

13 September 2017

Mr Sebastian Bednarczyk
Senior Adviser, ASX Listings Compliance (Perth)
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Response to ASX Price and Volume Query

Cokal Limited (Cokal ASX:CKA, "Cokal" or "the Company") provides this response in relation to ASX's letter dated 13 September 2017 regarding a change in the price of CKA's securities and an increase in the volume of CKA's securities traded in the past few days.

In response to the questions detailed in ASX's letter the Company advises as follows:

- 1. Is CKA 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?**

Cokal is not aware of any information concerning the Company that has not been announced to the market.

- 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 CKA may have for the recent trading in its securities?**

As previously announced on 23 August 2017, the Company has completed the initial construction phase and has commenced mining operations of premium PCI coal at BBM Anak. As stated in that announcement, Cokal is continuing to build its initial stockpile at the interim port and is negotiating with a number of buyers to sell this coal. An announcement will be made once sales have been finalized.

On 28 July 2017 the Company advised that Cokal is not concluding the JV partnership for the funding of BBM PCI as the development of the infrastructure for BBM Anak will form the basis of the infrastructure for the BBM PCI project. It was determined that upgrading BBM Anak to BBM PCI will cost less than initial estimates and that the project can be partially funded from BBM Anak cash-flow. Nevertheless, the Company is in negotiation for further financing which will ensure that the BBM PCI project is fully funded to commence production in early 2018.

The Company has previously advised the market of its major funding requirements for its main BBM Coking Coal project, commencing with 2 million tonnes per year. The Company is continuing negotiations with a number of parties for this funding,

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

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

- 5. Approval of responses**

The above responses have been authorized and approved by the Board.

Yours faithfully
Cokal Limited



Louisa Martino
Company Secretary



13 September 2017

Louisa Martino
Cokal Limited
56 Pitt Street
SYDNEY NSW 2000

By email

Dear Ms Martino

COKAL LIMITED ("CKA"): ASX PRICE AND VOLUME QUERY

We note the change in the price of CKA's securities from a closing price of \$0.088 on Tuesday, 12 September 2017, to an intra-day high at the time of writing of \$0.1025 today, Wednesday, 13 September 2017.

We also note an increase in the volume of CKA's securities traded in the past few days.

In light of this, ASX asks CKA to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Is CKA 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 CKA relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in CKA's securities would suggest to ASX that such information may have ceased to be confidential and therefore CKA 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 CKA may have for the recent trading in its securities?
4. Please confirm that CKA is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that CKA'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 CKA 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 11.30 am (WST) today, Wednesday, 13 September 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in CKA'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, CKA'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 by e-mail** at tradinghaltspert@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 CKA'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 CKA'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 CKA'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]

Sebastian Bednarczyk
Senior Adviser, ASX Listings Compliance (Perth)