

28 April 2017

**QUARTERLY REPORT FOR THE THREE MONTHS  
ENDED 31 MARCH 2017****HIGHLIGHTS**

- **TBAR Exploration Program Proposed**
- **Debt Restructure Update**
- **Peter Lynch Orbituary**
- **Director Appointment**

**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 continues to be processed by the Environment and Forestry Ministry of Indonesia.

Cokal continues to support the application for the Exploration IUP license to be upgraded to a Production and Operation IUP (equivalent to a mining license).

**GEOLOGICAL ACTIVITY*****BBM Project***

Cokal technical and financial team continue to support potential investors who are conducting Due Diligence on the BBM project.

***TBAR Project***

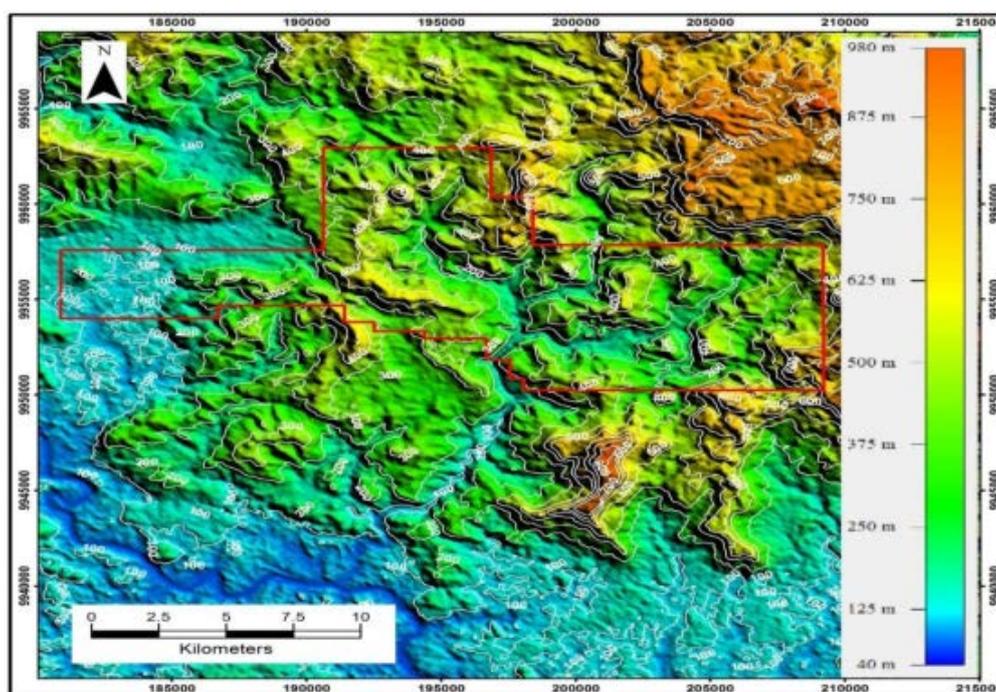
- Cokal continues to provide supporting documents for the TBAR project upgrade from Exploration IUP to a Production and Operation IUP.
- The technical evaluation on TBAR project is based on data from the 69 coal outcrops mapped and sampled, which indicates a number of coal seams with thickness ranging from 0.15m up to 1.90m.

- The geological interpretation of the mapping survey indicates the potential delineate a large, shallow open cut coal resource of low strip ratio.
- Cokal has prepared an exploration program which includes detail geological mapping of the entire tenement (3,500 hectares), exploration drilling consisting of about 50 boreholes (some 3,000 metres), geophysical logging, coal seam sample analysis, geotechnical investigation, gas investigation, and resources and reserves evaluation.

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 to date includes a high-resolution Light Detection and Ranging (LIDAR) topographic survey covering the entire tenement area, and a pre-liminary outcrop mapping program covering about 80% of the IUP Area.

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.

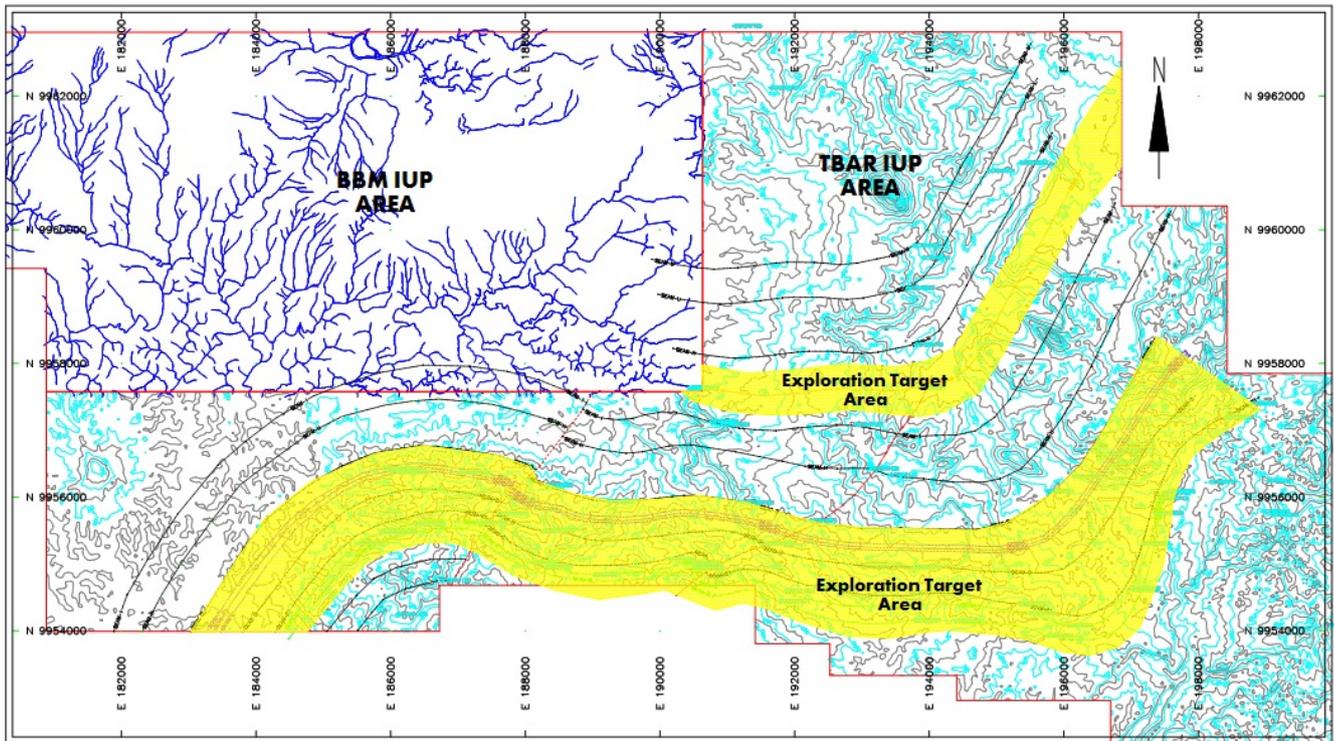


**Figure-1:** Physiography of the TBAR Coking Coal Project Area

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 total of 69 coal outcrops have been identified in the central, northern and western parts of tenement. Generally the coal outcrops were found to be comprised of bright coal bands, with minor thin carbonaceous mudstones and shale partings. The outcrops were observed in creeks and valleys throughout the TBAR tenement. These coal outcrops indicate that TBAR has the potential to contain a large exploration target which is considered to be of metallurgical grade coal (figure-2).

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



**Figure-2: TBAR Coking Coal Project Target Area**

The geological interpretation of outcrop data in TBAR indicates that there are between four to 10 significant coal seam layers with thickness ranging from 0.2m to 1.9m. The coal itself is often described as “bright” or “bright with minor dull bands” due to its high vitrinite content. 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 west-east.

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

Cokal is confident it can develop a low cost metallurgical coal project in TBAR. The strata in TBAR appears to be very similar to the adjacent BBM deposit where the coal seams are ideal for open pit extraction and/or underground mining methods such as thin seam longwall mining.

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.

## **MINING ACTIVITY**

BBM Definitive Feasibility Study Update – Costs Fall

As reported in the previous quarterly report, evaluation studies were conducted on the BBM project resulting in the improvement of the accuracy of the estimate confirming 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 and PCI pricing and its proximity to the growing Asian markets, BBM has become a more attractive investment opportunity.

## **COKING COAL PRICING**

With the spot price of coking coal rising to US\$300 (Metal Bulletin Coking Coal Index, April 18) due to the recent interruptions to the Australian supply chain, 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 these recent fluctuations.

The spot price of PCI coal has also risen significantly from US\$70/tonne October 2016 to the current spot price of US\$160/tonne (Coal Trader International, April 12).

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. It also demonstrates that Cokal will be able to take advantage of these annual price rises when Australia’ supply runs short.”

## **ENVIRONMENTAL ACTIVITY**

With the early wet season and consistent rain our revegetation is progressing very well with both cover crops and trees and is now 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***

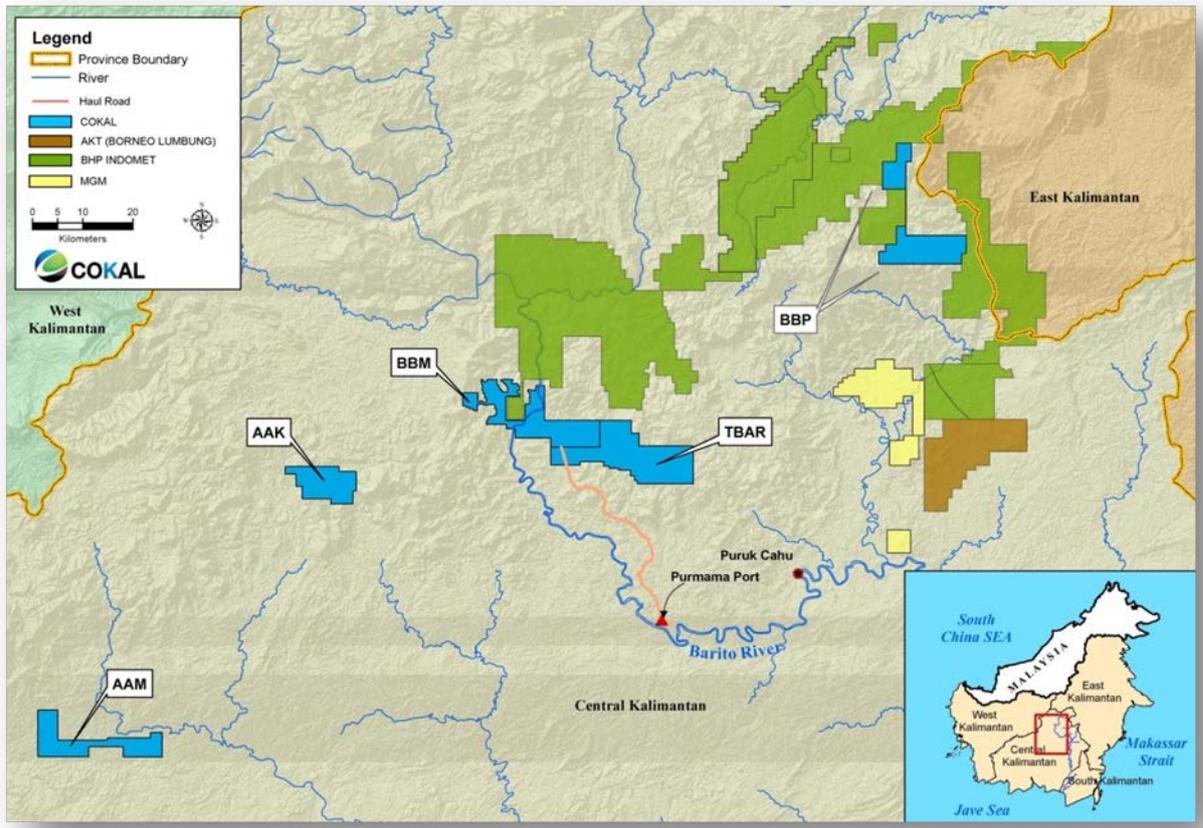
Cokal has a 75% share of Anugerah Alam Katingan (AAK) projects also located in Central, Kalimantan, Indonesia. The AAK project area comprises of 5,000ha.

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

#Divestment Sale was completed in April 2016

\*In the process of acquiring

^Divestment Sale was completed during Quarter 4 2016

## **PROJECT DEVELOPMENT**

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### **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.

Cokal continues to manage nursery stocks both for the school planting programme and mine infrastructure replanting in the future. Some tree planting is also being carried out in areas where the ground cover crop is fully mature.

## **APPROVAL AND EXTERNAL RELATION**

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### **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.

Following discussions both with the Ministry of Forestry and Daya Bumindo Karunia (DBK, a mining company adjacent to the BBM mining lease), BBM has been granted an ‘IPPKH Permit Addendum’ on 16 January 2016 which clarifies parts of the new haul road route and ensures there is no potential overlap of road alignments.

As a foreign investment company (PMA), the IUP-OP for BBM has been handed-over by the Murung Raya Regency to the Central Government (ESDM Jakarta), and its decree will be signed by the ESDM Director General. Previously the IUP-OP for BBM was signed by the Murung Raya Regent on 30 April 2013 and valid until 30 April 2033

### **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 Q2-2017.

## **BBP PRODUCTION APPROVAL ADVANCES – UPDATE**

As a foreign investment company (PMA), the IUP-OP for BBP has been handed-over by the Murung Raya Regency to the Central Government (ESDM Jakarta), and its decree will be signed by the ESDM Director General. Previously the IUP-OP for BBP was signed by the Murung Raya Regent on 22 December 2014 and valid until 03 June 2033

## **TBAR EXPLORATION FORESTRY PERMIT**

Cokal continued 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 (UNPAR), 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. The next general lecture programme will be planned on W1 May, as required by UNPAR. Its topic will be focused on Exploration Technology.

Coordination is also being continued with BOS Foundation following their requests on other possible support needed, including supervision and training of HSE procedures. The next batch of Safety Awareness and First Aid Trainings are 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 Q2-2017. 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**

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### **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

The company has now agreed a final form of the formal agreement with both the Liquidator of PPVA and the Receiver of PPCO. This agreement is currently with them for execution and the company expects to make an announcement on that execution and detailing the major terms shortly.

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 continues to engage with several parties on financing options to take its BBM project to production. The parties involved include mining Contractors, trading and financing houses. The process involves project due diligence and ongoing negotiations on the various structures of financing.

### **GROUP RE-ORGANISATION TO JAKARTA COMPLETED**

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 and reduced costs without any significant "bedding in" issues being encountered.

### **BOARD AND MANAGEMENT**

#### **PETER LYNCH TRIBUTE**

Sad to report that Peter Lynch, chairman of Cokal, and Cokal employee Endah Cakrawati, were killed in an aircraft accident on Australia Day in Western Australia.

The incident occurred in Perth on 26 January 2017, as part of the Australia Day festivities, when Peter's Grumman Mallard seaplane, which he was piloting with Endah as his sole passenger, crashed into the Swan River.

Born 14 February 1964 at Cronulla, Sydney, Peter attended High School at De La Salle College, Cronulla and then the University of NSW, His life started to be mapped out when he was popularly

elected Chairman of the University Union in 1986 at the age of 22. He graduated in 1988 with a Mining Engineering degree and the University Alumni Award.

As a graduate mining engineer, Peter got his first appointment with Griffin Coal in the Muja opencut mine in Collie, West Australia in 1987.

After a year at Collie, Peter landed in Central Queensland to work on the newly constructed German Creek opencut coking coal mines for Shell Australia. During the next five years he gained experience in opencut drill and blasting, spoil design, and undermanager of both Central and Southern collieries.

He gained his Mine Manager's Certificate and, in 1993, moved on to the North Goonyella Underground Coal Mine owned by White Industries; a very challenging underground operation by Queensland standards. Here Peter was Undermanager during the mine development and early longwall operation stages.

In 1995 Peter embarked on a journey that would bring recognition as a can-do person against the toughest odds when he took up the Mine Manager's position at Oaky Creek in Central Qld to build the new Oaky North Underground coal project. First he had to get budget approval in a time when coal prices were depressed and the owners, Mt Isa Mines Limited, were reluctant to approve any coal project. Peter was able to convince two Japanese companies to fund the project for 50% ownership. With minimal budget Peter completed the construction of Oaky North but disaster struck six months into production when the longwall was got stuck (strata-bound). Not to be discouraged, he borrowed one of Oaky Creek's draglines and dug the longwall out, rebuilt it, and produced 6 million tonnes in the final six months of the first year of production.

Cheekily, Peter and his team were dressed in Superman outfits when they attended the annual MIM staff function that year. This operation consistently produced 9 mtpa year on year out. In July 1998, Peter was elevated to General Manager of Oaky Creek Coal Pty Ltd.

In November 2000 Peter moved to MIM's headquarters in Brisbane and the Metals side of the business. At that time, the Macarthur River Lead/Zinc Mine (MRM) was exporting raw material, and after a site visit, Peter decided MIM needed to build a mineral processing plant to export the higher valued metal rather than rock. This process required large but cheap electricity, so Peter came up with the idea of a pipeline linking the gas from northwest Australia petroleum basin through MRM and onto Mt Isa township. A pipeline was eventually built, though not through MRM, but directly to MIM.

In Oct 2002, Peter left MIM to become Managing Director of Australian Premium Coals, a company founded by the late Ken Talbot (who unfortunately also died in a plane crash in 2010 at the age of 59). Peter managed two openpits using contract miners (uncommon in Australia for those times) producing 7mtpa of premium low-vol PCI coal producing US\$200 million annual revenue, with six site staff and 12 personnel in head office.

Peter wanted to achieve more, so he joined a privately owned mining investment company, Gallipoli Mining, with Vince Gauci and Mike Menzies. Peter travelled extensively around the world in search for opportunities in minerals and coal projects, particularly in South America and Asia. But when the opportunity arose in 2006 to form a new junior coal company, Peter stepped out on his own and formed Waratah Coal.

Taking lessons learnt on his overseas travels, Peter had a vision of building a large scale thermal coal mine in an undeveloped coal basin. He headed up to the Galilee Basin to see what Alpha Coal had been sitting on for more than 20 years, quickly snapped up the adjacent tenements, raised a few million dollars on the Toronto Stock Exchange, and proceeded to prove up 4 billion tonnes of shallow

coal. Planning to build infrastructure to move 50 million tonnes per annum, Peter got support from Asian investors and the stock rose to over \$5.00 until the Global Financial Crisis (GFC) struck. After failing to convince investors to hold on, Waratah Coal was taken over.

Peter looked elsewhere for the next opportunity. It didn't take long.

When Peter was offered four metallurgical coal projects in Indonesia he co-founded Cokal Ltd in January 2010 as an ASX-listed international explorer and miner of coking coal, a fuel and carbon source essential for steel making. The company currently has four exploratory projects in Central Kalimantan in Indonesia, one of which has all regulatory approvals in place ready to commence mining.

It is unfortunate that Peter will not get to enjoy the fruits of his labour as he was dedicated and determined to become a major supplier of coking coal in an undeveloped remote region of the world.

Peter was most recently Director Business Development for the Fortescue Metals Group and based in Perth.

He was also passionate about flying and held an interest in the Evans Head Air Park, a residential complex on the north coast of NSW for people who own private planes with facilities for the preservation of heritage listed airplanes.

Peter has been described in many ways – enthusiastic, smartest, funniest, irreverent, irritating, and above all, irrepresive. A colleague once said “90% of what Peter said was perplexing, but that other 10% made me think why the hell have I been doing it the wrong way for the last 25 years”.

At his funeral, a long-time friend, Mike Menzies finished his eulogy of Peter saying:-

“Lynchie was a champion bloke, a legend of industry, and a great mate to whom we are indebted. The king is dead, but not forgotten.”

Peter is survived by his wife, Laura Lynch, and their three children, Alicia, Sebastian and George.

## **DIRECTOR APPOINTMENT**

Cokal Limited (**Cokal**) announces the appointment of Mr Garry Kielenstyn as a director of Cokal.

Mr. Kielenstyn has been a member of the senior management team in the capacity of Chief Operating Officer since June 2016 and prior to that was Cokal's Indonesian Country Manager / President Director PT Cokal (PT Cokal is a 100% owned subsidiary of Cokal) since May 2013.

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 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 PT Indo Muro Kencana / Straits Resources, PT Yuga Eka Surya, PT Ganda Multi Energi 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.

Cokal is pleased to have someone of Garry's calibre to fill this critical role in the organisation.

Long term director Domenic Martino will also assume the role of (non-executive) Chairman as he continues to lead ongoing discussions to finalise the Platinum debt conversion as expeditiously as possible and to remain focussed on the strategic direction of the Company and the ongoing discussions on financing and development alternatives.

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 focus on project financing options 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.

## **ENDS**

### **Further enquiries:**

Garry Kielenstyn

Director and Chief Operating Officer

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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 three projects in Central Kalimantan, Indonesia, which are 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 April 2016, 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 April 2016 and that all material assumptions and technical parameters underpinning the estimates in the announcement made on 29 April 2016 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".