

Bens Creek Group plc

("Bens Creek" or the "Company")

Proposed sale of highwall miner

Bens Creek Group plc (AIM:BEN), the owner of a metallurgical coal mine in North America supplying the steel industry, announces the proposed sale of its own highwall miner (#20) to Civil LLC for a total cash consideration of \$3.6 million. Civil LLC is a Georgia limited liability company, authorised to conduct mining business in the state of West Virginia, USA.

Further to the Company's mining update released on 7 November 2022, where Bens Creek stated it was reviewing its options with regards to its owned highwall miner and it had received offers which were under consideration, the Company has now agreed the proposed sale of the highwall miner with Civil LLC.

The Company continues to have access to two highwall miners through its highwall mining contractor, Mega Highwall Mining LLC ("MHW"). The first highwall miner is presently being deployed on the Bens Creek site at the new permitted area and the second highwall miner is expected to be in place on-site in January 2023. These two highwall miners from MHW are sufficient to support the Company's production plans for 2023.

The cash consideration will be paid to Bens Creek by Civil LLC in monthly instalments through to July 2023. The Company originally purchased highwall miner #20 for a consideration of \$2.5 million in cash in February 2022 and it had a book value of \$2.7 million as at 31 March 2022 as set out in the Company's audited accounts for the year ended 31 March 2022.

As previously announced the Company, separately, acquired its initial fleet of mining and earth moving equipment in August 2022 which was subsequently financed by an equipment financing facility with McGinty Road Partners LP ("McGinty") and which totals \$6.1 million as detailed in the Company's recent interim results. As part of this financing McGinty took a lien over the Company's highwall miner and, as a result, c.\$2.0 million of this facility will be repaid to McGinty from the proceeds of the sale of the highwall miner. The balance of the funds from the sale of the highwall miner will be used by the Company for general working capital and operational purposes.

Ownership of the highwall miner shall remain with Bens Creek until the payment obligations of Civil LLC have been met in full.

In addition, as part of the sale of the highwall miner, the Company has also sold three 777C CAT 100-ton rock trucks to Civil LLC for a total consideration of \$300,000 payable in cash instalments over a period of 3 months.

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

"Having negotiated successfully with MHW for the provision of a second highwall miner the need for us to own a machine has been reduced and as such a sale seemed the appropriate course of action. We are pleased to have achieved a positive result in the disposal."

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