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15 October 2021

BENS CREEK GROUP PLC

("Bens Creek" or the "Company")

PROPOSED ADMISSION TO TRADING ON AIM AND £7.0 MILLION PLACING

Bens Creek Group plc (AIM: BEN), together with its subsidiaries (the "Group"), the owner of a metallurgical coal mine in West Virginia, USA, announces the proposed admission of its Ordinary Shares to trading on the AIM market of the London Stock Exchange, which is expected to take place on 19 October 2021. The Company has raised £7.0 million (before expenses), conditional on admission, giving it an expected market capitalisation of £35.0 million at the placing price of 10p per Ordinary Share.

Metallurgical coal assets in West Virginia, USA

The Company owns and operates a metallurgical coal mine located on 10,000 acres on the southern part of the state of West Virginia and eastern edge of Kentucky, in the central Appalachian Basin of the eastern United States of America (the "Mine"). The Mine's operations are located primarily in Mingo County, West Virginia. The Mine includes a wash plant and rail loading facility located on the freehold land.

The underground and surface mines owned by the Group, the Pond Creek Mine and the Lower Alma Lower Bench Mine, have been dormant since 2014 and 2009 respectively. Following Admission, the Group's primary objective will be to move the first underground mine into production by the end of Q4 2021 and the Company's immediate priority will be to deploy part of the net proceeds from the Placing in pursuit of the work programme. The Company may also in the future seek to make further acquisitions of metallurgical coal mines in North America.

Resource base*

Historically Hi-Vol-A and Hi-Vol-B metallurgical coal has been produced from the Mine. Metallurgical coal is a critical input in the steel production process. The Mine has estimated coal resources of 17.2 million in-place tons and proven and probable recoverable coal reserves of 2.34 million tons (comprising the coal reserves at the Lower Alma and Pond Creek mines). The Mine also has direct access to domestic markets through the Norfolk Southern Rail Company's rail network and to export markets through the Lamberts Point Export Terminal in Norfolk, Virginia.

Key assets and infrastructure

- 17.2 million in-place tons of metallurgical coal resources.
- Proven and probable recoverable coal reserves of 2.34 million tons (Lower Alma and Pond Creek mines).
- Coal preparation plant and rail loadout facilities in good condition, built in 1992 with a nominal throughput of 500tph raw coal.
- Froth flotation circuit allows recovery of ultra-fine material, improving plant recovery.

- Fast flood rail load out.
- Refuse disposal area adjacent to the preparation plant designed as a combined fill refuse structure (rather than a dam).
- Ancillary infrastructure includes coal bins, office and storage trailers, electrical substations, power lines and truck scales.
- A new decanter screen-bowl dryer installed in 2011/2012 to reduce moisture levels in flotation product.
- Direct access to domestic markets through the Norfolk Southern Railway Company's rail network and to export markets through the Lambert's Point Export Terminal in Norfolk, Virginia.

Intended use of proceeds

The net funds raised on Admission of c. £5.8 million will be used to finance the Group's mining operations, including: i) the refurbishment of the coal preparation plant and railroad; ii) infrastructure repair iii) the acquisition of mining equipment; iv) working capital; and v) to repay certain short-term debt facilities totalling £2.05 million, which have been used to continue the capital expenditure, owed to MBU Capital Group Limited, the Company's major shareholder.

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

"High quality metallurgical coal is a scarce commodity with large scale mineable deposits limited to regions in the Eastern United States, Western Canada, Eastern Australia, Russia, China, Mozambique, and Mongolia. Importantly, it is also a critical input in the steel production process. This is one of the reasons why the price of metallurgical coal has historically been significantly higher than for that of thermal coal. Metallurgical coal is a daily priced, homogenous, and easily tradable commodity. We have proven reserves with logistical advantages and operational infrastructure in place.

"Upon Admission we expect the business to have low levels of debt combined with robust operating margins, and we expect to generate significant operating cash flows from our operations by utilising contract miners who will supply labour, equipment, and materials.

"There are already several active mining contractors in the state of West Virginia, and we intend to commence operations in Q4 2021, which will help to create employment and stimulate the local economy.

"The macro picture currently looks favourable, with strong global demand for steel, not least in the US, where President Biden announced early this year a \$2 trillion plan to overhaul and upgrade the nation's infrastructure, including plans to spend on roads, bridges and other physical improvements."

The Company is being advised by Allenby Capital Limited, who are acting as nominated adviser and joint broker, together with Optiva Securities Limited as joint broker. Clear Capital Markets Limited acted as placing agent for the Company.

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**Details on the Group's resources that are contained in this announcement have been extracted without amendment from the Company's admission document which will be published in connection with Admission and includes a competent person's report prepared in accordance with the AIM Rules for Companies. The admission document will be available from the Company's website (www.benscreek.com) from Admission.*

Directors from Admission

Adam Wilson – Chief Executive Officer

Adam qualified as a Barrister at Law prior to training in corporate finance at RM Rothschild & Sons and holds a BSc in Finance and Accounting and a postgraduate diploma in Mining Project Appraisal and Finance. He has over 30 years' experience in financial markets, specialising in corporate restructuring and special situation turnarounds, and has worked for over 20 years in natural resources. He was formerly CEO and Chairman of one of the largest anthracite mining operations in the US – Atlantic Carbon Inc. – where he now holds the position of Chairman Emeritus. He was also the CEO of Hitchens Harrison, London's oldest stockbroker, which was later sold to Religare of India in 2008 for £56 million. He is Senior Advisor to MBU Capital and holds primary responsibility for the firm's natural resources portfolio.

Raju Haldankar – Chief Financial Officer

Raju qualified as an accountant with Baker Tilly (now RSM) and is currently Group Finance Director at MBU Capital. Raju has over 20 years' experience in the financial services sector – all with UK regulated institutions, including those domiciled in Jersey and Guernsey. He was an Assistant Director of Finance at the investment management business of Singer & Friedlander Plc covering £8 billion of funds under management. Prior to joining MBU Capital, Raju was partner at a boutique broking firm. Raju will continue with his responsibilities as Group Finance Director of MBU Capital and will devote as much time as necessary to perform his duties as Finance Director of the Company.

Robin Fryer – Independent Non-Executive Chairman

Robin is a financial consultant by background and a former senior partner with Deloitte LLP, where he held roles including Global Mining and Metals Industry Leader and Global Audit Managing Director during his 40 year tenure. More recently, Mr Fryer acted as a Non-Executive Director for AIM-quoted Shanta Gold Limited for eight years, where he chaired the audit committee. Robin has extensive experience advising multinational companies in mining, manufacturing and construction sectors in Europe, Africa, North and South America and Australia. He has experience in IPOs, mergers and acquisitions, due diligence on acquisition targets, financial reporting, internal control, risk management and internal audit. Robin is a member Association of Chartered Certified Accountants, American Institute of Certified Public Accountants, and South African Institute of Chartered Accountants. Robin is Non-Executive Chairman of Central Copper Resources Limited, a company which is focused on delivering a high grade copper project into production and exploration of assets in the Democratic Republic of Congo and in the Republic of Zambia.

David Harris – Independent Non-Executive Director

David has over 35 years' experience in the financial services sector and is currently Chief Executive of InvaTrust Consultancy Ltd, a specialist investment and marketing consultancy group that undertakes projects within the investment fund management industry. David has undertaken a total of twelve quoted company non-executive director roles, on the main market of the LSE and AIM, in a variety of sectors including manufacturing, property, insurance and closed-end investment funds in the UK, Europe and the Far East.

IMPORTANT INFORMATION

This announcement does not constitute, or form part of, any offer or invitation to sell, allot or issue, or any solicitation of any offer to purchase or subscribe for, any securities in the Company in any jurisdiction nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with or act as an inducement to enter into, any contract or commitment therefor.

Recipients of this announcement who are considering subscribing for or acquiring Ordinary Shares are reminded that any such acquisition or subscription must be made only on the basis of the information contained in the final Admission Document, which may be different from the information contained in this announcement. No reliance may be placed, for any purpose whatsoever, on the information or opinions contained in this announcement or on its accuracy, fairness or completeness. To the fullest extent permitted by applicable law or regulation, no undertaking, representation or warranty, express or implied, is given by or on behalf of the Company, Allenby, or their respective parent or subsidiary undertakings or the subsidiary undertakings of any such parent undertakings or any of their respective directors, officers, partners, employees, agents, affiliates, representatives or advisers or any other person as to the accuracy, sufficiency, completeness or fairness of the information, opinions or beliefs contained in this announcement and, save in the case of fraud, no responsibility or liability is accepted by any of them for any errors, omissions or inaccuracies in such information, opinions or beliefs or for any loss, cost or damage suffered or incurred, howsoever arising, from any use, as a result of the reliance on, or otherwise in connection with, this announcement.

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In the United Kingdom, this announcement is for distribution only to persons who are Qualified Investors within the meaning of the Prospectus Regulation (Regulation (EU) 2017/1129, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by the Prospectus (Amendment, etc) (EU Exit) Regulations 2019) and who (i) fall within the definition of "investment professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) are high net worth companies, unincorporated associations or partnerships or trustees of high value trusts as described in article 49(2) of the Order or (iii) are persons to whom it may otherwise be lawfully communicated (all such persons together being referred to as "Relevant Persons").

In the European Economic Area (the "EEA"), this announcement is only addressed to and directed at persons in member states of the EEA who are "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (as amended) ("Qualified Investors")

This announcement must not be acted or relied on (i) in the United Kingdom, by persons who are not Relevant Persons and (ii) in any member state of the EEA by persons who are not Qualified Investors. Any investment activity to which this announcement relates (i) in the United Kingdom is available only to, and may be engaged in only with, Relevant Persons; and (ii) in any member state of the EEA is available only to, and may be engaged in only with, Qualified Investors.

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The date of Admission may be influenced by factors such as market conditions. There is no guarantee that the Admission Document will be published or that the Placing and Admission will occur, and you should not base your financial decisions on the Company's intentions in relation to the Placing and Admission at this stage. Acquiring securities to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. The value of shares can decrease as well as increase. This announcement does not constitute a recommendation concerning the Placing. Persons considering an investment in such investments should consult an authorised person specialising in advising on such investments.

This announcement contains certain statements that are, or may be, forward looking statements with respect to the financial condition, results of operations, business achievements and/or investment strategy of the Company. Such forward looking statements are based on the Board's expectations of external conditions and events, current business strategy and plans and the other objectives of management for future operations, and estimates and projections of the Company's financial performance. Though the Board believes these expectations to be reasonable at the date of this announcement, they may prove to be erroneous. Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, achievements or performance of the Group, or the industry in which the Group operates, to be materially different from any future results, achievements or performance expressed or implied by such forward looking statements. Past performance cannot be relied upon as a guide to future performance and should not be taken as a representation that trends or activities underlying past performance will continue in the future.

Certain figures in this announcement, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly to the total figure given.

For the avoidance of doubt, the contents of the Company's website is not incorporated by reference into, and do not form part of, this announcement.

NOTICE TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed

income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing.

Furthermore, it is noted that, notwithstanding the Target Market Assessment, Allenby Capital Limited and Optiva Securities Limited have only procured investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.