

ASX Announcement – May 1, 2013

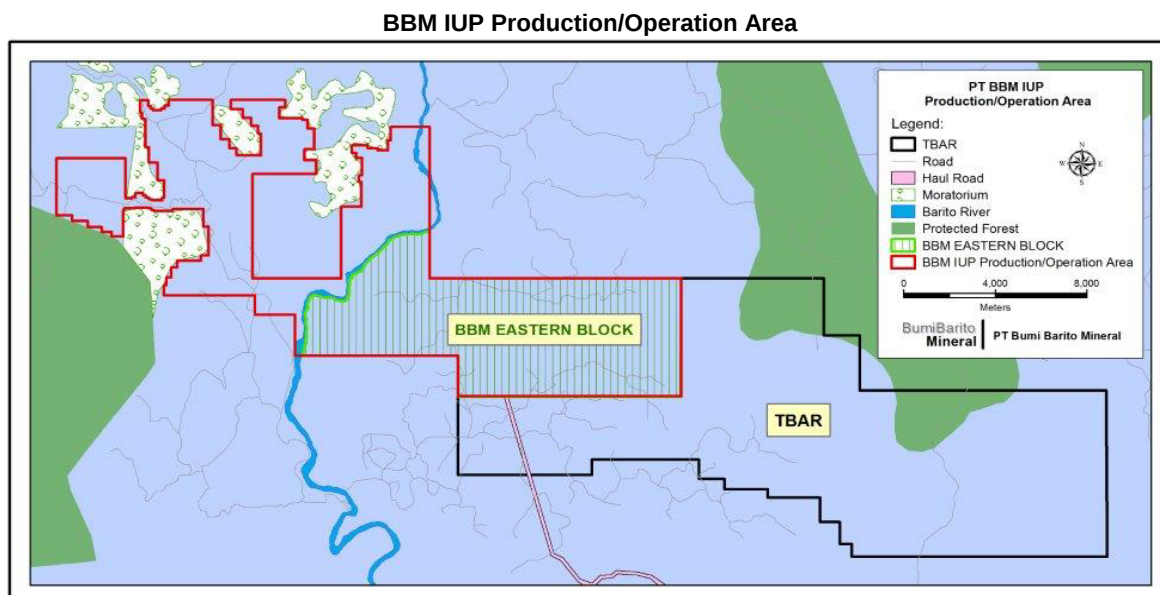
Production Mining Lease Approved for BBM Project

Cokal Limited (Cokal ASX:CKA), following its recent announcement of the Integrated Environmental Impact Study (EIS) approval by the Governor of Central Kalimantan for its Bumi Barito Mineral Project (BBM), is pleased to announce that it has now received the Production / Operation Izin Usaha Pertambangan (IUP) (Production Mining Lease) approval from the Murung Raya Regency Mines and Energy Department, Central Kalimantan, Indonesia.

The Production Mining Lease is another major milestone in Cokal's goal to be producing coal at BBM by the 1st half of 2014. The Production Mining Lease covers:

- an area 15,000 hectares (ha) – maximum coal lease area allowable
- the full development of the Eastern Block of BBM 6Mtpa
- exploration is permitted on remaining area
- term: 20 years with two 10 year extensions permitted (total 40 years)
- all protected and moratorium forest areas are excluded from the Production Mining Lease area

Cokal Executive Chairman Peter Lynch said “this now completes the mining approvals required for BBM production and places the company in a very sound position to start construction of the project before the end of the year”.



The company is now focused on upgrading the forestry exploration permit to a production permit. This is scheduled to be completed by the end of 3rd quarter 2013 and is the final major approval required to commence construction of the project. Cokal expects to be barging coal down the Barito River and delivering a premium coking coal to the nearby Asian steel markets by the 1st half 2014.

PROJECT OVERVIEW

The BBM Coal Project (IUP 188.45/273/2010) is situated in Central Kalimantan, Indonesia in the prospective metallurgical Upper Barito Coal Basin, Regency of Murung Raya. The Project (60% owned by Cokal) covers an area of 15,000 ha. The Project is adjacent to the BHP Billiton's, Indomet Coal Juloi Project in the same Regency.

BBM has a JORC Resource of 77 Million tonnes (Mt) in four seams comprised of 70Mt Inferred and 7Mt Indicated as well as an Exploration Target¹ of 200 to 350Mt in thirteen seams within the Eastern Block of the BBM IUP (approximately 40 percent of the Project area). Cokal is completing definitive studies and obtaining the necessary approvals with the aim of commencing construction before the end of 2013 which would see first production occur in the 1st half of 2014.

ENDS

Further enquiries:

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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 four 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

Statements regarding plans with respect to the Company's exploration properties are forward-looking statements. There can be no assurance that the Company's plans for development of its properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's exploration properties.

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 2004 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 information in this report relating to Mineral Resources is based on information compiled by Tri Yoso who is a member of the Australasian Institute of Mining and Metallurgy and a full time employee of Cokal Limited.

Mr Yoso 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Mr Yoso consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.

Note 1: Exploration Target

All statements as to Exploration Targets of Cokal Limited and statements as to potential quality and grade are conceptual in nature. There has been insufficient exploration undertaken to date to define a Coal Resource and identification of a Resource will be totally dependent on the outcome of further exploration. Any statement contained in this document as to exploration results or Exploration Targets has been made consistent with the requirements of the Australasian Code for Reporting of Exploration Results, Resources and Ore Reserves (JORC Code).