

ASX ANNOUNCEMENT/MEDIA RELEASE
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Results of Barge Scoping Study for Metallurgical Coal Project in Central Kalimantan, Indonesia

HIGHLIGHTS

- **Barging Has High Potential from the Upper Barito River to Shiploading**
- **Barging Able To Provide Internationally Competitive Logistics Solution**
- **Initial Channel Survey of Upper Barito River completed**
- **Options Identified to Improve Efficiency and Operating Days Compared with Current Methodologies**
- **Further Detailed Studies have been Initiated**

Global metallurgical coal group Cokal Ltd (ASX:CKA) announced today the completion of the initial barging report for Bumi Barito Mineral (BBM) coal project, using the Barito River as the primary logistics mode.

The Scoping Study by an International Consultant (including a highly experienced river vessel captain) has identified options that will :

- Improve the efficiency of barge use on the Barito River (compared to current practice), including transport upstream of the current coal loading points being used on this significant river system. The potential to increase the tonnage per trip has been highlighted for further study, and
- Increase the number of operating days available for barging operations (compared to current practice) using the upstream Barito River. The Initial investigation indicates potential significant reduction in lost barge time due to low and high river levels in the upstream areas.
- Provide strong economics within the identified options for the mine to ship logistics. Using the Upper Barito enhances these economic fundamentals.
- Allow for selection of ideal jetty / barge loading points along the Upper Barito River

Cokal Executive Chairman, Mr Peter Lynch, said “The Barge Scoping Study is a key milestone in commencing production from the BBM Project in Central Kalimantan as soon as practical. The BBM Project is located adjacent to the Barito River and the Pre-Feasibility Study can now be initiated.”

Cokal Managing Director, Mr Jim Middleton, commented, "This conceptual analysis of the logistics chain is one of the fundamental building blocks for developing a viable and efficient system for getting coal from the project to the customer. Opening up this underdeveloped metallurgical coal basin is an exciting opportunity, and this positive outcome continues to build on the Coal Quality and Resource volume at the BBM Project already announced.

Cokal has previously announced a maiden Inferred Resource of 60Mt from the BBM Project in Central Kalimantan estimate covering an area which occupies only 8% of the total lease area. There is significant upside potential as Cokal extends into the remaining areas of the BBM lease.

Cokal's Executive Director, Mr Pat Hanna said Cokal is continuing to define further Coal Resources which are generally in areas of lower strip ratio and with higher percentages of coking coal.

Cokal has previously confirmed high quality premium metallurgical coal at its BBM project in the Indonesia territory of Central Kalimantan.

BBM covers an area of 19,920 ha, immediately adjacent to BHPBilliton's Juloi tenement, straddling the Barito River and has numerous outcrops of bright (vitreous) coal. Another Cokal tenement, BBP, covering an area of 13,050 ha, is located adjacent to BHPBilliton's Maruwai tenement.

ENDS

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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 with Tanzoz Resources to explore for coal in Tanzania and a co-operation agreement with Mozambique Government Mining Corporation, EMEM, to explore for coking coal in the emerging coal province of Mozambique.

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.

Competent Person Statement

The information in this report relating to Exploration Results and Resources is based on information compiled by Patrick Hanna who is a Fellow of the Australasian Institute of Mining and Metallurgy and is a consultant (through Hanna Consulting Services) to Cokal Ltd.

Mr Hanna is a qualified geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Mr Hanna consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.