

ASX ANNOUNCEMENT / MEDIA RELEASE**15 February 2024**

Cokal Appoints Drilling and Blasting Contractor for the BBM Mine Site.

Key Highlights

- **Cokal has appointed Australia based Sun Mining Service (SMS) as its Drilling and Blasting Services Contractor in BBM Mine.**
- **SMS has introduced blasting service using Wala Gel technology which has proven to reduce D&B costs and improved fragmentation.**
- **Drill and Blast expected to be commenced in Q4 2024 in Pit 3 at BBM Mine.**
- **BBM has obtained initial approvals for construction for AN storage warehouse.**

Cokal Limited (**Cokal**) (ASX: **CKA**) is pleased to provide the following update on the Bumi Barito Mineral (**BBM**) coking coal mine (Cokal 60%). Development continues to advance rapidly, and ramping up the mine production during 2024 and onwards.



SMS appointed as Drill and Blast Service Contractor

Cokal has appointed Sun Mining Services (**SMS**) as its drilling and blasting services contractor at its BBM Mine. Together with its local partner, SMS will provide low cost drilling and blasting (“DnB”) service resulting in high quality material fragmentation which in result is expected to improve the overburden diggability and production rate by the mining contractor.

SMS is an Australian company operating in four continents providing smart blasting solution for mining, civil construction and quarrying industry. SMS has introduced Wala Gel to replace the well known and widely used Emulsion Heavy ANFO. SMS product has proven to achieve similar blasting outcome in comparison to Emulsion with 20-30% lower Powder Factor ratio. It has been proven in their current mine site in Sukari Gold Mine in Egypt and Berau Coal in Kalimantan, Indonesia.

SMS has secured a 5year contract with the total estimated blast material volume of 149 Million BCM with an estimated contract value of USD 44Million. The contract is awarded directly under BBM.

Cokal's BBM will realise numerous benefits from the appointment of SMS:

- SMS has sufficient experience in providing drilling and blasting service at other project locations in Indonesia & overseas and is supported by a team of highly skilled and experienced manpower from Australia and Indonesia;
- Wala Gel technology and application will significantly reduce the DnB cost without affecting the quality /quantity of the outcome;
- BBM expects higher rate of mine production to be maintained continuously with good material fragmentation;
- SMS will be able to do a 15m bench blasting which will reduce the requirement of frequent blasting at mine site resulting in overall cost saving and operations efficiency.

Key Terms of the Contract Agreement

SMS has been appointed for an initial period of 5years, with the option for an extension subject to its performance during the initial tenure , on the following terms:

Mining Services Costing (excluding fuel)			
	Item	Unit	Rates
1	Drilling Cost	USD/Bcm	0.053
2	Explosives Cost	USD/Bcm	0.119
3	DTH Unit Cost	USD/Bcm	0.050
4	Explosives Surcharge Cost (where is applicable)*	USD/Bcm	0.077

Equipment List Plan

	Item
1	Mobile Processing Unit
2	Mobile Mixing Plant
3	Forklift
4	LV
5	Rotary Drill 7 7/8 inch (200 mm)

SMS Mobilisation Plan

Mobilisation will commence at least 3 months prior to the first schedule of drilling and blasting at mine site.

Ammonium Nitrate Storage Warehouse

BBM has obtained the initial approvals for Ammonium Nitrate storage warehouse permit at its mine location and shall be responsible to construct the facility as per the prevailing regulations.

Additional information and updates on construction progress will be provided periodically.

SMS Wala Gel and Wala Booster



SMS Mobile Plant



SMS MPU



SMS Drill Rigs



ENDS

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This ASX announcement was authorised for release by the Board of Cokal Limited.

About Cokal Limited

Cokal Limited (ASX:CKA) is an Australian listed company with the objective of becoming a metallurgical coal producer with a global presence. Cokal has interests in four projects in Central Kalimantan, Indonesia considered prospective for metallurgical coal.

Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

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