

Cokal Limited ACN 082 541 437 Supplementary Prospectus

1 Important information

This supplementary prospectus (**Fourth Supplementary Prospectus**) of Cokal Limited (**Cokal** or the **Company**) is dated 18 January 2018 and was lodged with ASIC on that date under section 719 of the Corporations Act.

This Fourth Supplementary Prospectus supplements the prospectus dated 18 December 2017 and lodged with ASIC on that date (**Prospectus**), the first supplementary prospectus dated 20 December 2017 and lodged with ASIC on that date (**First Supplementary Prospectus**), the second supplementary prospectus dated 22 December 2017 and lodged with ASIC on that date (**Second Supplementary Prospectus**) and the third supplementary prospectus dated 2 January 2018 and lodged with ASIC on that date (**Third Supplementary Prospectus**), and must be read together with the Prospectus, First Supplementary Prospectus, Second Supplementary Prospectus and Third Supplementary Prospectus. If there is any inconsistency between the Prospectus, the First Supplementary Prospectus, the Second Supplementary Prospectus, the Third Supplementary Prospectus and this Fourth Supplementary Prospectus, this Fourth Supplementary Prospectus prevails.

Terms used but not defined in this Fourth Supplementary Prospectus have the meanings given in the Prospectus. ASIC and ASX take no responsibility for the contents of this Fourth Supplementary Prospectus, the Third Supplementary Prospectus, the Second Supplementary Prospectus, the First Supplementary Prospectus or the Prospectus.

2 Update on Coal Offtake Finance LOI and Coal Sales

The Company released the announcement attached to this Fourth Supplementary Prospectus.

3 Consent to lodgement

This Fourth Supplementary Prospectus is issued by the Company and the issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director of the Company has consented in writing to the lodgement of this Fourth Supplementary Prospectus with ASIC.

ASX ANNOUNCEMENT/MEDIA RELEASE
16 January 2018**Key Points:**

- Update of Renjian Funding for Coal Offtake
- Update on Initial Coal Sale from BBM Anak
- Continued Discussions with Japanese Companies for Offtake of BBM PCI Coal
- Top 20 Shareholder List

Update on Coal Offtake Finance Letter of Intent

Cokal Limited (**ASX:CKA**, “Cokal” or “the Company”) provides an update further to the Company’s ASX releases of 20 December 2017 and 2 January 2018, in respect of its negotiations with Renjian International Trading (Shanghai) Co Ltd (Renjian) in respect of a coal off-take agreement for 2.5 million tonnes of premium PCI coal from the BBM PCI Project.

As a consequence of the intensive negotiations with Renjian, the outcome from extensive financial modeling demonstrated the proposed discounts requested by Renjian to secure pre-funding proved to be unacceptable to Cokal. While the proposed discounts discussed are workable in the current PCI market where the Platts LV PCI price is currently US\$146/tonne (FOB Australia), Cokal’s Board is concerned that this unusually high price is most likely unsustainable. Consequently, Cokal believes these extensive discounts would leave the company exposed to losses over the 50 month period of the contract to supply coal to Renjian. The Platts PCI Index history clearly illustrates a considerable variation, even as recent as November last year the LV PCI price was stable at US\$118/tonne, and in the last 2 months it rose to a high of US\$156/tonne.

With this in mind the Board is of the view that it is in the Company’s and shareholders’ best interests not to proceed with the current terms discussed with Renjian, and continue discussions with several parties who have engaged with the Company for a better deal subsequent to the Renjian proposal. In addition, Cokal has asked Renjian to submit a straight purchase price for the PCI product on offer. Not only is the Company’s coal operations sufficiently advanced to attract strong interest from an international array of customers for its PCI, but the climate and pricing for all metallurgical coals have improved to a point where Cokal believes that a number of possible funding options discussed to date allow it flexibility to conclude a funding arrangement that has a better result for shareholder value and has an acceptable level of risk with respect to the coal price over the 4 year life of the PCI contract.

Update on Initial Coal Sale from BBM Anak – Cokal completes loading coal from Intermediate Stockpile (ISP).

Completion of loading the whole stockpile of coal from the ISP has been achieved and the barges are on their way to be loaded onto the mother vessel at Taborneo off-shore loading facility in South Kalimantan. The first barge of approximately 4,560 tonnes has completed its cargo superintending and the certificate of sampling and analysis, as well as the cargo survey, has been accepted by the customer without penalty.

Barging from the Company's BBM Anak mine site to the ISP was delayed over the December period by the low levels of the river despite this being the rainy season. The water levels have since recovered substantially due to the seasonal rains returning and barging has recommenced from BBM Anak mine site to stockpile the next cargo for sale.

When barging recommenced, a few of the barges were loaded directly on the river from barge to barge. This shortened the time for loading the customer's barge significantly.



Barge to Barge Loading at BBM on Barito River

Japanese Companies Continue Discussions for Offtake of BBM PCI Coal

Cokal has continued discussions with its Japanese contacts, which includes trading houses as well as steel mills. The Japanese market has expressed a keen interest in acquiring BBM's PCI coal because of its ultra-low Volatile content (a key attribute which is becoming less available in Australia) and its low Ash, Sulphur and Phosphorus contents as well.

Test samples have already been sent to some of the steel mills and the results have been in accordance with Cokal's expectations. The results have confirmed the premium quality of BBM's PCI coal and this has already been conveyed as very positive outcome for developing coal sale agreements with a few of the Japanese buyers.

Now that the funding discussions with Renjian have been discontinued, Cokal will work with the Japanese interest to determine options to assist in building the BBM PCI operation which is planned to produce around 50,000 tonnes per month of the premium quality ULV PCI.

Top 20 Shareholder List

A number of shareholders have requested details of the Company's top 20 shareholders. Accordingly, it is attached in Appendix A.

ENDS

For further information, please contact:

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Non-Executive Chairman

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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 and one project (which holds three exploration licences) in West 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.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Competent Person Statement

The Total Coal Reserve estimate announced on 1 August 2017 is based on information compiled by Robert de Jongh who is a Member of the Australasian Institute of Mining and Metallurgy and an employee of ASEAMC Pty Ltd. Mr de Jongh is a qualified mining engineer and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves."

The Coal Resource estimate was announced on 29 April 2016, titled "Cokal announces updated JORC Resource Statement for Bumi Barito Mineral (BBM) Project". The information in the report relating to Mineral Resources is based on information compiled by Yoga Suryanegara who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Cokal Limited. Mr Suryanegara is a qualified geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement made on 29 April 2016 and that all material assumptions and technical parameters underpinning the estimates in the announcement made on 29 April 2016 continue to apply and have not materially changed.

The information in this report relating to exploration results is based on information compiled by Patrick Hanna who is a fellow of the Australasian Institute of Mining and Metallurgy and is a consultant (through Hanna Consulting Services) to Cokal Limited. Mr Hanna is a qualified geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

APPENDIX A TOP 20 HOLDERS REPORT

COKAL LIMITED

Date: 12/01/2018

ABN 55 082 541 437

Operator: CHESSE

For Class: CKA ORDINARY FULLY PAID

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<u>RANK</u>	<u>Shareholder</u>	<u>Total Units</u>	<u>% Issue Capital</u>	<u>Cum Units</u>	<u>% Cum Units</u>
1	GROUP # 889629	67,052,972	9.858		
*	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	20,000	0.003	20,000	0.003
*	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	67,032,972	9.855	67,052,972	9.858
2	GROUP # 591258	56,531,768	8.311		
*	BNP PARIBAS NOMS PTY LTD <DRP>	21,000	0.003	67,073,972	9.861
*	BNP PARIBAS NOMINEES PTY LTD <JARVIS A/C NON TREATY DRP>	500,000	0.074	67,573,972	9.934
*	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD DRP	612,003	0.090	68,185,975	10.024
*	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	55,398,765	8.144	123,584,740	18.169
3	WINTERCREST ADVISORS LLC	34,241,293	5.034	157,826,033	23.203
4	MEF I LP	25,460,079	3.743	183,286,112	26.946
5	PATRICK JOSEPH HANNA	25,000,000	3.675	208,286,112	30.621
6	GEBRUN PTY LTD <PETLA A/C>	17,500,000	2.573	225,786,112	33.194
7	MRS LAURA LYNCH	17,500,000	2.573	243,286,112	35.767
8	MR MICHAEL CHRISTOPHER HORVATH	17,479,206	2.570	260,765,318	38.336
9	MR STEPHEN RODNEY HARIONO <DENVHI VALUE A/C>	15,665,269	2.303	276,430,587	40.639
10	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	15,064,445	2.215	291,495,032	42.854
11	MRS YULIANA GUNAWAN	13,000,000	1.911	304,495,032	44.765

COKAL LIMITED

ABN 55 082 541 437

For Class: CKA ORDINARY FULLY PAID

Date: 12/01/2018

Operator: CHES5

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RANK	Shareholder	Total Units	% Issue Capital	Cum Units	% Cum Units
12	XIN HUA PTY LTD <JING JING SUPER FUND A/C>	12,631,200	1.857	317,126,232	46.622
13	TJ SMOCK & CO PTY LTD <MIDDLETON FAMILY A/C>	10,000,000	1.470	327,126,232	48.092
14	LANNE PTY LTD <LANNE INVESTMENT A/C>	8,420,800	1.238	335,547,032	49.330
15	ANSON CENTURY LIMITED	7,750,000	1.139	343,297,032	50.470
16	MR VASILIOS VOTSARIS	7,713,782	1.134	351,010,814	51.604
17	MONAL PTY LIMITED	7,000,000	1.029	358,010,814	52.633
18	GROUP # 889634	6,451,010	0.948		
*	CITICORP NOMINEES PTY LIMITED	6,451,010	0.948	364,461,824	53.581
19	BNP PARIBAS NOMINEES PTY LTD <LDN UK BCH DRP A/C>	6,000,000	0.882	370,461,824	54.463
20	EMILIA MAWER	5,346,836	0.786	375,808,660	55.249
	TOTAL	375,808,660	55.249		