

ASX ANNOUNCEMENT/MEDIA RELEASE

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COKAL SIGNS CO-OPERATION AGREEMENT WITH MOZAMBIQUE NATIONAL MINING CORPORATION (EMEM)**HIGHLIGHTS**

- **Mozambique Government Owned EMEM and Cokal signed an Agreement to jointly develop coal projects in the emerging, vast Mozambique metallurgical coal basin.**
- **EMEM will have 20% ownership and Cokal 80% of the JV company.**
- **Cokal will provide funding for the exploration over 3 years.**
- **This Agreement between EMEM & Cokal provides for post exploration development through to mining and sale of coal.**

Global metallurgical coal group, Cokal Ltd (ASX:CKA), announced today it has signed a 'Co-operation Agreement' with Empresa Moçambicana de Exploração Mineira (EMEM – Mozambique Mining Exploration Company) to, explore tenements in Mozambique for coal mining potential and jointly develop mines and associated facilities.

EMEM is a state owned corporation formed by the Mozambique government in order to participate in mining projects, undertake exploration and mining development as well as promoting value addition to mineral products. The formation of EMEM followed recognition by the Mozambique Government that coal was pivotal to the country's future economic development in the interest of all Mozambiquans.

Mozambique is poised to become Africa's major coking coal producer, and a major player in the world coking coal market, following the discovery of significant resources and reserves of hard coking coal preceded by major exploration programs by international mining companies including Vale (Brazil), Riversdale (Rio Tinto), Revubue (Nippon Steel, Posco et al) as well as other programs.

Cokal Executive Chairman Peter Lynch said: "This Agreement reflects the confidence that Cokal holds in the Mozambique region for high quality coals and a stable and improving operating environment."

Cokal CEO & MD, Jim Middleton said: "Cokal is looking forward to a partnership in the Mozambique mining industry, where foreign investors are welcome, and facilitate building financial and technical capabilities within the country."

“The Agreement recognises that combining Cokal’s coal exploration and mining expertise with EMEM’s geological knowledge, commercial acumen and local expertise, will be a powerful partnership.”

“Cokal’s partnership now has a team in Mozambique capable of bringing any potential tenements through exploration and into production in a timely manner, while developing local Mozambique expertise and employment in a sustainable way.”

“EMEM and Cokal have consistent corporate goals and a compatible set of business values and ethics.”

Mr Middleton also commented: “We have the financial backing, the commitment and experience to bring these assets to production.”

Cokal Executive Director, Pat Hanna said: “My experience in Mozambique gives us confidence in identifying and developing coking coal resources in this large, new, emerging coking coal basin.”

“The partnership we have entered into will potentially allow us to develop coal opportunities for the benefit of Mozambique, increase the use of local educated professionals, see resources and infrastructure developed to push Mozambique to the forefront of African coal exports, and provide expertise to assist with the sustainability of these projects.

Cokal has also signed a joint venture to explore for coal in Tanzania with Tanzoz Resources, which currently holds interests in Tanzania for uranium, gold and coal.

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About Cokal Limited

Cokal (ASX:CKA) is an Australian listed company with the objective of becoming a metallurgical coal producer with a global presence. Cokal has interests in four projects in Central Kalimantan, Indonesia considered prospective for metallurgical coal. Cokal has also signed a joint venture to explore for coal in Tanzania with Tanoz Resources.

Forward Looking Statements

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