



Cokal Limited ACN 082 541 437
Financial Report for the half year ended 31 December 2023

Contents

Corporate Information	1
Directors' Report	2
Auditor's Independence Declaration	8
Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Interim Consolidated Statement of Financial Position	10
Interim Consolidated Statement of Changes in Equity	11
Interim Consolidated Statement of Cash Flows	12
Notes to the Interim Consolidated Financial Statements	13
Declaration by Directors	25
Independent Auditor's Review Report	26

Corporate Information

DIRECTORS

Domenic Martino
Karan Bangur
David (Allen) Delbridge

COMPANY SECRETARY

Louisa Youens
Miranda Yuan

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

Level 5, 56 Pitt Street, Sydney NSW 2000
Phone: + 61 2 8823 3179
Fax: +61 2 8823 3188

COUNTRY OF INCORPORATION

Australia

SOLICITORS

Mills Oakley
Level 7, 151 Clarence Street
Sydney NSW 2000
Phone +61 8289 5800

SHARE REGISTRY

Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000
Phone: +61 2 8072 1400

AUDITORS

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

STOCK EXCHANGE LISTING

Australian Securities Exchange Ltd
ASX Code: CKA

INTERNET ADDRESS

www.cokal.com.au

AUSTRALIAN BUSINESS NUMBER

ABN 55 082 541 437

Directors' Report

The directors hereby present the following half-year report for the period ended 31 December 2023 for Cokal Limited ("Cokal" or the "Company") and its subsidiaries (the "Group").

The following persons were directors of the Company during the whole of the half-year and up to the date of this report, unless otherwise stated:

- Domenic Martino – Non-Executive Director;
- Karan Bangur – Executive Director;
- David (Allen) Delbridge – Non-Executive Director.

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the financial period were focused on the identification and development of coal projects within the highly prospective Central Kalimantan coking coal basin in Indonesia.

OPERATING RESULTS

For the half-year ended 31 December 2023, the loss for the consolidated entity after providing for income tax was US\$5,346,490 (31 December 2022: US\$4,586,458).

DIVIDENDS PAID OR RECOMMENDED

There were no dividends paid or recommended during the financial period.

CHANGES IN CAPITAL

There is no change in share capital in the current financial period.

During the period, nil shares were issued.

At 31 December 2023 there were 1,078,948,980 shares on issue and nil options.

Directors' Report (Continued)

REVIEW OF OPERATIONS

Cokal Limited 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, each with known resources of metallurgical coal.

Bumi Barito Mineral (BBM) Mine

Highlights for the half year ended 31 December 2023 include:

- Batu Tuhup permanent jetty development: 65% completion; temporary jetty currently in use for coal operations.
- Onsite Civil works progress: 90%, including piling work, foundations, rebar, and formwork.
- Initial revenue realized through sale of 23,000 tons Metallurgical Coal to ICT, honoring exclusive off-take agreement.
- BBM & BSN Logistics Infrastructure upgrade ongoing to enhance productivity and overcome operational challenges.
- Infill Drilling complete at BBM Pit 3 area.
- LLB appointed as main mining contractor on non-exclusive basis to ramp-up production at BBM Mine.
- Advancements in Batu Tuhup Permanent Jetty development, including coal conveyor belt, weighbridges, civil works, workshop, and coal stockpile expansion.
- Ongoing infrastructure development progress sets stage for anticipated increase in forecasted saleable coal production from Q1 2024.

BBM's successful production of metallurgical coal and mine-development demonstrates the continued execution of Cokal's strategy of achieving low-cost, high-margin coking coal production.

Cokal has achieved its first revenue from coal sales, having sold approximately 23,000 metric tons of metallurgical coal to International Commodity Trade PTE LTD (ICT) from the BBM coal mine. This sale includes 8,000 metric tons of low volatile coking coal and 15,000 metric tons of PCI coal, generating immediate revenue for BBM and Cokal.

As per the terms of the International Coal Marketing Agreement (ICMA), ICT has paid 80% of the anticipated revenue from this sale.

Next coal sales are scheduled for March 2024 with continuing coal sales monthly thereafter. Delivery and barging of recent sales is organised and will coincide with the customers shipping timetables and requirements.

BBM PROJECT ACTIVITIES

BBM commenced first cut commercial production of metallurgical coal in November 2022, and is continuing with development of road and port infrastructure for coal transport. BBM development was achieved on-time and under budget.

Mining Operations

- In-pit ROM coal stockpile expanded to accommodate higher production levels, enabling direct pit-to-jetty transport.
- Expanded stockpile reduces rehandling, associated costs, and enhances quality control.
- New contractor deployed 2 fleets of PC 800 series or equivalent with support equipment.
- New mining contractor initiated first cut ahead of schedule; commissioning of additional equipment in progress.
- Coal mining operations recommenced ahead of schedule at BBM Pit 3.
- New mining contractor commenced overburden removal after commissioning requisite equipment.

Directors' Report (Continued)

Barging Logistics

- Cokal's logistics subsidiary, BSN, establishing dedicated barge logistics chain from Batu Tuhup to Buntok with first stage from Krajan to Batu Tuhup in operation successfully.
- Scarcity of commercial barging operations prompts self-sufficient system for consistent coal transportation from Krajan to Batu Tuhup.
- Combination of owned, long-term chartered, and jointly owned barges in advanced stages of arrangement to facilitate stage 2 operations expansion from Batu Tuhup to Buntok/Taboneo.
- BSN currently operates 3 barges, 5 tug boats and 13 trucks for coal transport, with additional fleet finalization underway for medium term expansion.
- This strategy grants BSN lasting commercial advantage, crucial for ensuring uninterrupted coal transportation and sales.
- Ongoing coal barging along the Barito River and continuous transport of stockpiled coal to Batu Tuhup Jetty signify effectiveness of logistics arrangements.
- Minor operational delays encountered due to constantly changing water levels.
- Increasing coal stockpiles at Batu Tuhup Jetty indicate readiness for sale.

Transport Infrastructure

- BSN efficiently transports product coal from BBM Mine site to Batu Tuhup Jetty through integrated trucking and barging logistics.
- Ongoing hauling of coal via initial phase haul road faces challenges like adverse weather and raw material unavailability for road upgrades; steps being taken to overcome.
- All essential resources deployed, including truck drivers, mechanics, management teams, for efficient operations.
- Plans for routine maintenance and further upgrades to enhance transportation volumes are underway.
- Barging operations from Krajan jetty to Batu Tuhup Jetty continue, albeit slowly due to low water levels in Upper Barito River.
- Planning for staged development for upgrade of existing hauling road is underway, this will primarily focus on cut and fill works in several critical high gradient sections of the road, which will enhance carrying capacity for the trucks.
- Cokal acknowledges and addresses minor operational and social issue related to commissioning of new infrastructure as part of ongoing improvements.

Batu Tuhup Jetty Construction

Significant progress has been made in various aspects of the Batu Tuhup project. The development of the permanent jetty stands at 65% completion, with the necessary operational permits secured. Civil works, including piling, foundations, and infrastructure, have reached 90% completion, while the conveyor system fabrication and on-site camp facilities are advancing steadily.

Construction of essential facilities such as the workshop for truck maintenance and the initial jetty for manual coal loading has been completed and are currently operational. Additionally, the commissioning of a fuel barge and expansion of the coal stockpile demonstrate strides in logistics and operational readiness. Integration of Vendor Management Inventory for fuel supply and completion of a truck workshop underscore the project's comprehensive approach to infrastructure development and operational efficiency.

Additional infrastructure including installation weigh bridge, PLN Power supply agreement and expansion of coal stockpile being finalised.

Directors' Report (Continued)

Contract Mining Services

Cokal has designated PT. Levine Latersia Baratama (LLB) as the primary mining contractor on a non-exclusive basis to provide mining contracting services at the BBM Mine site. LLB took over from the existing contractor, CBQ, which failed to meet BBM production targets to the Company's satisfaction.

LLB is responsible for Open Pit Overburden Mining Services and Coal Production & transportation from Pit to ROM stockpile.

The mobilization of LLB's mining equipment to the BBM Mine site commenced with the first batch arriving in November. Subsequently, commissioning took place, and the mining operations have commenced in early December 2023.

TBAR PROJECT ACTIVITIES

Preparation for a full scale exploration drilling program in TBAR have commenced with issuance of tender for drilling services. Necessary compliance works for licenses and permits have been completed and submitted to relevant Government authorities with outcomes expected in Q2 2024 post which on ground activity will commence.

Cokal is targeting a maiden JORC resource in 2024 with initial production in Q1 2025.

- Drill programme designed to increase understanding of the stratigraphy and geology within the 500 hectare targeted area, including identifying coal seams, seam thickness, and deployment of seams.
- The stage 1 exploration campaign will comprise 32 drill holes over a total area of 500 hectares
 - Drill spacing of 400m for strike and 100m to 250m for dip direction
 - Average drill hole depth of 100m, with some holes drilled to a depth of 150m to 200m
 - Total of approximately 5700m of planned drilling (40% Coring, 60% Open Holes)
- Cokal has received competitive bids from vendors and is negotiating with two shortlisted counterparties.
- Commencement of drilling requires regulatory approval including IPPKH, MODI, Enviro clearance etc. Cokal's application is currently being assessed by the relevant Government departments and exploration activities will commence as soon as the necessary approvals are obtained.

Directors' Report (Continued)

CORPORATE ACTIVITY

Annual General Meeting

The Annual General Meeting of Shareholders of Cokal Limited was held on 8 November 2023 with all resolutions passed by poll, except for Resolution 6.

Financing Facility

On 11 October 2023, Cokal obtained a financing facility with ICT for the domestic sales. The Main terms are:

- Financing of 50% of the coal value once the cargo is ready at BBM stockpile at Buntok or Batu Tuhup jetties.
- Financing of 40% upon loading of coal onto barges from Stockpile Jetty (ISP) or Batu Tuhup Jetty for coal where the point of sale is Batu Tuhup jetty.
- ICT shall provide financing to BBM based on each lot size of 30,000 mt of coal.
- BBM shall repay ICT for all amounts financed by ICT free of interest within 3 business days after receiving payment from the Buyer for each shipment of coal.
- In consideration of the financing and marketing activities BBM shall provide a commission of 6% on the coal sales value marketed by ICT.

Regulatory and Compliance

- All regulatory payments including but not limited to IPPKH , Dead Rent , PSHD , DR have been finalised.
- The Cokal & BBM Boards continue to work closely with various regional and federal Indonesian Government departments to ensure that all operations are fully compliant with the existing mining regulations.

Directors' Report (Continued)

SUBSEQUENT EVENTS TO 31 DECEMBER 2023

No matters or circumstances have arisen since the end of the half-year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, except as follows:

- Australia-based Sun Mining Services (SMS) has been appointed by Cokal as its Drilling and Blasting (D&B) Services Contractor at BBM Mine. SMS is set to introduce blasting services utilising Wala Gel technology, known for reducing D&B costs and enhancing fragmentation. The commencement of Drill and Blast operations is expected in Q4 2024, specifically in Pit 3 at BBM Mine.
- 60T Capacity Weigh Bridge at Batu Tuhup Jetty has been completed.
- The Company sold 8,000 tonnes of metallurgical coal to a local Indonesian smelter in Morowali. Cokal anticipates that this buyer will be an ongoing monthly customer for BBM coking coal. Shipment date for the same is being finalized with barging arrangement underway.
- Cokal has entered into an Memorandum of Understanding (MOU) with Indonesian coal company PT Petrindo Jaya Kreasi. The MOU creates a strategic partnership for the joint development of various coal transport infrastructure asset individually owned by Cokal and Petrindo.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration forms part of the Directors' Report and can be found on page 8.

Signed in accordance with a resolution of the Board of Directors:



Domenic Martino
Chairman
Sydney, 15 March 2024

**COKAL LIMITED
ABN 55 082 541 437
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF COKAL LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Cokal Limited. As the lead partner for the review of the financial report of Cokal Limited for the half year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 15 March 2024

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
Level 9	Level 4	Level 1	Level 14	Level 11	Level 40
50 Pirie Street	240 Queen Street	48-50 Smith Street	440 Collins Street	77 St Georges Tce	2 Park Street
Adelaide SA 5000	Brisbane QLD 4000	Darwin NT 0800	Melbourne VIC 3000	Perth WA 6000	Sydney NSW 2000
+61 8 7093 8283	+61 7 2111 7000	+61 8 8943 0645	+61 3 9820 6400	+61 8 6557 6200	+61 2 9263 2600

Liability limited by a scheme approved under Professional Standards Legislation. Hall Chadwick (NSW) Pty Ltd ABN: 32 103 221 352 www.hallchadwick.com.au

Cokal Limited

Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2023

	Note	31 December 2023 US\$	31 December 2022 US\$
Revenue and other income	2	2,521,357	856
Cost of Goods Sold		(3,134,487)	-
Employee benefits expenses		(309,694)	(675,734)
Depreciation and amortisation	3	(349,532)	(160,408)
Production expenses		(951,243)	(847,168)
Finance costs	3	(12,407)	(3,100)
Legal expenses		(9,480)	(14,527)
Pre-tenure exploration expenditure		(184,675)	(279,246)
Administration and consulting expenses		(265,338)	(197,492)
Royalty expense		(211,200)	(60,000)
Capital participation fee	11	(2,400,000)	(2,400,000)
Other expenses		(39,591)	50,361
Loss before income tax expense		(5,346,490)	(4,586,458)
Income tax expense		-	-
Loss for the period		(5,346,490)	(4,586,458)
Other comprehensive income		-	-
Total comprehensive loss for the period		(5,346,490)	(4,586,458)

Loss per share for loss attributable to owners of Cokal Ltd	Note	Cents	Cents
Basic Loss per Share	4	(0.50)	(0.50)
Diluted Loss per Share	4	(0.50)	(0.50)

The above Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Cokal Limited

Interim Consolidated Statement of Financial Position

as at 31 December 2023

	Note	31 December 2023 US\$	30 June 2023 US\$
Current Assets			
Cash and cash equivalents		85,635	1,342,513
Short term deposits		143,377	142,660
Inventory		347,096	3,348,390
Trade and other receivables		328,917	10,116
Other current assets		520,828	689,168
Total Current Assets		1,425,853	5,532,847
Non-Current Assets			
Property, plant and equipment	6	13,484,485	11,597,636
Exploration and evaluation assets	7	1,606,585	1,606,585
Mines under development	8	23,752,294	23,754,966
Right of use assets	10	427,807	624,952
Other non-current assets		976	976
Total Non-Current Assets		39,272,147	37,585,115
TOTAL ASSETS		40,698,000	43,117,962
Current Liabilities			
Trade and other payables	9	23,147,988	20,930,764
Lease liabilities	10	280,520	286,610
Borrowings	11	2,144,388	2,060,406
Total Current Liabilities		25,572,896	23,277,780
Non-Current Liabilities			
Lease liabilities	10	97,497	227,245
Provision for rehabilitation		466,890	305,730
Borrowings	11	18,550,000	17,950,000
Total Non-Current Liabilities		19,114,387	18,482,975
TOTAL LIABILITIES		44,687,283	41,760,755
NET ASSETS		(3,989,283)	1,357,207
Equity			
Issued capital	12	106,375,841	106,375,841
Reserves	13	6,512,247	6,512,247
Accumulated losses		(116,877,371)	(111,530,881)
TOTAL EQUITY		(3,989,283)	1,357,207

The above Interim Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Cokal Limited

Interim Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2023

	Issued capital	Translation Reserve	Share Based Payment Reserve	Accumulated losses	Total
	US\$	US\$	US\$	US\$	US\$
At 1 July 2023	106,375,841	(1,417,999)	7,930,246	(111,530,881)	1,357,207
Total comprehensive loss for the period					
Loss for the period	-	-	-	(5,346,490)	(5,346,490)
Other comprehensive income	-	-	-	-	-
				(5,346,490)	(5,346,490)
At 31 December 2023	106,375,841	(1,417,999)	7,930,246	(116,877,371)	(3,989,283)

	Issued capital	Translation Reserve	Share Based Payment Reserve	Accumulated losses	Total
	US\$	US\$	US\$	US\$	US\$
At 1 July 2022	95,721,944	(1,417,999)	7,930,246	(102,262,281)	(28,090)
Total comprehensive loss for the period					
Loss for the period	-	-	-	(4,586,458)	(4,586,458)
Other comprehensive income	-	-	-	-	-
	-	-	-	(4,586,458)	(4,586,458)
Transactions with owners in their capacity as owners					
Conversion of options	83,858	-	-	-	83,858
	83,858	-	-	-	83,858
At 31 December 2022	95,805,802	(1,417,999)	7,930,246	(106,848,739)	(4,530,690)

The above Interim Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Cokal Limited

Interim Consolidated Statement of Cash Flows

For the half-year ended 31 December 2023

	31 December 2023 US\$	31 December 2022 US\$
Cash Flows from Operating Activities		
Revenue received in advance	1,872,149	1,819,974
Payments to suppliers and employees	(1,629,557)	(2,193,811)
Interest and other income received	1,357	856
Finance costs paid	(12,407)	(3,100)
Net cash inflow (outflow) from operating activities	231,542	(376,081)
Cash Flows from Investing Activities		
Payment for property, plant and equipment	(2,036,564)	(3,328,978)
Net cash outflow from investing activities	(2,036,564)	(3,328,978)
Cash Flows from Financing Activities		
Proceeds on exercise of options	-	83,858
Proceeds from borrowings	683,981	3,527,968
Repayment of lease	(135,837)	(117,509)
Net cash inflow from financing activities	548,144	3,494,317
Net (decrease) in cash and cash equivalents	(1,256,878)	(210,742)
Cash and cash equivalents at beginning of period	1,342,513	356,219
Cash and cash equivalents at end of period	85,635	145,477

The above Interim Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 1 GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) General Information

The consolidated financial statements of Cokal Limited for the half-year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 15 March 2024 and cover the consolidated entity (the "Group", "Cokal" or "Company") consisting of Cokal Limited and its subsidiaries.

Cokal Limited (the parent and ultimate parent of the Group) is a company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the director's report.

b) Basis of preparation

This interim financial report for the half-year ended 31 December 2023 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual report for the year ended 30 June 2023 together with any public announcements made by the Group during the half-year ended 31 December 2023 in accordance with the continuous disclosure obligations of the ASX listing rules. In addition, results for the half-year ended 31 December 2023 are not necessarily indicative of the results that may be expected for the financial year ending 30 June 2023.

The financial statements are presented in the US Dollars.

Apart from the changes in accounting policies noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

c) Going concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

For the half year ended 31 December 2023 the Group recorded a loss of US\$5,346,490 (31 December 2022: loss of US\$4,586,458) and, net operating cash inflow of US\$81,826 (31 December 2022: US\$(376,081)).

As at 31 December 2023, the Group's current liabilities exceeded the current assets by US\$24,147,043 (30 June 2023: US\$17,744,933), and the Group had net liabilities of US\$3,989,283 (30 June 2023: net assets \$1,357,207)

As at 31 December, the Group's arrears of trade and other payables means its ability to continue as a going concern is dependent on creditors, including management and the directors, extending payment terms, providing informal financial support and not demanding payment of amounts owed to them in excess of the Group's available funds at the time. At the date of this report, no creditor or lender of the Group have made demands for payment.

The Company has a binding commitment for a US\$20m debt financing facility for development of the Bumi Barito Mineral (BBM) Coking Coal Project with International Commodity Trade Pte Ltd ("ICT"). The Group has drawn a total of US\$18.55 million of the debt facility from ICT. In addition, the group has a binding International Coal Marketing Agreement with ICT, enabling BBM to market its coal to the international market and assist BBM in financing its coal stockpile at the river jetty. Under this arrangement, financing of 80% of the coal value is received upon completion of the loading of coal to barges from the BBM Intermediate Stockpile jetty (ISP).

A portion of the current liabilities are payable over time and from production. The Group has a commission payable of US\$9,261,535 based on an agreement with Alpine Invest Holdings Ltd. This amount is re-payable at the greater of US\$10,000 per month and US\$2.00 per tonne of coal sold by BBM and TBAR on a monthly basis. An amount of US\$2 million payable to BMA is also included in current liabilities and is to be repaid based on US\$ 5 per tonne for the first 200,000mt coal sold and US\$10 per tonne for the subsequent 100,000mt of coal sold for the total of US\$2 million repayment.

The Directors are confident given the current progress towards mining at BBM that the Group will be successful in its endeavours to develop the larger BBM project. The directors believe that the commencement of operations at the BBM project (and the forecast generating of operating cash inflows) will enable it to satisfy its working capital requirements (including its arrears of trade and other payables).

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

(c) Going concern (Cont'd)

This being the case, the directors have a reasonable expectation that the Group's creditors will continue to extend payment terms, provide informal financial support and not demand payment of amounts owed to them in excess of the Group's available funds. As a result, the financial report has been prepared on a going concern basis. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities should the Group be unsuccessful in raising funds to enable it to realise its assets and discharge its liabilities in the ordinary course of business.

d) New Accounting Standards Implemented

i. Changes in accounting policy and disclosures

The Group has not early adopted other standards, interpretations or amendments that have been issued but are not yet effective.

ii. Accounting Standards and Interpretations issued but not yet effective

The Group has adopted all the mandatory new and amended Accounting Standards issued that are relevant to its operations and effective for the current reporting period. There was no material impact on the financial report as a result of the mandatory new and amended Accounting Standards adopted.

e) Critical accounting estimates

Details of critical accounting estimates and judgements about the future made by management at the end of the reporting period are set out below:

Exploration and evaluation assets

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment to determine whether future economic benefits are likely, from either exploration or sale, or whether activities have not yet reached a stage which permits a reasonable assessment of the existence of technically feasible and commercially viable reserves. The determination of reserves and resources in itself and estimation process that requires varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances, in particular, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in profit or loss in the statement of comprehensive income in the period when the new information becomes available.

At reporting date, certain tenements have reached a renewal date or will reach a renewal date in the next 12 months. These tenements remain current until an official government expiry notice is issued. The directors are of the opinion that while they are due for renewal, as no expiry notice has been received they remain current. If renewal is not forthcoming, the amounts capitalised will likely be de-recognised.

Mine under development assets

The Group uses its judgement to assess the stage of each mine under development to determine when a mine moves into the production phase, this being when the mine is substantially complete and ready for its intended use. The Group considers various relevant criteria to assess when the production phase is considered to have commenced. At this point, all related amounts are reclassified from 'Mines under development' to 'Mines in production'. Some of the criteria used to identify the production start date include, but are not limited to:

1. Level of capital expenditure incurred compared with the original development cost estimate;
2. Completion of a reasonable period of testing of the mine plant and equipment;
3. Ability to produce metal in saleable form (within specifications);
4. Ability to sustain ongoing production of metal; and
5. Positive cash flow position from operations.

When a mine development project moves into the production phase, the capitalisation of certain mine development costs and pre-production revenues cease and costs are either regarded as forming part of the cost of inventory or expensed, except for costs that qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development. It is also at this point that amortisation commences.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 2 REVENUE AND OTHER INCOME

	31 December 2023 US\$	31 December 2022 US\$
Sales Revenue	2,520,000	-
Interest income	1,357	856
Total other income	2,521,357	856

NOTE 3 LOSS FOR THE PERIOD

	31 December 2023 US\$	31 December 2022 US\$
Loss before income tax includes the following specific expenses:		
Depreciation on plant and equipment	149,715	101,011
Amortisation on mines under development	2,672	2,247
Depreciation on right of use assets	197,145	57,150
Salaries and wages	232,137	391,815
Finance costs		
Interest on borrowings	12,407	3,100

NOTE 4 LOSS PER SHARE

	31 December 2023	31 December 2022
Loss attributable to owners of Cokal Limited used to calculate basic and diluted loss per share (US\$)	(5,346,490)	(4,586,458)
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	1,078,948,980	940,367,013
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted loss per share	1,078,948,980	940,367,013
Basic loss per share (cents per share)	(0.50)	(0.50)
Diluted loss per share (cents per share)	(0.50)	(0.50)

* Options are considered anti-dilutive as the Group is loss making. Options could potentially dilute earnings per share in the future. As at 31 December 2023, there were nil (31 December 2022: 75,000,000) unlisted options on issue.

NOTE 5 DIVIDENDS AND FRANKING CREDITS

There were no dividends paid or recommended during the half-year period ended 31 December 2023 (31 December 2022: Nil). There were no franking credits available to the shareholders of the Group.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 6 PROPERTY, PLANT AND EQUIPMENT

31 December 2023	Land	Computer equipment	Plant & equipment	Motor Vehicle	Capital Works in Progress	Total
	US\$	US\$	US\$	US\$	US\$	US\$
Balance at 1 July 2023	1,649,313	36,122	2,175,646	181,837	7,554,718	11,597,636
Additions	-	579	23,229	-	2,012,756	2,036,564
Depreciation expense	-	(7,623)	(114,942)	(27,150)	-	(149,715)
Carrying amount at 31 December 2023	1,649,313	29,078	2,083,933	154,687	9,567,474	13,484,485

NOTE 7 EXPLORATION AND EVALUATION ASSETS

	31 December 2023 US\$	30 June 2023 US\$
Non-Current		
Exploration and evaluation expenditure capitalised		
- exploration and evaluation phases	1,606,585	1,606,585
Movements in carrying amounts		
Balance at the beginning of the period	1,606,585	1,622,854
Transfer to mine under development	-	(16,269)
Carrying amount at the end of the period	1,606,585	1,606,585

The carrying amount of exploration and evaluation (E&E) assets at 31 December 2023 represents only the TBAR project. The value of the exploration and evaluation expenditure carried forward in respect of the BBM Project is capitalised on the balance sheet as a mine under development, as pre-production activities to gain access to mineral reserves have commenced and funding is in place.

The ultimate recoupment of expenditure relating to the exploration and evaluation phase is dependent upon successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

NOTE 8 MINES UNDER DEVELOPMENT

	31 December 2023 US\$	30 June 2023 US\$
Mines under development		
Non-Current		
Mines under development	23,752,294	23,754,966
Movements in carrying amounts		
Balance at the start of the year	23,754,966	23,746,613
Transferred from exploration and evaluation asset	-	16,269
Amortisation	(2,672)	(7,916)
Carrying amount at the end of the period	23,752,294	23,754,966

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 8 MINES UNDER DEVELOPMENT (con'd)

Mines under development include aggregate expenditure in relation to mine construction, mine development, exploration and evaluation expenditure where development decisions have been made and acquired mineral interests.

Expenditure incurred in constructing a mine by, or on behalf of, the Group is accumulated separately for each area of interest in which economically recoverable reserves and resources have been identified. This expenditure includes direct costs of construction, drilling costs and removal of overburden to gain access to the ore, borrowing costs capitalised during construction and an appropriate allocation of attributable overheads.

Mines under development are accumulated separately for each area of interest in which economically recoverable reserves have been identified and a decision to develop has occurred. This expenditure includes all capitalised exploration and evaluation expenditure in respect of the area of interest, direct costs of development, an appropriate allocation of overheads and where applicable borrowing costs capitalised during development. When mining of the area of interest can commence, the aggregated capitalised costs are classified under non-current assets as mines in production or an appropriate class of property, plant and equipment.

Mines in production represent the aggregated exploration and evaluation expenditure and capitalised development costs in respect of areas of interest in which mining is ready to or has commenced. Mine development costs are deferred until commercial production commences, at which time they are amortised on a units-of-production basis over the ore reserves or resources. Once production commences, further development expenditure is classified as part of the cost of production, unless substantial future economic benefits can be established.

NOTE 9 TRADE AND OTHER PAYABLES

	31 December 2023 US\$	30 June 2023 US\$
Current		
Sundry payables and accrued expenses	11,889,602	9,494,527
Revenue in advance	1,996,851	2,174,702
Commission payable	9,261,535	9,261,535
	23,147,988	20,930,764

Revenue in advance

BBM has entered into an agreement with PT Sumber Global Energy ("SGE") to monetise near-term coal production. SGE advanced funds to BBM as consideration for Cokal appointing SGE as Exclusive Sales Agent for domestic Indonesian coal sales.

BBM will repay the amount owing to SGE through a reduction in the coal sales price over the term of the agreement. The repayment schedule to SGE will be calculated by apportioning the US\$2.0M consideration over the total tonnage of coal allocated to SGE over the term of the Agreement, which will be deducted from the sales price (e.g. If BBM allocates 0.6Mt of coal to SGE, then US\$2.0M in consideration will result in a US\$3.33/t reduction in coal sales price for that tonnage.) The reduction in coal sales price shall be adjusted in the final period of the Agreement to ensure full repayment of the amount owing.

Commission payable

Loans owing by the Company were previously discharged and Cokal and each Cokal Group Company released from their liability to make payment of \$9,261,535 under the loan on terms including the following:

- the royalty payable to Alpine under the Royalty Deed will be the greater of:
 - USD 10,000 per month; and
 - USD 2.00 per tonne of coal sold by BBM and TBAR on a monthly basis;

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 9 TRADE AND OTHER PAYABLES (con'd)

- the maximum royalty payment of USD 40 million payable under the Royalty Deed remains the same and will be payable through the first 20 million tonnes of coal produced and sold by both BBM and TBAR; and
 - all other conditions stated in the Royalty Deed shall remain the same.
- The fair value of the commission payable to Alpine has been determined using the extinguished value of borrowings, taking into consideration the performance risk associated with future production levels.

NOTE 10 LEASES

	31 December 2023 US\$	30 June 2023 US\$
a) Right of use assets – buildings and motor vehicles		
Balance at beginning of year	624,952	89,735
Additions leases during the year	-	686,851
Amortisation	(197,145)	(151,634)
Balance at end of year	427,807	624,952
b) Lease liabilities		
Current	280,520	286,610
Non current	97,497	227,245
	378,017	513,855

NOTE 11 BORROWINGS

	31 December 2023 US\$	30 June 2023 US\$
Current		
BMA Group loan	2,000,000	2,000,000
Loans payable – non interest bearing	144,388	60,406
Total Current	2,144,388	2,060,406
Non Current		
Loans payable	18,550,000	17,950,000
Total Non Current	18,550,000	17,950,000
Total Borrowings	20,694,388	20,010,406

These loans payable to directors are non-interest bearing and repayable on demand.

BMA Group Loan

On 21 September 2018, Cokal signed a Key Principles of Agreement with PT Bara Mineral Asri (BMA Group) to develop and operate PCI and Coking Coal operations at the BBM Project. Cokal received US\$2.0 million loan from BMA Group to secure the transaction, but the BMA Group failed to complete the other funding conditions set out in the Key Principles of Agreement and has also failed to document the loan arrangement with the Group. Therefore, the Group has assessed the loan is repayable on demand and has been disclosed at the face value of the amounts received. Repayment terms have been revised to US\$ 5 per tonne payable over the first 200,000 mt sold and US\$ 10 for the subsequent 100,000 mt.

Non-Current Loans payable

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. As at 31 December 2023, US\$18.55 million has been drawn down.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 11 BORROWINGS (con'd)

A capital participation fee for the debt finance is linked to BBM mining operations and is calculated as follows:

- Total Fee for debt finance of US\$0.20 per BCM of overburden removal at BBM;
- 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);
- 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);
- The fee payable must be paid within 8 years and 4 months from the first drawdown date.

The capital participation fee has been incurred from when amounts were drawn down under the facility, resulting in a US\$2,400,000 fee for the period to 31 December 2023.

NOTE 12 ISSUED CAPITAL

(a) Ordinary shares	31 December 2023 US\$	30 June 2023 US\$
1,078,948,980 fully paid ordinary shares (30 June 2023: 1,078,948,980)	106,375,841	106,375,841
Movement in Issued Capital	31 December 2023 US\$	30 June 2023 US\$
At the beginning of the year	106,375,841	95,721,944
Shares issued during the year		
Share issued on exercise of options	-	83,857
Shares issued in placement	-	10,570,040
At reporting date	106,375,841	106,375,841
Movement in Issue Capital	31 December 2023 Number	30 June 2023 Number
(a) Ordinary shares		
At the beginning of the year	1,078,948,980	938,948,980
Shares issued during the year		
Share issued on exercise of options	-	40,000,000
Shares issued in \$18m placement	-	100,000,000
At reporting date	1,078,948,980	1,078,948,980

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 13 RESERVES		
	31 December 2023 US\$	30 June 2023 US\$
Share based payments option reserve		
Opening balance	7,930,246	7,930,246
Movement	-	-
Closing balance	7,930,246	7,930,246
Translation Reserve		
Opening balance	(1,417,999)	(1,417,999)
Movement	-	-
Closing balance	(1,417,999)	(1,417,999)
	6,512,247	6,512,247

Share Based Payment Option Reserve

The option reserve records the value of options issued as part of capital raisings, and consultant services as well as expenses relating to director, executive and employee share options.

Foreign Currency Translation Reserve

The foreign currency translation reserve represents net exchange differences arising from the translation as a result of foreign operations.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 14 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

BBP Vendor Payment

At 31 December 2023, the Group's contingent liabilities include US\$7.95m (30 June 2023: US\$7.95m) in respect of its PT Borneo Bara Prima (BBP) tenement. The amount is payable on the achievement of certain milestones, including but not limited to the establishment of certain JORC Inferred Coal Resources and the issuance of production operation IUPs (licences) and production forestry permits.

BBM Vendor Payment

As part of the Group's acquisition of its interest in the BBM project, it was agreed an amount of US\$10.0 million would be payable within 30 days of the issue of the Production/ Operations IUP (mining license granted under the Indonesian New Mining Law). The Company has subsequently entered into an agreement with the vendor of BBM for these vendor payments to be due on commercial production. It has now been agreed that an amount of US\$10.5 million will be paid via:

1. US\$200,000 within 30 days of signing the agreement (completed);
2. During the first and second year of coal sales to a third party, monthly at a rate of US\$2 per tonne of coal sold;
3. From the third year of coal sales to a third party, monthly at a rate of US\$3 per tonne of coal sold.

Payments under items 2 and 3 are to total US\$10.3 million.

Alpine Invest Holdings Ltd

During May 2020 the Company consented to the assignment of the Platinum Loans to Alpine Invest Holdings Ltd (**Alpine**). It was agreed as a term of the consent to the assignment that immediately upon transfer of the Platinum Loans to Alpine, that the loans are deemed released and Alpine discharges and releases Cokal and each Cokal Group Company from their liability to make payment of the Platinum Loans totalling \$9,261,535 on the following terms:

- each of the Subsequent Conditions is irrevocably satisfied or otherwise waived;
- the royalty payable to Alpine under the Royalty Deed will be the greater of:
 1. USD 10,000 per month; and
 2. USD 2.00 per tonne of coal sold by BBM and TBAR on a monthly basis;
- the maximum royalty payment of USD 40million payable under the Royalty Deed remains the same and will be payable through the first 20 million tonnes of coal produced and sold by both BBM and TBAR; and
- all other conditions stated in the Royalty Deed shall remain the same.

International Commodity Trade (ICT) Facility

Cokal Limited has provided a corporate guarantee for payment of the International Commodity Trade (ICT) Facility (refer note 11).

The Corporate Guarantee Agreement does not require registered charges over the assets of Cokal, however Cokal guarantees ICT punctual performance by BBM of all obligations under the Capital Participation Agreement and provides that should BBM not pay any amount as required under the Corporate Guarantee, including but not limited to the Guarantee Amount (being the amounts owing under the Capital Participation Agreement), the Guarantor (Cokal) will immediately on demand pay that amount not paid.

The Corporate Guarantee provided by Cokal may require the sale of the assets of BBM and/or Cokal to meet all obligations under the Capital Participation Agreement. This is an unsecured corporate guarantee which could force the sale of the BBM Project, or any other asset of the group including TBAR, BBP and/or AAK Projects to meet payment obligations.

International Coal Marketing Agreement

A fee of 6% of the coal sale value is payable to ICT by BBM in consideration for the marketing activities and financing assistance under the International Coal Marketing Agreement.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 15 OPERATING SEGMENTS

AASB 8 requires operating segments to be identified on the basis of internal reports that are used by the chief operating decision makers (CODM) in order to allocate resources to the segment and to assess its performance. The CODM of the Group are the Board of Directors. For management purposes, the Group is organised into two main operating segments, which involves the exploration for coal in Indonesia and Australia. The Singapore operation was considered separately for corporate services.

	Australia US\$	Indonesia US\$	Singapore US\$	Total US\$
Segment performance for the half-year ended 31 December 2023				
Revenue				
Revenue	-	2,520,000	-	2,520,000
Interest revenue	487	870	-	1,357
Total segment income	487	2,520,870	-	2,521,357
Segment expenses				
COGS	-	(3,134,487)	-	(3,134,487)
Production expenses	-	(951,243)	-	(951,243)
Depreciation and amortisation expenses	(22,318)	(327,214)	-	(349,532)
Finance costs	-	(12,407)	-	(12,407)
Capital participation fee	-	(2,400,000)	-	(2,400,000)
Other expenses	(101,247)	(851,887)	(67,044)	(1,020,178)
Total segment expenses	(123,565)	(7,677,238)	(67,044)	(7,867,847)
Segment net loss before tax	(123,078)	(5,156,368)	(67,044)	(5,346,490)
Segment assets and liabilities as at 31 December 2023				
Property, plant and equipment	40,398	13,444,287	-	13,484,685
Exploration and evaluation assets	-	1,606,585	-	1,606,585
Mines under development	-	23,752,294	-	23,752,294
Other assets	795,870	994,426	64,140	1,854,436
Total segment assets	836,268	39,797,592	64,140	40,698,000
Total segment liabilities	(10,569,816)	(34,588,084)	470,617	(44,687,283)

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023(Continued)

NOTE 15 OPERATING SEGMENTS (con'd)

	Australia US\$	Indonesia US\$	Singapore US\$	Total US\$
Segment performance for the half-year ended 31 December 2022				
Revenue				
Other revenue	-	-	-	-
Interest revenue	69	787	-	856
Total segment income	69	787	-	856
Production expenses	-	(847,168)	-	(847,168)
Depreciation and amortisation expenses	(21,922)	(138,486)	-	(160,408)
Finance costs	(3,100)	-	-	(3,100)
Capital participation fee	-	(2,400,000)	-	(2,400,000)
Other expenses	(351,023)	(750,338)	(75,277)	(1,176,638)
Total segment expenses	(376,045)	(4,135,992)	(75,277)	(4,587,314)
Segment net loss before tax	(375,976)	(4,135,205)	(75,277)	(4,586,458)
Segment assets and liabilities as at 31 December 2022				
Property, plant and equipment	11,486	7,503,442	-	7,514,928
Exploration and evaluation assets	-	1,606,585	-	1,606,585
Mines under development	-	23,760,635	-	23,760,635
Other assets	140,755	2,021,722	-	2,162,477
Total segment assets	152,241	34,892,384	-	35,044,625
Total segment liabilities	9,968,269	29,607,046	-	39,575,315

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of these financial statements.

Cokal Limited

Notes to the Condensed Interim Consolidated Financial Statements for the half-year ended 31 December 2023 (Continued)

NOTE 16 EVENTS AFTER THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the half-year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, except as follows:

- Australia-based Sun Mining Services (SMS) has been appointed by Cokal as its Drilling and Blasting Services Contractor at BBM Mine. SMS is set to introduce blasting services utilising Wala Gel technology, known for reducing D&B costs and enhancing fragmentation. The commencement of Drill and Blast operations is expected in Q4 2024, specifically in Pit 3 at BBM Mine.
- The Company sold 8,000 tonnes of metallurgical coal to a local Indonesian smelter in Morowali. Cokal anticipates that this buyer will be an ongoing monthly customer for BBM coking coal.
- Cokal has entered into an Memorandum of Understanding (MOU) with Indonesian coal company PT Petrindo Jaya Kreasi. The MOU creates a strategic partnership for the joint development of various coal transport infrastructure asset individually owned by Cokal and Petrindo.

Declaration by Directors

In accordance with a resolution of the directors of the Cokal Limited, I state that:

In the opinion of the directors:

- a) The financial statements and notes of the Group for the half-year ended 31 December 2023 are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
 - ii. complying with accounting standards and the Corporations Regulations 2001
- b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the board



Domenic Martino
Chairman

Sydney
15 March 2024

**COKAL LIMITED
ABN 55 082 541 437
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COKAL LIMITED**

Conclusion

We have reviewed the accompanying half year financial report of Cokal Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half year ended on that date; and
- (b) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis of Conclusion

We conducted our review in accordance with ASRE 2410 *Review of Financial Report performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that the Group incurred a net loss of \$5,346,490 during the half year ended 31 December 2023 and as of that date, the Group had net liabilities of \$3,989,283. As stated in Note 1(c), these events or conditions, along with other matters as set forth in Note 1(c) indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the Directors for the Half Year Financial Report

The directors of the company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
Level 9	Level 4	Level 1	Level 14	Level 11	Level 40
50 Pirie Street	240 Queen Street	48-50 Smith Street	440 Collins Street	77 St Georges Tce	2 Park Street
Adelaide SA 5000	Brisbane QLD 4000	Darwin NT 0800	Melbourne VIC 3000	Perth WA 6000	Sydney NSW 2000
+61 8 7093 8283	+61 7 2111 7000	+61 8 8943 0645	+61 3 9820 6400	+61 8 6557 6200	+61 2 9263 2600

Liability limited by a scheme approved under Professional Standards Legislation. Hall Chadwick (NSW) Pty Ltd ABN: 32 103 221 352

www.hallchadwick.com.au

**COKAL LIMITED
ABN 55 082 541 437
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COKAL LIMITED**

Auditor's Responsibility for the Review of the Half Year Financial Report

ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half year ended on that date, and complying with the Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 15 March 2024