



# GENERAL MEETING CEO PRESENTATION

**21 September 2018**



**1 New organisation structure**

**2 Employee status**

**3 Potential partners for  
mining and barging**

**4 Mine site visit**

## Jim Coleman

- **50 years experience in open cut and underground mining including mine management, project development and operations**
- **Integrated project development in Australia, Mozambique, Thailand, The Philippines, India and throughout SE Asia**

## Jim Coleman

- Evaluated 500 km shallow water barging on the Zambezi River in Mozambique
- Hands on knowledge of all mining methods,
- Reputation for innovative yet practical solutions
- Ability to lead a multi-faceted technical and operating team in the SE Asian cultural and physical environment
- Experience of in-pit crushing and conveying systems

## 1 New organisation structure

## Jakarta Office Staff

- **Garry Kielenstyn – Indonesian Affairs**
- **CFO**
- **Chief geologist**
- **LT Mine Planning**

## Mine Site Staff

- **Mine Site Manager (MSM)**
- **All mine staff report directly to MSM**
- **Mine staff work 6 weeks on 2 weeks off**
- **Mine staff will work 6 days a week**

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## Employee status

## Employment Status

- **31 staff employed in August**
- **11 staff in Jakarta reduced to 9**
- **14 staff at mine site reduced to 7**
- **22 staff in total by October**
- **BBM Anak trial mining staff was 89**

## Experienced Staff

- **An additional 19 staff required for production**
- **Total will be 41**
- **Mining by contractor**
- **Mine planning by Cokal**

## Experienced Staff

- **Contract operations monitored 24/7 by experienced Cokal staff**
- **Cokal will check mining location, coal quality, tonnage in contract payments**
- **Daily reports to Mine Site Manager copied to CEO**

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**Potential partners for  
mining and barging**

## **Aahana Global Resources & Investment Pte Ltd**

- **Met Principal Karan Bangur in Jakarta**
- **Discussed implementation, desire to move ahead**
- **Site visit deferred while another investor conducts DD**

## PT Bara Mineral Asri (BMA)

- Met CEO Asri Azhar Rahmatullah
- BMA desire to partner with BBM for mine development and operation
- DD commenced, BMA Geologists to site with Cokal's CEO and Director
- BMA survey team to site last week with mine manager

## **PT Bara Mineral Asri (BMA)**

- **DD includes 2,000m of drilling**
- **Cokal informed BMA existing port flawed**
- **Cokal will develop Krajan port 4kms from existing port to avoid rock outcrops**
- **Purnama port not required**
- **Stockpile on BBM land**
- **Initial Krajan port in 4 to 6 months**
- **Shallow river barging from Krajan port**

## **PT Bara Mineral Asri (BMA)**

- **PCI coal available in Strip 1 Pit 2 determined by current survey**
- **Strip 2 Pit 2 requires blasting permit**
- **Forestry permit required for East part Pit 2**
- **Upgraded road to Pit 3 to haul coal**
- **Possibility to mine coking coal before end 2019**

## PT Bara Mineral Asri (BMA)

- **BBM geological model to be updated with new survey data**
- **Transferred BBM geological model to BMA system**
- **Reconcile both versions of model**
- **Computer models used for mine planning**

## PT Bara Mineral Asri (BMA)

- Pit optimisation will use actual contract costs
- Mine plan developed
- PCI coal, coking coal and anthracite
- Highwall mining to be considered
- CEO to oversee all planning

## Meratus Advance Maritime (MDM)

- Met with MD MDM, Mulyadi Wibowo on 24 August in Surabaya
- Cokal identified 28 sites along the Barito River for channel improvement
- All located and described using bathymetric data
- Mostly dredging, some rock removal

## **Meratus Advance Maritime (MDM)**

- **Budget to be prepared for channel improvement**
- **Progressive improvement of the Barito River channel**
- **MDM considered a good partner**

## LG International

- Met with James (Sang Moo) Lee, Head of Coal Investment Team 1 in the Coal Business Division of LG International
- LG group expressed interest in developing BBM and investing in Cokal
- Explained in DD period with another investor and partner for Cokal in BBM
- Mr Lee will move ASAP within the LG Group to reply to Cokal with a proposal

## **PT Toyota Tsusho Indonesia (TT)**

- **Met with Kotaro Kubo, Hirokazu Isonishi and Albert Sitorus of TT**
- **TT trade in niche markets**
- **Commonly known as Toyota Trading**
- **Work in conjunction with Tomen**

## **PT Toyota Tsusho Indonesia (TT)**

- **TT trade 2.5 – 3Mt/a from Indonesia**
- **Shipments to Japan viable in dedicated 6kt vessel**
- **TT requested Spec Sheets for PCI, coking coal and anthracite**
- **TT want to visit site when production commences (planned for Dec 2018)**

## **PT Mitsubishi Corporation Indonesia (Mitsubishi)**

- **Met with Christianto, Marketing Senior Manager, Metals Group of Mitsubishi**
- **He expressed interest in buying coal from BBM**
- **Initial approach only**



**4 Mine site visit**

## Travel to BBM Site

- CEO initial mine site visit on 29 August
- Site visit initiated the DD by BMA
- 4am start from Palangka Raya,
  - 5 hours by car to Tambang Lahung
  - 2 hours by speedboat to reach the BBM Anak mine site
- Inspected trial mine and support infrastructure

## Breakfast On route to Tambang Lahung



## Upper Barito River



## BBM Anak Mine

- Continuity of seams seen in highwall
- The pit is flooded , no cutoff drains
- Haul roads need upgrading
- Seams D, C and B, each 1 – 1.5m
- Some overburden dumped in pit
- Strip 1 to be extended East and West
- At least two more 50m wide strips could be mined in this pit.

## Barito River At BBM Anak



## BBM Anak Flooded Pit



## BBM Anak Haul Road



## BBM Krajan Camp

- Cokal's BBM camp at Krajan is simple but adequate for the exploration phase
- Mining contractor will require a much more substantial camp development
- This will be located to take advantage of the existing facilities

## Krajan Camp



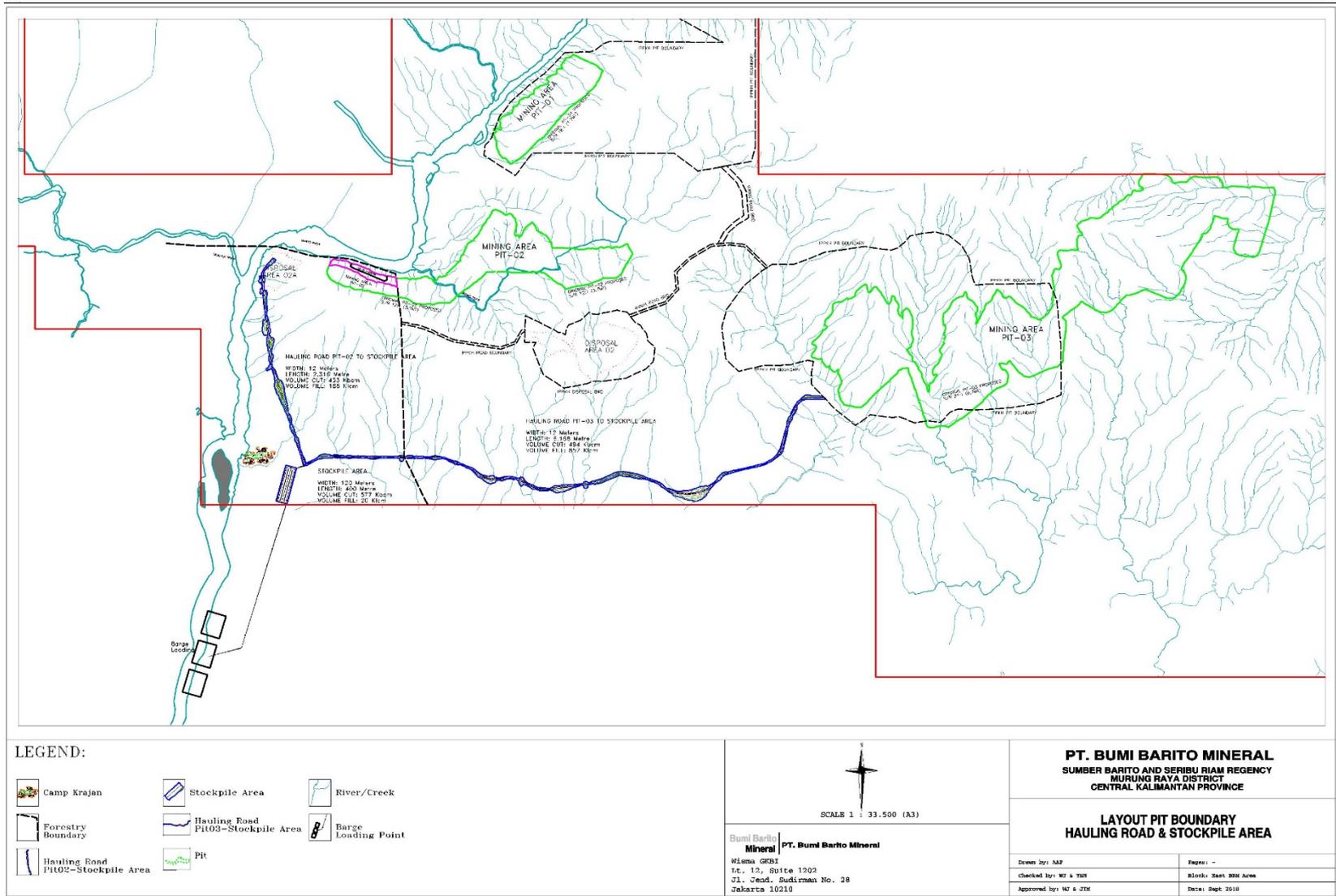
## **BBM Access Logistics**

- **Some aspects need to be improved**
- **Ramps with handrails to board/alight speedboat at Tambang Lahung and camp**
- **An office in Palangka Raya (house with two bedrooms) transit/Government liaison**

## BBM Access Logistics

- Bunkhouse in Tambang Lahung for fly in fly out employees to transit overnight
- Purchase a robust 4WD vehicle to comfortably transport at least six people
- Customise a wider speedboat fitted with bathymetric recording equipment to improve our knowledge of the Upper Barito River

# MINE PLAN



- **Cokal has a new operating structure**
- **Mines in BBM now being planned (PCI coal, coking coal, anthracite)**
- **Barge direct from Krajan (the mine site)**
- **Mine coking coal by end 2019**
- **MDM will be a good partner for barging**
- **BMA will be a good partner for mining**
- **Cokal is moving !**



**THANK YOU**