

Bens Creek Group plc
("Bens Creek" or the "Company")

Trading and operational update

Bens Creek Group plc (AIM:BEN), the owner of a metallurgical coal mine in North America supplying the steel industry, is delighted to provide a trading and operational update ahead of release of the Company's results for the year ended 31 March 2022, which is expected by the end of August 2022.

Production

In line with our production targets, we anticipate monthly production from August 2022 onwards to be approximately 40,000 clean tons (equivalent to c.80,000 raw tons) utilising a single highwall miner operated by our highwall mining contractor, Mega Highwall Mining LLC ("MHW"), working a double shift along with underground mining. These production levels are in line with the target set at the time of the Company's admission to AIM in October 2021.

As previously announced, an application for a permit to mine a much larger area than is currently being mined by the first highwall miner is in the final stages of being approved by the Department of Environmental Protection in West Virginia (the "DEP"). This will allow a second highwall miner, to be supplied by MHW, to commence work. Once mobilised and operational both highwall miners will be able to operate simultaneously. This will allow production to increase steadily, reaching up to 80,000 clean tons per month which is expected to occur between September and December 2022.

Underground mining, which commenced production recently, required considerable capital expenditure both prior to and post the admission of the Company's shares to trading on AIM. It is expected this source of coal will enhance our production in the coming months to enable the Company's overall monthly production target to reach up to 80,000 clean tons per month.

The Company is currently analysing the feasibility of deploying its own highwall miner onto the newly to be permitted site to allow all three highwall miners to operate simultaneously, once the necessary repairs have been completed.

The Company's estimated production from April to July 2022 is likely to be approximately 80,000 clean tons (160,000 raw tons) of metallurgical coal.

Following the commencement of production since December 2021, the Company sold 44,000 raw tons in the period to 31 March 2022 to Integrity Coal Sales Inc. ("Integrity"), the Company's offtake partner, to meet their demand for raw coal whilst the preparation and wash plant was undergoing remediation works.

Sales

Integrity has now completed the booking of twelve trains of 100 wagons each. Two of these trains with a total cargo of 22,000 clean tons were fulfilled in June 2022.

The remaining 10 trains, which equates to sales of approximately 110,000 clean tons (approximately 220,000 raw tons), will be transported via rail from the Company's rail loadout facility to the Norfolk Southern rail network system between now and 31 December 2022. The quality of the Company's product is such that two of these trains are allocated to one of the largest steel manufacturers in the world whilst the remaining eight trains have been allocated to a large steel manufacturer in North America.

Pricing

The last two months has seen considerable market price volatility of High Vol A and High Vol B coal, the products sold to Integrity. In order to minimise any future adverse impact on the selling prices achieved by the Company for eight of its ten shipments (domestic sales), it has agreed with Integrity a fixed sales price per ton for these consignments. The agreed price per ton of clean coal is higher than the current market price of our coal products, thereby insulating the Company's earnings on these consignments from any future falls in the price of met coal.

Adam Wilson, Chief Executive Officer of Bens Creek, commented:

"We are delighted that the Company remains on track with its operational plans and targets. Since the Company's shares were admitted to trading on AIM in October 2021, and prior to coal production commencing, we have substantially invested in the Company's operations which has included the remediation of the railway line and the wash plant and undertaking the necessary repairs to the underground mining infrastructure. This investment and the efforts of the team on the ground in West Virginia, has enabled us to be in a position to meet our production targets and at a run rate of c. 40,000 clean tonnes per month. As a Board we are proud of the achievements so far this year.

"With the imminent arrival of our new mining permit and forward planning, we are now able to raise our production targets to a run rate of up to c. 80,000 clean tons per month by the end of this year.

"The train bookings that are now in place for between now and the end of the year provide good visibility on coal deliveries and revenue for the coming months of this calendar year. We are pleased to have regularised the train deliveries with Integrity since June 2022 and are delighted to have a number of trains booked in between now and the end of the year to enable us to fulfil our commitments with Integrity.

"The metallurgical coal price has been weak recently, primarily due to the upcoming ban being imposed by the European Commission on the import of Russian coal, which takes effect from 10 August 2022. Once this takes effect the Board is hopeful that the price of met coal will stabilise and become stronger and we remain confident of the prospects for Bens Creek for the rest of the year and beyond."

For further information please contact:

Bens Creek Group plc

Adam Wilson, CEO

Raju Haldankar, executive director

Muat Erden, CFO

+44 (0) 204 558 2300

Allenby Capital Limited (Nominated Adviser and Joint Broker)

Nick Athanas / Nick Naylor / George Payne (Corporate Finance)

Kelly Gardiner (Sales and Corporate Broking)

+44 (0) 203 328 5656

Optiva Securities Limited (Joint Broker)

Christian Dennis / Mariela Jaho / Daniel Ingram

+44 (0) 203 137 1902