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ASX ANNOUNCEMENT / MEDIA RELEASE
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BBM Coking Coal Development Update: Advancing Towards Near-Term Production

Key Highlights

- **Cokal is expediting the development of the Bumi Barito Mineral ("BBM") Coking Coal Project, subsequent to receiving binding commitments to finance Project Development**
- **Preliminary development activities are being undertaken at the BBM site in anticipation of receipt of funding**

Cokal Limited (ASX:CKA, "**Cokal**" or the "**Company**") is pleased to announce that site preparations for construction of the Bumi Barito Mineral ("**BBM**") Coking Coal Project have commenced. Cokal has undertaken this step subsequent to the receipt of a binding commitment from investors to provide Cokal with a US$20m debt facility (refer ASX announcement dated 14 October 2020), which is sufficient to fund BBM project development.

About the BBM Project

BBM is Cokal's most advanced project – a high quality metallurgical coal project. Cokal is focused on the near-term development of BBM. The US$20m debt facility will provide capital required for mine construction through to first- production.

BBM is located in the Central Province, Kalimantan, Indonesia with an area of approximately 1,500ha. Delivering the BBM Coking Coal Project will allow Cokal to assess the next phase of its growth strategy with an aim to become a multi-project coal producer focussed on the Central Kalimantan region.

BBM Project Development Update

Cokal is progressing with a development strategy for BBM to minimise the upfront capital required to achieve first-production. Cokal is accomplishing this through:

- the utilisation of mining contractors for mining operations;
- contracting the transport logistics to third-party operators including the transportation of product coal from mine-to-port and barging down the river; and
- leasing down-river coal stockpiling facilities for transport efficiencies.

Currently Cokal has approximately 20 staff on site at BBM preparing the site for the initial construction work to develop Cokal's flagship BBM coking coal project.

Road Reconstruction

Reclamation of overgrown land has commenced along the existing, newly licensed, coal transport road (refer ASX announcement dated 21 May 2020). The future work programme includes completion of clearing the roadway, upgrading sections of the roadway, and repairing and replacing culverts and bridges. The first batch of road reconstruction materials have been delivered to site.

Overgrown Existing Logging Road

Cleared Road Prior to Forming and Sealing

Bomban Jetty

Cokal has secured the lease of an existing jetty in the Bomban area (at the end of the coal transport road), including approximately 10 hectares of surrounding land. The jetty is ready for use, and the surrounding land will be utilised for stockpiling of product coal, fuel storage, delivery of mining equipment and support infrastructure.

The jetty has been leased as an interim measure over the next 12 months to support expedited project development. Cokal will develop its own jetty in due course to reduce transport costs.

Current activities being undertaken include preparing infrastructure including fuel tanks, site offices and staff camp at the Krajan location on the Barito River within the BBM mining lease.

Bomban Jetty on the Barito River

Stockpile Area adjacent to Bomban Jetty

Community Relations

As a part of community socialisation, Cokal will hold a traditional ceremony (Upacara Adat) with the local villagers (Dayaks) in early November 2020 after construction equipment has arrived and before starting major development works.

Cokal Chairman, Mr Domenic Martino said:

"*Cokal is pleased to be moving forward with the production-ready stage at BBM and is highly motivated to commence production in order to realise the inherent strategic and financial value of the asset. Coal production from BBM will generate attractive profits for Cokal and returns for its shareholders*."

ENDS

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This ASX announcement was authorised for release by the Board of Cokal Limited.

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, 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 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.