

ASX ANNOUNCEMENT / MEDIA RELEASE

15 January 2020

COKAL TAKES LEGAL ACTION AGAINST PT RESINDO RESOURCES & ENERGY

Cokal Limited (ASX:CKA, “Cokal” or “the Company”) through its Indonesian subsidiary, **PT Bumi Barito Mineral (“PT BBM”)** has filed civil claim against **PT Resindo Resources & Energy (“PT RESINDO”)** at South Jakarta District Court under the registration number 1048/Pdt.G/2019/PN JKT.SEL dated 6 December 2019 (“**CIVIL CLAIM**”) based on an allegation of unlawful action (allegation of fictional transaction). PT RESINDO has issued certain invoices in the total amount of US\$579,251.38 [AU\$840,109] and IDR1.364.618.016 [AU\$145,101] (collectively referred to as “**PAYMENT**”) to PT BBM without any supporting documents to verify the work done. Notwithstanding this the previous management of PT BBM in good faith paid the PAYMENT to PT RESINDO. The incumbent management of PT BBM has disputed this because of the lack of supporting documentation and intends to recover the PAYMENT plus damages in the total amount of IDR10,000,000,000 [AU\$1,063,313] from PT RESINDO through CIVIL CLAIM. PT BBM as the Plaintiff has the subjective legal right in order to solely determine the amount of the damages.

The CIVIL CLAIM is currently still in the mandatory mediation process which will be held on Thursday, 16 January 2020 at South Jakarta District Court. The mediation process is mandatory and the Panel of Judges shall encourage the parties to reach an amicable settlement. The parties are given 30 (thirty) working days to mediate (extendable for a further 30 (thirty) working days with the agreement of the parties). However, the first 30 (thirty) working days can be shortened if the parties disagree to the mediation process or there is deadlock in the mediation process. In the event that the mandatory mediation process has failed then the Panel of Judges of South Jakarta District Court shall proceed the CIVIL CLAIM to a court hearing.

If a settlement is reached during the mediation, the parties with the help of mediator shall conclude their settlement in a signed written agreement (amicable settlement) then the parties may request ratification of the said settlement. The ratification of the said settlement has the same legal power as a decision of the court. No parties may file an appeal against the said ratification of settlement (final and binding).

The completion of the case at the District Court is at the latest within 5 (five) months including the completion of the filing of the docket of the case. The losing party at the District Court is entitled to appeal the decision of the District Court to the High Court. The completion of the case at the Court of Appeal is at the latest within 3 (three) months including the completion of the filing of the docket of the case. The losing party in the level of the High Court may file a

cassation to the Supreme Court through the District Court. The completion of the case of cassation at Supreme Court shall be completed at the latest within 250 (two hundred fifty) days.

The losing party in the level of cassation at the Supreme Court may file a Civil Review which is an extraordinary legal action to challenge the outcomes of the decision considered final and enforceable. The completion of the case of civil review at the Supreme Court shall be completed at the latest within 250 (two hundred fifty) days.

ENDS

Further enquiries: Domenic Martino
Non Executive Chairman
E: dmartino@cokal.com.au

This ASX announcement was authorised for release by the Chairman.

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, which are considered prospective for metallurgical coal.