

Prior to publication, certain 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.

8 April 2024

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

Coal sale to Avani Resources Pte Ltd, operational update and related party transaction

Coal sale to Avani Resources Pte Ltd

Bens Creek Group plc (AIM:BEN), the owner of a metallurgical coal mine in North America supplying the steel industry, announces that Bens Creek Operations WV LLC ("**BC Operations**"), a wholly owned operating subsidiary of the Company, has agreed (the "**Agreement**") with Avani Resources Pte Ltd ("**Avani**"), the Company's largest shareholder, for the purchase of 20,000 tons of off spec coal (the "**Coal**"). The Agreement takes the form of a one-off coal purchase order and is not part of the existing Offtake Agreement (as defined below) with Avani.

Under the terms of the Agreement, Avani will pay a price of \$60 per ton for the Coal and \$50 per ton (totalling \$1.0 million) has been received by the Company as an advance payment on delivery of the Coal. The balance of \$10 per ton (totalling \$0.2 million) will be paid by Avani upon delivery of the Coal.

The off spec coal that is subject to the Agreement is coal that does not meet the chemical construction required to meet the definition of High Vol A or High Vol B metallurgical coal.

Operational update

As detailed in the Company's trading update released on 9 February 2024, the Company has, since the beginning of 2024, faced a number of operational and financial challenges which have included, amongst other things, a depressed metallurgical coal price and interruptions in production at the mine in West Virginia. These pressures have put continued strain on the Company's cashflows which resulted in Avani, as the Company's largest shareholder, providing a working capital facility of \$10.0 million to Bens Creek in February 2024. This facility was drawn down in full during February 2024 and March 2024.

Avani has also entered into a long-term offtake agreement with Bens Creek, details of which were announced on 29 February 2024 (the "Offtake Agreement"). Nevertheless, the outlook for the coal mining industry and Bens Creek as a company remains challenging at the current time. At the current metallurgical coal prices (as at 5 April 2024 the High Vol B price of metallurgical coal was \$195 per ton) the Company continues to be loss-making at the operational level. In addition, whilst the mine is back in production following the unexpected interruption in early 2024 due to an issue with waste disposal and refuse cells at the mine, the Company presently has a reduced production capacity which is estimated to be between 30,000 and 35,000 clean tons per month. The current reduction in production capacity is a consequence of the waste disposal issues that occurred at the mine in early

2024 and has also resulted in one of the Company's highwall miners being taken off site on a temporary basis.

Following the full draw down of the previously announced loan facility with Avani and the continued challenges the Company faces, as detailed above, the Company continues to manage its working capital position carefully and in this regard is assessing the options available to the Company at the present time.

Terms of the Agreement

Seller	Bens Creek Operations WV LLC																
Buyer	Avani Resources Pte Ltd																
Tonnage	Two (2) unit trains to be loaded at Glen Alum of Bens Creek Soft coal. Minimum 10,000 sts each train.																
Timing	2 nd half April 2024/1 st half May or on schedule to be mutually agreed and based on NS CLDs granted to Avani.																
Loading	Bens Creek will have to guarantee staff/personnel will be made available to load trains upon an agreed CLD / Permit dates issued by the Norfolk Southern (NS) railroad.																
Quality	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Moisture:</td> <td>7% ar</td> </tr> <tr> <td>Ash:</td> <td>8.0% dry typical tolerance to 8.5% for the entire train</td> </tr> <tr> <td>Sulfur:</td> <td>< 0.85% dry</td> </tr> <tr> <td>Volatile:</td> <td>34 – 35% dry</td> </tr> <tr> <td>FSI/CSN</td> <td>6 minimum</td> </tr> <tr> <td>Oxidation:</td> <td>75% min</td> </tr> <tr> <td>ARNU:</td> <td>+50</td> </tr> <tr> <td>DDPM:</td> <td>+4000</td> </tr> </table>	Moisture:	7% ar	Ash:	8.0% dry typical tolerance to 8.5% for the entire train	Sulfur:	< 0.85% dry	Volatile:	34 – 35% dry	FSI/CSN	6 minimum	Oxidation:	75% min	ARNU:	+50	DDPM:	+4000
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Pricing	US\$ 60/st prepayment for two (2) trains @ 20,000 sts.																
Adjustments	Material has already been tested and complies with the quality above. This will be verified by trains analysis performed by SGS with weights also being verified by NS dump weights or certified scale weights. If quality varies substantially from the above measures, Avani will have the right to recovery methods.																

Related party transaction

Bens Creek entering into the Agreement with Avani is deemed to be a transaction with a related party pursuant to rule 13 of the AIM Rules for Companies by virtue of Avani being a 29.86% shareholder of the Company. The directors of the Company (except for Rajesh Johar who represents Avani on the Company's board) consider, having consulted with the Company's nominated adviser, Allenby Capital Limited, that the terms of the Agreement with Avani are fair and reasonable insofar as the Company's shareholders are concerned.

For further information please contact:

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