

31 January 2017

**QUARTERLY REPORT FOR THE THREE MONTHS
ENDED 31 DECEMBER 2016**

HIGHLIGHTS

- **BBM Definitive Feasibility Study Update – Costs Fall**
- **Further Cooperation with Borneo Orangutan Society**
- **Debt Restructure**

EXPLORATION

INDONESIA

BBM Project

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

TBAR Project

TBAR's Exploration IUP (No.188.45/204/2012) covers an area of 18,850 hectares (ha), immediately adjacent to the south of BBM's tenement. TBAR's IUP (tenement license) is on the Clean and Clear List (CNC) with over 80% of the lease being either production or limited production forestry lease, that is, it is available for exploration subject to the issuance of an exploration forestry permit. The application of exploration forestry permit was submitted in 2014 and is continues to be processed by the Environment and Forestry Ministry of Indonesia.

Currently Cokal is preparing technical documents in support of an application for the Exploration IUP license to be upgraded to a Production and Operation IUP (equivalent to a mining license). The technical documents include an exploration report, mine scoping study and an environment impact analysis report.

GEOLOGICAL ACTIVITY

- **Cokal is preparing technical support documents for the TBAR project upgrade the Exploration IUP to a Production and Operation IUP.**
- **The technical evaluation on TBAR project is based on data from the 69 coal outcrops mapped, which indicates a coal seam thickness ranging from 0.15m up to 1.90m.**
- **The coal outcrops in TBAR project indicates the potential for a much larger shallow open cut coal resource of lower strip ratio than that delineated in the BBM project to date.**

The TBAR coking coal project lies to the southeast of the BBM tenement. The proposed haul road from BBM to the barge loading port passes through the TBAR tenement.

Cokal's exploration mapping program to date has defined significant coal potential across the entire tenement of the TBAR coking coal project.

Based on the data collected from these activities, 69 coal outcrops ranging from 0.15m to 1.90m have been identified. The coal seams in TBAR have been identified as the B, C, D and J seams which were delineated in the adjacent BBM coking coal project. The J Seam coal outcrop was mapped along 13km of strike length, while the B, C and D Seams were mapped along 16km of strike length. The outcrop strike lengths are interpreted to be more extensive than that at BBM and indicate the potential for a much larger resource of shallow open cut coking coal in TBAR than that delineated at BBM to date.

Based on the digital topographic data of TBAR, which has been sourced from a high-resolution Light Detection and Ranging (LIDAR) survey, the physiography of the TBAR tenement comprises of flat or undulating ground to the southwest, and steeply rugged hills in the remaining areas. In general the surface topography ranges from about 50m to 400m above MSL as shown on the digital elevation model DEM in Figure 1. The area is incised by a north-north easterly trending creek system.

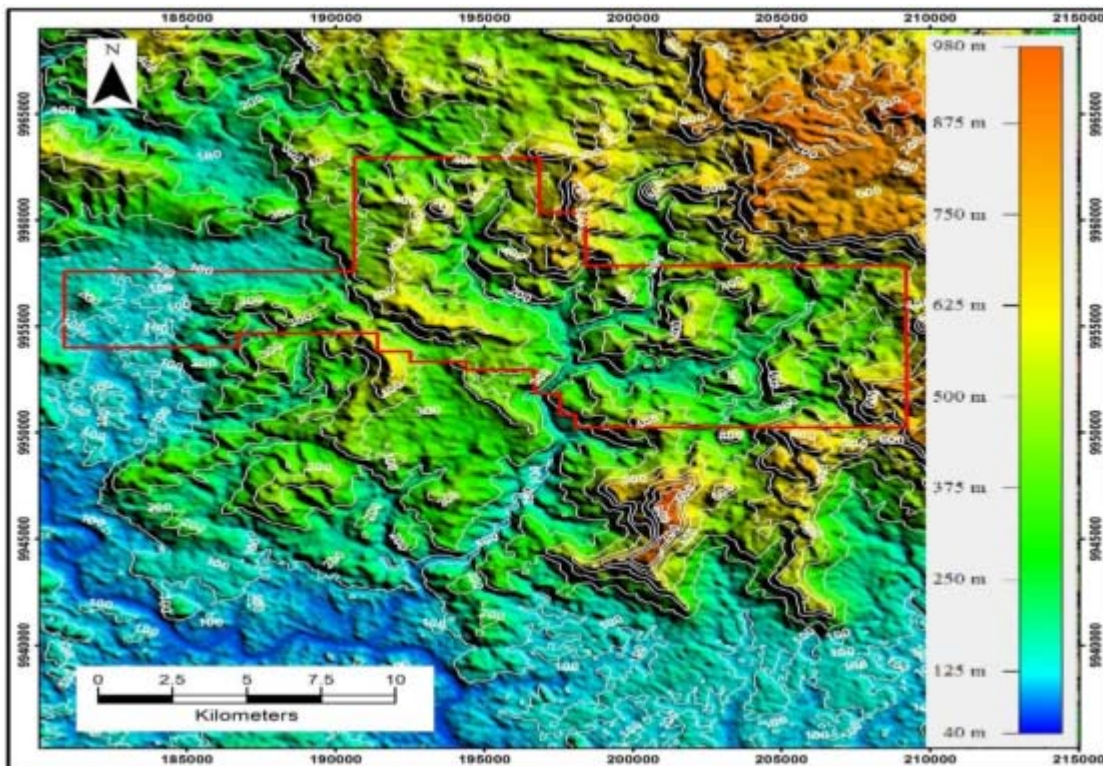


Figure 1: Physiography of the TBAR Coking Coal Project Area

Cokal has been conducting the geological survey mapping of the TBAR Coal Project since May 2013. Detail mapping has been conducted in the central, northern and eastern parts of the lease.

The objective of the surface mapping was to observe the dips and strikes of coal and non-coal outcrops of the Haloq Sandstone in order to delineate the regional structural setting and the existence of near-surface coal occurrences, and to correlate coal seam outcrops with that of the stratigraphic sequence delineated in the adjacent BBM tenement.

A large number of occurrences of coal seams were identified and found to be of variable thickness. Generally the coal outcrops were found to be composed of bright coal bands, with minor thin

carbonaceous mudstones and shale partings. The outcrops were observed in creeks and valleys throughout the TBAR tenement.

From the mapping completed to date, a total of 69 coal outcrops have been identified in the central, northern and western parts of TBAR. This abundance of coal outcrops indicates that TBAR has the potential to contain a large exploration target of coal in the Haloq Sandstone Formation which is considered to consist primarily of metallurgical grade coal.

The structural setting of the area is characterized by E-W to NE-SW bedding, dipping to the north and east-northeast respectively.

Borehole data in the eastern part of BBM, close to TBAR, indicates that there are at least nine (9) coal seams in the BBM project area. These seams are readily correlated from boreholes throughout the eastern part of the BBM tenement area and have been identified alphabetically starting from Seam A at the base of the stratigraphy, up to Seam J.

The distribution of outcrop data in TBAR indicates that there are between four to 10 significant coal seam layers with thickness ranging from 0.2 M to 1.9m.

The coal itself is often described as “bright” or “bright with minor dull bands” due to its high vitrinite content. The coal is soft (generally with HGI >90) and easily broken.

From the outcrop mapping in TBAR and the structural geology delineated in BBM from exploration drilling, it is interpreted that the coal seams in TBAR form a synclinal feature such that the same coal seams outcrop in the south-eastern part of BBM. The axis of the syncline is essentially east-west.

It is also interpreted that the Sintang Intrusive may occur within the TBAR project area.

Thirty-five (35) coal samples were recovered from outcrop and sealed in plastic sample bags. The samples were analysed in a local coal laboratory whilst ten (10) check samples were also analysed at the ALS Coal Laboratory in Brisbane, Australia. The results from ALS confirmed that the analyses from the local laboratory were consistent with the standards used in certified Australian laboratories.

Although the outcrop samples were oxidized thus giving a range of Swelling Index (CSN) from 0 to 9, the fact that the Volatile Matter content ranges from 17% to 22%, indicates the coal in TBAR is consistent with that of the coking properties of the coals in BBM.

From outcrop analysis to date, it is expected that all coal found in the TBAR project area will be primarily coking coal. A summary of the in-situ coal quality results indicate generally the coal has minimum impurities including low-medium ash, low sulphur and ultra-low phosphorus as well as possessing very favourable metallurgical attributes sort after by steel makers in many countries.

The TBAR coal deposit comprises of multiple coal seams with long strike lengths (more than 15 kms) and which have the potential to be economically extracted using both open pit and underground mining methods.

The strata in TBAR appears to be very similar to the adjacent BBM deposit where the coal seams are generally thicker than 1m and the roof predominantly consists of very hard sandstone (up to 95MPa) while the immediate 1m to 2m of roof consists generally of a competent siltstone.

This condition is ideal for extraction of the deeper coal resources using underground methods such as thin seam longwall mining.

Further mapping is likely to improve the potential of the coal resources in the TBAR Coal Project. It is expected that a comprehensive drilling exploration program will define a significant coal resource in TBAR in accordance with the JORC Code, as was achieved in the adjacent BBM project.

Cokal is confident it can develop a low cost metallurgical coal project in TBAR.

MINING ACTIVITY

BBM Definitive Feasibility Study Update – Costs Fall

Cokal is pleased to announce that the recently completed update of the Definitive Feasibility Study (DFS) conducted by consultants PT Resindo Resources (Resindo) indicates significant reductions in capital and operating costs for the PT Bumi Barito Minerals (BBM) coking coal project in Central Kalimantan, Indonesia. Together with the recent increase in coking coal pricing and its proximity to the growing Asian markets, BBM has become a more attractive investment opportunity.

DFS UPDATE

The Base DFS was completed in 2014, and since that time, Cokal has continued to complete a number of engineering studies and reviews such as geotechnical and hydrology and contractor negotiations. These resulted in some scope changes and costing refinements (which are also included in this update) none of which materially impacted the base estimate but did improve the accuracy of the estimate. The two key factors affecting costs which have changed from the Base DFS are the FOREX USD to IDR (Indonesian Rupiah) forecast and the fluctuations in the price of fuel.

Forex between USD and IDR is based on www.tradingeconomics.com analysts forecast predicted on Monday, October 17, 2016. This source's Forex estimate in Q3 of 2017 is US\$1 to IDR13,497. This forecast is considered to be a best case position. However, a conservative approach has been adopted by Resindo, downgrading this Forex prediction rate to US\$1 to IDR13,000 for this DFS update. No variance or escalation has been applied over the project period

HIGHLIGHTS

- The DFS Update has continued to show that the BBM coal mine and associated transport system can be developed as a low capital cost operation with moderate to medium range operating cost:
 - The DFS Update maintained the development as a 2 Million tonnes per annum (“Mtpa”) open cut mining operation over 10 years. BBM’s relatively low ash, low volatile, low sulphur, ultra-low phosphorus coking coal would command a high value as a blending feed in the premium coking coal market.
- Capital cost have fallen by 10.3% to US\$68M (Base DFS was US\$75M)
- The already low cash operating costs (excluding royalties of 7%) unit rates have fallen 15.5% to:
 - Year 1 average US\$58/tonne (Base DFS was US\$65/tonne)
 - First 5 years average US\$70/tonne (Base DFS was US\$82/tonne)
 - Life of mine average US\$82/tonne (Base DFS was US\$97/tonne)
- The production and investment profiles are phased for:

- Initial start-up capital US\$47M (Base DFS was US\$50M)
- After start up: Enhancement capital US\$21M (Base DFS was US\$25M)
 - Expand blending operations at the Intermediate port of Kelanis
 - Increase coal handling capability for the higher ash pits.
- Initial construction is expected to take approximately 12 month, with first production from BBM scheduled for the first quarter after construction is completed.

PROJECT OVERVIEW

BBM's Production IUP covers an area of 14,980 hectares (ha), and has received all the necessary regulatory approvals including Forestry Department; the IPPKH (Forestry Permit) which allows for the construction and operation of the port, haul road and initial mine development areas for Cokal's initial mine plan of 2 Mtpa of premium coking coal from BBM.

The BBM IUP straddles the Barito River and has numerous outcrops of bright coal. Coal core samples analysis confirmed BBM's coal to be a premium coking coal with Crucible Swell Numbers ("CSN") values generally 9 or more.

- Total Coal Resource estimate of 266.6 Mt at BBM, comprised of 19.5 Mt Measured, 23.1 Mt Indicated and 224 Mt Inferred Resources is reported in accordance with the 2012 JORC Code
- Product split for the total BBM Coal Resource is estimated to be 90% Coking Coal and 10% PCI
- Product split used in the DFS (approx. 20Mt) was approximately 82% Coking Coal and 18% PCI
- a life of mine strip ratio of around 18:1 and recovery rate of approximately 93.5%, delivering 2Mtpa product

CAPITAL EXPENDITURE

The total estimated development capital required for BBM to deliver a production rate of 2 Mtpa product, including developing a Coal Handling Preparation Plant ("CHPP"), a haulage road and all necessary transport and site infrastructure is now **US\$68M**.

This assumes that mining, barging and hauling equipment will be provided by the respective contractors. These equipment cost are therefore included in the operating costs and do not form part of the capital estimate.

A breakdown of this development capital is provided in Table 1.

Table 1: Estimated Capital Costs (US\$ Millions)

| Construction Capital | DFS Update | Base DFS |
|-----------------------------|------------|-----------|
| Stage1: To start production | 47 | 50 |
| Enhancement Capital | 21 | 25 |
| TOTAL | 68 | 75 |

OPERATING EXPENDITURE

Operating costs have been estimated by Resindo on the basis that mining, hauling and barging equipment being supplied by contractors. The Study estimates an average Free on Board (“FOB”) cost of US\$82/tonne of coal produced over the life of the mine. The estimated operating costs are real (not adjusted for inflation) and exclude royalties.

Table 2: Estimated Operating Costs per tonne produced (excluding 7% Royalties)

| Operating Cost – in US\$/t average | DFS Update | Base DFS |
|---------------------------------------|------------|----------|
| Stage 1: Year 1 | \$58 | \$65 |
| • Average first 5 years | \$70 | \$82 |
| • Life of mine | \$82 | \$97 |

COKING COAL PRICING

With the spot price of coking coal continuing to rise (reaching US\$340), and the quarterly contract benchmark pricing for premium coking coal recently settled at US\$200/t, it is expected that the long-term pricing of coking coal will be adjusted upwards in response to this pricing fluctuations.

The spot price of PCI coal has also risen significantly from US\$70/tonne last year to the current spot price of US\$147/tonne (Coal Trader International 27thOct).

Cokal Director, Pat Hanna said “The outcome of the quarterly contract pricing was better than expected and helps to ensure a very positive outcome to BBM’s net worth.”

ENVIRONMENTAL ACTIVITY

The wet season appears to have commenced early which has led to minimal burning off and haze in this region. This early, consistent rain has meant that our revegetation is progressing very well with both cover crops and trees and is requiring minimal maintenance and replanting of any infertile or failed areas. BBM revegetation of areas affected by exploration activity is now 100% 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. Storage of waste material including waste oil, oil filters, mechanical parts and other industrial waste on site is at a very low level and complies with the maximum statutory holding period of waste on site at all times.

BBP Project

No exploration activity was conducted on BBP during this period.

AAK Project

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

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

Following official handover letter (dated 12 January 2016), AAK IUP is currently on 'on-hold' status by Provincial Police Department (Polda Kalteng). It is being decided by police following their investigations re 'AAK ownership dispute' issues. Cokal is an aggrieved party and will await the outcome of the Police investigation into a period predating Cokal's interest in the Project.

SNR and KNR Project

Applications for the Exploration Forestry Permit (IPPKH) and Clean and Clear Certificate continue to be processed. In September 2016, Cokal sold 75% of ownership in both PT Silangkop Nusa Raya ("SNR") and PT Ketungau Nusa Raya ("KNR") for US\$120,000 to PT Prime Star Indonesia, an Indonesian company which previously acquired AAM. Cokal considered SNR and KNR as non-core tenements as they are located a considerable distance in West Kalimantan. The sale process is completed.

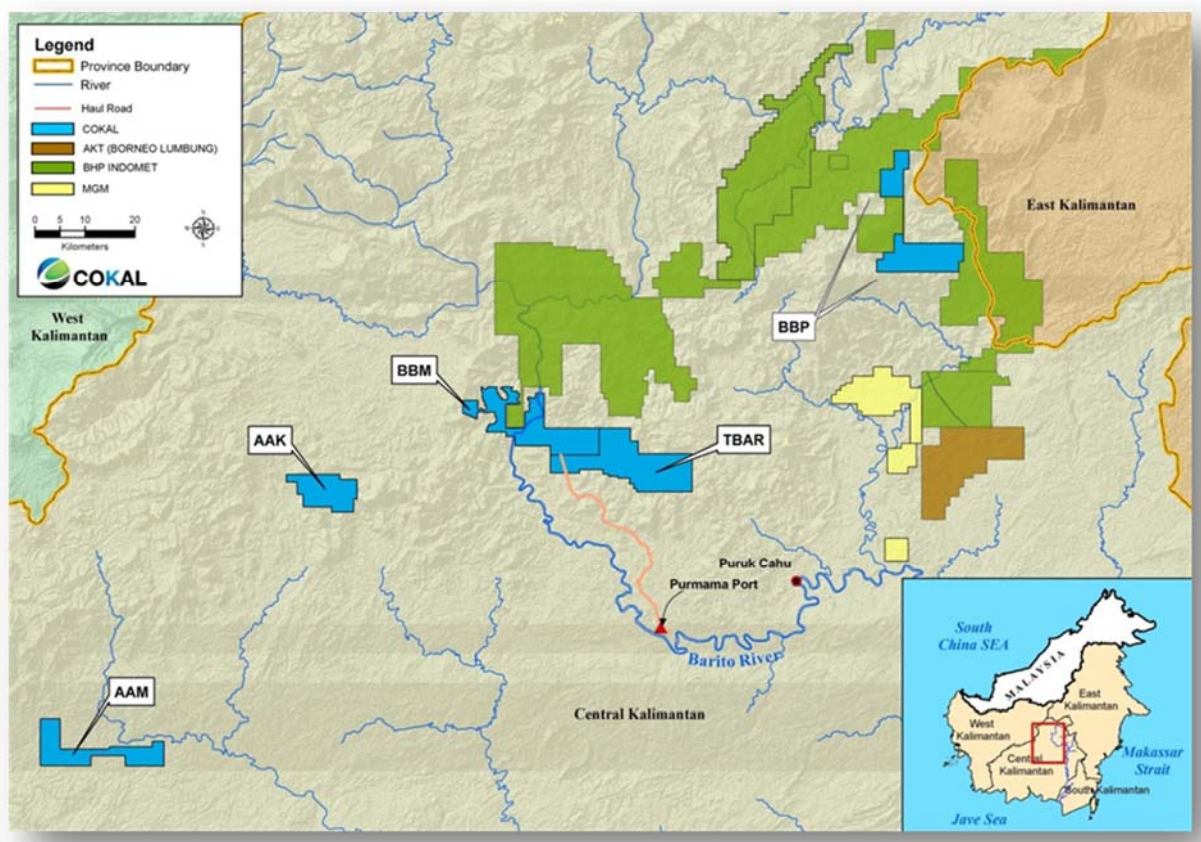


Figure 2: Locality Plan of the Central Kalimantan Coal Projects on the Island of Kalimantan
- Cokal's Coal concession areas are shown in blue

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) | Central Kalimantan, Indonesia | 75% |
| PT Anugerah Alam Manuhing (AAM) | Central Kalimantan, Indonesia | 75%# |
| PT Bumi Barito Mineral (BBM) | Central Kalimantan, Indonesia | 60% |
| PT Borneo Bara Prima (BBP) | Central Kalimantan, Indonesia | 60% |
| PT Silangkop Nusa Raya (SNR) | West Kalimantan, Indonesia | 75.2%^ |
| PT Ketungau Nusa Raya (KNR) | West Kalimantan, Indonesia | 75.2%^ |
| PT Tambang Benua Alam Raya* | Central Kalimantan, Indonesia | 75% |

#Divestment Sale was completed in April 2016

*In the process of acquiring

^Divestment Sale was completed during Quarter 4

PROJECT DEVELOPMENT

MANNING

Further reduction in staff and employee numbers have been made to limit expenditure. All redundancy and reduction requirements have been conducted in accordance with Indonesian labour regulations and Cokal has been assisted in this process with substantial help from both local and provincial labour departments in order to ensure total compliance.

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.

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

APPROVAL AND EXTERNAL RELATION

BBM PRODUCTION APPROVAL ADVANCES – UPDATE

Following the issue of the “Ijin Pinjam Pakai Kawasan Hutan – Operasi Produksi” (IPPKH_OP) or “Borrow To Use Forestry Permit – Operation Production” which allows BBM to start construction and mining BBM has commenced activities associated with the compulsory rehabilitation of an area of damaged forest near the BBM minesite. These activities include community review and discussion with regard to rehabilitation and formulation of a rehabilitation budget and programme. This activity is a pre-requirement for the issue of the “Borrow to Use Permit”. The other main obligation for BBM IPPKH-OP is the assessment of the non taxable payment for actual use of forest area.

BBM WEST BLOCK EXPLORATION IPPKH EXTENSION

Since the issue of the Borrow to Use Permit – Exploitation (IPPKH-OP) for the Eastern Block Cokal has proceeded with the application for a Borrow to Use Permit – Exploration for the Western Block of BBM and this application is currently with Planology Dept. at the Ministry of Environment and Forestry. Further follow up on status will be made during Q4.

BBP PRODUCTION APPROVAL ADVANCES – UPDATE

Cokal has submitted its application for the Clean and Clear Certificate Exploration from the Director General of the National Mines & Energy 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.

CORPORATE SOCIAL RESPONSIBILITY

Cokal has continued with the implementation of its Community Development programs. Cokal has undertaken the following programs, which covered health, education, environmental awareness, and community empowerment aspects.

Regarding the health aspect, Cokal has continued to provide medical support to local villages around BBM through providing access to onsite medical staff.

Cokal has also continued its scholarship program with the selection of the new cohort of scholarship holders; Cokal has awarded scholarships to 13 local students from Murung Raya Regency to continue their next level of education at University of Palangkaraya at various faculties.

As well, in association with the Mining Faculty of the University of Palangkaraya, Cokal has continued its support and contribution that covered regular lecture programs, donation of mining magazines, and other support needed to improve the quality and enthusiasm of mining students. General Lecture on “Exploration Technology” held on 5 December 2016 has been attended and well received by approx. 200 participants. During the next Quarter we will be providing a series of safety refresher lectures for not only mining students but also students involved in construction, architecture and related course.

Coordination is also being continued with BOS Foundation following their requests on other possible support needed, including supervision and training of HSE procedures. Safety Awareness and First Aid Trainings – Phase 1 was provided and completed for 80 participants on 23rd – 26th November 2016. All of those participants are orangutans baby-sitters and BOSF technicians. The next batch of training is still being prepared. Coordinations are also being continued with BOSF related to COKAL support plans for OU Translocation Project which possibly scheduled by BOSF on Q1-2017. As previously, BOSF will use Krajan Site (PT BBM) and its facilities as their ‘transit venue’ for orangutans recovery process. Other COKAL support which is also being discussed are supporting the costs of First Aid kits (mainly for the BOSF monitoring station at Betikap and Katingan Protection Forests) and also support on setting up BOSF Safety Management System as required.

Following obligations of BBM Forestry Permit (IPPKH-OP) obtained in August 2015, replanting programs were continued by Cokal, in relation with ‘critical land rehabilitation project’ at an appointed area in Barito Riverbanks Area, nearest the BBM project. These programs will be conducted with community involvement, planting ‘productive trees’ suggested by locals, and will be supervised and monitored by the relevant Forestry Offices from regency, provincial, and central government levels. Cokal has committed to fulfill both of IPPKH obligations and also sharing benefits from these programs with its local neighbors.

CORPORATE RELATED MATTERS

DEBT RESTRUCTURING – CONVERSION OF LOAN TO PLATINUM PARTNERS TO A ROYALTY ARRANGEMENT

Cokal Limited has previously announced that it had reached agreement with Platinum Partners’ funds (“Platinum”) on 22nd July 2016, to convert approximately USD15million of loans owing by Cokal to various funds managed by Platinum or its affiliates (the “Platinum Group”). Those loans include the Blumont loan, which was acquired by the Platinum Group. Since then the Platinum Partners Value Arbitrage fund (PPVA) has been placed into liquidation and the Platinum Partners Credit Opportunities Fund (PPCO) has been placed in receivership. Both the Liquidator of PPVA and the Receiver of PPCO have advised the company they wish to proceed with finalising a formal agreement for this debt conversion. The term sheet agreed between Platinum and Cokal has the following terms and conditions:

- In consideration for the restructuring of the debt, Platinum will be entitled to a royalty on coal sold from Cokal’s share of production from the Bumi Barito Mineral (BBM) project and Tambang Benua Alam Raya (TBAR) project;
- The royalty will be 1% of the realised selling price (FOB) (i.e. selling price per tonne x tonnes sold x 1%) up to maximum royalty amount of USD 40 million;
- Cokal or its related parties will have the right to buy out the royalty at any time for the amount of USD 40 million less the amount paid on the royalty at that time;
- Cokal will do what is legally possible to attach the royalty directly to the tenement asset (the IUP licenses, not the IUP holding company) or other legal instrument, so that Platinum is protected against any forced sale;
- The existing security will remain in place to secure the royalty until replaced by a specific royalty security. Platinum and Cokal will work together to replace the existing security with a direct royalty security over the IUP licenses to specifically secure the royalty subject to appropriate legal advice;

- All shares controlled by Platinum will be escrowed for 24 months from the date of conversion unless Cokal finds an alternative buyer or Platinum finds a buyer acceptable to Cokal;
- All Platinum's existing Cokal options will not be exercised or otherwise will be cancelled;
- Cokal will issue 75 million new options to Platinum with a 5 year term and strike price of AUD 1.6 cents (A\$0.016);
- The transaction is subject to any necessary regulatory approvals or shareholders approvals required under the Listing Rules including the granting of the options.

Cokal is currently proceeding to finalise the formal agreement for this debt-to-royalty conversion including negotiating suitable security for the royalty and financing conditions. Although Platinum's Cokal shares are escrowed under this agreement as previously announced Cokal is aware that a security holder (Primebroker) to some of Platinum's own debt is liquidating a parcel of these shares.

Once the formal agreement with PPVA and PPCO is executed the company will proceed to call a shareholders meeting to approve the transaction and associated matters.

On completion of the above, the loan owing to Platinum Group will be fully discharged and Cokal will be loan free.

PROJECT FINANCING

The company is engaged with several parties on financing options to take its BBM project to production. These involve separately both Contractor parties and trading and financing houses. The process involves due diligence by these parties on the project and ongoing negotiations and discussions on the structure of possible financing and operating structures. No definitive proposal has been finalized as yet and all proposals will require a finalization of the Platinum debt to royalty conversion.

GROUP RE-ORGANISATION TO JAKARTA CONTINUES

Cokal Limited announced that as part of the refocusing of the group on the core Indonesian assets, the transfer of the management and administration functions to Indonesia is now complete. This has already led to increased efficiencies although Cokal is experiencing some expected minor "bedding in" which have been settled in the early part of Q4. However these issues will not affect the groups overall cost structure or efficiencies.

BOARD AND MANAGEMENT

Since March 2016 all Directors, while continuing to work both in full-time and part-time basis, have done so without remuneration.

For the time being, the Directors will continue to devote whatever time is required for the financing alternatives and to fulfill their roles, without receiving any remuneration. These changes will deliver increased efficiencies to the group while at the same time lowering the group's overall cost structure.

SUBSEQUENT EVENTS

None noted.

ENDS

Further enquiries:

Garry Kielenstyn

Chief Operating Officer

Work: +62 57903265

Mobile: +62 8111838511

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.

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 Total Coal Resource estimate was announced on 29 January 2015, titled "Cokal announces updated JORC Resource Statement for Bumi Barito Mineral (BBM) Project". The information in the report relating to Mineral Resources is based on information compiled by Yoga Suryanegara who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Cokal Limited. Mr Suryanegara 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 a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

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 29 January 2015 and that all material assumptions and technical parameters underpinning the estimates in the announcement made on 29 January 2015 continue to apply and have not materially changed.

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".