

ASX ANNOUNCEMENT / MEDIA RELEASE
07 March 2023

Cokal's BBM Coal Haulage Road Update

Key Highlights

- **BBM coal haulage road 95% complete and will be fully operational by April 2023**
- **Key milestone for CKA's dual pronged logistics strategy, with haulage road to handle up to 70% of production volumes and support production ramp up**
- **Initial trucking trials scheduled for 3rd week of March 2023, increasing to full capacity from April 2023 onwards**
- **Cokal to update the market on initial coal sales from the BBM Project by mid March 2023**

Cokal Limited (**Cokal**) (ASX: **CKA**) is pleased to announce that its coal haulage road from the BBM Project to the Bata Tuhup Jetty is currently 95% complete and will be fully operational by April 2023^a.

The completion of the coal haulage road will be a crucial step towards achieving full ramp up in production as it will provide sustainability in the Company's logistics route and will handle transportation of 70% of production volumes. The pending completion and commencement of road hauling operations is an extremely important step towards Cokal's multi-faceted logistics strategy to ensure sustainability of supply of high grade metallurgical coal to the market, while also reducing overall transportation costs.

In addition, completion of the haul road will reduce the current operational dependability on the existing barging route, which can be impacted by changing water levels at times. Notwithstanding this, post the planned investment in new barges (announced 27 February 2023), Cokal expects to be able to transport coal via barging for up to 280 days of the year.

Together, completion of the coal haulage road and planned barge fleet expansion, represent key milestones for Cokal in finalising and optimising its logistics strategy at the BBM Project, which will support production ramp-up going forward.

Key Updates on Coal Haulage Road

BBM has made a substantial investment obtained from its infrastructure development loan and have been in the process of developing the proposed coal haul road (partly captive licensed and partly

^a As per CKA's announcement on 27 February 2023 "*Cokal's BBM Coal Mine Operations & Barging Update*", whereby the Company indicated it would update the market in the near term on progress of the haul road.

existing public road) since early 2020, including land acquisition and obtaining all the necessary licensing and permitting requirements.

Key upcoming newsflow items:

- BBM Pit 3 to Bat Tuhup Jetty hauling road nearing completion with 95% progress till date.
- BBM's Infrastructure Development team is currently using two fleets of heavy equipment working from opposite directions which are expected to complete the initial passage for the complete 98kms hauling road by 10th March 2023
- Current progress for Fleet 1 (From Pit 3 towards BTJ) is at KM 85 whereas Fleet 2 (From BTJ direction towards Pit 3) is at KM 82
- Finishing works including laying gravel at identified critical sections with more than >12% gradient to ensure safety of hauling trucks ,setting up safety signs and other related works at sections expected to be complete by 20th March 2023
- Initial trial runs with existing fleet of trucks will commence in the 3rd week of March
- Road shall be fully operational and available to haul coal from BBM Pit 3 to BT Jetty beginning April 2023
- The road route will result in improved transportation costs

Update on Initial Coal Sales

In addition, Cokal looks forward to updating the market on initial coal sales from the BBM project by mid March 2023. Coal is currently being transported and stockpiled at Batu Tuhup Jetty in preparation for domestic market delivery under the existing Offtake agreement with PT Sumber Global Energy shortly.

ENDS

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This ASX announcement was authorised for release by the Board of Cokal Limited.

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 considered prospective for metallurgical coal.

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