



MATUSON
ASSOCIATES

Evraz Highveld Steel and Vanadium Limited (in business rescue)

Registration number 1960/001900/06

("The Company")

August 2015

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 and Daniel Terblanche – Joint Business Rescue Practitioners ("joint BRPs")



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 as required, this report, being the second update report, is being tabled in terms of Section 132 (3) (a) of the Companies Act 71 of 2008 ("Act").
- 1.2. It is also important that this report be read in conjunction with the previous report, as only actions taken during August.

2. Business Rescue Process

- 2.1. The joint BRPs obtained the requisite majority consent for the extension of the publication of the Business Rescue Plan ("Plan").
- 2.2. The key timelines of the business rescue process are detailed below:

	EVENT	DATE
2	Evaluation of Binding Offers Received	28 August – 3 September 2015
3	Announcement of Successful Bidder	4 September 2015
4	Proposed Publication of Plan	15 September 2015
5	Meeting to Consider the Plan	28 September 2015

3. Sales Process

- 3.1. The joint BRPs have evaluated the offers received and the successful bidder was notified on Friday, 4 September 2015.
- 3.2. Preparation of the transaction documents has commenced.

4. Proof of Claims

- 4.1. Total claims received to date amount to approximately R1.2 billion. All claims are currently being reviewed by the joint BRPs and compared to the Company's ledger.
- 4.2. A mechanism for the resolution of disputed claims will be included in the Plan.



5. Liquidation vs. Business Rescue

5.1. KPMG, as independent experts, have finalised their liquidation dividend calculation.

5.2. In terms of Section 150 of the Act, the liquidation dividend calculation will be included in the business rescue plan where readers will be able to compare this to the proposed business rescue dividend.

6. Suggested Way Forward

6.1. Continue with the Sales Process.

6.2. Publish the Plan.

7. Conclusion

7.1. The joint BRPs remain of the view that there is a reasonable prospect of the Company being rescued as contemplated in Section 128 of the Act.

Companies and Intellectual Property Commission
Republic of South Africa

Form CoR 125.1

Business Rescue Status Report

About this Form

- This form is issued in terms of section 132 and 141 of the Companies Act, 2008, and Regulation 125 of the Companies Regulations, 2011.
- This Notice and the attached report must be published to every affected person, and to:
 - a) The Commission, if the business rescue proceedings were started by the company; or
 - b) The court, if the proceedings were ordered by the court.
- A report and Notice must be issued at the end of the first three months of the business rescue proceedings, and at regular monthly intervals after that.

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address

PO Box 429
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0001
Republic of South Africa
Tel: 086 100 2472

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Date: 17 September 2015

Customer Code: _____

Concerning

(Name and Registration Number of Company)

Name: Evraz Highveld Steel and Vanadium Limited

Registration No: 1960/001900/06

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:

