20 December 2022

Bens Creek Group Plc

("**Bens Creek**" or the "**Group**")

Unaudited interim results for the period from 1 April 2022 to 30 September 2022

Bens Creek Group plc (AIM:BEN), the owner of a metallurgical coal mine in North America supplying the steel industry, is pleased to announce its interim results for the period from 1 April 2022 to 30 September 2022.

Interim Results Highlights

- The Group produced 99,928 tons of clean metallurgical coal in the period.
- The Group recorded sales of $17.4 million for the period against a volatile met-coal price.
- The Group witnessed its first positive gross profit before depreciation, depletion and share option payments of $942k.
- The Group delivered 8 trains during the period of which 6 were in August and September.
- First sales delivered by train in June 2022.
- Cash on the balance sheet as at 30th September 2022 was $7.4 million.
- 19,230 clean tons of coal were held in inventory.
- Non-recurring remediation and associated start-up costs incurred during the period.
- The Group incurred $6 million of non-cash items including depreciation, depletion and share option charge.

Adam Wilson, CEO of Bens Creek, said, '*The first half of our fiscal year has seen us further advance the transition from a moribund business on care and maintenance into a flourishing full production model. We have completed the upgrade of our licence, although it took us a little longer than originally anticipated. We have successfully moved our first high wall miner (HWM) into the newly permitted area and commenced production on a recently introduced two shift system. Initial results from what is a wider seam have been encouraging and we anticipate that coal recovery ratios will continue to be higher than we had achieved under our earlier licence. We expect to have the second HWM in place in the first month of the new year and should be able to have it fully operational shortly after. We will introduce a two-shift system on this HWM as well which, along with our current programme, will bring us closer to our planned for levels of production. We also expect that as production levels rise that we will see economies of scale per clean ton start to take effect which should assist us in our drive for profitability. The change from contracted out earth moving to utilising our own fleet will allow us greater control over the operations and we expect that it will also result in some financial efficiencies, primarily as we will no longer have to make profit share payments. I would like to thank all our staff for their unstinting commitment. We are looking forward to the balance of the year with confidence and remain focussed upon providing shareholder returns in the form of dividends as soon as we are able to do so.*'

Chairman's review of period

I am pleased to present the interim report for the group for the six months ended 30th September 2022.

Much was achieved during the period to position the Group to become a significant producer of metallurgical coal in 2023 and beyond. We successfully completed the remediation of the railway line for the transportation of the Group's metallurgical coal product and, at the beginning of June, delivered the first train carrying our High Vol B product to our customer and offtake partner Integrity Coal Sales, Inc. One highwall miner operated throughout the period. Limited underground mining to supplement production from the highwall miner commenced on 27th June 2022.

In the period under review, the Company made further improvements to the wash plant by increasing its capacity. We produced 99,928 tons of clean metallurgical coal and shipped 86,717 clean tons on 8 trains in the period. With the price volatility of our product that we are currently experiencing, we elected to fix prices on eight of the twelve trains that have been confirmed through to December 2022. I am pleased to report that there were no lost time accidents during the period.

In July we experienced a severe disruption as a result of unprecedented flooding in the area of our operations leading to a state of emergency being declared. Despite the extremely challenging conditions, our staff worked tirelessly to repair the damage and we were up and running again in a short period of time. The board's thanks go out to our staff for their sterling efforts during this difficult time.

On 18th August 2022, the Company announced that it had raised £6 million in placing and subscription at 30p, supported by both MBU Capital, our largest shareholder, and Bluestar Global Capital as well as other investors. We have utilised these funds to purchase our own fleet with a market value of about $15 million, which was delivered to the site in November 2022, allowing us to terminate the services of our contractor. The contractor had a four-production shift limit, which has now been eliminated.

We were able to expand the territory available to us for mining by some 2,640 contiguous acres when we entered into a sublease agreement in April with Star Ridge Land LLC, an affiliate of our offtake partner Integrity Coal Sales Inc. We also successfully negotiated the purchase of the land upon which our railway runs from MBU Land, a company controlled by MBU Capital. The Chief Executive Officer, Adam Wilson, and his entire team are to be congratulated on all these achievements.

To create further separation from MBU Capital, we terminated our administrative and licence agreements with them in May 2022 and moved to a new office in London. In July we appointed Murat Erden as our non-Board Chief Financial Officer. Raju Haldankar stood down as Chief Financial Officer at the same time, and from the board at the annual general meeting on 27th September 2022. The assistance of MBU Capital Group has been of immense value to us and we are delighted that they continue to offer us their unequivocal support. We would like to thank Mr Haldankar for his unwavering commitment during his tenure, which included the successful raising of the capital to acquire and rehabilitate a dormant mine and the listing of the company's shares on AIM in October 2021.

The interim financial statements which follow reflect the group's gradual transition from a start-up situation to becoming, in due course, a fully operational metallurgical coal producer. The group generated $17.4 million in revenue during the period, of which the majority was generated in the second three months. This resulted in an operating cash flow shortfall of $6.4 million. Factoring in non-cash charges totalling $6.0m for the depletion of coal reserves, depreciation of fixed assets, and share-based payments, the group reported a loss of $10.9 million for the period. The Group's cash position at 30 September 2022 amounted to $7.4 million with an inventory of 19,230 clean tons of coal.

As previously announced, Bens Creek currently has two loan notes in place, that were entered into in December 2021 and February 2022 respectively with two-year maturity dates. There is an early redemption right on the loan note instruments that entitles the lender to 50% of their loans and accrued interest after 12 months. The lender has confirmed they will not be exercising this right on the December 2021 loan notes, such that the December 2021 loan note will be repayable, if not converted, in December 2023. Further details are provided in note 18 to the interim financial statements.

Responsibility Statement

We confirm that to the best of our knowledge:

- the interim financial statements have been prepared in accordance with AIM Rules;
- give a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- the Interim report includes a fair review of important events that have occurred during the financial period and their impact on the set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year.

The interim report was approved by the Board of Directors and the above responsibility statement was signed on its behalf by:

Robin Fryer
Non-Executive Chairman

19 December 2022

For further information please contact:

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BENS CREEK GROUP PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 APRIL TO 30 SEPTEMBER 2022

	Note	6 months ended 30 September 2022	6 months ended 30 September 2021
		US$	US$
		Unaudited	Unaudited
Revenue		17,421,696	-
Cost of goods sold		(12,210,281)	
Other cost of sales	4	(4,269,624)	-
Gross profit before depletion & depreciation		**941,791**	**.-**
Depletion & depreciation		(3,818,103)	
Administrative expenses	5	(4,835,347)	(605,737)
Share option charge	15	(2,139,225)	
Operating (loss) income		**(9,850,884)**	**(605,737)**
Finance income		18,584	72
Finance costs		(1,478,544)	-
Fair value gain on Convertible Loan Note embedded derivative		(423,911)	-
Profit/(loss) before taxation		(11,734,755)	(605,665)
Tax expense		844,564	-
Profit/(loss) for the period		(10,890,191)	(605,665)
Other comprehensive income			
Foreign exchange movement		938,778	74,115
Total comprehensive (loss) income for the period		(9,951,413)	(531,550)
Total comprehensive (loss) income for the period attributable to equity holders		(9,951,413)	(531,550)
Earnings (loss) per share from continuing operations attributable to the equity owners of the parent			
Basic earnings (loss) per share (US cents per share)	6	(3.468)	(0.235)

BENS CREEK GROUP PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

	Note	30 September 2022 Unaudited $	31 March 2022 Audited Restated $
Non-current assets			
Property, plant and equipment	7	34,611,587	28,948,808
Coal reserves and reclamation assets	8	23,994,572	24,955,487
Other assets	8	2,568,883	1,628,605
Right of use assets		8,813	61,708
Construction in progress	7	3,323,325	3,642,212
Deferred tax asset		1,420,715	576,151
		65,927,895	**59,812,971**
Current assets			
Trade and other receivables	9	1,056,848	570,328
Cash and cash equivalents		7,350,685	5,555,296
Inventory		2,765,041	1,528,613
		11,172,574	**7,654,237**
Total assets		**77,100,469**	**67,467,208**
Current liabilities			
Trade and other payables	10	3,813,798	3,451,346
Deferred consideration	11	816,000	816,000
Borrowings	12	7,730,846	-
Lease liability		9,138	63,367
Convertible loan notes	13	7,547,938	6,397,769
Embedded derivative	13	2,415,906	2,839,817
Provisions	14	440,000	350,000
		22,773,627	**13,918,299**
Non-current liabilities			
Borrowings	12	3,434,968	3,280,827
Convertible loan notes	13	3,037,819	3,037,819
Provisions	14	4,148,071	2,841,888
Deferred consideration	11	2,140,947	2,357,698
Deferred tax liability		10,286,392	10,286,392
		23,048,197	**21,804,624**
Total liabilities		**45,821,823**	**35,772,923**
Net assets		**31,278,646**	**31,744,285**
Equity attributable to owners of the parent			
Share capital		509,166	485,273
Share premium		45,777,353	38,712,008
Share based payments reserve		5,043,778	2,647,242
Translation reserve		(311,005)	(1,249,783)
Revaluation reserve		3,923,320	3,923,320
Merger reserve		(6,750,420)	(6,750,420)
Retained losses		(16,913,546)	(6,023,355)
Total equity		**31,278,646**	**31,744,285**

BENS CREEK

BENS CREEK GROUP PLC
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS AT 30 SEPTEMBER 2021

Group		Unaudited							
	Note	Share capital $	Share premium $	Share Option Reserve $	Translation Reserve $	Revaluation Reserve $	Merger Reserve $	Retained losses $	Total $
Balance as at 1 April 2021		-	-	-	-	-	-	-	-
Profit for the year		-	-	-	-	-	-	(605,665)	(605,665)
Other comprehensive income		-	-	-	-	-	-	-	-
Currency translation differences		-	-	-	74,115	-	-	-	**74,115**
Total comprehensive income for the year		-	-	-	**74,115**	-	-	**(605,665)**	**(531,550)**
Proceeds from issue of shares		346,860	25,736,900	-	-	-	-	-	**26,083,760**
Issue of ordinary shares relating to business combination		-	-	-	-	-	**(4,428,967)**	-	**(4,428,967)**
Total transactions with owners, recognised directly in equity		**346,860**	**25,736,900**	-	-	-	**(4,428,967)**	**(605,665)**	**21,123,242**
Balance as at 30 September 2021 (Unaudited)		**346,860**	**25,736,900**	-	-	-	**(4,428,967)**	**(605,665)**	**21,123,242**

BENS CREEK GROUP PLC

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

AS AT 30 SEPTEMBER 2022

Group		**Unaudited**							
	Note	**Share capital**	**Share premium**	**Share Option Reserve**	**Translation Reserve**	**Revaluation Reserve**	**Merger Reserve**	**Retained losses**	**Total**
		$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Balance as at 1 April 2022 (Audited)		**485,273**	**38,712,008**	**2,647,242**	**(1,249,783)**	**3,923,320**	**(6,750,420)**	**(6,023,355)**	**(31,744,285)**
Profit for the year		-	-	-	-	-	-	(10,890,191)	**(10,890,191)**
Other comprehensive income		-	-	-	-	-	-	-	-
Currency translation differences		-	-	-	938,778	-	-	-	**938,778**
Total comprehensive income for the year		-	-	-	**938,778**	-	-	**(10,890,191)**	**(9,951,413)**
Proceeds from issue of shares		23,893	7,065,345	-	-	-	-	-	**7,089,238**
Share option charge		-	-	2,396,536	-	-	-	-	**2,396,536**
Total transactions with owners, recognised directly in equity		23,893	7,065,345	2,396,536	-	-	-	**(10,890,191)**	**(1,404,417)**
Balance as at 30 September 2022 (Unaudited)		**509,166**	**45,777,353**	**5,043,778**	**(311,005)**	**3,923,320**	**(6,750,420)**	**(16,913,546)**	**31,278,646**

BENS CREEK

BENS CREEK GROUP PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 SEPTEMBER 2022

	6 months ended 30 September 2022	6 months ended 30 September 2021
	US$	US$
Cash flows from operating activities		
Loss before taxation	**(10,890,191)**	**(605,665)**
Adjustments for:		
Depreciation and amortisation	1,702,188	3,067
Depletion expense	2,115,915	-
Interest expense	1,478,544	(64,852)
Interest income	(18,584)	-
Share based payment charge	2,139,225	-
Fair value gain on revaluation of embedded derivative	423,911	-
Foreign exchange translation	(1,993,005)	74,115
Change in working capital		
(Increase) in inventory	(1,236,428)	-
(Increase) in trade and other receivables	(486,520)	(9,470)
Increase in trade and other payables	362,452	557,972
Net cash used in operations	**(6,402,493)**	**(44,833)**
Cash flows from Investing activities		
Purchase of property, plant and equipment	(7,524,532)	-
Net cash used in investing activities	**(7,524,532)**	**-**
Cash flows from financing activities		
Proceeds from borrowings	12,408,050	-
Repayment of borrowings	(3,720,645)	-
Proceeds from issue of shares, net of issue costs	7,089,238	19,481
Repayment of lease liabilities	(54,229)	(1,748)
Net cash generated from financing activities	**15,722,414**	**17,733**
Net (decrease)/increase in cash and cash equivalents	**1,795,389**	**(27,101)**
Cash and cash equivalents at the beginning of the year	5,555,296	113,813
Cash and cash equivalents at end of period	**7,350,685**	**86,712**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. General Information

The Company was incorporated on 11 August 2021 in England and Wales with company number 13559916 and is domiciled in the United Kingdom with its registered office being 53 Davies St, London, W1K 5JH, United Kingdom. The ordinary shares of Bens Creek Group Plc were admitted to trading on AIM on 19 October 2021.

Bens Creek Group Plc is a holding company which, through its subsidiaries, Ben's Creek Carbon LLC, Ben's Creek Operations WV LLC and Ben's Creek Land WV LLC (the "Subsidiaries") (together "the Group"), is a producer of high-quality metallurgical coal in the United States of America.

The Subsidiaries own and operate a metallurgical coal mine located on over 10,000 acres on the southern part of the state of West Virginia and the 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.

2. Basis of Preparation

These unaudited consolidated interim financial statements of Bens Creek Group Plc have been prepared in accordance with the AIM Rules. The comparative Balance Sheet figures for the year ended 31 March 2022 were derived from the statutory accounts for that year which have been delivered to the Registrar of Companies. Those accounts received an unqualified audit report which did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The interim financial information set out does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of IFRS. The functional currency of the Group is US Dollars.

The acquisition by the Company of its Subsidiaries has been reflected in the consolidated financial results of the Group using merger accounting. This method for accounting for business combinations has been made by virtue of both the Company and the Subsidiaries being under common control prior to and post the acquisition. Business combinations under common control are outside the scope of IFRS 3. However, IAS 8 allows the use of judgement when developing an accounting policy.

In the prior year, there was a reclassification in the disclosure of the Convertible Loan Notes. This reclassification was in relation to the disclosure of current and non-current liabilities and did not affect the net assets of the Group or its loss for the period. For further information on this please refer to note 18.

Going concern

The Group and Company Financial Statements have been prepared on a going concern basis.

The Group's and Company's business activities, together with the factors likely to affect their future development, performance and position are set out in the Chairman's review.

The Group announced on 18 August 2022, that it has raised $7,089,238 (£6,000,000) by way of placing 20,000,000 ordinary shares at 30p per share.

In October 2022 the Group began mining in the new permit area which has resulted in increased production for the first High Wall Miner, now on a double shift since the first week of November 2022. With the expected introduction of the second High Wall Miner in early 2023, management is confident the Group can produce sufficient coal to meet its cashflow requirements.

The price of metallurgical coal has seen material fluctuations in price during 2022. However, management is confident even at the current price as of 14th December 2022 ($258/ metric ton, High Vol B) the Group will be able to generate positive cash flows.

The Directors have reviewed the cash flow forecast and the future requirements of the Group for the period to 31 December 2023. They have given consideration to current and future offtake agreements, changes in the economic climate and other contracts in place. The Group has in place an offtake agreement to sell a minimum tonnage a month. The directors are of the opinion that the Group has adequate resources to continue in operational existence.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium-term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2022 Annual Report and Financial Statements, a copy of which is available on the Company's website: www.benscreek.com. The key financial risks are liquidity risk, credit risk, interest rate risk and fair value estimation.

Critical accounting estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in Note 2 of the Company's 2022 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

3. Accounting Policies

Information on the accounting policies applied can be found in the Group's latest annual audited financial statements. The Group and Company Financial Statements have also been prepared under the historical cost convention, subsequent to any fair value adjustments required upon acquisition via a business combination, with the exception of the preparation and wash plant which is held under the revaluation model. Additionally, convertible loan notes are held under the fair value through the profit or loss "FVTPL" model.

Basis of consolidation

The Group's results consolidate the financial information of the Company and its Subsidiaries for the periods presented.

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in subsidiaries are accounted for at cost less impairment.

Where considered appropriate, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All intercompany transactions and balances between Group enterprises are eliminated on consolidation.

New and amended standards adopted by the Group

There have been no new or amended standards adopted by the Group for the first time during the interim period.

4. Other cost of sales

	30 September 2022 Unaudited	30 September 2021 Unaudited
	$	$
Coal severance tax	721,894	
Royalty expense	1,126,136	-
Freight and other selling costs	2,421,594	
	4,269,624	**-**

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5. Administrative Expenses

	30 September 2022 Unaudited	30 September 2021 Unaudited
	$	$
Salaries	1,931,857	-
Legal, professional and brokerage	489,933	-
Travel and subsistence	182,857	-
Insurance	662,896	-
IPO related costs	-	483,750
Audit fees	129,233	-
Foreign exchange costs	(186,099)	-
Other administrative costs	1,624,670	121,987
Total administrative expenses	**4,835,347**	**605,737**

6. Earnings (loss) per share

The calculation of the total basic loss per share of 3.468 cents is based on the loss attributable to equity holders of the Company of $10,890,191 and on the weighted average number of ordinary shares of 314,050,215 in issue during the period. The diluted loss per share is 3.468 cents based on a weighted average of 314,050,215 shares.

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7. Property, Plant and Equipment

Group

	Vehicles $	Office equipment $	Equipment $	Plant $	Underground equipment $	Leasehold Improvements $	Construction in progress $	Total $
Cost or valuation								
As at 1 April 2022	**124,397**	**28,235**	**503,021**	**24,000,000**	**3,787,000**	**544,379**	**3,642,212**	**32,629,243**
Acquired during year	688,000	22,073	5,578,775	-	344,365	891,319	**-**	**7,524,532**
Disposal	-	-	(160,000)	-	-	-	**(318,887)**	**(478,887)**
As at 30 September 2022	**812,397**	**50,308**	**5,921,796**	**24,000,000**	**4,131,365**	**1,435,698**	**3,323,325**	**39,674,889**
Depreciation								
As at 1 April 2022	**(5,020)**	**(15,623)**		**-**	**-**	**(18,146)**	**-**	**(38,789)**
Depreciation during the year	(20,256)	(4,303)	(132,579)	(1,200,000)	(246,046)	(99,004)	**-**	**(1,702,188)**
As at 30 September 2022	**(25,276)**	**(19,926)**	**(132,579)**	**(1,200,000)**	**(246,046)**	**(117,150)**	**-**	**(1,740,977)**
Net book value as at 30 September 2022	**787,121**	**30,382**	**5,789,217**	**22,800,000**	**3,885,319**	**1,318,548**	**3,323,325**	**37,934,912**
Net book value as at 1 April 2022	**119,377**	**22,039**	**494,593**	**24,000,000**	**3,787,000**	**526,233**	**3,642,212**	**32,591,454**

8. Coal reserves and reclamation assets

Group	Coal Reserves
	$
Cost or valuation	
As at 1 April 2022	**25,700,000**
As at 30 September 2022	**25,700,000**
Fair value uplift at acquisition	-
Additions during the year	**1,155,000**
As at 30 September 2022	**26,855,000**
Depletion	
As at 1 April 2022	**(744,513)**
In the year	(2,115,915)
As at 30 September 2022	**(2,860,428)**
Net book value	
As at 1 April 2022	**24,955,487**
As at 30 September 2022	**23,994,572**

Other assets
Reclamation bond

	30 September 2022 Unaudited	31 March 2022 Audited
	$	$
Certificates of deposit	**2,568,882**	**1,628,605**

Additional deposits relate to the new permit, which was approved in September, totalling $915,000. Additionally, the new lease with Star Ridge included a minimum lease payment which has been capitalised over the life of the mine ($240,000).

9. Trade and other receivables

	30 September 2022 Unaudited	31 March 2022 Audited
Current	**$**	$
Trade receivables	716,415	-
Prepayments	161,502	298,096
Other receivables	178,931	272,232
	1,056,848	**570,328**

10. Trade and other payables

	30 September 2022 Unaudited	31 March 2022 Audited
Current	**$**	$
Trade payables	1,545,057	2,367,290
Other payables	838,680	30,150
Payroll liabilities	170,969	27,971
Accruals	1,259,092	1,025,935
	3,813,798	**3,451,346**

11. Deferred consideration

	30 September 2022 Unaudited	31 March 2022 Audited
	$	$
Current liabilities		
Deferred consideration	816,000	816,000
	816,000	**816,000**
Non-current liabilities		
Deferred consideration	**2,140,947**	**2,357,698**
	2,140,947	**2,357,698**

12. Borrowings

	$	$	$
	MBU Facility	**Other loans**	**Total**
As at 1 April 2022	**3,280,897**	**-**	**3,280,897**
Drawdowns	6,272,050	6,136,000	12,408,050
Interest charge	205,446	81,813	287,259
Payments	(3,506,580)	(214,065)	(3,720,645)
FX translation	(1,089,746)	-	(1,089,746)
As at 30 September 2022	**5,162,066**	**6,003,748**	**11,165,814**
Current Liability	**5,162,066**	**2,568,780**	**7,730,846**
Non-current liability	**-**	**3,434,968**	**3,434,968**

During the period the Group drew down on two new facilities, the first from McGinty Road Partners LP, who provided a facility of $6,136,000 at an interest rate of 15%. This was to provide funding for the new fleet of equipment. Additionally, the Group received funds from MBU Capital Group from the £10,000,000 facility which was available. Interest accrued at 7%, and during the period the Group repaid $3,506,580 of the loan to MBU Group Limited. Further details on the MBU loan facility are set out in note 16 of the interim results.

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13. Convertible Loan Notes

	Debt component $	Derivative component $	Total $
As at 1 April 2022	**9,435,588**	**2,839,817**	**12,275,405**
Foreign exchange losses	202,439	(423,911)	(221,472)
Interest charged	947,730	-	947,730
As at 30 September 2022	**10,585,757**	**2,415,906**	**13,001,663**
Current	**7,547,938**	**2,415,906**	**9,963,844**
Non-Current	**3,037,819**	**-**	**3,037,819**

Further details of the convertible loan note are set out in Note 24 of the Company's 2022 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period. However, the classification of the convertible notes is the subject of a prior year restatement between current and non-current classifications. Please see note 18 for more details.

14. Provisions

	Reclamation provision $	**Minimum lease payments $**	**Total $**
As at 1 April 2022	**1,949,888**	**1,242,000**	**3,191,888**
Additions	915,000	240,000	1,55,000
Unwinding of discount	241,183	-	241,183
As at 30 September 2022	**3,106,071**	**1,482,000**	**4,588,071**
Current provisions	**-**	**440,000**	**440,000**
Non-current provisions	**3,106,071**	**1,042,000**	**4,148,071**

In April 2022, the Group entered into another lease arrangement with Star Ridge Land LLC. Although the Group is not currently mining this land, there is a minimum royalty due for the life of the lease. Further details on the minimum lease payments are set out in note 25 of the Company's 2022 Annual Report and Financial Statements.

15. Share options

During the period 2,300,000 share options were granted to Directors and employees. Raju Haldankar (former CFO) was granted 2,000,000 share options and other employees were granted 300,000 shares. The options are valued at the date of the grant using the Black Scholes Model, totalling a charge of $2,139,225.

16. Related party transactions

MBU Capital Group Limited ("MBU"), on 30 September 2022, owned 57.67% of the voting issued share capital of the Company.

The Group is a party to the following arrangements with MBU:

MBU loan facility

MBU, which was a member of Ben's Creek Carbon LLC until 22 September 2021, has a £10,000,000 draw-down facility with the Group. This facility commenced on 1 November 2020 and is repayable in full by 30 June 2023 or such an earlier date as may be agreed between lender and borrower. The facility also allows MBU to convert any funding provided, along with accrued interest, into ordinary shares of the Group at a premium of 50% of the IPO price of 10p per share. Accordingly, the conversion price is 15p per share. The interest applicable on this facility is 7% per annum, which accrues monthly.

On 7 April 2022, the Group renegotiated and agreed with MBU, the balance of the unused facility, if drawn down by the Group, can be converted at a price of 60p per ordinary share, if MBU exercises its option to convert into shares of the Group rather than seeking repayment of the loan and accrued interest.

During the period the Group drew down a further £5,000,000 of the facility to fund working capital requirements. Subsequently, £3,000,000 of this facility was repaid to MBU. The total balance outstanding on 30 September 2022 was $5,162,066, of which $442,725 was related to interest accrued. In October 2022, the Group repaid a further £500,000 to MBU against the facility.

MBU share Issuance to connected parties

On 17 August 2022, the Group undertook a placing of £6,000,000. MBU and Mohammed Iqbal the controlling party of MBU, subscribed for a total of £1,500,000 at a price of 30p per share.

Executive directors

The Board of Directors includes two Executive Directors; Adam Wilson (CEO) and Raju Haldankar (resigned from the board in September 2022), who are regarded as related parties by virtue of their current or prior employment with Bens Creek and MBU GBR Limited, a 100% subsidiary of MBU.

Adam Wilson was until 5 May 2022, an employee of MBU GBR Limited, on 6 May 2022, he commenced employment with Hamra Limited, a 100% owned subsidiary of MBU.

Raju Haldankar was an employee of MBU GBR Limited during the year. Raju was granted 2,000,000 shares options in Bens Creek via the employee share option scheme during the period.

17. Events after the Balance Sheet Date

The Group announced that Robin Fryer, Non-Executive Chairman of the Company and a PDMR, on 6 October 2022, acquired 150,000 share options from a US Employee at a price of 18.5p per share option. Furthermore, in the event that Robin Fryer exercises the share options he will be required to pay the Company 5p per share option exercised, which in aggregate equates to 23.5p per share.

Furthermore, a non-PDMR employee of the Company, on 6 October 2022, purchased 50,000 share options from the US Employee at a price of 18.5 pence per option and has simultaneously exercised 50,000 options at a price of 5p per share, which in aggregate equates to 23.5p per share.

At the same time, the US Employee has exercised an additional 740,000 share options over the Ordinary Shares in the Company at a price of 5p per Ordinary Share.

The Group engaged with Marsh USA Inc. to issue Surety Bonds which are placed with Applied Surety Underwriters with cash collateral deposited at Morgan Stanley USA. The Group will use surety bonds to provide financial assurance for certain transactions and business activities. The West Virginia Department of Environmental Protection (WVDEP), federal and state laws allow us to submit surety bonds to secure payment of certain long-term obligations including mine closure or reclamation costs and other miscellaneous obligations. The amount of security required to be obtained can change as a result of new federal or state laws, as well as changes to the factors used to calculate the bonding amounts.

18. Prior year adjustment

The Group has restated the year-ended 31 March 2022 balance sheet in relation to the Convertible Loan Notes. This is a reclassification restatement and has no effect on the net assets of the Group as of 31 March 2022.

The two Convertible Loan Notes entered into in December 2021 and February 2022 have a two-year Final Maturity Date. Both Notes also have an early redemption clause on the first anniversary of the date of the Notes, to the extent if demanded by the Noteholders by 20 Business Days' notice in writing to the Group prior to the first anniversary of the Notes. This early redemption clause entitles the Noteholders to demand fifty per cent of the Notes together with the accrued and unpaid interest. To the extent that the Noteholders have not made such demand, all outstanding Notes are due on the Final Maturity Dates, i.e. December 2023 and February 2024.

Accordingly, the Group has reclassified fifty per cent of the Notes together with the accrued and unpaid interest of the Notes to current liabilities as of 31 March 2022.

Additionally, the embedded derivative element of the Convertible Loan Notes was also reclassified from non-current to current liabilities. The Noteholder has the right to exercise conversion of the Loans with 5 working days prior notice, and therefore are deemed current.

As at the date of signing this Interim Report, the Noteholders have not exercised early redemption of the December 2021 Note. Hence the Final Maturity of the December 2021 Convertible Loan Note is confirmed as December 2023.

	31 March 2022 $	31 March 2022 restated $
Current liabilities		
Trade and other payables	3,451,346	3,451,346
Deferred consideration	816,000	816,000
Borrowings	-	-
Lease liability	63,367	63,367
Convertible loan notes	-	6,397,769
Embedded derivative	-	2,839,817
Provisions	350,000	350,000
	4,680,713	**13,918,299**
Non-current liabilities		
Borrowings	3,280,827	3,280,827
Convertible loan notes	9,435,588	3,037,819
Provisions	2,841,888	2,841,888
Deferred consideration	2,357,698	2,357,698
Deferred tax liability	10,286,392	10,286,392
Embedded derivative	2,839,817	-
Current liabilities	**31,042,210**	**21,804,624**
Total liabilities	**35,772,923**	**35,772,923**

19. Approval of interim financial statements

The interim financial statements were approved by the Board of Directors on 19 December 2022.