



ANNOUNCEMENT

14 March 2025

HALF-YEAR RESULTS FOR PERIOD ENDED 31 DECEMBER 2024

MC Mining Limited (**MC Mining** or the **Company**) is pleased to announce its interim financial report for the six months ended 31 December 2024. All figures are denominated in United States dollars unless otherwise stated and the full interim report is available on the Company's website, <https://www.mcmining.co.za/all-categories?task=download.send&id=1861:interim-results-2024>.

Financial review

- The loss after tax for the Period increased by 40% to \$8.4 million or 1.83 cents per share (FY2024 H1: loss after tax of \$6.0 million or 1.45 cents per share);
- Revenue for the Period decreased by 67% to \$8.4 million (FY2024 H1: \$25.2 million) and cost of sales decreased by 48% to \$12.5 million (FY2024 H1: \$24.1 million) resulting in a decrease in gross profit (FY2025 H1: gross loss of \$4.2 million vs FY2024 H1: gross profit of \$1.1 million);
- Administrative expenses decreased by 55%, from \$9.7 million in FY2024 H1 to \$4.4 million in the reporting period.
- Finance costs from borrowings and finance leases increased by 19% to \$0.9 million (FY2024 H1: \$0.8 million);
- Cash and cash equivalents of \$3.9 million compared to cash and cash equivalents of \$0.2 million at 30 June 2024.
- Net asset value increased slightly to \$75.6 million from \$75.4 million in 30 June 2024;
- Headline loss per share increased by 26% from 1.45 cents in FY2024 H1 to 1.83 cents in FY2025 H1;
- Basic and diluted loss per share increased by 26% from 1.45 cents in FY2024 H1 to 1.83 cents in FY2025 H1; and
- No dividend was declared for six months ended 31 December 2024 (FY2024 H1: nil).

Operational review

Safety

- Health and safety remains the highest priority, with the goal being to achieve zero harm. The Company recorded one fatality (FY2024 H1: nil) and two lost-time injuries (**LTIs**) were recorded during the Period (FY2024 H1: Nil LTIs).

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Interim Chairman Mathews Senosi Interim Managing Director & Chief Executive Officer Yi (Christine) He

Non-executive directors An Chee Sin, Zhen (Brian) He, Dr. S. West, B. Pavlovski, M. Huang

Uitkomst Colliery

- The operational results for the Uitkomst metallurgical and thermal coal colliery (**Uitkomst** or **Uitkomst Colliery**) compared to the preceding period are detailed below:

	FY2025 H1	FY2024 H1	%△
<i>Production tonnages</i>			
Uitkomst ROM (t)	185,558	268,464	(31%)
<i>Inventory volumes</i>			
High quality duff and peas at site (t)	4,911	14,422	(66%)
<i>Sales tonnages</i>			
Own ROM (t)	108,776	202,340	(46%)
Middlings sales	13,017	375	>100%
	121,793	202,715	40%
<i>Financial metrics</i>			
Net revenue/t (\$)	69	80	(14%)
Production costs/saleable tonnes (\$)^	93	55	68%

^all costs are incurred in South African Rand

- The Uitkomst Colliery produced 185,558 tonnes (t) (FY2024 H1: 268,464t) of run of mine (**ROM**) coal during the six months to 31 December 2024, 31% lower than the previous period;
- 4,678t (FY2024 H1: 14,422t) of high-quality coal was stockpiled at Uitkomst at the end of December 2024;
- Uitkomst sold 121,793t of coal in FY2025 H1 (FY2024 H1: 202,715t) comprising 108,780t (FY2024 H1: 202,340t) of premium duff and sized peas and 13,017t (FY2024 H1: 375t) of high ash, coarse discard coal. Uitkomst generated sales revenue of \$8.4 million (FY2023: \$16.3 million) for the period;
- The Uitkomst net revenue per tonne decreased to \$69/t (FY2024 H1: \$80/t) primarily due lower production as a result of geological challenges; and
- The lower coal production volumes contributed to the 68% increase in production costs per saleable tonne (FY2025 H1: US\$93/t vs. FY2024 H1: US\$55/t)

Makhado Project

- MC Mining's flagship Makhado steelmaking hard coking coal (**HCC**) project has the required regulatory approvals and surface rights over the mining and processing areas and is 'shovel ready';
- The development of Makhado is expected to deliver positive returns for shareholders and position MC Mining as South Africa's pre-eminent steelmaking HCC producer resulting in obvious advantages for domestic steel producers;
- Select early works continued on site at the Makhado Project, with the erecting of power supply lines ongoing, commencement of construction of a temporary bridge across the Mutamba River to provide access for construction works and the commencement of bulk earthworks related to the coal handling and preparation plant (CHPP) terrace. Environmental and Process Technologies Proprietary Limited (Enprotec), continued with the detailed designing of the CHPP, along with early order placements for long-lead items related to the CHPP.

Vele Aluwani Colliery

- The colliery did not produce saleable thermal coal during the reporting period (FY2024 H1: 119,799t); and
- Operations at Vele remain suspended.

Greater Soutpansberg Projects

- The three GSP is the Group's long-term greenfield development area and contains over 7.0 billion gross tonnes in situ of inferred HCC, SSCC and thermal coal resources. The exploration and development of the GSP is the catalyst for MC Mining's long-term growth and positions the Company to be a potential long-term significant domestic and export steelmaking coal supplier;
- The mining rights for the Mopane, Generaal and Chapudi project areas were legally executed during FY2024. Following this, the studies required for the environmental and water use licences are expected to commence following the construction of the Makhado Project; and
- Exploration and development of the GSP could position the Company to being a significant steelmaking coal supplier for both the domestic and export markets.

Corporate features

- On 13 December 2024, the Competition Commission issued a Merger Clearance Certificate for the proposed transaction with Kinetic Development Group Limited (KDG) with conditions;
- MC Mining Limited has reached an agreement with Hong Kong Stock Exchange (HKSE) main board listed KDG (1277.HK) the terms of which provide that KDG (or its designee) will subscribe for a total of 51% of the post transaction issued share capital of MC Mining;
- MC Mining entered into a A\$1.0m (US\$0.7m) unsecured loan facility with Eagle Canyon International Group Holding (Hong Kong) Limited;
- Appointment of Christine He as Interim Managing Director & Chief Executive Officer of MC Mining, occurred effective from 1 July 2024;
- Appointment of Muhui (Chris) Huang as Non-Executive Director of MC Mining;
- Appointment of Bill Pavlovski as Independent Non-Executive Director of MC Mining; and
- Appointment of Dr Steele West as Independent Non-Executive Director of MC Mining

Subsequent events

On the 23 of January 2025 the Shareholders passed the following resolutions to:

- Ratify the prior issue by the Company of 62,102,002 new Shares to Kinetic Crest Limited, a wholly owned subsidiary of Kinetic Development Group Limited.
- Approve the acquisition by Kinetic Development Group Limited (and its Associates) of such number of Second Closing Shares that will result in Kinetic Development Group Limited (and its Associates) holding 51% of the Company's issued and outstanding Shares and having a Relevant Interest in a total of 51% of all of the Company's issued and outstanding Shares on the Second Closing.
- Approve the acquisition by the Company of a Relevant Interest in the Second Closing Shares on the Second Closing as a consequence of the Company's entry into the Proposed Escrow Deed, on the terms and subject to the conditions set out in the Explanatory Statement.

Kinetic Development Group Limited has made payments amounting to \$20,000,000 up to the date of the release of the 31 December 2024 interim financial report, for the purchase of the MC Mining shares as part of the share subscription agreement.

The Industrial Development Corporation of South Africa Limited extended the date for repayment of the R160 million loan plus interest thereon, to 30 June 2025, on condition that the Company make a payment of ZAR10,000,000 to the IDC. The repayment was made.

Authorised by

Yi (Christine) He

Interim Managing Director & Chief Executive Officer

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

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

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

For more information contact:

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BSM Sponsors Proprietary Limited is the nominated JSE Sponsor

About MC Mining Limited:

MC Mining is an 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).

Regulatory requirements

This short form announcement, which is the responsibility of MC Mining's directors, is only a summary of information in the full announcement and does not contain full or complete details. Any investment decisions by shareholders and/or investors should be based on consideration of the full announcement.

The full announcement can be found at:

<https://senspdf.jse.co.za/documents/2025/jse/isse/mcze/HY2025>

The full announcement is also available for viewing on the company's website at

<https://www.mcmining.co.za/all-categories?task=download.send&id=1861:interim-results-2024> or a copy may be requested in person, at the company's registered office or the office of the sponsor, at no charge, during office hours. Copies of the full announcement may also be requested from the Company's group investor relations at investor@mcmining.co.za.

The information in this announcement has been extracted from the interim reviewed group financial results for the half-year ended 31 December 2024, but the short-form announcement itself has not been reviewed by the Company's auditors.

Forvis Mazars Assurance Pty Limited, the group's independent auditor, has reviewed the consolidated interim financial statements of the group from which the abridged consolidated results contained in this report have been derived, and has expressed an unmodified review opinion on the consolidated interim financial statements but have drawn attention to a material uncertainty around the Going Concern, in note 2 of the interim reviewed group financial results.

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 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.