

ASX ANNOUNCEMENT**11 August 2014****BBM ON SCHEDULE WITH FURTHER FUNDING**

Global metallurgical coal group, Cokal Limited (ASX:CKA), is pleased to announce that development of its BBM Project continues on schedule having secured further additional loan funds of US\$5.650Million(M) from a fund managed by Platinum Partners (Platinum) bringing the total loan for the project development to date to US\$9.150M.

Due to the significant progress being made with both the BBM project and the finalisation of the BBM financing package, Platinum has agreed to advance the additional funds to ensure progress is maintained on the project while the final steps of the BBM financing documentation are put in place. These funds will enable work to progress on the detailed engineering and final design to progress and complete the preparation work necessary to enable site based construction to start promptly once the BBM project financing is finalised.

Cokal has agreed to extend Platinum's exclusivity period to 6 October 2014 to finalise the project finance agreements.

Repayment of the first loan has been extended with the total loan of US\$9.150M now repayable within 6 months of receiving the additional loan funds. The total loan can also be rolled over into the BBM project financing facility once it is in place.

As previously announced on 31 March 2014, the proposed BBM funding package included the proposed grant of 100M warrants (options) with an exercise price of A\$0.20 and an exercise period of 4 years from the date of grant.

Cokal will grant 15M of these options following drawdown of the additional loan. The intention is that the balance 85M options will, subject to shareholder approval, be granted once the BBM project finance is finalised.

The options will be exercisable at any time before expiry. The options will not be listed but will be transferrable. Payment of the exercise price may be satisfied by the holder paying the exercise price in cash or causing the provider of the bridge loan or project finance to reduce the principal owing by the amount of the exercise price. Shares issued on exercise of an option rank equally with all other ordinary shares then on issue. If trading in Cokal shares has been suspended for more than 10 days in any 12 month period or if Cokal is delisted or its substantial assets privatised, the option expiry date will be extended to 8 years after the date of grant. Customary provisions apply in relation to the adjustment of the option terms in the event of capital reconstruction, rights issues or bonus share issues.

PROJECT OVERVIEW

The BBM Coal Project is situated in Central Kalimantan, Indonesia in the prospective metallurgical Upper Barito Coal Basin, Regency of Murung Raya. The Project covers an area of 14,980 hectares. The Project is adjacent to the BHP Billiton's, Indomet Coal, Joloi Project in Murung Raya Regency.

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Further enquiries:

Peter Lynch

Chairman and Chief Executive Officer

Mobile: +62 821 1001 0009 (Ind)

Andrew Crook

Media Enquiries

Mobile: +61 419 788 431 (Aus)

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. Cokal has also signed a joint venture to explore for coal in Tanzania with Tanzoz Resource Company Limited.

Forward Looking Statements

Statements regarding plans with respect to the Company's exploration properties are forward-looking statements. There can be no assurance that the Company's plans for development of its properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's exploration properties.