

ASX Announcement – 13 February 2013

COKAL Acquires 75% of Tenement Adjoining its BBM Met Coal Project

Global metallurgical coal group Cokal Limited (ASX:CKA) is pleased to announce it has entered into an agreement to acquire a 75 percent interest in tenements adjoining its Bumi Barito Mineral Coal Project (BBM) in Indonesia.

Brisbane-based Cokal's Executive Chairman Peter Lynch said "the acquisition of PT Tambung Benua Alam Raya (TBAR) was another major step forward for the company, which is on track to commence construction of its proposed BBM coal mine in Central Kalimantan later this year".

"Since the start of the new year, Cokal has achieved three important milestones towards obtaining the necessary approvals for the BBM project, having completed and submitted our EIS, together with the applications to upgrade the mining license and the forestry permit," Mr Lynch said.

"The TBAR acquisition represents a significant opportunity for Cokal to achieve further exploration success which would provide the company with ability to leverage off the infrastructure planned for the development of the adjoining BBM project".

Mr Lynch said "Cokal has executed a binding Share Sale and Purchase Agreement (SSPA) with the owners of TBAR, which adjoins the southern boundary of BBM".

"This is the same mechanism which Cokal has used successfully to acquire the interests in all of its existing tenements in Indonesia," Mr Lynch said.

"Under the agreement, Cokal will acquire 75 percent of the equity of PT Tambung Benua Alam Raya and local Indonesian partners will hold the 25 percent balance of the equity."

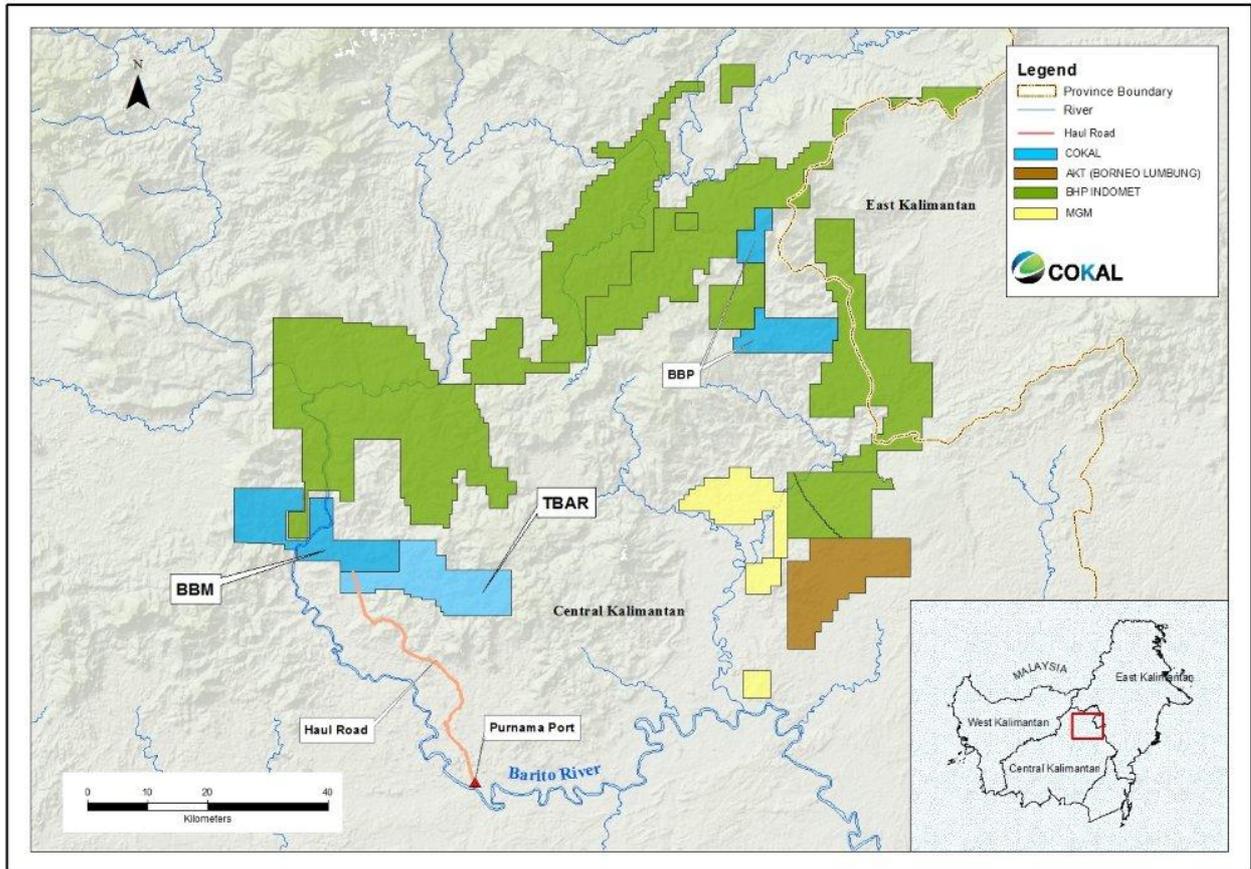
The TBAR Exploration Licence (IUP - Izin Usaha Pertambangan Eksplorasi) No.188.45/204/2012, which is on the Clean and Clear (CNC) List, is an exploration area of 18,850 hectares, over 80 percent of the lease is either production or limited production forestry lease which means it is available for exploration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

Cokal Executive Director Pat Hanna said "Based on our exploration success at the BBM project we have secured the TBAR IUP as there is a reasonable potential to find the premium coking coal seams in BBM to extend down into TBAR.

The 'K, L & M' seams which have been mapped to the east of the 'J' seam exhibit similar coking coal attributes to the 'J' seam. The shallow outcrops of these seams appear to trend down into the adjoining TBAR IUP.

We are excited to have secured this area as it almost doubles the ground in the BBM area available for our exploration activities, importantly in the area where we have achieved the greatest

exploration success. In just the eastern block of BBM tenement Cokal has already reported an Exploration Target¹ of 200 to 350 Million tonnes (Mt), as well as an additional JORC Resource of 77Mt comprised of 70Mt Inferred and 7Mt Indicated (eastern block is approximately 40 percent of the BBM area)".

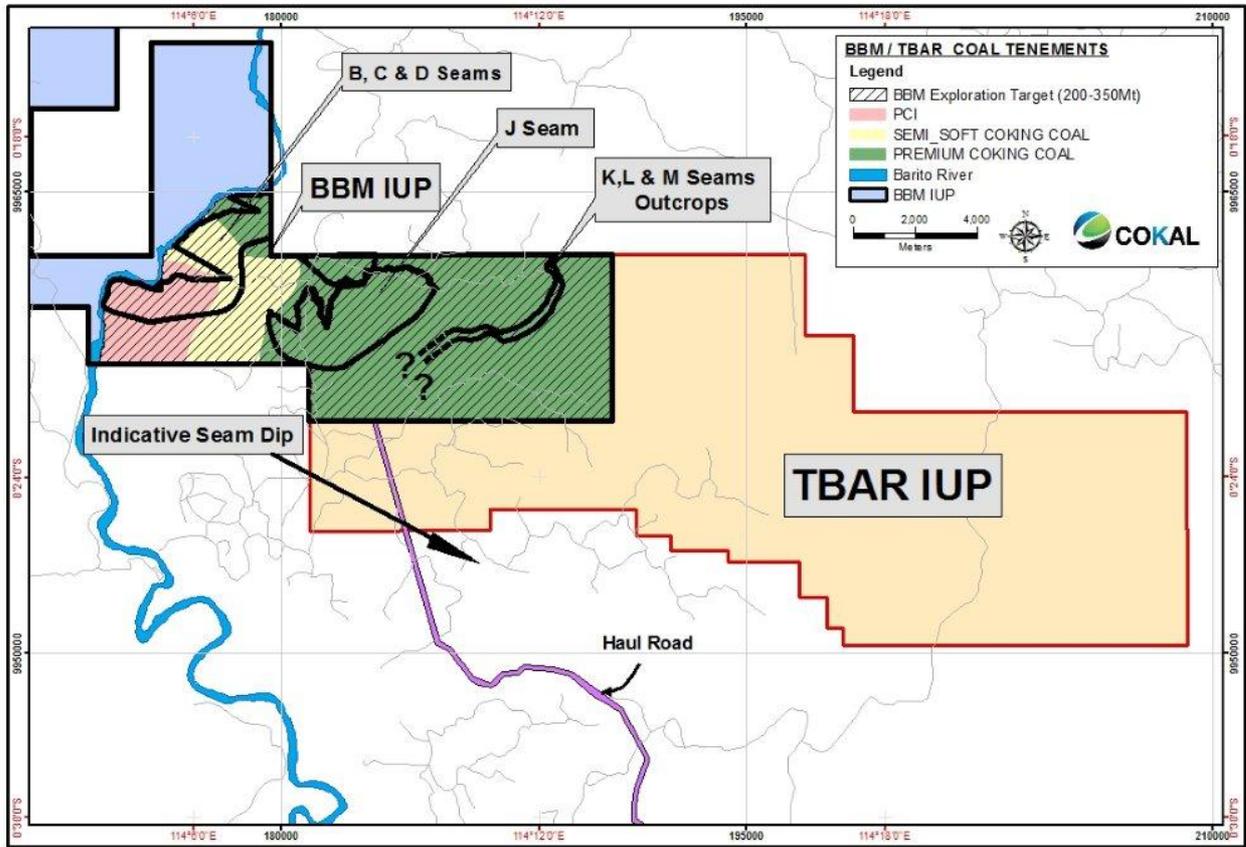


Cokal has completed its initial legal and technical due diligence on TBAR and will now move to apply to have the holding company converted into a foreign investment approved (PMA) company. The application and conversion process is made through the Badan Koordinasi Penanaman Modal (BKPM) the Indonesian equivalent of Australia's Foreign Investment Review Board (FIRB). Cokal has managed to successfully complete this process for all five projects it holds in Central and Western Kalimantan Indonesia. The BKPM / PMA process provides foreign investors with a real legal interest in mining projects created under the 2009 Indonesian Mining Law, with the investment having been formally approved and recorded by the national government.

PT Tambang Benua Alam Raya (TBAR) has been listed on the CNC List issued by the Directorate General of Mineral and Mining, Central Jakarta on 23 January 2013. The CNC List confirms the IUP has "no overlapping IUP areas with any other IUP licence and the IUP documentation, after checking, has complied with the relevant regulations.

The total purchase price of the acquisition is US\$5 Million through a staged payment mechanism, with the first payment of US\$1.75 Million in the form of a refundable deposit having been made on execution of the SSPA subject to the successful completion of all legal due diligence and government approvals. The second payment of US\$0.5 Million will be due on the transfer of the

shares representing a 75 percent interest in the IUP holding company PT Tambang Benua Alam Raya after all government approvals including the BKPM. The third payment US\$1.25 Million is due on successfully obtaining the Exploration Forestry Permit.



The final payment US\$1.5 Million will be made on having obtained the conversion to a Production IUP and the granting of a Production Forestry Permit. Cokal's local Indonesia partners have an option to finance their share of the project exploration and development cost through a loan from Cokal, at commercial interest rate, repayable out of their share of the future profits of TBAR.

"We will now undertake detailed surface mapping of the TBAR IUP based on our knowledge of the coal seams in BBM to identify follow up drill targets, concurrently we will apply for an exploration forestry permit to allow for the deployment of high impact exploration drilling in the future," Mr Lynch said.

ENDS

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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 and one project (which holds three exploration licences) in West 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).