



ANNOUNCEMENT

31 January 2024

**ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2023 (FY2024 Q2)  
FOR  
MC MINING LIMITED (MC Mining or the Company)  
AND ITS SUBSIDIARY COMPANIES**

**HIGHLIGHTS**

**Operations**

- Health and safety remains a priority and we continue to make progress, against the background of the goal of zero harm, with no lost-time injuries (**LTIs**) recorded during the quarter (FY2024 Q1: nil LTIs);
- As a result of the implementation of the Operation Penduka turnaround plan, run-of-mine (**ROM**) coal production at the Uitkomst steelmaking and thermal coal mine (**Uitkomst Colliery** or **Uitkomst**) was 31% higher than the December 2022 quarter at 129,272 tonnes (**t**) (FY2023 Q2: 99,336t);
- Uitkomst sold 102,266t of coal during the quarter (FY2023 Q2: 56,817t), comprising 102,266t (FY2023 Q2: 53,842t) of high-grade domestic sales and coal for the export market with no lower grade middlings coal sold (FY2023 Q2: 2,975t);
- Uitkomst had 14,422t (FY2023 Q2: 27,058t) of high-grade coal at the colliery and no coal at port at the end of the quarter (FY2023 Q2: 36,764t);
- Steady progress during the quarter on critical early works activities at the Makhado steelmaking hard coking coal project (**Makhado Project** or **Makhado**) as well as advancing the detailed design of the coal handling and processing plant (**CHPP**) and related infrastructure;
- The Company is assessing the various scenarios for the Makhado Project to facilitate an accelerated start of coal production, subject to further funding;
- The managed tender processes to select the mining contractor as well as the operating and maintenance contractors for the Makhado CHPP and laboratory continued during the quarter;
- The Vele Aluwani Colliery (**Vele Colliery** or **Vele**) outsource agent delivered 48,268 t (FY2023 Q2: nil t) of thermal coal during the quarter;

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**Chairman** Nhlanhla Nene **Chief Executive Officer and Managing Director** Godfrey Gomwe

**Non-executive directors** An Chee Sin, Andrew Mifflyn, Brian He Zhen, Khomotso Mosehla, Mathews Senosi, Yi He, Julian Hoskin

- The outsource mining contractor, Hlalethembeni Outsourcing Services (Pty) Ltd (**HOS**) informed the Company that due to the operating challenges at Vele, combined with elevated logistics costs and the depressed API4 coal price, it intends downscaling operations while it progresses a production optimisation strategy at the colliery; and
- The legal execution of the Greater Soutpansberg (**GSP**) mining rights by the Department of Minerals & Energy commenced.

### **Corporate**

- Depressed thermal coal prices continued during the quarter, with average prices of US\$116/t for the three months compared to US\$109/t in Q1 FY2024 and US\$221/t in Q2 of FY2023. Premium steelmaking hard coking coal (**HCC**) prices, however, remained elevated, averaging US\$335/t in the quarter (FY2023 Q2: US\$280/t);
- The Industrial Development Corporation of South Africa Limited extended the date for repayment of the R160 million loan (c.US\$8.7 million) plus interest thereon, to 30 September 2024. The repayment of the loan, plus accrued interest, was due for repayment by 30 September 2023;
- The Company received a notice of a non-binding and indicative takeover offer (**Takeover Offer**) at a cash price of A\$0.16 per share 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 64.3% of the issued capital in the Company (together, the **Consortium**). The Bidder's Statement is still to be lodged by the Consortium; and
- Available cash and facilities of US\$3.4 million (FY2024 Q1: net cash balance of US\$5.1 million).

### **Godfrey Gomwe, Managing Director & Chief Executive Officer, commented:**

"The Uitkomst Colliery turnaround plan continues to yield very pleasing results, and ROM coal production significantly exceeded the comparative period. Production at the underground colliery is challenging due to the extended travel time to the mining areas but the optimisation plan has resulted in increased mining time and higher volumes of coal, with no lost-time injuries. These results were achieved despite the ongoing electricity blackouts implemented by Eskom, the state power utility. The

international and domestic thermal coal markets remain under pricing pressure and the colliery continues to assess alternative coal products as well as marketing strategies for its premium product.

“The Company progressed the Makhado Project during the quarter, including early works to secure the site and construction of a bridge across the Mutamba river along with water infrastructure for the CHPP. The managed tender processes to select the outsourced mining, plant and laboratory operators progressed and we anticipate making the relevant appointments in FY2024 Q3. We have also commenced assessing the potential early production of steelmaking HCC and thermal coal on a smaller scale with no impact to the existing project plan and will provide further updates in due course.

“The outsource agent, HOS, notified the Company during December 2023 that due to production challenges at Vele, combined with elevated logistics costs and the depressed API4 coal price, it intends downscaling operations at the colliery while it progresses a production optimisation strategy.”

#### **DETAILED QUARTERLY OPERATIONS REPORTS**

##### **Uitkomst Colliery – Utrecht Coalfields (84% owned)**

No LTIs were recorded during the quarter (FY2024 Q1: nil LTIs) with the continued focus on leading indicators delivering safety improvements.

Uitkomst produced 129,272t of ROM coal during the quarter (FY2023 Q2: 99,336t). This followed the implementation of a turnaround plan in June 2023 that included a revised underground operating shift system that included in an increase in the number of days worked in December 2023, benefitting coal production. Uitkomst achieved a 31% improvement in ROM coal production over the prior year comparative period, despite the impact of daily electricity blackouts.

The poor performance of the state utility responsible for rail and port logistics also continued to impact Uitkomst. This has resulted in higher quality South African coal that is normally exported, being sold in the domestic market. The challenging market conditions have prompted the reassessment of the colliery’s coal product portfolio, including investigation of the ability to sell coal to the pulverised steelmaking coal or thermal coal markets. These initiatives are expected to be finalised in FY2024 Q3.

Uitkomst sold 102,266t (FY2023 Q2: 53,842t) of coal during the quarter, comprising 96,544t of high-grade pea and duff-sized coal to domestic as well as customers exporting coal (FY2023 Q2: 53,842t) and 5,722t (FY2023 Q2: nil t) of a lower grade blended product, also for export. International thermal coal prices remained under pressure, with an average price of US\$116/t during the quarter, 48% lower than FY2023 Q2 (US\$221/t). The fixed-price contract for the sale of high-ash, lower value middlings coal expired during the FY2023 Q4 and Uitkomst sold nil t (FY2023 Q2: 2,975t) during the three months. The colliery had 14,422t (FY2023 Q2: 27,058t; 36,764t at port) of high-grade coal on site at the end of the quarter.

The revenue per tonne declined by 43% compared to FY2023 Q2 due to the decline in international coal prices and the change in sales mix with a significant volume of coal exported in FY2023 Q2. The colliery's production costs per saleable tonne benefitted from the higher sales volumes and weaker exchange rate, declining 44% to US\$52/t (FY2023 Q2: US\$93/t).

|                                         | <b>Quarter<br/>to end-<br/>Dec<br/>2023</b> | <b>Quarter to<br/>end-Dec<br/>2022</b> | <b>% ▲</b>   |
|-----------------------------------------|---------------------------------------------|----------------------------------------|--------------|
| <b><i>Production volumes</i></b>        |                                             |                                        |              |
| Uitkomst ROM (t)                        | 129,272                                     | 99,336                                 | 31%          |
| <b><i>Inventory volumes</i></b>         |                                             |                                        |              |
| High quality duff and peas at site (t)  | 14,422                                      | 27,058                                 | (47%)        |
| High quality duff and peas at port (t)  | -                                           | 36,764                                 | (100%)       |
|                                         | <b>14,422</b>                               | <b>63,822</b>                          | <b>(78%)</b> |
| <b><i>Sales tonnages</i></b>            |                                             |                                        |              |
| Export-quality duff and peas (t)        | 102,266                                     | 53,842 <sup>1</sup>                    | 90%          |
| Middlings sales (t)                     | -                                           | 2,975                                  | (100%)       |
|                                         | <b>102,266</b>                              | <b>56,817</b>                          | <b>80%</b>   |
| <b><i>Quarter financial metrics</i></b> |                                             |                                        |              |

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<sup>1</sup> 40,747t sold under terms of the export Marketing Agreement with Overlooked Collieries (Pty) Ltd (expired 30 June 2023)

|                                        | Quarter<br>to end-<br>Dec<br>2023 | Quarter to<br>end-Dec<br>2022 | %▲    |
|----------------------------------------|-----------------------------------|-------------------------------|-------|
| Net revenue/t (US\$)                   | 74                                | 129                           | (43%) |
| Net revenue/t (ZAR)                    | 1,390                             | 2,278                         | (39%) |
| Production cost/saleable tonne (US\$)^ | 52                                | 93                            | (44%) |

*^ costs are all South African Rand (ZAR) based*

### **Makhado Hard Coking Coal Project – Soutpansberg Coalfield (67% owned)**

The development of the Company's flagship fully-licensed and shovel-ready Makhado Project is expected to position MC Mining as South Africa's pre-eminent steelmaking HCC producer. Makhado recorded no LTIs (FY2024 Q1: nil) during the quarter.

The Makhado Project remains a significant strategic asset for the Company that has the potential to take the Company's production profile to in excess of 800,000 tonnes per annum of steelmaking HCC. The detailed design of the CHPP and related infrastructure for the Makhado Project in preparation for procurement, continued during the quarter. The Company also progressed the managed tender processes to select the mining contractor as well as the operating and maintenance contractors for the Makhado CHPP. Relevant appointments are anticipated to be confirmed in FY2024 Q3.

#### *Early works*

The critical early works activities to ensure that the site is secure as well as construction of water infrastructure for the CHPP are ongoing. The critical Makhado early works undertaken during the quarter included:

- Construction of the main access road and the preparatory earthworks for a bridge across the Mutamba river;
- Construction of the foundations for the CHPP bulk water supply reservoirs;
- Detailed design, procurement and construction of the power supply overhead transmission line;
- Refurbishment of onsite accommodation to house project construction crews; and
- Securing the site including significant progress with erection of fencing.

### *Makhado Project Funding*

The Company continued with the Makhado Project composite funding initiatives during the quarter, including progressing the detailed designs for the CHPP and related infrastructure in preparation for procurement. This information is required by potential funders and the Company anticipates that the funding will be concluded in FY2024 H2, with construction commencing soon thereafter. The various initiatives being negotiated include, amongst others, funding arrangements through build, own, operate, transfer (**BOOT**); senior debt; coal prepayments; and engineering, procurement and construction (**EPC**) contracts.

It is noted that the terms of the Consortium's proposed Takeover Offer restrict the issue of any new equity. Consequently, the composite debt/equity funding initiatives can only progress meaningfully in the event the Takeover Offer expires, is withdrawn or once the process has been completed.

The Company is also assessing various scenarios for the Makhado Project to facilitate an accelerated start of coal production in H2 CY2024 and anticipates making further announcements in due course.

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

Vele recorded no LTIs (FY2024 Q1: nil) during the quarter.

The mining and processing operations at the opencast Vele Colliery were outsourced to HOS and recommissioned in late December 2022. HOS is responsible for all mining and processing costs while the Company remains responsible for the colliery's regulatory compliance, rehabilitation guarantees, relationships with authorities and communities as well as the supply of electricity and water. HOS pays Limpopo Coal Company (Pty) Ltd (**LCC**), the owner of Vele, a fee of ZAR200/t of coal sold if the monthly average API4 price is higher than \$120/t. The contractor delivered 48,268t (FY2023 Q2: nil t) of thermal coal during the quarter.

HOS experienced operational challenges in attaining the targeted monthly saleable coal production while unit costs have been adversely impacted by the lack of access to rail capacity to transport Vele's coal to port. The railing of coal was anticipated to result in a significant reduction in logistics costs due to the colliery's location and the high cost of trucking coal to port and domestic customers. The

challenges experienced by HOS were exacerbated by the decline in the API4 export thermal coal price during CY2023. The three-month average API4 price for CY2023 Q1 was US\$146/t, reducing to US\$115/t in CY2023 Q2, US\$109/t in CY2023 Q3, US\$116/t in CY2023 Q4 and currently trades at approximately US\$95/t.

HOS has informed LCC, the owner of Vele, that due to the operational challenges at the colliery, it intends downscaling operations while it progresses development of a production optimisation strategy at the colliery. As a result, HOS has exercised the hardship clause in its agreement with LCC and commenced downscaling operations, which is expected to be completed during January 2024. HOS's production optimisation strategy (Operation Shandukani), which borrows from some of the aspects of the Uitkomst turnaround plan, will potentially include, amongst others, changes to the mining methodology, as well as further modifications to the CHPP and securing access to rail transport at competitive prices. The evaluation of these measures is expected to take place in FY2024 H2 and will result in improved profitability at the colliery.

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

The Greater Soutpansberg Projects recorded no LTIs (FY2024 Q1: nil) during the quarter and no reportable activities occurred during the period. The Company has commenced executing the mining rights for the GSP. The mining rights for the Mopane and Generaal project areas were executed during the quarter and the Chapudi mining right is expected to be completed during January 2024. The studies required for the environmental and water use licences are expected to commence during H2 CY2024.

#### **Receipt of Non-Binding Indicative proposals**

The Company received a further notice of intention to make a Takeover from the Consortium on 2 November 2023. Following this, on 18 December 2023, MC Mining received a revised Takeover offer to acquire all of the Company's shares that the Consortium currently does not own for a cash price of A\$0.16 per share. The Company has established an Independent Board Committee which, together with MC Mining's advisors, is considering the revised offer and will provide a recommendation to shareholders if and when it is in possession of an offer capable of acceptance. There is no need for

shareholders to take any action with respect to the current non-binding indicative proposal from the Consortium.

## Appendix 5B – Quarterly Cash Flow Report

The Company's available cash balance and facilities as at 31 December 2023 was US\$3.4 million. The aggregate amount of payments to related parties and their associates, as disclosed as item 6.1 of the December 2023 quarter Appendix 5B, was US\$201k, comprising executive and non-executive director remuneration.

## Godfrey Gomwe

### Managing Director and Chief Executive Officer

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

All figures are in South African rand or United States dollars unless otherwise stated.

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#### For more information contact:

|                               |                             |                              |                  |
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| <b>Company advisers:</b>      |                             |                              |                  |
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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 (metallurgical and thermal coal), Makhado Project (hard coking coal), Vele Colliery (semi-soft coking and thermal coal), and the Greater Soutpansberg Projects (coking and thermal coal).

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).

#### 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 does 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.

#### **Glossary**

| <b>Term</b>                 | <b>Definition</b>                                          |
|-----------------------------|------------------------------------------------------------|
| BOOT                        | Build, own, operate, transfer                              |
| CHPP                        | Coal handling & processing plant                           |
| GSP                         | Greater Soutpansberg Projects                              |
| HCC                         | Hard coking coal                                           |
| HOS                         | Hlalethembeni Outsource Services (Pty) Ltd                 |
| IDC                         | Industrial Development Corporation of South Africa Limited |
| LTI                         | Lost time injury                                           |
| Makhado Project/ Makhado    | Makhado steelmaking hard coking coal project               |
| MC Mining/ the Company      | MC Mining Limited                                          |
| ROM                         | Run of mine                                                |
| t                           | tonnes                                                     |
| Uitkomst Colliery/ Uitkomst | Uitkomst metallurgical and thermal coal mine               |
| Vele Colliery/Vele          | Vele Aluwani Colliery                                      |

**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 Project*    | Albert 686 MS                                                                                                                   | Limpopo~        | 74%             |                              |
|                     | 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                                                                                               |                 | 74%             |                              |
|                     | 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%             |                              |

| <b>Project<br/>Name</b> | <b>Tenement Number</b>                                                             | <b>Location</b> | <b>Interest</b> | <b>Change<br/>during<br/>quarter</b> |
|-------------------------|------------------------------------------------------------------------------------|-----------------|-----------------|--------------------------------------|
|                         | Koschade 657 MS (Was Mapani Kop<br>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<br>Pienaar 635 MS                                  |                 | 74%             |                                      |
|                         | Remaining Extent & Portion 1 of<br>Prince's Hill 704 MS                            |                 | 74%             |                                      |
|                         | Qualipan 655 MS                                                                    |                 | 74%             |                                      |
|                         | Queensdale 707 MS                                                                  |                 | 74%             |                                      |
|                         | Remaining Extent & Portion 1 of<br>Ridge End 662 MS                                |                 | 74%             |                                      |
|                         | Remaining Extent & Portion 1 of<br>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<br>of Sterkstroom 689 MS                        |                 | 74%             |                                      |
|                         | Sutherland 693 MS                                                                  |                 | 74%             |                                      |
|                         | Remaining Extent & Portion 1 of<br>Varkfontein 671 MS                              |                 | 74%             |                                      |
|                         | Remaining Extent, Portion 2,<br>Remaining Extent of Portion 1 of<br>Vastval 477 MS |                 | 74%             |                                      |
|                         | Vleifontein 691 MS                                                                 |                 | 74%             |                                      |

| Project Name           | Tenement Number                      | Location    | Interest  | Change during quarter |
|------------------------|--------------------------------------|-------------|-----------|-----------------------|
|                        | Ptn 3, 4, 5 & 6 of Waterpoort 695 MS |             | 74%       |                       |
|                        | Wildebeesthoek 661 MS                |             | 74%       |                       |
|                        | Woodlands 701 MS                     |             | 74%       |                       |
| Kanowna West & Kalbara | M27/41                               | Coolgardie^ | Royalty<> |                       |
|                        | M27/47                               |             | Royalty<> |                       |
|                        | M27/59                               |             | Royalty<> |                       |
|                        | M27/72,27/73                         |             | Royalty<> |                       |
|                        | M27/114                              |             | Royalty<> |                       |
|                        | M27/196                              |             | Royalty<> |                       |
|                        | M27/181                              |             | 5.99%     |                       |
|                        | M27/414,27/415                       |             | Royalty<> |                       |
|                        | P27/1826-1829                        |             | Royalty<> |                       |
|                        | P27/1830-1842                        |             | Royalty<> |                       |
|                        | P27/1887                             |             | Royalty<> |                       |
| Abbotshall Royalty     | ML63/409,410                         | Norseman^   | Royalty   |                       |
| Kookynie Royalty       | ML40/061                             | Leonora^    | Royalty   |                       |
|                        | ML40/135,136                         |             | Royalty   |                       |
| Makhado Project        | Fripp 645 MS                         | Limpopo~    | 67%#      |                       |
|                        | Lukin 643 MS                         |             | 67%#      |                       |
|                        | Mutamba 668 MS                       |             | 67%#      |                       |
|                        | Salaita 188 MT                       |             | 67%#      |                       |
|                        | Tanga 849 MS                         |             | 67%#      |                       |
|                        | Daru 889 MS                          |             | 67%#      |                       |
|                        | Windhoek 900 MS                      |             | 67%#      |                       |
|                        | Beck 568 MS                          | Limpopo~    | 74%       |                       |

| <b>Project<br/>Name</b> | <b>Tenement Number</b>                                   | <b>Location</b> | <b>Interest</b> | <b>Change<br/>during<br/>quarter</b> |
|-------------------------|----------------------------------------------------------|-----------------|-----------------|--------------------------------------|
| Generaal<br>Project*    | Bekaf 650 MS                                             |                 | 74%             |                                      |
|                         | Remaining Extent & Portion 1 of<br>Boas 642 MS-          |                 | 74%             |                                      |
|                         | Chase 576 MS                                             |                 | 74%             |                                      |
|                         | Coen Britz 646 MS                                        |                 | 74%             |                                      |
|                         | Fanie 578 MS                                             |                 | 74%             |                                      |
|                         | Portions 1, 2 and Remaining Extent<br>of Generaal 587 MS |                 | 74%             |                                      |
|                         | Joffre 584 MS                                            |                 | 74%             |                                      |
|                         | Juliana 647 MS                                           |                 | 74%             |                                      |
|                         | Kleinenberg 636 MS                                       |                 | 74%             |                                      |
|                         | Remaining Extent of Maseri Pan<br>520 MS                 |                 | 74%             |                                      |
|                         | Remaining Extent and Portion 2 of<br>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<br>Terblanche 155 MT     |                 | 100%            |                                      |
|                         | Van Deventer 641 MS                                      |                 | 74%             |                                      |
|                         | Wildgoose 577 MS                                         |                 | 74%             |                                      |
|                         | Ancaster 501 MS                                          | Limpopo~        | 100%            |                                      |

| <b>Project<br/>Name</b> | <b>Tenement Number</b>                                                                                                                                                                | <b>Location</b> | <b>Interest</b> | <b>Change<br/>during<br/>quarter</b> |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|--------------------------------------|
| Mopane<br>Project*      | Banff 502 MS                                                                                                                                                                          |                 | 74%             |                                      |
|                         | Bierman 599 MS                                                                                                                                                                        |                 | 74%             |                                      |
|                         | Cavan 508 MS                                                                                                                                                                          |                 | 100%            |                                      |
|                         | Cohen 591 MS                                                                                                                                                                          |                 | 100%            |                                      |
|                         | Remaining Extent, Portions 1 & 2 of<br>Delft 499 MS                                                                                                                                   |                 | 74%             |                                      |
|                         | Dreyer 526 MS                                                                                                                                                                         |                 | 74%             |                                      |
|                         | Remaining Extent of Du Toit 563<br>MS                                                                                                                                                 |                 | 74%             |                                      |
|                         | Faure 562 MS                                                                                                                                                                          |                 | 74%             |                                      |
|                         | Remaining Extent and Portion 1 of<br>Goosen 530 MS                                                                                                                                    |                 | 74%             |                                      |
|                         | Hermanus 533 MS                                                                                                                                                                       |                 | 74%             |                                      |
|                         | Jutland 536 MS                                                                                                                                                                        |                 | 100%            |                                      |
|                         | Krige 495 MS                                                                                                                                                                          |                 | 74%             |                                      |
|                         | Mons 557 MS                                                                                                                                                                           |                 | 100%            |                                      |
|                         | Remaining Extent of Otto 560 MS<br>(Now Honeymoon)                                                                                                                                    |                 | 74%             |                                      |
|                         | Remaining Extent & Portion 1 of<br>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,<br>Remaining Extent of Portion 10,<br>Portions 13, 14, 15, 16, 17, 18,<br>19, 20, 21, 22, 23, 24, 26, 27, 29,<br>30, 35, 36, 37, 38, 39, 40, 41, 44, |                 | 74%             |                                      |

| Project Name                    | Tenement Number                                       | Location       | Interest | Change during quarter |
|---------------------------------|-------------------------------------------------------|----------------|----------|-----------------------|
|                                 | 45, 46, 48, 49, 50, 51, 52 & 54 of Vera 815 MS        |                |          |                       |
|                                 | 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~ | 84%      |                       |
|                                 | Portion 8 (of 1) of Kweekspruit No. 22                |                | 84%      |                       |
|                                 | Remainder of Portion 1 of Uitkomst No. 95             |                | 84%      |                       |
|                                 | Portion 5 (of 2) of Uitkomst No. 95                   |                | 84%      |                       |
|                                 | Remainder Portion1 of Vaalbank No. 103                |                | 84%      |                       |
|                                 | Portion 4 (of 1) of Vaalbank No. 103                  |                | 84%      |                       |
|                                 | Portion 5 (of 1) of Vaalbank No. 103                  |                | 84%      |                       |
|                                 | Remainder of Portion 1 of Rustverwacht No. 151        |                | 84%      |                       |
|                                 | Remainder of Portion 2 of Rustverwacht No. 151        |                | 84%      |                       |
|                                 | Remainder of Portion 3 (of 1) of Rustverwacht No. 151 |                | 84%      |                       |
|                                 | Portion 4 (of 1) Rustverwacht No.151                  |                | 84%      |                       |
|                                 | Portion 5 (of 1) Rustverwacht No. 151                 |                | 84%      |                       |
|                                 | Remainder of Portion 6 (of 1) of Rustverwacht No. 151 |                | 84%      |                       |
|                                 | Portion 7 (of 1) of Rustverwacht No. 151              |                | 84%      |                       |
|                                 | Portion 8 (of 2) of Rustverwacht No. 151              |                | 84%      |                       |
|                                 | Remainder of Portion 9 (of 2) of Rustverwacht No. 151 |                | 84%      |                       |
|                                 | Portion 11 (of 6) of Rustverwacht No. 151             |                | 84%      |                       |
|                                 | Portion 12 (of 9) of Rustverwacht No. 151             |                | 84%      |                       |
|                                 | Portion 13 (of 2) of Rustverwacht No. 151             |                | 84%      |                       |

| Project<br>Name | Tenement Number                                         | Location | Interest | Change<br>during<br>quarter |
|-----------------|---------------------------------------------------------|----------|----------|-----------------------------|
|                 | Portion 14 (of 2) of Rustverwacht<br>No. 151            |          | 84%      |                             |
|                 | Portion 15 (of 3) of Rustverwacht<br>No. 151            |          | 84%      |                             |
|                 | Portion 16 (of 3) of Rustverwacht<br>No. 151            |          | 84%      |                             |
|                 | Portion 17 (of 2) of Rustverwacht<br>No. 151            |          | 84%      |                             |
|                 | Portion 18 (of 3) of Waterval No.<br>157                |          | 84%      |                             |
|                 | Remainder of Portion 1 of Klipspruit<br>No. 178         |          | 84%      |                             |
|                 | Remainder of Portion 4 of Klipspruit<br>No. 178         |          | 84%      |                             |
|                 | Remainder of Portion 5 of Klipspruit<br>No. 178         |          | 84%      |                             |
|                 | Portion 6 of Klipspruit No. 178                         |          | 84%      |                             |
|                 | Portion 7 (of 1) of Klipspruit No.<br>178               |          | 84%      |                             |
|                 | Portion 8 (of 1 )of Klipspruit No.<br>178               |          | 84%      |                             |
|                 | Portion 9 of Klipspruit No. 178                         |          | 84%      |                             |
|                 | Remainder of Portion 10 (of 5) of<br>Klipspruit No. 178 |          | 84%      |                             |
|                 | Portion 11 (of 5) of Klipspruit No.<br>178              |          | 84%      |                             |
|                 | Portion 13 (of 4) of Klipspruit No.<br>178              |          | 84%      |                             |
|                 | Remainder of Portion 14 of<br>Klipspruit No. 178        |          | 84%      |                             |
|                 | Portion 16 (of 14) of Klipspruit No.<br>178             |          | 84%      |                             |
|                 | Portion 18 of Klipspruit No. 178                        |          | 84%      |                             |
|                 | Portion 23 of Klipspruit No. 178                        |          | 84%      |                             |
|                 | Remainder of Portion 1 of<br>Jackalsdraai No. 299       |          | 84%      |                             |
|                 | Remainder of Jericho B No. 400                          |          | 84%      |                             |
|                 | Portion 1 of Jericho B No. 400                          |          | 84%      |                             |
|                 | Portion 2 of Jericho B No. 400                          |          | 84%      |                             |
|                 | Portion 3 of Jericho B No. 400                          |          | 84%      |                             |

| Project Name                | Tenement Number                                                      | Location | Interest | Change during quarter |
|-----------------------------|----------------------------------------------------------------------|----------|----------|-----------------------|
|                             | Remainder of Jericho C No. 413                                       |          | 84%      |                       |
|                             | Portion 1 of Jericho C No. 413                                       |          | 84%      |                       |
|                             | Remainder of Portion 1 of Jericho A No. 414                          |          | 84%      |                       |
|                             | Remainder of Portion 2 (of 1) of Jericho A No. 414                   |          | 84%      |                       |
|                             | Portion 3 (of 1) of Jericho A No. 414                                |          | 84%      |                       |
|                             | Portion 4 (of 1) of Jericho A No. 414                                |          | 84%      |                       |
|                             | Portion 5 (of 2) of Jericho A No. 414                                |          | 84%      |                       |
|                             | Portion 6 (of 1) of Jericho A No. 414                                |          | 84%      |                       |
|                             | Margin No. 420                                                       |          | 84%      |                       |
| 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%     |                       |

\* Form part of the Greater Soutpansberg Projects

~ Tenement located in the Republic of South Africa

^ Tenement located in Australia

# MC Mining's interest will reduce to 67% on completion of the 26% Broad Based Black Economic Empowerment (BBBEE) transaction

<> net smelter royalty of 0.5%