



ANNOUNCEMENT

31 January 2025

**ACTIVITIES REPORT FOR THE QUARTER ENDED 31 December 2024 (FY2025 Q2)
FOR MC MINING LIMITED (MC Mining or the Company)
AND ITS SUBSIDIARY COMPANIES**

HIGHLIGHTS

Operations

- Health and safety continues to be a priority, with the goal being to achieve zero harm. The Group recorded zero fatalities (FY2025 Q1: one) and one lost-time injury (**LTI**) (FY2025 Q1: one LTI) during the quarter;
- Run-of-mine (**ROM**) coal production at the Uitkomst steelmaking and thermal coal mine (**Uitkomst Colliery** or **Uitkomst**) was 26% lower than the December 2023 quarter at 95,489 tonnes (**t**) (FY2024 Q2: 129,272t);
- Uitkomst sold 61,195t of high-grade coal during the quarter (FY2024 Q2: 102,266t) and 4,276t sales of lower grade middlings coal (FY2024 Q2: nil);
- Progress was made on select early works activities at the Makhado steelmaking hard coking coal project (**Makhado Project** or **Makhado**), along with order placements being made for long lead items for the coal handling and processing plant (**CHPP**) and related infrastructure;
- Limited activities were undertaken at the Company's Vele Aluwani semi-soft coking and thermal coal colliery (**Vele Colliery** or **Vele**) and Greater Soutpansberg Projects (**GSP**); and
- Depressed thermal coal prices continued with average prices of US\$110/t for the three months, compared to US\$110/t in Q1 FY2025 and US\$116/t in Q2 of FY2024. Premium steelmaking hard coking coal (**HCC**) prices have decreased, averaging US\$206/t in the quarter compared to US\$335/t in FY2024 Q2.

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Interim Chairman Mathews Senosi Interim Managing Director & Chief Executive Officer Yi (Christine) He

Non-executive directors An Chee Sin, Zhen (Brian) He, Dr. S. West, B. Pavlovski, M. Huang

Corporate

- Available cash and facilities of US\$4 million at the period end (FY2025 Q1: US\$10.8 million); and
- On 13 December 2024, the Competition Commission issued a Merger Clearance Certificate for the proposed transaction with Kinetic Development Group Limited (**KDG**) (reference is made to the Company's announcement of 28 August 2024 for more details on the proposed transaction) with conditions.

Events subsequent to the end of the quarter

- Fulfilment of the key condition to the Second Close occurred, as defined in the Share Subscription Agreement, being that MC Mining's shareholders passed a resolution approving the Second Closing by the majorities required under the Australian Corporations Act 2001 (the Corporations Act). The resolution was passed on 23 January 2025; and
- The Industrial Development Corporation of South Africa Limited extended the date for repayment of the R160 million loan plus interest thereon, to 30 June 2025, on condition that the Company make a payment of ZAR10,000,000 to the IDC. The repayment of the loan, plus accrued interest, was due for repayment by 30 September 2024.

DETAILED QUARTERLY OPERATIONS REPORTS

Uitkomst Colliery – Utrecht Coalfields (84% owned)

Uitkomst recorded zero fatalities (FY2025 Q1: one) and one lost-time injury (LTI) (FY2025 Q1: one LTI) during the quarter.

Uitkomst produced 95,489t of ROM coal during the quarter (FY2024 Q2: 129,272t). The 26% decrease in ROM coal production is due to unfavorable geological conditions and underground equipment availability challenges during the period.

During the quarter, Uitkomst sold 61,195t (FY2024 Q2: 102,266t) of high-grade duff and peas coal. The colliery also sold a further 4,276t of middlings coal during the three months (FY2024 Q2: nil). The colliery had 1,799t (FY2024 Q2: 14,422t) of high-grade coal inventory at the end of December 2024.

The production costs per saleable tonne were 70% higher than the comparative period (FY2025 Q2: US\$88/t vs. FY2024 Q2: US\$52/t). The decline in production volumes resulted in the increase of the production costs.

	Quarter to end-Dec 2025	Quarter to end-Dec 2024	%▲
<i>Production volumes</i>			
Uitkomst ROM (t)	95,489	129,272	(26%)
<i>Inventory volumes</i>			
High quality duff and peas (t)	1,799	14,422	(88%)
<i>Sales tonnages</i>			
High quality duff and peas (t)	61,195	102,266	(40%)
Middlings sales (t)	4,276	-	100%
	65,471	102,266	(36%)
<i>Quarter financial metrics</i>			
Net revenue/t (US\$)	70	74	(5%)
Net revenue/t (ZAR)	1,226	1,390	(10%)
Production cost/saleable tonne (US\$)^	88	52	70%

^ 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 (FY2025 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 more than 800,000 tonnes per annum of steelmaking HCC

and will generate significant returns for shareholders. Funding and development activities for Makhado are ongoing.

Select early works continued on site at the Makhado Project, with the erecting of power supply lines ongoing, commencement of construction of a temporary bridge across the Mutamba River to provide access for construction works and the commencement of bulk earthworks related to the coal handling and preparation plant (CHPP) terrace. Environmental and Process Technologies Proprietary Limited (Enprotec), continued with the detailed designing of the CHPP, along with early order placements for long-lead items related to the CHPP.

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

Operations at Vele remain suspended. Vele recorded no LTIs (FY2025 Q1: nil) during the quarter.

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

The Greater Soutpansberg Projects recorded no LTIs (FY2025 Q1: nil) during the quarter and no reportable activities occurred during the period. The studies required for the environmental and water use licences are expected to commence during H1 CY2025.

Appendix 5B – Quarterly Cash Flow Report

The Company's available cash balance and facilities as at 31 December 2024 was US\$4 million. The aggregate amount of payments to related parties and their associates, as disclosed as item 6.1 of the December 2024 quarter Appendix 5B, was US\$50k, comprising executive and non-executive director remuneration.

Christine He

Interim 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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BSM Sponsors Proprietary Limited is the nominated JSE Sponsor

About MC Mining Limited:

MC Mining is an 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.

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.

Tenements held by MC Mining and its Controlled Entities

Project Name	Tenement Number	Location	Interest	Change during quarter
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 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%	

Project Name	Tenement Number	Location	Interest	Change during quarter
	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%	

Project Name	Tenement Number	Location	Interest	Change during quarter
	Ptn 3, 4, 5 & 6 of Waterpoort 695 MS		74%	
	Wilbebeesthoek 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%	

Project Name	Tenement Number	Location	Interest	Change during quarter
Generaal Project*	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%		
Ancaster 501 MS	Limpopo~	100%		

Project Name	Tenement Number	Location	Interest	Change during quarter
Mopane Project*	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%	
	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%	
	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,		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 Name	Tenement Number	Location	Interest	Change during quarter
	Portion 14 (of 2) of Rustverwacht No. 151		84%	
	Portion 15 (of 3) of Rustverwacht No. 151		84%	
	Portion 16 (of 3) of Rustverwacht No. 151		84%	
	Portion 17 (of 2) of Rustverwacht No. 151		84%	
	Portion 18 (of 3) of Waterval No. 157		84%	
	Remainder of Portion 1 of Klipspruit No. 178		84%	
	Remainder of Portion 4 of Klipspruit No. 178		84%	
	Remainder of Portion 5 of Klipspruit No. 178		84%	
	Portion 6 of Klipspruit No. 178		84%	
	Portion 7 (of 1) of Klipspruit No. 178		84%	
	Portion 8 (of 1) of Klipspruit No. 178		84%	
	Portion 9 of Klipspruit No. 178		84%	
	Remainder of Portion 10 (of 5) of Klipspruit No. 178		84%	
	Portion 11 (of 5) of Klipspruit No. 178		84%	
	Portion 13 (of 4) of Klipspruit No. 178		84%	
	Remainder of Portion 14 of Klipspruit No. 178		84%	
	Portion 16 (of 14) of Klipspruit No. 178		84%	
	Portion 18 of Klipspruit No. 178		84%	
	Portion 23 of Klipspruit No. 178		84%	
	Remainder of Portion 1 of 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%