

PRIOR TO PUBLICATION, THE INFORMATION CONTAINED WITHIN THIS ANNOUNCEMENT WAS DEEMED BY THE COMPANY TO CONSTITUTE INSIDE INFORMATION FOR THE PURPOSES OF REGULATION 11 OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019/310. WITH THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

6 May 2022

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

Business update, change of registered office, directorate change and proposed grant of options

Business update and change of registered office

Bens Creek Group plc (AIM:BEN), the owner of a metallurgical coal mine in North America supplying the steel industry, announces that following the success of the Company's recent achievements (announced on 14 April 2022), the Company has undertaken a number of steps to increase its independence from its largest shareholder, MBU Group Capital Limited ("MBU"). These steps are set out below:

- The Company is pleased to announce it has moved its UK office (previously located at MBU's head office) to an independent location and the Company's new registered office will be, from 16 May 2022, located at 53 Davies Street, London, W1K 5JH;
- The Company and MBU have agreed to terminate the administrative services and licence agreement with immediate effect. Further details of this agreement can be found in the Company's admission document dated 13 October 2021 (the "Admission Document"); and
- The Company has purchased, from MBU, the membership interests in Ben's Creek Rail Land LLC, an entity which holds the leasehold interests of the land beneath the rail track operated by the Company, which is owned by Ben's Creek Rail Holdings LLC, a wholly owned subsidiary of MBU, comprising of a 3.2 mile rail spur. Bens Creek have paid a nominal cash consideration for the purchase of Ben's Creek Rail Land LLC. Further details of the rail spur and the land is contained in paragraph 3.4 of Part I of the Admission Document.

Adam Wilson, CEO of Bens Creek, said: *"Since our IPO in October 2021 we have made really significant progress. We have re-opened the mine and commenced production of metallurgical coal. We have signed an off-take agreement and completed the necessary repairs to the rail spur. It is therefore appropriate that we now develop our independence from MBU. The prior investment made by MBU has enabled us to take the early significant steps required to enable us to reactivate a dormant mine to one that is now producing metallurgical coal. We look forward to them continuing to be a supportive shareholder"*.

Directorate change

Following the changes outlined above, Raju Haldankar has decided to continue with his full-time role as Finance Director of MBU and accordingly has decided step down as Chief Financial Officer of the Group. The role of Raju Haldankar at the Company included the development of the business and to assist with the Company's successful IPO on AIM last year. With these key milestones having now been met, Raju Haldankar feels it is now the right time to step down from the Board of Bens Creek as the Company embarks on its next phase of growth. Raju Haldankar has agreed to remain in the role of

Chief Financial Officer and a member of the Board of the Company and provide business continuity until a suitable replacement is identified and appointed.

Raju Haldankar will retain a consultancy role with the Company following the appointment of a suitable Chief Financial Officer to the Board to replace him, which will continue for a period of six months following the appointment of a replacement Chief Financial Officer.

The Board has commenced the process to identify a replacement Chief Financial Officer and a further announcement will be made in due course.

Proposed grant of options

The Admission Document set out details of a share option scheme which permits eligible persons, directors, employees and consultants, to participate, at the discretion of the Remuneration Committee, in the Company's share incentive scheme.

The Admission Document contained details that 6% of the Company's share capital on listing could be granted to eligible persons, of which 4% were granted on the Company's IPO, with a balance of 2% to be allocated thereafter by the Remuneration Committee.

Following a meeting of the Company's Remuneration Committee in December 2021, it agreed to allocate the 2% of the unallocated share options on the same terms as those noted in paragraph 9 of Part VIII of the Admission Document. This unallocated share option pool, as noted in the Admission Document, included Raju Haldankar's entitlement to options comprising 1% of the issued share capital on IPO (being 3,500,000 share options), subject to review by the Remuneration Committee of the exercise price, eligibility and performance criteria. The Remuneration Committee agreed to award Raju Haldankar share options comprising 1% of the issued share capital of the Company on IPO, on identical terms to those granted to individuals at the IPO, details of which are also contained in paragraph 9 of Part VIII of the Admission Document. However, the Company has been in a close period since December 2021, due to being in possession of inside information, and the Company is only now in a position to grant these options to Raju Haldankar.

In view of Raju Haldankar stepping down as Chief Financial Officer of the Company, he has agreed with the Company to waive his contractual entitlement to 1,500,000 of the share options.

Accordingly, the Company announces that it proposes to issue to Raju Haldankar 2,000,000 share options equivalent to approximately c.0.6% of the Company's issued share capital on its IPO in October 2021. The proposed issue of 2,000,000 share options to Raju Haldankar represents 0.56% of the Company's current issued share capital.

The terms of the option grants to Raju Haldankar are set out in the appendix to this announcement.

Adam Wilson, CEO of Bens Creek, said: *'We would like to thank Raju for his commitment dedication and professionalism throughout the period that he has been involved since the acquisition of the business by MBU and its subsequent development and acquisition by the Company. He was instrumental in the success of the IPO and his subsequent contribution has been significant. His direction, guidance and support throughout his involvement with the Company has been an asset to us all. We will miss his positive attitude and we wish him the very best in his continuing role with MBU.'*

Related Party Transaction

The proposed grant of options to Raju Haldankar is deemed to be a related party transaction pursuant to rule 13 of the AIM Rules for Companies. The directors independent of the transaction, being Adam Wilson, 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.

For further information please contact:**Bens Creek Group plc**

+44 (0) 204 558 2300

Adam Wilson, CEO

Raju Haldankar, CFO

Allenby Capital Limited (Nominated Adviser and Joint Broker)

+44 (0) 203 328 5656

Nick Athanas / Nick Naylor / George Payne (Corporate Finance)

Kelly Gardiner (Sales and Corporate Broking)

Optiva Securities Limited (Joint Broker)

+44 (0) 203 137 1902

Christian Dennis / Jeremy King / Daniel Ingram

Appendix: Terms of option grant to Raju Haldankar

| | |
|---|---|
| Number of Options | 2,000,000 |
| Exercise price | 5 pence per share |
| Vesting criteria and performance conditions | <p>The options will vest one third after an increase of 100% from the IPO share price (10p to 20p), a further one third following a 200% increase (20p to 30p) and the remainder following a 300% increase (30p to 40p).</p> <p>The performance conditions are related to the volume-weighted average price of the Company's ordinary shares on 10 consecutive trading days following the option grant and at the current share price level the options are expected to vest after this period.</p> |
| Lock-in | In the event of Raju Haldankar exercising any options held, he will be subject to a lock-in arrangement on the new ordinary shares until 19 October 2022 (should any options be exercised prior to this date). |