

31 July 2015

**QUARTERLY REPORT FOR THE THREE MONTHS
ENDED 30 JUNE 2015****HIGHLIGHTS**

- **CKRA and Cokal enter into Bid Implementation Agreement**
- **Cokal favorably responds to all Forestry requests - now seeking clarification from BKPM and Forestry Ministry on delay in issuance of final permit**
- **Private placement to Cedrus Investments**

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

BBM's Production IUP covers an area of 14,980 hectares (ha), immediately adjacent to BHP Billiton's Juloi tenement, straddling the Barito River and has multiple seams of high quality metallurgical coal.

GEOLOGICAL ACTIVITY

At the end of the last quarterly period, all geological activities had been completed and is up to date. Whilst waiting for the Forestry Approval to be completed, there has been no further geological work and expenditure has been kept to a minimum.

MINING ACTIVITY

During this quarterly period, a third party had completed an estimation of coal reserves for BBM in accordance with the Indonesian Stock Exchange requirements. As this does not comply with the ASX, Cokal is not in a position to report this estimate. However, the work completed by the third party was able to confirm the estimates used in Cokal Definitive Feasibility Study of the 1st phase of mining at 2mtpa.

ENVIRONMENTAL ACTIVITY

In order to keep expenditure to a minimum whilst Cokal awaits the final approval from the Forestry Dept to allow construction and mining to begin in BBM, revegetation of 90% of areas affected by exploration activity is now complete. Over 15,000 seedlings have been planted along access roads and on drill sites, comprising of some 5,000 trees and some 10,000 ground cover.

BBP Project

No exploration activity was conducted on BBP during this period as all drilling and exploration resources have been deployed to BBM to assist in the delineation of the coal seam in the KLM area.

AAM and AAK Projects

Cokal has a 75% share of Anugerah Alam Katingan (AAK) and Anugerah Alam Manuhing (AAM) projects also located in Central, Kalimantan, Indonesia. The AAK project area comprises of 5,000ha and the AAM project comprises of 10,000ha.

Applications for the Exploration Forestry Permit (IPPKH) and Clean and Clear Certificates continue to be processed.

SNR Project

Applications for the Exploration Forestry Permit (IPPKH) and Clean and Clear Certificate continue to be processed.

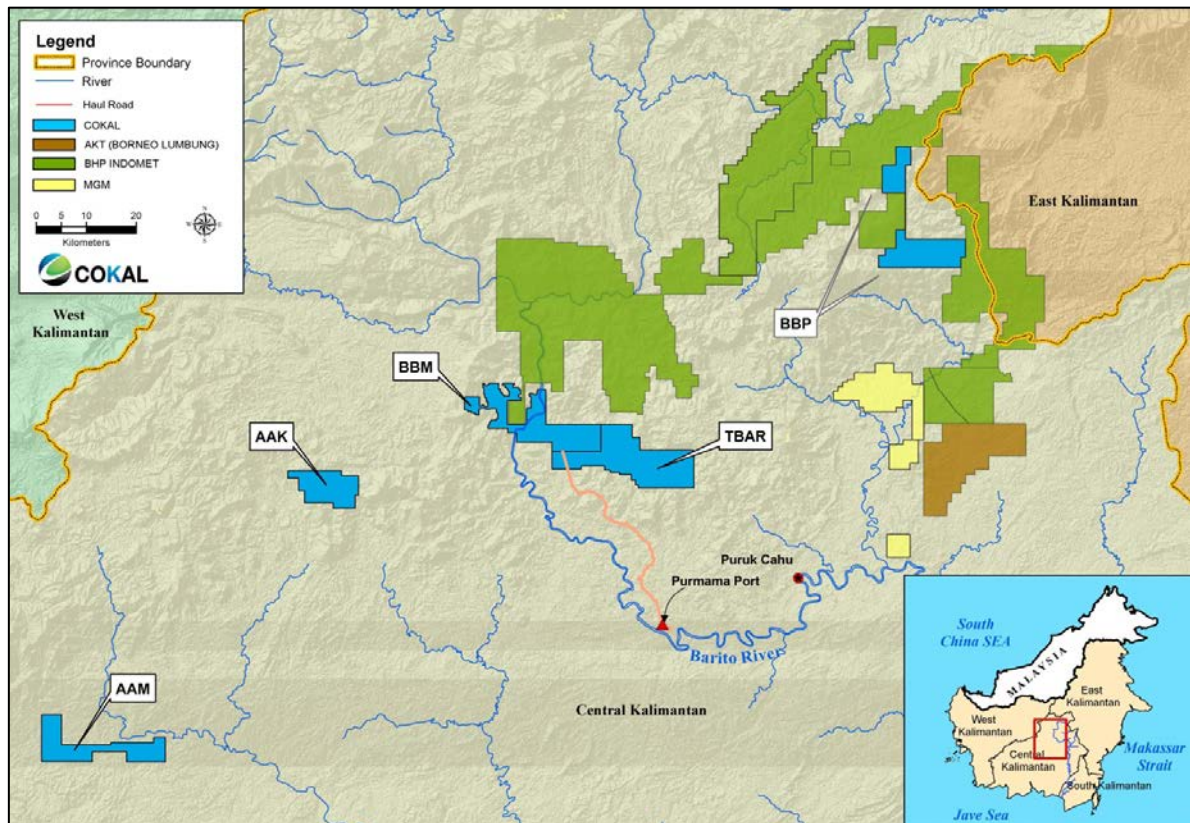


Figure 1: Locality Plan of the Central Kalimantan Coal Projects on the Island of Kalimantan
- Cokal's Coal concession areas are shown in blue

AFRICA

Tanzania

No further work was conducted in Tanzania this quarter as Cokal's resources were focused on bringing the BBM coking coal project to production at the earliest time.

Mozambique

Cokal continues to focus on the development of the BBM project, but is maintaining a watching brief on Mozambique and watches carefully the events of current producers and explorers as they unfold.

DISCLOSURES REQUIRED UNDER ASX LISTING RULE 5.3.3

Mining tenements held at the end of the quarter and their location

Tenement Name	Location	% Ownership
PT Anugerah Alam Katingan (AAK)	Kalimantan, Indonesia	75%
PT Anugerah Alam Manuhing (AAM)	Kalimantan, Indonesia	75%
PT Bumi Barito Mineral (BBM)	Kalimantan, Indonesia	60%
PT Borneo Bara Prima (BBP)	Kalimantan, Indonesia	60%
PT Silangkop Nusa Raya (SNR)	Kalimantan, Indonesia	75.2%
PT Tambang Benua Alam Raya*	Kalimantan, Indonesia	75%
PL6281	Tanzania	50%

**In the process of acquiring*

Mining tenements acquired and disposed of during the quarter and their location

Not applicable this quarter

Beneficial percentage interests held in farm-in or farm-out agreements at end of the quarter and beneficial percentage interests in in farm-in or farm-out agreements acquired or disposed of during the quarter

The Company is not party to any farm-in or farm-out agreements.

PROJECT DEVELOPMENT

BBM DEFINITIVE FEASIBILITY

Some further costing, delivery confirmation and price enquiries were carried out during the Quarter in order to confirm both the BBM Definitive Feasibility Study and consequent changes associated with the Detailed Engineering works carried out during the Quarter

MANNING

A significant reduction in staff and employee numbers have been made to limit expenditure whilst awaiting our Forestry Approval. All redundancy and reduction requirements have been carried in accordance with Indonesian labour regulations and Cokal has been assisted in this process with substantial help from both local and provincial labour departments

ENVIRONMENTAL REHABILITATION

Cokal continued last quarter to undertake environmental monitoring on site as part of ongoing baseline studies.

Rehabilitation activities have been substantially completed throughout the previously disturbed exploration areas with both ground cover and trees flourishing in the wet weather experienced during the quarter.

Effort is now being expended into increasing nursery stocks both for the school planting programme and mine and mine infrastructure replanting in the future

APPROVALS & EXTERNAL RELATIONS

BBM PRODUCTION APPROVAL ADVANCES – UPDATE

As reported previously Cokal received the Izin Prinsip Izin Pinjam Pakai Kawasan Hutan or “In-Principal Forestry Permit” for its BBM Project. The In-Principle Forestry Permit is the last stage prior to the issuance of the “Borrow and Use of Forest Area Permit (Izin Pinjam Pakai Kawasan Hutan (“IPPKH”)) which allows the Company to start construction and mining.

The In-Principal Forestry Permit has been issued for an area covering 1,242 ha which enables the development of the port, haul road and the initial development of the mine site once the conditions of the In-Principal Forestry Permit are met.

Cokal has fulfilled all of the administrative obligations necessary to obtain the full IPPKH. The fully completed IPPKH application was submitted to the BKPM, which acts as the new one-stop integrated service (PTSP) to simplify investment licensing procedures. However due to the technical nature of the IPPKH application and that BBM’s application is the first to be received under the new system the BKPM has referred the application to the Forestry Dept for detailed assessment.

We have outlined both the chronology and steps that have been undertaken to date in order to clarify time taken to date to obtain the formal approval from BKPM who have been waiting for Forestry Dept advice and instruction to provide the formal approval

Our complete Izin Pinjam Pakai Kawasan Hutan - Operasi Produksi (IPPKH_OP) was submitted to the Badan Kordinasi Penanaman Modal (BKPM) on March 30 2015 at which stage the application was fully inspected and formally registered by the BKPM Forestry Department representatives. At this stage we were formally issued a notice that our application had been received in good order and that the processing time for the complete approval would be within 52 working days.

We continued to “monitor” the situation both at Ministry of Forestry which was undergoing massive restructuring into the Ministry of Environment and Forestry under a new Minister and steps being carried out at BKPM to process our application which was now following a totally new form of Licence Approval.

From our observations our IPPKH-OP appeared to be in process but with no reference to the 52 working day time limit imposed by the BKPM.

In order to raise awareness at BKPM as the “driver” of the licensing process we wrote a series of four letters the first being on Working Day 62 (10 working days after we were to be issued our IPPKH-OP). Further Letters were sent to BKPM Working Day 69, Working Day 73 and Working Day 79.

These letters were also copied to appropriate departments at The Ministry of Environment and Forestry including the Minister of Environment and Forestry.

There was a further letter directly to the Minister of Environment and Forestry to ask for a meeting to discuss the delay in the agreed 52 Working Days to issuance of approval

To date we have not received a response from r BKPM as the issuing authority or the Ministry of Environment and Forestry.

On Working Day 81 (Thursday 30 July 2015) we lodged a formal protest with the BKPM directly and not the Forestry representatives at BKPM. All previous letters to BKPM were to the designated BKPM Forestry representatives as per BKPM procedure and guidance.

Following this direct complaint to BKPM we have been advised that a strong response from the Deputy Chairman for Investment Service at BKPM regarding the delay our approval has been made.

Again to date we have not had received any advice or communication from The Ministry of Environment and Forestry that about the delay.

We understand that this is a new process and we are endeavoring to work with the government to achieve a satisfactory outcome. In many ways the government has been proactive in developing the new approvals process. Never the less we remain at the forefront this process and believe we will be the first forestry permit to be issue

BBM WEST BLOCK EXPLORATION IPPKH EXTENSION

In order not to “mix” the current IPPKH Operation application with a further IPPKH – Exploration application this application has been put on hold until directly after the issuance of the IPPKH – Operation for BBM

BBP PRODUCTION APPROVAL ADVANCES – UPDATE

The IUP production / operation (Mining Lease) licence is still with the Murung Raya Bupati for signing. Whilst expected to be issued during this quarter it is now expected to be issued in Quarter 3 2015.

Cokal has submitted its application for the Clean and Clear Certificate Exploration from the Director General of the National Mines Department formalising the previous award of Clean and Clear status.

TBAR EXPLORATION FORESTRY PERMIT

Cokal continued during the last quarter to progress the Exploration Forestry Permit for TBAR with the Central Kalimantan Provincial Government. Due to Cokal’s focus on fulfilling the administrative requirements to obtaining the IPPKH for BBM, together with workloads within the Provincial Forestry Department the site visit to the TBAR concession has been delayed until Q3 2015.

CORPORATE SOCIAL RESPONSIBILITY

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

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.

Continued to provide medical support to local villages around the landing area at BBM through providing access to onsite medical staff.

Continued to support Regency Government (specially Murung Raya Transportation Office) on providing a series of safety trainings for ground crew and safety equipment donations for local airstrip facilities and its services improvements

Constructed jointly with Borneo Orang Utan Survival (BOS) Foundation a “staging point” for the accommodation of 8 – 10 Orang Utans prior to their release at the nearest favourable area for orang utan habitation approximately 150 kilometres north east of the BBM site. A substantial amount of material used for the construction was recovered and reused from a recently abandoned gold mine that had previously been used as the “staging point”

Cokal has continued with the implementation of its Palangkaraya University scholarship program. With the selection of the new cohort of scholarship holders, Cokal has awarded scholarships to 24 Murung Raya Regency students since the inception of the program.

In association with the mining and civil engineering faculties of the University of Palangkaraya Cokal has continued with its regular monthly series of lectures covering aspects of mining and mining infrastructure.

Cokal continued the school tree-planting program during the quarter. This tree-planting program aims to provide the local schools in the Project area with plants from the on-site nursery to be planted in the local villages. Cokal aims to have a total of 5,000 plants established through this program by the end of 2015, and then continuing through the life of the project.

CORPORATE

CKRA and Cokal enter into Bid Implementation Agreement

On the 29th of April, 2015 it was announced that PT Cakra Mineral Tbk (CKRA) and Cokal Limited (ASX:CKA) have entered into a Bid Implementation Agreement under which CKRA will make a conditional off market takeover bid for all of the shares in Cokal

Under the Offer, Cokal shareholders will be given the choice of scrip or cash consideration, comprising either:

- (share-based consideration) 10.327 CKRA Shares for every 1 Cokal Share; or
- (all cash consideration) A\$0.16 per Cokal share.

The closing price of CKRA shares on the Indonesia Stock Exchange was IDR175 on 28 April 2015 and IDR139 on 26 February 2015 (being the last date on which Cokal shares were traded on ASX before announcement of CKRA’s indicative takeover proposal).

The cash consideration values Cokal at approximately A\$75.45 million and represents:

- a 81.8% premium to the last traded price of Cokal shares on ASX on 28 April 2015 of 8.8 cents; and
- a 68.4% premium to the last traded price of Cokal shares on ASX on 26 February 2015 (being the last date on which Cokal shares were traded on ASX before announcement of CKRA’s indicative takeover proposal) of 9.5 cents

The detail of the bid implementation agreement is contained in the announcement made on the 29/4/15.

Cakra receives Underwriting Agreement from Sinarmas Sekuritas

A key part of the overall transaction proposed by Cakra is a rights issue to raise circa. US\$100 Million. On the 1st of June 2015, Cakra advised Cokal it had received an underwriting agreement from Sinarmas Sekuritas.

CKRA has also advised that the underwriting agreement is in customary form and normal terms for transactions for this size and type in Indonesia and is therefore subject to the transaction receiving regulatory and shareholder approval. CKRA advises that CKRA's largest shareholder, Redstone Resources Pte Ltd is a party to the agreement, indicating its intentions in relation to the shareholders meeting as part of the rights issue process.

CKRA intends to raise approximately US\$100 million by way of a rights issue fully underwritten (as a standby buyer) by PT. Sinarmas Sekuritas¹ (**Underwriter**).

PT Sinarmas Sekuritas is a subsidiary of PT Sinar Mas Multiartha, the investment holding company for Sinar Mas Group, one of the largest conglomerates in Indonesia. The Underwriter is a leader in financial services that includes fund management, investment research, stock brokering, bonds, and other derivative products to retail, corporate, and institutional customers.

By obtaining the underwriting agreement, Cakra Minerals has achieved a significant milestone and in line with the timetable as outlined in the Bid Implementation Agreement announced on 29 April 2015.

Delays to Indicative Timetable

An indicative timetable was presented in the Bid Implementation agreement which has subsequently experienced some delays. On the 30th June it was announced that Cakra had been granted an extension of time to the 13th of July for the lodgement of its bidder's statement. Subsequent to this delay a further extension until the 13th of August was granted by ASIC to allow the preparation of Cakra's financial statements into Australian International Financial Reporting Standards (AIFRS).

Cokal expects to have greater clarity on the timetable to completion of the transaction once Cakra's formal bidder's statement is lodged

COKAL, PRIVATE PLACEMENT TO CEDRUS INVESTMENTS LTD

On 1st of June 2015 Cokal announced a private placement in the Company to Cedrus Investments LTD (**Cedrus**). The Company issued Cedrus with 27,777,778 fully paid ordinary shares in Cokal Ltd at a price of A\$0.09 per share, raising A\$2,500,000, before costs.

The placement was issued in 2 tranches for general corporate purposes.

Tranche	Placement Shares:	Settlement date
1	- 11,111,111 Placement Shares (@ A\$0.09 = A\$1,000,000)	Expected to be 3 June 2015
2	- 16,666,667 Placement Shares (@ A\$0.09 = A\$1,500,000)	15 June 2015

The Placement was completed within Cokal's placement capacity and accordingly no shareholder approval was sought. The Placement was (as required under Bid Implementation Agreement announced on 29 April 2015) consented to by PT Cakra Mineral Tbk (**CKRA**) and does not change the offer price of their conditional off market takeover bid.

Cedrus manages a global portfolio of proprietary direct investments in China, Southeast and Central Asia, Australia and Africa, primarily in the natural resources, commodities, cleantech and life sciences sectors.

¹ PT. Sinarmas Sekuritas is a member of the Indonesia Stock Exchange and a subsidiary of IDX listed financial services group, PT Sinar Mas Multiartha Tbk (JK:SMMA), which is itself part of the Sinar Mas Group, one of Indonesia's largest conglomerates.

Platinum Bridge Loan

Negotiations are well advanced with Platinum Partners for the extension of this loan. Directors expect to obtain the extension and conclude the negotiation in early August 2015. Therefore no repayment has been included in the Estimated Cash flow for the next quarter.

ENDS

Further enquiries:

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Mobile: 0419 764 747

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 five 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 2012 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 Total Coal Resource estimate was announced on 11 February 2014, titled "Cokal announces release of JORC Resource Statement compliant with the 2012 JORC Code for Bumi Barito Mineral (BBM) Metallurgical Coal Project in Central Kalimantan, Indonesia". Mr Yoso was a full time employee of Cokal Limited at the time of preparing the report and consented to its publication. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement made on 11 February 2014 and that all material assumptions and technical parameters underpinning the estimates in the announcement made on 11 February 2014 continue to apply and have not materially changed.