

20 February 2017

Mr Wade Baggott
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St Georges Terrace, Perth WA 6000

Via email:

Wade.Baggott@asx.com.au

TradingHaltsPerth@asx.com.au

Dear Wade

**RE: Cokal Limited ("Cokal" or the "Company", ASX:CKA)
Response to ASX Price Query**

We refer to your letter dated 20 February 2017, received by email the same day requesting a response to the change in the price of Cokal's securities traded since 16 February 2017 (to 20 February 2017).

Cokal's response to each of the questions contained in your letter are as follows:

- 1. Is the entity aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in securities?**

No

- 2. If the answer to question 1 is "yes":**

Not applicable

- 3. If the answer to question 1 is "no", is there any other explanation that the Entity may have for the recent trading in its securities?**

Cokal notes that on 16 January 2017 it made an announcement concerning share trading volumes in the Company's shares, in particularly regarding the ongoing sale of a large parcel of shares. As extract from that announcement is shown below.

*"Cokal Limited (**Company**) has investigated the recent higher than normal volume of trades in the Company's shares. We have been advised by the liquidator of the Platinum Partners Value Arbitrage Fund, LP (PPVA) that prior to the liquidator's appointment PPVA had placed 27,403,939 CKA shares as security for a credit facility with a Primebroker/Bank. That Primebroker, contrary to the liquidator's wishes, is selling these shares under its security to repay the outstanding facility. After examining the Company's share register movements over the past 4 weeks it appears that between 9 and 10 million of these shares held as security have already been sold."*

Although not confirmed, Cokal understands that the full parcel of shares has now been sold.

Representatives of the PPVA liquidator continue to indicate to the Company that they are supportive of the (previously announced) agreed arrangements.

4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1

5. Approval of responses.

The Company's responses set out in this letter have been approved by the Board.

Yours faithfully
Cokal Limited



Duncan Cornish
Company Secretary



20 February 2017

Mr Duncan Cornish
Cokal Limited

By Email

Dear Mr Cornish

Cokal Limited (the “Company”): Price Query

We note a change in the price of the Company’s securities from a closing price of \$0.016 on Wednesday, 15 February 2017 to an intra-day high at the time of writing of \$0.029 today, Monday 20 February 2017.

In light of this, ASX asks the Company to respond separately to each of the following questions and requests for information:

1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
 - a) Is the Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Company’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Company may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.

- b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).

- c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that the Company may have for the recent trading in its securities?
4. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that the Company’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **9:30 am WST (11:30am EST) today, 20 February 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Company's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me copying in TradingHaltsPerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to the Company's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that the Company's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Company's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Wade Baggott

Principal Adviser, ASX Listings Compliance (Perth)