

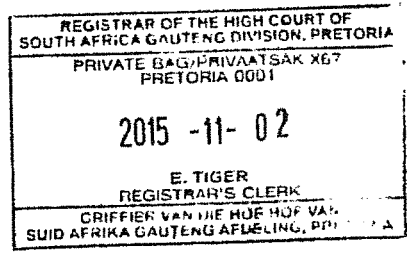
IN THE HIGH COURT OF SOUTH AFRICA
GAUTENG PROVINCIAL DIVISION, PRETORIA

CASE NO: 85549/2015

In the application between:

EAST METALS AG

MASTERCROFT S.A.R.L



First Applicant

Second Applicant

and

EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED
(IN BUSINESS RESCUE)
(Registration Number: 1960/001900/06)

First Respondent

PIERS MARSDEN N.O.

Second Respondent

DANIEL TERBLANCHE N.O.
(in their representative capacities as the joint
business rescue practitioners of Evraz Highveld
Steel and Vanadium Limited in business rescue)

Third Respondent

In re:

EAST METALS AG

First Applicant

MASTERCROFT S.A.R.L

Second Applicant

and

EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED
(IN BUSINESS RESCUE)
(Registration Number: 1960/001900/06)

First Respondent

PIERS MARSDEN N.O.

Second Respondent

DANIEL TERBLANCHE N.O. (in their representative capacities as the joint business rescue practitioners of Evraz Highveld Steel and Vanadium Limited in business rescue)	Third Respondent
COMPANIES AND INTELLECTUAL PROPERTY COMMISSION	Fourth Respondent
THE CREDITORS OF THE FIRST RESPONDENT LISTED IN ANNEXURES "A" AND "B" TO THE NOTICE OF MOTION	Fifth Respondents
THE EMPLOYEES OF THE FIRST RESPONDENT	Sixth Respondents
NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA	Seventh Respondent
SOLIDARITY UNION	Eighth Respondent
RMB SECURITIES PROPRIETARY LIMITED	Ninth Respondent
THE REMAINING SHAREHOLDERS OF THE FIRST RESPONDENT	Tenth Respondents
SOUTH AFRICAN REVENUE SERVICE	Eleventh Respondent
INTERNATIONAL RESOURCES PROJECT LIMITED	Twelfth Respondent

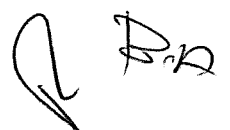
APPLICATION FOR SUBSTITUTED SERVICE

TAKE NOTICE THAT application will be made on behalf of the applicants on **TUESDAY**, the 17th day of **NOVEMBER 2015** at **10h00** or so soon thereafter as counsel may be heard for an order in the following terms:

1. Directing that this matter be heard urgently and condoning the applicants' failure to comply with the forms, periods and other provisions of the Uniform Rules.



2. Granting the applicants leave to serve the application dated and issued under this case number on 21 October 2015 ["the main application"] upon the fifth respondents (being the creditors of the first respondent) as follows:
 - 2.1. By publication by the second and third respondents of a notice in the form annexed as "X" to this application upon the first respondent's website informing the affected parties of the availability of the main application ["the notice"];
 - 2.2. By the applicants emailing a copy of the notice to the known creditors by way of email where such email service can be effected;
 - 2.3. By publication of a copy of the notice of motion (without the founding affidavit and annexures) in the Witbank News or such other local newspapers as circulating in the eMalahleni (Witbank) area.
3. Granting the applicants leave to serve the main application upon the employees of the first respondent (being the sixth respondents) as follows:
 - 3.1. By publication by the second and third respondents of a notice in the form annexed as "A" to this application upon the first respondent's website informing the affected parties of the availability of the main application;
 - 3.2. By the applicants affixing a copy of the notification together with the notice of motion (without the founding affidavit and annexures) to such notice boards to which the employees of the first respondent have access;
 - 3.3. By service of the main application per sheriff upon the seventh and eighth respondents as the trade unions' representing the employees;

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- 3.4. By publication of a copy of the notice of motion (without the founding affidavit and annexures) in the Witbank News or such other local newspapers as circulating in the eMalahleni (Witbank) area.
4. Granting leave to effect service of the main application upon the remaining shareholders of the first respondent (the tenth respondent):
 - 4.1. By publication by the second and third respondents of a notice in the form annexed as "A" to this application upon the first respondent's website informing the affected parties of the availability of the main application;
 - 4.2. By the SENS announcement published by the second and third respondents on 22 October 2015
 - 4.3. By publication of a copy of the notice of motion (without the founding affidavit and annexures) in the Witbank News or such other local newspapers as circulating in the eMalahleni (Witbank) area and in a newspaper circulating nationwide.
5. By directing that any further notices or process that may need to be served in any proceedings under this case number can be effected by way of the appropriate notification being published by the second and third respondent upon the website of the first respondent.
6. Directing the second and third respondents to render such assistance to the applicants as may be necessary to give effect to prayers 2 to 5 above and in



respect of which the applicants are to pay the second and third respondents' reasonable costs for doing so.

7. Granting the fifth, sixth and tenth respondents' fifteen days after the substituted service to oppose the main application.
8. Directing that the costs of this application be costs in the main application.
9. Granting such further and alternative relief as may be appropriate.

TAKE NOTICE FURTHER THAT the affidavit of CALLUM MICHAEL O'CONNOR annexed hereto with annexes will be used in support hereof.

TAKE NOTICE FURTHER that if you, the respondents, intend opposing this application, you are required to:

- a) notify the applicants' attorneys in writing of your intention to do so before **16h00 on MONDAY, 2 NOVEMBER 2015** and that in such notice to appoint an address referred to in Rule 6(5)(b) at which you will accept notice and service of all documents in these proceedings; and
- b) file your answering affidavit, if any, on or before **16h00 on THURSDAY, 5 NOVEMBER 2015**.

KINDLY PLACE THIS MATTER ON THE ROLL ACCORDINGLY

DATED AT PRETORIA ON THIS 30th DAY OF OCTOBER 2015

 R.B.



BAKER & MCKENZIE ATTORNEYS
Applicants' Attorneys
1 Commerce Square
39 Rivonia Road
Sandhurst, Johannesburg
(011) 911-4300
Ref: G Rudolph/CO/BM
c/o **Adams & Adams**
Lynwood Bridge
4 Daventry Street
Lynwood Manor
Pretoria
Tel: 012 432 6000
Fax: 012 432 6599
Ref: R Nienaber/A Jordaan/LT2788

TO:

THE REGISTRAR
PRETORIA

AND TO:

EDWARD NATHAN SONNENBERGS
First, Second and Third Respondents' Attorneys
150 West Street
Sandown
Sandton
Tel: (011) 269-7800
Ref: G Oertel / L Field

Received copy hereof on this the
day of OCTOBER 2015

For: First, Second and Third
Respondents Attorneys



EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED (In Business Rescue)

Registration No: 1960/001900/06

NOTICE OF COURT PROCEEDINGS INSTITUTED AGAINST *INTER ALIA* EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED (IN BUSINESS RESCUE) ("Highveld"), THE BUSINESS RESCUE PRACTITIONERS OF HIGHVELD AND AFFECTED PERSONS

1. East Metals A.G. ("East Metals") and Mastercroft S.à.R.L. ("Mastercroft") have instituted court proceedings against, amongst others, Highveld, the joint business rescue practitioners of Highveld ("the BRPs"), and several other affected persons of Highveld.
2. In terms of the abovementioned court proceedings, East Metals and Mastercroft seek to *inter alia* declare:
 - 2.1 the business rescue plan of Highveld invalid;
 - 2.2 that the vote which took place at the meeting on 13 October 2015, in terms of which the business rescue plan was adopted, is invalid and to have the vote set aside; and
 - 2.3 that the agreement on the remuneration of the BRPs as provided for in the business rescue plan as invalid and set aside.
3. Highveld and the BRPs have opposed the application.
3. A full copy of the papers in the above application is available on the website of the first respondent, www.evrazhighveld.co.za and is available upon request from Baker & McKenzie, the attorneys representing East Metals and Mastercroft.

Baker & McKenzie

(011) 911 4300

service.johannesburg@bakermckenzie.com

Handwritten signature and initials, possibly 'BA' or 'BK', with a large flourish.

Letitia Field**"AA2"**

From: O'Connor, Callum <Callum.OConnor@bakermckenzie.com>
Sent: 02 November 2015 15:19
To: Letitia Field; Paul Winer; Gary Oertel
Cc: Rudolph, Gerhard; Bell, John; Malan, Berna
Subject: RE: EMAG & Mastercraft / Evraz Highveld & Others
Attachments: Notice of Motion.PDF; Affidavit.pdf

Thanks Letitia

We confirm receipt of your clients' notice of intention to oppose.

Please see attached our clients' application for leave to serve their urgent application on affected persons by way of substituted service. Please let us know if you have any objection to accepting service of the application in terms of Rule 4A(1)(c).

You will see from the notice of motion that we propose having the application for substituted service heard on 17 November 2015. We intended to have the application enrolled with the urgent clerk on Friday but our correspondent was unable to do so as a result of a bomb scare at the Pretoria High Court. In the circumstances, we hereby extend the period within which your clients may deliver their notice of intention to oppose, if any, until tomorrow, Tuesday, 3 November 2015 (instead of today by 16h00, as currently indicated on the notice of motion).

Regards

Callum O'Connor
 Senior Associate
 Baker & McKenzie
 1 Commerce Square, 39 Rivonia Road, Sandhurst
 Johannesburg, 2196, ZA
 Tel: +27 (0) 11 911 4350
 Switchboard: +27 (0) 11 911 4300
 Fax: +27 (0) 11 783 4177
Callum.OConnor@bakermckenzie.com

We've moved

Our new address is
1 Commerce Square, 39 Rivonia Road, Sandhurst.

BAKER & MCKENZIE

Baker & McKenzie is a member of Baker & McKenzie International, a Swiss Verein.

From: Letitia Field [mailto:lfield@ensafrica.com]
Sent: 30 October 2015 05:19 PM
To: O'Connor, Callum; Paul Winer; Gary Oertel
Cc: Rudolph, Gerhard; Bell, John; Malan, Berna
Subject: RE: EMAG & Mastercraft / Evraz Highveld & Others

Dear Sirs

Please see attached our clients' notice of intention to oppose.

We will also accept service by email.

Regards

"AA3"

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

CASE NUMBER: 85549/05

In the matter between:

EAST METALS AG

First Applicant

MASTERCROFT S.A.R.L

Second Applicant

and

**EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED
(IN BUSINESS RESCUE)**

(Registration Number: 1960/001900/06)

First Respondent

PIERS MARSDEN N.O.

Second Respondent

DANIEL TERBLANCHE N.O.(in their representative capacities as the joint
business rescue practitioners of Evraz Highveld
Steel and Vanadium Limited in business rescue

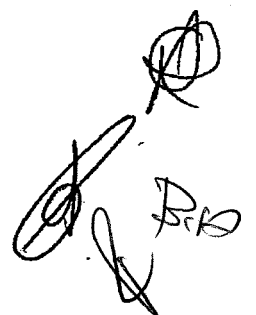
Third Respondent

**COMPANIES AND INTELLECTUAL
PROPERTY COMMISSION**

Fourth Respondent

**THE CREDITORS OF THE FIRST RESPONDENT
LISTED IN ANNEXURES "A" AND "B" TO THE
NOTICE OF MOTION IN THE MAIN APPLICATION**

Fifth Respondents

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THE EMPLOYEES OF THE FIRST RESPONDENT	Sixth Respondents
NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA	Seventh Respondent
SOLIDARITY UNION	Eight Respondent
RMB SECURITIES (PROPRIETARY) LIMITED	Ninth Respondent
THE REMAINING SHAREHOLDERS OF THE FIRST RESPONDENT	Tenth Respondents
SOUTH AFRICAN REVENUE SERVICE	Eleventh Respondent
INTERNATIONAL RESOURCES PROJECT LIMITED	Twelfth Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

JOHANNES CORNELIUS VAN LEEUWEN

do hereby make oath and state:-

1.

Handwritten signature and initials, possibly 'J.C. van Leeuwen' and 'B.K.', located in the bottom right corner of the page.

- 1.1 I am an adult male person, employed by Solidarity Trade Union in their Witbank branch as a Sector Coordinator.
- 1.2 The contents of this affidavit fall within my personal knowledge, save where specifically otherwise stated, and is to the best of my knowledge both true and correct.

2.

- 2.1 I have read the founding affidavit as deposed to by Piers Michael Marsden and confirm the contents of said affidavit, insofar as same relates and refers to Solidarity and to the extent the relevant information was available to me.
- 2.2 I further wish to make the following submissions regarding irreparable harm as well as the balance of convenience:
- 2.2.1 In terms of section 158 of the Companies Act 71 of 2008 (as amended), when determining a matter brought before it or making an order contemplated in this Act, a Court must *inter alia* promote the spirit, purpose and objects of this Act;

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2.2.2 The purpose of this act, as set out at section 7 thereof, is *inter alia* to:

(d) reaffirm the concept of the company as a means of achieving economic and social benefits;

(k) provide for the efficient rescue and recovery of financially distressed companies, in a manner that balances the rights and interests of all relevant stakeholders...

2.2.3 It is evident from the second Respondent's affidavit that there is a possibility that if the business plan does not proceed, Highveld may be liquidated. The result thereof will, most likely, be that all employees will be retrenched.


2.2.4 As opposed to the aforementioned liquidation and retrenchment process, part of the business rescue process and plan is an agreed CCMA training layoff scheme whereby possible retrenchments may be prevented or delayed.

2.2.5 It is submitted, with respect, that the current business rescue process and the agreed business rescue plan falls squarely within the purposes as envisaged by the Companies Act. It is further submitted that if the Applicants' application to interdict the implementation of the Business rescue plan succeeds, the

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Respondents (especially the employees of Highveld, and their dependents) will be severely prejudiced.

2.2.6 In conclusion it is submitted that from a socio-economic and holistic perspective the balance of convenience favours the Respondents in this application.



DEPONENT

SIGNED and **SWORN TO** before me at Nitbank on this the 03rd day of November 2015, the Deponent having acknowledged that he knows and understands the contents of this affidavit, that he has no objection to taking the prescribed oath and that the oath is binding on his conscience.



COMMISSIONER OF OATHS

ANGELIQUE MARINA LAAS - KRÜGEL HEINSEN INC.
COMMISSIONER OF OATHS
(EX OFFICIO)
PRACTICING ATTORNEY R.S.A.
Proffice Building, 23 Corridor Crescent, Emalaheni



BUSINESS RESCUE PLAN

Prepared in terms of section 150 of the Companies Act, No. 71 of 2008, as amended

in relation to

EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED

(Registration No. 1960/001900/06)

(in business rescue)

Prepared by:

DANIEL TERBLANCHE

(joint business rescue practitioner)



and

PIERS MICHAEL MARSDEN

(joint business rescue practitioner)



**MATUSON
ASSOCIATES**

PUBLICATION DATE: 15 SEPTEMBER 2015

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Annexure A: List of the material assets of the Company

Annexure B: List of the Creditors of the Company

Annexure C: Income statement, balance sheet and cash flow

1. INTERPRETATION AND PRELIMINARY

The headings of the paragraphs in this Business Rescue Plan are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Business Rescue Plan nor any paragraph hereof. Unless a contrary intention clearly appears:

1.1. words importing –

- 1.1.1. any one gender includes the other gender;
- 1.1.2. the singular includes the plural and *vice versa*; and
- 1.1.3. persons include natural persons, created entities (incorporated and unincorporated and the State) and *vice versa*,

1.2. the following terms and/or expressions shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings –

- 1.2.1. “**Adoption Date**” means the date upon which the Business Rescue Plan is approved in accordance with section 152(2), read with section 152(3)(b) and section 152(3)(c)(ii)(aa), of the Companies Act;
- 1.2.2. “**Advisors**” means the advisors to the BRPs, namely Matuson & Associates, Mazars and ENSAfrica, and their respective employees or representatives;
- 1.2.3. “**Affected Person**” or “**Affected Persons**” shall bear the meaning ascribed thereto in section 128(1)(a) of the Companies Act, being shareholders, creditors, employees of the Company and the registered trade unions representing employees of the Company;
- 1.2.4. “**BRPs**” means the joint business rescue practitioners appointed in terms of section 129(3)(b) of the Companies Act, being Marsden and Terblanche, and shall include a reference to “Receivers” as the context requires in Part B of this Business Rescue Plan;
- 1.2.5. “**Business**” means the business of the Company from time to time including, *inter alia*:
 - 1.2.5.1. the processing of magnetite iron ore;
 - 1.2.5.2. the manufacture of steel billets, blooms, slabs and high grade vanadium slag;
 - 1.2.5.3. the production of structural sections including universal columns, parallel flanged beams and channels; and

- 1.2.5.4. the production of hot rolled coil and light and heavy plates.
- 1.2.6. “**Business Day**” means any day other than a Saturday, Sunday or official public holiday in South Africa;
- 1.2.7. “**Business Rescue**” means proceedings to facilitate the rehabilitation of the Company, which is financially distressed, as more fully defined in section 128(1)(b) of the Companies Act and paragraph 6.1 herein;
- 1.2.8. “**Business Rescue Costs**” means the remuneration and expenses of the BRPs and other claims arising out of the costs of the Business Rescue;
- 1.2.9. “**Business Rescue Plan**” means this document together with all of its annexures, as amended from time to time, and prepared in accordance with section 150 of the Companies Act;
- 1.2.10. “**CIPC**” means the Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act;
- 1.2.11. “**Claims**” means any claim against the Company, the cause of action in respect of which arose:
- 1.2.11.1. prior to or on the Commencement Date; or
- 1.2.11.2. during Business Rescue;
- 1.2.12. “**Commencement Date**” means 13 April 2015, being the date upon which Business Rescue commenced in accordance with section 129(1), read with section 132(1)(a)(i), of the Companies Act;
- 1.2.13. “**Commitments**” means the competition law commitments imposed on, *inter alia*, Evraz, the Company and Mapochs Mine by the European Commission prior to the Commencement Date during 2007, under case number M.4494;
- 1.2.14. “**Company**” means Evraz Highveld Steel and Vanadium Limited, Registration No. 1960/001900/06, a public company incorporated in accordance with the laws of South Africa listed on the JSE, which shares are currently suspended from trading, at present under Business Rescue;
- 1.2.15. “**Companies Act**” means the Companies Act, No. 71 of 2008, as amended;
- 1.2.16. “**Competition Act**” means the Competition Act, No. 89 of 1998, as amended;
- 1.2.17. “**Competition Commission**” means the Competition Commission as constituted in the Competition Act;

- 1.2.18. "**Concurrent Creditors**" means all unsecured Creditors;
- 1.2.19. "**Contracts**" means those contracts entered into by the Company and third parties, either prior to or after the Commencement Date;
- 1.2.20. "**Creditors**" means all persons, including legal entities and natural persons, having Claims;
- 1.2.21. "**Creditors' Committee**" means the committee formed in terms of section 145(3) of the Companies Act;
- 1.2.22. "**Disputed Claims**" means any and all Claims which may have been lodged by Creditors and whose Claims have been rejected either in whole or in part by the BRPs or Receivers and which dispute shall be determined in favour of or against such Creditors in terms of the Dispute Mechanism contained in paragraph 38;
- 1.2.23. "**Distribution**" means distributions to be made to Creditors by the BRPs or Receivers;
- 1.2.24. "**Employees**" means employees of the Company;
- 1.2.25. "**Employees' Committee**" means the committee formed in terms of section 144(3)(c) of the Companies Act and also for the purposes of consulting with the Employees in terms of section 189(3), read together with section 189A, of the LRA;
- 1.2.26. "**ENSAfrica**" means Edward Nathan Sonnenbergs Incorporated, attorneys practising as such at 150 West Street, Sandown, Sandton;
- 1.2.27. "**Eskom**" means Eskom Holdings SOC Limited, Registration No. 2002/015527/30, a state owned public company with limited liability incorporated in terms of the laws of South Africa;
- 1.2.28. "**European Commission**" means the European Commission, Director-General, Competition in Europe;
- 1.2.29. "**Evraz**" means Evraz PLC, Company No. 7784342, a public limited company registered and incorporated in terms of the company laws of Luxembourg;
- 1.2.30. "**Financially Distressed**" shall bear the meaning ascribed thereto in section 128(1)(f) of the Companies Act;
- 1.2.31. "**Final Claims Date**" means the final date for the filing of Claims, being 16 November 2015;



- 1.2.32. "**Hochvanadium**" means Hochvanadium Holding AG, Company No. FN169875t, a company incorporated under the company laws of Austria, and a wholly owned subsidiary of the Company;
- 1.2.33. "**Hochvanadium Handels**" means Hochvanadium Handels GmbH, Company No. FN176323z, a company incorporated under the company laws of Austria, and a wholly owned subsidiary of Hochvanadium;
- 1.2.34. "**Hochvanadium Supply Agreement**" means the agreement concluded between Hochvanadium Handels and Treibacher for the supply of vanadium slag;
- 1.2.35. "**IDC**" means the Industrial Development Corporation of South Africa Limited, Registration No. 1940/014201/06, being a corporation established in terms of section 2 of the Industrial Development Corporation Act, No. 22 of 1940, as amended;
- 1.2.36. "**Information Memorandum**" means the information memorandum in respect of the Company, dated 24 June 2015, including all annexures attached thereto;
- 1.2.37. "**Insolvency Act**" means the Insolvency Act No. 24 of 1936, as amended;
- 1.2.38. "**IRL**" means International Resources Limited, Company No. 01-267873, incorporated in the Cayman Islands, being the parent company of IRPL;
- 1.2.39. "**IRPL**" means International Resources Project Limited, Company No. 1736867, incorporated in Hong Kong;
- 1.2.40. "**ITAC**" means the International Trade Administration Commission;
- 1.2.41. "**JSE**" means the securities exchange operated by JSE Limited;
- 1.2.42. "**KPMG**" means KPMG Services (Pty) Limited, Registration No. 1999/012876/07, a company incorporated in accordance with the laws of South Africa;
- 1.2.43. "**LRA**" means the Labour Relations Act, No. 66 of 1995, as amended;
- 1.2.44. "**Management**" means the new management team appointed by the Company prior to the Commencement Date to devise and implement the Turnaround Plan;
- 1.2.45. "**Mapochs Mine**" means Mapochs Mine (Pty) Limited, Registration No. 2008/009382/07, a company incorporated in accordance with the laws of South Africa, at present under Business Rescue and a subsidiary of the Company;
- 1.2.46. "**Marsden**" means Piers Michael Marsden, a business rescue practitioner as contemplated in Regulation 126 to the Companies Act;

Handwritten signature or initials in black ink, possibly reading 'P. Marsden'.

- 1.2.47. "**Mastercraft**" means Mastercraft S.a.r.l., Company No. B186304, a company incorporated under the company laws of Austria, being the majority shareholder of the Company;
- 1.2.48. "**Matuson & Associates**" means Matuson & Associates (Pty) Limited, Registration No. 2009/008967/07, a company incorporated in accordance with the laws of South Africa;
- 1.2.49. "**Mazars**" means Mazars Recovery and Restructuring (Pty) Limited, Registration No. 2011/005282/07, a company incorporated in accordance with the laws of South Africa;
- 1.2.50. "**MPRD Act**" means the Mineral and Petroleum Resources Development Act, No. 28 of 2002, as amended;
- 1.2.51. "**Notice of Meeting**" means the notice of meeting to all Affected Persons as contemplated in terms of section 151(2) of the Companies Act;
- 1.2.52. "**NUMSA**" means the National Union of Metalworkers of South Africa, a trade union representing a number of the Employees;
- 1.2.53. "**PCF**" means post-commencement finance as contemplated in section 135 of the Companies Act;
- 1.2.54. "**Potential SARS Claim**" means the potential Claim that SARS may have, as more fully dealt with in paragraph 7.5.5.2;
- 1.2.55. "**Pre-commencement Claims**" means any claim, the cause of action which arose prior to the Commencement Date;
- 1.2.56. "**Preferred Bidder**" means an interested party who was invited to submit a final binding offer in terms of the Sales Process, as more fully dealt with in paragraph 18;
- 1.2.57. "**Proposed Transaction**" means the transaction to be concluded with the Successful Bidder as more fully dealt with in paragraph 20;
- 1.2.58. "**Publication Date**" means the date on which this Business Rescue Plan is published to Affected Persons in terms of section 150(5) of the Companies Act, being 15 September 2015;
- 1.2.59. "**Rand**" or "**R**" or "**ZAR**" means the lawful currency of South Africa;



- 1.2.60. **"Receivers"** means the receivers appointed in terms of paragraph 21, being Terblanche and Marsden;
- 1.2.61. **"Receivership"** means the process more fully dealt with in paragraph 21;
- 1.2.62. **"Receivership Administration Expenses"** means the remuneration and expenses of the Receivers and other claims arising out of the costs of the Receivership;
- 1.2.63. **"Redundancy Plan"** means the proposed plan by the Company in respect of the Employees, in particular the proposed retrenchment of the relevant Employees;
- 1.2.64. **"Sales Process"** means the accelerated sales process more fully dealt with in paragraph 18;
- 1.2.65. **"SARS"** means the South African Revenue Services;
- 1.2.66. **"Sasfin"** means Sasfin Bank Limited, Registration No. 1951/002280/06, a company incorporated in accordance with the laws of South Africa;
- 1.2.67. **"Sasfin Action"** means the summons issued by the BRPs against Sasfin, under case number 23560/2015, out of the High Court of South Africa, Gauteng Local Division, Johannesburg;
- 1.2.68. **"Secured Creditors"** means those Creditors who hold security for their Claims against the Company;
- 1.2.69. **"Solidarity"** means the Solidarity Union, a trade union representing a number of the Employees;
- 1.2.70. **"South Africa"** means the Republic of South Africa;
- 1.2.71. **"Substantial Implementation Date"** means the date upon which the BRPs file with CIPC a notice that all of those events contemplated in paragraph 34 have occurred and whereupon Business Rescue will terminate;
- 1.2.72. **"Successful Bidder"** means IRPL or nominee;
- 1.2.73. **"Tax/Taxation"** means:
- 1.2.73.1. levies payable to government authorities;
- 1.2.73.2. normal taxation;
- 1.2.73.3. capital gains tax;

- 1.2.73.4. value-added tax;
- 1.2.73.5. any taxation arising from new assessments of taxation and/or the reopening of any income tax assessments of the Company for any period prior to the Commencement Date;
- 1.2.73.6. donations tax;
- 1.2.73.7. customs duty;
- 1.2.73.8. securities transfer tax;
- 1.2.73.9. all Pay-As-You-Earn taxation (PAYE) not paid over;
- 1.2.73.10. all other forms of taxation, other than deferred tax;
- 1.2.73.11. any penalties or interest on any of the foregoing;
- 1.2.74. "**Terblanche**" means Daniel Terblanche, a business rescue practitioner as defined in Regulation 126 to the Companies Act;
- 1.2.75. "**Transaction Documents**" means agreements and/or documents required to give effect to the Proposed Transaction;
- 1.2.76. "**Treibacher**" means Treibacher Industrie Aktiengesellschaft, Company No. 198543a, a company incorporated under the company laws of Austria;
- 1.2.77. "**Turnaround Plan**" means the written turnaround plan, as more fully dealt with in paragraph 5.3;
- 1.2.78. "**VAT**" means the value-added tax levied in terms of the South African Value-Added Tax Act, No. 89 of 1991 as amended;
- 1.3. any reference to any statute, regulation or other legislation in this Business Rescue Plan shall be a reference to that statute, regulation or other legislation as at the Publication Date, and as amended or substituted from time to time;
- 1.4. any reference in this Business Rescue Plan to any other agreement or document shall be construed as a reference to such other agreement or document as same may have been, or may from time to time be, amended, varied, novated or supplemented;
- 1.5. if figures are referred to in numerals and in words and if there is any conflict between the two, the words shall prevail;



- 1.6. if any provision in a definition in this Business Rescue Plan is a substantive provision conferring a right or imposing an obligation on any person or entity then, notwithstanding that it is only in a definition, effect shall be given to that provision as if it were a substantive provision in the body of this Business Rescue Plan;
- 1.7. where any term is defined in this Business Rescue Plan within a particular paragraph other than this paragraph 1, that term shall bear the meaning ascribed to it in that paragraph wherever it is used in this Business Rescue Plan;
- 1.8. where any number of days is to be calculated from a particular day, such number shall be calculated as excluding such particular day and commencing on the next day. If the last day of such number so calculated falls on a day which is not a Business Day, the last day shall be deemed to be the next succeeding day which is a Business Day;
- 1.9. any reference to days (other than a reference to Business Days), months or years shall be a reference to calendar days, months or years, as the case may be; and
- 1.10. words or terms that are capitalised and not otherwise defined in the narrative of this Business Rescue Plan (excluding capitalised words or terms used for the purpose of tables) shall bear the meaning assigned to them in the Companies Act.

2. ACTION TO BE TAKEN BY AFFECTED PERSONS

- 2.1. If any Affected Person is in doubt as to what action should be taken arising from the contents of this Business Rescue Plan, such Affected Person or Affected Persons are advised to consult an independent attorney, accountant or other professional advisor in addition to any consultation with or direction received from the BRPs.
- 2.2. Nothing contained in this Business Rescue Plan shall constitute Tax advice to any Affected Person, nor do the BRPs make any representations in respect of tax, other than expressly stated in this Business Rescue Plan.

3. STRUCTURE OF THE PLAN

For the purposes of section 150(2) of the Companies Act, this Business Rescue Plan is divided into 3 (three) parts as follows –

3.1. PART A - BACKGROUND

This part sets out the background to the Company and the factors that resulted in the Company being Financially Distressed and being placed under Business Rescue.



3.2. **PART B - PROPOSALS**

This part describes the terms of the Proposed Transaction and includes, *inter alia*, the benefits and/or effect of adopting the Business Rescue Plan as opposed to the Company being placed into liquidation.

3.3. **PART C – ASSUMPTIONS AND CONDITIONS**

This part sets out, *inter alia*, what conditions need to be fulfilled in order for the Business Rescue Plan to become effective, and to be implemented.

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PART A – BACKGROUND

4. COMPANY INFORMATION

4.1. Shareholding Structure

As at the Publication Date:

4.1.1. the issued share capital of the Company comprises 99,150,098 (ninety nine million, one hundred and fifty thousand and ninety eight) no par value ordinary shares, held as follows:

4.1.1.1. Mastercraft is an 85.11% shareholder of the Company;

4.1.1.2. RMB Securities is a 7.3% shareholder of the Company; and

4.1.1.3. other shareholders with a shareholding of less than 2% each, totalling 7.59%.

4.2. Directors

4.2.1. As at the Commencement Date, the Directors, according to CIPC, were:

Name of Director	Active or Resigned	Date of Appointment
Izak Johannes Burger (CEO)	Active	19/08/2014
Valery Borisov (CFO)	Active	01/10/2014
Andrew Phillip Maralack	Active	19/08/2014
Barend Petersen (Chairman)	Active	19/08/2014
Dmitrij Scuka	Active	11/11/2010
Pavel Sergeevich Tatyarin	Active	26/10/2010
Timur Ibragimovich Yanbukhtin	Active	01/03/2010
Mohammed Bhabha	Active	01/03/2010
Thabo Felix Mosololi	Active	21/05/2012

4.2.2. The records of the Company are in the process of being updated with CIPC, however, according to the Company records, the following are the directors of the Company as at the Publication Date:

Name of Director	Active or Resigned	Date of Appointment / Resignation
Izak Johannes Burger (CEO)	Active	19/08/2014
Valery Borisov (CFO)	Resigned	11/06/2015
Andrew Phillip Maralack	Active	19/08/2014
Barend Petersen (Chairman)	Active	19/08/2014
Dmitrij Scuka	Active	11/11/2010
Pavel Sergeevich Tatyatin	Active	26/10/2010
Timur Ibragimovich Yanbukhtin	Active	01/03/2010
Mohammed Bhabha	Active	01/03/2010
Thabo Felix Mosololi	Active	21/05/2012

4.3. Company Information

Financial Year End:	31 December
Registered Business Address:	Old Pretoria Road Portion 93 of the Farm Schoongezicht 308 JS eMalahleni (Witbank)
Postal Address:	P.O. Box 111 Witbank 1035
Business Telephone Number:	013 690 9911
Business Fax Number:	013 690 9293
Accountants / Auditors:	Ernst and Young
Sponsor	JP Morgan Equities South Africa (Pty) Ltd
Share Code	EHS ISIN ZAE000146171

5. COMPANY BACKGROUND

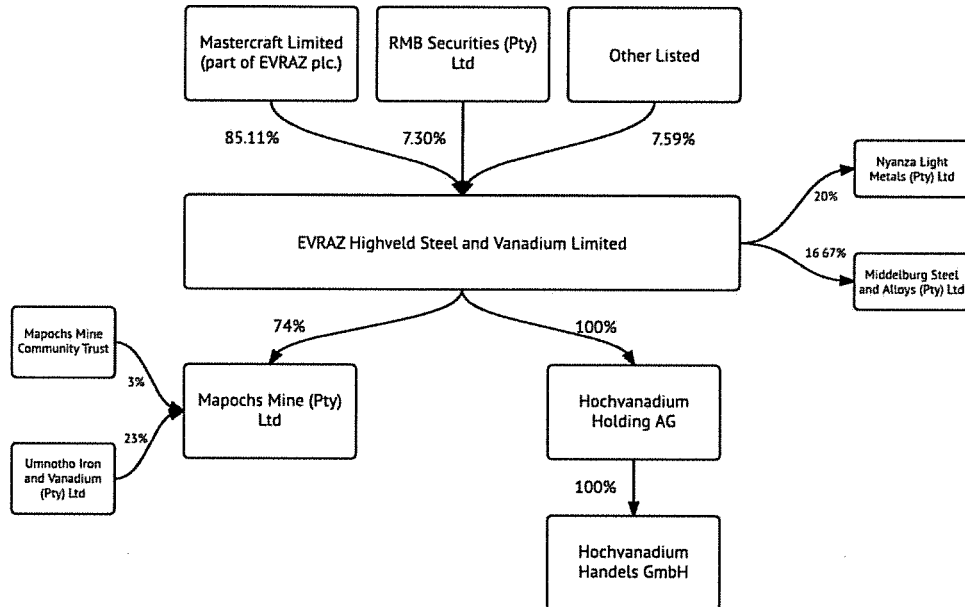
5.1. Background to the Company

- 5.1.1. The Company was registered in 1960, under the registered name of Transvaal Vanadium Company (Pty) Limited with registration number 600190006, to operate as an integrated iron and steelworks supplier.

- 5.1.2. The Company was listed on the JSE during 1969.
- 5.1.3. During August 2008, Mastercraft acquired the share capital held by Credit Suisse and Anglo American PLC in the Company and accordingly, the Company became a subsidiary of Mastercraft.
- 5.1.4. On 19 July 2010 the Company's name was changed to its current registered name and registration number.
- 5.1.5. The Company's Business consists of the supply and processing operations of steel and vanadium bearing slag. The Company operates from its premises at which there are separate plants for iron, steel and vanadium slag and rolling mills for flat and structural products.
- 5.1.6. The Company contributes approximately 10% of South Africa's steel production.
- 5.1.7. As at the Commencement Date, the Company employed 2 233 (two thousand, two hundred and thirty three) permanent employees and 490 (four hundred and ninety) contractors in the Nkangala District near the plant.
- 5.1.8. The Company wholly owns Hochvanadium, to which the Company supplies vanadium slag. Hochvanadium thereon supplies the vanadium slag, for further processing into vanadium products, to Treibacher in terms of the Hochvanadium Supply Agreement.
- 5.1.9. In the preparation of this Business Rescue Plan, and this Part A in particular, the BRPs and the Advisors have relied on factual information provided by the Management and, accordingly, shall not be held responsible for the accuracy thereof.

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5.2. Simplified Group Organogram



5.3. Background to the Company's Financial Distress

5.3.1. The main reasons for the failure of the Company are the following:

5.3.1.1. The Company has been loss making since 2010.

5.3.1.2. In particular, the poor financial performance of the Company was attributable, amongst other things, to the following factors:

5.3.1.2.1. historical operational difficulties and sustained financial losses within a capital constrained operating environment;

5.3.1.2.2. weakened global steel and vanadium markets; and

5.3.1.2.3. the reduction of domestic steel demand.

5.3.1.3. The poor performance of the Company escalated to such a point that in November 2014, the new Management intervened and devised the Turnaround Plan.

5.3.1.4. Prior to the Commencement Date, Management developed a turnaround process as contemplated in the Turnaround Plan, which involved three phases, being:

5.3.1.4.1. the first phase, scheduled for February 2015 focused on fixed costs such as overtime, maintenance and hired labour, with the intention of reducing same;

5.3.1.4.2. the second phase, scheduled from April 2015 focussed on efficiencies and was designed to address the costs associated with consumption rates, yields, productivity, etc;

5.3.1.4.3. the third phase, focused on volume expansion to dilute the fixed cost base of the Company,

5.3.1.5. Notwithstanding the successful implementation of the first phase of the Turnaround Plan, in April 2015 the Management advised that the Company did not have sufficient funding to meet its financial obligations in the short term, and accordingly the board of the Company resolved to place the Company in Business Rescue.

6. SUMMARY OF THE BUSINESS RESCUE

6.1. Introduction

Business Rescue, as defined in section 128(1)(b) of the Companies Act, refers to proceedings to facilitate the rehabilitation of a company that is financially distressed by providing for –

6.1.1. the temporary supervision of a company by one or more business rescue practitioners, and of the management of its affairs, business and property;

6.1.2. a temporary moratorium on the rights of claimants against a company or in respect of property in its possession; and

6.1.3. the development and implementation, if approved, of a plan to rescue the company in question by restructuring its affairs, business, property, debt and other liabilities, and equity in a manner that maximises the likelihood of the company in question continuing in existence on a solvent basis or, if it is not possible for the company to so continue in existence, results in a better return for the company's creditors or shareholders than would result from the immediate liquidation of the company.



- 6.2. The following summary sets out the salient dates on which certain events (excluding the Sales Process) have taken and will take place during Business Rescue –

EVENT	DATE
Board Resolution to commence Business Rescue filed at the CIPC	13 April 2015
BRPs appointed	15 April 2015
First Employees' Meeting	29 April 2015
First Creditors' Meeting	30 April 2015
First Creditors' Committee Meeting	22 May 2015
First Employees' Committee Meeting	29 May 2015
Second Creditors' Committee Meeting	16 July 2015
Third Creditors' Committee Meeting	1 September 2015
Second Employees' Committee Meeting	14 September 2015
Business Rescue Plan published	15 September 2015
Meeting to consider the Business Rescue Plan (in terms of section 151 of the Companies Act)	28 September 2015

7. STEPS TAKEN SINCE THE APPOINTMENT OF THE BRPS

7.1. ADMINISTRATIVE MATTERS

7.1.1. Appointment of BRPs

The BRPs were appointed by CIPC on 15 April 2015.

7.1.2. Management Control

In terms of section 140(1)(a) of the Companies Act, the BRPs took over full management control of the Company, but as they were entitled to do, the BRPs delegated certain functions to some of Management.

7.1.3. SENS announcements

The BRPs communicated, through its sponsor, to shareholders by way of issuing SENS announcements.

7.1.4. Reporting to CIPC

The BRPs have complied with all statutory obligations under the Companies Act and will continue to render monthly reports to CIPC as contemplated in section 132(3) of the Companies Act.

7.1.5. KPMG Appointed to Calculate Potential Liquidation Dividend

7.1.5.1. The BRPs appointed KPMG as independent experts to calculate the potential liquidation dividend that may have been realised if the Company had been placed into liquidation as at the Commencement Date, to determine a fair and reasonable estimate of the return to each secured creditor, preferent creditor and concurrent creditor if the Company was liquidated.

7.1.5.2. KPMG's mandate was to act as independent experts. As will more fully appear below, if the Company had been placed into liquidation as at the Commencement Date, concurrent creditors would have received a dividend of between 0c (zero cents) and 33c (thirty three cents) in the Rand, depending on whether SARS issues an assessment in relation to the Potential SARS Claim.

7.1.5.3. In the event of SARS issuing an assessment in relation to the Potential SARS Claim, it is likely that the dividend that is anticipated to accrue to Creditors as a result of the Business Rescue is likely to be higher than the liquidation dividend calculated by KPMG had the Company been placed in liquidation as at the Commencement Date, as set out in paragraph 27.

7.1.6. Extension for Publication of Business Rescue Plan

In terms of section 150(5) of the Companies Act, the Business Rescue Plan was required to be published within 25 (twenty five) Business Days from the appointment of the BRPs. The BRPs obtained an extension from the Creditors as contemplated in section 150(5)(b) of the Companies Act for the publication of the Business Rescue Plan to 15 September 2015.

7.1.7. Publication of Notice of Meeting and Business Rescue Plan

7.1.7.1. The Business Rescue Plan was prepared and will be published to all Affected Persons on 15 September 2015.

7.1.7.2. Publication will take place in the following manner:

7.1.7.2.1. via email or fax to all known Creditors, to the extent that the email addresses or fax numbers of known Creditors are available;

7.1.7.2.2. publication on the website of the Company; and

7.1.7.2.3. copies will be available at the registered office of the Company.

7.1.8. Cash Resources

7.1.8.1. In order to preserve the cash resources of the Company, the BRPs stopped all credit orders, and implemented a system in which orders had to be paid for prior to delivery.

7.1.8.2. Debtor collection mechanisms were implemented in order for the debtors of the Company to be collected promptly. Notably the BRPs offered payment discounts to debtors in order to expedite payment by them of outstanding debts owing to the Company.

7.1.8.3. The BRPs obtained PCF from the IDC, which is dealt with further in paragraph 7.5.10 below.

7.1.8.4. The BRPs performed an analysis of the stock on hand and identified that there was a significant amount of stock-on-hand, which could be realised to generate further cash reserves, which the Company has done.

7.2. LABOUR

7.2.1. Employees' Meetings:

7.2.1.1. A first meeting with the Employees was convened on 29 April 2015. At this meeting:

7.2.1.1.1. the business rescue process was explained, and possible outcomes were presented to the Employees;

7.2.1.1.2. assistance was also given to the Employees by providing answers to their various queries.

7.2.2. Employees' Committee:

7.2.2.1. At the first meeting of Employees of the Company, nominations were requested for the establishment of the Employees' Committee, subsequent to which the Employees' Committee was duly established.

7.2.2.2. The Employees' Committee comprises the following:

- 7.2.2.2.1. representatives from NUMSA;
 - 7.2.2.2.2. representatives from Solidarity; and
 - 7.2.2.2.3. representatives for the independent employees (being those employees unrepresented by trade unions),
- 7.2.2.3. The Employees' Committee met on 29 May 2015 and 14 September 2015.
- 7.2.3. Lay-off:
- 7.2.3.1. Following legal advice, a notice was transmitted to NUMSA and Solidarity, which notice contemplated a 'rotational-lay-off' process.
 - 7.2.3.2. NUMSA and Solidarity thereafter engaged and consulted with the Company in respect of the notice in paragraph 7.2.3.1 and whether there were any viable alternatives to the proposed course of action. The Employees were placed on 'rotational- lay-off' effective as follows:
 - 7.2.3.2.1. shift employees - 23 July 2015; and
 - 7.2.3.2.2. day shift employees – 27 July 2015.
- 7.2.4. Section 189 of the LRA Process:
- 7.2.4.1. Notwithstanding the placement of the Employees on 'rotational-lay-off', it became apparent that the Company' existing operational requirements were not met by the Company's current organisational structure.
 - 7.2.4.2. More particularly, for the Business Rescue efforts to be successful, and for liquidation to be avoided, it is necessary for the Company to reduce its costs significantly.
 - 7.2.4.3. The Company has formed the view that the best way for the Company to reduce its costs significantly in order for the Business Rescue efforts to be successful, and for liquidation to be avoided, is by the Company reducing the number of positions in its structure and implementing a curtailed operating model, being the proposed Redundancy Plan.

- 7.2.4.4. As a result, on 21 July 2015, the Company issued notices in terms of section 189(3) read together with section 189A of the LRA ("**section 189(3) notices**") to all Employees and their trade unions.
- 7.2.4.5. There appeared to be 1,089 positions out of the total 2,242 positions that would be potentially affected as a result of the Proposed Redundancy Plan.
- 7.2.4.6. The issuance of the section 189(3) notices was the first step in a statutory facilitated consultation process which commenced on 31 July 2015 under the auspices of the CCMA. The Company and the consulting parties held further consultation meetings on 13 August 2015, 19 August 2015, 10 September 2015 and 15 September 2015.
- 7.2.5. The Company will, for a minimum period of 60 (sixty) days as prescribed in terms of the LRA, consult with the consulting parties, on all the issues set out in the section 189(3) notice. This consultation process has been facilitated by commissioners from the CCMA and is set to end on or around 21 September 2015 to the extent that agreement cannot be reached sooner and/or subject to the exhaustion of consultations.

7.3. CREDITORS

7.3.1. Creditors' Meeting:

- 7.3.1.1. A first meeting of Creditors, as contemplated in section 145(1)(a) of the Companies Act, was convened on 30 April 2015 ("**the First Meeting**").
- 7.3.1.2. At the First Meeting:
- 7.3.1.2.1. the business rescue process was explained and possible outcomes were presented to the Creditors;
 - 7.3.1.2.2. assistance was also given to the Creditors by providing answers to their various queries;
 - 7.3.1.2.3. claims were submitted by Creditors; and
 - 7.3.1.2.4. a Creditors' Committee was formed.

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7.3.2. **Creditors' Committee**

- 7.3.2.1. As set out above, at the First Meeting, a Creditors' Committee was formed.
- 7.3.2.2. The Creditors' Committee comprises members who are able to provide advice to the BRPs in respect of the Company.
- 7.3.2.3. The Creditors' Committee has consulted with the BRPs on three occasions.

7.4. **LEGAL**

7.4.1. **Court Application:**

7.4.1.1. Sasfin:

- 7.4.1.1.1. On 30 June 2015, the BRPs instituted the Sasfin Action in respect of a debtor discounting agreement and certain penalties and damages claimed in terms thereof.
- 7.4.1.1.2. Sasfin has opposed the Sasfin Action and same is proceeding in the ordinary course.
- 7.4.1.1.3. To the extent necessary, by the adoption of this Business Rescue Plan, Creditors authorise the BRPs to conclude a settlement agreement or compromise in terms of the Sasfin Action.

7.4.2. **Suspension of Contracts:**

- 7.4.2.1. Section 136(2)(2) of the Companies Act authorises the BRPs during Business Rescue to entirely, partially or conditionally suspend, for the duration of the business rescue proceedings, any obligation of the Company that arises under an agreement to which that the Company was a party at the Commencement Date and would otherwise become due during the Business Rescue.

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7.4.2.2. The BRPs deemed it necessary to suspend the Company's obligations in terms of payment of Directors' fees.

7.4.3. **General:**

7.4.3.1. The BRPs were required to engage attorneys to advise on, *inter alia*, issues relating to:

7.4.3.1.1. employment;

7.4.3.1.2. competition;

7.4.3.1.3. Tax;

7.4.3.1.4. regulatory issues, including environmental compliance issues;

7.4.3.1.5. contractual disputes;

7.4.3.1.6. PCF;

7.4.3.1.7. post-commencement agreements;

7.4.3.1.8. the Sales Process;

7.4.3.1.9. Claims against the Company; and

7.4.3.1.10. various issues arising out of the Business Rescue.

7.5. **BUSINESS RESCUE INITIATIVES**

7.5.1. **Continuation with the Turnaround Plan**

Although the Turnaround Plan was initiated by Management prior to the Commencement Date, the BRPs have utilised the expertise of Management as well as the concepts developed in the Turnaround Plan during Business Rescue.

7.5.2. **Sales Process**

The Sales Process was embarked upon, the details of which are set out in paragraph 18.

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7.5.3. **Engagement with Department of Environmental Affairs and the Department of Water and Sanitation**

- 7.5.3.1. In order to determine any potential environmental liability of the Company, the BRPs appointed three independent environmental specialists, namely, Golder Associates Africa (Pty) Limited, Resonant Environmental (Pty) Limited and Airshed Planning Professionals to evaluate and assess the potential environmental liability of the Company and to propose certain management measures.
- 7.5.3.2. One of the primary purposes of these reports was to inform the likely amount which would be required to effect these measures in the short, medium and long term.
- 7.5.3.3. It is the intention of the BRPs to establish a ring-fenced fund, which is separated from operating expenses and capital expenses, to implement these measures on an ongoing basis at the Company's steelworks.
- 7.5.3.4. The establishment of this fund is considered necessary in order to mitigate the risk of potential criminal and administrative enforcement action from the Department of Environmental Affairs going forward.
- 7.5.3.5. In order to regulate the establishment of this fund and arrive at an agreement with the Department of Environmental Affairs regarding enforcement action, it is considered necessary to develop an Environmental Management Cooperation Agreement ("EMCA") between the Company and the Department of Environmental Affairs. The BRPs have engaged with the Department of Environmental Affairs and the Department of Water and Sanitation in order to discuss these reports and the need to avoid the shutdown of the operations so as to ensure that the Company would be in a financial position to contribute to the fund which, in turn, will enable the Company to implement the recommended management measures.
- 7.5.3.6. The BRPs met with the Department of Environmental Affairs and agreed in principle that a memorandum of motivation would be prepared for the Chief Director responsible for Compliance and Enforcement to brief the Minister of Environmental Affairs in order to



B.A

obtain her consent to proceed with the proposed EMCA and a Trust Deed for the creation of the ring fenced trust.

7.5.4. Engagement with Eskom

7.5.4.1. The Company is reliant on the provision of electricity for the operation of the Business.

7.5.4.2. Prior to production ceasing (as dealt with further in paragraph 8.2), and in an attempt to reduce electricity costs, the BRPs agreed with Eskom that the electric furnaces would not run during peak winter tariff times, but would only be operated in non-peak times.

7.5.4.3. The BRPs further engaged with Eskom in order to negotiate:

7.5.4.3.1. the continued supply of electricity;

7.5.4.3.2. a possible waiver and/or reduction of Eskom's winter tariffs and guarantee requirements as well as participation in the electricity buy-back program. This was not agreed to by Eskom; and

7.5.4.3.3. a waiver of certain fixed costs for so long as the Company is not in production.

7.5.5. Engagement with SARS

7.5.5.1. There is currently a dispute with SARS regarding the imputation by the Company of the net income of its controlled foreign company ("CFC"), Hochvanadium Handels, in the determination of its taxable income. The income of Hochvanadium Handels was not imputed to the Company's income for the 2007 to 2009 and 2010 to 2012 years on the basis that the Company placed reliance on the foreign business establishment ("FBE") exemption contained in section 9D of the Income Tax Act No. 58 of 1962, which exempts a CFC's income from being attributable to a taxpayer's income. SARS has challenged the exemption of Hochvanadium Handels income from inclusion in the Company's income and contends that it did not meet the requirements of the definition of an FBE, and accordingly seeks to adjust the Company's taxable income for those years of assessment;

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7.5.5.2. 2007 to 2009 years of assessment:

7.5.5.2.1. a letter of audit findings has been issued in terms of which SARS seeks to impute Hochvanadium Handels income in the amount of R1 437 187 954 (one billion, four hundred and thirty seven million, one hundred and eighty seven thousand, nine hundred and fifty four Rand) to the Company. In the letter of audit findings, SARS has indicated that the "relevant" penalties and interest will be imposed, although no details have been provided regarding such interest and penalties;

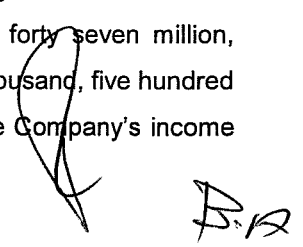
7.5.5.2.2. a response to SARS' letter of audit findings was submitted denying the conclusions reached therein and challenging the findings both on the grounds of prescription and on the merits. No response has been received from SARS to date;

7.5.5.2.3. SARS has not yet formally issued an assessment in respect of the 2007 to 2009 years of assessment. Until such time as SARS issues an assessment, SARS does not have a claim against the Company; and

7.5.5.2.4. should SARS adjust the Company's income by the amount of R1 437 183 954 as set out in the letter of audit findings, such adjustment would result in the Company's assessed loss being reduced and give rise to an actual tax liability of approximately R402 411 507 (four hundred and two million four hundred and eleven thousand five hundred and seven Rand), plus interest and penalties in respect of the 2007 to 2009 years of assessment;

7.5.5.3. 2010 to 2012 years of assessment:

7.5.5.3.1. SARS has issued revised assessments adjusting the Company's income by including an amount of R747 831 573 (seven hundred and forty seven million, eight hundred and thirty one thousand, five hundred and seventy three Rand) in the Company's income

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for the 2010 to 2012 years of assessment, and levied an understatement penalty of approximately R4 000 000 (four million Rand) in respect of the 2012 year of assessment;

7.5.5.3.2. the adjustments have the effect of decreasing the Company's assessed loss. However, the adjustments have not resulted in an actual tax liability for the Company, save for the cash outlay for the understatement penalty of R4 000 000 (four million Rand); and

7.5.5.3.3. the company has formally responded to SARS and submitted a Notice of Intention to Appeal against the revised assessments in respect of these years of assessment. No response has not been received from SARS to date.

7.5.6. **ITAC application**

7.5.6.1. In an attempt to preserve the value of the Company, an application was submitted to ITAC. ITAC is responsible for conducting tariff amendment and trade remedy investigations in accordance with Government policy and domestic law and World Trade Organisation Agreements that South Africa is a signatory to.

7.5.6.2. The application made by the BRPs to ITAC was for an increase in general customs duty rates on structural steel products from "free" to 10%.

7.5.6.3. The basis of the application is that the Company is the sole manufacturer of heavy structural steel products in South Africa and requires such a duty to protect local production.

7.5.6.4. Pursuant to the application, ITAC's verification visit to the Company took place and the BRPs anticipate ITAC to consider the application during their September Commission meeting that is to take place during the first part of September.

7.5.7. **Engagement with the Competition Commission**

Prior to Business Rescue, the Competition Commission had instituted investigations and complaints against the Company. The BRPs have continued

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with discussions with the Competition Commission regarding a settlement in respect of all investigations and complaints instituted by the Competition Commission.

7.5.8. Engagement with the European Commission

7.5.8.1. Commitments:

- 7.5.8.1.1. Evraz's acquisition of a controlling shareholding in the Company was notified to the European Commission and the South African competition authorities. Given the potential competition concerns which the European Commission determined were likely to flow from the transaction, the parties proposed the Commitments to the European Commission (which were adopted by the European Commission and the South African competition authorities) to remedy any potential concerns which would apply to both the Company and Mapochs Mine.
- 7.5.8.1.2. A number of the Commitments have already been fulfilled.
- 7.5.8.1.3. The BRPs met with the European Commission's monitoring trustee in order to explain the business rescue process and confirm that the Company was still complying with the remaining Commitments.
- 7.5.8.1.4. In light of the Sales Process and the Proposed Transaction, however, the BRPs have initiated steps to waive the Commitments in order to be able to cancel, modify or restructure (depending on the circumstances) the arrangements currently in place, to the extent required. In this regard, the European Commission has confirmed that the Commitments may be waived following the divestiture of the Company to an independent third party on the basis of a motivated request that meets all the requirements of a waiver.

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7.5.8.1.5. The aforementioned request will be made to the European Commission shortly after the Business Rescue Plan has been adopted by the Creditors.

7.5.9. Engagement with the JSE

7.5.9.1. Pursuant to the Business Rescue, the Company's listing on the JSE was suspended.

7.5.9.2. The BRPs approached the JSE to discuss the Business Rescue and the continued listing of the Company as a public company going forward.

7.5.9.3. In order to ensure that the Company remains listed, the BRPs undertook to prepare the required financial statements as soon as possible.

7.5.9.4. A request was made to the JSE, requesting an extension for the publication of the annual financial statements of the Company.

7.5.10. Post Commencement Finance

7.5.10.1. On 29 May 2015, the IDC granted a revolving credit facility to the Company in the amount of R150 000 000.00 (one hundred and fifty million Rand) as PCF ("the IDC Claim"). The IDC Claim is secured by the Company's previously unencumbered assets.

7.5.10.2. The PCF was to be utilised by the BRPs to fund the working capital required by the Company to fulfil the purchase orders placed with the Company during Business Rescue.

7.5.10.3. In the light of production ceasing, as more fully dealt with in paragraph 8.2, the terms of the PCF facility are being renegotiated with the IDC.

7.5.10.4. The IDC have indicated that they are willing to negotiate and engage with the Successful Bidder with regard to the further funding of the Company following an acquisition.

8. TRADING FOLLOWING THE COMMENCEMENT DATE

8.1. MARKET CONDITIONS

8.1.1. Vanadium prices have reduced by 28% since May 2015. This was as a result of the poor demand for the alloy driven primarily by reduced steel demand

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worldwide. This has had a significant adverse impact on achievable income from the vanadium stream.

8.1.2. Steel local markets:

8.1.2.1. The reduction of economic activity in the domestic market sectors of, *inter alia*, construction, mining, general engineering, infrastructure development and original equipment manufacturing supplies, has negatively impacted on the Business. An approximate decrease in volume of 30% - 40% quarter on quarter in these markets was experienced from 2014 to 2015.

8.1.2.2. Furthermore, the decrease in steel consumption by a projected 17% from 2014 to 2015 severely impacted on the Business. Domestic steel sales volumes were further adversely impacted by a sharp (65%) increase in low cost subsidised imports, resulting in average selling prices decreasing by around 25%.

8.1.2.3. As a result of the significant reduction in domestic steel demand the Company had to drastically increase its export sales volumes. The combined impact of reductions in domestic as well as export prices resulted in an average reduction of 26%.

8.1.3. Steel exports:

In light of a continued lower oil price and steep increases in steel imports from China, the market demand and achievable price for the Company's products in the traditional export markets have decreased drastically.

8.2. **PRODUCTION AND TRADING:**

8.2.1. In addition to the issues relating to the import and export of products, with the increased cost of electricity and pressure on steel prices as well as unsustainably low demand for structural products, including severe working capital constraints, the Management and the BRPs agreed to scale down production.

8.2.2. In this regard, although the Company has 6 (six) electric arc furnaces that operate when the Company is running at full production capacity, the number of furnaces in operation were reduced to 2 (two) furnaces and thereafter all furnaces were switched off resulting in production ceasing.

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8.2.3. The furnaces were switched off in a controlled manner to minimise the cost of start-up. By switching off the furnaces, the Company was able to conduct certain required maintenance on the furnaces.

8.2.4. Despite Company having ceased production, the Company continued to trade during Business Rescue by realising stock-on-hand.

9. MATERIAL ASSETS AND SECURITY OF THE COMPANY AS AT THE COMMENCEMENT DATE (INCLUDING ESTIMATED REALISATION VALUE ON LIQUIDATION)

A list of the categories of material assets of the Company at book value and the security given in relation thereto is attached hereto as **Annexure A**. If any Affected Person requires a detailed schedule of assets, please contact Michelle Scrusse of Matuson & Associates at mscruse@matusonassociates.co.za.

10. CREDITORS OF THE COMPANY AS AT THE COMMENCEMENT DATE

10.1. A list of the Creditors of the Company, as reflected in the Company's records, as at the Commencement Date is attached hereto as **Annexure B**.

10.2. As required in terms of the Companies Act, **Annexure B** indicates which of the aforesaid Creditors:

10.2.1. would qualify as secured, statutorily preferent or concurrent in terms of the laws of insolvency; and

10.2.2. have proved their Claims.

11. CREDITORS VOTING INTEREST AND VOTING BY PROXY

11.1. In terms of the Companies Act, for the purpose of any vote by Creditors:

11.1.1. a Creditor has a voting interest equal to the value of the amount owed to that Creditor by the Company on the date of the vote on the Business Rescue Plan; and

11.1.2. a Creditor who would have a subordinated claim in liquidation has a voting interest, as independently appraised and valued at the request of the BRPs, equal to the amount, if any, that the Creditor could reasonably expect to receive in a liquidation of the company.

11.2. A Creditor who has a Disputed Claim, contingent Claim, prospective Claim, damages or unliquidated Claim will only be allowed to vote in the sole discretion of the BRPs.

- 11.3. Voting by proxy will be allowed as long as the form of proxy attached to the Notice of the Meeting is lodged with the BRPs in terms of section 152 of the Companies Act. Creditors and Affected Persons are required to lodge their forms of proxy by no later than 10h00 on 25 September 2015.
- 11.4. All forms of proxy given on behalf of a company, a legal entity or a trust must be accompanied by a valid and authorised resolution supporting the appointment of the proxy.
- 11.5. Notwithstanding what has been stated in this paragraph, the BRPs have a discretion to accept any proxy submitted.

12. PROBABLE DIVIDEND ON LIQUIDATION

- 12.1. The BRPs engaged KPMG as an independent expert to calculate the potential dividend in a liquidation scenario as at the Commencement Date.
- 12.2. The calculation in support of a liquidation dividend as at the Commencement Date is based on an independent exercise undertaken by KPMG and the reader is encouraged to properly consider the calculation presented by KPMG and satisfy themselves as to the accuracy thereof. If any Affected Person requires a full copy of the liquidation and distribution account, please contact Michelle Scrusse of Matuson & Associates at mscruse@matusonassociates.co.za.
- 12.3. KPMG relied on an independent valuation of the assets of the Company for the purpose of calculating the liquidation dividend as at the Commencement Date, and the approximate realisation value is set out in the full liquidation calculation document prepared by KPMG.
- 12.4. The methodology used by KPMG in calculating the liquidation dividend is the methodology chosen by KPMG in their sole discretion and the BRPs are not in a position to comment on the methodology.
- 12.5. The probable dividend which Concurrent Creditors would receive if the Company was to be liquidated as at the Commencement Date is in a range of between 0 - 33 cents in the Rand.
- 12.6. Based on the dividend calculation of KPMG as at the Commencement Date, the BRPs estimate that the probable dividend which Concurrent Creditors would receive if the Company was to be liquidated as at the Publication Date would be in a range of between 0 - 20 cents in the Rand.
- 12.7. The figures in paragraphs 12.5 and 12.6 take into account the costs associated with a liquidation, as calculated in terms of Section 89 of the Insolvency Act.



12.8. The aforesaid dividend range depends on whether SARS issues an assessment in respect of the Potential SARS Claim and consequently lodges a claim against the Company. In this regard, it is anticipated that if the Company was liquidated at:

12.8.1. the Commencement Date, Concurrent Creditors would receive an approximate dividend of:

12.8.1.1. 33 (thirty three) cents in the Rand if SARS does not have a claim against the Company;

12.8.1.2. 8 (eight) cents in the Rand if SARS does have a claim against the Company, with interest but without penalties; or

12.8.1.3. 0 (zero) cents in the Rand if SARS does have a claim against the Company and includes interest and penalties.

12.8.2. the Publication Date, Concurrent Creditors would receive an approximate dividend of:

12.8.2.1. 20 (twenty) cents in the Rand if SARS does not have a claim against the Company;

12.8.2.2. 0 (zero) cents in the Rand if SARS does have a claim against the Company, with interest but without penalties; or

12.8.2.3. 0 (zero) cents in the Rand if SARS does have a claim against the Company and includes interest and penalties.

13. HOLDERS OF THE COMPANY'S ISSUED SECURITIES

Please refer to paragraph 4.1.1. If any Affected Person requires a detailed list of the holders of the Company's issued securities, please contact Michelle Scrusse of Matuson & Associates at mscruse@matusonassociates.co.za.

14. THE PRACTITIONERS' REMUNERATION

14.1. The BRPs' remuneration is at the tariff for a large sized company based on the Company's public interest score at the Commencement Date. The public interest score calculated in terms of Regulation 26(2) of the Companies Act as at the Commencement Date was 9 579.

14.2. A company is regarded as a large sized company if its public interest score is over 500. The Company's public interest score is a factor of 19.

14.3. To date, Marsden and Terblanche have charged out their time at the prescribed tariff rates set out in Regulation 128 to the Companies Act. In terms of section 143(2) of the Companies Act,

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the BRPs hereby propose an agreement providing for further remuneration, additional to the prescribed tariff, resulting in an increase in the charge out rate of the BRPs from R1 750 per hour to R3 500 per hour (excluding VAT), retrospectively, with effect from the date of their appointment. This fee is payable on the Adoption Date and is based on an approximation of the BRPs' standard hourly rates and the tariff rates. On approval of the Business Rescue Plan the Creditors and the Company agree to this increase and the payment of the difference in the prescribed tariff and agreed increased hourly rate since the date of the BRPs appointment.

15. **STATEMENT ABOUT WHETHER THE BUSINESS RESCUE PLAN INCLUDES A PROPOSAL MADE INFORMALLY BY A CREDITOR**

This Business Rescue Plan does not include any informal proposals made by a Creditor or Creditors of the Company.

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PART B – PROPOSALS

16. OBJECTIVE AND PURPOSE OF BUSINESS RESCUE

- 16.1. The purpose of the Business Rescue provisions contained in the Companies Act, as set out in section 7(k) of the Companies Act, is to provide for the efficient rescue and recovery of financially distressed companies, in a manner that balances the rights and interests of all relevant stakeholders.
- 16.2. The objective of Business Rescue, as set out in section 128(1)(b)(iii) of the Companies Act, is to develop and implement a plan that rescues the Company:
- 16.2.1. by restructuring its affairs, business, property, debt and other liabilities, and equity in a manner that maximises the likelihood of the Company continuing in existence on a solvent basis; or
 - 16.2.2. if the aforementioned is not possible, results in a better return for the Company's creditors or shareholders than would result from the immediate liquidation of the Company.
- 16.3. This Business Rescue Plan seeks to:
- 16.3.1. rescue the company by implementing one of the proposals set out herein; and
 - 16.3.2. provide Affected Persons with information so that they may:
 - 16.3.2.1. assess the likely outcome of the dividend yield calculation under Business Rescue, as set out in 27.1; and
 - 16.3.2.2. be reasonably assured of the likelihood of obtaining a better outcome under Business Rescue for all Affected Persons, when compared to a liquidation.

17. MORATORIUM

- 17.1. In terms of the Companies Act, the commencement of Business Rescue places a moratorium on legal proceedings against the Company. This means that Creditors, even though their rights may be secured, will not be able to proceed in any forum against the Company for non-payment of debts during Business Rescue.

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- 17.2. The intention of a moratorium is to give the Company the best possible chance to implement the Business Rescue Plan, whether by way of the 1st Proposal, 2nd Proposal or 3rd Proposal.
- 17.3. In the current circumstances, the moratorium in relation to the Company commenced on the Commencement Date and is expected to remain in place until the BRPs file a notice of substantial implementation with the CIPC.

18. THE SALES PROCESS

In an attempt to rescue the Company, the BRPs initiated a two phased accelerated Sales Process. The Sales Process followed can be summarised as follows:

18.1. Phase 1:

- 18.1.1. Initially 27 (twenty seven) parties expressed their interest in participating in the Sales Process. The BRPs addressed a formal letter to all interested parties on 6 June 2015 which, *inter alia*, set out the terms, timelines, requirements and process to be followed and adhered to by interested parties ("**1st Process Letter**").
- 18.1.2. The 1st Process Letter required all interested parties to sign a confidentiality agreement and to pay a non-refundable amount of R50 000.00 (fifty thousand Rand) ("**Phase 1 Requirements**") in order to participate in the Sales Process and to receive a copy of the Information Memorandum.
- 18.1.3. Seven (7) interested parties complied with the Phase 1 Requirements and were accordingly furnished with a copy of the Information Memorandum.
- 18.1.4. Subsequent to the Information Memorandum being distributed:
- 18.1.4.1. 2 (two) of the interested parties formally withdrew from the Sales Process;
- 18.1.4.2. 1 (one) interested party indicated that it would not be submitting an offer as contemplated in the Sales Process; and
- 18.1.4.3. 1 (one) interested party did not engage further.
- 18.1.5. In terms of the 1st Process Letter, the 3 (three) remaining interested parties were required to submit non-binding indicative offers ("**Non-Binding Indicative Offers**") to the BRPs by no later than 15 July 2015. The 1st Process Letter set out the criteria for and what details had to be included in the Non-Binding Indicative Offers.



- 18.1.6. The 3 (three) interested parties submitted their Non-Binding Indicative Offers timeously and the contents of those Non-Binding Indicative Offers were evaluated by the BRPs and their Advisors and disclosed to the Creditors Committee at the second Creditors' Committee meeting held on 16 July 2015.
- 18.2. Phase 2:
- 18.2.1. Pursuant to the support of the Creditors' Committee at the second Creditors' Committee meeting, all 3 (three) interested parties were invited to proceed to the second phase of the Sales Process as Preferred Bidders. In this regard a second letter was addressed to the 3 (three) Preferred Bidders on 17 July 2015 which, *inter alia*, set out the process going forward and the requirements the Preferred Bidders had to comply with in order to participate in the second phase of the Sales Process ("**2nd Process Letter**").
- 18.2.2. The 2nd Process Letter reiterated the requirement for a Preferred Bidder to furnish the BRPs with proof to the satisfaction of the BRPs that it had the financial ability to conclude and implement a transaction. In this regard Preferred Bidders were specifically advised that in order to participate in the second phase of the Sales Process, Preferred Bidders were required to either pay a refundable cash deposit of USD10 million (ten million Dollars) ("**Phase 2 Deposit**") into the bank account of an escrow agent to be agreed upon and on terms acceptable to the BRPs, or deliver to the BRPs an unconditional guarantee of USD10 million (ten million Dollars) in a form acceptable to the BRPs in their sole discretion ("**Phase 2 Deposit Requirements**"), before the Preferred Bidder would be granted access to a virtual data room in order to proceed with a due diligence of the Company.
- 18.3. Two (2) of the three (3) Preferred Bidders did not provide proof to the satisfaction of the BRPs that the Phase 2 Deposit Requirements had been complied with. In this regard:
- 18.3.1. the Successful Bidder was one of the Preferred Bidders who had not provided proof to the satisfaction of the BRPs that the Phase 2 Deposit had been placed in trust with an escrow agent acceptable to the BRPs. On request from the BRPs, however, the Successful Bidder immediately brought the Phase 2 Deposit into South Africa and deposited it with an escrow agent acceptable to the BRPs; and
- 18.3.2. another Preferred Bidder had not provided proof to the satisfaction of the BRPs that the Phase 2 Deposit Requirements had been complied with. This Preferred Bidder was accordingly also requested to bring the Phase 2 Deposit into South Africa to be held with any first tier bank – i.e. The Standard Bank of South Africa Limited, Absa Bank Limited, FirstRand Bank Limited, Nedbank Limited or Investec Bank Limited. Despite numerous requests (including, *inter alia*, three



written requests on 29 July, 3 August and 14 August 2015), this Preferred Bidder failed to bring the Phase 2 Deposit into South Africa. Despite the aforesaid, and in the interests of Creditors, the BRPs allowed this Preferred Bidder to remain in the Sales Process, however, this Preferred Bidder was not, *inter alia*, granted access to the virtual data room. Creditors are advised that this Preferred Bidder has repeatedly threatened litigation due to the aforesaid.

- 18.4. Upon compliance with the Phase 2 Deposit Requirements, the Successful Bidder and one other Preferred Bidder were, *inter alia*, granted access to a virtual data room, site visits, meetings with Management and a suite of detailed financial and legal reports, including, operation, financial, tax, legal and other relevant information in relation to the Company, in order to conduct a due diligence.
- 18.5. The formal due diligence process concluded on 21 August 2015 and the Preferred Bidders were required to submit a final binding offer on the same date ("**Final Offer**").
- 18.6. At the request of two of the Preferred Bidders, the deadline for the submission of Final Offers was extended from 21 August 2015 to 28 August 2015. All three Preferred Bidders were granted the extension for the submission of Final Offers.
- 18.7. On 26 August 2015, the BRPs were advised that the consortium representing one of the Preferred Bidders had broken-up as one of the members of the consortium had elected to withdraw from the Sales Process and had instructed its escrow agent to return the Phase 2 Deposit to such consortium member. This resulted in the remaining consortium member no longer complying with the requirement to have the Phase 2 Deposit placed in trust or escrow with a reputable institution.
- 18.8. On 28 August 2015, being the date upon which Final Offers had to be received from the Preferred Bidders, the BRPs received an urgent request from the remaining consortium member to allow it to proceed with submitting a Final Offer as a Preferred Bidder, notwithstanding that the Phase 2 Deposit amount had been withdrawn. The remaining consortium member tendered to replace the Phase 2 Deposit as soon as practicable. The BRPs advised the remaining consortium member that it could proceed as a Preferred Bidder at its own risk, reserving the rights of the Company and the BRPs.
- 18.9. On 28 August 2015, three (3) Final Offers were received by the BRPs from the three (3) Preferred Bidders.
- 18.10. Only one Preferred Bidder, the Successful Bidder, had provided acceptable proof of payment of the Phase 2 Deposit. Notwithstanding their concerns regarding the inability of two of the Preferred Bidders to secure the Phase 2 Deposit, and in the interests of Creditors, all three (3) Final Offers were evaluated by the BRPs and their Advisors and disclosed to the Creditors

Committee at the third Creditors' Committee meeting and the second Employees' Committee meeting.

- 18.11. At the third Creditors' Committee meeting, a member of the Creditors' Committee requested that in respect of the Preferred Bidder whose consortium partner withdrew from the Sales Process, the BRPs allow one (1) or two (2) days for the Phase 2 Deposit to be provided by this Preferred Bidder. This Preferred Bidder, however, was unable to furnish the Phase 2 Deposit within the aforesaid time.
- 18.12. Accordingly, the BRPs, in consultation with their Advisors and pursuant to the discussions at the third Creditors' Committee meeting, selected the Successful Bidder's proposal.
- 18.13. The three (3) Preferred Bidders who had submitted Final Offers were advised of the outcome of the Sales Process and the selection of the Successful Bidder on 3 September 2015.
- 18.14. For ease of reference a summary of the Sales Process timeline is set out below:

Procedure	Date
Distribution of an information memorandum	6 June 2015
Indicative, non-binding offer submission deadline	15 July 2015
Selection of shortlisted Preferred Bidders by the BRPs	17 July 2015
Proof of USD10 million guarantee from Preferred Bidders and opening of virtual data room	27 July 2015
Due diligence finalisation and close of virtual data room	21 August 2015
Binding offer submission deadline	28 August 2015
Evaluation of binding offers received	28 August 2015 – 3 September 2015
Notification of Successful Bidder	3 September 2015

19. THE SUCCESSFUL BIDDER

- 19.1. IRL is a Hong Kong based company with global interests in mining, forestry and real estate. IRL's major shareholders are committed to the future of South Africa from both an economic and social point of view. In this regard, a foundation founded by IRL's chairman recently donated USD3 000 000 (three million USD) for the construction of the Makgatho Lewanika Mandela Primary School in Mvezo.
- 19.2. IRL's key management:
- 19.2.1. Dr Wen Heng Mu: Dr Mu is the ex-Chairman and CEO of Cheng De Iron and Steel, one of the major Vanadium Titanium Magnetite ("VTM") steel mills in China. Dr Mu has a track record of turning around steel plants and



increasing efficiency and yield. He is the author of numerous technical and managerial papers.

- 19.2.2. Dr. John Chao: Dr Chao is the ex-manager of industry studies and research for Rio Tinto Iron and Titanium. Dr Chao has over 30 years of experience in titanium ore processing, ore beneficiation, smelting and refining. Under his technical guidance, Rio Tinto's Sorel smelter completed its modernisation program. He is also the author of numerous technical papers and has several patents in metallurgical furnaces.
- 19.2.3. Mr Ji Bin Liu: Mr Liu is the president of Maxdo Vanadium and Titano Liaoning Company Limited. Mr Liu has over 20 years' operating experience in integrated steel mills, including production, maintenance equipment design, plant construction and project management. Under his watch, plant investment was reduced from RMB1.8bn to RMB1.2bn for Tangshan Stainless Steel. He was also the recipient of the "Hebei Metallurgical Management Modernisation and Innovation Prize".
- 19.2.4. Dr Yong Yao: Dr Yao obtained his Ph.D. at the Technical University of Munich in Germany. He also has a M.Sc. from China University of Geosciences (Beijing). He has been a post-doctoral fellow and (Senior) Research Officer for the University of the Witwatersrand and Director and an Associate Professor of MSc exploration Geology at Rhodes University. He has more than 34 years in geological academic education, mineral exploration and mining industry.

19.3. IRL's turnaround plan is built on the following key pillars:

- 19.3.1. Production levels: IRL plans to commence production as soon as practicably possible after the effective date. Production levels are to increase to 910ktpa within 18 months. The production is then expected to increase to 1.5 mtpa over the next 3-4 years. With the Company operating at full capacity, the spend will bring much needed relief to local suppliers to the steel industry.
- 19.3.2. Capex: IRL will commit R4.1 billion of capital over the next 5 (five) years. This includes the refurbishment of existing equipment, the building of a vanadium slag and titanium production line, as well as a much needed 200MW co-generation plant to offset the high cost and unreliable supply of electricity.
- 19.3.3. Technology and Skills transfer: Key to IRL's plans to restore the Company to its former status, by using proprietary technology involving the fluid-bed pre-reduction of VTM ore, BOF vanadium extraction, production of advanced

industrial grade and ultra-high grade V₂O₅. The Company's technology will also facilitate the extraction of saleable titanium oxide. This substantially increases the value add of the Company and will increase profitability, investment, local spend, employment and contribution to GDP. In addition, IRL has a team of over 100 professionals and experts with international and local experience in exploration, mineral processing, ironmaking, electric furnaces, BOF operations, steelmaking, casting, milling, vanadium and titanium extraction and marketing.

19.4. Operational turnaround:

19.4.1. Costs: The management-led initiative to review all costs critically will be continued. The TAP program presented at the first creditors' meeting had yielded significant cost savings of approximately R25 million per month. This process will continue under the leadership of IRL.

19.4.2. Steel: The Company has applied to ITAC for price protection as referred to in paragraph 7.5.6. In addition, the Company is expected to submit additional applications for counter-valence and antidumping. The Company has also lobbied for designation of steel for local Government's infrastructure build programme.

19.4.3. Vanadium: The Company needs to be restored to a fully integrated supplier of high grade vanadium slag.

19.5. Corporate citizenship:

IRL believes fundamentally in the need to comply or exceed standards of health and safety, environmental compliance and workforce development.

19.6. The final ownership structure will also include an ESOP (Employee Share Ownership Scheme) and community participation with their BEE partner Siyolo Energy and African Resources and/or its nominee as part the Sales Process.

20. **THE SUCCESSFUL BIDDER'S PROPOSED TRANSACTIONS**

20.1. The Successful Bidder submitted its Final Offer on the 28th of August 2015 in accordance with the timelines determined by the BRP's in the Sales process.

20.2. Pursuant to receipt of the Successful Bidder's Final Offer, and as requested by the members of the Creditors Committee, the BRP's engaged with the Successful Bidders and negotiations ensued which resulted in the Successful Bidder revising certain salient terms of its Final Offer to the benefit of stakeholders.

20.3. In this regard, the Successful Bidder submitted an improved and revised offer on 15 September 2015, the terms of which are included in this Business Rescu Plan.

20.4. The below table sets out the salient details relating to the Successful Bidder's revised offer ("**Proposed Transaction**"):

<p>Successful Bidder</p>	<p>International Resources Project Limited (or nominee)</p> <p>Company Number: 1736867</p> <p>Incorporated in Hong Kong</p>
<p>Linked Offer</p>	<ul style="list-style-type: none"> • The Successful Bidder submitted an interlinked and indivisible offer in respect of both the Company ("Highveld Proposal") and Mapochs Mine ("Mapochs Mine Proposal"). • The Highveld Proposal amount and the Mapochs Mine Proposal amount are cumulative. • It is a requirement of the revised Final Offer that the BRPs propose the Mapochs Mine Proposal to the joint BRPs of Mapochs Mine.
<p>1st Proposal</p>	<ul style="list-style-type: none"> • In terms of the written binding revised Final Offer submitted by the Successful Bidder to the BRPs: The Successful Bidder has offered to acquire all of the issued shares in the Company through a scheme of arrangement in terms of section 114, as read with section 115, of the Companies Act ("Scheme"). The Successful Bidder has offered R20 000 000.00 (twenty million Rand) to acquire all of the shares in the Company. • It is envisaged that the BRPs will propose the Scheme to the existing shareholders of the Company after the Adoption Date. • In addition to the Scheme, the Successful Bidder has offered to advance to the Company, via loan account, an amount of R350 000 000.00 (three hundred and fifty million Rand) to Creditors in order to acquire all of the claims which Creditors have against the Company on the date upon which the Proposed Transaction is implemented ("Implementation Date"). The acquisition of Creditors' Claims shall be referred to herein as the ("Creditor Claims Acquisition").

	<ul style="list-style-type: none"> The Successful Bidder has, in addition to the above, offered to lend and advance to the Company a loan in an amount of R150 000 000.00 (one hundred and fifty million Rand) to enable the Company to repay the PCF made available by the IDC to the Company ("IDC Payment"). The Successful Bidder has offered to advance the IDC Payment to the Company (so as to enable the Company to repay the IDC Claim) by no later than the 3rd anniversary of the Implementation Date.
<p>2nd Proposal</p>	<ul style="list-style-type: none"> <i>As an alternative</i> to the above, if the shareholders of the Company and/or the Creditors of the Company do not approve the transaction structure set out above, the Successful Bidder has offered to acquire the business of the Company as a going concern for a purchase consideration of R350 000 000.00 (three hundred and fifty million Rand) ("Sale of Business Proceeds").
	<ul style="list-style-type: none"> The Successful Bidder has, in addition to the above, offered to pay an amount of R150 000 000.00 (one hundred and fifty million Rand) to enable the Company to repay the PCF made available by the IDC to the Company ("IDC Payment"). The Successful Bidder has offered to advance the IDC Payment to the Company (so as to enable the Company to repay the IDC Claim) by no later than the 3rd anniversary of the Implementation Date; The BRPs would then distribute the Sale of Business Proceeds to Creditors to discharge all of the claims of Creditors against the Company as at the Implementation Date ("Business Acquisition"), and settle the PCF advanced by the IDC with the IDC Payment; the above shall be referred to herein as the "Company Offer".
<p>Highveld Creditor / Highveld Business Acquisition</p>	<p>The R350 000 000.00 (three hundred and fifty million Rand) ("Consideration Amount") to be paid either in terms of the Creditor Claims Acquisition or the Business Acquisition will be paid to Creditors in two tranches as follows:</p> <ul style="list-style-type: none"> R 234 000 000.00 (two hundred and thirty four million rand) on the Implementation Date.

	<ul style="list-style-type: none"> • R 116 000 000.00 (one hundred and sixteen million rand) by no later than the first anniversary of the Implementation Date. • The second consideration amount of R 116 000 000.00 (one hundred and sixteen million rand) will be secured through either (i) a cash deposit in the amount of USD 10 million to be retained in an escrow account with an agreed escrow agent; or (ii) a pledge in favour of the BRP's of the Scheme Shares (if the Scheme is approved) on terms mutually agreeable to the Successful Bidder and the BRP's.
<p>Mapochs Mine Proposal</p>	<ul style="list-style-type: none"> • The sum of ZAR 5 000 000.00 (five million rand) for the issued shares in Mapochs Mine not already held by the Company; and • The sum of ZAR 30 000 000.00 (thirty million rand) to enable Mapochs Mine to acquire all the claims of creditors of Mapochs Mine (the "Mapochs Share Transaction Amount"). <p>OR</p> <ul style="list-style-type: none"> • The sum of ZAR 35 000 000.00 (Thirty five million rand) for all of the business or the assets of Mapochs Mine (the "Mapochs Sale of Business Amount").
<p>Suspensive Conditions</p>	<p>The revised Final Offer received from the Successful Bidder requires the fulfilment or waiver, as the case may be, of certain suspensive conditions of the Revised Final Offer attached hereto.</p> <p>The Successful Bidder requires all suspensive conditions to be fulfilled by 31 March 2016 and the Implementation Date to be no later than 30 June 2016.</p> <p>The BRPs are confident that the suspensive conditions will either be fulfilled or waived by agreement between the parties.</p>
<p>Effect on Employees</p>	<p>Following the implementation of the Proposed Transaction, there will be no further impact on the employment of employees.</p>

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Ongoing operations of the Company and Mapochs Mine	Following the Implementation Date it is the intention of the Successful Bidder to restart the Company's operations. In order to facilitate this, the Successful Bidder has committed to make a working capital facility in an amount of R1 000 000 000.00 (one billion Rand) available to the Company and Mapochs Mine following the implementation of the Proposed Transaction.
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21. PROPOSAL 1: THE IMPLEMENTATION OF THE SCHEME

- 21.1. The first proposal to rescue the Company is the implementation of the Scheme ("**1st Proposal**").
- 21.2. In the event that the Scheme is successful, the terms of this paragraph shall apply to the implementation of the Scheme with effect from the Implementation Date.
- 21.3. On the Implementation Date, the BRPs will file a notice of substantial implementation, thereby discharging the Company from Business Rescue.
- 21.4. With effect from the Substantial Implementation Date, the BRPs will be appointed as the Receivers in order to receive and distribute the Consideration Amount in terms of this paragraph.
- 21.5. The Consideration Amount will be allocated as follows:
- 21.5.1. firstly, payment of the Receivership Administration Expenses; and
- 21.5.2. thereafter, payment in accordance with the payment waterfall (which will exclude the IDC Claim) as more fully dealt with in paragraph 28.
- 21.6. In return for the right to participate in the Distribution, and with effect from the Implementation Date:
- 21.6.1. the total Pre-commencement Claims of each Creditor (excluding any Pre-commencement Claim of SARS, which will receive payment in terms of the Distribution in full and final settlement of any such Claim), reduced by the amounts to be paid to such Creditor in terms of the Distribution, will be deemed to have been ceded and transferred to the Successful Bidder; and
- 21.6.2. aside from their rights to claim payments in terms of the Distribution, no Creditor shall have any claim against the Company or the Successful Bidder.

- 21.7. The Receivers will have all such powers as may be necessary for them to discharge their obligations in terms of the Receivership and without in any way restricting the generality of such powers, the Receivers shall have the following powers and obligations:
- 21.7.1. to perform all acts and discharge all duties which the Receivers are required to perform and discharge in order to give effect to the implementation of terms of the Receivership;
 - 21.7.2. to open and operate banking accounts and investments as if they were trustees in terms of section 70(1) of the Insolvency Act, *mutatis mutandis*;
 - 21.7.3. to admit or reject any Claims tendered for proof as provided for in paragraph 29;
 - 21.7.4. to compromise the Claims and defend any proceedings which may be instituted against the Receivers for the enforcement of Claims disputed by the Receivers;
 - 21.7.5. to abandon to secured Creditors any property held as security at a value agreed to between the secured Creditor and the Receivers;
 - 21.7.6. to proceed in terms of the Dispute Mechanism or institute any legal proceedings in their capacities as the Receivers, as they may in their sole discretion deem appropriate, against any person as may be required to give effect to the Receivership and to defend any proceedings brought against the Receivers arising out of the Receivership where the subject matter of the dispute relates to their powers and obligations in terms of the Receivership;
 - 21.7.7. to have access to all books, records, documentation and trading figures of the Company as they may reasonably and properly require for the execution of their duties as Receivers in terms of the Receivership;
 - 21.7.8. to engage the service of attorneys, advocates, other professional advisers and service providers in connection with any matter concerning the Receivership, their functions and duties, to dispense with taxation and to agree on the amount of their reasonable fees and charges and to pay such fees and disbursements of such persons out of the monies becoming available to the Receivers in terms of the Receivership;
 - 21.7.9. to receive any and all amounts payable to them by the Successful Bidder in terms of the Proposed Transaction and the power to disburse all such amounts to any relevant person/s and Creditors contemplated in this Proposed Transaction.
- 21.8. The Receivers will be entitled to charge out their time at the rate of R3 500.00 per hour, excluding VAT.



21.9. With effect from the Implementation Date, the Successful Bidder will be entitled, in compliance with the provisions of the Companies Act to change the Company's name.

22. **PROPOSAL 2: SALE OF THE BUSINESS AS A GOING CONCERN**

22.1. The second proposal to rescue the Company is based on the alternative option provided for in the Proposed Transaction, being the sale of the Business in terms of the Business Acquisition ("**2nd Proposal**").

22.2. The Consideration Amount will be distributed by the BRPs in terms of the waterfall (excluding the IDC Claim) set out in paragraph 28.

22.3. With the exception of shareholders, the terms and conditions are essentially the same as the 1st Proposal.

22.4. The 2nd Proposal will result in a better return than upon a liquidation and will balance the interests of all stakeholders.

23. **PROPOSAL 3: WIND-DOWN OF THE COMPANY**

23.1. In the event of the Proposed Transaction failing for any reason, or no alternative proposal on similar acceptable terms being made, the BRPs propose that the Business Rescue proceeds in accordance with the third proposal to rescue the Company, being the wind-down of the Company ("**3rd Proposal**").

23.2. The 3rd Proposal would entail the sale of all of the Company's assets, by way of private treaty or public auction, as opposed to the sale of the Company as a going concern.

23.3. In this regard, the BRPs have received expressions of interest from various parties for the purchase of certain of the Company's assets.

23.4. The advantages of proceeding with the 3rd Proposal as opposed to a liquidation are, *inter alia*, as follows:

23.4.1. Employees may receive full severance packages in terms of the LRA, alternatively, Employees may have an opportunity to accept and conclude voluntary separation agreements;

23.4.2. SARS will rank as a concurrent creditor, as opposed to a preferent creditor;

23.4.3. the fees of the BRPs will be substantially less than the fees of liquidators; and

23.4.4. Creditors will receive distributions in a shorter timeframe than in a liquidation.

- 23.5. Affected Persons are referred to paragraph 30 below for more information relating to the advantages of proceeding in terms of Business Rescue as opposed to a liquidation.
- 23.6. In the circumstances, the 3rd Proposal will result in a better return than upon a liquidation and will balance the interests of all stakeholders.

24. EFFECT ON CREDITORS

24.1. Contracts

- 24.1.1. In the event that the Business Rescue proceeds in terms of the Proposed Transaction (whether in terms of the 1st Proposal or 2nd Proposal), one of the suspensive conditions precedent to the Proposed Transaction is the cancellation, modification or restructuring of certain Contracts. To the extent that Contracts are cancelled, Creditors' Claims for damages will be limited as contemplated in paragraph 24.2;
- 24.1.2. In the event that the Business Rescue proceeds in terms of the 3rd Proposal, there will be no continuation of the Business and no continuation of Contracts, save for those Contracts which may be assigned. Creditors' Claims for damages will be limited as contemplated in paragraph 24.2.

24.2. Damages

- 24.2.1. In the event that Creditors claim damages, whether contractual or delictual, against the Company, which damages Claim is accepted by the BRPs or proved by way of the Dispute Mechanism or by Court or similar proceedings, such damages Claims:
- 24.2.1.1. shall be a concurrent Claim, unless the Creditor holds security for such claim;
- 24.2.1.2. will be deemed to be limited to general damages suffered over the lesser of 6 (six) months from the date on which the alleged damages Claim arose or the balance of the Contract duration. For purposes hereof, general damages are those which, on an objective basis, would be reasonably foreseeable at the time of entering into the relevant Contract as a probable consequence of, and with a sufficiently close connection to, any breach by the Company of such Contract so as to be said to flow naturally and generally and not to be too remote;

24.2.1.3. will be deemed to exclude all consequential (including loss of profit) and indirect damages; and

24.2.1.4. if disputed, will be resolved in terms of the Dispute Mechanism, detailed in paragraph 38.

24.3. Claims and release of the Company from the payment of debts

24.3.1. In the event of the Business Rescue proceeding in terms of the:

24.3.1.1. 1st Proposal, Claims will be dealt with in accordance with paragraph 21;

24.3.1.2. 2nd Proposal:

24.3.1.2.1. Creditors shall retain their Claims against the Company for any balance that may still be due to them by the Company after receipt of the final Distribution;

24.3.1.2.2. Therefore if the Business Rescue Plan is implemented in accordance with its terms and conditions, a Creditor will not be deemed to have acceded to the discharge of the whole or part of a debt owing to that Creditor and will not lose its rights to enforce the relevant debt or part of such debt against the Company and the provisions of section 154(1) of the Act will not apply; and

24.3.1.2.3. A Creditor will also notwithstanding the fact that this Business Rescue Plan has been adopted and implemented, will be entitled to enforce any debt owed to it by the Company immediately before the beginning of Business Rescue, except for any payment that is made pursuant to this Business Rescue Plan.

24.3.1.3. 3rd Proposal:

24.3.1.3.1. After receipt of the final Distribution and substantial implementation, Creditors shall retain their Claims against the Company for any balance that may still be due to them by the Company;

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24.3.1.3.2. Therefore if the Business Rescue Plan is implemented in accordance with its terms and conditions, a Creditor will not be deemed to have acceded to the discharge of the whole or part of a debt owing to that Creditor and will not lose its rights to enforce the relevant debt or part of such debt against the Company and the provisions of section 154(1) of the Act will not apply.

24.3.1.3.3. A Creditor will also notwithstanding the fact that this Business Rescue Plan has been adopted and implemented, be entitled to enforce any debt owed to it by the Company immediately prior to Business Rescue, except for any payment that is made pursuant to this Business Rescue Plan.

24.3.2. **Section 22 of Value Added Tax Act:**

24.3.2.1. No Claims will be compromised in terms of this Business Rescue Plan.

24.3.2.2. In this regard:

24.3.2.2.1. in terms of the 1st Proposal, the Pre-commencement Claims will be deemed to be ceded to the Successful Bidder; and

24.3.2.2.2. in terms of the 2nd Proposal and the 3rd Proposal, Creditors will retain their Claims against the Company for any balance that may still be due to them by the Company.

25. **EFFECT ON EMPLOYEES**

25.1. 1st Proposal:

25.1.1. The Redundancy Plan currently in consultation will be proceeded with to finality, in terms of which the BRPs anticipate that approximately 50% of the Employees of the Company will be retrenched; and

25.1.2. The remaining Employees, after the implementation of the Redundancy Plan, will continue to be employed on no less favourable terms of employment.

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25.2. 2nd Proposal:

25.2.1. The Redundancy Plan currently in consultation will be proceeded with to finality, in terms of which the BRPs anticipate that approximately 50% of the Employees of the Company will be retrenched; and

25.2.2. The remaining Employees, after the implementation of the Redundancy Plan, will be transferred in terms of section 197 of the LRA on no less favourable terms of employment.

25.3. 3rd Proposal:

25.3.1. The Company will consult with Employees regarding the effect of the 3rd Proposal on Employees.

25.4. The Company has a contingent liability in respect of potential post-retirement medical aid benefits ("PRMA"). The BRPs intend to either settle these claims with the individual employees or alternatively provide for a payment to an actuarial determined fund for the purposes of settling the liabilities. The quantum of the fund / settlement can only be determined after the current proposed redundancy plan process has been completed.

26. **EFFECT OF THE BUSINESS RESCUE PLAN ON THE HOLDERS OF EACH CLASS OF THE COMPANY'S ISSUED SHARES**

26.1. In the event of the Business Rescue proceeding in terms of the:

26.1.1. 1st Proposal, the Scheme will result in the shares being sold and transferred to the Successful Bidder;

26.1.2. 2nd Proposal, the rights of shareholders will not be altered; and

26.1.3. 3rd Proposal, the rights of shareholders will not be altered.

27. **COMPARISON OF THE BUSINESS RESCUE TO LIQUIDATION**

27.1. The following table sets out a comparison of the outcomes that are likely to arise under the Business Rescue as compared to a liquidation (the liquidation calculation is based on the information provided in KPMG's liquidation calculation):

Class of creditor	Liquidation				Business Rescue					
	Commencement Date		Publication Date		1st Proposal: Scheme		2nd Proposal: Business Acquisition		3rd Proposal: Sale of Assets	
	Low	High	Low	High	Low	High	Low	High	Low	High

Secured	100c	100c	100c	100c	100c	100c	100c	100c	100c	100c
Business Rescue / PCF Creditors	N/A	N/A	N/A	N/A	100c	100c	100c	100c	100c	100c
Employees	R 28,000	R 28,000	R 28,000	R 28,000	100c	100c	100c	100c	100c	100c
Concurrent creditors	0c	33c	0c	20c	16c	29c	16c	29c	10c	14c

27.2. The table provides for a low and high dividend due to the Potential SARS Claim. Please refer to paragraph 7.5.5 more information in this regard.

28. ORDER OF DISTRIBUTION – PAYMENT WATERFALL IN BUSINESS RESCUE

28.1. In term of the Companies Act, Creditors are to be paid the Distributable Amount in the following order of priority (to the extent that there are funds available to pay all categories of Creditors):

28.1.1. The Business Rescue Costs, including but not limited to legal costs, the costs of the Advisors, operating costs and other costs associated with the Business Rescue;

28.1.2. Employees for their employment during Business Rescue (to the extent that they have not been paid for their services during Business Rescue);

28.1.3. Secured PCF Creditors;

28.1.4. Unsecured PCF Creditors; and

28.1.5. Concurrent Creditors.

28.2. In respect of pre-commencement Secured Creditors, their Claims will rank in respect of such secured asset in priority to all other claims, other than the BRPs' remuneration and expenses, as contemplated in section 143 of the Companies Act.

28.3. Based on the information the BRPs have to date, the probable dividend which Concurrent Creditors should receive as a result of the adoption of the Business Rescue Plan in respect of:

28.3.1. 1st and 2nd Proposal: will range between 10c (zero cents) to 29c (twenty nine cents) in the Rand.

28.3.2. 3rd Proposal: will range between 10c and 14c in the Rand,

28.4. For further information relating to this, please refer to paragraph 27.1.

29. PROOF OF CLAIMS BY CREDITORS

- 29.1. The exchange rate in respect of all Claims expressed in foreign currency will be determined as at the Commencement Date.
- 29.2. Creditors are required to lodge their Claims prior to the Final Claims Date for purposes of participating in the Distribution:
- 29.2.1. The BRPs or the Receivers, as the case may be, have a discretion as to whether to allow a Creditor to lodge any Claim after the Final Claims Date; and
- 29.2.2. Creditors that have lodged Claims after the Final Claims Date, and whose Claims have been accepted by the BRPs or the Receivers in the exercise of the BRPs' or the Receivers' aforesaid discretion, forfeit their right to participate in Distributions that have been made prior to the lodgement of their Claims.
- 29.3. Claims shall be proved to the satisfaction of the BRPs or the Receivers, as the case may be, and supported by an affidavit. If any Creditor requires the affidavit form, please contact Michelle Scruse of Matuson & Associates at mscruse@matusonassociates.co.za.
- 29.4. In the event that the BRPs or the Receivers, as the case may be, dispute a Claim or security, such disputed Claims will be dealt with in accordance with the Dispute Mechanism more fully dealt with in paragraph 38.

30. BENEFITS OF ADOPTING THE BUSINESS RESCUE PLAN COMPARED TO LIQUIDATION

The benefits to Creditors of adopting the Business Rescue Plan compared to a liquidation are as follows:

30.1. Quantum

- 30.1.1. According to the KPMG calculation, should SARS raise an assessment in relation to the Potential SARS Claim, the dividend that would be received by Creditors on a liquidation of the Company would be lower than the dividend that is anticipated to be received by Creditors as a result of Business Rescue.
- 30.1.2. By way of illustration, please refer to paragraph 27.1.

30.2. Timing

- 30.2.1. The average time it takes to conclude a liquidation process can be between 18 – 24 months, or longer depending on the complexity of the estate. Given the complexity of the Company, it is likely that a liquidation would last longer than 24 months with no ability to pay an interim dividend to concurrent Creditors.



30.2.2. If the Business Rescue proceeds in terms of:

30.2.2.1. 1st and 2nd Proposal, Creditors will receive their first distribution upon the implementation of the Proposed Transaction and their second distribution within 12 months of the first distribution; and

30.2.2.2. 3rd Proposal, the Business Rescue Plan will be implemented, and accordingly Creditors will receive their distribution, in a shorter time frame than in liquidation proceedings.

30.3. **Employees**

30.3.1. If the Business Rescue proceeds in terms of the 1st or 2nd Proposal, the BRPs will be able to save a large number of Employees' jobs and they will retain all existing benefits or be transferred on terms on the whole no less favourable than their existing terms of employment.

30.3.2. In a liquidation:

30.3.2.1. all jobs will be lost immediately unless the liquidator agrees to continue trading against an indemnity. In the current circumstances, it is highly unlikely that a liquidator would agree to continue trading or that a liquidator would be indemnified against trading losses;

30.3.2.2. Employees would be entitled to receive a maximum amount of R28 000.00 (twenty eight thousand rand) per staff member, to the extent that there are funds available; and

30.3.2.3. Employees will only receive payment once the final liquidation and distribution account has been approved at the end of the liquidation process.

30.4. **Fees**

30.4.1. The BRPs submit that the entire costs of the Business Rescue will be significantly lower than the liquidation costs.

30.4.2. The estimated fees a liquidator would be entitled to in terms of the liquidation calculation prepared by KPMG is approximately R132 million based on the realisation of the assets.

30.5. **PCF**

The BRPs are able to access PCF for the duration of the Business Rescue.



30.6. SARS

SARS ranks as a concurrent credit under Business Rescue, whereas, under liquidation, SARS would rank as a preferent creditor.

31. RISKS OF THE BUSINESS RESCUE

31.1. Notwithstanding what has been stated in this Business Rescue Plan, the Business Rescue and the amount which Creditors could receive in terms of the Business Rescue may be adversely affected by, *inter alia*, the following factors:

- 31.1.1. the fulfilment of the conditions precedent in terms of the Proposed Transaction taking longer than expected and/or the Proposed Transaction failing for any reason;
- 31.1.2. unforeseen litigation of any nature whatsoever, howsoever arising, from any cause of action whatsoever;
- 31.1.3. unforeseen damages claims arising from the cancellation of any contracts or agreements of any nature whatsoever, howsoever arising;
- 31.1.4. SARS issuing an assessment in relation to the Potential SARS Claim;
- 31.1.5. any changes in legislation that impact Business Rescue;
- 31.1.6. any challenges to this Business Rescue Plan, the rejection thereof or any amendments thereto;
- 31.1.7. any regulatory challenges of any nature whatsoever, howsoever arising;
- 31.1.8. any unforeseen circumstances, outside of the control of the BRPs of any nature whatsoever howsoever arising that impacts on Business Rescue;
- 31.1.9. material discrepancies in the information made available to the BRPs by the Directors and senior management;
- 31.1.10. market conditions worsen; and
- 31.1.11. the settlement of the PRMA.

31.2. It should be noted that, in the unlikely event of an immediate liquidation of the Company, the risks set out in this paragraph 31 would still apply.

32. ASSUMPTIONS MADE WITH REGARD TO FORECAST OF THE BUSINESS RESCUE DIVIDEND

32.1. **1st Proposal and 2nd Proposal:**



32.1.1. Trading Assumptions:

32.1.1.1. Revenue:

- 32.1.1.1.1. Forecast based on Curtailed Operating Mode (COM), which is the minimum operating mode to ensure a sustainable business, until March 2016 when production is forecasted to start.
- 32.1.1.1.2. 10 % increase in Steel prices due to expected ITAC tariff increase from March 2016 onwards.
- 32.1.1.1.3. Steel price adjustments per annum from January 2016 onwards in line with CPI inflation forecasts.
- 32.1.1.1.4. Vanadium price of \$16/kg FEV for 2015 and then according to expert view onwards.
- 32.1.1.1.5. Structural steel product prices at the level of R8,600 / tonne in September 2015.

32.1.1.2. Other income: Sale of scrap metal.

32.1.1.3. Payroll: Salary cost reduction to R 42.5 million per month from November 2015 onwards due to section 189.

32.1.1.4. Other Assumptions:

- 32.1.1.4.1. 12.5 % increase in electricity per annum.
- 32.1.1.4.2. Cost adjustments per annum from January 2016 onwards in line with CPI inflation forecasts (Excluding Eskom and Labour).
- 32.1.1.4.3. Capital spend of R 10 m per month from March 2016 comprising of R 5 m for stay in business capital and R 5 m for environmental capital.
- 32.1.1.4.4. R/\$ exchange rate as quoted by leading financial institutions from 2016 onwards.
- 32.1.1.4.5. Production in March 2016 with funding of R 650 m (R70 m in Jan 2016, R 60 m in Feb 2016, R 520 000 m in March 2016)

- 32.1.1.4.6. No interest accrued on the Mapochs Mine loan from August 2015.
- 32.1.1.4.7. No impact from preferential buying of steel, anti-dumping and safeguards included in forecast.
- 32.1.1.4.8. All tax assumptions are based on current tax position of company.
- 32.1.1.4.9. Contract with Treibacher will be cancelled and Hochvanadium will be liquidated.
- 32.1.1.4.10. Preconditions for COM start-up is successful restructuring, adequate market demand, improved sales prices and sufficient funding.
- 32.1.1.4.11. The IDC loan is not paid back in the next three years.
- 32.1.1.4.12. The deal will be completed by end December 2015. January to February 2016 will be used to line the plant up for start-up.

32.1.2. Realisation Assumptions:

- 32.1.2.1. Post commencement finance: Utilisation of the IDC loan facility and sale of existing stock on hand and scrap.

32.1.3. Distribution Assumptions:

- 32.1.3.1. In terms of the distribution waterfall referred to in paragraph 28.

32.2. **3RD Proposal:**

32.2.1. Trading Assumptions:

32.2.1.1. Revenue:

- 32.2.1.1.1. Sale of the assets in terms of a private treat or public auction;
- 32.2.1.1.2. Sale of the existing inventory at market related prices;
- 32.2.1.1.3. Collection of trade receivables in ordinary course of business.

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- 32.2.1.2. Other income: Sale of scrap in the ordinary course.
 - 32.2.1.3. Payroll: section 189 notice to be issued on failure of the transaction for a min consultation period of 60 days thereafter severance packages would be paid in terms of the LRA.
 - 32.2.1.4. Admin costs: Based on reviewed costs to implement the sale of the assets and provide transitional support services, limited to four months to purchasers.
- 32.2.2. Realisation Assumptions:
- 32.2.2.1. Post commencement finance: Utilisation of the IDC loan facility and sale of existing stock on hand and scrap.
- 32.2.3. Distribution Assumptions:
- 32.2.3.1. In terms of the distribution waterfall referred to in paragraph 28.

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PART C – ASSUMPTIONS AND CONDITIONS

33. CIRCUMSTANCES IN WHICH THE BUSINESS RESCUE WILL END AND THE TERMINATION OF BUSINESS RESCUE

33.1. The Business Rescue will end –

33.1.1. if the Business Rescue Plan is proposed and rejected and no Affected Person or Affected Persons act to extend the Business Rescue Plan in any manner contemplated by the Companies Act; or

33.1.2. this Business Rescue Plan is adopted and implemented (with the suspensive conditions fulfilled) and the BRPs have filed a notice of substantial implementation of the Business Rescue Plan with the CIPC; or

33.1.3. a High Court orders the conversion of the Business Rescue into liquidation proceedings.

34. CONDITIONS FOR THE BUSINESS RESCUE PLAN TO BE FULLY IMPLEMENTED

34.1. Substantial implementation will be deemed to have occurred upon all of the following have taken place in the event of the Business Rescue proceeding in terms of the:

34.1.1. 1st Proposal: the Implementation Date of the Proposed Transaction;

34.1.2. 2nd Proposal: after the final Distribution has been made to Creditors; and

34.1.3. 3rd Proposal: all of the Company's assets are realised and the final Distribution has been made to Creditors.

35. EFFECT OF THE BUSINESS RESCUE PLAN ON EMPLOYEES

Please refer to paragraph 25 in this regard.

36. PROJECTED BALANCE SHEET AND PROJECTED STATEMENT OF INCOME AND EXPENSES PREPARED ON THE ASSUMPTION THAT THE BUSINESS RESCUE PLAN IS ADOPTED

The projected balance sheet, income statement and cash flows, in respect of the 1st and 2nd Proposals, are attached as **Annexure C**.

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37. EXISTING LITIGATION

All parties who have instituted legal proceedings, including any enforcement action, in respect of any Claims against the Company in any forum will be subject to the provisions of paragraph 29, dealing with the proof of Claims.

38. DISPUTE RESOLUTION

38.1. Reference in this paragraph to BRPs will include reference to Receivers.

38.2. Subject to paragraph 38.4, save as provided for in section 133 of the Companies Act, in respect of all or any disputes by the BRPs on Claims submitted by Creditor(s), PCF Creditors and Employees, which disputes include, but are not limited to, disputes on the existence or otherwise of Claim(s), on quantum of Claim(s), security claimed by a Creditor, the nature of the security, the extent and value of the security and the like ("**the dispute**") such dispute may be resolved in accordance with the dispute mechanism outlined below ("**the Dispute Mechanism**").

38.3. The dispute mechanism procedure will be as follows:

38.3.1. All creditors who have received notification from the BRPs of a dispute are within 15 days after the Final Claims Date, to contact the BRPs and to meet with the BRPs during this period in an attempt to reach agreement on the dispute.

38.3.2. If the Creditor does not avail itself of this 15 day opportunity or if after having availed itself and the dispute is not resolved within the 15 day period, the Creditor will be afforded 7 days (reckoned from the date of expiry of the 15 days) to nominate one of the retired judges from the list below as an expert (not as an arbitrator or mediator) to preside over and to resolve the dispute. Should the Creditor not make this nomination the BRPs will do so on his/her/its behalf and this nomination will be binding on the Creditor(s). The list of these retired judges are:

38.3.2.1. E. Goldstein;

38.3.2.2. J. Kriegler;

38.3.2.3. P. Bliedon;

38.3.2.4. J. Heher;

38.3.2.5. P. Streicher; and

38.3.2.6. M. Joffe.

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- 38.3.3. The retired judge when nominated and who agrees to accept such appointment (hereinafter referred to as the "**expert**") will endeavour to complete his mandate within 30 days of his appointment or within such further time period as the expert in his sole discretion may determine. To the extent that any expert as nominated by the Creditor or Employee/s refuses to act or is not available to act, the Creditor, or if he refuses or does not do so within three days of being requested by the BRPs to do so, the BRPs on his/her/its behalf is then obliged to choose another retired judge(s) from the above list until one such judge is available to act and is agreeable to act.
- 38.3.4. The expert will in his sole and absolute discretion determine:
- 38.3.4.1. the venue at which the dispute is to be resolved;
 - 38.3.4.2. the rules, regulations and procedures that will govern the determination of the dispute;
 - 38.3.4.3. the date(s) for the determination of the dispute;
 - 38.3.4.4. will give his award / determination within 5 days of the completion of the process as determined by him;
 - 38.3.4.5. will as part of his award / determination determine who is liable for the costs of the determination such costs to include his costs, legal costs, venue costs, recording equipment (if applicable), transcript of evidence (if applicable) and the like.
- 38.3.5. The Creditor/s agrees that, save for any manifest error the determination of the expert will be final and binding on the Creditor/s, the Company and the BRPs and will not be subject to any subsequent review or appeal application / procedure / process.
- 38.3.6. The expert shall be entitled to make an award for costs in his discretion.
- 38.3.7. The Creditor, the Employee/s, the Company and the BRPs agree to use their utmost endeavours to ensure that the entire dispute is determined by the expert within the 30 day period as set out above.
- 38.3.8. To the extent necessary, should the BRPs be of the view that certain disputes, including the Sasfin Action, may be settled or compromise, the BRPs shall be authorised to settle and compromise such a dispute.
- 38.4. The BRPs may in their sole and absolute discretion decide that the dispute mechanism is not appropriate for resolving the dispute and/or that the application of the dispute mechanism may

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result in prejudice to other Creditors or employees or the Company. In such event, the Creditor or Employee concerned shall be entitled in terms of 133 of the Companies Act to refer the dispute to Court and if an expert has already been nominated, such nomination shall lapse and be of no further force or effect.

39. ABILITY TO AMEND THE BUSINESS RESCUE PLAN

39.1. Provided that any amendment will not be prejudicial to any of the Affected Persons, the BRPs shall have the ability, in their sole and absolute discretion, to amend, modify or vary any provision of this Business Rescue Plan, provided that at all times the BRPs act reasonably. The amendment will be deemed to take effect on the date of written notice of the amendment to all Affected Persons.

39.2. It is specifically recorded that the provisions of paragraph 39.1 shall *mutatis mutandis* apply to the extension or reduction of any timeframes by the BRPs.

40. SEVERABILITY

Any provision in this Business Rescue Plan which is or may become illegal, invalid or unenforceable shall be ineffective to the extent of such prohibition or unenforceability and shall be treated *pro non scripto* and severed from the balance of this Business Rescue Plan, without invalidating the remaining provisions of this Business Rescue Plan or affecting the validity or enforceability of such provision in any other jurisdiction.

41. CONCLUSION

For the reasons set out above, the BRPs are of the view that if the Business Rescue proceeds, whether in terms of the 1st, 2nd or 3rd Proposal, same will result in an efficient rescue and recovery of the Company, in a manner that balances the rights and interests of all relevant stakeholders.

42. BRPS' CERTIFICATE

42.1. We, the undersigned, Piers Marsden and Daniel Terblanche, hereby certify to the best of our knowledge and belief that –

42.1.1. any actual information provided herein appears to be accurate, complete and up to date;

42.1.2. the BRPs have relied on financial information including opinions and reports furnished to them by Management;

42.1.3. any projections provided are estimates made in good faith on the basis of factual information and assumptions as set out herein;



- 42.1.4. in preparing the Business Rescue Plan, the BRPs have not undertaken an audit of the information provided to them by Management and by the Company's auditors, although where practical, the BRPs have endeavoured to satisfy themselves of the accuracy of such information.



Piers Marsden, in his capacity as the appointed joint
business rescue practitioner (in terms of the Companies Act)

Date: 15 September 2015



Daniel Terblanche, in his capacity as the appointed joint
business rescue practitioner (in terms of the Companies Act)

Date: 15 September 2015




Annexure A:

Fixed Assets *			
Category	COST	ACC DEP	NBV
Other Assets	98 308 800	(77 346 880)	20 961 920
Assets under Construction	118 768 387	-	118 768 387
Capitalisation of decommissioning cost Mapochs	7 640 124	-	7 640 124
Land	1 096 466	-	1 096 466
Buildings and Construction	75 823 342	(39 218 112)	36 605 230
Machinery and Equipment	3 155 622 224	(2 143 409 687)	1 012 212 537
Rolls	222 484 668	(102 495 453)	119 989 215
Transport and Motor Vehicles	149 563 652	(145 997 660)	3 565 992
IT Equipment	6 071 731	(3 126 961)	2 944 770
Reline Assets	997 038	-	997 038
Total	3 836 376 431	(2 511 594 753)	1 324 781 679

Inventories

Raw Materials	103 545 501
Auxiliary Materials	187 045 595
WIP	127 894 702
Finished Goods	25 538 488
Total	444 0242 86

* Please note some creditors have submitted claims for liens over assets of R 119 544 203.57. Management is unable to provide an estimated book value for the assets in possession of third parties.

Annexure B:

Creditor	Secured / Concurrent	Amount per Evraz System	Amount per claim received	Variance
A & G ENGINEERING CC	Concurrent	7 410 924.09	9 341 187.05	1 930 262.96
A & R INVESTMENTS (PTY) LTD	Concurrent	103 851.72		-103 851.72
A HEYNS T/A ENVIROMENTAL PEST EXTER	Concurrent	24 766.50	24 766.50	-
ABB SOUTH AFRICA (PTY) LTD	Concurrent	-1 173 658.98	4 531 326.23	5 704 985.21
Abbot Machine Moving & Rigging	Concurrent	99 750.00	99 750.00	-
ACADEMY BRUSHWARE (PTY) LTD	Concurrent	-		-
ACCESS ADVERTISING CC	Concurrent	-		-
ACTOM (PTY) LTD	Concurrent	77 862.00	77 862.00	-
ACTUATORS VALVES & CONTROLS CC	Concurrent	659 534.45	659 534.44	-0.01
ADLAM ENGINEERING (PTY) LTD	Concurrent	291 557.64		-291 557.64
ADVANCED LABORATORY SOLUTIONS	Concurrent	2 046.52		-2 046.52
AFRICA SCAFFOLDING CC	Concurrent	98 854.98		-98 854.98
AFRICAN COMMERCE DEVELOPING COMPANY	Concurrent	23 806.17		-23 806.17
AFRICAN HEATING GAS DIVISION (PTY	Concurrent	118 012.80	118 012.80	-
AFRICAN OXYGEN LIMITED	Concurrent	372 443.65	1 084 117.59	711 673.94
AFRILEK AUTOMATION	Concurrent	218 765.24	218 765.24	-
AFRI-WISE MINING SUPPLIES (PTY) LTD	Concurrent	240 997.04	321 968.95	80 971.91
AFRO MINERALS TRADING AG	Concurrent	3 333 670.08	3 330 670.08	-3 000.00
AFROX WITBANK	Concurrent	57 912.00		-57 912.00
AGE TECHNOLOGIES JHB (PTY) LTD	Concurrent	347 245.88	347 245.92	0.04
AGECHEM CC	Concurrent	89 558.40		-89 558.40
AIR BLOW FANS (PTY) LTD	Concurrent	1 071 232.92	1 071 232.92	-
AIR LIQUIDE (PTY) LTD	Concurrent	6 955 192.69		-6 955 192.69
AIRES PUMPS SPARES ENGINEERING CC	Concurrent	2 117 803.08	2 117 803.08	-
AIRSHED PLANNING PROFESSIONALS (PTY	Concurrent	-		-
ALCO SAFE (PTY) LTD	Concurrent	1 824.00		-1 824.00
ALWAYS TOWING AND PANELBEATING CC	Concurrent	11 970.00		-11 970.00
AMBU TRAINING BK	Concurrent	61 809.75		-61 809.75
AMG ENGINEERING (PTY) LTD	Concurrent	7 769 715.80	8 644 043.69	874 327.89
AMJ TRAINING (PTY) LTD T/A TRANSVAA	Concurrent	-	18 731.91	18 731.91
ANALYTICAL DESIGN ELECTRONICS CC	Concurrent	231 602.06	231 602.06	-
ANDERSON & KERR ENGINEERING	Concurrent	3 933 422.94	3 912 736.50	-20 686.44
ANGSTROM ENGINEERING (PTY) LTD	Concurrent	962 324.16	987 829.51	25 505.35
ANNANDALE TRADING INTERNATIONAL	Concurrent	201 007.08		-201 007.08
ANZER PROJECTS CC	Concurrent	312 796.05	312 796.05	-
APPLIED MAGNETS (PTY) LTD	Concurrent	632 779.80		-632 779.80
ARKEIN CAPITAL PARTNERS (PTY) LTD	Concurrent	-		-
ARTISTIC DESIGN WITBANK CC	Concurrent	11 926.68	25 036.68	13 110.00
ASK CATERING SUPPLIES CC	Concurrent	1 180 667.45	1 183 606.32	2 938.87
ASPIVIA INTELLIGENT TELECOMMUN (PTY	Concurrent	9 558.33	6 356.64	-3 201.69
ASTM PROFICIENCY TEST PROGRAMS	Concurrent	6 284.02		-6 284.02
AUTO FUEL (PTY) LTD (RAND TRUST SEC	Concurrent	244 325.21		-244 325.21
AVATAR SOLUTIONS (PTY) LTD	Concurrent	143 627.77	147 161.77	3 534.00
AVENG MANUFACTURING AUTOMATION	Concurrent	694 071.90	694 071.90	-

AVUSA MEDIA T/A FINANCIAL MAIL	Concurrent	-	-	-
BABCOCK TARGET PLANT SERVICES (PTY)	Concurrent	39 797.40	39 797.40	-
BALELE COAL DISTRIBUTORS CC	Concurrent	9 688 142.03	9 688 142.03	-
BARLOWORLD EQUIPMENT	Concurrent	649 733.24	829 234.04	179 500.80
BARLOWORLD HANDLING A DIV OF	Concurrent	103 830.95	111 626.84	7 795.89
BEARING INSPECTIONS SA (PTY) LTD	Concurrent	477 416.42		-477 416.42
BEARING MAN (PTY) LTD	Concurrent	9 326 457.46	9 426 601.31	100 143.85
BEARING SERVICES WITBANK	Concurrent	577 342.89	577 344.12	1.23
BEARINGS INTERNATIONAL (PTY) LTD A	Concurrent	526 881.41	559 829.25	32 947.84
BEDROCK MINING SUPPORT (PTY) LTD	Concurrent	305 787.70	365 957.64	60 169.94
BELL EQUIPMENT (PTY) LTD	Concurrent	64 762.94		-64 762.94
BELTREAD TYRES CC	Concurrent	20 930.38		-20 930.38
BID INFORMATION EXCHANGE (PTY) LTD	Concurrent	-	1 475.96	1 475.96
BIZ AFRICA 925 (PTY) LTD	Concurrent	539 911.56	539 911.57	0.01
BLAHA MAINTENANCE CC	Concurrent	2 897 500.54	3 216 842.77	319 342.23
B-LOGIC VERIFICATION AGENCY	Concurrent	-	45 600.00	45 600.00
BOKAMOSO FLEET SOLUTIONS (PTY) LTD	Concurrent	382 060.11		-382 060.11
BOTSWANA ASH (PTY) LTD	Concurrent	1 218 260.64	1 528 993.74	310 733.10
BOUWER AND SCROOBY	Concurrent	36 287 743.45	41 026 631.58	4 738 888.13
BOWMAN GILFILLAN INCORPORATED	Concurrent	-		-
BRAKECORE SUPPLY COMPANY (PTY) LTD	Concurrent	164 601.75		-164 601.75
BROADWAY MOTORS WITBANK CC	Concurrent	39 594.78		-39 594.78
BRONX MINING & INVESTMENT (PTY) LTD	Concurrent	-		-
BRUNO QUATRO ENG (PTY) LTD	Concurrent	5 916 124.29	6 139 569.29	223 445.00
BUDGIE SHEARER ENTERPRISES CC	Concurrent	318 436.37	327 542.77	9 106.40
BUILDERS MARKET (PTY) LTD [MIDDELBU	Concurrent	152 724.12	235 238.59	82 514.47
Bumatech (Pty) Ltd	Concurrent	-	106 257.69	106 257.69
BUREAU VERITAS TESTING AND INSPECTO	Concurrent	34 328.52	34 328.52	-
BURKE GLASS ENTERPRISES CC	Concurrent	355 692.30	330 477.01	-25 215.29
BUTTERWORTHS LEXIS NEXIS (PTY) LTD	Concurrent	577.28		-577.28
C & I SERVICES CC	Concurrent	107 091.14	107 091.14	-
C G KRUGER T/A REVAMPO	Concurrent	39 795.09	39 795.08	-0.01
C S I R	Concurrent	-	26 163.00	26 163.00
C.STEINWEG NOMAD FREIGHT (PTY) LTD	Concurrent	1 572 977.47	6 650 785.11	5 077 807.64
CABLE CONSTRUCTION	Concurrent	104 946.89	105 345.81	398.92
CALDERYS SOUTH AFRICA (PTY) LTD	Concurrent	699 076.27	691 073.47	-8 002.80
CARL BECHEM AFRICA (PTY) LTD	Concurrent	7 875 822.70	8 252 632.67	376 809.97
CARMICA MEDICAL DISTRIBUTORS CC	Concurrent	8 904.92	19 872.88	10 967.96
CFW INDUSTRIES (PTY) LTD	Concurrent	122 662.86		-122 662.86
CHEMETALL (PTY) LTD	Concurrent	69 386.10	69 386.10	-
CHEMSERVE SYSTEMS (PTY) LTD	Concurrent	58 667.82	59 382.60	714.78
CHORUS CALL	Concurrent	484.27		-484.27
CHRISOVALANTOU CC T/A BATTERY & AUT	Concurrent	18 088.72		-18 088.72
CHRISTIAN CARL VENTER	Concurrent	-		-
CLEWER SAND AND STONE CC	Concurrent	910 134.51	964 340.39	54 205.88
CLYDE BERGEMANN AFRICA (PTY) LTD	Concurrent	270 041.79	270 041.79	-
CNC SERVICE & INTEGRATION (PTY) LTD	Concurrent	127 680.00		-127 680.00
COALSTAR (PTY) LTD	Concurrent	165 795.90		-165 795.90
COALVEST (PTY) LTD	Concurrent	7 553 072.37	7 824 142.43	271 070.06
COLLIERY TRAINING COLLEGE (PTY) LTD	Concurrent	332 133.30	676 664.10	344 530.80

COLLISEN ELECTRICAL CC	Concurrent	-	85 588.92	85 588.92
COLUMBUS STAINLESS (PTY) LTD		-		-
COMPAIR S.A. (PTY) LTD	Concurrent	230 826.29	230 826.29	-
COMPUTERSHARE INVESTOR SERVICES	Concurrent	78 175.59	288 167.24	209 991.65
CONINGHAMLEE & ASSOCIATED (PTY) LTD	Concurrent	-	273 660.19	273 660.19
CONRAD SCHULZ INCORPORATED	Concurrent	44 027.00		-44 027.00
CONSAFE SAFETY EQUIPMENT (PTY) LTD	Concurrent	-		-
CONSOLIDATED SAFETY EQUIPMENT DISTR	Concurrent	5 534 501.26	5 717 340.57	182 839.31
CONSTRUCTION TYRES (PTY) LTD	Concurrent	740 932.73		-740 932.73
CONSULTLINK CC	Concurrent	145 224.11	193 240.91	48 016.80
CONTROL SYSTEMS TECHNOLOGY CC	Concurrent	62 244.00	62 244.00	-
CONTROLLED DOSING CC	Concurrent	95 390.49		-95 390.49
CONVEYOR HOSE WITBANK A DIV OF INMI	Concurrent	469 305.97	484 083.11	14 777.14
CONWAY JOHNSON	Concurrent	344 862.50	344 862.50	-
CORLUC SERVICES CC	Concurrent	44 670.12		-44 670.12
CORPCLO 2127 T/A ENGINE CONTROL SYS	Concurrent	29 001.32		-29 001.32
COUNTRYWIDE GEARBOX REPAIRS CC	Concurrent	173 020.54	204 992.57	31 972.03
CRANES 4 HIRE CC	Concurrent	600 774.30	600 774.30	-
CREDIT GUARANTEE INSURANCE CORPORAT	Concurrent	241 308.84		-241 308.84
CRF SOUTH AFRICAN PARTNERSHIP	Concurrent	89 832.00	89 832.00	-
CRP REPAIRS AND PARTS CC	Concurrent	-		-
CTS EAST (PTY) LTD	Concurrent	534 235.15	883 750.03	349 514.88
CULMEN KONSULTANTE BK	Concurrent	-		-
CUSA (PTY) LTD	Concurrent	932 142.38	967 734.21	35 591.83
CYLINDER SERVICES CC	Concurrent	2 131 156.97	2 208 112.53	76 955.56
D A FABER SURVEYORS CC	Concurrent	18 308.40	18 308.40	-
D P ENTERPRISES	Concurrent	271 033.86	302 662.02	31 628.16
D.S.R.A. INDUSTRIAL SALES	Concurrent	102 442.68	102 442.68	-
DABMAR MANUFACTURING COMPANY LIMITE	Concurrent	190 270.56		-190 270.56
DAD MACHINE MOVING (PTY) LTD	Concurrent	-		-
DANGO DIENENTHAL (PTY) LTD	Concurrent	3 243 735.48		-3 243 735.48
DATACENTRIX LTD	Concurrent	715 005.94	715 005.96	0.02
DAVID BROWN GEAR INDUSTRIES	Concurrent	87 854.96		-87 854.96
DE JAGER HEAVY HAULACE cc	Concurrent	-		-
DE KAAP ELECTRICAL CC	Concurrent	733 092.96	758 742.85	25 649.89
DE PONTE TRANSPORT CC	Concurrent	693 555.31	707 043.42	13 488.11
DEGASITY PRETORIA (PTY) LTD	Concurrent	339 727.63	339 727.70	0.07
DELBA ELECTRICAL (PTY) LTD	Concurrent	3 499 831.52	4 975 613.22	1 475 781.70
DELOITTE & TOUCHE INVESTMENTS	Concurrent	-	13 680.00	13 680.00
DEMAG CRANES AND COMPONENTS	Concurrent	5 305 865.07	5 322 178.57	16 313.50
DET NORSKE VERITAS (PTY) LTD	Concurrent	78 090.00	78 090.00	-
DHL WORLDWIDE EXPRESS PTY LTD	Concurrent	1 145.17		-1 145.17
DIAMOND ABRASIVES (PTY) LTD	Concurrent	167 682.60	167 682.60	-
DICKINSON GROUP (PTY) LTD	Concurrent	2 145 287.28	2 678 113.23	532 825.95
DINALEDI CONCEPTS (PTY) LTD	Concurrent	1 126 719.00	1 126 719.00	-
DJ OPPERMAN PRO LAB SUPPLIES CC	Concurrent	-		-
DNA LOGIC (PTY) LTD	Concurrent	20 994.81	146 746.11	125 751.30
DOT STEEL (PTY) LTD	Concurrent	1 031 038.80	1 031 038.80	-
DOUBELL CONSTRUCTION	Concurrent	316 610.65	316 610.65	-
DP VALVE AND PUMP CLINIC CC	Concurrent	116 280.00	168 150.00	51 870.00

DRAGER SA (PTY) LTD	Concurrent	119 617.92		-119 617.92
DRIVELINE TECHNOLOGIES (PTY) LTD	Concurrent	628 447.04	628 447.04	-
DRS De Waal , Spoelstra & Partners	Concurrent	-	96 790.00	96 790.00
DRS DU BUISSON AND PARTNERS	Concurrent	26 997.50	64 523.40	37 525.90
DT PROJECTS	Concurrent	3 491 232.45	4 333 061.24	841 828.79
DU POINT TELECOM (PTY) LTD	Concurrent	30 428.43	30 428.43	-
DUAL COUPLERS CC	Concurrent	-	25 251.00	25 251.00
DUNLOP BELTING PRODUCTS (PTY) LTD	Concurrent	63 384.00		-63 384.00
DUPLEIX LIQUID METERS LTD	Concurrent	303 405.30	303 405.30	-
DURBAN OVERALL (PTY) LTD	Concurrent	24 041.58	70 654.89	46 613.31
E & J MOTOR SPARES	Concurrent	54 016.25		-54 016.25
EARTHMOVING MECHANISMS CC	Concurrent	171 315.09		-171 315.09
EAST AUTO RADIATORS (PTY) LTD	Concurrent	244 948.08	244 948.08	-
EAST METALS SA *	Concurrent	2 328 495.01	378 838 480.27	376 509 985.26
Eastvaal Motors (Pty) Ltd	Concurrent	-	29 287.45	29 287.45
EASY ELECTRIC MECHANICAL CC	Concurrent	7 467.00		-7 467.00
EATON - CHI CONTROL	Concurrent	466 686.96		-466 686.96
EB ELECTRONICS	Concurrent	69 986.88	69 986.88	-
EC & C PROJECTS CC	Concurrent	268 700.00	282 900.00	14 200.00
ECONOFLEX (PTY) LTD	Concurrent	156 086.75	211 992.35	55 905.60
EDMIK ENG (PTY) LTD T/A BMG	Concurrent	-5 344.78		5 344.78
EDSON MINING SUPPLIES CC	Concurrent	525 099.04	525 099.04	-
EDUARDO CONSTRUCTION (PTY) LTD	Concurrent	4 931 273.73	12 537 325.78	7 606 052.05
EDWARD NATHAN SONNENBERGS INC	Concurrent	60 818.33	474 748.69	413 930.36
EFFICIENT ENGINEERING TECHNICAL & M	Concurrent	472 718.03	7 211 444.75	6 738 726.72
EID WEIGHING SYSTEMS	Concurrent	-	74 005.40	74 005.40
ELCA ENGINEERING (PTY) LTD	Concurrent	3 788 394.12		-3 788 394.12
ELECTRO FIELD SERVICES	Concurrent	1 689 147.95	1 698 224.83	9 076.88
EMALAHLENI LOCAL MUNICIPALITY	Concurrent	2 086 157.60		-2 086 157.60
EME PCB S CC	Concurrent	74 006.66	210 338.36	136 331.70
EMERSON INDUSTRIAL AUTOMATION	Concurrent	97 532.70		-97 532.70
EMERSON PROCESS MANAGEMENT SA	Concurrent	110 383.92		-110 383.92
ENDRESS & HAUSER (PTY) LTD	Concurrent	648 717.00	664 962.00	16 245.00
ENERGY INSIGHT (PTY) LTD	Concurrent	-	17 448.35	17 448.35
ENGEN PETROLEUM LIMITED	Concurrent	-		-
ENGINEERED THERMAL SYSTEMS	Concurrent	638 970.00	833 910.00	194 940.00
ENVIRO JET CC	Concurrent	291 783.00	754 908.00	463 125.00
ENVIROMENTAL DYNAMICS SA (PTY) LTD	Concurrent	103 643.10		-103 643.10
ENVIRONMENTAL RESOURCES MANAGEMENT	Concurrent	125 970.00	125 970.00	-
ENVIROSERV WASTE MANAGEMENT	Concurrent	524 616.60	589 434.48	64 817.88
EQUANT LLC	Concurrent	41 406.00		-41 406.00
ERIEZ MAGNETICS S.A. ((PTY) LTD	Concurrent	149 043.60	156 096.07	7 052.47
ERIS PROPEY GROUP (PTY) LTD	Concurrent	-		-
ERNEST LOWE TRADING	Concurrent	179 482.69	179 479.27	-3.42
ERNST & YOUNG INC	Concurrent	-	1 330 639.66	1 330 639.66
ESKOM HOLDINGS LTD - JOHANNESBURG	Concurrent	219 608 643.31		-219 608 643.31
ESSEX LUBRA CC	Concurrent	-		-
ETIS MVELAPHANDA ENGINEERING (PTY)	Concurrent	3 793 247.05	3 860 324.21	67 077.16
EURONIP HANDLING AFRICA	Concurrent	315 540.60	323 333.64	7 793.04

EVAPCO S.A. (PTY) LTD	Concurrent	1 397 161.20	1 397 161.20	-
EVRAZ OVERSEAS SA	Concurrent	1 921 963.75		-1 921 963.75
EVRAZ VAMETCO ALLOYS	Concurrent	530 888.42		-530 888.42
EVRITEK CC	Concurrent	-		-
EXXARO COAL (PTY) LTD -LEEUEW PAN CO	Concurrent	-		-
F & K ENGINEERING CC	Concurrent	86 863.43	86 863.43	-
FAX 2 E MAIL	Concurrent	205.63		-205.63
FE POWDER SUPPLIES (PTY) LTD	Concurrent	33 789.60	33 789.60	-
FEATHER DEVELOPMENT PTY LTD	Concurrent	114 427.34	860 821.37	746 394.03
FER-MIN- ORE PROCESS PLANT	Concurrent	227 085.22		-227 085.22
FERROVELD JOINT VENTURE	Concurrent	3 338 753.93	3 592 712.68	253 958.75
FIBREFORM MOULDING CC	Concurrent	76 174.80		-76 174.80
FILTEG SOLUTIONS (PTY) LTD	Concurrent	32 410.84		-32 410.84
FILTRATION MAINTENANCE SERVICES SA	Concurrent	109 442.28		-109 442.28
FILVENT (PTY) LTD	Concurrent	68 916.66	68 916.65	-0.01
FIRECALL (PTY) LTD	Concurrent	-	143 632.98	143 632.98
FIRST CUT (PTY) LTD	Concurrent	349 600.44	353 005.96	3 405.52
FIRST TECHNOLOGIES (PTY) LTD	Concurrent	147 119.99	147 119.99	-
FLEXIBLE METALLIC HOSES	Concurrent	223 003.61		-223 003.61
FLEXICOR CABLES (PTY) LTD	Concurrent	31 771.80	31 771.80	-
FLEXILUBE (PTY) LTD	Concurrent	24 350.40	24 350.40	-
FLOWERVE FLOW CONTROL SA	Concurrent	109 379.58		-109 379.58
FLSMIDTH MINERALS (PTY) LTD	Concurrent	595 849.50		-595 849.50
FORM FORCE (PTY) LTD	Concurrent	194 244.60	194 205.84	-38.76
FORMS MEDIA INDEPENDENT AFRICA (PTY	Concurrent	58 745.45	58 745.45	-
FRASER ALEXANDER TAILINGS (PTY) LTD	Concurrent	916 973.19	1 047 969.36	130 996.17
FREIGHT EXCELLENCE (PTY) LTD	Concurrent	8 316 523.07	9 103 928.79	787 405.72
FUCHS LUBRICANTS SA (PTY) LTD	Concurrent	-		-
FURNCOR ENGINEERING	Concurrent	230 471.52	230 471.52	-
FURNOP (PTY) LTD	Concurrent	-		-
G4S CASH SOLUTIONS (SA) (PTY) LTD	Concurrent	-	29 131.71	29 131.71
GEECOM (PTY) LTD	Concurrent	87 228.24	90 763.99	3 535.75
GEGA-LOTZ (PTY) LTD	Concurrent	1 127 887.69	1 175 448.61	47 560.92
GEORIN TRADING T/A LINBURG ENGINEER	Concurrent	75 810.00		-75 810.00
GINGER BROWN (PTY) LTD	Concurrent	9 120.00	9 120.00	-
GKD BUISMET SA (PTY) LTD	Concurrent	23 575.20		-23 575.20
GLOBAL STRAP CC	Concurrent	213 546.39	320 024.77	106 478.38
GLOBE WITBANK	Concurrent	1 120 558.53	1 146 073.66	25 515.13
Golder Associates Africa (Pty) Ltd	Concurrent	-	621 425.96	621 425.96
GOLDQUEST INTER HYDRAULICS SA BMG	Concurrent	2 476 743.18	2 536 013.05	59 269.87
GOSCOR CLEANING EQUIPMENT (PTY) LTD	Concurrent	214 825.02	289 074.36	74 249.34
GOSSWELL DEVELOPMENTS CC	Concurrent	762 489.00	762 489.00	-
GRAFFTECH SOUTH AFRICA	Concurrent	494 744.86		-494 744.86
GRINDING POWER (PTY) LTD	Concurrent	94 949.88		-94 949.88
GRINDING TECHNIQUES	Concurrent	49 189.33		-49 189.33
GT-AIR (PTY) LTD	Concurrent	24 318.12	24 318.12	-
GUNDLE PLASTALL (PTY)	Concurrent	90 744.00		-90 744.00
GYSIES ENTERPRISES CC	Concurrent	30 794.53	30 794.52	-0.01
H ROHLOFF (PTY) LTD	Concurrent	170 891.70	170 891.70	-
HARSCO METALS ILANGA (PTY) LTD	Concurrent	9 301 483.27	10 687 728.25	1 386 244.98

HASS INDUSTRIAL (PTY) LTD	Concurrent	65 065.50	74 339.40	9 273.90
HATCH GOBA (PTY) LTD	Concurrent	558 600.00		-558 600.00
HEALTH PROFESSIONS COUNCIL	Concurrent	8 257.00		-8 257.00
HEATUPS REFRACTORY HEATING SERVICES	Concurrent	800 818.08	800 818.08	-
HERAEUS ELECTRO-NITE (PTY) LTD	Concurrent	2 288 875.54	5 135 286.39	2 846 410.85
HIGHVELD COAL (PTY) LTD	Concurrent	69 978 596.50	85 816 778.80	15 838 182.30
HIGHVELD ENGINE REBUILDERS	Concurrent	950 905.35	950 904.65	-0.70
HIGHVELD FILTERS (PTY) LTD	Concurrent	125 525.82		-125 525.82
HILTI SA (PTY) LTD	Concurrent	52 713.60		-52 713.60
HIRE ENGINEERING & CONSTRUCTION CC	Concurrent	150 480.00	150 480.00	-
HI-TECH MACHINE TOOLS	Concurrent	34 111.28		-34 111.28
HOLLANDSE BANDENMARKT	Concurrent	564 122.27	43 360.00 €	-520 762.27
HOLT CONSULTING ENGINEERS CC	Concurrent	192 318.00	192 318.00	-
HOT DIP GALVANIZERS ASSOCIATION S.	Concurrent	45 600.00	45 600.00	-
HOWDEN AFRICA (PTY) LTD	Concurrent	106 722.81	106 722.81	-
HOWSON RAMSDEN	Concurrent	412 624.65		-412 624.65
HSBC Bank PLC, Surursal EN ESPANA	Concurrent	-	30 173 166.44	30 173 166.44
HYDRAULIC ENGINEERING REPAIR SERVIC	Concurrent	599 843.87		-599 843.87
HYSENSE TRADING CC	Concurrent	1 680 758.27	1 881 239.86	200 481.59
HYTORC INDUSTRIAL TOOLS SA	Concurrent	195 121.26		-195 121.26
HYTORQ (PTY) LTD	Concurrent	28 403.10		-28 403.10
IDWALA INDUSTRIAL HOLDING LIMITED	Concurrent	3 839 754.26	3 839 754.26	-
IMMIGRATION BOUTIQUE CC	Concurrent	19 605.72		-19 605.72
IMP CALIBRATION SERVICES	Concurrent	20 826.32	26 896.82	6 070.50
IMPACT INSTRUMENTS CC	Concurrent	23 221.80	23 221.80	-
IMPROCHEM (PTY) LTD	Concurrent	6 035 434.99	6 902 884.69	867 449.70
IN POSITION MACHINING CC	Concurrent	230 155.42		-230 155.42
INCE (PTY) LTD	Concurrent	-	30 089.16	30 089.16
IND MINING INSTRUM AND ELECT (PTY)	Concurrent	73 533.06	73 533.06	-
INDUSCO SUPPLIES CC	Concurrent	432 111.34	432 111.36	0.02
INDUSTRIAL ANALYTICAL (PTY) LTD	Concurrent	88 140.24	88 254.82	114.58
INDUSTRIAL CARTRIDGES (PTY) LTD	Concurrent	38 183.69		-38 183.69
INDUSTRIAL LOCOMOTIVE SERVICE CC	Concurrent	259 596.81	259 596.61	-0.20
INDUSTRIAL NOZZLES AND SYSTEMS CC	Concurrent	145 541.52	145 541.52	-
INKUNZI ENGINEERING AND SERVICES CC	Concurrent	69 631.20		-69 631.20
INPRINT PRINTERS CC	Concurrent	-		-
INSIMBI ALLOY SUPPLIES (PTY) LTD	Concurrent	2 893 257.71	2 910 357.77	17 100.06
INSIMBI ALUMINIUM ALLOYS (PTY) LTD	Concurrent	1 727 157.00	1 727 157.00	-
INTERNET SOLUTIONS	Concurrent	5 146.37		-5 146.37
INTOCAST SA (PTY) LTD	Concurrent	9 175 032.14	8 281 139.95	-893 892.19
INTROCHEM SERVICES & ENGINEERING CC	Concurrent	-		-
J A DU TOIT ATTORNEYS	Concurrent	-		-
J OBERHOLZER	Concurrent	104 138.00	104 138.00	-
J P MORGAN EQUITIES LIMITED	Concurrent	-	171 000.00	171 000.00
JACHRIS CC	Concurrent	150 443.90		-150 443.90
JAMES WALKER SOUTH AFRICA	Concurrent	60 581.88	60 581.88	-
JB MATLOU SUPPLIERS CC	Concurrent	176 254.23	176 254.23	-
JCB VLEIS EDMS BPK T/A HYGIENIC MEAT CO.	Concurrent		22 983.99	22 983.99
JCS SCALES	Concurrent	32 170.80	31 170.80	-1 000.00
JHB INDUSTRIAL CONSTRUCTION (EDMS) BPK	Concurrent	-	519 045.87	519 045.87

JIANGSU GONGCHANG CHUYANG ROLL	Concurrent	2 838 102.80		-2 838 102.80
JINDAL MINING SA (PTY) LTD	Concurrent	4 629 038.61	4 629 038.61	-
JOHANNESBURG VALVE & FITTING CO (PT	Concurrent	-		-
JOHANNES GERHARDUS CORNELIUS FROST	Concurrent	-	8 638.29	8 638.29
JOHN CRANE (PTY) LTD	Concurrent	326 260.26	326 260.26	-
JOSTECH FIBRE SERVICES CC	Concurrent	364 421.82	364 421.82	-
JPT TRACK WELDERS CC	Concurrent	641 626.20		-641 626.20
JR MACKAYS DIESEL MOTOR ENGINEERING	Concurrent	612 703.50	612 703.51	0.01
JUPITER TRADERS (PTY) LTD	Concurrent	49 248.00	49 248.00	-
KALTIRE MINING TYRES S.A	Concurrent	109 500.42		-109 500.42
KAUFTECH TRUST	Concurrent	125 391.07	125 391.07	-
KENTZ (PTY) LTD	Concurrent	-		-
KERNEOS SOUTHERN AFRICA (PTY) LTD	Concurrent	2 442 208.32	2 572 939.81	130 731.49
KINT MABHOKO LODGE CC T/A KAMOKA LODGE	Concurrent	-	2 360.00	2 360.00
KLINGER MZANSI (PTY) LTD	Concurrent	115 226.02	115 226.02	-
KOMATSU SOUTHERN AFRICA	Concurrent	45 601.18	45 601.18	-
KPMG INC	Concurrent	145 187.44		-145 187.44
KRABO LOCKSMITHS CC	Concurrent	31 393.09	31 150.34	-242.75
KRAM ENGINEERING (PTY) LTD	Concurrent	216 598.86		-216 598.86
KULULA TECHNOLOGIES CC	Concurrent	104 729.79	104 729.79	-
KUTANA HYDRAULICS (PTY) LTD	Concurrent	-		-
KUTTING MPUMALANGA	Concurrent	1 327 965.79	1 413 049.86	85 084.07
KWANDA FERRO-ALLOY AFRICAN RESOURCE	Concurrent	17 172 668.75		-17 172 668.75
L & S THERMAL PRODUCTS CC	Concurrent	137 666.42		-137 666.42
L H MARTHINUSEN (PTY) LTD A DIV OF	Concurrent	10 700 073.29	15 280 252.31	4 580 179.02
LABRITE CC	Concurrent	2 633.40	9 196.38	6 562.98
LAERSKOOL DUVHAPARK	Concurrent	350 400.00		-350 400.00
LECO AFRICA (PTY) LTD	Concurrent	50 030.68	65 283.33	15 252.65
LEGISLATIVE COMPLIANCE SPECIALISTS	Concurrent	20 976.57	20 976.57	-
LES SHER AIRCONDITIONING SERVICES (Concurrent	272 845.32	272 845.32	-
LETS TRADE 1238	Concurrent	438 869.32	440 750.32	1 881.00
LEVEGO CC	Concurrent	935 680.65	935 680.05	-0.60
LEXIS NEXIS RISK MANAGEMENT	Concurrent	1 224.07		-1 224.07
LIDO ELECTRICAL EAST RAND	Concurrent	53 167.53		-53 167.53
LIFE OCCUPATIONAL HEALTH	Concurrent	941 277.11		-941 277.11
LIME CHEM (PTY) LTD	Concurrent	310 296.47	310 296.47	-
LIND INDUSTRIAL EQUIPMENT CC	Concurrent	205 003.32	205 003.32	-
LINDE MATERIAL HANDLING	Concurrent	265 946.16		-265 946.16
LINDOKUHLE COMMUNITY PROJECTS	Concurrent	25 000.00		-25 000.00
LLOYDS REGISTER EMEA	Concurrent	18 514.48		-18 514.48
LOSKOP RADIO COMMS CC	Concurrent	-	36 020.58	36 020.58
LTM MULONDO HOLDINGS (PTY) LTD	Concurrent	1 053 895.81	1 079 887.54	25 991.73
LUBE PRO CC	Concurrent	627 388.18	686 581.45	59 193.27
LUBRICATOR KING DISTRIBUTIONS CC T/A	Concurrent	27 223.20	27 223.20	-
LYTTELTON DOLOMITE (PTY) LTD	Concurrent	2 591 946.86	2 591 948.14	1.28
M E PERSONNEL CONSULTANTS (PTY) LTD	Concurrent	272 355.30	287 516.44	15 161.14
MACHINE TOOL PROMOTIONS CC	Concurrent	-98 499.48		98 499.48
MACKAYS METAL SPRAYING AND HARDCHRO	Concurrent	57 456.00		-57 456.00
MACSTEEL FLUID CONTROL DIV. OF MACS	Concurrent	243 222.88		243 222.88

MACSTEEL SERVICE CENTR SA	Concurrent	203 203.78		-203 203.78
MADINI MINING (PTY) LTD	Concurrent	30 892.58		-30 892.58
MAFIKA ENGINEERING CC	Concurrent	383 060.52	383 060.52	-
MAGNITECH (PTY) LTD	Concurrent	276 175.03		-276 175.03
MAN DIRK (PTY) LTD	Concurrent	369 587.36	380 248.71	10 661.35
MANULI FLUICONNECTO (PTY) LTD	Concurrent	33 262.16	33 262.16	-
MAPOCHS MINE (PTY) LTD	Concurrent	12 601 506.33		-12 601 506.33
MARINS PRINTING CC	Concurrent	85 931.37	131 643.09	45 711.72
MARKING ENGINEERING (PTY) LTD	Concurrent	464 396.65	481 322.65	16 926.00
MARSH (PTY) LTD	Concurrent	-		-
MARTEC CABLE SERVICES (PTY) LTD	Concurrent	284 108.52	284 108.52	-
MARTHINUSEN & COUTTS CLEVELAND	Concurrent	963 709.26	1 942 446.38	978 737.12
MARTIN BULK HANDLING SOLUTIONS (PTY	Concurrent	412 688.89	454 151.57	41 462.68
MARTIQ 343 CC T/A DAVE FURNNESS PRO	Concurrent	-		-
MARVAN LOGISTICS PTY LTD	Concurrent	1 170 567.07	1 426 025.52	255 458.45
MARVIC ENGINEERING (PTY) LTD	Concurrent	135 637.23	135 637.23	-
MASANGO ENTERPRISES	Concurrent	38 760.00		-38 760.00
MATECH CC	Concurrent	567 336.96	807 496.87	240 159.91
MAVERICK 29 BUSINESS MANAGEMENT	Concurrent	-		-
MC CARTHY MOTORS WITBANK MOTOR	Concurrent	43 578.26	43 578.25	-0.01
McKeown Industries SA (Pty) Ltd	Concurrent	-	934 743.05	934 743.05
MECHANICAL ROTATING SOLUTIONS CC	Concurrent	142 737.12	142 737.12	-
MECHANIQUE CC	Concurrent	100 124.07	180 420.89	80 296.82
MECOSA (PTY) LTD	Concurrent	14 592.00		-14 592.00
MEDIGRAPHICS CC	Concurrent	-	76 989.06	76 989.06
MEGA BAGS CC	Concurrent	43 890.00	43 890.00	-
MEGA ISANDA SERVICES	Concurrent	59 263.47	97 339.46	38 075.99
MERCK (PTY) LTD	Concurrent	10 687.50		-10 687.50
MERSEN SOUTH AFRICA	Concurrent	381 592.20		-381 592.20
METALOCK INDUSTRIAL SERVICES AFRICA	Concurrent	81 966.63		-81 966.63
METLAB (PTY) LTD	Concurrent	149 150.76	149 150.76	-
METROHM SA (PTY) LTD	Concurrent	15 942.90	55 844.04	39 901.14
METSO MINING AND CONSTRUCTION SA	Concurrent	100 720.14	100 720.14	-
MICRON LABORATORY SERVICES	Concurrent	14 617.08		-14 617.08
MID HYDRAULIC PUMP REFURBISHING	Concurrent	363 379.01	363 379.01	-
MIDAS	Concurrent	747 863.08	823 643.58	75 780.50
MIDBANK FREIGHT SERVICES	Concurrent	1 392 064.12	1 544 000.36	151 936.24
MIDNIGHT ENGINEERING & MACHINE	Concurrent	2 474 148.40	2 504 130.40	29 982.00
MIDWIT DIESEL EN OLIE BK	Concurrent	231 090.95	231 090.95	-
MINERAL ECONOMIC PROJECTS	Concurrent	545 148.00	618 108.00	72 960.00
MINERALS TECHNOLOGIES SOUTH AFRICA	Concurrent	933 845.25	358 009.37	-575 835.88
MIRICLAM INVESTMENTS CC	Concurrent	-		-
ML ASSET MANAGEMENT	Concurrent	768 747.75	768 838.85	91.10
MMA DRILLING CC	Concurrent	108 550.80	135 688.65	27 137.85
MOGALE ALLOYS (PTY) LTD	Concurrent	-4 369 125.00		4 369 125.00
MOHOLI MINING SUPPLIES	Concurrent	1 581 026.24	1 584 685.63	3 659.39
MONITOR ENGINEERING	Concurrent	685 179.72	724 477.95	39 298.23
MONITORING & CONTROL LABORATORIES	Concurrent	32 398.00		-32 398.00
MOOIPLAAS DOLOMITE (PTY) LTD	Concurrent	964 496.55	964 496.55	-
MORGANITE SOUTH AFRICA	Concurrent	406 105.83	526 013.49	119 907.66

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MORRIS MATERIAL HANDLING	Concurrent	232 341.12		-232 341.12
MOSER INDUSTRIES (PTY) LTD	Concurrent	32 946.00	32 946.00	-
Motornostix (Pty) Ltd	Concurrent	-	34 817.90	34 817.90
MPOWER BEARINGS (PTY) LTD	Concurrent	45 374.28		-45 374.28
MPUMA BEARINGS AND ENGINEERING CC	Concurrent	149 134.80		-149 134.80
MPUMALANGA COMMUNICATION SERVICES	Concurrent	289 784.01	289 784.01	-
MPUMALANGA CRANE SERVICES	Concurrent	2 332 085.76	2 345 396.29	13 310.53
MPUMALANGA LABOUR RELATIONS SPECIAL	Concurrent	24 200.00	54 600.00	30 400.00
MPUMALANGA LOAD TESTING SERVICES	Concurrent	116 657.85	116 657.85	-
MPUMALANGA PUMPS CC	Concurrent	292 338.23		-292 338.23
MPUMALANGA TRANSFORMER SERVICES	Concurrent	182 117.28	313 741.68	131 624.40
MPUNZI TRANSPORT (EDMS) BPK		22 035.06		-22 035.06
M-QUIP (PTY) LTD	Concurrent	625 530.45	510 943.55	-114 586.90
MS COMPONENTS CC	Concurrent	484 776.20	548 512.91	63 736.71
MSOBO COAL (PTY) LTD	Concurrent	-16 259.25		16 259.25
MTN SERVICE PROVIDER	Concurrent	198 458.83		-198 458.83
MUKUNDI MINING RESOURCES	Concurrent	100 364.13		-100 364.13
MWEB CONNECT (PTY) LTD	Concurrent	-		-
NASHUA COMMUNICATION	Concurrent	56 327.22		-56 327.22
NASHUA MPUMALANGA	Concurrent	848 187.45	805 175.80	-43 011.65
NATAL ENERGY RESOURCES AND COMMODIT	Concurrent	1 862 315.68		-1 862 315.68
NATIONAL SEPERATIONS	Concurrent	19 380.00		-19 380.00
NCP CHLORCHEM T/A ISLANDSITE INVEST	Concurrent	18 476.29		-18 476.29
NCS INDUSTRIAL WEIGHING	Concurrent	327 443.35	360 187.67	32 744.32
NEDBANK LTD	Secured	-	7 575 983.00	7 575 983.00
NEVEN MATTHEWS (PTY) LTD	Concurrent	1 705 935.67	2 002 385.63	296 449.96
NEW CENTURY TRANSPORT	Concurrent	4 672 732.32	5 958 239.26	1 285 506.94
NEW HEIGHTS MANAGEMNT & ENG SOL	Concurrent	151 973.40	174 146.40	22 173.00
NEW ORDER INDUSTRIES	Concurrent	22 800.00		-22 800.00
NEW WAVE ADVANCED CAPITAL	Concurrent	52 468.50		-52 468.50
NICOR CONSTRUCTION CC	Concurrent	1 351 436.71	1 385 399.09	33 962.38
NICRO INDUSTRIAL (PTY) LTD	Concurrent	155 185.92		-155 185.92
NI-DA TRANSPORT (PTY) LTD	Concurrent	3 608 117.91	4 385 902.31	777 784.40
NJ MNISI ENTERPRISES	Concurrent	1 030 705.69	1 151 118.90	120 413.21
NOSA (PTY) LTD	Concurrent	27 560.00	15 259.99	-12 300.01
OE BEARINGS (PTY) LTD	Concurrent	125 674.23	125 674.23	-
ONE TIME VENDOR FOREIGN	Concurrent	3 954 985.56		-3 954 985.56
ONE TIME VENDOR TRADE	Concurrent	564 795.68		-564 795.68
ONLINE INTELLIGENCE (PTY) LTD	Concurrent	50 903.49		-50 903.49
OPERATIONAL MARKETING	Concurrent	571 782.50	574 866.20	3 083.70
ORE & METAL COMPANY LTD	Concurrent	-		-
OSBORN ENGINEERED PRODUCTS SA	Concurrent	21 760.32	21 760.32	-
OSTER ENGINEERING CC	Concurrent	283 996.80	283 996.80	-
OTIS (PTY) LTD	Concurrent	-		-
OUTOTEC RSA (PTY) LTD	Concurrent	385 592.48		-385 592.48
P & I ENGINEERING WORKS CC	Concurrent	2 177 505.33	2 117 504.33	-60 001.00
P & J BOTHA TRANSPORT	Concurrent	4 383 257.87	4 790 943.74	407 685.87
PAL PASSENGER BUS SERVICES CC	Concurrent	11 900.00	51 400.00	39 500.00
PAULS LAUNDRY SERVICES	Concurrent	851 581.00	986 015.66	134 434.66
PENTAX TRADING (PTY) LTD	Concurrent	103 084.69	127 233.67	24 148.98

PHAKAMANI	Concurrent	1 126 535.32	1 243 499.44	116 964.12
PILOT TOOLS (PTY) LTD	Concurrent	12 476.87		-12 476.87
PLAN PROJECTS	Concurrent	413 782.02	414 652.16	870.14
PNET (PTY) LTD	Concurrent	136 629.00	136 629.00	-
POLYGRAPH AMALAGAMATED	Concurrent	912.00		-912.00
POP 'N DAISY KWEKERY BK T/A MARISCA	Concurrent	-	3 345.30	3 345.30
PORT 274 - INDLELA COUNTRY ESTATE	Concurrent	25 406.00	14 826.00	-10 580.00
PORTA PLANT CC	Concurrent	-		-
POWER QUALITY CO (PTY) LTD	Concurrent	26 694.24	26 694.24	-
POWERMITE AFRICA - A DIV. OF HUDACO	Concurrent	1 011 115.02	1 020 691.02	9 576.00
POWERTECH SA INS	Concurrent	93 480.00		-93 480.00
PPC LIME LIMITED	Concurrent	11 549 449.06	13 142 749.76	1 593 300.70
PRIMESERV CORPORATE SOLUTIONS (PTY)	Concurrent	21 311.20	21 311.20	-
PROCESS AUTOMATION	Concurrent	124 791.24		-124 791.24
PROCOL CC	Concurrent	38 771.12	38 771.12	-
PROCON ENVIRONMENTAL TECHNOLOGIES	Concurrent	189 509.04	189 509.04	-
PRODIN (PTY) LTD	Concurrent	684 192.66		-684 192.66
PROFILE PIPE & PLATE (PTY) LTD	Concurrent	78 193.25		-78 193.25
PROJECT PRESENTATIONS CC	Concurrent	44 511.53		-44 511.53
PROPSHAFT MASTER (PTY) LTD	Concurrent	212 583.78		-212 583.78
PROTEA COIN GROUP (SECURITY SERV)	Concurrent	1 348 113.54	1 390 823.32	42 709.78
R D VINCENT INDUSTRIAL SERVICES (PT	Concurrent	138 711.79	138 711.79	-
REDLAND ENGINEERING	Concurrent	-		-
REFRALLOY ENGINEERING IMPORTING (Concurrent	2 756 231.25	2 756 231.25	-
REGAL-BELOIT SOUTH AFRICA	Concurrent	143 151.53		-143 151.53
REHEAT AND ENERGY CONSULTANTS CC	Concurrent	51 864.30	51 864.30	-
REINHAUSEN SOUTH AFRICA (PTY) LTD	Concurrent	5 375 715.78	5 375 715.78	-
REMAG (PTY) LTD	Concurrent	798 350.66	798 350.66	-
RENAISSANCE CLEANING SERVICES CC	Concurrent	2 348.34		-2 348.34
RENNIES SHIP AGENCY (PTY) LTD	Concurrent	808 344.44	1 535 684.84	727 340.40
RENOLD CROFTS (PTY) LTD	Concurrent	809 339.01	809 339.01	-
RENTTECH TRADING (PTY) LTD	Concurrent	133 344.01	133 344.02	0.01
REPLACEMENT SPARES UNLIMITED CC	Concurrent	627 204.22	789 998.41	162 794.19
RESCUE PANEL BEATERS SPRAY PAINTERS	Concurrent	310 674.12	310 674.12	-
RETECON (PTY) LTD	Concurrent	-		-
REVELATION SOFTWARE CONCEPTS	Concurrent	219 164.25	239 755.68	20 591.43
REVOLVTECH SERVICES CC	Concurrent	232 471.08	232 471.08	-
RFA INTERNATIONAL LP CALGARY (KANAD	Concurrent	7 970 427.43	8 111 822.95	141 395.52
RHETOR CC	Concurrent	69 973.20	69 973.20	-
RHI REFRACTORIES AFRICA	Concurrent	317 128.85		-317 128.85
RIKI BYDAWELL	Concurrent	11 346.83		-11 346.83
RIO-CARB (PTY) LTD	Concurrent	284 441.40	284 441.40	-
RITCHIE CRANE HIRE	Concurrent	215 049.60	240 528.60	25 479.00
RONTEK ELECTRICAL CC	Concurrent	35 139.28	35 139.28	-
ROSCON PROJECTS	Concurrent	624 969.07	624 969.06	-0.01
ROTECH SYSTEMS AND ENCODERS CC	Concurrent	783 034.08	764 577.48	-18 456.60
RS COMPONENTS LTD (INC)	Concurrent	11 479.17		-11 479.17
RUBCOTEZ CC	Concurrent	11 180.66	11 180.66	-
RUDOLF J JANSEN T/A MOFENCHA CONSUL	Concurrent	572 244.66	572 244.66	-
RUSCHEM	Concurrent	-	7 524.00	7 524.00

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S A GAUGE	Concurrent	93 623.78		-93 623.78
S BUYS SCRIPTWISE (PTY) LTD	Concurrent	36 567.42	36 571.46	4.04
S Roopa Consultants (Pty) Ltd	Concurrent	25 000.00	25 480.00	480.00
S&B INDUSTRIAL MINERALS GMBH	Concurrent	519 935.87	36 172.22 €	-483 763.65
S.A. ROLL COMPANY (PTY) LTD - SARCO	Concurrent	4 053 502.90	6 118 843.70	2 065 340.80
S.E. FOUNDRY SERVICES	Concurrent	49 061.08		-49 061.08
SA INSTITUTE OF STEEL CONSTRUCTION	Concurrent	526 015.15		-526 015.15
SA SEALING SYSTEMS (PTY) LTD	Concurrent	166 781.44	180 290.44	13 509.00
Salomie Klingbiel	Concurrent	3 150.00	3 150.00	-
SAMANCOR CHROME LIMITED	Concurrent	13 779 798.33	48 895 303.22	35 115 504.89
SANDVIK MINING AND CONSTRUCTION RSA	Concurrent	122 868.04		-122 868.04
SANGITA COMMODITY BROKERS	Concurrent	1 910 275.20	1 910 275.20	-
SANTA HIV/AIDS MPUMALANGA	Concurrent	100 000.00		-100 000.00
SAP SOUTH AFRICA (PTY) LTD	Concurrent	2 407 356.24		-2 407 356.24
SASOL GAS LTD	Concurrent	6 448 349.26	14 260 461.48	7 812 112.22
SASOL OIL	Concurrent	-		-
SASOL SYNFUELS	Concurrent	-		-
SATORI CREATIVITY FOUNDATION	Concurrent	-		-
SCAW METALS SA (PTY) LTD	Concurrent	383 061.88		-383 061.88
SCHIEFFER MECHANICAL TECHNOLOGY	Concurrent	684 350.43	684 350.42	-0.01
SCHINDLER LIFTS SA (PTY) LTD	Concurrent	-	139 114.90	139 114.90
SCHNEIDER ELECTRIC (PTY) LTD	Concurrent	226 700.40	226 700.40	-
SDV SOUTH AFRICA (PTY) LTD	Concurrent	-		-
SEBENZA SUPPLIES CC	Concurrent	208 187.56	212 946.75	4 759.19
SECURE ACCESS CC	Concurrent	1 665.00		-1 665.00
SEFLEX (PTY) LTD	Concurrent	343 868.95	343 869.14	0.19
SEIFSA	Concurrent	9 799.98		-9 799.98
SEW EURODRIVE (PTY) LTD	Concurrent	465 781.09	669 590.92	203 809.83
SHELL SA (PTY) LTD	Concurrent	1 901 879.26	1 973 509.56	71 630.30
SHELTAM (PTY) LTD	Concurrent	56 314.86		-56 314.86
SILICON SMELTERS (PTY) LTD	Concurrent	39 425 359.72	40 046 328.12	620 968.40
SILVER SOLUTIONS 2814CC T/A TW MECH	Concurrent	71 764.95		-71 764.95
SIMOTECH CC	Concurrent	430 511.88	553 037.56	122 525.68
SIZWE FORMS AND PRINTING	Concurrent	45 771.00	45 771.00	-
SKY JACKS A DIVISION OF WACO AFRICA	Concurrent	-		-
SKYJACKS HYDRAULIC ACCESS	Concurrent	147 309.96	147 309.96	-
SLA GROUP	Concurrent	350 189.76	350 189.76	-
SMS SIEMAG SOUTH AFRICA	Concurrent	9 884 666.54	18 687 401.82	8 802 735.28
SOTERION TECHNOLOGIES	Concurrent	107 730.00	215 460.00	107 730.00
SOUTH AFRICAN INSTITUTE OF WELDING	Concurrent	157 615.67		-157 615.67
SOUTH AFRICAN IRON & STEEL INSTITUT	Concurrent	17 035 264.88	17 718 895.71	683 630.83
SOUTH EAST HARD CHROME CC	Concurrent	549 853.92	577 690.25	27 836.33
SOUTHWAY REFRACTORIES	Concurrent	3 979 921.89	3 979 921.89	-
SPECIALISED RUBBER AND INDUSTRIAL	Concurrent	165 425.40	420 603.63	255 178.23
SPEDDICK INDUSTRIAL TYRES CC	Concurrent	285 381.89		-285 381.89
SPOOR & FISHER	Concurrent	1 249.50		-1 249.50
SPRING GENERAL	Concurrent	42 818.97	42 818.97	-
STAT-TIAKENI MEDICAL	Concurrent	-		-
STEELWORX CONSULTING CC	Concurrent	98 820.00	109 800.00	10 980.00
STELOY CASTINGS (PTY) LTD	Concurrent	1 933 265.16	1 933 265.14	-0.02

STERLING ENGINEERING CC	Concurrent	2 018 354.95	2 030 527.86	12 172.91
STERLING INDUSTRIAL RESOURCES CC	Concurrent	1 670 546.79	510 108.96	-1 160 437.83
STERLING PLANT HIRE CC	Concurrent	32 963.10	32 963.10	-
STERLING PLASTICS CC	Concurrent	488 154.91	491 210.11	3 055.20
STEWARTS LLOYDS (WITBANK)	Concurrent	529 387.88		-529 387.88
STONE STAMCOR (PTY) LTD	Concurrent	87 244.20		-87 244.20
STRATEGIC EQUIPMENT SEALING	Concurrent	1 528.73		-1 528.73
STREAMLINE	Concurrent	38 365.89		-38 365.89
STUDIO FX TECHNOLOGY	Concurrent	-607.70		607.70
SUCCESS MAINTENANCE AND LIFTING SER	Concurrent	1 485 727.39	2 836 151.17	1 350 423.78
Sunfox 106 cc	Concurrent	-	3 477.00	3 477.00
SUPERCARE SERVICES GROUP	Concurrent	2 890 376.20	3 035 774.89	145 398.69
SUPPLYTECH	Concurrent	888 465.92	888 465.92	-
SURTEES RAILWAY SUPPLIES	Concurrent	476 833.92	281 333.04	-195 500.88
SURVIVAL SAFETY (PTY) LTD	Concurrent	82 428.27	92 004.27	9 576.00
SVR STEEL WORKS (PTY) LTD T/A RUSTE	Concurrent	311 573.58	469 922.52	158 348.94
SW AFRICA FENCING CONSTRUCTION &	Concurrent	1 301 100.66	1 301 100.66	-
SWIFT BELT WITBANK (PTY) LTD	Concurrent	305 852.51	286 766.00	-19 086.51
T W HARPER CONSULTING ENGINEER	Concurrent	433 884.00	433 884.00	-
TABULA RASA (PTY) LTD t/a BLU-PRINT	Concurrent	122 416.62	122 416.62	-
TALMAC MACHINE TOOLS	Concurrent	-		-
TALRAD RADIATORS CC	Concurrent	69 369.00	69 369.00	-
TECHFAB (PTY) LTD	Concurrent	2 156 300.20	2 667 989.20	511 689.00
TEKPORT CC	Concurrent	4 591 844.00	4 591 844.00	-
TEMPERATURE CONTROLS	Concurrent	100 206.00	100 206.00	-
TEREX AFRICA	Concurrent	1 004 332.42		-1 004 332.42
THALIA OPTOMETRISTS INC	Concurrent	79 480.00		-79 480.00
THATCHERS GUEST HOUSE	Concurrent	153 401.50		-153 401.50
THE COMBUSTION GROUP	Concurrent	527 091.07		-527 091.07
THE HANDY GARDENER	Concurrent	257 125.00	263 885.00	6 760.00
THE NEW RECLAMATION GROUP	Concurrent	-		-
THE SOUTH AFRICAN INSTITUTE	Concurrent	-1 000.00		1 000.00
THE WASTE GROUP (PTY) LTD	Concurrent	162 880.28	162 880.28	-
THEMBALETHU BUS SERVICES (PTY) LTD	Concurrent	584 190.00	584 000.90	-189.10
THERMITEC	Concurrent	244 229.04	244 229.04	-
THERMO FISHER SCIENTIFIC JHB	Concurrent	456 608.47	573 415.29	116 806.82
THORBURN SECURITY SOLUTIONS	Concurrent	4 876 268.96	3 936 407.09	-939 861.87
THORBURN TECHNICAL SOLUTIONS	Concurrent	2 079 861.09	1 872 642.17	-207 218.92
Thos Begbie and Co (Pty) Ltd	Concurrent	-	195 988.80	195 988.80
THUSANANG FILTRATION DUCTING	Concurrent	491 519.55	489 809.25	-1 710.30
THWAITES ENGINEERING CC	Concurrent	808 782.10	833 162.43	24 380.33
TIMECOUNT (PTY) LTD	Concurrent	25 513.20		-25 513.20
TITAN WHEELS SOUTH AFRICA	Concurrent	231 306.00	231 303.92	-2.08
TLALIS CONSTRUCTIONS	Concurrent	309 850.00	380 210.00	70 360.00
TOOLQUIP AND ALLIED	Concurrent	340 267.87	354 568.68	14 300.81
TORNADO TRANSPORT (PTY)LTD	Concurrent	6 130 398.36	7 910 931.80	1 780 533.44
TRACEABILITY SOLUTIONS	Concurrent	193 877.52	315 844.98	121 967.46
TRACTOR GRADER SUPPLIES CC	Concurrent	117 629.96		-117 629.96
TRAFIGURA SERVICES SOUTH AFRICA (PT	Concurrent	-	2 840 406.62	2 840 406.62
TRANSFIRE (PTY) LTD	Concurrent	135 599.21	164 503.23	28 904.02

TRANSFORMER TECHNOLOGY CC	Concurrent	248 257.80		-248 257.80
TRANSNET FREIGHT RAIL	Concurrent	23 653 580.67		-23 653 580.67
TRAVELLERS CORNER	Concurrent	24 873.10	24 873.10	-
TRENTYRE EARTHMOVER DIVISION	Concurrent	21 776.56	21 776.56	-
TRI CORPORATION CONSTRUCTION CC	Concurrent	651 376.63		-651 376.63
TRIPCON COMMUNICATION	Concurrent	206 224.52		-206 224.52
TRYSOME AUTO ELECTRICAL & PLANT HIR	Concurrent	115 770.35		-115 770.35
TSHIRELLO TRADING & PROMOTION CC	Concurrent	107 570.40	107 570.40	-
TUGENDHAFT WAPNICK BANCHETTI & PART	Concurrent	-		-
TWO OCEANS PLUMBING CC	Concurrent	71 947.68	71 947.68	-
UKWEZA HOLDINGS	Concurrent	162 181.69	522 900.51	360 718.82
ULTRA CUT CC	Concurrent	128 677.50		-128 677.50
UNI-SPAN FORMWORK & SCAFFOLDING	Concurrent	29 415.59	29 415.59	-
UNIVERSAL RIGGING & MOVING	Concurrent	3 098 182.26	4 092 666.34	994 484.08
UNIVERSITY OF WITWATERSRAND	Concurrent	165 597.08		-165 597.08
VAE AFRICA (PTY) LTD	Concurrent	253 489.21		-253 489.21
VALARD BEARINGS CC	Concurrent	378 719.40	378 719.40	-
VANCHEM VANADIUM PRODUCTS	Concurrent	-		-
VANITEC LIMITED	Concurrent	1 480 920.00		-1 480 920.00
VAPSCO ENGINEERING CC	Concurrent	398 750.20	398 750.11	-0.09
VEGA INSTRUMENTS SA	Concurrent	326 104.41	326 104.41	-
VEREENIGING REFRACTORIES	Concurrent	6 069 800.63	6 069 800.55	-0.08
VEROTEST (PTY) LTD	Concurrent	202 932.40		-202 932.40
VERREF SHAPED (PTY) LTD	Concurrent	1 114 969.25	1 654 158.41	539 189.16
VESCO PLASTIC SALES	Concurrent	27 786.09	27 786.09	-
VESUVIUS GMBH	Secured	1 092 497.27	1 158 987.49	66 490.22
VESUVIUS SOUTH AFRICA	Concurrent	33 350 491.47	33 436 770.46	86 278.99
VIKELA ROAD DEMARCATION & SAFETY CC	Concurrent	157 365.03	157 364.99	-0.04
VNS TRAINING AND CONSTRUCTION CC	Concurrent	44 455.18		-44 455.18
VOITH TURBO (PTY) LTD	Concurrent	2 816 751.66	4 081 696.75	1 264 945.09
VOS BROTHERS CC	Concurrent	11 502.23		-11 502.23
Vosstoffel CC	Concurrent	-	83 287.39	83 287.39
W FEARNEHOUGH AFRICA	Concurrent	293 721.82	548 125.26	254 403.44
WALTONS STATIONERY (LTD) TVL	Concurrent	181 039.13	188 925.47	7 886.34
WASA (PTY) LTD	Concurrent	495 307.20	524 271.25	28 964.05
WASTEMAN HOLDING (PTY) LTD	Concurrent	58 711.03	79 736.05	21 025.02
WATER PURIFICATION	Concurrent	43 420.19	42 450.11	-970.08
WAVE ELECTRIC CC	Concurrent	641 056.20	640 756.22	-299.98
WCJ ELECTRICAL (PTY) LTD	Concurrent	274 855.14	303 503.91	28 648.77
WEARCHECK (PTY) LTD	Concurrent	14 820.00	14 877.00	57.00
WEIR MINERALS AFRICA	Concurrent	1 122 708.71		-1 122 708.71
WELGRO ENGINEERING AND MINING SUPPL	Concurrent	199 753.66	199 753.66	-
WERKSMANS INCORPORATED	Concurrent	-	264 750.07	264 750.07
WESMICK CC	Concurrent	7 284.72		-7 284.72
WIKA INSTRUMENTS (PTY) LTD	Concurrent	436 648.50	436 648.50	-
WILLOW QUARRIES (PTY) LTD	Concurrent	779 195.71	804 915.25	25 719.54
WITBANK BOLT NUT SUPPLIES	Concurrent	355.51		-355.51
WITBANK CHEMICAL MANUFACTURING COMP	Concurrent	565 000.75	565 000.75	-
WITBANK CONTRO-MATIC CC	Concurrent	196 026.03	196 025.93	-0.10
WITBANK ELECTRICAL WHOLESALERS (PTY	Concurrent	596 032.62	589 011.52	-7 021.10

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WITBANK INSTRUMENTATION ELECT CON	Concurrent	490 953.20	490 953.20	-
WITBANK RELIABLE SERVICES	Concurrent	1 994 021.31	1 995 897.72	1 876.41
WITBANK TACHOGRAPH TIME SUPPLIES	Concurrent	91 061.72	90 938.18	-123.54
WPI POWER SOLUTIONS	Concurrent	44 343.36		-44 343.36
WSP ENVIRONMENTAL (PTY) LTD	Concurrent	557 344.55	497 873.34	-59 471.21
X METALE CC	Concurrent	1 470 247.48	2 450 450.46	980 202.98
YANKA LABORATORIES (PTY) LTD	Concurrent	542 122.23	616 091.00	73 968.77
YENZA TRADING 703 CC	Concurrent	455 992.92	475 533.88	19 540.96
YEYES ENTERPRISES CC	Concurrent	92 450.82		-92 450.82
YOKOGAWA (PTY) LTD	Concurrent	36 557.93	36 557.93	-
ZIMCO GROUP (PTY) LTD	Concurrent	1 196 301.41	1 196 319.89	18.48
ZULULAND ANTHRACITE COLLIERY (PTY)	Concurrent	2 077 513.20	2 077 513.20	-
SURTEES ENGINEERING	Concurrent		195 500.88	
TOTAL		942 158 113.59	1 176 335 460.76	

*Not Independent

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Annexure CProjected statement of Income and Expenses

	Dec-16	Dec-17	Dec-18
	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>
Sales revenue	2 162 239	3 443 497	3 710 940
Steel products	1 869 579	3 012 003	3 220 102
Domestic sales	1 485 577	2 248 813	2 410 163
Export sales	384 003	763 191	809 939
Vanadium products	216 849	343 708	394 052
Domestic sales	-	-	-
Export sales	216 849	343 708	394 052
Mapochs Ore (Fines)	-	-	-
Other Income	75 811	87 785	96 786
Cost of sales	-2 292 526	-2 992 302	-3 175 992
Raw materials	-563 299	-879 330	-924 000
Auxilliary materials	-212 574	-280 457	-297 845
Energy	-500 264	-705 610	-762 083
Staff costs	-472 162	-511 373	-544 612
Services	-313 386	-381 676	-401 564
Depreciation	-216 000	-191 979	-191 850
Other expenses	-40 350	-47 620	-50 700
Change of WIP/FG	25 509	5 743	-3 337
Gross profit	-130 287	451 195	534 948
Commercial expenses	-115 991	-183 002	-198 812
General and administrative expenses	-142 334	-156 525	-166 515
Operating profit	-388 612	111 668	169 621
EBITDA	-172 612	303 647	361 471
Interest income/expense	-23 175	-23 175	-23 175
Net profit	-411 787	88 493	146 446
EBITDA calculation			
Operating Profit	-388 612	111 668	169 621
Add Back :	-	-	-
Depreciation	216 000	191 979	191 850
EBITDA	-172 612	303 647	361 471

Projected Cash Flow forecast

	Dec-16	Dec-17	Dec-18
	R'000	R'000	R'000
OPERATING ACTIVITIES			
Cash receipts from customers	2 042 811	3 677 134	3 952 755
<i>Cash receipts: local steel sales</i>	1 455 983	2 484 582	2 665 863
<i>Cash receipts: export steel sales</i>	322 764	762 263	803 444
<i>Cash receipts: local vanadium sales</i>	-	-	-
<i>Cash receipts: export vanadium sales</i>	188 253	342 504	386 662
<i>Cash receipts: scrap</i>	75 811	87 785	96 786
<i>Cash receipts: other</i>	-	-	-
Payments to suppliers	(1 965 096)	(2 849 436)	(3 027 834)
Payments to employees	(567 534)	(612 943)	(652 785)
Interest paid	(23 175)	(23 175)	(23 175)
Income tax/VAT (paid)/VAT received	53 213	34 026	32 567
	-	-	-
Net cash flows (used in)/from operating activities	(459 781)	225 606	281 527
INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment			
Capital expenditure	(102 000)	(120 000)	(120 000)
Other investment activities	-	-	-
Net cash flows (used in)/from investing activities	(102 000)	(120 000)	(120 000)
FINANCING ACTIVITIES			
Proceeds from long term borrowings	650 000	-	-
Repayment of long term borrowings	-	-	-
Net cash flows (used in)/from financing activities	650 000	-	-
Net (decrease)/increase in cash & cash equivalents	88 219	105 606	161 527
Net foreign exchange difference	-	-	-
Cash and cash equivalents at beginning of period	586 715	539 130	1 024 980
Cash and cash equivalents at end of period	674 934	644 736	1 186 508


 B.A

Projected Balance Sheet

	Sep-15	Dec-16	Dec-17	Dec-18
	R'000	R'000	R'000	R'000
ASSETS				
Non-current assets	1 306 909	1 032 405	840 424	648 571
Current assets				
Inventory	369 987	471 473	477 216	473 879
Trade and other receivables	248 453	519 875	613 361	836 048
Prepayments	12 505	12 505	12 505	12 505
Cash and short-term deposits	35 515	96 271	201 877	363 404
Short-term receivables	36 260	36 260	36 260	36 260
	702 720	1 136 383	1 341 218	1 722 096
TOTAL ASSETS	2 009 629	2 168 789	2 181 642	2 370 667
EQUITY AND LIABILITIES				
TOTAL EQUITY	934 584	301 597	390 091	536 537
Non-current liabilities				
Provisions	543 002	543 002	543 002	543 002
Long term loan	75 929	1 001 856	1 151 856	1 151 856
	618 931	1 544 858	1 694 858	1 694 858
Current liabilities				
Trade and other payables	350 000	235 247	9 607	52 185
Interest-bearing loans and borrowings	7 276	7 276	7 276	7 276
Provisions	98 838	79 811	79 811	79 811
	456 114	322 334	96 693	139 272
TOTAL LIABILITIES	1 075 045	1 867 192	1 791 551	1 834 130
TOTAL EQUITY AND LIABILITIES	2 009 629	2 168 789	2 181 642	2 370 667