



ANNOUNCEMENT

28 January 2022

## IDC LOAN UPDATE

MC Mining Limited (**MC Mining** or the **Company**) is pleased to announce that the Industrial Development Corporation of South Africa Limited (**IDC**) has extended the date for repayment of the R160 million loan (\$10.3 million) plus interest thereon and the terminal drawdown date of the additional R245 million (\$15.8 million) loan facility for the development of Phase 1 of the Makhado hard coking coal project, to 30 November 2022. Drawdown of the additional R245 million (\$15.8 million) loan facility remains subject to the IDC confirming its due diligence.

As previously announced, repayment of the R160 million loan plus accrued interest was due by 31 January 2022. The IDC which holds a 6.7% equity in Baobab Mining & Exploration (Pty) Ltd (a subsidiary of MC Mining), remains committed to the **Company's growth**

### Background

Makhado has a life of mine in excess of 46 years and robust fundamentals, resulting in compelling economics. The phased development of Makhado will position MC Mining as **South Africa's pre-eminent** hard coking coal producer and is expected to deliver positive returns for shareholders. The Company is progressing with securing the funds required to develop the project creating creating some 650 permanent job opportunities and which will reduce the volumes of hard coking coal South Africa currently imports.

Sam Randazzo  
Interim Chief Executive Officer

This announcement has **been approved by the Company's Disclosure Committee**.  
**This announcement is inside information for the purposes** of Article 7 of the Market Abuse Regulation (EU) No. 596/2014, as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019.

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

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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 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).

**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.