



ANNOUNCEMENT

30 August 2018

COMPLETION OF THE MOOIPLAATS COLLIERY SALE TRANSACTION

MC Mining Limited (“**MC Mining**” or the “**Company**”) announced in October 2017 that it had sold its shares and claims in the Mooiplaats thermal colliery (“**Mooiplaats**” or the “**Colliery**”) for an aggregate purchase price of R179.9 million. The conditions precedent for the transaction were satisfied in November 2017 resulting in the Company receiving the initial sale proceeds of R67.0 million. The timing of the ten equal quarterly payments to settle the remaining balance of R112.9 million was scheduled to commence during August 2018 but was dependent on the Department of Mineral Resources (“**DMR**”) approving the requisite Section 102 application to, amongst other things, incorporate certain prospecting rights into the Colliery’s mining right, failing which the payments would be delayed.

MC Mining is pleased to announce that the DMR has timeously approved the requisite Section 102 application and the first quarterly payment of R11.3 million has been received.

David Brown, CEO commented:

“The Section 102 approval was the final requirement to complete the Mooiplaats sales process that commenced during 2013 and is another significant step in the clean-up of the Company’s balance sheet. The Mooiplaats disposal will result in estimated annual cost savings of R18 million and the quarterly payments will be used to develop MC Mining’s flagship Makhado hard coking coal project.”

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).

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 MCM's ability to control or estimate precisely, such as future market conditions, changes in regulatory environment and the behaviour of other market participants. MCM 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. MCM assumes no obligation and do 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.

Statements of intention

Statements of intention are statements of current intentions only, which may change as new information becomes available or circumstances change.