



ANNOUNCEMENT

12 August 2020

CONDITION SATISFIED FOR THE ISSUE OF NEW EQUITY

Further to the announcement published on 21 July 2020, MC Mining Limited ("**MC Mining**" or the "**Company**") is pleased to confirm South Africa Reserve Bank approval for the issue of new equity ("**New Equity**") for a collective R15.0 million (\$0.9 million*). This satisfies the condition required for the issue of the New Equity comprising 13,331,433 new ordinary shares in the Company. The New Equity will be issued at an agreed price of 105.56 SA cents/ 6.27 pence (United Kingdom).

A commitment for the issue of the New Equity was a condition in the R40 million (\$2.4 million) restructured loan agreement (the "**Agreement**") with the Industrial Development Corporation of South Africa Limited ("**IDC**") to advance the Makhado hard coking coal project ("**Makhado Project**") and for general working capital. In terms of the Agreement, the IDC will receive an estimated 1.1 million warrants, equating to 0.8% of MC Mining's issued shares, and its direct participation in the Makhado Project will increase from 5% to 6.7%.

Application will be shortly made for the admission of the 13,331,433 new ordinary shares to trading on AIM, the ASX and the JSE and an announcement will be made in due course. Following admission of the New Equity, the Company will have 154,419,555 ordinary shares in issue, such figure can be used as the denominator for the calculations by which a shareholder will determine if they are required to notify their interest in, or a change to their interest in the Company, under the ASX Listing Rules or the DTRs.

Brenda Berlin

Acting Chief Executive Officer

This announcement has been approved by the Company's Disclosure Committee.

* All figures are in South African rand or United States dollars unless otherwise stated.

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Investec Bank Limited is the nominated JSE Sponsor

About MC Mining Limited:

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

Forward-looking statements

This announcement, including information included or incorporated by reference in this announcement, may contain "forward-looking statements" concerning MC Mining that are subject to risks and uncertainties. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates" or similar expressions identify forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond MC Mining's ability to control or estimate precisely, such as future market conditions, changes in the regulatory environment and the behaviour of other market participants. MC Mining cannot give any assurance that such forward-looking statements will prove to have been correct. The reader is cautioned not to place undue reliance on these forward-looking statements. MC Mining assumes no obligation and does not undertake any obligation to update or revise publicly any of the forward-looking statements set out herein, whether as a result of new information, future events or otherwise, except to the extent legally required.