

3 February 2020

Ms Elizabeth Harris
Manager, Listings Compliance (Perth)
ASX Compliance Pty Limited
Level 40, Central Park
152-158 St Georges Terrace, Perth WA 6000

Via email: ListingsCompliancePerth@asx.com.au

Dear Ms Harris,

**RE: Cokal Limited ("Cokal" or the "Company", ASX:CKA)
Response to ASX Aware Query**

We refer to your letter dated 31 January 2020, requesting a response to your questions raised.

Cokal's response to each of the questions contained in your letter is as follows:

- 1. Does CKA consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

The Company is not of the view that the information contained in its release of 15 January 2020 entitled "Cokal Takes Legal Action" is information that a reasonable person would expect to have a material effect on the price or value of its securities.

- 2. If the answer to question 1 is "no", please advise the basis for that view?**

Consistent with the Company's legal advice in Indonesia, it is not reasonable to believe that the result of this legal action initiated by Cokal will result in any material outcome to the Company. The board expects to eventually settle this matter or have the court declare it settled. Cokal's legal advice is that it is not expected that any large award will be made to Cokal if Cokal wins, but more importantly that no large award against the Company is expected by Cokal's legal advisors either. The expected outcome is a negligible amount owing either way, with a worst case expected outcome of an award under AU\$100,000. The Board considers that neither of these outcomes is material to the Company.

- 3. When did CKA first become aware of the Information?**

The Company was first aware of the Information on 6 December 2019. Since then mediation has been underway and the next court hearing will be held on 5 February 2020.

The Company announced the legal action on 15 January 2020 as a result of discussion of the claim in the market and to set out the facts associated with the claim and its resolution.

4. If the answer to question 1 is “yes” and CKA first became aware of the Information before the relevant date, did CKA make any announcement prior to the relevant date which disclosed the Information (or any part thereof)?

Not applicable

5. Please confirm that CKA is complying with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

6. Please confirm that CKA’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CKA with delegated authority from the board to respond to ASX on disclosure matters.

The above responses have been authorised and approved by the Board.

By Order of the Board
Yours faithfully
Cokal Limited



Domenic Martino
Director



31 January 2020

Reference: 13218

Ms Louisa Martino
Company secretary
Cokal Limited
Level 5, 56 Pitt Street
Sydney NSW 2000

By email: louisa@indianoceancapital.com

Dear Ms Martino

Cokal Limited('CKA'): Aware Query

ASX refers to the following:

- A. CKA's announcement entitled "Cokal Takes Legal Action" released on the ASX Market Announcements Platform at 2:07 PM (AEDST) on 15 January 2020 (the 'Announcement'), disclosing that its Indonesian subsidiary PT Bumi Barito Mineral had filed a claim against PT Resindo Resources & Energy at South Jakarta District Court on 6 December 2019 based on an allegation of unlawful action (allegation of fictional transaction) in the amount of Indonesian Rupiah 10,000,000,000 (A\$1,063,313) ('Information').
- B. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- C. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:
- "an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."*
- D. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied:
- "3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*
- 3.1A.1 One or more of the following applies:*
- It would be a breach of a law to disclose the information;*
 - The information concerns an incomplete proposal or negotiation;*
 - The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
 - The information is generated for the internal management purposes of the entity; or*
 - The information is a trade secret; and*
- 3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
- 3.1A.3 A reasonable person would not expect the information to be disclosed."*

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- E. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."

Request for Information

Having regard to the above, ASX asks CKA to respond separately to each of the following questions and requests for information:

1. Does CKA consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.
3. When did CKA first become aware of the Information?
4. If the answer to question 1 is "yes" and CKA first became aware of the Information before the relevant date, did CKA make any announcement prior to the relevant date which disclosed the Information (or any part thereof)? If so, please provide details. If not, please explain why this Information was not released to the market at an earlier time, commenting specifically on when you believe CKA was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps CKA took to ensure that the Information was released promptly and without delay.
5. Please confirm that CKA is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that CKA's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CKA with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM AWST Monday, 3 February 2020**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CKA's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph and may require CKA to request a trading halt immediately.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CKA's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that CKA's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in CKA's securities under Listing Rule 17.3.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

Elizabeth Harris
Manager, Listings Compliance (Perth)