Evraz Highveld Steel and Vanadium Limited
(in business rescue)
Registration number 1960/001900/06
(“The Company”)

October / November 2019
Report to the Companies and Intellectual Property Commission and to all Affected Persons
In terms of Section 132(3)(a) of the Companies Act 71 of 2008

Prepared by:

Piers Marsden - Business Rescue Practitioner (“BRP”)
1. Introduction
1.1. The business rescue proceedings of the Company have not been concluded within three months of the date of commencement thereof, and therefore this update report is being tabled in terms of section 132(3)(a) of the Companies Act 71 of 2008 (“Act”).
1.2. It is important to read this report in conjunction with the Business Rescue Plan (“Plan”) and previous update reports as well as the presentation given at the general meeting of affected persons, which was held on 15 August 2019. The presentation presented is available on the Company’s website. www.evrazhighveld.co.za

2. Update on Business Rescue Proceedings
2.1. Key conditions precedent relating to the structural mill transaction are expected to be fulfilled in Quarter 2 of 2020.
2.2. Affected Persons will be advised of further updates.

2.3. Other Strategic Assets
Offers currently under Exclusivity or subject to Due Diligence:
- Iron Plant 2
- Plate Mill

Offers currently being evaluated:
- Sale of balance of titanium containing slag.
- Sale or lease of Iron Plant 1 and Kilns.
- Various leases in the Industrial Park.

2.8 Employee Payments
Employees have been paid approximately 69% (R223 million) of the total amount owed to them. The previous payment to employees was made in November 2019.

3. Proof of Claims
3.1. The claims submission period has closed.
3.2. Please refer any questions or queries relating to your claim to evrazhighveld@matusonassociates.co.za

4. Litigation
Affected Persons will be advised of further updates.
5. **Suggested Way Forward**

In terms of the Plan, the business rescue is proceeding in accordance with Proposal 3, i.e. the wind-down of the Company.

6. **Conclusion**

It is the BRP’s view that Proposal 3 will result in a better outcome than liquidation for all affected persons.
Date: November 2019

Customer Code: BOWMCT

Concerning
(Name and Registration Number of Company)

Name: Evraz Highveld Steel and Vanadium Limited
Registration No: 1960/0001900/06

The above-named company commenced business rescue proceedings on 13 April 2015.

Because the business rescue proceedings have not concluded within three months, the appointed business rescue practitioner provides the attached report in terms of section 132 (3).

Name and Title of person signing on behalf of the Practitioner:

Piers Marsden - Joint Business Rescue Practitioner

Authorised Signature:

This form is prescribed by the Minister of Trade and Industry in terms of section 223 of the Companies Act, 2008 (Act No. 71 of 2008).