



## ASX ANNOUNCEMENT / MEDIA RELEASE

27 July 2018

# Cokal Appoints CEO for the Development of BBM PCI and Coking Coal Project

### Key Highlights

- **Appointment of CEO in anticipation of the development of Cokal's Bumi Barito Mineral ("BBM") PCI and Coking Coal Projects.**
- **Highly regarded mining executive, with extensive international expertise in open cut coal mining.**
- **Ability to bring BBM into production and operate costs efficiently to export metallurgical coal at higher profit margins.**

**Cokal Limited** (ASX:CKA, "**Cokal**" or "the **Company**") is pleased to announce the appointment of highly-experienced mining industry professional, Jim Coleman, to the position of Chief Executive Officer (CEO).

Cokal Chairman, Domenic Martino, said, Mr Coleman would be a major asset for the Company.

"Jim offers a strong background in providing leadership and executive direction in helping Cokal to achieve the business objectives for its Indonesian metallurgical coal projects in Central Kalimantan," Mr Martino said.

Mr Coleman has a proven 20-year track record in corporate management of operations for large successful companies including Riversdale Mining, The Griffin Group, The Electricity Trust of South Australia, Utah Development Company, Rio Tinto and BHP.

He has led multi-faceted teams and consortia for large coal projects in developing countries and also specialised in deep mines in soft saturated strata. Mr Coleman was responsible for the development of Thailand's 11 million tonnes per annum coal mine which feeds directly into EGAT's on-site power station in northern Thailand.

As a mining engineer, he has over 50 years' experience in open cut and underground mining specialising in mine management, project development and operation using a variety of equipment including extensive application of in-pit crushing and conveying systems. He designed strategic mine planning to optimise economic returns for various coal operations. He was also responsible for the development of integrated projects in Australia,

Mozambique, Thailand, The Philippines, India and throughout SE Asia. Mr Coleman has specific expertise in application of selective mining systems of low ash high quality coals to minimise dilution.

Mr Coleman possesses a high awareness in the application of shallow river barging systems to transport coal from inland projects over long distances. He participated in the successful evaluation of 500 km shallow water barging on the Zambezi River in Mozambique for the transportation of coking coal from Riversdale's Benga project to off-shore mother vessels. This experience is in line with Cokal's plans to use shallow-river barging on the Barito River for delivering the coking coal in good condition to the nearby Asian market place.

Through the 1980s and 1990s, he owned and managed a highly successful mining consulting business (Coleman and Associates) employing some 40 mining professionals and managing operations concurrently throughout Australia and in five countries including Australian Government aid funded projects in SE Asia.

Mr Coleman said he was excited by the opportunities at Cokal and looked forward to applying his skills and experience to help the Company achieve its growth objectives.

"I pride myself on having the ability to lead mine operating teams in the SE Asian cultural and physical environment," he said.

The key terms and conditions of Mr Coleman's appointment are formalised in an Executive Employment Agreement as summarised below:

Base Salary	<p>AUD250,000 per annum exclusive of superannuation and subject to annual review by the Board.</p> <p>The first three months' salary will be paid in fully paid ordinary shares in the Company ("Shares"), subject to shareholder approval, at an issue price being the closing market value of the Shares on the day prior to the announcement of appointment on ASX (A\$0.032).</p>
Termination with Notice	4 months
Sign-On Bonus	<p>Subject to shareholder approval, the Company will issue 14million options as a Sign-On Bonus with an expiry date three years from the date of issue. The options have an exercise price, and vest upon the satisfaction of key performance indicators, as follows:</p> <ol style="list-style-type: none"> <li>1) 3million options @ AUD0.045 upon production of 20,000 tonnes per month of coal (including PCI) for three consecutive months;</li> <li>2) 3million options @ AUD0.055 upon production of 40,000 tonnes per month of coal (including PCI) for three consecutive months;</li> <li>3) 3million options @ AUD0.07 upon commencement of shallow river barging; and</li> <li>4) 5million options @ AUD0.10 upon first shipment of coking coal from BBM</li> </ol>

**ENDS****Further enquiries:**

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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, Indonesia considered prospective for metallurgical coal.