

ASX ANNOUNCEMENT

28 August 2015

Target's Statement

Cokal Limited (ASX: CKA) (**Cokal**) is pleased to release its target's statement (**Target's Statement**) in response to the off market takeover bid by PT Cakra Mineral Tbk (**Cakra**) for all the shares in Cokal (**Offer**) in accordance with item 14 of section 633(1) of the Corporations Act 2001 (Cth).

Cokal shareholders should have already received Cakra's Bidder's Statement. Cakra is offering a choice of:

- **(all cash consideration)** A\$0.16 per Cokal share; or
- **(all share consideration)** 10.327 Cakra Shares for every 1 Cokal Share; or
- **(mix of cash and share consideration)** a combination of cash and Cakra shares, at the election of Cokal shareholders

Cokal Directors consider that the Cakra Offer is **FAIR AND REASONABLE** in the absence of a Superior Proposal or Material Adverse Change, for the reasons set out in the Target's Statement.

The Target's Statement explains however that Cokal Directors are unable to form a final view at this stage as to whether the Cakra Share Consideration represents fair value. Directors will have more information when the Cakra Rights Issue has been finally approved, priced and completed.

Accordingly, the Directors recommend that Cokal shareholders **TAKE NO FURTHER ACTION** until Cakra's Rights Issue is finally approved, priced and completed and your Directors can provide further guidance as to the value of the Share Consideration.

An independent expert, BDO Corporate Finance (QLD) Ltd, has also reviewed the Cakra Offer and concluded that the Offer is fair and reasonable to Cokal shareholders because there is cash consideration available which the Independent Expert considers fair and reasonable. The Independent Expert's Report is annexed to the Target's Statement.

The Target's Statement has been served on Cakra and lodged with the Australian Securities and Investments Commission today and will be dispatched shortly to Cokal shareholders.

For further information, please contact the Shareholder Information Line on +61 8 9389 8033.

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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 five 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”.