

ASX ANNOUNCEMENT / MEDIA RELEASE
2 November 2022

Cokal Acquires Fleet of Barges & Tugboats for Coal Transport, Representing a Critical Piece of Infrastructure in the Logistics Chain, and a New Profit Centre

Key Highlights

- **Cokal has acquired a fleet of conventional shallow draft barges and tugboats for transport of coal from mine mouth Krajan Jetty to Batu Tuhup Jetty**
- **Provides guaranteed capacity and availability for transport of coal from the BBM and TBAR mines, at competitive market-based pricing**
- **The barging infrastructure represents a new independent profit centre for Cokal**
- **Future planned expansion of the existing fleet and addition of large capacity barges, tugboats and self-propelled barges to transport coal from Batu Tuhup Jetty to the planned Intermediate Stockpile in Buntok area**

Cokal Limited (**Cokal**) (ASX: **CKA**) is pleased announce that it is has taken an important step to secure capacity for coal transport via the acquisition of a fleet of coal barges.

PT Barito Samudera Nusantara (**PT BSN**), a newly incorporated company established for the purpose of acquiring the barges and tugboats, has been used to effect the acquisition. Cokal is the 100% shareholder of PT BSN. Total cost of the first-stage of barge acquisitions is estimated at up to US\$1.5m, (includes estimates of refurbishment costs and working capital).

PT BSN will operate as the exclusive logistics support provider for the Bumi Barito Mineral (BBM) (Cokal 60%) and TBAR (Cokal 75%) coal mines. PT BSN will provide competitive transport costs to BBM and TBAR, in-line with market pricing. In addition, Cokal will realise the benefit of 100% of the operating profits from PT BSN.

Key Operational Details

- Barges will be used for transportation of coal from mine mouth Krajan Jetty to Batu Tuhup permanent jetty.

- Provides guaranteed capacity and availability of conventional shallow draft barges (min. operating depth 2.5m with full load) for coal transport, without any dependence on external service providers.
- Fleet expansion planned by adding additional barges and tugs to increase coal transportation capacity from Krajan jetty to Batu Tuhup jetty.
- PT BSN will also seek to expand its operations to operate large capacity barges (200ft - 230ft) to be able to transport coal from the Batu Tuhup Jetty to the Intermediate Stockpile (ISP).
- This expansion will ensure uninterrupted coal transport capacity at competitive pricing.
- This will also allow continuous usage of Krajan jetty to transport coal, alongside the road haulage route, from Pit 3 to Batu Tuhup jetty. This combined capability will enable BBM to manage its logistics flow more efficiently and sustainably.

Photos







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.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company’s business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company’s control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

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