

30th April 2013**QUARTERLY REPORT FOR THE THREE MONTHS
ENDED 31st MARCH 2013****HIGHLIGHTS**

- **Significant advances in approvals during the Quarter**
 - **Central Kalimantan Government approves BBM combined EIS (AMDAL) for mine, road and port (final approval occurred in April 2013)**
 - **BBM Mining Licence application submitted (IUP – Production)**
 - **BBM Production Forestry Permit Application submitted**
 - **Indonesian government approves (BBP) exploration forestry permit (IPPKH)**
- **Cokal acquires 75% of Coal tenement (TBAR) directly adjacent to BBM**
- **Cokal finalises the sale of Australian tenements to Chinese coal company**
- **Detailed engineering studies continued to be on schedule for the 2014 start-up**

EXPLORATION**INDONESIA*****BBM Project***

BBM covers an area of 19,920 hectares (ha), immediately adjacent to BHP Billiton's Juloi tenement, straddling the Barito River and has numerous outcrops of bright coal. The Eastern Block of BBM contains an Exploration Target¹ of 200 to 350 Million tonnes (Mt) and ongoing drilling samples indicate the eventual conversion to premium coking coal with Crucible Swell Numbers (CSN) values generally 9 or more. This exploration result is in addition to the 77Mt total (7Mt Indicated and 70Mt Inferred) Resources.

Highlights

- **Drilling in-fill program for J Seam continues to upgrade Resource estimation**
- **Heavy rains slow progress of large drill rigs for stratigraphic drilling**
- **Further detail mapping of coal outcrops in K, L and M Seams proves positive.**

Drilling continued to delineate the J Seam outcrop and coal quality throughout the Eastern Block of BBM. Seam J has been found to subcrop from the northern boundary where the seam continues to display excellent coking properties. Drilling is continuing towards the southern boundary to define additional shallow Seam J Resources. The average borehole spacing for coal core sampling is 500m, which will result in upgrading most of the shallow Coal Resources for Seam J to either Indicated or Measured. Drilling is expected to be completed in the September quarter together with an updated Resource Report.

Since receiving the exploration forestry permit Pinjam Pakai (IPPKH) for the BBM metallurgical Coal Project, deep boreholes completed in the Eastern Block has improved the delineation of Coal Resources for all seams from Seam A through to Seam J. However, continued heavy rains (extending the wet season) have hampered the progress of building access roads required to transport the larger capacity drilling equipment further to the east to reach the upper seam sequence of K, L and M Seams which are currently identified as Exploration Targets¹.

While waiting for the drill rig access to be completed, further geological mapping of the far-east portion of BBM's Eastern Block has uncovered more coal seams than initially expected. All coal samples for these additional seams, although weathered, are indicating the coal continues to provide a primarily coking coal. The large deep drilling rigs have been moved into this area in the last few weeks and it is expected that the drilling results will reveal the full sequence of coal seams in the September quarter

BBP Project

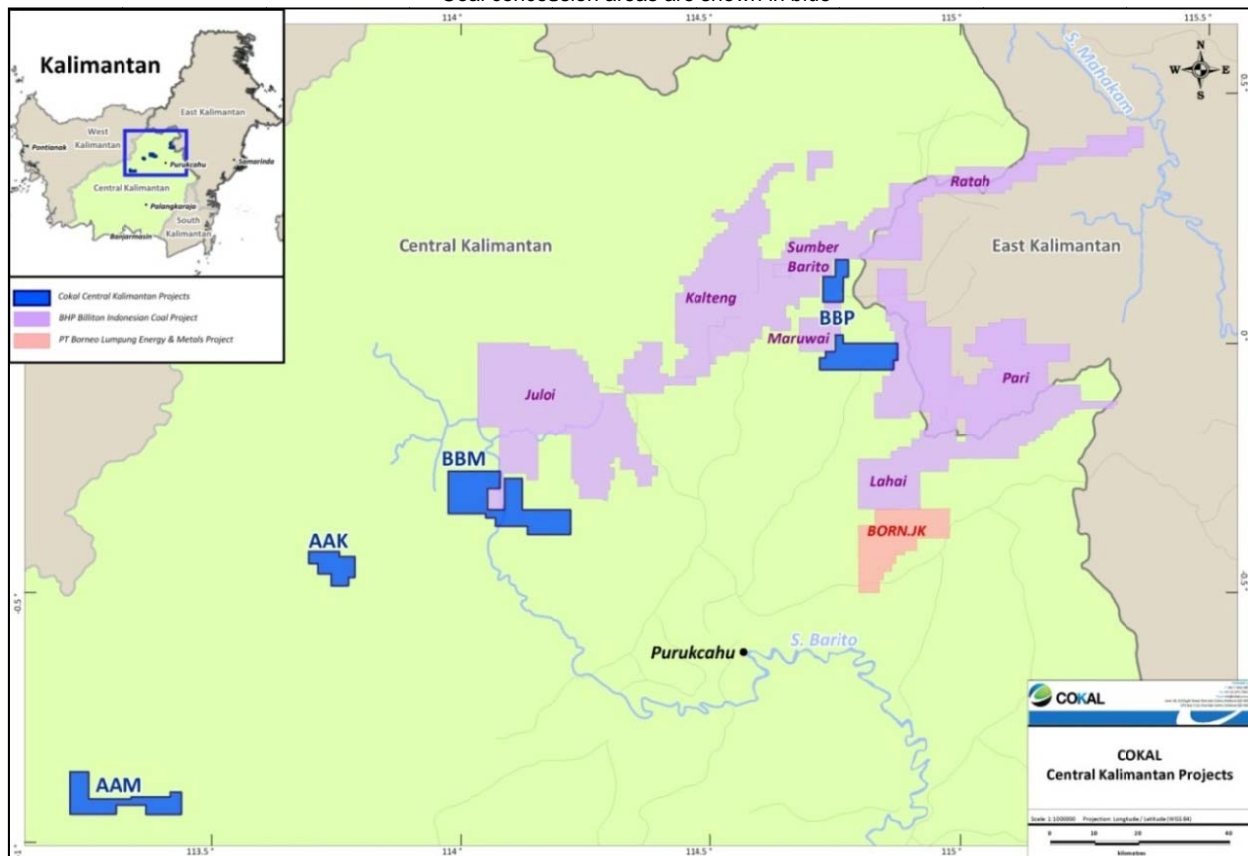
Geological mapping of the Northern Block of BBP was completed. Two coal outcrops were located and sampled, initial analytical results indicating both outcrops exhibit coking coal properties.

Once the Coal Resources of BBM's Eastern Block have been delineated, Cokal plans to allocate drilling rigs to take fresh core samples of the coal seams found in the outcrops, and to determine the likelihood of finding other coal seams.

AAM and AAK Projects

Cokal has a 75% share of Anugerah Alam Katingan (AAK) and Anugerah Alam Manuhing (AAM) projects also located in Central Province, Kalimantan, Indonesia. The AAK project area comprises of 5,000ha and the AAM project comprises of 10,000ha. Applications for the Forestry permit (IPPKH) continue to be processed. Drilling is planned to commence once the Forestry permit for exploration activity is issued.

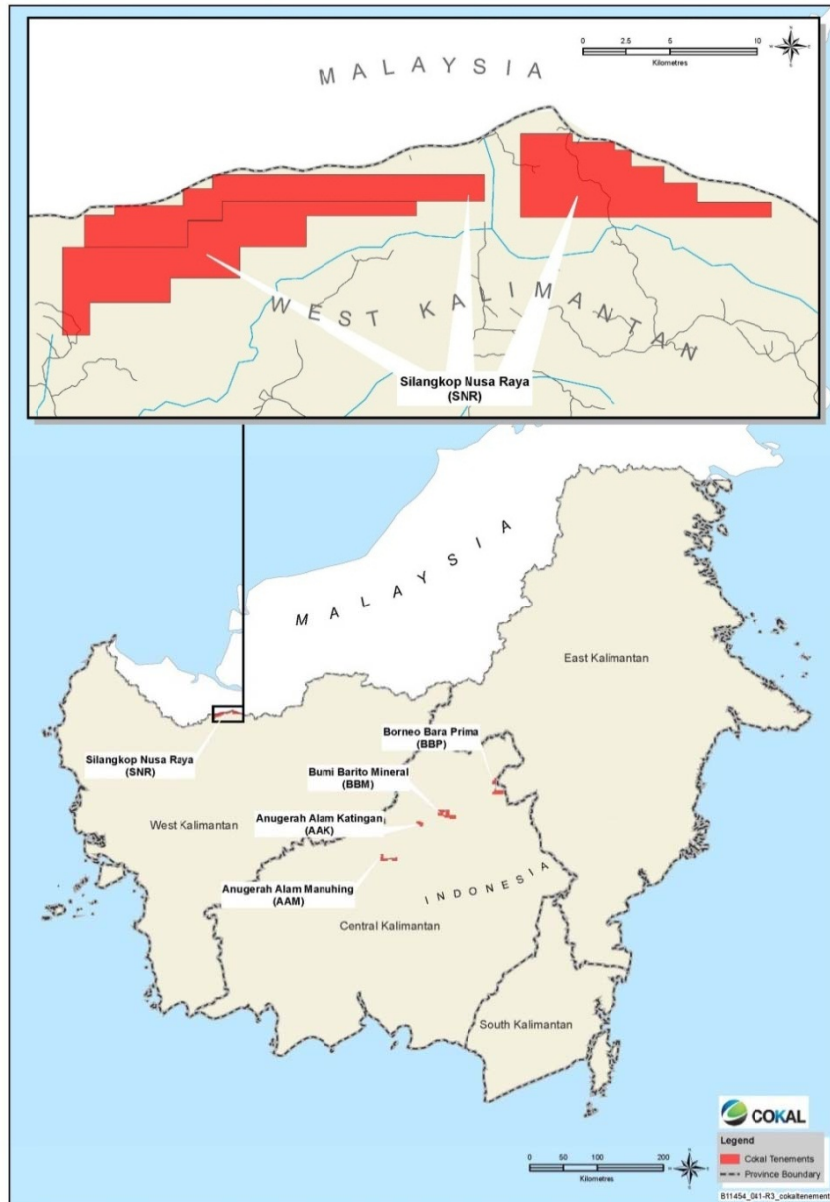
Figure 1: Locality plan of the Central Kalimantan Coal Projects on the island of Kalimantan
 - Coal concession areas are shown in blue



SNR Project

Applications for the Forestry permit (IPPKH) continue to be processed. Drilling is planned to commence once the Forestry permit for exploration activity is issued.

Figure 2: Locality plan of the West Kalimantan Coal Projects - Coal concession areas are shown in red



Tambang Benua Alam Raya (TBAR) Project

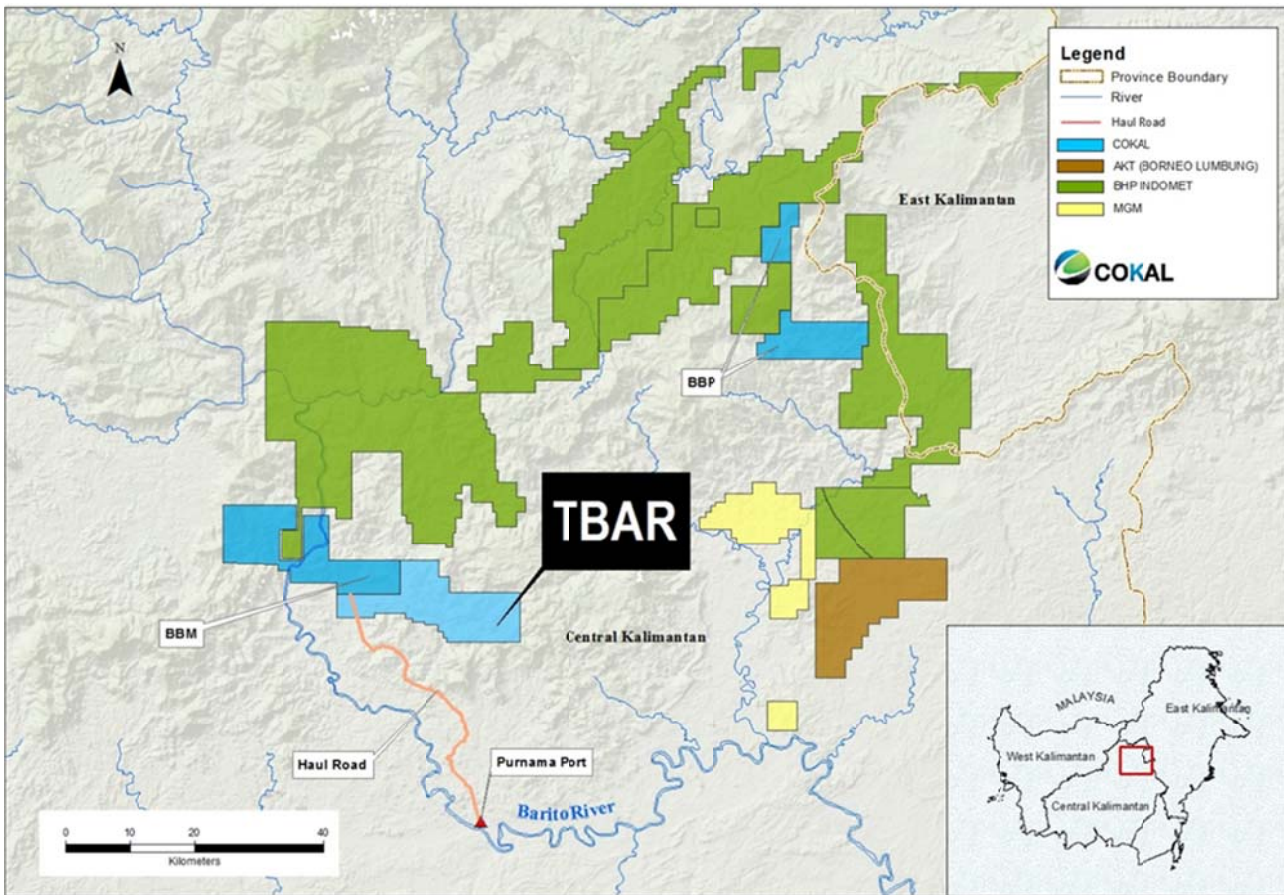
In February 2013, Cokal announced it had entered into an agreement to acquire a 75 % interest in a tenement adjoining its Bumi Barito Mineral Coal Project (BBM) in Indonesia. Under the agreement, Cokal will acquire 75% of the equity of PT Tambang Benua Alam Raya (TBAR) and local Indonesian partners will hold the 25% balance of the equity.

The TBAR Exploration Licence (IUP - Izin Usaha Pertambangan Eksplorasi) No.188.45/204/2012, which is on the Clean and Clear (CNC) List, is an exploration area of 18,850 hectares, over 80% of the lease is either production or limited production forestry lease which means it is available for exploration subject to the issuance of a exploration forestry permit.

TBAR adjoins the southern and eastern boundaries of BBM, and it is expected coal seams found in BBM’s Eastern Block will continue into the TBAR area.

Access into TBAR is currently being prepared and detail geological mapping is expected to commence shortly.

Figure 3: Locality plan of TBAR and BBM Projects



AFRICA

Tanzania

Cokal has negotiated access into a prospective area in Tanzania containing outcropping Karoo sediments. Initially Cokal plans to map the geology of the Karoo sediments to determine the evidence of carbonaceous material, and pending the results, will plan a wildcat drilling program to determine the occurrence of coal seams below younger alluvial sediments at surface.

Mozambique

Cokal continues to pursue opportunities in Mozambique and watches carefully the events of current producers and explorers as they unfold.

AUSTRALIA

EPCA's 1648 & 1662

In October 2012, Cokal entered into an agreement with XMC Australia Pty Ltd, a wholly owned subsidiary of Xuzhou Coal Mining Group Corporation (XMC) for the sale of its 100% interest in its Queensland tenements.

The sale, was successfully completed in March 2013 for \$2.06M (\$1.85M net of costs) following approval by Australia Foreign Investment Review Board approval, Chinese Government regulatory approval and Queensland Government approval of the permit transfer.

The sale enables Cokal to focus on developments of its Indonesian assets, in particular its BBM project.

PROJECT DEVELOPMENT

BBM Project Feasibility Study Commenced

Since exploration activity begun on the Company's BBM Project in March 2011 the Company has employed efforts on the future development of the project. These efforts have primarily focused on the areas considered to represent the biggest hurdles or risk to that goal being achieved. The location of the project means that its timely development will depend on the obtaining the necessary approvals and defining a suitably efficient and cost effective logistics chain.

Following the completion in late 2012 of the BBM Pre-Feasibility Study (PFS), the detailed design work for a Definitive Feasibility Study (DFS) has commenced. The focus areas include the river barging system, haul road design, barge loading facility and Government Approvals.

The studies continue to confirm the PFS, where a low capital and operating cost, high quality coking coal project at BBM has been identified.

Haul Road

Following the PFS design of the haul road, LIDAR imaging over a broad area covering the entire road route, and possible alternatives has been undertaken. This LIDAR imaging allows for accurate topographic data, even with heavy forest cover. It is anticipated that the haul road will be mainly less than 8 degrees grade, which will allow for efficient truck haulage.

Barge Loading Facility

LIDAR imaging has also been undertaken over the area designated for the river barge loading facility. The layout and data acquisition has commenced for detailed design of this facility. It is anticipated that direct loading of the barges from truck can be undertaken.

River Barging

Detailed studies of the river continue to confirm the practicality of using a river based shallow draft barging system.

A US Naval Architect has been retained to do detailed design for contract tenders to be issued. An operating draft of 2.0m has been confirmed for this project at approximately 3,000t loads. The barges can be loaded so that at deeper river depths approximately 7,000t loads can be transported.

The Local Government has approved the location of the barge loading facility, with the Environmental Approval allowing 6 Mtpa throughout.

River Transloading Station

Detailed design has commenced on river based transloading station to transfer coal from the river barging system for the upper Barito, to ocean going barges for delivery to offshore customer vessels via floating crane transshipping systems.

APPROVALS & EXTERNAL RELATIONS

BBM Production Approval Advances - Update

Cokal has received the approval of its Environmental Impact Study (EIS) by the Central Kalimantan Provincial Government Environmental Agency (Badan Pengelolaan Lingkungan Hidup (BPLH)) for its BBM Project. The EIS complies with Indonesian environmental and mining regulations and covers the integrated development of the BBM mine, haul road and river barging terminal.

The approval of the EIS by the BPLH now opens the door for the finalisation of the upgrade of the IUP exploration to an IUP production / operation (Mining Lease) by the Murung Raya Regency Mines Department.

The study was overseen by CDM Smith a global engineering and environmental consultancy supported by numerous specialised Indonesian sub-consultants. The Study commenced in late 2010 and included environmental and social baseline studies and assessments, and community consultation with local villages and communities.

The EIS covers the expected full development of the Eastern Block of the BBM project consistent with Cokal's Prefeasibility Study (PFS) which envisages the development of the BBM project in two stages, an initial 2Mtpa direct ship operation with an expansion subject to the delineation of sufficient additional resources from the 200Mt to 350Mt Exploration Target¹. The PFS highlights the potential for BBM to be developed as a low capital cost, low operating cost metallurgical coal project.

The BBM Mining Licence application Cokal submitted in January 2013 is to have the *Izin Usaha Pertambangan Eksplorasi* (Exploration IUP) upgraded to *Izin Usaha Pertambangan Operasi / Produksi* (Operation / Production IUP).

Subsequent to the end of the December Quarter, Cokal announced on 30 January 2013 it has applied to upgrade the BBM Forest Utilisation Approval permit (exploration stage) (Ijin Pinjam Pakai Kawasan Hutan or IPPKH) to Forest Rent Use Permit (Operation / Production stage) for its BBM Coal Project. The application was prepared in accordance with the relevant forestry regulations and has been submitted to the Forestry Department (Dinas Kehutanan).

Once granted, the upgraded forestry permit will enable construction of the BBM coking coal project to commence. In line with the integrated development of the BBM project, the application to upgrade the forestry permit includes the forestry areas associated with the development of the BBM mine, haul road and river barging terminal.

"Since the start of the New Year, Cokal has achieved three important milestones towards obtaining the necessary approvals for the BBM project" With the approval of the EIS, together with the applications to upgrade the mining license and the forestry permit, we remain on track towards meeting our target of commencing construction in Q4 2013" said Chairman Peter Lynch.

Cokal has received approval for the BBM river barge loading facility and haul road from the Regency Government. Cokal is now progressing the approvals through the provincial Government and has already received endorsement for the site from the area Harbour Master. Approval of the river barge loading facility site by the Provincial Government is expected in Q2 2013.

Cokal has finalised the land acquisition process with the original land owners for the BBM landing zone site. Applications have now been submitted with the regency Government to have the land titles transferred to Cokal.

BBP Production Approval Advances - Update

Cokal is well advanced in the progress of the approvals for the BBP project. Cokal has undertaken community consultation, collected baseline data and has held extensive consultation with Government Departments as part of preparing the ANDAL documentation for the Project. Cokal is currently finalising the ANDAL documentation and expects to have the ANDAL submitted to Government for assessment in Q2 2013.

In parallel to the ANDAL process Cokal has commenced preparation of the IUP upgrade documents for the Project. These documents will be finalised and the upgrade application submitted to the Regency Government in Q2 2013.

Corporate Social Responsibility

Cokal has continued with the implementation of its Corporate Social Responsibility program. To date Cokal has undertaken the following programmes:

- Continued to provide support for Tumbang Tuan village (local village to BBM) Junior High School through the sponsorship of four teachers. This program is being implemented in conjunction with the local Education Department.
- Provided medical support to the community through arranging an ophthalmologist to run a free clinic in Puruk Cahu. Approximately 180 patients from the broader project area were screened for eye problems with 135 patients being operated on to correct various sight ailments.
- Cokal has partnered with the T3 Football Academy to introduce football programs initially into Central Kalimantan. The T3 Football Academy held a clinic in Puruk Cahu which included >100 children from Puruk Cahu and the broader communities associated with the BBM project. Meetings were also held with the Government (Regency and Provincial) and sporting leaders. T3 are currently preparing a report about the way ahead for developing and implementing a range of football programs to be rolled out in Murung Raya and Central Kalimantan.
- Cokal has continued with the implementation of its university scholarship program. Cokal staff have visited the local senior high schools in the Murung Raya Regency providing information about the scholarship program to all senior students. In parallel, Cokal has sent letters to the schools in Murung Raya requesting applications for scholarships. This program will target students from within the project area and broader Regency that may wish to attend University but for various reasons (i.e. affordability) cannot go to University.
- Cokal staff are continuing to volunteer their time to provide English classes for the local community in the vicinity of the mine site.

CORPORATE

Subsequent to the end of the quarter (12 April 2013) the appointment of Mr Garry Keilenstyn as the Country Manager / President Director PT Cokal. PT Cokal was announced.

Garry is an expatriate based in Kalimantan, he is a veteran of the Indonesian mining and civil contracting industries. His first Indonesian based role was in the 1974 and has been living and working in the country since 1990. His previous roles include:

- Project Manager and Area Manager with Petrosea one of Indonesia's biggest mining and civil contractors
- Construction Manager, Mining Manager, Operations Manager, General Manager and Resident Manager for well recognized Indonesian Mining Companies such as PT Indo Muro Kencana / Straits resources, PT Yuga Eka Surya, PT Ganda Multi Energi, PT Baramulti Sugih Sentosa and PT Baramulti Sugih Sentosa.

Garry has strong track record for bringing projects through construction to production in remote parts of Indonesia but importantly he has long and successful track record in the Murung Raya regency where Cokal's premier Bumi Barito Mineral (BBM) project is located..

Garry Keilenstyn will commence his formal employment on 1st May 2013, but has already begun participated in engineering briefings and meetings to hit the ground running.

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 Resource Company Limited 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

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 in this release include, but are not limited to, the capital and operating cost estimates and economic analyses from the Study.

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.

Competent Person Statement

The information in this report relating to Exploration Results 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 Limited.

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 they are undertaking, to qualify as Competent Persons 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.

The information in this report relating to Mineral Resources is based on information compiled by Tri Yoso who is a member of the Australasian Institute of Mining and Metallurgy and a full time employee of Cokal Limited.

Mr Yoso 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 they are undertaking, to qualify as Competent Persons as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

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

Note 1: Exploration Target

All statements as to Exploration Targets of Cokal Limited and statements as to potential quality and grade are conceptual in nature. There has been insufficient exploration undertaken to date to define a Coal Resource and identification of a Resource will be totally dependent on the outcome of further exploration. Any statement contained in this document as to exploration results or Exploration Targets has been made consistent with the requirements of the Australasian Code for Reporting of Exploration Results, Resources and Ore Reserves (JORC Code).