

**Goldway Capital Investment Limited**  
(Incorporated in Hong Kong)  
CR No. 3294426

28 March 2024

The Manager  
Markets Announcements Office  
Australian Securities Exchange  
Level 50, South Tower, Rialto  
525 Collins Street  
Melbourne VIC 3000

Dear Manager

**Goldway Capital Investment Limited - Fourth Supplementary Bidder's Statement**

Goldway Capital Investment Limited (company registration number 3294426) (**Goldway**) refers to its bidder's statement dated 2 February 2024, first supplementary bidder's statement dated 15 February 2024, second supplementary bidder's statement dated 14 March 2024 and third supplementary bidder's statement dated 21 March 2024 in relation to its off-market takeover offer for all of the ordinary shares in MC Mining Limited ACN 008 905 388 (ASX: MCM) (**MCM**).

In accordance with section 647(3)(a)(ii) of the *Corporations Act 2001* (Cth), a copy of Goldway's fourth supplementary bidder's statement dated 28 March 2024 (**Fourth Supplementary Bidder's Statement**) is enclosed.

A copy of the Fourth Supplementary Bidder's Statement has today been lodged with the Australian Securities and Investments Commission and served on MCM.

Yours faithfully



**Jun Liu**  
Sole Director  
Goldway Capital Investment Limited  
(company registration number 3294426)

## Fourth Supplementary Bidder's Statement

# ACCEPT

Offer by

**Goldway Capital Investment Limited**

**CR No. 3294426**

to acquire all of your ordinary shares in

**MC Mining Limited ACN 008 905 388**

for

**A\$0.16** cash per MCM Share

**TO ACCEPT THE OFFER YOU MUST**

Complete and sign the Acceptance Form accompanying the Original Bidder's Statement and return it to the address set out on the form before the Offer closes.

This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should contact your legal, financial, tax or other professional advisor immediately.

# Fourth Supplementary Bidder's Statement

## 1. Introduction

---

This document is the fourth supplementary bidder's statement (**Fourth Supplementary Bidder's Statement**) to the bidder's statement dated and lodged with ASIC on 2 February 2024 (**Original Bidder's Statement**) and to the first supplementary bidder's statement dated and lodged with ASIC on 15 February 2024 (**First Supplementary Bidder's Statement**), second supplementary bidder's statement dated and lodged with ASIC on 14 March 2024 (**Second Supplementary Bidder's Statement**) and third supplementary bidder's statement dated and lodged with ASIC on 21 March 2024 (**Third Supplementary Bidder's Statement**), issued by Goldway Capital Investment Limited (company registration number 3294426) (**Goldway**) in relation to its off-market takeover bid for all of the ordinary shares in MC Mining Limited ACN 008 905 388 (**MCM**).

This Fourth Supplementary Bidder's Statement is given pursuant to Division 4 of Part 6.5 of the *Corporations Act 2001* (Cth) (**Corporations Act**) in compliance with the requirements of section 643 of the Corporations Act.

This Fourth Supplementary Bidder's Statement supplements and should be read together with the Original Bidder's Statement, the First Supplementary Bidder's Statement, the Second Supplementary Bidder's Statement and Third Supplementary Bidder's Statement. Unless the context otherwise requires, terms defined in this Fourth Supplementary Bidder's Statement have the same meaning as in the Original Bidder's Statement.

This Fourth Supplementary Bidder's Statement is dated 28 March 2024 and was lodged with ASIC and given to ASX on that date. Neither ASIC, nor the ASX, nor any of their respective officers takes any responsibility for the content of this Fourth Supplementary Bidder's Statement.

**This is an important document and requires your immediate attention.**

**If you are in any doubt about how to deal with this document, you should contact your legal, financial, tax or other professional advisor immediately.**

## 2. Observations on the IBC Response

---

Goldway has reviewed MCM's independent board committee's response to Goldway's Third Supplementary Bidder's Statement dated 25 March 2024 (**IBC Response**) which included the IBC's observations on the valuation methodology adopted in the independent expert's report (**IER**) issued by BDO Corporate Finance (WA) Pty Ltd ACN 124 031 045 (**BDO** or **Independent Expert**) and the independent specialist's report (**SRK Report**) issued by SRK Consulting (Australasia) Pty Ltd ACN 074 271 720 (**SRK**).

Goldway expresses its overall disappointment that the MCM Independent Board Committee (**IBC**) has decided not to recommend that MCM Shareholders accept Goldway's Offer. Goldway believes that the Offer represents an attractive, certain exit price, which MCM Shareholders should consider against several key points that call into question the view adopted by the IBC Response, as well as that of the Independent Expert and SRK, on the value of MCM.

### **Responses to the IBC's claims that Goldway has been misleading shareholders**

To assist MCM Shareholders in deciding whether to accept the Offer, Goldway wishes to outline the further points set out below. The IBC has made statements that Goldway has been misleading in the Third Supplementary Bidder's Statement and the IBC "will continue to ensure that Shareholders are provided with factual information".

Goldway therefore confirms the following facts:

#### **2.1. Vele Aluwani Colliery (Vele) is on care and maintenance**

The definition of care and maintenance is a "temporary closure where [a] mine is said to be in a state of care and maintenance when it has stopped production for various technical, environmental, financial or labour related reasons but the holder has not declared their intent to finally close the mine".<sup>1</sup>

Vele production ceased in January 2024, with no stated plans or cost estimates to recommence production. Vele is by definition on care and maintenance.

#### **2.2. The Independent Expert has adopted a Market Value approach to valuation which "does not consider any potential future operating cashflow generated from MCM's assets"**<sup>2</sup>

The facts of MCM's financial records are:

- a) Since 2010, MCM has raised approximately US\$500m to advance its assets, plus additional proceeds from asset sales.<sup>2</sup>
- b) MCM last reported US\$936.5m in accumulated losses.<sup>3</sup>
- c) MCM's annual financial records are as follows:<sup>4</sup>

---

<sup>1</sup> The South African Legislative Framework for Mine Closure, E. Swart, Department of Minerals and Energy. See link: <https://www.saimm.co.za/Conferences/MineClosure/001-Swart.pdf>.

<sup>2</sup> Page 3, MCM announcement Independent Board Committee's Response to Goldway's Third Supplementary Bidder's Statement.

<sup>2</sup> <https://www.mcmining.co.za/investors-and-media/annual-reports>.

<sup>3</sup> As above.

<sup>4</sup> As above.

- i. 1H 2024: US\$6.0m loss
- ii. 2023: US\$4.4m loss
- iii. 2022: US\$20.8m loss
- iv. 2021: US\$11.8m loss
- v. 2020: US\$12.2m loss
- vi. 2019: US\$33.7m loss
- vii. 2018: US\$103.7m loss
- viii. 2017: US\$17.4m loss
- ix. 2016: US\$22.5m loss
- x. 2015: US\$6.7m loss
- xi. 2014: US\$84.1m loss
- xii. 2013: US\$148.1m loss
- xiii. 2012: US\$138.9m loss
- xiv. 2011: US\$219.0m loss
- xv. 2010: US\$101.4m loss

### 2.3. The Independent Expert has a ZAR584m (A\$46m) preferred valuation of Vele

The facts of the Vele operation are:

- a) February 2010: MCM acquired 100% interest in Vele.
- b) April 2012: MCM announced first coal shipment.
- c) October 2013: Vele was placed on care and maintenance to “reduce the current cash losses incurred”. The intention was to raise the required funds to ramp-up operations by 2015.<sup>6</sup>
- d) August 2014: MCM announced a private placement to raise US\$64.9m with US\$25m allocated to implement modifications to the Vele plant.
- e) 2014 - 2022: Vele remained on care and maintenance.
- f) December 2022: MCM announced it had outsourced Vele with first coal sales expected in Q1 CY2023 with the ramp-up to full production during Q2 CY2023.
- g) December 2023: MCM's quarterly report stated that “due to the operating challenges at Vele, combined with elevated logistics costs and the depressed API4 coal price, it intends downscaling operations while it progresses a production optimisation strategy”.
- h) January 2024: Vele is again on care and maintenance.

### 2.4. The IBC states “Shareholders who sell their Shares will forego the opportunity to participate in the exploration and production potential of MCM's development assets”

Goldway would like to highlight the following facts:

- a) MCM's Global Resource was 8.83Bn tonnes in 2014. **Ten years later the Global Resource has declined to 8.65Bn tonnes.**
- b) The 'shovel ready' Makhado project definitive feasibility status (DFS) was announced in June 2013. **The project is still at DFS level 10 years later.**
- c) Vele has been **re-commissioned twice by MCM and failed to remain operating for a period longer than 18 months on both occasions.**
- d) The Greater Soutpansberg Projects (GSP) Resource **has not changed over the past 10 years.**

<sup>6</sup> <https://www.mcmining.co.za/all-categories?task=download.send&id=1122:vele-colliery-update-10-15-2013&catid=61>.

- e) MCM produced 3.1Mt of saleable coal over the financial year ended 2012. By 2023, **MCM's production has declined by 2.8Mtpa to only 0.34Mt.**
- f) Since 2010 MCM has raised approximately **US\$500m in debt and equity to advance its assets and to its own admission, MCM remains a "resource development company".**

### **3. Consents and approval of the Fourth Supplementary Bidder's Statement**

---

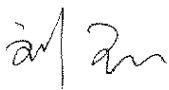
This Fourth Supplementary Bidder's Statement includes statements which are made in or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of *ASIC Corporations (Takeover Bids) Instrument 2023/683*, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Fourth Supplementary Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements (free of charge), during the Offer Period, please call the relevant Goldway Offer Information Line. Goldway will provide these within 2 Business Days of the request.

A copy of this document was lodged with ASIC on 28 March 2024. This Fourth Supplementary Bidder's Statement prevails to the extent of any inconsistency with the Original Bidder's Statement, the First Supplementary Bidder's Statement, the Second Supplementary Bidder's Statement or Third Supplementary Bidder's Statement. Neither ASIC nor any of its officers takes any responsibility for the contents of this Fourth Supplementary Bidder's Statement.

#### **Authorisation**

This Fourth Supplementary Bidder's Statement has been approved by a resolution passed by the sole director of Goldway.

Signed for on behalf of  
**Goldway Capital Investment Limited**



**Mr Jun Liu**  
Sole Director

Date: 28 March 2024