

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

Cokal Limited

**ABN**

55 082 541 437

**Quarter ended ("current quarter")**

31 March 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter US\$'000</b>	<b>Year to date (9 months) US\$'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(58)
(b) development	(151)	(445)
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	81	(781)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(70)</b>	<b>(1,284)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter US\$'000</b>	<b>Year to date (9 months) US\$'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	1,130
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,130</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	240	324
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(70)	(1,284)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,130
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>170</b>	<b>170</b>

5. <b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter US\$'000	Previous quarter US\$'000
5.1 Bank balances	170	240
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>170</b>	<b>240</b>

6. <b>Payments to directors of the entity and their associates</b>	Current quarter US\$'000
6.1 Aggregate amount of payments to these parties included in item 1.2	32
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter US\$'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end US\$'000</b>	<b>Amount drawn at quarter end US\$'000</b>
8.1 Loan facilities (see note below)	13,645	13,645
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 8 October 2013 Blumont Group Limited made available a loan facility of up to US\$4m required to continue the development work. In addition, a further US\$4m may be drawn by mutual consent. US\$3.4m in total was drawn at the end of the September 2014 Quarter. Cokal approached Blumont about scheduling the payment of the remaining US\$0.6m but were advised that the timing was uncertain and therefore the facility is considered fully drawn. The loan is repayable within 3 years, interest is 5% pa payable quarterly in arrears and can be capitalised and repaid at maturity.

On 31 March 2014 Platinum Partners made available a bridging loan for US\$3.5m. The loan was drawn in full in April 2014. An ASX release dated 31 March 2014 provides disclosure of the loan and an ASX release dated 9 April 2014 advises of the subsequent drawdown.

On 11 August 2014 Platinum Partners made available a bridging loan for US\$5.65m. The loan was drawn in full in August 2014.

On 30 January 2015, Platinum Partners agreed to extend the period of the Bridging Loan. The total drawn down under the facility is US\$10,065,000 (including fees and costs) as at the date of this release. The December 2014 Quarterly Activities Report released dated 30 January 2015 provides disclosure on the loan.

In July 2016, Cokal and Platinum Partners agreed to convert approximately US\$15million 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 awaiting 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

No repayment has been included in the Estimated Cashflow for the next quarter.

<b>9. Estimated cash outflows for next quarter</b>	<b>US\$'000</b>
9.1 Exploration and evaluation	-
9.2 Development	141
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	674
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>815</b>

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The company is planning further fund raising in the current quarter which may include components of debt, project or joint venture finance and equity. In the meantime the Directors will continue to financially support the company as required.

<b>10.</b>	<b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

By Order of the Board

DP Cornish

28 April 2017

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.