



All Registry communications to:
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110 Stirling Highway
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ASX Code: CKL
Website: www.cokal.com.au

Tuesday 18 June 2019

Dear Shareholders,

Notice to Shareholders – Entitlement Offer and Shortfall Offer

On 18 June 2019, Cokal Limited (the **Company**) announced that it is:

- raising up to approximately \$5.1 million via a non-renounceable pro rata offer to Eligible Shareholders of 1 New Share for every 8 Existing Shares at an issue price of \$0.05 per New Share (**Entitlement Offer**); and
- offering any New Shares not taken up by Eligible Shareholders under the Entitlement Offer to Eligible Shareholders and New Investors who wish to apply for additional New Shares in excess of their pro rata entitlement under the Entitlement Offer at an issue price of \$0.05 (**Shortfall Offer**),

(collectively referred to as the **Offer**).

Aahana Global Resources & Investment Pte Ltd (**Aahana**), the major shareholder of the Company, has committed to fully underwrite the Offer. If the Offer is not fully subscribed the shortfall will be taken by Aahana.

New Shares issued under the Offer will have the same terms as, and rank equally with, all Company Shares.

The issue price of \$0.05 per New Share represents a discount of approximately 5.66% to the closing share price on 17 June 2019 of \$0.053.

The proceeds from the Offer will be used to commence the initial infrastructure development at the Company's premier metalliferous coal mine, BBM. Specifically, the proceeds of the Offer will be utilised to upgrade the Krajan mining camp, construct haul roads, drains, and barge-loading jetty in preparation to commence mining in Pit 2.

Entitlement Offer

Eligibility

The Entitlement Offer will be open to shareholders of the Company (**Eligible Shareholders**) who:

- are registered as a holder of the Company's Shares at 7.00pm (AWST) on 24 June 2019; and
- have a registered address in Australia, New Zealand, Malaysia or Hong Kong.

The Entitlement Offer will not be made to any other shareholder (**Ineligible Shareholders**). Ineligible Shareholders will not be entitled to participate in the Offer.

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Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations in those jurisdictions outside Australia, New Zealand, Malaysia and Hong Kong, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Prospectus will not be sent to Ineligible Shareholders and Ineligible Shareholders will be notified by the Company separately of their ineligibility.

Non-renounceable

The Entitlement Offer is non-renounceable which means that the entitlements to participate in the Entitlement Offer are not transferable and therefore cannot be traded on the ASX or any other exchange or transferred privately. Eligible Shareholders who do not take up their entitlements under the Entitlement Offer in full or in part will not receive any value in respect of those entitlements that they do not take up.

Prospectus

The Offer is being undertaken under section 713 of the *Corporations Act 2001* (Cth), meaning that the Company will issue a prospectus (**Prospectus**). The Prospectus will be sent to Eligible Shareholders on 26 June 2019 together with a personalised Entitlement and Acceptance Form.

Shortfall Offer

Eligible Shareholders and new investors that have a registered address in Australia (**New Investors**), may apply for the shortfall to the Entitlement Offer. Applications under the Shortfall Offer will only be satisfied to the extent that there is a shortfall under the Entitlement Offer and will be subject to the terms and conditions outlined in the Prospectus. The Board reserves the right to allot and issue New Shares under the Shortfall Offer in its absolute discretion.

Key Dates

The key dates for the Offer are as follows:

Event	Date
Entitlement Offer announced	Tuesday 18 June 2019
Prospectus lodged with ASIC & ASX <i>Lodged after close of market</i>	Tuesday 18 June 2019
Lodgement of Appendix 3B with ASX <i>Lodged after close of market</i>	Tuesday 18 June 2019
Ex-Date for the Entitlement Offer	Friday 21 June 2019
Entitlement Offer Record Date <i>The date for determining Entitlements of Eligible Shareholders to participate in the Entitlement Offer</i>	7:00pm (AWST) Monday 24 June 2019
Opening date for Entitlement Offer and Shortfall Offer <i>Announcement that Prospectus and Entitlement Offer and Acceptance Form sent to Eligible Shareholders</i>	Wednesday 26 June 2019
Last day to extend the Offer Closing Date	Wednesday 10 July 2019
Closing Date for Entitlement Offer to Eligible Shareholders (Entitlement Offer & Top-Up Facility)	5:00pm (AWST) Monday 15 July 2019

Entitlement Offer New Shares commence trading on ASX on deferred settlement basis	Tuesday 16 July 2019
ASX notified of Shortfall Shares (if any) <i>Company to deliver Shortfall Notice</i>	Tuesday 16 July 2019
Settlement of the Entitlement Offer	Friday 19 July 2019
Issue date of New Shares under the Entitlement Offer	Monday 22 July 2019
Closing Date for Shortfall Offer	5:00pm (AWST) Monday 22 July 2019
Entitlement Offer New Shares trade on ASX on a normal settlement basis	Tuesday 23 July 2019
Settlement of the Shortfall Offer	Friday 26 July 2019
Issue date of Shortfall Shares	Monday 29 July 2019
Shortfall Shares trade on ASX on a normal settlement basis	Tuesday 30 July 2019

The above timetable is indicative only and may change at the discretion of the Company.

Capital Structure

On completion of the Offer (assuming both the Entitlement Offer and the General Offer are fully subscribed), the capital structure of the Company will be as set out below:

Existing Shares on issue at the date of the Prospectus	816,842,159
New Shares offered under the Entitlement Offer at \$0.05 per New Share (approx.) ¹	102,105,270
Maximum amount raised under this Prospectus (approx.)	\$5,105,263

Prospectus

Further details regarding the Offer are provided in the Prospectus which the Company lodged with the ASX on Tuesday 18 June 2019. Eligible Shareholders and investors wishing to participate in the Offer should read the Prospectus carefully and in its entirety. The Prospectus contains further details about the Offer and is expected to be despatched to Eligible Shareholders on or around Wednesday 26 June 2019. You will also need to complete the application form contained in, or accompanying, the Prospectus. You can request a paper copy of the Prospectus and the application form by calling Advanced Share Registry on (+61 8) 9389 8033 (8.30am – 5.00pm, (AWST) Monday to Friday).

Participating in the Offer

You should obtain and read a copy of the Prospectus carefully and in its entirety before considering whether to apply for shares in the Company. If you wish to participate in the Offer please follow the instructions contained in the Prospectus.

If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional advisers.

¹ This assumes no further Shares are issued prior to the Entitlement Offer Record Date.

On behalf of the Board, thank you for your continued support.

Yours sincerely,

Domenico Martino
Non-Executive Chairman

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