

ASX ANNOUNCEMENT / MEDIA RELEASE**22nd October 2025**

Commencement of In-house Production and Appointment of HML as Mining Contractor and Phased Fleet Mobilisation to Support BBM Production

Key Highlights

- **BBM has resumed limited mining operations at Pit 3, producing small tonnages of Low Volatile Hard Coking Coal (LVHCC) to maintain operational continuity during subdued market demand.**
- **BBM has appointed PT Harapan Mitra Lestari (“HML”) as a mining contractor to commence from mid-December 2025 under a non-exclusive arrangement.**
- **HML will be responsible for mining services including overburden removal and pit-to-ROM coal production, under competitive contract rates and terms.**
- **BBM continues discussions with other established mining contractors to maintain flexibility in scaling production as market conditions improve.**
- **A recently concluded agreement with PT Petrosea will enhance BBM’s haul-road and logistics facilities to an all-weather, higher-capacity standard, supporting future production growth.**

Cokal Limited (**Cokal**) (ASX: **CKA**) is pleased to advise that its 60%-owned PT Bumi Barito Mineral Mineral (“BBM”) has resumed limited mining operations at Pit 3, producing small tonnages of Low Volatile Hard Coking Coal (LVHCC) to maintain continuity of operations during a period of subdued market demand.

Operational Progress

BBM has successfully executed commencement of in-house mining following the completion of key in-pit preparation works. These works included the mobilisation of mining equipment, maintenance of the settling pond, and readiness of stockpiling facilities. The in-house mining phase is progressing in line with schedule and is expected to generate small tonnage of coal product to support upcoming shipments.

Coal Transportation and Logistics

The current ongoing operations also include the transportation of both previously mined and newly produced coal from Pit 3 to the Batu Tuhup Jetty in preparation for the next scheduled shipment to a local consumer. This activity ensures the continuity of coal movement and sales during the interim in-house mining phase and demonstrates BBM's ability to maintain operational flow and fulfil its domestic supply commitments.

Contractor Appointment

BBM has appointed PT Harapan Mitra Lestari (**HML**) as a mining contractor to commence from mid-December 2025 under a non-exclusive arrangement. HML is a wholly owned subsidiary of PT Riung Mitra Lestari ("**RML**"), an established Indonesian mining contractor operating since 2006. RML currently manages five active projects across Kalimantan, Indonesia with a maximum production capacity of up to 48 million bcm per annum, providing credibility, operational depth, and support to HML in delivering on its contract with BBM.

HML will be responsible for mining services including overburden removal and pit-to-ROM coal production, under competitive contract rates and terms. The agreed rates are as below:

Item	Service Rates (Fuel Inclusive)		Fuel Ratio	Remarks
	USD/bcm	USD/ton	L/volume	
Overburden Removal	2.16		0.800	Up to 1km distance
Coal Mining (cleaning, getting, loading) Pit to ROM		1.76	0.750	Up to 2km distance

Material Terms include:

- 5 years Mining Services Contract Agreement which provides overburden removal, coal mining from Pit to ROM Stockpile, mine dewatering and preparation of the rehab area
- Providing sufficient mining fleet to accommodate the production ramp up strategy during the period of Contract
- Maintaining a minimum of 95% of coal production recovery
- Maintaining a minimum of 85% production rate per the submitted monthly plan
- Drill and Blast operational activities will be directly working under the Contractor
- Providing diesel fuel to support the services
- The Company will provide an advance payment that will be applied as a monthly invoice deduction over 12 months
- Monthly invoices shall be paid within 30 days after Invoice with all supporting documents is submitted.
- The work of HML will be guaranteed under RML as HML's parent company. In the event that HML fails to achieve the agreed production target, RML will take over the Works

Fleet Mobilisation

To achieve its production targets, HML will mobilise a dedicated fleet in phases. Between October and December 2025, BBM will conduct in-house mining operations using one HML overburden (OB) fleet on a rental basis. In December 2025, the first cut is scheduled to commence with the full mobilisation of initial four fleets of PC500 units. By late Q1 to early Q2 2026, an additional two 100-tonne overburden fleets are planned for mobilisation.

Fleet composition for 2026:

- 2 fleets × 100 t class excavators
- 4 fleets × 50 t class excavators (OB removal)
- 2 fleets × 20 t coal production

Year	Target Production	Note
2025	Small tonnages (in-house)	Transition phase ahead of contractor mobilisation
2026	~420,000 tonnes	With full HML fleet mobilised; BBM retains the option to ramp up production by appointing an additional contractor depending on coal market conditions.



Support Structure

As part of the agreed framework, RML will provide oversight and additional support to HML's operations. In the event HML is unable to meet contracted volumes, RML can deploy additional fleet and operational capacity to ensure continuity of production.

Future Ramp-Up Options

BBM has also held ongoing discussions with other established mining contractors, ensuring that the Company retains flexibility to engage additional capacity as market conditions and infrastructure upgrades warrant. While the current haul-road and logistics infrastructure are already operational, the recently concluded agreement with PT Petrosea will upgrade these facilities to an all-weather, higher-capacity standard.

Management considers it prudent to align any significant ramp-up in production with these enhancements and a stronger market environment. Expanding output prematurely could lead to higher operating costs without corresponding price support, placing unnecessary pressure on cash flows. BBM will therefore carefully time any additional contractor engagement to ensure operational efficiency and sustainable value creation.



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.

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