

## **Bens Creek Group plc**

("Bens Creek" or the "Company")

### **Proposed acquisition of Ben's Creek Rail Holding LLC**

Bens Creek Group plc (AIM:BEN), the owner of a metallurgical coal mine in North America supplying the steel industry, announces that its wholly owned subsidiary, Ben's Creek Carbon LLC, has entered into an agreement to acquire up to 100% of the membership interests in Ben's Creek Rail Holding LLC ("**BC Rail Holding**"), a company currently owned by the Company's largest shareholder, MBU Capital Group Ltd ("**MBU**") (together the "**Proposed Acquisition**"). The consideration payable by Bens Creek is up to \$650,000 in cash, which will be satisfied from the Company's existing cash resources. The consideration proposed to be paid by Bens Creek is the same amount paid by MBU to acquire the membership interests in BC Rail Holding on 28 February 2021.

BC Rail Holding owns the rail track comprising of 25,580 tract feet of rail for the purposes of Bens Creek flood loading coal into rail cars at the Company's preparation plant and transporting it using the track. There is currently a rail lease agreement in place between BC Rail Holding and Ben's Creek Operations WV, a wholly owned subsidiary of Bens Creek, pursuant to which Bens Creek leases the tract from BC Rail Holding for an annual rental of c.\$55,000. Details of the rail lease agreement entered into between the two parties is set out in section 11.12 of Part VIII of the Company's admission document published in October 2021.

Since 1 April 2022 Bens Creek and MBU have, as previously announced, taken various steps to achieve a separation between the two companies. The Proposed Acquisition is a continuation of this separation strategy.

Under the terms of the agreement on the Proposed Acquisition entered into by Bens Creek on 22 December 2022 Bens Creek has acquired an initial 26% of the membership interests of BC Rail Holding for a cash payment of \$169,000 payable from the Company's cash resources.

In addition, pursuant to this agreement, Bens Creek also has the right whereby the Company can, at its sole discretion, acquire the remaining 74% of the membership interests of BC Rail Holding for a total of up to \$481,000 in cash payable by exercising such rights at any time during the next 12 months.

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

*'We are pleased to have entered into an agreement to purchase the rail track and to have acquired an initial 26% interest in BC Rail Holding, the rail track being a further transport component now moving to being under our control. This purchase will further separate the company from its largest shareholder, MBU, who have been supportive of the business since inception and continue to be so.'*

#### **For further information please contact:**

**Bens Creek Group plc**  
Adam Wilson, CEO  
Murat 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

**WH Ireland Limited (Joint Broker)**  
Harry Ansell / Katy Mitchell

+44 (0) 207 220 1666