



ANNOUNCEMENT

29 April 2019

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REPORT FOR THE QUARTER ENDED 31 MARCH 2019

DEVELOPMENT OF MAKHADO PHASE 1 APPROVED

MC Mining Limited (“**MC Mining**” or the “**Company**”) which operates in South Africa, together with its subsidiaries, hereby provides its update for the three months ended 31 March 2019, the third quarter (the “**Quarter**”) of the 30 June 2019 financial year. All figures are denominated in United States dollars unless otherwise stated. Safety metrics are compared to the preceding quarter while financial and operational metrics are measured against the comparable period in the previous financial year. A copy of this report is available on the Company's website, [www.mcmining.co.za](http://www.mcmining.co.za).

**Salient operational features**

- Three lost-time injuries (“**LTIs**”) were recorded during the Quarter (FY2019 Q2: one LTI) at the Uitkomst metallurgical and thermal coal colliery (“**Uitkomst Colliery**” or “**Uitkomst**”). A number of initiatives were launched during the Quarter to reinforce appropriate safety awareness at Uitkomst;
- Uitkomst Colliery run of mine (“**ROM**”) coal production of 113,190 tonnes (“**t**”) is 2.2% lower than FY2018 Q3’s 115,750t and the full effect of mining cycles implemented during the Quarter will continue to be assessed during the June 2019 quarter;
- Sales of metallurgical and high quality thermal coal of 70,271t, in line with the prior year comparative period’s 70,627t;
- Uitkomst sold 8,315t (FY2018 Q3: nil) of a high ash middlings product following the completion of plant modifications during the Quarter;
- Revenue per saleable tonne declined 14% to \$75/t (Q3 FY2018: \$87/t) as international coal prices were adversely affected by geo-political dynamics that affected Australian coal shipments to China, impacting short-term global supply and demand;
- As expected, no coal was purchased from third parties due to supply contracts expiring in FY2018 (FY2018 Q3: 8,838t);
- Satisfaction of the conditions for the acquisition of the Lukin and Salaita properties resulting in their transfer to Baobab Mining & Exploration (Pty) Ltd (“**Baobab**”), the owner of the flagship Makhado hard coking and thermal coal project (“**Makhado Project**” or “**Makhado**”).

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**WEB** [WWW.MCMINING.CO.ZA](http://WWW.MCMINING.CO.ZA)

**EMAIL** [ADMINZA@MCMINING.CO.ZA](mailto: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

**Chairman** Bernard R. Pryor **Chief Executive Officer** David H Brown **Chief Financial Officer** Brenda Berlin

**Non-executive directors** Peter G Cordin, Andrew D Mifflin, Khomotso B. Mosehla, Thabo F. Mosololi, Shangren Ding, An Chee Sin, Brian H Zhen, Sebastiano Randazzo

- Completion of the front-end engineering and design (“**FEED**”) process for Phase 1 of the Makhado Project;
- MC Mining board conditionally approved the phased development of the Makhado Project with construction of Phase 1 anticipated to commence in Q3 CY2019 and expected to yield 0.54 million tonnes per annum (“**Mtpa**”) of hard coking coal (“**HCC**”) and 0.57Mtpa of export quality thermal coal; and
- Vele coking and thermal coal colliery (“**Vele Colliery**”) remained on care and maintenance during the Quarter.

#### **Corporate and financial features**

- Appointment of Sebastiano (Sam) Randazzo as a non-executive director of the Company’s board during the Quarter;
- Premium HCC prices averaged above \$200/t during the period (Q3 FY2018: \$228/t) while South African API#4 thermal coal prices were adversely affected by geopolitical dynamics and average prices for the Quarter were \$83/t (Q3 FY2018: \$94/t); and
- Available cash at Quarter-end of \$4.7 million (\$5.4 million at the end of December 2018) with restricted cash of \$0.03 million.

#### **Subsequent events**

- Coal purchase agreement signed with one of the world’s largest producers and marketers of bulk commodities for the export quality thermal coal to be produced by Phase 1 of the Makhado Project; and
- Dismissal of appeals against amendments to Makhado’s Environmental Authorisation, reaffirming the project’s permitted status and facilitating the transport of coal by road rather than rail.

#### **David Brown, CEO commented:**

“The lack of access to key properties delayed the development of the Makhado Lite Project for approximately one year. This coincided with management’s assessment of various alternative strategies to progress the project, including its phased development.

The significant progress achieved on the Makhado Project resulted in the Company’s directors conditionally approving its phased development. This approach significantly reduces the Company’s capital requirements by utilizing the existing Vele processing plant and together with the completed FEED process and development of the west pit, moderates execution risk and shortens the construction time. These measures condense the period for delivery of saleable coal to market and reflects Makhado’s ability to generate significant near-term value for shareholders by taking advantage of predicted positive future coking coal prices.

The construction of Makhado Phase 1 will make MC Mining the pre-eminent South African producer of high-grade metallurgical coal, a key ingredient contributing to the manufacture of steel, and trading at a significant premium to thermal coal. Construction is due to commence in Q3 CY2019, dependent on the completion of the composite funding plan.

A further Makhado Project key milestone attained during the Quarter was the purchase of the key Lukin and Salaita properties. This clears a major hurdle for the development of Phase 2, the previous Makhado 'Lite' project, and results in MC Mining owning all four properties where Makhado opencast mining and processing operations will take place. The Company is now in a position to undertake the necessary geotechnical confirmatory drilling for the siting of the east and central pits as well as the processing infrastructure. Phase 2 is expected to commence in *circa* CY2022 and will produce an estimated 4Mtpa of ROM coal.

The integration of Uitkomst underground mining operations continued during the Quarter and included the optimization of mining cycles. The various initiatives implemented have yielded adequate progress in ROM coal production and their effectiveness will continue to be assessed during the June 2019 quarter. Following the pleasing completion of processing plant modifications during the Quarter, Uitkomst coal sales volumes were supplemented by the first sales of a high ash middlings product. This will increase overall ROM coal yields and is expected to add an additional 40,000t of saleable product per year."

## **QUARTERLY COMMENTARY**

### **Uitkomst Colliery – Utrecht Coalfields (70% owned)**

Uitkomst recorded three LTIs during the Quarter (FY2019 Q2: one LTI) and management continued its focus on safety with further training at the colliery during the period.

Coal produced at Uitkomst is sold into the domestic metallurgical and thermal markets. The underground mining contractor operations acquired in H1 FY2019 resulted in the integration of staff, assets and systems. The re-organisation of underground mining operations via the implementation of alternative shift programmes and improved asset availability yielded adequate progress during the Quarter and their effectiveness will be with further assessed during the next three months.

The ROM coal production was similar to the comparable period in the previous financial year (113,190t vs. 115,750t) and no ROM coal was purchased from third parties (FY2018 Q3: 8,838t) due to the expiry of a coal supply agreement in the prior year. The ROM coal generated sales of 70,271t (FY2018 Q3: 70,627t) comprising 61,956t of low-grade metallurgical coal sales and a further 8,315t (FY2018 Q3: nil) of high ash (middlings) thermal coal sales. These high ash coal sales originate from plant modifications completed during the Quarter, extracting saleable coal from the plant discard and increasing overall yield of the Uitkomst ROM coal. The colliery continues to evaluate potential alternative suppliers of third party ROM coal for blending or processing and the comparable period's sales includes 7,024t (FY2019 Q3: nil) derived from purchased ROM coal.

Uitkomst's revenue/t was adversely affected by declining international thermal coal prices during the Quarter. The API#4 coal price decreased from an average of \$94/t for Q3 FY2018 to \$83/t for the Quarter. However the revenue/t in Rand terms was assisted by a weakening of the ZAR against the US dollar during the three months. Production costs benefitted from the inclusion of the high ash middlings volumes which increased overall yield as well as the weakening of the Rand, declining to \$50/t (FY2018 Q3: \$74/t).

	Quarter to end- March 2019	Quarter to end- March 2018	% $\Delta$
<b>Production tonnages</b>			
Uitkomst ROM (t)	113 190	115 750	(2%)
Purchased ROM to blend (t)	-	8 838	(100%)
	<b>113 190</b>	<b>124 588</b>	<b>(9%)</b>
<b>Sales tonnages</b>			
Own ROM (t)	61,956	63 603	(3%)
Purchased ROM to blend (t)	-	7 024	(100%)
High ash middlings (t)	8,315	-	100%
	<b>70 271</b>	<b>70 627</b>	<b>(1%)</b>
<b>Quarter financial metrics</b>			
Revenue/t (\$)	75.20	86.99	(14%)
Revenue/t (ZAR)	1 054	1 044	1%
Production cost/ROM tonnes (\$) ^	50.17	74.07	17%

^ costs are all South African Rand based

The estimated 16-years Uitkomst Colliery life of mine includes the development of a north adit (horizontal shaft) and the colliery awaits the granting of the Integrated Water Use License prior to this development commencing.

#### **Makhado Hard Coking Coal Project – Soutpansberg Coalfield (95% owned - 69% post BEE and Industrial Development Corporation Limited transactions)**

The Makhado Project recorded no LTIs (FY2019 Q2: nil) during the Quarter.

South Africa produces significant quantities of thermal coal but has a very limited domestic supply of high-quality metallurgical coal and once developed, Makhado will be the only significant HCC mine in the country. The project will also provide significant direct and indirect benefits to communities located in an area with significant unemployment levels and is expected to create approximately 650 permanent job opportunities.

The previously announced the Makhado 'Lite' Project envisaged producing 4.0Mtpa of ROM coal from the east and central pits, yielding 1.6 to 1.8Mtpa of saleable product. The development of Makhado Lite was delayed for approximately one year primarily due to lack of access to two key properties where the east and central pits, processing and other infrastructure would be located. Management undertook various strategies to secure access and assessed potential alternative project development plans, including the phased development of Makhado.

This resulted in the Company's directors conditionally approving the development of Phase 1 of the Makhado Project during the Quarter. Phase 1 entails the construction of the west pit and trucking of ROM coal to the existing, modified Vele Colliery for final processing, significantly reducing capital funding requirements. The development of Makhado in phases accelerates the time to market by at least 18 months compared to Makhado Lite, achieving MC Mining's stated strategy of self-sufficiency while ensuring continued scalability of the project. The east and central pits will be developed in Phase 2, essentially the Makhado 'Lite' project, in circa CY2022.

The development of Phase 1 shortens the construction phase, reducing the period for delivery of saleable coal to market and utilises previously tested road and rail infrastructure. The accelerated development period is

achieved as no additional confirmatory geotechnical drilling is required for Phase 1 (this was completed in the December 2018 quarter), the existing Vele Colliery plant is used and the FEED process has been completed.

Phase 1 will generate an estimated 3Mtpa of ROM coal that will be scalped at Makhado, removing the coarse parting and waste. The resulting *circa* 2Mtpa of coal will be transported to the Vele Colliery for further processing at the modified plant. The Vele plant modifications will facilitate the simultaneous production of approximately 0.54Mtpa of HCC and 0.57Mtpa of 5,500 kcal export quality thermal coal that will be transported to the Musina siding for sale.

Construction of the Phase 1 west pit and Vele Colliery plant modifications will occur simultaneously and take nine months to complete. The construction costs were assessed in the FEED process completed by DRA Global during the Quarter while Phase 1 mining, processing and transport functions will be outsourced to experienced third parties who have previously operated in South Africa. Makhado Phase 1 generates significant near-term cash flows, resulting in an IRR in excess 45% while the payback of peak funding is less than 2.5 years.

The various work streams required for construction of Phase 1 are underway and includes finalisation of composite funding arrangements. MC Mining is considering various debt/equity funding options for the R460 million (\$33.5 million\*) Phase 1 peak funding which excludes repayment of the existing Industrial Development Corporation of South Africa Limited loan.

The Phase 1 thermal off-take agreement was concluded in April 2019 with the signature of a coal purchase agreement with one of the world's largest bulk commodity production and marketing companies. The funding arrangements are expected to be completed in Q3 CY2019 and will facilitate the construction commencing later in the same quarter.

The delays in obtaining access to the key Lukin and Salaita properties hindered the development of Makhado Lite as it prevented the completion of studies to confirm amongst others, the positioning of processing plant infrastructure. Access was resolved during the Quarter with the transfer of the key farms to Baobab, ensuring that the Company owns all four properties required for Makhado opencast mining and processing operations.

#### **Vele Coking and Thermal Coal Colliery – Limpopo (Tuli) Coalfield (100% owned)**

The Vele Colliery remained on care and maintenance during the Quarter and no LTIs were recorded during the period (FY2019 Q2: nil).

No further developments to report during the Quarter.

#### **Greater Soutpansberg Project – Soutpansberg Coalfield (74% owned)**

The Greater Soutpansberg Project (“GSP”) recorded no LTIs (FY2019 Q2: nil) during the Quarter.

The Chapudi, Mopane and Generaal Projects comprise MC Mining's longer-term coking and thermal GSP. The GSP contains over 6.3 billion gross tonnes in situ of inferred coal resources<sup>1</sup> and mining right applications for the three project areas were submitted to the Department of Mineral Resources during 2013. The Chapudi Project mining right was granted in December 2018 and the Mopane and Generaal Project mining right applications are at an advanced stage and the Company anticipates that these will be granted in the near future.

## Corporate

Sam Randazzo was appointed as an independent non-executive director MC Mining during the Quarter. He has over 25 years' experience in the mining industry including executive director positions of ASX, TSX and AIM listed companies as well as diverse international operational management experience.

## Markets

The average premium HCC price was above \$200/t during the Quarter (FY2018 Q3: \$228/t) and based on market fundamentals, long-term forecasts continue to reflect favourable pricing. The API#4 thermal coal price was adversely affected by geopolitical dynamics impacting short-term global supply and demand due to a reduction in Chinese thermal coal imports, particularly from Australia. The average API#4 coal price reduced from \$96/t in the December 2018 period to \$83/t for the Quarter (FY2018 Q3: \$94/t) with a low of \$64/t at the end of March 2019. Thermal coal prices improved during April 2019 and at reporting date the average API#4 forward price for the June 2019 quarter was approximately \$72/t.

Authorised by

**David Brown**

**Chief Executive Officer**

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### For more information contact:

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

### Company advisors:

Jos Simson/ Gareth Tredway	Financial PR (United Kingdom)	Tavistock	+44 20 7920 3150
Ross Allister/David McKeown	Nominated Adviser and Broker	Peel Hunt LLP	+44 20 7418 8900
Charmane Russell/Olwen Auret	Financial PR (South Africa)	R&A Strategic Communications	+27 11 880 3924

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 (coking and thermal coal). Vele Colliery (coking and thermal coal), and the Greater Soutpansberg Projects (coking and thermal coal).

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## 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 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.

MC Mining has ensured that the mineral resources quoted are subject to good governance arrangements and internal control. The Company has engaged external independent consultants to update the mineral resource in accordance with the JORC Code 2012 and SAMREC 2016. The units of measure in this report are metric, with Tonnes (t) = 1,000kg. Technical information that requires subsequent calculations to derive subtotals, totals and weighted averages may involve a degree of rounding and consequently introduce an error. Where such errors occur MC Mining does not consider them to be material.

### Coal Resources completed for the Greater Soutpansberg Project - Mineral Resources:

MC Mining completed a review and update to its Mineral Resource for the GSP during 2017. The review and verification was undertaken by Venmyn Deloitte (Pty) Ltd, commissioned to prepare an Independent Competent Persons report in accordance with the AIM Rules. The Coal Resources for the GSP assets were estimated and signed-off by MC Mining's Competent Person, Mr J Sparrow (Pr.Sci.Nat.), MC Mining's Group Geologist.

<sup>1</sup> The GSP independent Competent Persons Report can be found on the Company's website:

<http://www.mcmining.co.za/our-business/projects/gsp-mbeu-yashu>

\* assumes R13.75/\$

**Tenements held by MC Mining and its Controlled Entities**

<b>Project Name</b>	<b>Tenement Number</b>	<b>Location</b>	<b>Interest</b>	<b>Change during Quarter</b>
Chapudi	Albert 686 MS	Limpopo~	74%	
Project*	Bergwater 712 MS		74%	
	Remaining Extent and Portion 2 of Bergwater 697 MS		74%	
	Blackstone Edge 705 MS		74%	
	Remaining Extent & Portion 1 of Bluebell 480 MS		74%	
	Remaining Extent & Portion 1 of Bushy Rise 702 MS		74%	
	Castle Koppies 652 MS		74%	
	Chapudi 752 MS		74%	
	Remaining Extent, Portions 1, 3 & 4 of Coniston 699 MS		74%	
	Driehoek 631 MS		74%	
	Remaining Extent of Dorps-rivier 696 MS		74%	
	Enfield 512 MS (consolidation of Remaining Extent of Enfield 474 MS, Brosdoorn 682 MS & Remaining Extent of Grootvlei 684 MS)		74%	
	Remaining Extent and Portion 1 of Grootboomen 476 MS		74%	
	Grootvlei 684 MS		74%	
	Kalkbult 709 MS		74%	
	Remaining Extent, Remaining Extent of Portion 2, Remaining Extent of Portion 3, Portions 1, 4, 5, 6, 7 & 8 of Kliprivier 692 MS		74%	
	Remaining Extent of Koodoobult 664 MS		74%	
	Koschade 657 MS (Was Mapani Kop 656 MS)		74%	
	Malapchani 659 MS		74%	
	Mapani Ridge 660 MS		74%	
	Melrose 469 MS		74%	
	Middelfontein 683 MS		74%	
	Mountain View 706 MS		74%	
	M'tamba Vlei 654 MS		74%	
	Remaining Extent & Portion 1 of Pienaar 635 MS		74%	
	Remaining Extent & Portion 1 of Prince's Hill 704 MS		74%	
	Qualipan 655 MS		74%	
	Queensdale 707 MS		74%	
	Remaining Extent & Portion 1 of Ridge End 662 MS		74%	
	Remaining Extent & Portion 1 of Rochdale 700 MS		74%	
	Sandilands 708 MS		74%	
	Portions 1 & 2 of Sandpan 687 MS		74%	
	Sandstone Edge 658 MS		74%	
	Remaining Extent of Portions 2 & 3 of Sterkstroom 689 MS		74%	
	Sutherland 693 MS		74%	
	Remaining Extent & Portion 1 of Varkfontein 671 MS		74%	
	Remaining Extent, Portion 2, Remaining Extent of Portion 1 of Vastval 477 MS		74%	
	Vleifontein 691 MS		74%	
	Ptn 3, 4, 5 & 6 of Waterpoort 695 MS		74%	
	Wilbebeesthoek 661 MS		74%	
	Woodlands 701 MS		74%	
Kanowna	M27/41	Coolgardie^	2.99%	
West and	M27/47		2.99%	
Kalbara	M27/59		2.99%	
	M27/72,27/73		2.99%	
	M27/114		2.99%	
	M27/181		7.24%	(0.64%)



Project Name	Tenement Number	Location	Interest	Change during Quarter
	M27/196		2.99%	
	M27/414,27/415		2.99%	
	P27/1826-1829		2.99%	
	P27/1830-1842		2.99%	
	P27/1887		2.99%	
Abbotshall Royalty	ML63/409,410	Norseman^	Royalty	
Kookynie Royalty	ML40/061	Leonora^	Royalty	
	ML40/135,136		Royalty	
Makhado Project	Fripp 645 MS	Limpopo~	69%#	
	Lukin 643 MS		69%#	
	Mutamba 668 MS		69%#	
	Salaita 188 MT		69%#	
	Tanga 849 MS		69%#	
	Daru 848 MS		69%#	
	Windhoek 847 MS		69%#	
Generaal Project*	Beck 568 MS--	Limpopo~	74%	
	Bekaf 650 MS-		74%	
	Remaining Extent & Portion 1 of Boas 642 MS-		74%	
	Chase 576 MS-		74%	
	Coen Britz 646 MS-		74%	
	Fanie 578 MS-		74%	
	Portions 1, 2 and Remaining Extent of Generaal 587 MS-		74%	
	Joffre 584 MS-		74%	
	Juliana 647 MS		74%	
	Kleinenberg 636 MS-		74%	
	Remaining Extent of Maseri Pan 520 MS-		74%	
	Remaining Extent and Portion 2 of Mount Stuart 153 MT--		100%	
	Nakab 184 MT--		100%	
	Phantom 640 MS--		74%	
	Riet 182 MT--		100%	
	Rissik 637 MS-		100%	
	Schuitdrift 179 MT-		100%	
	Septimus 156 MT--		100%	
	Solitude 111 MT-		74%	
	Stayt 183 MT--		100%	
	Remaining Extent & Portion 1 of Terblanche 155 MT--		100%	
	Van Deventer 641 MS-		74%	
	Wildgoose 577 MS-		74%	
Mopane Project*	Ancaster 501 MS--	Limpopo~	100%	
	Banff 502 MS-		74%	
	Bierman 599 MS-		74%	
	Cavan 508 MS		100%	
	Cohen 591 MS--		100%	
	Remaining Extent, Portions 1 & 2 of Delft 499 MS-		74%	
	Dreyer 526 MS--		74%	
	Remaining Extent of Du Toit 563 MS-		74%	
	Faure 562 MS		74%	
	Remaining Extent and Portion 1 of Goosen 530 MS		74%	
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	Hermanus 533 MS-		74%	
	Jutland 536 MS--		100%	
	Krige 495 MS-		74%	
	Mons 557 MS-		100%	
	Remaining Extent of Otto 560 MS (Now Honeymoon)-		74%	

Project Name	Tenement Number	Location	Interest	Change during Quarter
	Remaining Extent & Portion 1 of Pretorius 531 MS-		74%	
	Schalk 542 MS-		74%	
	Stubbs 558 MS-		100%	
	Ursa Minor 551 MS--		74%	
	Van Heerden 519 MS--		74%	
	Portions 1, 3, 4, 5, 6, 7, 8, 9, Remaining Extent of Portion 10, Portions 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, 29, 30, 35, 36, 37, 38, 39, 40, 41, 44, 45, 46, 48, 49, 50, 51, 52 & 54 of Vera 815 MS		74%	
	Remaining Extent of Verdun 535 MS-		74%	
	Voorburg 503 MS—		100%	
	Scheveningen 500 MS-		74%	
Uitkomst Colliery and prospects	Portion 3 (of 2) of Kweekspruit No. 22	KwaZulu-Natal~	70%	
	Portion 8 (of 1) of Kweekspruit No. 22		70%	
	Remainder of Portion 1 of Uitkomst No. 95		70%	
	Portion 5 (of 2) of Uitkomst No. 95		70%	
	Remainder Portion1 of Vaalbank No. 103		70%	
	Portion 4 (of 1) of Vaalbank No. 103		70%	
	Portion 5 (of 1) of Vaalbank No. 103		70%	
	Remainder of Portion 1 of Rustverwacht No. 151		70%	
	Remainder of Portion 2 of Rustverwacht No. 151		70%	
	Remainder of Portion 3 (of 1) of Rustverwacht No. 151		70%	
	Portion 4 (of 1) Rustverwacht No.151		70%	
	Portion 5 (of 1) Rustverwacht No. 151		70%	
	Remainder of Portion 6 (of 1) of Rustverwacht No. 151		70%	
	Portion 7 (of 1) of Rustverwacht No. 151		70%	
	Portion 8 (of 2) of Rustverwacht No. 151		70%	
	Remainder of Portion 9 (of 2) of Rustverwacht No. 151		70%	
	Portion 11 (of 6) of Rustverwacht No. 151		70%	
	Portion 12 (of 9) of Rustverwacht No. 151		70%	
	Portion 13 (of 2) of Rustverwacht No. 151		70%	
	Portion 14 (of 2) of Rustverwacht No. 151		70%	
	Portion 15 (of 3) of Rustverwacht No. 151		70%	
	Portion 16 (of 3) of Rustverwacht No. 151		70%	
	Portion 17 (of 2) of Rustverwacht No. 151		70%	
	Portion 18 (of 3) of Waterval No. 157		70%	
	Remainder of Portion 1 of Klipspruit No. 178		70%	
	Remainder of Portion 4 of Klipspruit No. 178		70%	
	Remainder of Portion 5 of Klipspruit No. 178		70%	
	Portion 6 of Klipspruit No. 178		70%	
	Portion 7 (of 1) of Klipspruit No. 178		70%	
	Portion 8 (of 1 )of Klipspruit No. 178		70%	
	Portion 9 of Klipspruit No. 178		70%	
	Remainder of Portion 10 (of 5) of Klipspruit No. 178		70%	
	Portion 11 (of 5) of Klipspruit No. 178		70%	
	Portion 13 (of 4) of Klipspruit No. 178		70%	
	Remainder of Portion 14 of Klipspruit No. 178		70%	
	Portion 16 (of 14) of Klipspruit No. 178		70%	
	Portion 18 of Klipspruit No. 178		70%	
	Portion 23 of Klipspruit No. 178		70%	
	Remainder of Portion 1 of Jackalsdraai No. 299		70%	
	Remainder of Jericho B No. 400		70%	
	Portion 1 of Jericho B No. 400		70%	
	Portion 2 of Jericho B No. 400		70%	

Project Name	Tenement Number	Location	Interest	Change during Quarter
	Portion 3 of Jericho B No. 400		70%	
	Remainder of Jericho C No. 413		70%	
	Portion 1 of Jericho C No. 413		70%	
	Remainder of Portion 1 of Jericho A No. 414		70%	
	Remainder of Portion 2 (of 1) of Jericho A No. 414		70%	
	Portion 3 (of 1) of Jericho A No. 414		70%	
	Portion 4 (of 1) of Jericho A No. 414		70%	
	Portion 5 (of 2) of Jericho A No. 414		70%	
	Portion 6 (of 1) of Jericho A No. 414		70%	
	Margin No. 420		70%	
Vele Colliery and prospects	Portions of Overvlakte 125 MS (Remaining Extent, 3, 4, 5, 6, 13, 14)	Limpopo~	100%	
	Bergen Op Zoom 124 MS		100%	
	Semple 155 MS		100%	
	Voorspoed 836 MS		100%	
	Alyth 837 MS		100%	
Tshikunda	Certain portions of Unsurveyed State Land known as Mutale	Limpopo~	60%	
*	Form part of the Greater Soutpansberg Projects			
-	Lapsed – Mining Right Application Lodged			
--	Valid – Mining Right Application Lodged			
~	Tenement located in the Republic of South Africa			
^	Tenement located in Australia			
#	MC Mining's interest will reduce to 69% on completion of the 26% Broad Based BEE transaction			