

31 January 2023

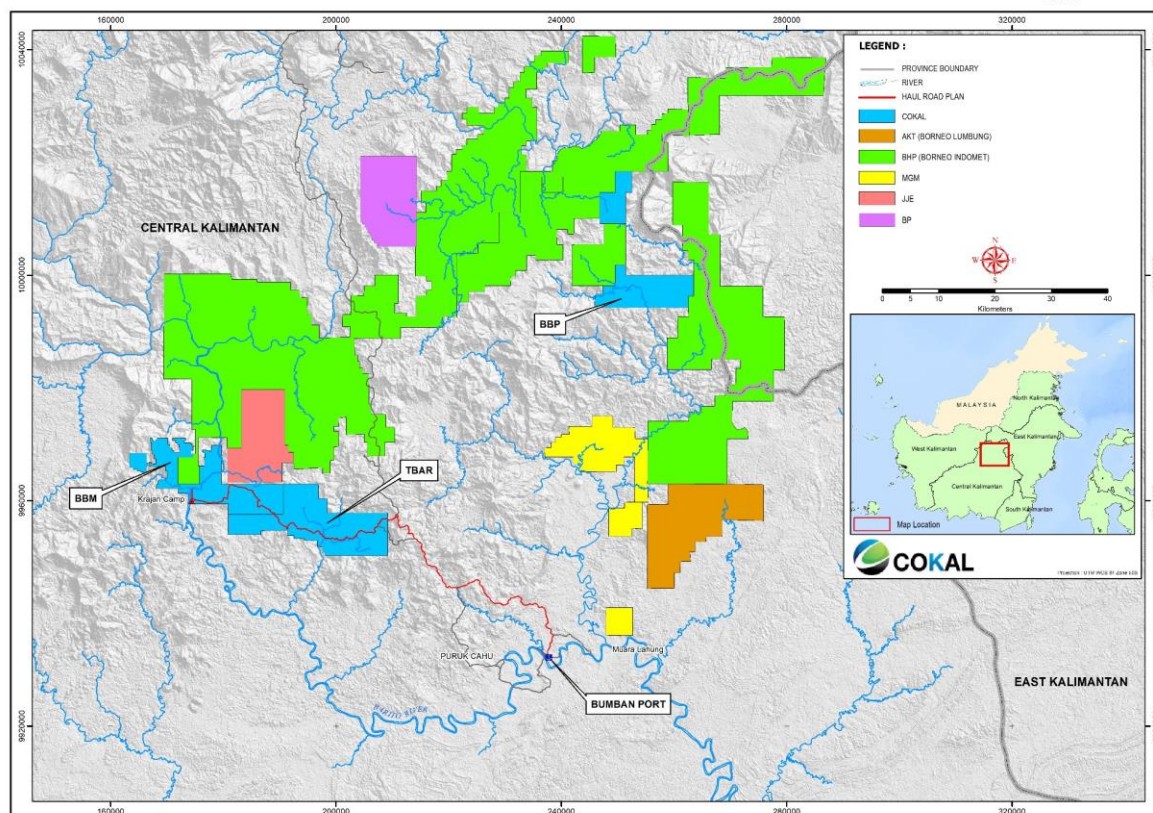
**QUARTERLY REPORT FOR THE THREE MONTHS  
ENDING 31 DECEMBER 2022****HIGHLIGHTS**

- The BBM coking coal mine commenced commercial production of metallurgical coal in November 2022
- Production continues to ramp-up towards capacity of 2.0Mtpa
- Product coal is currently being stockpiled at Krajan Jetty, readying for first coal sales
- Development of Cokal's road and port infrastructure for coal transport is continuing on-track
- Cokal acquired a fleet of barges and tug-boats to provide guaranteed capacity for coal transport from BBM's Krajan Jetty to Batu Tuhup Jetty, and which will also be a lower cost option for Cokal

**INDONESIAN COAL ASSETS**

Cokal holds shares in the following Indonesian coal assets in Central Kalimantan, each with known resources of metallurgical coal:

- 60% of the Bumi Barito Mineral (BBM) project located in Central Province, Kalimantan, Indonesia. The BBM project area is 14,980ha;
- 75% of PT Tambang Benua Alam Raya (TBAR) which owns an exploration tenement covering an area of approximately 18,850ha in Central Province, Kalimantan, Indonesia. This tenement is located adjacent to and southeast of the BBM project;
- 60% of the Borneo Bara Prima (BBP) project located in Central Province, Kalimantan, Indonesia. The BBP project area is approximately 13,050ha;
- 75% of the Anugerah Alam Katingan (AAK) project. This project is located in Central Province, Kalimantan with an area of approximately 5,000ha. AAK is currently on 'on-hold' status by the Provincial Police Department. The Police have investigated a dispute over the ownership of AAK pre-dating Cokal's interest in the Project. Cokal is an aggrieved party and will await the outcome of the Police investigation.



### Cokal's Coking Coal Tenements

There was no change in these shareholdings during the quarter.

Cokal has not acquired any new licences during the quarter and has not relinquished any licences.

BBM, TBAR, BBP and AAK are located adjacent to Indomet's extensive coking coal tenements. The Company is focused on ramping-up production from BBM, along with continued development of BBM's transport infrastructure. In addition, Cokal will commence drilling at the contiguous TBAR project, targeting a maiden resource in 2023 and first production in 2024.

### Bumi Barito Mineral (BBM) Tenement

BBM's permit covers an area of 14,980ha with multiple seams of high quality metallurgical coal. It is bisected by the Barito River, which cuts through the tenement in a north-south trend. Almost the entire IUP contains coal-bearing sediments with open cut mineable areas controlled by three major fault systems.

Coal analyses from more than 130 outcrops on the west side of the Barito River indicate that it contains premium quality anthracite and PCI coals. This coal does not currently form part of the stated BBM coal resources and therefore provides significant potential for a major future expansion of BBM resources.

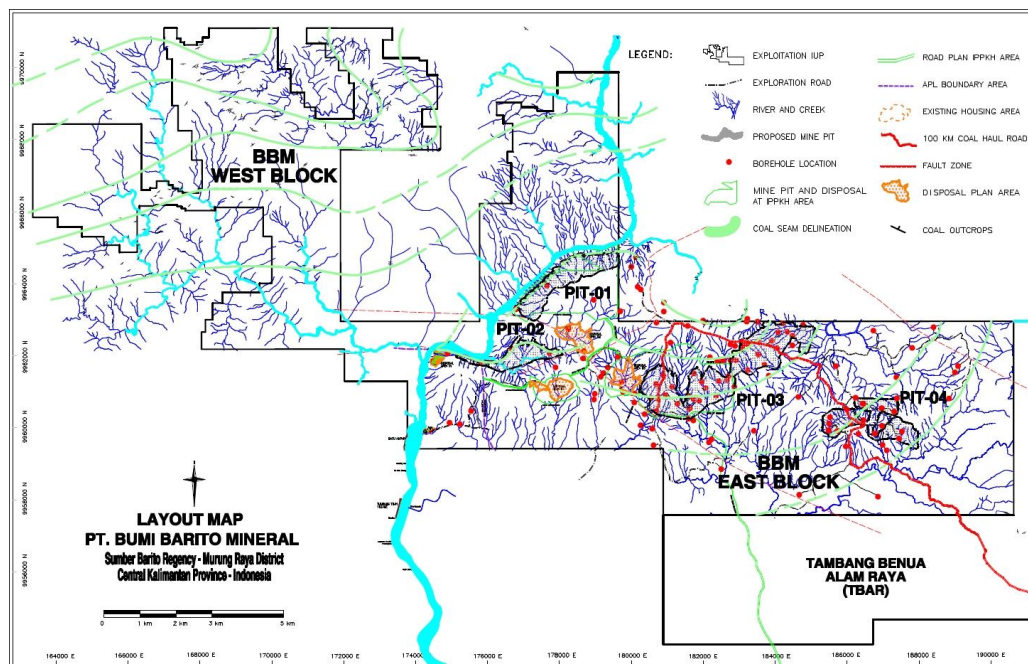
BBM has regulatory approvals in place including:

- Mining Licence for 20 years with two further extensions of 10 years each;
- Environmental approval for a mining rate of up to 6Mt per annum;
- Port construction approval;
- Forestry Permit to commence mining activity;

- RKAB approval of its annual plan.

BBM commenced commercial production of metallurgical coal in November 2022 and is continuing with development of road and port infrastructure for coal transport.

No exploration activity was conducted by Cokal at BBM during the quarter. However, work continued on the repair of the 98km access road to the tenement.



**BBM Tenement Areas**

### Tambang Benua Alam Raya (TBAR) Tenement

TBAR's exploration authority covers an area of 18,850ha immediately adjacent to and south east of Cokal's BBM tenement. Outcrop mapping of four seams over 17km strike length indicates a substantial resource of high grade coking coal in this deposit. It is believed these seams correlate to the B, C, D and J seams in BBM.

Tenders have been called for delineation drilling in the TBAR deposit. This will outline the coal occurrence in the tenement and enable an estimate to be made of the TBAR Resources and Reserves under the JORC code. It is expected that all coal in the TBAR deposit is high grade coking coal similar to that in BBM. Exploration of the TBAR deposit will use the road to the BBM deposit and is on hold until this access is established.

The haul road from BBM to the jetty at Batu Tuhup passes through the TBAR tenement and provides a notional 75km access road to the jetty when the mine is developed.

No further exploration activity or mining production was conducted at TBAR during the quarter. A drilling budget, alongside regulatory approvals including land compensation, are being finalised with drilling scheduled for Q1 2023.

### Borneo Bara Prima (BBP) Tenement

Cokal's BBP project covers 13,050ha in Murung Raya Regency, Central Kalimantan. BBP has been granted an Exploration Forestry Permit (IPPKH) and has been confirmed on the Central Government's Clean and Clear list.

The IUP was transferred to the Central Government where it now awaits approval to be upgraded to a Production and Operation IUP.

No exploration activity or mining production was conducted in BBP during the quarter.

### **Anugerah Alam Katingan (AAK) Tenement**

Cokal's AAK project covers 5,000ha in Central Kalimantan. Applications for the Exploration Forestry Permit (IPPKH) and Clean and Clear Certificates continue to be processed. Cokal continues to monitor the progress of the regulatory upgrade approvals for AAK.

No exploration activity or mining production was conducted on AAK during the quarter.

## **BBM PROJECT ACTIVITIES**

### **Mining Operations**

1. The Mining Contractor mobilised and commissioned 2 fleets of equipment towards end of Q3 and an additional fleet of equipment was added in Q4 2022.
2. The Mining Contractor commenced initial topography survey and a test pit in Q3 2022 followed by pre strip work in Q4 2022.
3. Initial top layer coal production commenced in Q4 2022.
4. Additional Coal Seam I discovered and further study undertaken in Q4 2022.
5. Overburden Removal and Coal getting activities ongoing in Pit 3.
6. Hauling operations from Pit 3 to Krajan Jetty Stockpile ongoing.



## Mobilisation & Commissioning









## Coal Mining Operations











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## Logistics

1. Haul Road Development from Pit 3 to Krajan Jetty completed, RRM (running repair and maintenance) to continue.
2. Haul Road Development from Pit 3 to Batu Tuhup Jetty continued to progress in Q4 2022, Mohing Bridge section was completed and already in use.
3. Road Development progressed up to KM 79 with additional fleet of equipment progressing from Pit 3 end as of Q4 2022.
4. Initial development at Krajan Jetty including coal stockpile, additional camp and loading ramp completed.
5. Infrastructure Development at Batu Tuhup Jetty progressed as per schedule and achieved 100% land clearance while 95% progress was achieved for cut and fill works in addition to continual development of coal stockpile and unloading / loading ramp facilities.
6. Permanent Conveyor System development scheduled to commence in Q1 2023

## Haul Road Development















#### Krajan Jetty











## Batu Tuhup Jetty Development







## BARITO SAMUDERA NUSANTARA

In accordance with Cokal's long term strategy of developing sustainable and cost effective logistics solutions for its operations at BBM and TBAR, Cokal has incorporated PT Barito Samudera Nusantara (**PT BSN**), a wholly owned logistics arm which will provide captive and uninterrupted logistics support to transport coal from BBM's Krajan Jetty to Batu Tuhup Jetty using shallow draft barges.

Since incorporation, PT BSN has acquired a fleet of barges, tug boats, survey boats and a fuel barge to support the ongoing operations at the BBM mine. PT BSN currently has 40 personnel including an experienced project manager, administration and RRM department to handle the maintenance works inhouse.

Barges and Tugs have arrived at Krajan Jetty and are awaiting coal loading.

### PT BSN FLEET









## TBAR PROJECT ACTIVITIES

Cokal is preparing to commence a full-scale exploration drilling program in Q1 2023. Relevant preparation including licensing, permits and contracting works are being organised. Cokal is targeting a maiden JORC resource in 2023 with initial production in 2024.

## CORPORATE ACTIVITY

### Corporate

During the quarter the Company held its 2022 Annual General Meeting with all resolutions passed by poll.

### General

The Company had US\$145k in cash at the end of the quarter.

During the quarter the aggregate amount of payments made to related parties and their associates for Directors fees, consulting fees, company secretarial fees and Sydney office rental fees totalled US\$66k.

The Company spent US\$1,086k on exploration and development activities during the quarter. The details of these activities carried out during the quarter are set out in this report.



## Tenement Schedule

At the end of the quarter, the Company held the following tenements:

LOCATION	LICENCE NAME	TENEMENT NUMBER	HOLDER	OWNERSHIP		STATUS
				This Quarter	Last Quarter	
Central Province, Kalimantan, Indonesia	Bumi Barito Mineral (BBM)	188.45/149/2013	PT Bumi Barito Mineral	60%	60%	Granted
	Tambang Benua Alam Raya (TBAR)	570/25/DESDM-IUPEKS/II/DPMTSP-2020	PT Tambang Benua Alam Raya	75%	75%	Granted
	Borneo Bara Prima (BBP)	188.45/570/2014	PT Borneo Bara Prima	60%	60%	Granted
	Anugerah Alam Katingan (AAK)	41/DPE/III/VI/2011	PT Anugerah Alam Katingan	75%	75%	Granted

## ENDS

### Further enquiries:

Domenic Martino

Non-Executive Chairman

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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, which are considered prospective for metallurgical coal.

### Compliance Statements

#### Production Targets

Cokal notes the following in relation to the production targets presented in this Announcement:

- The production targets are underpinned by coal reserves and coal resources
- BBM forecast production is derived from JORC Ore Reserves. As at 2 September 2022, declared Ore Reserves for BBM totalled 23.8Mt<sup>1</sup>. Life-of-Mine production from BBM is forecast at 18.8Mt<sup>1</sup> on a run-of-mine basis, which represents ~79% of BBM's declared JORC Ore Reserves;
- All material assumptions are sourced from previous ASX announcements, including the below **ASX Announcements**;
- The coal resources and reserves on which the production targets are based have been prepared by competent persons in accordance with the requirements of JORC Code (2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves") (JORC Code).

<sup>1</sup>100% basis. CKA holds 60%

All material assumptions underpinning the production targets continue to apply and have not materially changed.

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**ASX announcements are as follows (ASX Announcements):**

- Cokal Announces Updated JORC Resource Statement for Bumi Barito Mineral (BBM) Project – 29 January 2015
- Updated JORC Resource Statement for Bumi Barito Mineral (BBM) Project – 29 April 2016
- Cokal Announces Reserve Update Bumi Barito Mineral (BBM) Project – 1 August 2017
- Annual Mineral Resources and Ore Reserves Statement – 28 September 2021
- Annual Mineral Resources and Ore Reserves Statement – 2 September 2022

**Forward Looking Statements**

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company’s business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company’s control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

**Cokal Limited**

ABN

**55 082 541 437**

Quarter ended ("current quarter")

**31 December 2022**

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (6 months) US\$'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(288)	(666)
	(c) production	(171)	(479)
	(d) staff costs	(388)	(677)
	(e) administration and corporate costs	(194)	(440)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(1)	(2)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Capital Participation Fee)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,042)</b>	<b>(2,264)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(201)	(956)
	(d) exploration & evaluation and mine development	(1,086)	(2,030)
	(e) Investment	-	-
	(f) other non-current assets	(204)	(204)

<b>Consolidated statement of cash flows</b>		<b>Current quarter US\$'000</b>	<b>Year to date (6 months) US\$'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,491)</b>	<b>(3,190)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	85
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	1,527	5,202
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(16)	(20)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,511</b>	<b>5,267</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,177	356
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,042)	(2,264)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,491)	(3,190)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,511	5,267



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (6 months) US\$'000
4.5	Effect of movement in exchange rates on cash held	(10)	(24)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>145</b>	<b>145</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter US\$'000	Previous quarter US\$'000
5.1	Bank balances	141	356
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Cash in Hand)	4	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>145</b>	<b>356</b>

6.	Payments to related parties of the entity and their associates	Current quarter US\$'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	66
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end US\$'000</b>	<b>Amount drawn at quarter end US\$'000</b>
7.1	Loan facilities	21,550	17,500
7.2	Credit standby arrangements		
7.3	Other (Prepayment)	2,000	2,000
7.4	<b>Total financing facilities</b>	23,550	19,500
7.5	<b>Unused financing facilities available at quarter end</b>		4,050
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	<div><div>1. US\$800,000 loan facility provided by Aahana Minerals Resources SDN BHD (Lender) was executed in September 2020. The facility interest rate is 12% per annum, compounded monthly and payable on the funds drawn down. The loan is repayable within 30 days of receipt of a written demand for repayment by the Lender. Cokal Limited has provided a corporate guarantee for payment the Loan. The group can utilize full amount of the facility when required.</div><div>2. US\$500,000 loan facility provided by Alpine Invest Holding Ltd was executed on 20 April 2021. The facility interest rate is 12% per annum, compounded monthly and payable on the funds drawn down. The group can utilize full amount of the facility when required.</div><div>3. US\$250,000 loan facility provided by Alpine Invest Holding Ltd was executed on 9 June 2021. The facility interest rate is 12% per annum, compounded monthly and payable on the funds drawn down. The group can utilize full amount of the facility when required.</div><div>4. On 29 December 2020 Cokal Limited entered into an agreement to monetise near-term coal production from BBM production. PT Sumber Global Energy ("SGE") will advance BBM a total of US\$2.0m as consideration for Cokal appointing SGE as Exclusive Sales Agent for domestic Indonesia coal sales, whereby SGE will undertake the marketing and sales of BBM coal sold into the Indonesian domestic market, for a period of 2 years from the date of first delivery of coal to SGE. BBM will repay the US\$2.0m to SGE through a reduction in the coal sales price over the term of the Agreement. To date US\$2m has been drawn under this facility.</div><div>5. On 14 July 2021 Cokal executed a US\$20m debt financing facility with International Commodity Trade (ICT) for development of the Bumi Barito Mineral (BBM) Coking Cokal Project. US\$1,500,000 was drawn during the quarter ended 31 December 2022 The fee for the debt finance is linked to BBM mining operations and is calculated as follows:<ul style="list-style-type: none"><li>- Total Fee for debt finance of US\$0.20 per BCM of overburden removal at BBM;</li><li>- Total Fee for debt finance is capped at a maximum amount of 200,000,000 BCM of overburden work which equates to a maximum amount of US\$40m (this fee includes interest payable);</li><li>- The fee is payable on a monthly basis, based on actual overburden removal with a minimum of 2,000, 000 BCM of overburden a month (US\$400,000);</li><li>- The fee payable must be paid within 8 years and 4 months from the first drawdown date.</li></ul>The Fee for ICT shall be paid on a monthly basis by BBM and shall be based on the actual overburden being stripped during the month as follows:<ul style="list-style-type: none"><li>- At the beginning of each month, BBM shall submit a survey report to ICT on the actual volume of overburden work done in the previous month; and</li><li>- ICT shall then submit an invoice to BBM based on the survey report (Invoice); and</li><li>- Upon receipt of the Invoice, BBM shall make payment to ICT within thirty (30) day from the cut-off period of each production month.</li></ul></div></div>		



<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>US\$'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,042)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,086)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,128)
8.4	Cash and cash equivalents at quarter end (item 4.6)	145
8.5	Unused finance facilities available at quarter end (item 7.5)	4,050
8.6	Total available funding (item 8.4 + item 8.5)	4,195
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.9 quarters
<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<p>Answer: No. As announced on 17 January 2023, the Company is in the process of shipping coal that has been extracted from the BBM mine site to market. The coal has been sold to the domestic market under the existing off-take agreement with PT Sumber Global Energy with proceeds from the sale of the coal expected to be received next quarter. The receipt of funds from the sale of coal will positively impact net operating cashflows.</p>	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	<p>Answer: The Company is not proposing to raise further cash to fund its current operations. Any funding sought by the Company will be to build or acquire new infrastructure to expand operations or to acquire and develop new projects, including the development of TBAR.</p>	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<p>Answer: Yes. The Company has finalised major infrastructure development and is expecting to generate revenue from the sale of coal.</p>	
<p><i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i></p>		

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **31 January 2023**

Authorised by: The Board  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.