

3 March 2023

Bens Creek Group plc

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

Amendment and conversion of loan facility with MBU Capital Group Limited

Bens Creek Group plc (AIM:BEN), the owner of a metallurgical coal mine in North America supplying the steel industry, announces that MBU Capital Group Limited ("MBU") has exercised its right to convert the full outstanding amount of its loan facility with the Group (the "Loan Facility") into new ordinary shares of 0.1p in the Company ("Ordinary Shares"). The Company has also agreed with MBU to vary the conversion price of the proportion of the Loan Facility that is convertible at 60p to now convert at 30p.

Prior to admission of the Company's ordinary shares to trading on AIM (the "IPO"), MBU provided the Loan Facility to the Company in the amount of up to £10m, details of which are set out in the Company's admission document published on 13 October 2021. Under the Loan Facility agreement entered into between MBU and the Company at the time of the IPO, MBU could, at any time up to the facility expiry date, elect to convert the principal and interest into new ordinary shares in the Company at 15p per share. This conversion price compares to the Company's IPO price 10p per share. Under the terms of the Loan Facility, the Company can pay back and drawdown in any amounts up to the maturity date, being 30 June 2023.

During the months following the IPO the Company's share price rose considerably, peaking on 13 April 2022 at 104p, making utilisation of the Loan Facility unattractive to the Company. In April 2022 MBU and the Company agreed to a variation of the terms of the Loan Facility such that amounts drawn under the Loan Facility from 7 April 2022 would be convertible at 60p, as opposed to 15p, and this variation was announced as transaction with a related party on 6 June 2022.

Since 6 June 2022 the Company has reduced the total balance outstanding owed to MBU under the Loan Facility, including interest, to £2.6 million convertible at 15p and from £5.3 million to £1.7 million convertible at 60p.

On 2 March 2023, the Company and MBU entered into an agreement to amend the conversion price of 60p on the £1.7 million outstanding amount be amended to 30p. On the same day MBU also exercised its right to convert the total outstanding Loan Facility amount (including accrued interest) of £4.3 million into new Ordinary Shares (the "Conversion"). The Loan Facility with MBU will remain in place until 30 June 2023 although post Conversion no amounts will have been drawn down. The Company's intention is that no further drawdowns will take place following Conversion and before the facility ends.

Following discussions with MBU the Company agreed to this variation in the conversion price on the explicit understanding that MBU converts the full outstanding amount of the Loan Facility immediately. The Company has previously announced its intention to, at the earliest opportunity, declare a maiden dividend. Before doing so, the Company wishes to ensure that it has limited exposure to any substantial debt obligations which could adversely affect cashflow, particularly in the short term.

The Board of the Company believes the amendment of the conversion price on the £1.7 million (which includes accrued interest) from 60p to 30p is in the best interests of the Company and its shareholders as it improves the Company's financial performance, by reducing debt, interest payments and outgoing cashflow.

Following the Conversion MBU will receive 23,283,728 new Ordinary Shares and MBU will hold a beneficial interest in 213,863,207 Ordinary Shares or 53.67% of the voting rights in the Company.

Related party transaction

The variation to the MBU loan facility is deemed to be a related party transaction pursuant to rule 13 of the AIM Rules for Companies. The directors of the Company independent of MBU (being Robin Fryer and David Harris) consider, having consulted with the Company's nominated adviser, Allenby Capital Limited, that the terms of the transaction are fair and reasonable insofar as the Company's shareholders are concerned.

Adam Wilson, Chief Executive of Bens Creek, said; *'We are very pleased with our progress to date and our ability to remove substantial levels of debt from our balance sheet which in turn will bring cash flow improvement taking us nearer towards being able to provide a maiden dividend for our shareholders.'*

Total Voting Rights

Application will be made shortly for the 23,283,728 new Ordinary Shares to be admitted to trading on AIM ("Admission") and it is expected that Admission will occur on or around 10 March 2023.

Upon Admission, the Company's issued share capital will consist of 398,473,728 Ordinary Shares with one voting right each. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of Ordinary Shares and voting rights in the Company will be 398,473,728. With effect from Admission, this figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

For further information please contact:

Bens Creek Group plc Adam Wilson, CEO Peter Shea, Chief of Staff	+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