

**ASX ANNOUNCEMENT**  
**25 October 2013**

## **COKAL ANNOUNCES ADDITIONAL JORC RESOURCES FOR BUMI BARITO MINERAL (BBM) METALLURGICAL COAL PROJECT IN CENTRAL KALIMANTAN, INDONESIA**

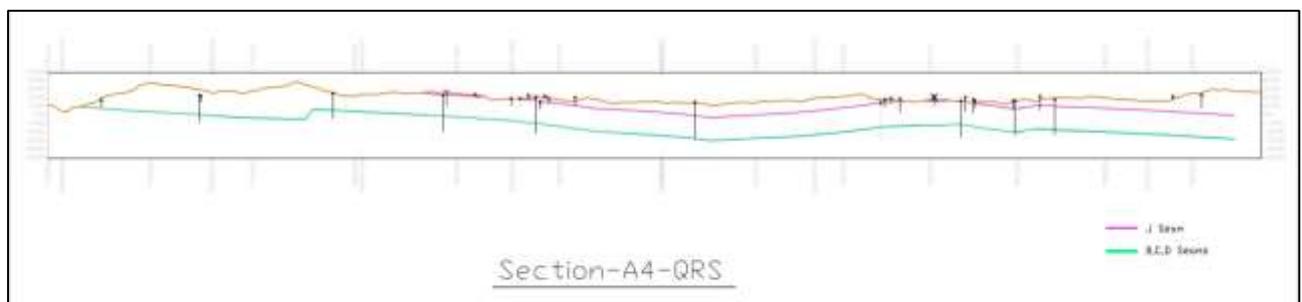
### **HIGHLIGHTS**

- **Total Coal Resource estimate of 264Mt at BBM, a 340% increase on previous estimate**
- **Comprised of 10.5Mt Measured, 13.5Mt Indicated and 240Mt Inferred Resources**
- **Resource increase attributed to the 'J' Seam and KLM area which is 100% Premium Coking Coal**
- **Product split of total BBM Coal Resource is now 90% Coking Coal and 10% PCI**
- **'J' Seam has sufficient low ash raw coal product for direct ship potential in initial years of production**
- **Resources include open pit and underground potential**

Global metallurgical coal group Cokal Ltd (ASX:CKA) announced today an upgrade of the Coal Resources for the Eastern portion of the Bumi Barito Mineral (BBM) coal project, comprising of 10.5Mt Measured, 13.5Mt Indicated and 240Mt Inferred Coal Resources in accordance with the JORC Code (2012).

All of the additional Coal Resources have been determined as coking coal from analytical results. Deep stratigraphic boreholes (up to 400m deep) have confirmed the KLM area to consist of the continuation of the 'J' Seam to the east of the 'J' Seam outcrop area. This is due to a synclinal/anticlinal structural feature whereby the 'J' Seam extends from the outcrops down to depths of around 300m and then comes back up to the surface in the KLM area in the east (see Figure 1 Below).

**Figure 1: West-east cross-section across Eastern Block of BBM showing syncline/anticline structure**



An economic analysis of the Coal Resource is underway to determine the ratio of open pit to underground coal extraction.

The roof of the 'J' Seam predominantly consists of a very hard sandstone (up to 95MPa) while the immediate 1m to 2m of roof material is shaley in nature. This combination is ideal for extraction of the deeper J Seam Resources using underground methods such as thin-seam longwall mining.

Cokal Executive Director, Mr Pat Hanna, said "this Coal Resource upgrade is in line with the Exploration Target previously announced. Further drilling will define additional Coal Resources and increase the proportion of Measured and Indicated Resources."

**Table 1: BBM JORC Coal Resources by Category and Seam**

Seam Name	Seam Thickness (m)	Measured Resources (Mt)	Indicated Resources (Mt)	Inferred Resources (Mt)	Total Resources (Mt)
J	1.34	10.5	13.5	30	54
D	1.37			75	75
C	1.14			70	70
B	0.97			65	65
<b>TOTAL</b>		<b>10.5</b>	<b>13.5</b>	<b>240</b>	<b>264</b>

**Table 2: BBM JORC Coal Resources by Category and Depth of Cover**

Depth Range (m)	Measured Resources (Mt)	Indicated Resources (Mt)	Inferred Resources (Mt)	Total Resources (Mt)
0-50	5.0	2.0	6.0	13.0
0-100	9.3	8.0	17.0	34.3
0-150	10.5	13.0	39.0	62.5
0-200	10.5	13.5	60.0	84.0
0-250	10.5	13.5	84.0	108.0
0-300	10.5	13.5	118.0	142.0
>300	10.5	13.5	240.0	<b>264.0</b>

The Coal Resources for BBM have been estimated in accordance with the 2012 version of the JORC Code. The area covered by the current Coal Resource estimate is 30% of the total area of the BBM Production IUP tenement license.

**Table 3: In-situ Average Coking Coal Quality, 'J' Seam (% adb)**

Product	Yield	Inherent Moisture	Ash	Volatile Matter	Fixed Carbon	Total Sulphur	Calorific Value Kcal/kg	CSN	Relative Density	Phosphorus
Raw Coal	100	0.9	6.5 – 23.2	15.6 – 18.9	58.4 – 74.8	0.31 – 0.55	6500 – 8100	9	1.39	0.009
Washed Coal	81	0.7	5.3	18.1	76.0	0.42	8,300	9	1.32	N/A

**Table 4: In-situ Average PCI Quality, 'B, C and D' Seams (%adb)**

Inherent Moisture	Ash	Volatile Matter	Fixed Carbon	Total Sulphur	Calorific Value Kcal/kg	CSN	Relative Density	Phosphorus
1.0	6.5	9.5	83.0	0.42	8,100	1.5	1.37	0.002

Chairman and CEO Peter Lynch said “Cokal is close to completing a definitive feasibility study using the latest Coal Resources. The economic modelling of the DFS results is expected demonstrates a good cashflow can be generated in early stage of production. I am particularly excited of the long term potential of BBM which will include extraction of a large portion of the Coal Resources using efficient underground mining methods”.

**ENDS**

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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. Cokal has also signed a joint venture to explore for coal in Tanzania with Tanzoz Resource Company Limited.

**Forward Looking Statements**

Statements regarding plans with respect to the Company’s exploration properties are forward-looking statements. There can be no assurance that the Company’s plans for development of its properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company’s exploration properties.

**Competent Person Statement**

The information in this report relating to Mineral Resources is based on information compiled by Tri Yoso who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Cokal Limited.

Mr Yoso is a qualified geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

Mr Yoso consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.

**Exploration Target**

All statements as to Exploration Targets of Cokal Limited and statements as to potential quality and grade are conceptual in nature. There has been insufficient exploration undertaken to date to define a Coal Resource and identification of a Resource will be totally dependent on the outcome of further exploration. Any statement contained in this document as to exploration results or Exploration Targets has been made consistent with the requirements of the Australasian Code for Reporting of Exploration Results, Resources and Ore Reserves (JORC Code).