



BENS CREEK GROUP PLC
Metallurgical coal for steel production

Unaudited Interim Financial Statements
For the Half-Year Ended 30 September 2023

22 December 2023

Bens Creek Group Plc

("Bens Creek" or the "Group")

Unaudited interim results for the six month period from 1 April 2023 to 30 September 2023

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 six month period.

Interim Results Highlights

- The Group produced 204,998 (six months to 30 September 2022: 99,928) tons of clean metallurgical coal in the period, a 105% increase.
- The Group delivered 18 (2022: 8) trains during the period 125% increase, all of which were sold via Integrity Coal Inc sales and included amongst them was an order that was shipped to Arcelor Mittal, one of the largest Steel Producers in the world.
- The Group delivered 18 (2022: 8) trains during the period, a 125% increase.
- 42,728 (six months to 30 September 2022: 19,230) clean tons of coal were held in inventory, a 122% increase.
- From September 2023 both highwall miners were fully activated.
- EBITDA loss \$6.5m (six months to 30 September 2022: loss \$6.4m).

Post Period Highlights

- On 30 November 2023, Bens Creek announced that BC Operations executed its first agreement with Avani for the delivery of 3-unit trains comprising a total of 33,000 short tons of coal with delivery of coal anticipated to be made no later than end of January 2024

Adam Wilson, CEO of Bens Creek, said, *'We have now successfully completed the transition of the business and are moving towards full production. During the period we have unfortunately suffered from weakness in pricing putting our cash flow under pressure. We were pleased to enjoy the support of both Avani and JCAM (ACAM) who assisted us by providing debt facilities during difficult months and Integrity with whom we have continued our strong relationship. A few of our competitors did not have the same level of support, issuing WARN notices ahead of making substantial redundancies. We are pleased that we were able to avoid taking any such action. Sales for the period were ahead of last year reflecting our improved productivity however inflationary pressures on costs and a deteriorating price led to an increase in losses when compared to the same period last year. Our average sales price in the period being only \$118/ton against \$166/ton for the comparable period in 2022, a difference of \$50/ton, which, if we had achieved it in the period upon which we are reporting, would have resulted in a small profit for the half.*

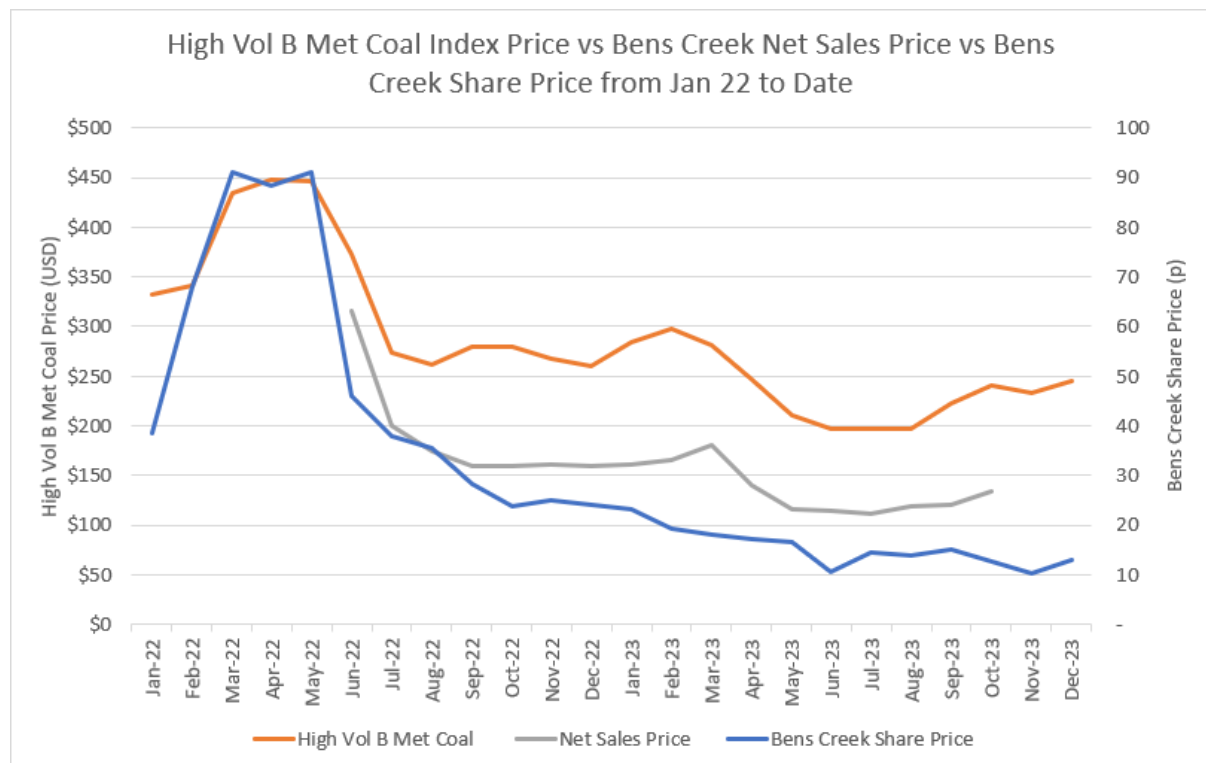
This period saw a 125% increase in trains, however there is a reliance on Norfolk Southern ("NS") to provide trains in a timely manner, which is completely out of our control.

The early part of the 2nd half of our financial year has seen a significant rise in the High Vol B met coal prices, from a low of \$191/ton to a current price of \$250/ton. This will bring our sales prices to levels seen in the comparable period in 2022. This has resulted in an improved order book and it has allowed us to commit to sales through to the end of the third quarter which, if trains booked run to schedule, could see the Group produce its first monthly profit. We are also delighted to announce that a number of those confirmed trains have been negotiated with Avani to be shipped to India. This will help the Company enter the Indian market, which is a key target for the future.

We have repeatedly highlighted the correlation between the index price of the coal and its inter relationship with the share price and the net sales price achieved.

The graph below shows clearly how intertwined the components are and clearly evidences that both profitability and capital value lies in the hands of the market. With a predominantly fixed overhead any index price movement results in an upward or downward swing of both. We have of course been very aware of this and have concentrated, among other things, on reducing the fixed cost per ton produced.

Overall, the outlook has improved for us, and we look forward with growing confidence to the coming months. With both Avani and Integrity in place, the Company will continue to establish its branded coal in markets worldwide. As ever I thank all of our staff for their continued commitment and support to the business and we are hopeful that we will be able soon to deliver positive returns to our shareholders.



Note: First train was June 2022

Chairman's review of period

I am pleased to present the half-year chairman's review for the period ended 30th September 2023 and to share with you the progress our company has experienced during the first half of this fiscal year and the challenges it faces.

Operational Highlights:

- **Safety First:** Our commitment to safety remains unwavering. I am pleased to report that our accident experience continues to be excellent, with no reported accidents in the period. This is thanks to our dedication to safety protocols and training. The well-being of our employees always remains our top priority.
- **Production:** We continued on our journey from rehabilitating a dormant coal operation to gradually ramping up to full production. In the six months to September 2022, we produced 99,928 tons of clean metallurgical coal, in the following six months 172,390 tons and in this period 204,998 tons. Once the operation reaches full production it is expected to produce in excess of 300,000 tons in a six month period.

Environmental Stewardship: We continue to make progress in minimising our environmental footprint. Investments in cleaner technologies and sustainable mining practices have positioned us as a responsible player in the industry. One of our highwall miners is now using line power in place of a mobile generator. Our company is always looking for opportunities for improvement and we remain focussed on further changes that will contribute positively to environmental preservation.

Financial Performance:

- **Revenue:** Despite the challenging market conditions in the period to which the CEO has referred, we are pleased to report a revenue increase of 35% compared to the first half of the previous financial year. This growth is attributable to the increased production referred to above.
- **Profitability:** The loss for the period is a result of the challenging price environment during much of the period. As noted above, production in the period was no more than two-thirds of what we expect once the optimal level of production is reached. Achieving this will have a significant positive impact on the company's profit margins, especially if recent price levels for our product are maintained.

Community Engagement:

We continue to foster positive relationships with the communities in which we operate. Our commitment to social responsibility includes community development programs, job creation, and efforts to support the well-being of local residents.

Conclusion:

Our commitment to safety, financial discipline, and responsible environmental practices are cornerstones for the company to be successful. I want to express my gratitude to our dedicated employees and contractors, supportive shareholders, and loyal stakeholders who have contributed to our achievements during this half-year period.

On behalf of the board of directors and the entire management team, I thank you for your trust in Bens Creek Group and look forward to a prosperous future.

Robin Fryer
Chairman

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
Chairman

22 December 2023

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BENS CREEK GROUP PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 APRIL TO 30 SEPTEMBER 2023

		6 months ended 30 September 2023	6 months ended 30 September 2022	Year ended 31 March 2023
	Note	US\$	US\$	US\$
		Unaudited	Unaudited	Audited
Revenue		23,527,605	17,421,696	42,208,848
Cost of goods sold	4	(22,384,672)	(12,210,281)	(31,036,252)
Cost of sales	4	(2,992,728)	(4,269,624)	(9,390,6350)
Gross profit before depletion & depreciation		(1,851,795)	941,791	1,781,961
Depletion & depreciation	4	(4,792,788)	(3,818,103)	(5,326,847)
Administrative expenses	5	(4,614,723)	(4,835,347)	(9,945,404)
Change in estimates for provisions		-	-	(575,580)
Share option charge	15	(16,731)	(2,139,225)	(2,397,585)
Operating (loss) income		(11,276,037)	(9,850,884)	(21,323,294)
Finance income		26,698	18,584	42,960
Finance costs		(2,409,025)	(1,478,544)	(3,435,252)
Fair value gain on Convertible Loan Note embedded derivative		-	(423,911)	-
Profit/(loss) before taxation		(13,658,364)	(11,734,755)	(24,715,586)
Tax expense		550,226	844,564	548,835
Profit/(loss) for the period		(13,108,138)	(10,890,191)	(24,166,751)
Other comprehensive income				
Foreign exchange movement		353,271	938,778	705,713
Total comprehensive (loss) income for the period		(12,754,867)	(9,951,413)	(23,461,038)
Total comprehensive (loss) income for the period attributable to equity holders		(12,754,867)	(9,951,413)	(23,461,038)
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	(3.532)	(3.468)	(6.563)

BENS CREEK GROUP PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	Note	30 September 2023 Unaudited \$	30 September 2022 Unaudited \$	31 March 2023 Audited \$
Non-current assets				
Property, plant and equipment	7	44,294,635	34,611,587	43,579,689
Coal reserves and reclamation assets	8	23,409,252	23,994,572	24,514,572
Other assets	8	-	2,568,883	-
Right of use assets		120,331	8,813	175,868
Construction in progress	7	1,726,307	3,323,325	550,644
Restricted investments through OCI		1,094,061	-	695,120
Deferred tax asset		576,151	1,420,715	576,151
		71,220,737	65,927,895	70,092,044
Current assets				
Inventory		4,378,029	2,765,041	5,150,750
Trade and other receivables	9	1,854,611	1,056,848	1,530,513
Property, plant and equipment held for sale		-	7,350,685	2,898,145
Cash and cash equivalents		1,183,719	2,765,041	471,651
		7,416,359	11,172,574	10,051,059
Total assets		78,637,096	77,100,469	80,143,103
Current liabilities				
Trade and other payables	10	8,821,645	3,060,434	6,894,131
Unearned revenue		4,520,052	753,364	2,783,969
Deferred consideration	11	1,254,206	816,000	1,254,206
Borrowings	12	3,462,778	7,730,846	3,462,778
Lease liability		55,875	9,138	110,706
Convertible loan notes	13	-	7,547,938	11,619,734
Embedded derivative	13	-	2,415,906	1,503,775
Provisions	14	510,000	440,000	510,000
		18,624,556	22,773,627	28,139,299
Non-current liabilities				
Borrowings	12	21,332,516	3,434,968	7,105,751
Convertible loan notes	13	7,133,844	3,037,819	-
Provisions	14	5,789,875	4,148,071	5,567,987
Deferred consideration	11	6,132,270	2,140,947	6,525,967
Deferred tax liability		9,187,331	10,286,392	9,737,557
Lease liability		66,534	-	66,534
Embedded derivative	13	159,446	-	-
		49,801,816	23,048,197	29,003,796
Total liabilities		68,426,372	45,821,823	57,143,930
Net assets		10,210,724	31,278,646	23,000,008
Equity attributable to owners of the parent				
Share capital		539,260	509,166	538,221
Share premium		51,040,045	45,777,353	50,989,150
Share based payments reserve		4,947,561	5,043,778	5,033,913
Translation reserve		(190,798)	(311,005)	(544,070)
Revaluation reserve		3,923,320	3,923,320	3,923,320
Merger reserve		(6,750,420)	(6,750,420)	(6,750,420)
Retained losses		(43,298,244)	(16,913,546)	(30,190,106)
Total equity		10,210,724	31,278,646	23,000,008

BENS CREEK GROUP PLC
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS AT 30 SEPTEMBER 2023

Group

		Revaluation						
	Share capital	Share premium	Share Option Reserve	Translation Reserve	Reserve	Merger Reserve	Retained losses	Total
Note	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 April 2022	485,273	38,712,008	2,647,242	(1,249,783)	3,923,320	(6,750,420)	(6,023,355)	31,744,285
Loss for the year	-	-	-	-	-	-	(24,166,751)	(24,166,751)
Other comprehensive income								
Currency translation differences	-	-	-	705,713	-	-	-	705,713
Total comprehensive income for the year	-	-	-	705,713	-	-	(24,166,751)	(23,461,038)
Proceeds from issue of shares net of issue costs	52,948	12,277,142	-	-	-	-	-	12,330,090
Share based payments	-	-	2,386,671	-	-	-	-	2,386,671
Total transactions with owners, recognised directly in equity	52,948	12,277,142	2,386,671	-	-	-	-	14,716,761
Balance as at 31 March 2023 (Audited)	538,221	50,989,150	5,033,913	(544,070)	3,923,320	(6,750,420)	(30,190,106)	23,000,008

Group

		Revaluation							
		Share capital	Share premium	Share Option Reserve	Translation Reserve	Reserve	Merger Reserve	Retained losses	Total
	Note	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 April 2023		538,221	50,989,150	5,033,913	(544,070)	3,923,320	(6,750,420)	(30,190,106)	23,000,008
Loss for the year		-	-	-	-	-	-	(13,108,138)	(13,108,138)
Other comprehensive income									
Currency translation differences		-	-	-	353,272	-	-	-	353,272
Total comprehensive income for the year		-	-	-	353,272	-	-	(13,108,138)	(12,754,866)
Proceeds from issue of shares net of issue costs		1,039	50,895	-	-	-	-	-	51,934
Share based payments		-	-	(86,352)	-	-	-	-	(86,352)
Total transactions with owners, recognised directly in equity		1,039	50,895	(86,352)	-	-	-	-	(34,418)
Balance as at 30 September 2023 (Unaudited)		539,260	51,040,045	4,947,561	(190,798)	3,923,320	(6,750,420)	(43,298,244)	10,210,724

BENS CREEK GROUP PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 SEPTEMBER 2023

	6 months ended 30 September 2023 Unaudited	6 months ended 30 September 2022 Unaudited	Year ended 31 March 2023 Audited
	US\$	US\$	US\$
Cash flows from operating activities			
Loss before taxation	(13,658,364)	(10,890,191)	(24,715,586)
Adjustments for:			
Depreciation and amortisation	3,687,457	1,702,188	4,886,904
Depletion expense	1,105,320	2,115,915	440,915
Interest expense	1,993,830	1,478,544	3,435,252
Interest income	-	(18,584)	(42,960)
Share based payment charge	16,731	2,139,225	2,397,585
Fair value gain on revaluation of embedded derivative	-	423,911	(168,691)
Foreign exchange translation	353,302	(1,993,005)	568,329
Change in revaluation of deferred consideration	-	-	4,859,839
Change in estimates	-	-	575,580
Change in working capital			
Decrease in inventory	772,721	(1,236,428)	(960,185)
(Increase) in trade and other receivables	(324,098)	(486,520)	6,226,754
Increase in trade and other payables	3,663,597	362,452	(3,622,137)
Net cash used in operations	(2,389,504)	(6,402,493)	(6,118,401)
Cash flows from Investing activities			
Purchase of property, plant and equipment	(5,594,779)	(7,524,532)	(17,024,823)
Disposal of property, plant and equipment	2,970,395	-	(172,149)
Investment in deposit account	(398,941)	-	(695,120)
Net cash used in investing activities	(3,023,325)	(7,524,532)	(17,892,092)
Cash flows from financing activities			
Proceeds from borrowings	10,240,861	12,408,050	18,419,042
Repayment of borrowings	(3,616,287)	(3,720,645)	(8,054,780)
Payment of deferred consideration	(393,697)	-	-
Proceeds from issue of shares, net of issue costs	(51,149)	7,089,238	7,049,481
Repayment of lease liabilities	(54,831)	(54,229)	(115,500)
Net cash generated from financing activities	6,124,897	15,722,414	18,926,848
Net (decrease)/increase in cash and cash equivalents	712,068	1,795,389	(5,083,645)
Cash and cash equivalents at the beginning of the year	471,651	5,555,296	5,555,296
Cash and cash equivalents at end of period	1,183,719	7,350,685	471,651

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 15 Stratton St, London, W1J 8LQ, 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 2023 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.

Going concern

The Directors have reviewed the cashflow forecast and the future requirements of the Group for the period to 31 December 2024. They have considered current and future offtake agreements, changes in the economic climate and other contracts, such as vendors in place.

Key assumptions in the cashflow were production rates, recovery rates and pricing. The forecast also assumes Norfolk Southern will provide reliable train service to ship coal produced. The Directors and executive team discussed these assumptions in detail in reviewing the cashflow forecasts are accurate. Assumptions are discussed in further detail below.

The Group is confident that it will be able to achieve its targeted increased production rates using two High Wall Miners on double shifts. Although there is a risk of not being able to achieve this due to repairs, maintenance and anomalies, the Group considers the risk of downtime is minimal. One of the biggest contributors to downtime was the risk of generators breaking down. The Group in September 2023 installed Line Power to one of the High Wall Miners, which will now result in far less downtime due to having two generators and Line Power to ensure both High Wall Miners are running. Looking forward a second Line Power will be installed to ensure both High Wall Miners are running at maximum efficiency.

There are an estimated 92m tons of reserve in situ, which was confirmed by Marshall Miller, an independent expert in the field. This indicates that there is significant coal both underground and overground in which the Group can explore and mine in the future. This gives management confidence that there are enough reserves to continue mining beyond 10 years.

The price of metallurgical coal has fluctuated in the year and post year-end, with a sharp fall in the price to a low of \$191/ metric ton, High Vol B. However, management is confident even at the current price (\$250/ metric ton, High Vol B) that the Group will be able to generate positive cash flows in the future.

The Directors also recognise the importance of the reliability of Norfolk Southern ("NS") who provide the transport service to the port.

The Group undertook a cost-cutting exercise amid the fall in coal prices. Contractor costs have decreased significantly, as underground mining has been cut from \$45/ton to \$35/ton. In addition to the reduction in costs the recoverability of underground mining has significantly improved since August 2023. It was achieving lows of 32% to currently around 45%, which significantly improves the profitability.

High wall mining costs have been cut from \$28/ton to \$25/ton with a view to achieving further decreases at full production. These and other costs that have been reduced have significantly helped the cash flow during the low of the coal prices.

Several events occurred during the period which have given further reassurance that the Group is a going concern. The most immediate of which was the issuance of two loan notes to provide extra funding for both working capital and repayment of outstanding convertible loan notes. At 30 June 2023 the convertible loan note issued in February 2022 was due for repayment (following amendment of repayment date). To ensure the Group was able to meet this repayment, some of the funds were used to repay this loan.

The Directors are also confident that the Group is able to raise funds elsewhere if required. This can be done through several methods including raising finance against property, plant and equipment currently on the balance sheet, re-negotiating with contractors and suppliers for lower rates or an equity raise with shareholder approval.

The Directors are of the opinion that the Group has adequate resources to continue in operational existence for twelve months from signing of the Interim financial statements, while recognising there is a material uncertainty. Accordingly the Interim financial statements have been prepared on a going concern basis.

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. Cost of sales

	30 September 2023 Unaudited \$	30 September 2022 Unaudited \$	31 March 2023 Audited \$
Production costs	22,384,672	12,210,281	31,036,252
Transportation costs	184,120	2,421,594	3,145,205
Coal & sale taxes	1,323,962	721,894	2,335,728
Royalty expense	1,486,656	1,126,136	3,909,702
Depreciation	3,631,920	1,649,299	4,770,614
ROU depreciation	55,537	52,889	115,318
Coal Depletion	1,105,321	2,115,915	440,915
	30,172,188	20,298,008	45,753,734

5. Administrative Expenses

	30 September 2023 Unaudited \$	30 September 2022 Unaudited \$	31 March 2023 Audited \$
Operational and remediation costs	1,094,406		1,794,153
Salaries	1,815,782	1,931,857	3,651,828
Legal, professional and brokerage	510,020	619,166	1,118,565
Travel and subsistence	179,160	182,857	353,958
Insurance	1,245,944	662,896	2,318,757
IPO and AIM related costs	-	-	66,824
Sale of scrap		-	(133,982)
Gain on disposal	(754,980)	-	-
Foreign exchange costs	98,756	(186,099)	(125,505)
Other administrative costs	425,635	1,624,670	906,918
Total administrative expenses	4,614,723	4,835,347	9,945,404

6. Earnings (loss) per share

The calculation of the total basic loss per share of 3.532 cents is based on the loss attributable to equity holders of the Company of \$13,108,138 and on the weighted average number of ordinary shares of 368,214,862 in issue during the period.

7. Property, Plant and Equipment

Group

	Vehicles	Equipment	Plant	Underground equipment	Leasehold Improvements	Construction in progress	Total
	\$	\$	\$	\$	\$	\$	\$
Cost or valuation							
As at 1 April 2023	131,897	15,543,418	25,949,883	4,674,829	2,085,699	550,644	48,936,370
Acquired during year	-	3,901,170	449,323	68,623	-	1,175,662	5,594,779
Disposal	-	(85,000)	-	-	-	-	(85,000)
As at 30 September 2023	131,897	19,359,588	26,399,206	4,743,451	2,085,699	1,726,307	54,446,149
Depreciation							
As at 1 April 2023	(30,649)	(1,432,242)	(2,400,000)	(682,426)	(260,720)	-	(4,806,037)
Depreciation during the year	(13,190)	(1,711,684)	(1,326,720)	(436,756)	(143,570)	-	(3,631,920)
Disposals	-	12,750	-	-	-	-	12,750
As at 30 September 2023	(43,839)	(3,131,176)	(3,726,720)	(1,119,182)	(404,290)	-	(8,424,861)
Net book value as at 30 September 2023	88,058	16,228,412	22,672,486	3,624,270	1,681,410	1,726,307	46,020,942
Net book value as at 1 April 2023	101,248	14,111,176	23,549,883	3,992,403	1,824,979	550,644	44,130,333

8. Coal reserves and reclamation assets

Group	Coal Reserves
	\$
Cost or valuation	
As at 1 April 2023	25,700,000
As at 30 September 2023	25,700,000
Fair value uplift at acquisition	-
Additions during the year	-
As at 30 September 2023	25,700,000
Depletion	
As at 1 April 2023	(1,185,428)
In the year	(1,105,321)
As at 30 September 2023	(2,290,749)
Net book value	
As at 1 April 2023	24,514,572
As at 30 September 2023	23,409,252

Other assets

Reclamation bond

	30 September 2022 Unaudited	30 September 2022 Unaudited	31 March 2023 Audited
	\$	\$	\$
Certificates of deposit	-	2,568,882	-

Movement in the year relates to the depletion of coal reserves from coal mined underground during the year.

The reclamation bond is based on a number of mining permits which is held with the West Virginia Department of Environmental Protection and is interest bearing.

The group has provided certificates of deposit as collateral to secure mine reclamation obligations as required by the West Virginia Department of Environmental Protection. The certificates were released during the year through a Surety. This enabled the Company to realise the cash element of the Deposits.

9. Trade and other receivables

	30 September 2023 Unaudited	30 September 2022 Unaudited	31 March 2023 Audited
Current	\$	\$	\$
Trade receivables	-	716,415	475,000
Prepayments	171,017	161,502	352,103
Other receivables	1,683,594	178,931	703,410
	1,854,611	1,056,848	1,530,513

10. Trade and other payables

	30 September 2023 Unaudited	30 September 2022 Unaudited	31 March 2023 Audited
Current	\$	\$	\$
Trade payables	4,270,556	1,545,057	1,442,491
Tax liabilities	209,158	-	447,507
Other payables	2,333,338	85,316	3,140,056
Payroll liabilities	462,054	170,969	402,725
Accruals	1,546,539	1,259,092	1,461,352
	8,821,645	3,060,434	6,894,131

11. Deferred consideration

	30 September 2023 Unaudited	30 September 2022 Unaudited	31 March 2023 Audited
	\$	\$	\$
Current liabilities			
Deferred consideration	1,254,206	816,000	1,254,206
	1,254,206	816,000	1,254,206
Non-current liabilities			
Deferred consideration	6,132,270	2,140,947	6,525,967
	6,132,270	2,140,947	6,525,967

12. Borrowings

	30 September 2023 Unaudited \$	30 September 2022 Unaudited \$	31 March 2023 Audited \$
Current liabilities			
Equipment financing	3,462,778	2,568,780	3,462,778
Other loans	-	5,162,066	-
	3,462,778	7,730,846	3,462,778
Non-current liabilities			
Equipment financing	7,871,442	3,434,968	7,105,751
Other loans	13,461,074	-	-
	21,332,516	3,434,968	7,105,751

	30 September 2023 \$
Equipment financing	
As at 1 April 2023	10,568,529
Drawdowns	3,666,691
Interest	715,258
Repayments	(3,616,258)
As at 30 September 2023	11,334,220
Current	3,462,778
Non-current	7,871,442

	30 September 2023 \$
Other loans	
As at 1 April 2023	-
Drawdowns	13,000,000
Interest	499,999
Repayments	(137,404)
As at 30 September 2023	13,461,074
Current	-
Non-current	13,461,074

On 23 June 2023 Bens Creek Operations entered into an unsecured loan note agreement with Avani Resources Pte Ltd (the Company's largest shareholder) for a total subscription of \$6,500,000 in Loan Notes. The Loan Notes have a term of 18 months and interest will roll up and be repaid as a bullet on the second anniversary of the Loan Note.

Bens Creek Operations will repay to the Lender \$2 per tonne of clean coal sold within 7 business days of production. The principal outstanding under the Loan Notes, less coal payments or other prepayments, will be repayable on the repayment date.

Simple interest shall be added to the principal amount of the outstanding Notes on each relevant repayment date. The interest shall be calculated at a rate of 15.1% per annum from and including the date of issue of each Note up to and including the date of the redemption or repurchase of the relevant Notes. The interest shall be payable in the same manner as in the case of the original principal amount of the Note and shall otherwise be treated as principal of the Note for all purposes.

In the event Bens Creek Operations redeems or fully repays any Note prior to the repayment date it shall, together with the payment of the principal amount outstanding, pay for the account of the Avani a prepayment calculated at a rate of 15% per annum from and including the date of issue of each Note up to and including the date of the redemption or repurchase of the relevant Notes.

On 7 July 2023 Bens Creek entered into a second unsecured loan note agreement with the Avani Resources Pte Ltd for a total subscription of \$6.5 million of Loan Notes. The Loan Notes have a term of 18 months and interest will roll up and be repaid as a bullet at the maturity of the Loan Note. The terms of the loan note are the same as the note issued on 23 June 2023.

Proceeds from the Loan Note issuance were used to repay one of the Convertible Loan Notes held by ACAM LP which was due at 30 June 2023. Total repayment amounted to \$5.7m.

On 7 July 2023 Bens Creek also issued c.\$7.57 million of unsecured loan notes to ACAM LP.

The Loan Notes have been issued to ACAM in replacement for the now cancelled \$6m of convertible loan notes issued to ACAM on 14 December 2021, full details of which were included in the Company's announcement of 15 December 2021. The CLNs were due for repayment on 31 December 2023.

Following negotiations with ACAM it has been agreed that they would cancel the CLNs and accept the Loan Notes by way of replacement. The Loan Notes have a term of 18 months. The Loan Notes are not convertible into new ordinary shares in the Company.

The terms of the Loan Notes are the same as the loan notes issued to Avani Resources Pte Ltd.

The Company has also issued ACAM with a total of 21,082,257 warrants to subscribe for new ordinary shares in Bens Creek exercisable at 28 pence per ordinary share. The warrants have a life of five years from the date of issue and can be exercised at any time by ACAM during the period ending 10 July 2028.

13. Convertible Loan Notes

	Debt component \$	Derivative component \$	Total \$
As at 1 April 2023	11,619,734	1,503,775	13,123,509
Repayments	(5,765,692)	-	(5,765,692)
Modification	1,344,329	(1,344,329)	-
Foreign exchange losses	(64,527)	-	(64,527)
Fair value gains	-	-	-
Interest charged	-	-	-
As at 30 September 2023	7,133,844	159,446	7,293,290

During the period, the Group repaid one of the Convertible Loan Notes in full. In doing so the Group undertook a number of new Loan Notes which were non-convertible, detailed in note 12. Additionally, the second Convertible Loan Note was cancelled, and a new Loan Note for the same balance was issued for equal value. Attached to this were 21,082,257 warrants exercisable at 28p. The warrants are deemed a derivative, as there is no additional investment required, the value of the warrants will vary based on the issuer's share price and the warrants will be settled in the future. Black Scholes was used to value the derivative.

14. Provisions

	Reclamation provision	Minimum lease payments	Total
	\$	\$	\$
As at 1 April 2023	4,147,212	1,930,775	3,191,888
Additions	-	-	-
Unwinding of discount	221,888	-	241,183
As at 30 September 2023	4,369,100	1,930,775	6,299,875
Current provisions	-	510,000	510,000
Non-current provisions	4,369,100	1,420,775	5,789,875

The Group's provision for reclamation costs has a carrying value at 30 September 2023: \$4,369,100 (31 March 2023 of \$4,147,212) and relates to the Group's reclamation obligations. The provision for reclamation costs is calculated by discounting the expected future cash outflows in respect of reclamation work based on the estimated future cost provided by independent experts (Heritage Technical Associates, Inc), being \$7,816,773. The reclamation costs are expected to be incurred in 10 years (at the end of the mine life per the management's mine plan). The cash outflows have been discounted at 15% and inflation assumed to be 8.6%. The reclamation provision is a commitment to restore the site to a safe and secure environment. The provisions are reviewed annually.

The Group's provision for minimum lease payments amount to \$1,930,775 relate to leases held with Pocahontas, MGC, Carbon Fuels and Star Ridge. In the agreements with each respectively there is a minimum monthly payment which has been calculated based on the life of the mine or if shorter the lease agreement. The lease payments have been discounted to present value and will be reviewed annually. The royalty agreements contain further clauses in which further royalties are payable when mining on the land. However, as there is no accurate method to estimate the level of production, no provision has been included.

15. Share options

During the period 1,075,000 share options were granted to employees. The options are valued at the date of the grant using the Monte Carlo Model, totalling a charge of \$16,498.

16. Related party transactions

Avani Resources Pte Ltd, who are the major shareholder by owning 29.9% of the total shareholding entered into two Loan Notes during the period. Total subscription amounted to \$13,000,000 in Loan Notes. The Loan Notes have a term of 18 months and interest will roll up and be repaid as a bullet at the end of the term of the Loan Note.

Bens Creek Operations will repay to the Lender \$2 per tonne of clean coal sold within 7 business days of production. The principal outstanding under the Loan Notes, less coal payments or other prepayments, will be repayable on the repayment date.

Simple interest shall be added to the principal amount of the outstanding Notes on each relevant repayment date. The interest shall be calculated at a rate of 15.1% per annum from and including the date of issue of each Note up to and including the date of the redemption or repurchase of the relevant Notes.

In the event Bens Creek Operations redeems or fully repays any Note prior to the repayment date it shall, together with the payment of the principal amount outstanding, pay for the account of the Avani a prepayment calculated at a rate of 15% per annum from and including the date of issue of each Note up to and including the date of the redemption or repurchase of the relevant Notes.

17. Events after the Balance Sheet Date

On 30 November 2023, Bens Creek announced that Bens Creek Operations WV LLC ("BC Operations"), a wholly owned operating subsidiary of the Company executed an agreement with Avani Resources Pte Ltd ("Avani"), the Company's largest shareholder, for the delivery of 3-unit trains comprising a total of 33,000 short tons of Bens Creek High Vol B Metallurgical coal. The delivery of the coal is expected to be made, subject to train delays, no later than the end of January 2024. This sale is in addition to existing and ongoing business. The Coal was purchased by Avani at a price which is in line with market rates at the time for the sale and purchase of High Vol B coal. The quality of the coal will be in keeping with standard production from the Bens Creek mine. This coal sale follows on from Avani entering into a non-exclusive sales and marketing agreement, details of which were announced by Bens Creek on 26 July 2023.

18. Approval of interim financial statements

The interim financial statements were approved by the Board of Directors on 22 December 2023.