



ANNOUNCEMENT

13 February 2018

INTEGRATED WATER USE LICENCE GRANTED FOR VELE COLLIERY

MC Mining Limited ("MCM" or the "Company") is pleased to announce that the South African Department of Water and Sanitation has granted an Integrated Water Use Licence in terms of the National Water Act (Act 36 of 1998) for the Vele Colliery's stream diversion and associated infrastructural activities.

This approval completes the full regulatory suite of all authorisations required for the Vele Colliery. As previously advised, the final decision on whether to proceed with the Plant Modification Project will be placed before the Company's Board, which will include an assessment of long term pricing as well as logistics considerations. The Board will evaluate all options available, which will be communicated at the appropriate time.

Mr David Brown, Chief Executive Officer, commented:

"We welcome this decision and the securing of all the regulatory authorisations for the Colliery. Furthermore, this decision is a confirmation of government's support of the Company's co-existence model which facilitates the co-existence of mining, agriculture and heritage land uses in line with the historic biodiversity offset agreement between the Department of Environmental Affairs, the South African National Parks and MCM."

Authorised by

David Brown

Chief Executive Officer

For more information contact:

David Brown	Chief Executive Officer	MC Mining Limited	+27 10 003 8000
Tony Bevan	Company Secretary	Endeavour Corporate Services	+61 08 9316 9100

Company advisors:

Jos Simson/Barney Hayward/ Annabel de Morgan	Financial PR (United Kingdom)	Tavistock	+44 20 7920 3150
Ross Allister/Richard Crichton/James Bavister	Nominated Adviser and Broker	Peel Hunt LLP	+44 20 7418 8900
Charmane Russell/Olwen Auret	Financial PR (South Africa)	Russell & Associates	+27 11 880 3924 or

WEB WWW.MCMINING.CO.ZA

EMAIL ADMINZA@MCMINING.CO.ZA

AU Suite 8, 7 The Esplanade, Mount Pleasant, Perth WA 6153, Australia **Tel** +61 8 9316 9100 **Fax** +61 8 9316 5475

ZA South Block, Summercon Office Park, Corner Rockery Lane and Sunset Avenue Lonehill, 2191, South Africa **Tel** +27 10 003 8000 **Fax** +27 11 388 8333

Investec Bank Limited is the nominated JSE Sponsor

About MC Mining Limited:

MC Mining Limited (MCM) 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 Limited (MCM) 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.