

**ASX ANNOUNCEMENT / MEDIA RELEASE**  
**26 October 2018**

## **Cokal Receives LOI from Sojitz Corporation for the Marketing of BBM Coal**

### **Highlights:**

- **Sojitz issues LOI to market BBM Coal**
- **Initially for the supply of PCI Coal, subsequently for the supply of Coking Coal**
- **Sojitz has customers in Japan, Korea, India, China and Vietnam**
- **Although LOI is non-binding, Sojitz have commenced marketing BBM Coal**

**Cokal Limited** (Cokal ASX:CKA, “Cokal” or “the Company”) announces the receipt of a non-binding Letter of Intent (LOI) from Sojitz Corporation (Sojitz) to promote and market PT Bumi Barito Minerals (BBM) coal products.

Cokal has enjoyed a long association with Sojitz, ever since it commenced activities in Indonesia in early 2011. Recent discussions have resulted in the LOI, outlining Sojitz’s intentions to become involved in BBM’s coal export market.

Sojitz is considering marketing BBM’s PCI coal to potential customers primarily in Japan, Korea, India, China and Vietnam for use in their steel mills. As an international trader of coal, Sojitz recognises the potential of BBM’s premium quality of PCI coal and has received strong interest for it from a number of potential customers.

Sojitz believes it can achieve a competitive price based on the Platts Low Vol PCI Index with reasonable adjustments for quality and freight difference.

Sojitz expressed their anticipation to initiate the first sale and to continue the long term, mutually beneficial partnership between Cokal and Sojitz.

Details of the BBM PCI coal project are included in the presentation released on ASX on the 24<sup>th</sup> May 2017.

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## About Sojitz Corporation

Sojitz Corporation (Japanese: 双日株式会社 Hepburn: Sōjitsu Kabushiki-gaisha) is a sogo shosha (general trading company) based in Tokyo, Japan. It is engaged in a wide range of businesses globally, including buying, selling, importing, and exporting goods, manufacturing and selling products, providing services, and planning and coordinating projects, in Japan and overseas. The broad range of sectors in which Sojitz operates includes automobiles, energy, mineral resources, chemicals, foodstuff resources, agricultural and forestry resources, consumer goods, and industrial parks.

Sojitz was formed in 2004 by the merger of Nissho Iwai Corporation (Nisshō Iwai Kabushiki-gaisha) and Nichimen Corporation (Nichimen Kabushiki-gaisha). In Indonesia, Sojitz has an interest in the chemicals sector including methanol production.

Cokal's CEO, Mr Jim Coleman, was pleased with this release. The relationship between Cokal and Sojitz is important to our coal marketing efforts and demonstrates the demand for BBM's premium quality metallurgical coal, especially in the nearby Asian steel market.

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## About Cokal Limited

Cokal (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 in this release include, but are not limited to, the capital and operating cost estimates and economic analyses from the Study.

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.

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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.