ended 31 March 2016	Three months ended 31 March 2015	Year ended 31 December 2015
Key operational information:				
Ounces produced	oz	74,721	75,614	287,188
Ounces sold	oz	74,300	75,535	288,905
Cash cost per ounce sold[1]	US$/oz	484	563	590
AISC per ounce sold[1]	US$/oz	737	828	915
Open pit:				
Tonnes mined	Kt	3,114	3,675	15,110
Ore tonnes mined	Kt	775	874	3,361
Mine grade	g/t	1.6	2.8	2.4
Underground:				
Ore tonnes trammed	Kt	125	8	298
Mine grade	g/t	10.6	7.7	7.1
Processing information:				
Ore milled	Kt	731	691	2,833
Head grade	g/t	3.5	3.9	3.6
Mill recovery	%	90.2%	87.8%	88.2%
Cash cost per tonne milled[1]	US$/t	49	62	60
Capital Expenditure				
- Sustaining capital[2]	US$('000)	2,378	2,878	19,678
- Capitalised development	US$('000)	11,655	11,321	48,376
- Expansionary capital	US$('000)	86	212	962
		14,119	14,411	69,016
- Non-cash reclamation asset adjustments	US$('000)	3,177	2,006	(18,909)
Total capital expenditure	US$('000)	17,296	16,417	50,107

[1]These are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to 'Non-IFRS measures" on page 12 for definitions.
[2] Includes land purchases recognised as long term prepayments

Operating performance

North Mara's production of 74,721 ounces was in line with the prior year, as a 6% increase in throughput due to processing of softer lower grade ore and a 3% higher recovery rate were partly offset by a 10% lower head grade due to lower open pit grades. Open pit mined grade decreased due to an increased proportion of ore being sourced from the lower grade Nyabirama pit as the Gokona open pit was completed in Q3 2015. Gold ounces sold for the quarter of 74,300 ounces were in line with production.

Cash costs of US$484 per ounce sold were 14% lower than Q1 2015 (US$563) driven primarily by lower labour, fuel and energy and expensed contracted services costs, partially offset by increased maintenance and supplies costs as a result of increased underground mining activity.

AISC per ounce sold for the quarter of US$737 was 11% lower than Q1 2015 (US$828) primarily due to the lower cash costs.

Capital expenditure for the quarter before reclamation adjustments of US$14.1 million was 2% lower than in Q1 2015 (US$14.4 million). Key capital expenditure included capitalised stripping costs (US$7.9 million), capitalised underground development costs (US$3.7 million) and investment in tailings and infrastructure (US$0.7 million). In addition, US$0.4 million was spent on land acquisitions primarily around the Nyabirama open pit. Land acquisition costs are included in capital expenditure above as they are included in AISC but are treated as long term prepayments in the balance sheet.

Exploration Review

Tanzania

Bulyanhulu – Near-mine Extensions

In Q1 2016 we continued a programme of underground diamond core drilling testing for extensions to the known resources at Bulyanhulu on the Reef 2 system. Two diamond drill rigs (LM90 & MDU-003) operated throughout the quarter drilling a total of 4,730 metres from ten underground diamond core holes. This current stage of drilling is covering an area of approximately 800m along strike, west of the currently delineated resource model, and between 1000 to 1400 metres below surface. To date, approximately 20% of the planned 23,500 metres for 2016 have been completed. Assay results were received from thirteen drill holes during the quarter, the most significant gold results include:

- UX3870-049: 0.10m @ 146.8g/t Au from 264m
- UX3870-049: 0.95m @ 22.6g/t Au from 376m
- UX3870-049: 0.15m @ 104.2g/t Au from 385m
- UX3870-050: 0.26m @ 64.0g/t Au from 357m
- UX3870-050: 0.40m @ 67.5g/t Au from 402m

These results have confirmed previously reported results from multiple Reef 2 series quartz veins and are being reviewed in context of the rest of the Reef 2 system and potential additional economic resources. Step out (200m x 200m spaced drilling will continue while at the same time infill (100m x 100m) diamond core holes will be completed around the better intersections to delineate potentially mineable blocks.

North Mara - Nyabirama Underground Extensions

In Q2 2016 we expect to commence a seven hole programme to further test the underground potential beneath the Nyabirama open pit. The programme will consist of 5,000 metres of drilling, targeting a 200m depth addition to our existing understanding, to a vertical depth of 600 metres. Results of the drilling are expected to be released in H2 2016 and are expected to improve the 3-D geological model and predictability of high grade mineralisation for underground resource estimations. If successful this drilling, together with prior year programmes is expected to form a basis for potential underground mining studies.

Nyanzaga

In September 2015, Acacia entered into an earn-in joint venture with OreCorp Limited (ASX:ORR) to progress the Nyanzaga Project, whereby OreCorp took over management of the project for a 3 year period. This structure allows the project to be progressed whilst giving Acacia the optionality to maintain a 75% stake in the project once it gets to a development decision. In March 2016, OreCorp announced an updated JORC compliant resource of 2.78Moz at 4.1g/t using a cut-off grade of 1.5g/t following re-interpretation of existing data focusing on high grade zones and unconstrained by a pit shell. This has led to the project being progressed into a scoping study to assess the technical and economic viability of open pit and/or underground development scenarios. The scoping study is expected to be completed by the end of 2016.

Kenya

West Kenya Project

During Q1 2016 we continued the reverse circulation (RC) and diamond core (DD) drilling programme designed to follow up on the positive results from the initial drilling programme on the Liranda Corridor within the Kakamega Dome gold camp. The planned programme consists of approximately 35,000-40,000 metres of drilling with the objective of testing the structural orientation and continuity of high grade gold mineralisation encountered on the Acacia and Bushiangala shoots. The drilling is a staged programme based on successful delineation of mineable grades and widths on each shoot that demonstrate potential for positive economics. Three diamond drill rigs and a RC rig have been active during the quarter with 10 diamond holes for 5,540m and 32 RC holes for 4,359m. Overall, assay results during the quarter were mixed, and the on-going structural interpretation work from the recent drill holes has resulted in a revised interpretation of the controls on high grade mineralisation. These newly interpreted controls on the high grade gold bearing structures are to be tested throughout Q2 2016. Initial holes are seeing the right structures and styles of alteration, with assay results expected during Q2 2016.

The West Kenya Project comprises two joint ventures, the Lonmin Joint Venture and the Advance Joint Venture. Since 2012, Acacia has earned-in to an interest of 51% of the Lonmin Joint Venture, which covers two licences and the majority of the acreage of the project. Advance Gold have recently announced that Acacia now owns 85% of the Advance Joint Venture, which covers three licences previously excised from within the Lonmin Joint Venture licences, as a result of exploration spending and Advance Gold electing to be diluted rather than participate in 2016's exploration programme on JV licence area.

Burkina Faso

During Q1 2016 we continued to explore our properties in the highly prospective Houndé belt in South-West Burkina Faso. Acacia currently has three joint ventures and an interest in over 2,400km^2 of prospective greenstone belt. Acacia manages two of the joint ventures and the third joint venture, the South Houndé Joint Venture, is managed by Sarama Resources.

South Houndé Joint Venture (Sarama Resources Limited)

At the South Houndé JV project we continued field-based exploration activities focused both on resource extensions to the Tankoro Resource and regional exploration programmes searching for new discoveries. During the quarter, a total of 58 reverse circulation holes for 4,875 metres, 108 Aircore holes for 6,262 metres, and 4 diamond core holes for 900 metres were completed on prospects along the Tankoro Corridor as well as on regional structural/magnetic/geochemical targets within the project area. Regionally, an Auger drilling program was completed over the Weirenkera area and further surface geochemical samples were collected to further constrain and define regional targets over the Bini project area. Drilling has returned a number of positive results across both the MC zone and the Phantom zone.

Based largely on work completed over the past year, our joint venture partner Sarama Resources announced an 87% increase in the oxide component of inferred mineral resource to 0.5 Moz of contained gold and a 40% increase in total inferred mineral resources to 2.1 Moz of contained gold at 1.5g/t Au at the South Houndé Project. This inferred mineral resource estimate includes 1.1 Moz gold at 2.7 g/t Au, reflecting higher grade shoots within the mineralised system. The revised mineral resource estimate, which does not form part of Acacia's stated resource base, represents a substantial increase in modelled gold mineralisation which is interpreted to extend for a strike length of over 10km within the Tankoro Structural Corridor, further demonstrating the scale of the mineralised system.

Central Houndé Joint Venture (Thor Explorations Limited)

Regolith and geological mapping is now complete across the Central Houndé project. Reconnaissance (800m x 100m) surface geochemical sampling undertaken during late 2015 identified several very encouraging zones of gold anomalism coincident with the interpreted Legue-Bongui structural corridor. The reconnaissance sampling defined several >5km long gold anomalies extending from known gold anomalies on adjacent properties. Infill soil surface geochemical sampling, on 200m line spacing, within the Legue-Bongui structural corridor (8km x 2km) has now been completed and results received to date confirm the initial reconnaissance results. The gold-in-soil anomalies cover a volcano-sedimentary sequence that wrap around an internal granite intrusion (the Legue Granite) creating a favourable litho-structural setting.

A gradient array induced polarisation survey was completed early April, results of this survey will be used to refine drill targets with an Aircore drilling programme to test geochemical/structural/magnetic/geological targets due to commence late April.

Pinarello & Konkolikan Joint Venture (Canyon Resources Limited)

Regional reconnaissance surface soil sampling programmes have now been completed. This work has defined a number of significant gold-in-soil geochemical anomalies that require further follow-up. The most advanced being the southern extension of the Tankoro Structural Corridor, and a gradient array induced polarisation survey was completed over an 8km portion of the corridor. Coincident chargeability/resistivity/auger and soil geochemical targets along the corridor have been targeted for follow up. An Aircore drilling to test geochemical/structural/magnetic/geological/geophysical (IP) targets is due to commence in April 2016.

Mali

Tintinba - Bane Project

The Tintinba-Bane Project consists of three permits covering approximately 150km^2. These properties are located within the Kenieba Inlier region of Western Mali, along the world class Senegal-Mali-Shear-Zone (SMSZ), which hosts more than 50 million ounces of gold endowment. During the quarter, reconnaissance regolith mapping, geological mapping and surface soil sampling programmes were all completed. Results of the soil sampling (800m x 100m) are very encouraging with multiple gold-in-soil anomalies now delineated with strike lengths of up to 5km in length. Infill soil sampling (200m line spacing) was completed late in the quarter and results are awaited. A reverse circulation/Aircore drilling programme is scheduled to commence at the beginning of May.

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. 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.

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.

Cash cost per ounce sold is a non-IFRS financial measure. Cash costs include all costs absorbed into inventory, as well as royalties, by-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.

The presentation of these statistics in this manner allows Acacia to monitor and manage those factors that impact production costs on a monthly basis. Acacia calculates cash costs based on its equity interest in production from its mines. Cash costs per ounce sold are calculated by dividing the aggregate of these costs by gold ounces sold. 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)	2016	2015	2015
Cost of sales			
Direct mining costs	115,901	126,421	520,943
Third party smelting and refining fees	6,857	4,209	21,110
Realised losses on economic hedges	3,915	2,107	12,358
Royalty expense	10,017	9,561	38,059
Depreciation and amortisation*	35,210	32,642	141,697
Total cost of sales	**171,900**	**174,941**	**734,167**
Total cost of sales	**171,900**	**174,941**	**734,167**
Deduct: depreciation and amortisation*	(35,210)	(32,642)	(141,697)
Deduct: co-product revenue	(9,024)	(8,057)	(35,669)
Total cash cost	**127,666**	**134,242**	**556,801**
Total ounces sold	184,181	171,415	721,203
Cash cost per ounce	**693**	**783**	**772**

* 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 the aggregate of cash costs, corporate administration costs, reclamation and remediation costs for operating mines, corporate social responsibility expenses, mine exploration and study costs, 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 is presented below:

(Unaudited)	Three months ended 31 March 2016				Three months ended 31 March 2015			
(US$/oz sold)	Bulyanhulu	North Mara	Buzwagi	Group*	Bulyanhulu	North Mara	Buzwagi	Group*
Cash cost per ounce sold	661	484	1,171	693	921	563	1,004	783
Corporate administration	26	34	27	29	51	41	47	55
Share-based payments	7	5	7	21	6	-	(2)	9
Rehabilitation	6	8	4	6	6	24	7	14
Mine exploration	-	-	-	-	2	2	-	2
CSR expenses	4	17	7	16	6	10	12	12
Capitalised development	182	157	0	135	296	150	1	160
Sustaining capital	97	32	30	59	165	38	49	82
Total	983	737	1,246	959	1,453	828	1,118	1,117

* The group total includes US$22/oz of unallocated corporate related costs in Q1 2016, and US$20/oz in Q1 2015.

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

Cash cost per tonne milled is a non-IFRS financial measure. Cash costs include all costs absorbed into inventory, as well as royalties, by-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 costs per tonne milled are 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. EBITDA is adjusted for items (a) to (e) as contained in the reconciliation to adjusted net earnings below.

EBIT is a non-IFRS financial measure and it 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 by excluding the following:

(US$000)	Three months ended 31 March		Year ended 31 December
(Unaudited)	2016	2015	2015
Net (loss)/ earnings	(52,410)	9,207	(197,148)
Adjusted for:			
Impairment charges	-	-	146,201
Operational review costs (including restructuring costs)[(a)]	861	580	9,864
One off legal settlements[(c)]	-	1,437	7,300
Discounting of long term indirect tax receivables[(d)]	-	-	(5,906)
De-recognition of contingent liability[(e)]	-	-	(5,313)
Prior year tax positions recognised	69,916	-	12,740
Tax impact of the above	(258)	(605)	39,100
Adjusted net earnings	**18,109**	**10,618**	**6,838**

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. It is calculated by deducting total borrowings from cash and cash equivalents.

Cash from sustaining operations is a non-IFRS financial measure and represents the cash flow generated post the spend required to sustain the Group and its operations. It is calculated as free cash flow adjusted for expansionary capital expenditure, exploration, the cash flow associated with one-off type items and other charges, and dividends.

Mining statistical information

The following describes certain line items used in the Acacia Group'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.