

ASX ANNOUNCEMENT/MEDIA RELEASE
July 1, 2013**COKAL IDENTIFIES ADDITIONAL SEAMS OF PREMIUM QUALITY COKING COAL AT BUMI BARITO MINERAL PROJECT (BBM)****HIGHLIGHTS**

- **Drilling at BBM is now focused on the new 'K L M' seams outcropping to the east of the high quality 'J' seam**
- **Laboratory results confirm the 'K L M' seams as premium quality coking coal with CSN of 9**
- **Coal quality includes low ash, low sulphur, low phosphorous and low moisture**

Global metallurgical coal group Cokal Ltd (ASX:CKA) announced today it has identified potential additional seams, the 'KLM' seams and confirmed they contain high quality premium coking coal at its Bumi Barito Mineral (BBM) project. BBM's Production Mining Lease in the Indonesia territory of Central Kalimantan covers an area of approximately 15,000 hectares (ha) – maximum coal lease area allowable. It is immediately adjacent to BHP Billiton's Juloi tenement, straddling the Barito River.

The potential additional seams, the 'KLM' seams are the uppermost in the package of thirteen seams which have been mapped to date. It forms a significant portion of the JORC compliant Exploration Target¹ announced by Cokal in June 2012.

Eighteen (18) boreholes have now been completed in the KLM area, and core samples for four (4) of these boreholes have been analysed, preliminary results are displayed in tables 1 and 2 below. The geological interpretation of the coal seams continues to develop whilst the drilling program continues to determine the full extent of the KLM seams.

"These laboratory results on initial the cores conducted in Australia by ALS confirm that the coal seams in the far Eastern portion of BBM continue to produce a premium coking coal and a welcome addition to the existing premium metallurgical coal at the BBM project," said Mr Pat Hanna, Executive Director of Cokal Ltd.

"All of the core samples which have intersected the seam have demonstrated excellent coking potential with Crucible Swell Numbers (CSN) of 9 even on the raw coal results."

"Although the initial analytical results of the raw coal samples indicate a range of ash between 12.6% to 16.5%, the washed coal results indicate high yields ranging from 80% to 90% and ash results from 4% to 5%, achieved using a relatively high separation density of 1.6. The in-situ ash is generally related to the presence of thin stone bands. We are currently testing large diameter cores

(150mm diameter) to determine the possibility of easily separating the stone bands from the coal using a simple in-pit screening process” he said

Table 1: ‘KLM’ Seams Borehole Data

Hole / Sample	Easting (local Grid)	Northing (local Grid)	Collar RL (m)	Depth to Seam Roof (m)	Nett Coal Thickness (m)	Depth to Seam Floor (m)
BBM-060	187307	9960451	219	59.03	1.30	60.56
BBM-065	185496	9960155	176	25.45	1.28	26.73
BBM-068	185522	9960295	195	36.45	1.28	37.73
BBM-072	186092	9960131	216	46.20	1.09	47.29
BBM-072	186092	9960131	216	53.97	0.29	54.26

Table 2 : ‘KLM’ Seams Coal Quality – Premium Coking Coal

Product	Yield %	Ash %	Vols. %	Fixed Carbon %	Total Sulphur %	Phos %	Calorific Value Kcal/kg	CSN
In-situ Product	100	12.6–16.5	18.0	65	0.4-0.6	≤0.009	6,900-7,500	>9
Beneficiation Product (F1.60)	80-90	4.1-5.5	18.5	75	0.4-0.6	NA	8,200-8,500	>9

NA – not available

“We are progressing our Definitive Feasibility Study which will allow BBM to be “bankable” and then taken into production in the first half of 2014. The BBM project will be developed on the basis of a 2 Mtpa direct ship operation. Plans are well progressed now that the EIS is approved and a mining IUP granted for a project up to 6Mtpa. These are critical elements which must be completed and approved in applying for the necessary mining approvals for the project.” Mr Lynch said.

BBM currently has a JORC Resource of 77 Million tonnes (Mt) comprised of 70Mt Inferred and 7Mt Indicated Resources. Cokal has eight drill rigs active on BBM with seven focused on converting the 200 to 350Mt additional Exploration Target¹ into JORC resources. The KLM seam area potential represents a significant amount of the additional resource potential. Cokal is targeting an upgraded BBM resource for release in 3rd Quarter 2013, the upgraded resource includes definition of Measured and Indicated Resources which form the basis of the detailed mine plan on which the definitive feasibility will be based.

We continue to receive strong interest from some of the world steel industry’s biggest participants. They are motivated to support the potential for a new metallurgical coal basin which allows them to diversify their current raw material supply away from the existing limited geographic locations which are dominated by the majors.

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 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.

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).