



9 September 2022

Ms Nicola Mullen
Adviser, Listings (Perth)
ASX Compliance

Dear Ms Mullen

MC Mining | Response to ASX Price Query Letter | Update regarding the Company's corporate fundraising initiatives

I refer to your letter dated 8 September 2022 regarding the recent trading in MC Mining Limited's (**Company**) shares on the financial market operated by ASX. In responding to your queries, the Company has adopted, for your convenience, the numbering in your letter:

1. The Company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in the Company's shares.
2. N/A.
3. Other possible explanations for the recent trading in the Company's shares (as well as an update on the Company's previously disclosed corporate fundraising initiatives) are set out below:

Other (possible) explanatory factors

The Company considers that it is possible that any or all of the following factors may explain some (or all) of the recent trading in the Company's shares:

- a. the Company has recently made a number of positive announcements (including in relation to the potential optimisation of its flagship Makhado hard coking coal project (**Makhado**) and in relation to a sales and marketing agreement which is expected to facilitate the sale and export of coal from the Company's Uitkomst Colliery) at favourable API4 prices;
- b. the above noted positive announcements have been made by the Company at a time of robust hard coking coal prices, recent major corporate activity in the (increasingly buoyant) coal sector in Australia, and internationally, and renewed investor interest in advanced coal exploration, project development and mining companies; and

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Chairman Nhlanhla Nene **CEO & Managing Director** Godfrey Gomwe

Non-executive directors An Chee Sin, Andrew Mifflin, Brian He Zhen, Junchao Liu, Khomotso Mosehla, Mathews Senosi

- c. since the Company's shares are thinly traded on ASX, any increased investor interest in the Company and its assets will likely cause a disproportionate increase in its share price. For instance, the approximately A\$0.10 per share increase on ASX on Thursday, 8 September 2022, was on relatively light turnover of only 151,383 shares.

Update in relation to the Company's corporate fundraising initiatives

As previously disclosed to the market, the Company is working with its corporate and legal advisers in Australia, and internationally, to structure and implement a comprehensive financing solution to enable the development of Makhado.

While no agreement or decision in relation to any particular fundraising transaction has been entered into, or made, respectively, the Company continues to explore various fundraising options including both debt and equity financing. However, and despite the fundraising arrangements in contemplation by the Company being well advanced, these arrangements are still incomplete and/or insufficiently definite to warrant disclosure (or be commenced) at this time, and as such, investors are cautioned that there can be no certainty that any such transaction will be initiated in the near term, or at all.

Further announcements in relation to any fundraising transaction to be pursued by the Company will be made in due course, as appropriate, in accordance with the Listing Rules of ASX (and/or the listing rules of JSE and AIM, as required).

4. The Company confirms that it is in compliance with the ASX Listing Rules and, in particular, ASX Listing Rule 3.1.
5. The Company confirms that its responses set out above have been authorised and approved by the Company's board of directors or an officer with delegated authority.

For and on behalf of

MC Mining



Tony Bevan
Company Secretary



8 September 2022

Reference: 59107

Mr Tony Bevan
Company Secretary
MC Mining Limited

By Email: tonyb@endeavourcorp.com.au

Dear Mr Bevan

MC Mining Limited ('MCM'): Price - Query

ASX refers to the following:

- A. The change in the price of MCM's securities from a low of \$0.33 yesterday, 7 September 2022 to a high of \$0.505 today, 8 September 2022; and
- B. The significant increase in the volume of MCM's securities traded today, 8 September 2022.

Request for information

In light of this, ASX asks MCM to respond separately to each of the following questions and requests for information:

- 1. Is MCM aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
- 2. If the answer to question 1 is "yes".
 - (a) Is MCM relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MCM's securities would suggest to ASX that such information may have ceased to be confidential and therefore MCM may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 3. If the answer to question 1 is "no", is there any other explanation that MCM may have for the recent trading in its securities?
- 4. Please confirm that MCM is complying with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. Please confirm that MCM's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MCM with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **11:15 AM AWST Thursday, 8 September 2022**. You should note that if the

information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MCM's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MCM to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in MCM's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MCM's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MCM's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that MCM's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Nicola Mullen
Adviser, Listings Compliance (Perth)