



ANNOUNCEMENT

17 April 2019

## DISMISSAL OF APPEALS AGAINST MAKHADO PROJECT ENVIRONMENTAL AUTHORISATION AMENDMENTS

MC Mining Limited (“**MC Mining**” or the “**Company**”) is pleased to announce further progress at its Makhado hard coking and thermal coal project (“**Makhado Project**” or “**Makhado**”), owned by subsidiary Baobab Mining & Exploration (Pty) Ltd (“**Baobab**”).

Baobab applied to both the Department of Mineral Resources (“**DMR**”) and the Limpopo Department of Economic Development, Environment and Tourism (“**LEDET**”) during January 2018 for an amendment to Makhado’s Environmental Authorisation (“**EA**”). The amendment allows for the transportation of coal to Musina by road rather than rail and was approved by the DMR and LEDET during September 2018. Following this, the same narrow interest group that had previously and unsuccessfully appealed the original Makhado EA, appealed the DMR and LEDET decisions resulting in the suspension of the EA amendment authorisations.

The Company is pleased to announce that both appeals have been dismissed. This results in the EA amendment being effective and reaffirms the Makhado Project’s permitted status.

### David Brown, CEO commented:

“This dismissal of the appeals by the South African government reinforces the robustness of Baobab’s permitting processes despite continued attempts by narrow interest groups to halt the project’s progress. The recently announced phased development of Makhado includes the utilisation of the existing, modified Vele processing plant as well as road and rail infrastructure previously tested. The Company anticipates that funding dependent, construction of Makhado Phase 1 should commence in Q3 CY2019, contributing significantly to the socio-economic development in the area and generating positive returns for shareholders in the near-term.”

Authorised by

**David Brown**

**Chief Executive Officer**

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**About MC Mining Limited:**

MC Mining is an AIM/ASX/JSE listed coal exploration, development and mining company operating in South Africa. MCM's key projects include the Uitkomst Colliery (metallurgical coal), Makhado Project (coking and thermal coal). Vele Colliery (coking and thermal coal), and the Greater Soutpansberg Projects (MbeuYashu).

**Regulatory**

This announcement is inside information for the purposes of Article 7 of Regulation 596/2014.