

ASX ANNOUNCEMENT / MEDIA RELEASE
21 January 2019

Cokal Signs Agreements to Develop Shallow Draft Barging on the Barito River

Highlights:

- **Cokal and An PhatLoc sign Heads of Agreement to cooperate**
- **Cokal and An PhatLoc sign Confidentiality and Non-Circumvention Agreement**
- **Schedule to deliver four barges and a push boat by mid-2019**

Cokal Limited (Cokal ASX:CKA, “Cokal” or “the Company”) announces the signing of a non-binding Heads of Agreement (HOA) with **An PhatLoc General Trading Co. Ltd** (An PhatLoc) from Nam Dinh Province of Vietnam to jointly develop shallow draft barging on the Barito River to transport metallurgical coal directly from the PT Bumi Barito Minerals (BBM) project area.

Cokal’s CEO and two senior Cokal mining experts visited An PhatLoc in Vietnam in late December, to inspect a four barge tow in operation on the Red River in Vietnam. All barges and the push boat were built by An PhatLoc and are now operated by its logistics company. Cokal’s team was impressed with the quality of the barges produced by An PhatLoc and confident that they can be relied upon to transport BBM coal from its mine adjacent to the Barito River.

An PhatLoc sent a team in early January to inspect the upper part of the Barito River adjacent and downstream from the BBM project. Following their site inspection at BBM, the An PhatLoc team met with Cokal’s team in Jakarta and signed a Confidentiality and Non Circumvention Agreement.

From discussions in Jakarta, the teams agreed in principle on suitable specifications of the barges and push boat design. Barges built by An PhatLoc carrying 1,700 tonnes of coal can be designed to operate in 3m water depth. If the load is reduced to 1,000 tonnes they will be able to operate in 1.95m water depth. This will enable successful barging operations to be undertaken from Cokal’s BBM mining operation over significantly longer periods than conventional draft barges currently used in Indonesia.

A proposed schedule was agreed to finalise boat specification and negotiate commercial terms to purchase four barges and a push boat with delivery to the Barito River by mid-2019.

The following photos were taken during Cokal’s inspection of the four barge tow in operation on the Red River in Vietnam. All barges and the push boat were built by An PhatLoc and are now operated by its logistics company.

About An PhatLoc General Trading Co. Ltd

An Phat Loc General Trading Co. Ltd (An Phat Loc) is located in the Shipping-Engineering Industrial zone, Xuan Truong Town, Xuan Truong District, Nam Dinh Province of The People's Republic of Vietnam.

An Phat Loc is a Vietnamese private company which constructs shallow draft barges and shallow draft push boats which may be able to operate on the Barito River for substantially more days each year than conventional towed barges. It also operates a logistics company providing barging services to Vietnamese resource companies.

Cokal's CEO, Mr Jim Coleman, was pleased with this progress on developing a shallow river solution for BBM, saying "This cooperative relationship between Cokal and An PhatLoc is crucial to provide a reliable logistical outcome for delivering BBM premium metallurgical coal to the Asian marketplace in a timely manner. Our coal will arrive in a fresh state for our customers to receive the full benefit of our coking properties in their blast furnaces."



An PhatLoc Manufactured Shallow Draft Push Boat



An PhatLoc Manufactured Shallow Draft Barges – Four Tied Together.



Shallow Draft Barges Covered to Protect the Cargo and the Environment



Relocatable Access across Barges

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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.

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.