



ANNOUNCEMENT

3 November 2023

RECEIPT OF NOTICE OF INTENTION TO MAKE A TAKEOVER - TAKE NO ACTION

MC Mining Limited (**MCM** or the **Company**) has received a letter dated 1 November 2023 (**Proposal Letter**) from Senosi Group Investment Holdings Proprietary Limited and Dendocept Proprietary Limited, each substantial shareholders of the Company, sent on behalf of shareholders and associates stated to represent in aggregate 64.5%¹ of the issued capital in the Company (together, the **Consortium**).

The Proposal Letter outlines the Consortium's proposal and intention to make an off-market cash takeover offer for all the shares in the Company not currently held by the Consortium (**Proposed Takeover**). The Proposal Letter also states that the Consortium has made an application to the Australian Securities & Investments Commission (**ASIC**) under section 655A(1) of the *Corporations Act 2001 (Cth)* (**Act**), seeking relief from section 606 of the Act to permit the Consortium to enter into a joint bidding agreement for the purposes of undertaking a joint takeover bid for the Company.

The Proposal Letter refers to the Consortium's earlier confidential and incomplete, non-binding, conditional and indicative offer dated 5 September 2023 from Senosi Group Investment Holdings Proprietary Limited and Dendocept Proprietary Limited (**NBIO**). The NBIO set out indicative but incomplete details of a proposed takeover by Senosi Group Investment Holdings Proprietary Limited and Dendocept Proprietary Limited, including an indicative cash consideration offer range of AUD\$0.20-AUD\$0.23 per ordinary share, based on the Company's undiluted share capital. The NBIO proposal was subject to a number of conditions, including third party and regulatory approvals. In its Proposal Letter, the Consortium has also stated that it is its "present intention that it will be a condition of the bid that no convertible securities vest as a result of the bid".

Following the receipt of the NBIO, the Company established an Independent Board Committee (**IBC**) to consider the NBIO on behalf of shareholders not associated with the Consortium and to seek to evaluate and improve the indicative offer price. The IBC members comprise Mr Khomotso Mosehla, Mr Nhlanhla Nene, Mr Andrew Mifflin and Mr Julian Hoskin, being the Company's directors other than Ms Yi (Christine) He and Mr Ontiretse Mathews Senosi, who are representatives of the Consortium. Other directors associated with the Consortium and not included in the IBC are Mr An Chee Sin and Mr Zhen Brian He. Mr Godfrey Gomwe, the Chief Executive Officer of the Company, is an invitee of the IBC.

The IBC has been evaluating the indicative terms of the NBIO, including taking advice from its financial and Australian and South African legal advisors. Adelaide Equity Advisors as Financial Advisor, K&L Gates as Australian Legal Advisor and each of Webber Wentzel and Falcon & Hume, as South African Legal Advisors have been engaged by the IBC.

¹ As at the date of this announcement, Senosi Group Investment Holdings (Pty) Limited holds 23.4% and Dendocept Proprietary Limited holds 6.9% of the current issued capital of the Company.

Whilst the Consortium's Proposal Letter notifies the Company of an intention and proposal to make a takeover offer for the purposes of ASX Listing Rule 7.9², it does not yet provide a definitive offer price for the Proposed Takeover. The progress of the Proposed Takeover is also subject to the Consortium obtaining regulatory relief from ASIC.

Accordingly, the IBC advises shareholders to **TAKE NO ACTION** at this stage in relation to the Proposed Takeover, until they receive further guidance from the IBC. A further announcement will be made by the Company as and when more complete and definitive details are received.

Khomotso Mosehla
Chairman of the IBC

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

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended.

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 AIM/ASX/JSE-listed coal exploration, development and mining company operating in South Africa. MC Mining's key projects include the Uitkomst Colliery (steelmaking and thermal coal), Makhado Project (steelmaking hard coking coal), Vele Colliery (steelmaking semi-soft coking and thermal coal), and the Greater Soutpansberg Projects (steelmaking coking and thermal coal).

² This rule places a three month restriction on a target takeover entity from issuing equity securities without shareholder approval, subject to certain exceptions.