

**ASX ANNOUNCEMENT / MEDIA RELEASE**  
**8<sup>th</sup> November 2023**

## **Cokal Appoints a New Mining Contractor to Replace CBQ for the BBM Mine. Mobilisation of mining fleet has commenced**

### **Key Highlights**

- **Cokal has appointed LLB, as the main mining contractor, to provide mining services at the BBM Mine on non exclusive basis.**
- **Negotiations have resulted in achieving reduced costs with increased annual production potential.**
- **The contractor shall be responsible for undertaking Over Burden removal works, coal getting and inpit transport from pit to rom which was previously handled in house by BBM.**
- **Mobilisation process for 2 Fleets of 80T class together with other support equipment has started.**

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 with necessary preparation being made to ramp up production beginning Q1 2024.

### **LLB Appointed as Main Mining Contractor**

Cokal has appointed PT. Levine Latersia Baratama (**LLB**) as the main mining contractor on a non exclusive basis to provide mining services at the BBM Mine site. LLB will replace the current contractor, CBQ, which had not achieved BBM production targets to the Company's satisfaction.

LLB will be responsible for Open Pit Overburden Mining Services and Coal Production & transportation from Pit to ROM stockpile.

LLB has already started the mobilisation of mining equipment to the BBM Mine site and first batch is expected to arrive on site by the 3<sup>rd</sup> week of November which will be followed by commissioning and commencement of mining operations by early December 2023.

Cokal will realise numerous benefits from the appointment of LLB:

- LLB has sufficient experience in providing mining services in other coal projects and supported by experienced manpower and large size equipment fleet to realise CY2024 targeted production at BBM mine;
- The appointment ensures that BBM mine is able to achieve the targeted ramp up as per schedule by bringing in 2 fleets of 80T class immediately with an additional 3 fleets expected to join by early 2024 which will be then followed with 100T class fleet by late 2024;
- Provides a lower-cost alternative compare to the previous mine contractor (HPU and CBQ);
- The appointment has been made via a “Binding Letter of Award” on already agreed contractual terms. The Letter of Award will form the basis for a detailed Mining Services Contract, which is currently being finalised;
- The appointment is on non exclusive basis which will allow to BBM to explore possibility of appointing additional contractor in 2024 to ramp up production of PCI coal.

#### Key Terms of the Letter of Award

LLB has been appointed for an initial period of 3-year on non exclusive basis, with the option for an extension contingent on its performance during period of agreement.

Key terms / rates for mining services agreed upon are as follows :

Mining Services Costing (excluding fuel)			
Item		Unit	Rates
1	Excavate, Load and Haul of Top Soil and Overburden removal to designated areas in 1,000 meters	USD/Bcm	1.46
2	Excavate, Load and Haul of Mud Material to designated areas in 1,000 meters	USD/Bcm	2.61
3	Overhaul distance in 100 increments for all activities which over 1000 meters actual distance	USD/m	0.026
4	Coal Cleaning, Getting and Loading to coal hauling truck	USD/ton	0.99
5	Coal Hauling to the near Pit ROM Stockpile with max distance 2,500 meters actual distance	USD/ton	0.16
6	Ripping if free digging is not applicable for some reason	USD/Bcm	0.30
7	Agreed Fuel Ratio for Top Soil, Overburden Removal and Mud Handling	Ltr/Bcm	0.75
8	Agreed Fuel Ratio for Coal Cleaning, Getting and Hauling	Ltr/Bcm	0.30
9	Agreed Fuel Ratio for any overhaul distance	Ltr/Bcm	0.02
10	Land clearing, Grubbing and Timber Collecting to designated area	IDR/Ha	15,000,000.-
11	Construction of facility if any	USD	At cost
12	Mobilization and demobilization of the equipment	USD	At cost
13	Exchange rate (USD to Rp)		15,200

Equipment to be provided by LLB:

Equipment List Forecast Nov'23 – Dec'24		
	Item	Qty
1	Komatsu 1250 or equivalent	3
2	Doosan 800 or equivalent	4
3	Hyundai 480 or equivalent	1
4	Hyundai 340 or equivalent	1
5	Zoomlion ZE215 or equivalent	2
6	Sany SKT90S	15
7	Sany SKT105S	12
8	30t Class - Coal Truck	4
9	Motor Grader	2
10	Cat D10/ D375	2
11	Dozer D85SS class	3
12	Service Truck Quester CKE 250	1
13	Fuel Truck 10 KL Quester CKE 250	2
14	Water Truck 10 KL Quester CKE 250	1
15	Dewatering Pump Sykes 100 or equivalent	1
16	Electric Generator 50KVA	1
17	Ligthing Tower Terex	7
18	Toyota	6
19	Man Haul Transport	2

**1<sup>st</sup> batch Mobilisation Progress has started, photos for mining fleet below -**

60t Dump Truck (Sany SKT 90S)



80t class excavator (Doosan 800) on progress mobilisation



1<sup>st</sup> batch of equipment has been dispatched from South Kalimantan to BBM Mine site



**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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