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EVRAZ HIGHVELD STEEL AND VANADIUM

CIPC pany

Search Information

Summary

Search Type	CIPC COMPANY
Search Description	EVRAZ HIGHVELD STEEL AND VANADIUM
Reference	MAT1656
Date	22/03/2016

Company Information

Summary

Name	EVRAZ HIGHVELD STEEL AND VANADIUM
Type	PUBLIC COMPANY (LTD
Status	BUSINESS RESCUE
Registration Number	1960/001900/06
Registration Date	19/05/1960

Active Director(s)

Director Name	ID Number	Director Status	Appointment Date
MOHAMMED BHABHA	6004295147082	ACTIVE	01/03/2010
VALERY BORISOV	1765759	ACTIVE	01/10/2014
IZAK JOHANNES BURGER	6109105105087	ACTIVE	19/08/2014
ANDREW PHILLIP MARALACK	7103115232089	ACTIVE	19/08/2014
THABO FELIX MOSOLOLI	6909125396081	ACTIVE	21/05/2012
BAREND PETERSEN	6003215142082	ACTIVE	19/08/2014
DMITRIJ SCUKA	6511240000000	ACTIVE	11/11/2010
PAVEL SERGEEVICH TATYANIN	7402230000000	ACTIVE	26/10/2007
ANRE WESTSTRATE	6507070008089	ACTIVE	21/08/2013
TIMUR IBRAGIMOVICH YANBUKHTIN	6410010000000	ACTIVE	01/03/2010

Resigned Director(s)

Director Name	ID Number	Director Status	Appointment Date
GIACOMO CARLO BAIZINI	7001040000000	RESIGNED	26/10/2007
WALTER GIOVANNI BALLANDINO	5111010000000	RESIGNED	06/07/2007
DAVID DUNCAN BARBER	5208295096089	RESIGNED	06/02/2002
EBENHAEZER BARNARDO	4703305009081	RESIGNED	01/09/1994
PHIL'' 'ICHAEL BAUM	5410305138006	RESIGNED	08/10/2003
IAN B.. HA	7104225040081	RESIGNED	05/03/2004
LESLIE BOYD	3703035073002	RESIGNED	28/07/1972
WILLIAM FREDERICK EDMUND BRAGG	4112175064087	RESIGNED	03/07/1987
COLIN BERTRAM BRAYSHAW	3507155043087	RESIGNED	01/04/1996
JAMES WILBERT CAMPBELL	4912125060089	RESIGNED	27/07/2006
JEFFREY ARTHUR CHEGWIDDEN	4306025080009	RESIGNED	01/08/1990
HERMAN COCHIUS	4511085026088	RESIGNED	01/07/1988
CHRISTOPHER JOHN COLEBANK	4911175070089	RESIGNED	01/01/2002
HARRY ERSKINE DAVIDSON	4506135068080	RESIGNED	20/07/1999
BERNARDINE ELIZABETH DE BEER	5609270123089	RESIGNED	26/08/2009
ANDRE JOHANNES DE NYSSCHEN	4910045045081	RESIGNED	01/11/2003
KEVIN ERNEST DIACK	5708015063004	RESIGNED	08/09/1997
KEVIN ERNEST DIACK	5708015063004	RESIGNED	08/09/1997
AMANDA DIENER	6309190012087	RESIGNED	27/09/2004
ALEXANDER VLADIMIROVICH FROLOV	6405170000000	RESIGNED	27/07/2006
MICHAEL DENNIS GARCIA	6410190000000	RESIGNED	13/05/2011
GODFREY GREGORY GOMWE	5508120000000	RESIGNED	31/03/2005
ANTHONY HARRIS	4508245078082	RESIGNED	20/07/1999
TREVOR EDWARD JONES	4104065062081	RESIGNED	31/03/1990
MICHAEL WALLIS KING	3703165039005	RESIGNED	02/01/1980
CATHERINA ISABELLA LEWIS	7111130303082	RESIGNED	01/08/2008
OLGA LUZIK	71 9444403	RESIGNED	15/04/2014
ALEXANDER SCOTT MACDONALD	5301120000000	RESIGNED	01/03/2010
GIUSEPPE ANTONINO MANNINA	5201220000000	RESIGNED	06/07/2007
DAVID PHILIP MARTIN	5503205084088	RESIGNED	23/08/2000
LUIGI MATTEUCCI	5401065026085	RESIGNED	02/04/1993
NORMAN BLOE MBAZIMA	5807130000000	RESIGNED	01/07/2003
RICHARD WESTWOOD MCBRIDE	5404185018008	RESIGNED	09/04/1998
DAPHNE RAMAISELA MOTSEPE	5704240789083	RESIGNED	16/07/1998
BABALWA NGONYAMA	7410040902086	RESIGNED	01/03/2010
VUSIMUZI MOSES NKOSI	7003215327088	RESIGNED	14/03/2012
GEORGE RUPERT PARDOE	5702105028001	RESIGNED	01/08/1994
DAVID BRIAN PFAFF	6506265034009	RESIGNED	20/07/1999
ALLLIT JOHAN PIENAAR	4607015085085	RESIGNED	02/04/1991
DEON CORNELIUS PRETORIUS	6611045104088	RESIGNED	07/09/2007
DEON CORNELIUS PRETORIUS	6611045104088	RESIGNED	07/09/2007
BHEKISISA JAMES THEMBA SHONGWE	5503255791087	RESIGNED	01/09/1994
ALEXANDER SOROKIN	3653359000000	RESIGNED	27/07/2006
PETER MONTAGU SURGEY	5412025707086	RESIGNED	01/03/2010
JURGEN THEISS	6405315028089	RESIGNED	01/01/2001
ANTHONY JOHN TRAHAR	4906015038007	RESIGNED	01/04/1992
JAN VALENTA	7803110000000	RESIGNED	15/11/2011
MICHAEL WINSTANLEY	4403105155107	RESIGNED	01/09/1994
CHRISTOPHER WILLIAM POPHEM YATES	3902265048102	RESIGNED	05/04/1984
GUY FRANKLIN YOUNG	6911155173083	RESIGNED	22/12/2000

Deceased Director(s)

Director Name	ID Number	Director Status	Appointment Date
LESLIE BOYD	3703035073085	DECEASED	28/07/1972

Auditor(s)

Auditor Name	Profession Code	Status	Start Date
ERNST AND YOUNG	SAICA	CURRENT	-

Company Information

Summary

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Name	EVRAZ HIGHVELD STEEL AND VANADIUM
Short Name	-
Type	PUBLIC COMPANY (LTD
Tax Number	9250026607
Short	(LTD)
Registration Number	1960/001900/06
CIPC Company Act Type	COMPANY (REGISTERED ACCORDING TO OLD CO ACT)
Type Date	19/05/1960
Old Registration No.	-
Registration Date	19/05/1960
Translated Name	-
Start Date	19/05/1960
Status	BUSINESS RESCUE
Principal Description	TO PRODUCE STEEL AND VANADIUM PRODUCTS
Status Date	-
Details Withdrawn From Public	NO
Standard Industrial Classification	PRIVATE HOUSEHOLDS, EXTERRITORIAL ORGANISATIONS, REPRESENTATIVES OF FOREIGN GOVERNMENTS AND OTHER ACTIVITIES NOT ADEQUATELY DEFINED
Financial Year End	DECEMBER
Financial Effective Date	19/05/1960
Country of Origin	-
Country	-
Authorised Capital	-
Region	GAUTENG
Issued Capital	-
Authorised Shares	-
Form Received Date	-
Issued Shares	-
Date on Form	-
Conversion Number	-
Registered Address	PORTION 93 OF, THE FARM SCHOONGEZICHT, NO 308JS DISTRICT, EMALAHLENI, 1039
Postal Address	P O BOX 111, WITBANK, 1035

Director(s)

Director 1 of 61

Type	NON EXECUTIVE DIRECTOR
Status	RESIGNED
First Name	GIACOMO CARLO
Surname	BAIZINI
ID Number	7001040000000
Gender	FEMALE
Date of Birth	04/01/1970
Age	46
Appointment Date	26/10/2007
Resignation Date	19/08/2014
Member Contribution	0%
Member Size	0%
Residential Address	FLAT 46, 29 NOVIJ ARBAT, MOSCOW, RUSSIA, 0000
Postal Address	BUILDING 19/8, DOLGORUKOVSKAYA STR, MOSCOW, RUSSIA, 0000

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EVRAZ EVRAZ HIGHVELD STEEL AND VANADIUM

making the world stronger

MINUTES OF A MEETING OF THE DIRECTORS OF EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED

REGISTRATION NUMBER 1960/001900/06 (the Company) HELD ON 13 APRIL 2015 AT SANDTON

PRESENT:	Mr B Petersen (Chairman). Mr M Bhabha Mr T Mosoloi Mr AP Maralack Mr IJ Burger (Chief Executive Officer)
TELECONFERENCE:	Mr T Yanbukhin Mr P Talyanin Mr D Sciuka Mr V Borisov
IN ATTENDANCE:	Ms A Weststrate (Company Secretary)
BY INVITATION:	Mr Dmitrij Melnikov (EVRAZ plc) Ms C van Zuylen (Legal representative from Bowman Gilfillan) Mr C Douglas (Legal representative from Bowman Gilfillan) Mr J Jones (Cliffe Decker Hofmeyer attorneys)

NOTICE AND CONSTITUTION:

There being a majority of directors present and notice to all directors having been given in terms of clause 5.1 and 5.2 of schedule 2 of the Company's Memorandum of Incorporation and section 73(5)(a) of the Companies Act, 2008 (the Companies Act), the Chairman declared the meeting to have been properly convened and constituted.

The following resolutions were then passed, with each resolution being dated 13 April 2015, and each resolution being sequentially numbered in the order it was passed:

2015 -04- 13
COMPANIES AND INTELLECTUAL PROPERTY COMMISSION

RESOLUTIONS:

1. RESOLVED THAT the Company voluntarily begins business rescue proceedings and the Company is placed under supervision in terms of section 129(1) of the Companies Act 71 of 2008, it being recorded that the board has reasonable grounds to believe that:
   1.1 the Company is in financial distress in that it is reasonably unlikely to be able to pay its debts as and when they become due within the immediately ensuing six months; and
   1.2 there appears to be a reasonable prospect of rescuing the Company.

2. RESOLVED THAT Daniel Terblanche and Piers Mareden be and are hereby appointed as the joint business rescue practitioners of the Company.

3. RESOLVED THAT Izak Johannes Burger (and any other director of the Company) be and is hereby authorised on behalf of the Company, to do or cause to be done, all such things, and sign, and cause to be signed, all such documentation, as may be necessary or desirable to give effect to the aforegoing, and insofar as any director has done any of the aforegoing prior to the passing of this resolution, such action be and is hereby ratified and approved.

There being no further business the meeting was closed.

CHAIRPERSON
Barend Petersen

KOMMISSIE VIR LEWENSKOPE EN INTELLEKTUELE EIENDOM
CUD NEM UMGASEM-EDA
2015 -04- 13
BANKSETA
KOMPANIES EN INTELLEKTUELE EIENDOM
PROPERTY COMMISSION

"MS3" 11/10/94/6/2/48 37

SEËLREG
STAMP DUTY R
FOOI
FEES R 5270,00

GEREGISTREER
REGISTERED
REGISTRATEUR/REGISTRAR
2015 -08- 05

BN 000004694 / 2015
MPUMALANGA

Protocol No. 15/2015

GENERAL NOTARIAL BOND

BE IT HEREBY MADE KNOWN:

THAT on this the 09 day of July in the year, Two Thousand and Fifteen (2015) before me,

BERNADETTE FELICIA MENEZES,

Notary Public by lawful authority, duly sworn and admitted and residing and practising at Johannesburg in the Province of Gauteng, and in the presence of the subscribing competent witnesses, personally came and appeared -

BUSISIWE FAIRLADY MOTHOBI

the duly authorised agent of:

BERNADETTE FELICIA MENEZES
NOTARY PUBLIC
GAUTENG

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EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED
Registration Number 1960/001900/06

(together with its successor in title and assigns hereinafter referred to as "the **Mortgagor**")

acting under and by virtue of a Power of Attorney granted to her on the 07 day July 2015 at Sandton by

PIERS MARSDEN

in his capacity as the authorised representative and authorised business rescue practitioner of the Mortgagor, he being duly authorised thereto by virtue of a resolution passed by the joint business rescue practitioners of the Mortgagor at Johannesburg on the 29 May 2015 and they being duly authorised thereto in terms of the Notice of Appointment of Business Rescue Practitioner under form CoR123.2 accepted by the CIPC on 15 April 2015.

which Power of Attorney and which resolution are now filed in my Protocol.

WHEREAS the Mortgagor carries on business at Portion 93 of the Farm Schoongezicht No. 308, Registration Division JS, Emalahleni, 1039 (being the Mortgagor's business address); and

The Mortgagor has its registered office at Portion 93 of the Farm Schoongezicht No. 308, Registration Division JS, Emalahleni, 1039

AND WHEREAS the hereinafter mentioned Mortgagee requires every present and future indebtedness of the Mortgagor to be secured by the hypothecation of the undermentioned property as a continuing covering security;

AND the Appearer, on behalf of the Mortgagor, declared that whereas the Mortgagor is truly and lawfully indebted and held and firmly bound to and in favour of -

INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED

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NOTARY PUBLIC
GAUTENG

(a corporation established under Section 2 of the Industrial Development Corporation Act 22 of 1940)
(the "**Mortgagee**") .

its order, successors in title and assigns in the sum of **R150 000 000.00** (one hundred and fifty million Rand) (hereinafter referred to as the "**Capital**") as a continuing covering security in respect of every indebtedness or obligation of whatsoever cause and nature and howsoever arising and whether now owing and which will from time to time hereafter and/or for the time being be owing to the Mortgagee including and without restricting the generality of the aforegoing, every indebtedness or obligation of the Mortgagor to the Mortgagee which has already arisen and which may in the future arise from, by reason of, or in respect of goods sold and delivered or to be delivered; moneys lent and advanced or to be advanced; negotiable instruments made, drawn, accepted, endorsed or otherwise negotiated or executed; suretyships, guarantees, indemnities or similar obligations undertaken; interest; damages or statutory or other compensation; the acquisition by the Mortgagee by cession or otherwise from any third party of any claim or claims or rights of action of whatsoever cause or nature against the Mortgagor; in every case or event irrespective of whether the indebtedness or obligation in question will have arisen in the first instance in favour of the Mortgagee or will have become owing to the Mortgagee thereafter in consequence of any transfer, negotiation or cession thereof to the Mortgagee and irrespective of whether such indebtedness or obligation is owing to the Mortgagee by the Mortgagor alone or jointly with others and including any novated debt or debt arising in connection with or substitution for any debt of the Mortgagor to the Mortgagee, including in particular and without limiting the generality of the aforegoing any indebtedness or obligation arising out of or in connection with the loan agreement into between the Mortgagor, the Mortgagee and others dated 8 June 2015 (hereinafter referred to as the "**Facility Agreement**").

AND the Appearer q.q. further declared the Mortgagor to be held firmly bound in a further sum of **R45 000 000.00** (forty five million Rand) (hereinafter referred to as the "**Additional Amount**") to secure any sum or sums of money which shall or may be disbursed by or become owing to the Mortgagee in respect of interest, premiums of insurance, licences, state, municipal and other taxes, repairs, stamp duties, legal and other

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costs on the scale as between an attorney and his own client of and incidental to this bond and/or any proceedings instituted or taken by the Mortgagee against the Mortgagor hereunder (including the proof of claims and attendances of meetings in the event of the Mortgagor's insolvency or winding up), expenses incurred or to be incurred in protection of the security of the Mortgagee hereunder and/or any other charges disbursed by the Mortgagee for or on behalf of the Mortgagor in terms of this bond or otherwise.

AND as a continuing covering security for every such present and/or future indebtedness or obligation as aforesaid as well as all of the Mortgagor's obligations hereunder, the Appearer on behalf of the Mortgagor hereby declared to bind and hypothecate

ALL OF THE MORTGAGOR'S MOVABLE PROPERTY AND EFFECTS, OF WHATEVER NATURE AND DESCRIPTION AND WHERESOEVER SITUATE, BOTH CORPOREAL AND INCORPOREAL AND BOTH SUCH AS THE MORTGAGOR MAY NOW OWN OR AS IT MAY IN THE FUTURE ACQUIRE, NOTHING EXCEPTED

(hereinafter referred to as the "Assets").

AND the Appearer q.q. further declared the conditions of this bond to be such that it shall be and remain in full force and effect as a continuing security and covering bond in addition and without prejudice to any other securities or suretyships now held or hereafter to be held by the Mortgagee in respect of or covering the indebtedness of the Mortgagor to the Mortgagee up to the amount of the Capital for all or any sum or sums of money in which the Mortgagor may now be or hereafter become indebted to the Mortgagee from whatsoever cause arising, notwithstanding any fluctuation in the amount or even temporary extinction of such indebtedness, until such time as this Bond shall be cancelled in the Deeds Office with the consent of the Mortgagee.

AND the Appearer q.q. hereby declared the following to be special conditions of

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this Bond namely:

1. **RENUNCIATION OF EXCEPTIONS**

The Mortgagor renounces all benefit from the legal exceptions *non numeratae pecuniae, non causa debiti, errore calculi*, revision of accounts, no value received, *de duobus vel pluribus reis debendi* and all other exceptions which might or could be taken at law or in the equity to the payment of the aforesaid sum or any part thereof with the force and effect of which exceptions the Appearer declared the Mortgagor to be fully acquainted.

2. **INSURANCE OF ASSETS**

2.1. The Assets shall be insured and kept insured by the Mortgagor in the names of the Mortgagor and the Mortgagee jointly for their respective rights and interests against all risk of loss or damage from whatsoever cause arising including from fire, riots, strike, civil commotion, explosion, fire following riots and strike, storm, earthquake, political riot and against such other peril/s as are normal in the case of such assets and as the Mortgagee may from time to time stipulate, for a sum assured being not less than the full replacement value thereof as determined from time to time by the Mortgagee which amount is agreed to be the reasonable value thereof.

2.1.1. It is recorded that in the case of new policies effected in terms of this clause, the Mortgagor shall have the right to choose the insurer with which and the intermediary through which such insurance is effected.

2.1.2. If insurance is effected otherwise than through an intermediary approved by the Mortgagee, such insurance shall contain a provision to the effect that the same may not be cancelled by the insurer save on 30 (THIRTY) days written notice to the Mortgagee.

2.1.2.1.1. Every insurance policy effected in terms of this clause shall provide that all sums becoming payable thereunder shall, in the event of any loss, be paid by the insurer to the Mortgagee who, alone, shall be entitled to give good and valid receipts and discharges in respect thereof and such policy shall not restrict the rights of the

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Mortgagee against the insurer.

2.2. The Mortgagor hereby cedes, transfers, makes over and assigns to the Mortgagee all of its right, title and interest in and to each and every policy of insurance including any collective policy under which the Assets are insured, as collateral security for the payment of all sums of monies secured under this bond and the Mortgagor undertakes on demand to deliver the said policy or policies to the Mortgagee.

2.3. The Mortgagor shall, in addition, effect all insurances relating to the Assets or their use required by law.

2.4. The Mortgagor shall pay all premiums due in respect of policies referred to in this clause as and when such premiums fall due and shall, whenever called upon by the Mortgagee to do so, produce proof of payment of such premiums and deposit any receipt or receipt in respect thereof with the Mortgagee. Should the Mortgagor fail to effect any such insurance or deliver any policy, policies or receipts as aforesaid, the Mortgagee shall be entitled to insure the Assets in accordance with the provisions of this clause and to recover all costs, charges and disbursements made or incurred in connection therewith from the Mortgagor forthwith on demand.

2.5. Any monies received by the Mortgagee under any insurance effected or to be effected in terms of this clause on the occurrence of a loss shall, at the sole election of the Mortgagee, be expended either in partial or full repayment of any amount which may then be due by the Mortgagor to the Mortgagee secured hereunder, or in the restoration under such conditions as the Mortgagee may determine of that portion of the Assets as has been destroyed or damaged.

2.6. The Mortgagee shall (without prejudice to the generality of the rights conferred on it in terms of this clause) have the right and be entitled to adjust, settle, compromise, institute or defend claims and/or litigation and submit to arbitration all claims, disputes and matters arising out of or in connection with any one or more of the said policies of insurance effected or to be effected in terms of this clause or the happening of any event hereby insured against, all in such manner as the Mortgagee in its sole and absolute discretion may think fit and all at the cost and expense of the

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Mortgagor, who shall repay to the Mortgagee the costs or expenses thereby incurred by it forthwith on demand.

2.7. The Mortgagee shall not be liable to the Mortgagor for failure to do anything in terms of this clause or for doing such thing negligently or in a manner not acceptable to the Mortgagor.

3. MORTGAGOR'S NEGATIVE OBLIGATIONS

3.1. The Mortgagor shall not without the Mortgagee's prior written consent (which consent shall not be unreasonably withheld) –

3.1.1. sell, alienate, dispose of, transfer or give up possession in any way of the Assets or any of them;

3.1.2. pledge, cede, mortgage, hypothecate or otherwise encumber the Assets or any of them;

3.1.3. permit any lien, encumbrance, hypothec or security interest of whatsoever nature in the Assets to be created by the operation of law or otherwise howsoever;

3.1.4. sign any power of attorney to pass any bond or execute or pass any further bond or bonds over the Assets;

3.1.5. remove any of the Assets from the Republic of South Africa;

3.2. The prohibitions in 3.1 above shall not apply to anything which the Mortgagor is able to prove is done in the ordinary and regular course of the business of the Mortgagor.

3.3. The onus of proving that any transaction referred to above or in the bond is in the ordinary and regular course of the Mortgagor's business shall be on the Mortgagor.

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4. MORTGAGOR'S POSITIVE OBLIGATIONS

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The Mortgagor shall -

4.1. promptly and regularly pay all rentals, taxes, rates, licence fees and other imposts and outgoings (if applicable) in respect of the Assets, and on demand produce to the Mortgagee proof of such payment;

4.2. keep the Assets (and all replacements thereof) in good condition and repair and replace the same whenever necessary, it being agreed that for purposes hereof-

4.2.1. all parts used in the repair of the Assets and all accessories affixed thereto shall be deemed to form part of and accede to the Assets; and

4.2.2. any asset acquired by the Mortgagor in replacement of the Assets or any of them shall for all purposes hereunder be deemed to be included in the Assets;

4.3. permit the Mortgagee at any time to inspect the Assets;

4.4. advise the Mortgagee of any fact, circumstance or event which is, or may be construed as or which lives rise or may give rise to an event of default in terms of 7 below;

4.5. whenever requested to do so by the Mortgagee at any time during the continuance of this bond, furnish to the Mortgagee all policies of insurance, licences, permits and registration documents relevant to the Assets or any of them;

4.6. permit the Mortgagee at any time to take possession of the Assets in order to perfect its pledge.

5. **INTEREST**

Any sums of money due and payable by the Mortgagor to the Mortgagee under, in terms of or secured by this Bond shall in the absence of any written agreement to the contrary bear interest (in respect of which the

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Mortgagor hereby acknowledges its indebtedness to the Mortgagee) at the maximum rate from time to time charged by any commercial bank in the Republic of South Africa in respect of overdraft advances. Such interest shall be computed upon the daily balance outstanding and shall be calculated and ascertained monthly and when so calculated and ascertained it shall thereupon ipso facto be due for payment and if not paid shall be capitalised and for all purposes form portion of the amount secured under this Bond.

6. **NOTICES AND PAYMENT**

All notices which may require to be given by the Mortgagor to the Mortgagee and all payments in respect of any amounts at any time due and payable under, in terms of or secured by this bond whether of capital, interest or otherwise shall be made at 19 Fredman Drive, Sandton or at such other place or address as the Mortgagee may from time to time notify to the Mortgagor.

7. **EVENTS OF DEFAULT**

An event of default shall occur if -

7.1. the Mortgagor refuses and/or neglects-

7.1.1. to carry out the provisions of the Facility Agreement or if the Mortgagor commits any act which constitutes a breach of any of the provisions of the Facility Agreement; or

7.1.2. to carry out, or breaches any of the other terms, conditions or stipulations of this bond; or

7.1.3. to carry out, or breaches any of the terms, conditions or stipulations of any agreement between the Mortgagor and the Mortgagee or any bond passed by the Mortgagor in favour of the Mortgagee which is collateral hereto; or

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7.2. The Mortgagor-

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7.2.1. if not a company, is sequestrated, whether provisionally or finally or takes any steps to surrender the Mortgagor's estate; or

7.2.2. if a company, is dissolved or provisionally or finally liquidated, wound-up or placed under judicial management or gives any notice or takes any steps to convene a meeting of its shareholders to adopt a Resolution for its winding- up or to place it under judicial management whether provisional or final, voluntary or otherwise; or

7.2.3. makes or attempts to make or recommends any general offer of compromise with any or all of its creditors; or

7.2.4. changes the nature of its activities in any material respect or materially reduces the scope thereof without the Mortgagee's prior written consent; or

7.2.5. commits any breach of any material contract binding upon it entitling the other party to that contract to cancel the same or to accelerate performance by the Mortgagor of any obligation due thereunder;

7.2.6. suffers judgment granted by any Court against it to remain unsatisfied for a period of 7 (SEVEN) days.

8. **THE MORTGAGEE'S RIGHTS ON THE HAPPENING OF AN EVENT OF DEFAULT**

Upon the happening of an event of default referred to in 7 above, the Mortgagee shall, without prejudice to any other right which it has in terms hereof or at law, be entitled -

8.1. notwithstanding the terms and conditions of any indebtedness or obligation of the Mortgagor to the Mortgagee arising before, simultaneously with or after the execution of this bond (save only to the extent that the provisions of this sub-clause 8.1 are expressly overridden in writing referring to this clause 8.1 and signed by the Mortgagor and the Mortgagee) to declare the full amount of the Mortgagor's indebtedness to the Mortgagee from whatsoever cause arising to be due and payable forthwith and to claim and

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recover the same from the Mortgagor forthwith on demand;

8.2. if the Mortgagee has not already been placed in possession of the Assets, to forthwith take possession and thereby perfect its pledge of the Assets;

8.3. to hold the Assets as security for the payment of all amounts owing by the Mortgagor to the Mortgagee and to retain such possession for so long as the Mortgagee may deem fit;

8.4. to dispose of the Assets or any of them by public auction, public tender or by private treaty or otherwise in the Mortgagee's sole discretion and on such terms and conditions as the Mortgagee in its sole discretion may deem fit and to convey good valid and free title lo the purchaser or transferee thereof;

8.5. to apply for provisional sentence hereunder;

8.6. to employ such other remedies and to take such other steps against the Mortgagor as are allowed in law;

8.7. to recover all costs and charges incurred by the Mortgagee in the exercise of its rights under this bond including (but without limitation) all costs of storing the Assets and all legal costs and disbursements.

9. **MANNER OF EXERCISE OF THE MORTGAGEE'S RIGHTS**

9.1. The Mortgagee shall be entitled to exercise the rights afforded to it in terms of this bond including (but not limited to) those referred to in 8 above-

9.1.1. either separately or jointly or in such order and combination and at such times as the Mortgagee may think fit and the Mortgagee shall be entitled to recover from the Mortgagor forthwith on demand any costs or expenses reasonably incurred in exercising any of such rights;

9.1.2. itself through any of its directors, managers, officers, employees, servants, agents or independent contractor nominated by it for the purpose (it being expressly agreed that as between Mortgagor and

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Mortgagee it shall not be necessary for the Mortgagee to prove the appointment or authority of a person referred to in this sub-clause).

9.2. If the Mortgagee exercises any of its rights in terms of this bond, neither the Mortgagee nor any of its directors, managers, officers, employees, servants, nor any agents or independent contractors for whose acts. the Mortgagee may be vicariously liable in law, shall be liable for any loss or damage of whatsoever nature to the Mortgagor's business and/or the Assets howsoever arising or caused, in particular whether caused by negligence or not. The Mortgagor hereby indemnifies and holds the Mortgagee and its directors, managers, officers, employees, servants, agents or independent contractors harmless against all and any claims of whatsoever nature which may be made against the Mortgagee or any of the aforementioned persons arising out of any of the aforegoing occurrences.

10. RIGHTS TO APPLY TO COURT AND JURISDICTION

10.1. Any application to any competent Court to be brought by the Mortgagee in terms of or arising from this bond and/or the Facility Agreement, may be brought, at the Mortgagee's election, either ex parte or on notice to the Mortgagor. The right conferred upon the Mortgagee in terms of this paragraph shall in no way derogate from any other right conferred on the Mortgagee in terms of this bond or otherwise.

10.2. The Mortgagor hereby submits to the jurisdiction of the High Court of South Africa, Witwatersrand Local Division, and agrees that any action by the Mortgagee against the Mortgagor may be instituted in that division or any other division of the High Court having jurisdiction in the relevant dispute as the Mortgagee may elect.

11. FINANCIAL STATEMENTS

The Mortgagor shall deliver to the Mortgagee the audited annual financial statements of the Mortgagor from time to time as soon as they are made available to the Mortgagor but in any event not later than (SIX) months after the Mortgagor's financial year end.

12. PROVISIONS SEVERABLE

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If any of the provisions of this bond are found to be unlawful, unenforceable or invalid such provision shall be deemed to be severable from the remaining provisions of this bond and shall, to the extent that the same is unlawful, unenforceable or invalid, be deemed to be pro non scripta.

13. REARRANGEMENT OF PAYMENT

The Mortgagee shall have the right at any time by agreement with the Mortgagor to rearrange or alter the conditions for repayment of capital, interest or any other sum owing to the Mortgagee as regards the amount of any instalments payable in respect thereof or as regards the date/s of payment or otherwise and no such rearrangement or alteration shall in any way prejudicially affect the operation of this Bond or the security granted hereunder nor constitute a novation of any of the said debts nor affect the rights of the Mortgagee to sue in terms of this Bond in the same manner as if no such new arrangement or alteration had been made and all the provisions of this Bond shall mutatis mutandis apply' to all or any such rearrangement or alteration other than those specifically altered thereby in writing as fully and effectually for the purpose of applying for judgment under this Bond as if such rearrangement or alteration had been the original terms of this Bond.

14. RELEASE OF SECURITIES

This Bond shall not be affected by, and shall remain of full force and effect notwithstanding, the grant of time or any other indulgence by the Mortgagee to the Mortgagor or anyone else, the release wholly or partially of any other securities held by the Mortgagee for any indebtedness of the Mortgagor, the taking of other securities in place thereof, the variation or alteration of any securities, the release wholly or partially of any surety, co-principal debtor, co-debtor and/or co-surety, with the Mortgagor, the compounding or compromise of any relevant claim and generally the grant or extension of any latitude or indulgence to the Mortgagor or anyone else.

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15. NO VARIATION

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15.1. No addition to and no alteration, variation or consensual cancellation of any of the provisions of this Bond and no waiver by the Mortgagee of any of its rights hereunder shall be of any force or effect unless reduced to writing and signed by both the Mortgagor and the Mortgagee. The Mortgagor hereby waives the right to rely on any oral contract or any contract allegedly constituted by the conduct of the Mortgagee or any person acting on the Mortgagee's behalf or any implied contract with reference to the subject matter or content of this Bond or on any implied term or condition in this Bond.

15.2. No leniency or extension of time that may be granted by the Mortgagee to the Mortgagor for the payment of any amount or the performance of any obligation and no course of conduct between the Mortgagee and the Mortgagor or indulgence shown by the Mortgagee to the Mortgagor either prior to the extension hereof or thereafter shall constitute or be construed as a waiver, novation or variation of any of the terms or conditions hereof, nor excuse the Mortgagor from exact compliance of the same nor shall the same create any estoppel against the Mortgagee or otherwise vary, novate or in any way affect any of the Mortgagee's rights hereunder. No waiver of any of the Mortgagee's rights hereunder shall be binding on the Mortgagee unless reduced to writing and signed by the Mortgagee's representative authorised thereto in writing.

16. **DOMICILIUM**

16.1. For the purpose of this bond the Mortgagor chooses *domicilium citandi et executandi* at Portion 93 of the Farm Schoongezicht No. 308, Registration Division JS, Emalahleni, 1039.

16.2. All notices which are to be given by the Mortgagee in terms of this bond shall be presumed, until the contrary is proved, to have been received -

16.2.1. if posted by registered post to P.O. Box 111 Witbank, 1035 7 (SEVEN) days after the date of posting;

16.2.2. if delivered by hand on the date of delivery to the address in 16.1

16.3. The Mortgagor may by notice in writing from time to time alter its

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addresses set out in clauses 16.1 and 16.2.1.

17. COSTS

All fees, charges and disbursements in having this Bond prepared and registered and in having this Bond cancelled (all of which services shall be rendered by a Conveyancer instructed by the Mortgagee), in issuing notices and demands and in instituting or prosecuting any legal proceedings or in proving a claim in the event of the liquidation of the Mortgagor shall be borne and paid on demand by the Mortgagor on the scale as between an Attorney and his own client whether or not action has been or is instituted by the Mortgagee against the Mortgagor.

18. CESSION BY MORTGAGEE

The Mortgagee may at any time and without reference to the Mortgagor, cede its right, title and interest in and to this Bond to any person or persons whatsoever (even if such cession entails an increase in the number of Mortgagees) in which event any reference to the Mortgagee in this Bond shall be deemed to be a reference to any such successor in title of the Mortgagee.

19. CERTIFICATE CLAUSE

A certificate purporting to be signed by any one of the Mortgagee's authorised signatories, (whose appointment it shall not be necessary to prove) shall be prima facie proof of the amount due, owing and payable by the Mortgagor to the Mortgagee and secured under this Bond; the terms of any rearrangement or alteration in terms of clause 13 above and of any other fact relevant to transactions between the Mortgagor and the Mortgagee including especially but not exclusively any rate or rates of interest, for all purposes and including without prejudice to the generality of the aforegoing for the purpose of obtaining judgment or provisional sentence against the Mortgagor or execution under this Bond.

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20. INTERPRETATION

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20.1. In this Bond, unless the context otherwise indicates, words importing any one gender shall be deemed also to import the other genders and words importing the singular shall be deemed also to import the plural and vice versa.

20.2. Clause headings are for reference purposes only and shall not be taken into account in the interpretation of this Bond.

21. WAIVER

With reference to any obligations which the Mortgagor may now or hereafter have to the Mortgagee (including in particular but without limitation to the generality of the aforegoing, the obligations hereunder), the Mortgagor hereby waives all benefit and protection of and under the Agricultural Credit Act No. 28 of 1966, the Moratorium Act No. 25 of 1963, all amendments to those statutes and all other statutes passed and to be passed in substitution, wholly or partially, for any of the aforementioned statutes or passed or to be passed for the protection of debtors in respect of which protection may validly be waived.

22. CANCELLATION

The Mortgagor shall not be entitled to require that this Bond be cancelled until such time as the Mortgagor has directed a written request to the Mortgagee that this Bond be cancelled and the Mortgagee has agreed in writing that the full indebtedness of the Mortgagor to the Mortgagee has been paid and discharged.

23. ALLOCATION OF PAYMENTS

Notwithstanding anything to the contrary herein contained or in law and notwithstanding any purported appropriation by the Mortgagor, the Mortgagee alone shall have the right to appropriate and allocate any moneys received by the Mortgagee from the Mortgagor at any time to any indebtedness or obligation of the Mortgagor to the Mortgagee as the Mortgagee may deem fit from time to time in its sole and absolute discretion and the Mortgagor hereby waives the right to name the debt to

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which any such moneys may or shall be allocated or appropriated.

24. WAIVER OF CLAIMS BY MORTGAGOR

The Mortgagee shall under no circumstances be liable for any loss or damage as a result of any act, omission, fault or negligence in exercising any of its powers or any mandate in terms of this bond and the Mortgagor does hereby waive any claim which it may have against the Mortgagee arising out of any such act, omission, fault or negligence, as the case may be.

25. JURISDICTION

The Mortgagor consents in terms of Section 45 of Act 32 of 1944 (or any amendment or substitution thereof) that the Mortgagee may at its option enforce any rights in terms of this bond in the Magistrate's Court for any district having jurisdiction over the Mortgagor in terms of Section 28(1) of the said Act.

26. CONFLICTING PROVISIONS

If any of the provisions of this bond conflict with any of the provisions of the Facility Agreement and/or any other agreement entered into between the Mortgagor and the Mortgagee in terms whereof the obligations of the Mortgagor are secured by this bond then the provisions of the Facility Agreement and/or such other agreement shall prevail, as the case may be.

27. NOTICE TO LANDLORDS AND WAIVER

27.1. The Mortgagor shall give written notice of this bond to the landlord of the premises in which the Mortgagor keeps or houses the Assets and shall obtain from such landlord a waiver to the reasonable satisfaction of the Mortgagee in respect of any hypothec or right of retention which any such landlord or landlords may have in respect of the Assets;

27.2. A copy of every notice so given is to be delivered to the Mortgagee;

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together with the waivers so signed by such landlords.

27.3. Notwithstanding the provisions of this clause, the Mortgagee is entitled to give any notice as in contemplated in this clause and has furthermore the right to obtain any such waivers as the Mortgagee may deem fit.

THUS DONE AND SIGNED AT Johannesburg on the day, month and year first aforewritten, in the presence of the subscribing competent witnesses, both present at the same time.

AS WITNESSES:

1. Jenkins

q.q. Mortgagor

2. S.Z. Nkhlang

QUOD ATTESTOR

NOTARY PUBLIC

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SHORT FORM LOAN AGREEMENT

(REVOLVING CREDIT FACILITY)

Parties: Industrial Development Corporation of South Africa Limited

(a corporation established under Section 2 of the Industrial Development Corporation Act 1940 (Act No. 22 of 1940))

19 Fredman Drive

Sandown

2196

Telefax number: (011) 269 3116 or (011) 269 3115

("**Lender**")

and

Evraz Highveld Steel and Vanadium Limited (in business rescue)

(Registration Number: 1960/001900/06)

Old Pretoria Road

Portion 93 of the farm Schoongezicht No. 308 JS

eMalahleni (Witbank)

Telephone: 013 690 9911

Facsimile: 013 690 9293

Email: pmarsden@matusonassociates.co.za

Attention: Mr Piers Marsden

("**Borrower**")

1. **DEFINITIONS AND INTERPRETATION**

In this revolving credit facility agreement (this "**Agreement**"), unless the context indicates a contrary intention, words and expressions shall bear the following meaning assigned to them:

1.1 ***"Advance"*** means monies lent and advanced by the Lender to the Borrower for the purpose of funding working capital to allow the Borrower to perform in terms of the relevant Contract as specified in the relevant ILA and/or RFA by way of a Loan, pursuant to this Agreement and the relevant ILA and/or RFA, where the aggregate of all Advances shall not exceed the Facility;

1.2 ***"Applicable Law"*** means any law (including statutory, common or customary law), statute, judgment, treaty, regulation, directive, by-law, order, other legislative measure, requirement, request or guideline (whether or

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not having the force of law, but if not having the force of law, is generally complied with by persons to whom it is addressed or applied) in each case of the Republic of South Africa, and as may be amended, replaced, re-enacted, restated or reinterpreted from time to time;

1.3 ***"Auditor"*** means the auditor/s of the Borrower at the Signature Date and any replacement thereof approved by the Lender;

1.4 ***"Business Day"*** means any day other than a Saturday, Sunday or statutory public holiday in the Republic of South Africa;

1.5 ***"Buyer/s"*** means the party/ies that enters into the Contract with the Borrower;

1.6 ***"CGIC"*** means the credit guarantee insurance cover short-term insurance issued by an insurer in favour of the Borrower in respect of a payment default by a Buyer/s, approved by the Lender;

1.7 ***"Change of Control"*** means, after the Signature Date, any person or group of persons acting in concert gaining direct or indirect Control of the Borrower;

1.8 ***"Companies Act"*** means the Companies Act, 2008 as amended from time to time;

1.9 ***"Contract"*** means each order placed with the Borrower or contract entered into between the Borrower and its Buyer for any of the manufacture, sale or export of certain goods and/or services to the Buyer;

1.10 ***"Control"*** in relation to the Borrower means any one of the following, namely if another company or legal entity or person (whether alone or pursuant to an agreement with others):

- holds or controls more than 50% (fifty percent) of the voting rights (taking into account when such voting rights can be exercised) in that company; or
- has the right to appoint or remove the majority of that company's board of directors; or
- has the power to ensure the majority of that company's board of directors will act in accordance with its wishes;

OR if the Borrower is listed on a stock exchange, "**Control**" means:

- the holding of shares or the aggregate of holdings of shares or other securities in a company entitling the holder thereof to exercise, or cause to be exercised 35% (thirty five percent) or more of the voting rights at shareholder meetings of the company irrespective of whether such holding or holdings confers de facto control, provided that should there be other shareholders holding more than 35% (thirty five percent), 35% (thirty five percent) shall be read to refer to "the largest percentage shareholding held at the time"; or

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- the holding or control by a shareholder or member alone or pursuant to an agreement with other shareholders or members of more than 35% (thirty five percent) of the voting rights in the company irrespective of whether such holding or holdings confers de facto control, provided that should there be other shareholders holding more than 35% (thirty five percent), 35% (thirty five percent) shall be read to refer to "the largest percentage shareholding held at the time";

1.11 ***"Default Rate"*** means 4% (four percent) above the Interest Rate;

1.12 ***"Delivery"*** means as soon as the goods under the Contract are either:

1.12.1 in the case of an export Contract:

a) loaded on a ship or aircraft in a South African port or airport respectively for export to a Buyer; or

b) loaded on a railway vehicle to be railed to the Buyer as evidenced by a consignment note issued by the railway administration;

c) crossed the borders of South Africa; or

d) delivered from consignment stocks held in a country insured by the insurer referred to in the ILA for and as the property of the Borrower;

whichever is the earliest; or

1.12.2 in the case of a local Contract:

e) delivered to, and accepted in writing by the local Buyer; or

f) collected, and accepted in writing by the local Buyer as the case may be;

1.13 ***"Effective Date"*** means a date which is 1 (one) Business Day after the date on which the Conditions Precedent are fulfilled or deemed to be fulfilled, or waived (as the case may be) by the Lender.

1.14 ***"Facility"*** means the post-commencement financing facility in the form of a revolving credit facility of a maximum aggregate amount of R150 000 000 (One Hundred and Fifty Million Rand) made available to the Borrower by the Lender;

1.15 ***"Finance Documents"*** means:

1.15.1 this Agreement:

1.15.2 the ILA;

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1.15.3 any loan or facility agreement entered into between the Lender and the Borrower in respect of any loans/facilities provided to the Borrower by the Lender from time to time;

1.15.4 any one or more document creating the Security;

1.15.5 any other agreement or document designated as a Finance Document by written agreement between the Lender and the Borrower; and

1.15.6 any amendment agreement to any of the Finance Documents.

1.16 ***"ILA"*** means Individual Loan Authorisation to be concluded by the Parties for every new Loan approved by the Lender, a specimen of which is contained in Annexure "A";

1.17 ***"Interest Rate"*** means a rate of the Prime Overdraft Rate plus 3% (Three percent), calculated in accordance with the provisions of clause 8;

1.18 ***"Hochvanadium"*** means Hochvanadium Holding AG, a company duly incorporated and registered in accordance with the laws of the Republic of Austria, with registration number FN169875t;

1.19 ***"L/C"*** means an irrevocable documentary letter of credit issued by a reputable bank on behalf of the Buyer in favour of the Borrower in terms of the Contract, which letter of credit shall be:

a) addressed to the Borrower as beneficiary and capable of being secured to the Lender;

b) a first demand, irrevocable and absolute payment undertaking of the issuing Bank without proof or evidence of entitlement or loss required, payable on demand to the Lender;

c) confirmed by a bank registered in terms of the Banks Act,1990 (as amended) in South Africa determined by the Borrower and acceptable to the Lender;

d) subject to the terms and conditions of the Uniform Customs and Practice for Documentary Credits as published by the International Chamber of Commerce, 1993 revision, publication No. 500 and any subsequent revisions;

e) accompanied by any relevant supporting documentation; and

f) for a minimum amount to be stipulated in the relevant ILA or RFA denominated in Rand.

1.20 ***"Loans"*** means loans made or to be made under the Facility or the principal amount outstanding for the time being of that loan and Advanced by the Lender to the Borrower to finance costs to execute the Contract where the aggregate of all Loans shall not exceed the Facility;

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1.21 ***"Mapochs"*** means Mapochs Mine (Pty) Ltd, a company duly incorporated and registered in accordance with the laws of the Republic of South Africa, with registration number 2008/009382/07;

1.22 ***"Material Adverse Event"*** means an event or matter which in the opinion of the Lender has or may have an adverse effect on:

1.22.1 the ability of the Borrower to perform any of its obligations in a timely manner under any of the Finance Documents to which it is a party; or

1.22.2 the legality, validity or enforceability or effectiveness of any of the Finance Documents or priority of security granted or purported to be granted thereunder; or

1.22.3 the condition (financial or otherwise), of the business, obligations (whether contractual or regulatory), operations or prospects of the Borrower; or

1.22.4 the ability of the Lender to enforce or exercise any of its rights or remedies granted or purported to be granted under the Finance Documents;

1.23 **"Middleburg"** means Middleburg Steel and Alloys (Pty) Ltd, a company duly incorporated and registered in accordance with the laws of the Republic of South Africa, with registration number 1955/01490/07;

1.24 ***"Nyanza"*** means Nyanza Light Metals (Pty) Ltd, a company duly incorporated and registered in accordance with the laws of the Republic of South Africa, with registration number 2011/005822/07;

1.25 ***"Prime Overdraft Rate"*** means the publicly quoted basic rate of interest (percent, per annum, compounded monthly in arrears and calculated on a 365 (three hundred and sixty-five) day year (irrespective of whether or not the year is a leap year)) from time to time published by FirstRand Bank Limited or its successor-in-title as being its prime overdraft rate as certified by any manager or divisional director of its First National Bank or Rand Merchant Bank divisions, whose appointment and designation need not be proved;

1.26 ***"Related Person"*** shall have the same meaning given to it in the Companies Act;

1.27 ***"RFA"*** means the request for advance form to be completed by the Borrower prior to any Advance, a specimen of which is contained in Annexure "B".

1.28 ***"Sanctions List/s"*** means any of the lists of specifically designated nationals or designated persons or entities (or equivalent) held by (a) the United States of America (administered by Office of Foreign Assets Control of the United States Department of Treasury, the State Department, Department of Commerce or the Department of Treasury of the United States of America); (b) the United Nations Security Council; (c) the European Union; (d) Her Majesty's Treasury of the United Kingdom or (e) the French Ministry of Economy, Finance & Industry Sanctions, each as amended, supplemented or substituted from time to time;

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1.29 ***"Security"*** means the following security to be provided to the Lender in such form and subject to such terms and conditions as the Lender may require:

1.29.1 **Cession of Debtors**: Cession by the Borrower of all of the Borrower's debtors;

1.29.2 **Cession of Proceeds**: Cession by the Borrower of all of the proceeds from the Contracts;

1.29.3 **Cession of Loan Accounts**: Cession by the Borrower of all of the Borrower's loan account(s) in Mapochs, Nyanza, Middleburg and Hochvanadium;

1.29.4 **Cession and Pledge**: Cession and pledge of all the shares/interest held by the Borrower in Mapochs, Nyanza, Middleburg and Hochvanadium;

1.29.5 **Cession of the L/C**: In respect of clause 2.2.1 and in the absence of CGIG, a cession of the L/C and the proceeds thereof;

1.29.6 **Cession of the CGIC**: In respect of clause 2.2.1 and in the absence of an L/C, cession of CGIC and the proceeds thereof (and the Lender to be noted as first loss payee);

1.29.7 **GNB**: general notarial bond over the Borrower's movable assets for the total value as required by Lender, in its sole discretion;

1.29.8 **MB(s)**: first ranking mortgage bond(s) over the properties owned by the Borrower, for the total value as required by Lender, in its sole discretion;

1.30 ***"Signature Date"*** means the date on which this Agreement is last signed by the Parties;

1.31 ***"Supplier"*** means in the event of the Borrower being a trader, the supplier of the goods or services under the Contract;

1.32 ***"Term"*** means 3 (Three months) until 31 August 2015;

1.33 ***"Terminal Drawing Date"*** means 31 August 2015; and

1.34 ***"VAT"*** means value-added tax levied in terms of the Value-Added Tax Act, 1991 as amended from time to time.

2. FACILITY

2.1 The Borrower requires funding for the purpose referred to in clause 3. The Lender has agreed to make the Facility available to the Borrower in an aggregate amount equal to R150 000 000 (One Hundred and Fifty Million Rand) in accordance with this Agreement and on the further terms and conditions as may be contained in each ILA.

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2.2 In the event that the Contract pertains to:

2.2.1 the export of goods and/or services, then the Lender shall advance to the Borrower 75% (seventy five percent) of the cost to execute the Contract, subject to clause 1.14; and

2.2.2 the local supply of goods and/or services, then the Lender shall advance to the Borrower 100% (one hundred percent) of the cost to execute the Contract, subject to clause 1.14.

3. **PURPOSE OF THE LOAN**

The purpose of the Loan is to fund the working capital requirements of the Borrower in respect of Contracts.

4. **CONDITIONS PRECEDENT**

4.1 The advance of any Loan by the Lender is subject to the following conditions precedent being fulfilled (or waived by the Lender in writing) to the satisfaction of the Lender:

4.1.1 **BRP Undertaking**: the business rescue practitioners undertake in writing that once the GNB is registered, the business rescue practitioners shall consent to the perfection of the GNB and the Lender will consent to the business rescue practitioners holding possession of the assets perfected as the Lender's agent and allow the business rescue practitioners to continue trading for the Borrower's account;

4.1.2 **Finance Documents:** The execution and delivery of:

4.1.3 this Agreement;

4.1.4 Cession of Debtors;

4.1.5 Cession of Proceeds;

4.1.6 Cession of Loan Accounts;

4.1.7 Cession and Pledge;

4.1.8 Cession of L/C (if applicable);

4.1.9 Cession of CGIC (if applicable);

4.1.10 **Resolutions and specimen signatures:** The Borrower shall have provided the Lender with a resolution of its board of directors or business rescue practitioner(s) (as applicable) authorising conclusion of the Finance Documents to which it is a party, and a certified copy of the specimen signature of the signatories who are authorised to sign the Finance Documents on behalf of the Borrower;

4.1.11 **FICA:** The Borrower shall have furnished the Lender with all documents as may be required by the Lender in relation to compliance by the Lender with the Financial Intelligence Centre Act No. 38 of 2001, as amended in relation to the transactions contained in Finance Documents;

4.1.12 **Joint Bank Account:** The Borrower shall open a bank account with a financial institution acceptable to the Lender;

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a) to which the Lender is a mandatory co-signatory; and

b) which account will have no internet, automated teller machine or telephone banking capabilities as long as there are outstanding obligations to the Lender; and into which all payments from the Contract shall be deposited;

4.1.13 **Confirmation of Joint Bank Account:** the Lender shall have received written confirmation from the financial institution referred in clause 4.1.12 that:

c) a bank account is opened and provide details thereof; and

d) the Lender is a mandatory co-signatory; and

e) the account has no, nor will it be allowed to have in future, internet, automated teller machine or telephone banking capabilities attached thereto.

4.2 If the Effective Date has not occurred on or before the Terminal Drawing Date or such later date as agreed to in writing between the Lender and the Borrower on or before the Terminal Drawing Date, then the Lender shall be entitled to terminate this Agreement on written notice to the Borrower and if so terminated, this Agreement shall cease to be of force or effect.

5. **DRAWDOWN CONDITIONS TO BE INCLUDED IN EACH ILA**

The Lender will not be obliged to make any advances unless the following conditions have been satisfied in form and substance satisfactory to the Lender:

5.1 **Drawdown conditions applicable to each drawdown and Advance:**

5.1.1 **Conditions Precedent:** all the conditions precedent in clause 4 have been fulfilled (or waived by the Lender in writing) to the satisfaction of the Lender;

5.1.2 **Original/Certified Contracts:** The Borrower shall have furnished the Lender with an original or certified copy of the Contract which terms and conditions shall be to the satisfaction of the Lender;

5.1.3 **Signed ILAs:** The Borrower shall have signed Buyer specific ILAs;

5.1.4 **RFA and Cost Breakdown Schedule:** The Borrower shall have furnished the Lender with an RFA and a cost breakdown schedule for the relevant Contract;

5.1.5 **Invoices:** the Borrower shall have provided invoices from Suppliers (if applicable) and/or any other supporting documentation which may be required by the Lender;

5.1.6 **Cession of Proceeds:** The Borrower shall have ceded all rights, title and interest in the proceeds of each Contract financed in terms of this Agreement, in such form and subject to such terms and conditions as the Lender may require;

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5.1.7 **Payment into Joint Bank Account:** the Lender shall have received a duly executed letter from the Buyer confirming that it will pay all the proceeds of the Contract into the joint bank account opened in terms of the clause 4.1.12;

5.1.8 **New Contracts/Tenders:** In addition to the drawdown conditions set out in this clause 5, where the Facility is granted generally, for any new contract or tender which the Borrower wishes to include under the Facility, the Borrower must submit to the Lender the relevant documentation relating to that new contract or tender, as the case may be provided that the Lender shall not be obliged to make the Facility available to the Borrower in respect of that new contract or tender;

5.1.9 **Borrower confirmation**: Confirmation from the Borrower that the terms of the relevant Contracts shall not be amended/varied and that the Borrower shall not exercise its right to terminate the relevant Contracts, to the extent that the Borrower has such right, without the prior consent of the Lender;

5.1.10 **FICA:** The Borrower shall have furnished the Lender with all documents as may be required by the Lender in relation to compliance by the Lender with the Financial Intelligence Centre Act No. 38 of 2001, as amended in relation to the transactions contained in Finance Documents, if applicable;

5.1.11 **Requested Amount:** the amount requested for each drawdown does not exceed R50 000 000 (Fifty Million Rand); and

5.1.12 **Sanctions Checks**: the Lender is satisfied that neither the Borrower, any of its directors, officers and/or Mastercroft S.a.r.l. (registration number B186304), Hochvanadium, Hochvanadium Handles GmbH (registration number FN169875) and/or EVRAZ plc (registration number 7784342) is listed on a Sanctions List and/or is a person or entity with whom transactions are prohibited under any sanctions enforced from time to time by the United Nations, European Union, Her Majesty's Treasury of the United Kingdom, the United States of America through OFAC and/or any of its enforcement agencies and France.

5.2 **Further Drawdown conditions applicable to drawdowns and Advances:**

5.2.1 save for the first drawdown/Advance, the Lender shall have received confirmation from its conveyancers that, the Borrower has signed all the documents necessary/required to enable the conveyancer to have the GNB and MB(s) registered in favour of the Lender;

5.2.2 save for the first drawdown/Advance, the Lender has received confirmation from its conveyancers that, the Borrower has deposited into the conveyancer's trust account, all the fees and costs of and incidental to the lodgement and registration of the GNB and MB(s);

5.2.3 save for the first drawdown/Advance, the Lender has received a letter from Sasfin Bank Limited confirming that it has released all of the Borrower's debtors and it will place no reliance on the debtors; and

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5.2.4 save for the first advance, the Lender is satisfied that the amount(s) previously advanced were used as was indicted in the applicable drawdown request;

6. ADVANCES

6.1 Each Advance shall be subject to the prior written approval of the Lender, which written approval shall take the form of an ILA.

6.2 All Advances shall be made in the manner and for the purpose stipulated in the relevant ILA and upon receipt by the Lender of all documents required in terms of this Agreement and the said ILA. The Parties agree that in the event of the terms and conditions of more than one ILA being the same, (except for differing Advance amounts, details of the L/C (if applicable) and a change of Supplier), the Parties need not complete an ILA for each additional Advance, but rather the Lender will make an Advance under the pre-existing ILA upon presentation by the Borrower to the Lender of a duly completed RFA and fulfilment of any conditions as may be contained in the relevant ILA.

6.3 Unless otherwise agreed by the Lender in writing, all Advances to the Borrower shall be paid by the Lender directly to the Supplier, into its bank account as stipulated in the relevant ILA authorising the Lender to apply the requested Loan towards the payment of amounts due and payable to the relevant Supplier.

6.4 The Lender shall not incur any liability to the Borrower in the event that any Advance earmarked for purposes of funding the Borrower's obligations in terms of the Contracts not being utilised for that purpose and in such event, that portion of those payments made from the Facility will nevertheless be regarded as constituting valid Advances.

6.5 In the event that the Lender agrees to make an Advance to the Borrower, directly then that Advance shall be deposited into the Borrower's bank account, the details of which are set out below:

Bank: Nedbank Limited

Account Number: 1454037229

Branch: Corporate Client Service

Branch Code: 145405.

7. REPAYMENT

7.1 Each Advance, interest thereon and all other amounts payable to the Lender under this Agreement shall be repaid in the manner and on or before the date stipulated in the applicable ILA or RFA.

7.2 In the event of the date for repayment of an Advance, interest and other amounts payable under this Agreement becoming due on a day other than a Business Day, repayment of these amounts will then be due on the next Business Day and interest will be payable up to and including the later date.

7.3 The Borrower hereby acknowledges and agrees that for as long as any amount payable by the Borrower to the Lender is in arrears, the Lender shall have the right to appropriate and allocate any monies received from

the Borrower to any indebtedness or obligation of the Borrower to the Lender as the Lender may deem fit in its sole and absolute discretion, and the Borrower hereby waives the right to name the debt to which any such monies may or shall in such event be allocated or appropriated.

7.4 Subject to clause 13, the Borrower shall fully repay the Facility, interest thereon and all other amounts payable to the Lender under this Agreement by no later than the Terminal Drawing Date, but subject always to such earlier final repayment date as may be contained in an ILA or RFA.

8. **INTEREST**

8.1 Each Advance shall, subject to the provisions of clause 13, bear interest at the Interest Rate and interest shall be calculated from the date of such Advance to date of final repayment, both days inclusive.

8.2 Interest shall be:

8.2.1 calculated on the outstanding balance of each Advance from day to day on the basis of a year of 365 (three hundred and sixty five) days;

8.2.2 compounded monthly on the last day of every month;

8.2.3 payable as stated in the relevant ILA.

9. **FEES AND COSTS**

The Borrower shall pay to the Lender the following fees and costs:

9.1 An upfront raising fee of 1% (One percent) of the value of the Facility ex VAT, shall be payable by the Borrower to the Lender no later than the date of first drawdown provided that if any portion of the raising fee is outstanding at any time an Advance is made of the Loan then the outstanding of the raising fee shall be withheld from the amount of the Advance requested and such amount so withheld shall accordingly reduce the amount of the Advance which is available to be drawn by the Borrower in terms hereof;

9.2 An upfront once off agreement fee of R2 500 (Two Thousand Five Hundred Rand) ex VAT, shall be payable by the Borrower to the Lender no later than 14 (fourteen) days from the Signature Date, failing which the said fee shall, subject to the breach provisions of this Agreement, be debited to the Borrower's account;

9.3 An Advance/drawdown fee of the higher of R1 500 (One Thousand Five Hundred Rand) or 15 basis points of the value of the applicable drawdown amount, ex VAT, shall be payable by the Borrower to the Lender, which amount shall be deducted from the first Advance under each Loan;

9.4 The costs of and incidental to the lodgement or registration of any security referred to in this Agreement;

9.5 The amount of all charges and expenses of whatever nature, including, but without derogating from the generality of the aforegoing, attorney and own client legal costs and collection commission incurred by the Lender in securing or endeavouring to secure fulfilment of any obligations in terms of this Agreement;

9.6 The VAT which the Borrower is obliged to pay to the South African Revenue Service on any fees and costs which the Lender charges the Borrower in terms of this Agreement.

10. **TAXES**

All payments to be made by the Borrower to the Lender under this Agreement shall be made free and clear of and without deduction for or on account of tax unless the Borrower is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Borrower (in respect of which such deduction or withholding is required to be made) shall be increased to the extent necessary to ensure that the Lender receives a sum, net of any deduction or withholding, equal to the sum which it would have received had no such deduction or withholding been made or required to be made.

11. **REPRESENTATIONS AND WARRANTIES**

11.1 On Signature Date and each day for the duration of this Agreement and save as otherwise disclosed by the Borrower to the Lender in writing, the Borrower represents and warrants to the Lender that:

11.1.1 **Incorporation:** it is a limited liability company duly incorporated and validly existing under the laws of the Republic of South Africa;

11.1.2 **Power and Capacity:** It has the power and capacity to own its assets and carry on its business as it is currently being conducted;

11.1.3 **Enforceability:** The obligations expressed to be assumed by the Borrower in the Finance Documents to which it is a party are legal, valid, binding and enforceable obligations;

11.1.4 **Authority:** It has the power and authority to enter into and perform, and take all necessary action to authorise its entry into, and performance, in terms of the Finance Documents;

11.1.5 **No conflict:** The entry into by the Borrower or the exercise of its rights and the performance by the Borrower of each of its obligations under the transactions contemplated by the Finance Documents to which the Borrower is a party does not and will not:

11.1.5.1 violate or conflict with any Applicable Law, including but not limited to any environmental laws;

11.1.5.2 violate or conflict with its constitutional documents;

11.1.5.3 violate or conflict with the Finance Documents, any agreement, mortgage or notarial bond or instrument or treaty to which it is a party or which is binding upon it or any of its assets or constitute a default or termination event under any such agreement or instrument;

11.1.5.4 exceed any limit on the powers of the Borrower; and

11.1.5.5 result in any asset of the Borrower being encumbered without the knowledge and prior consent of the Lender;

11.1.6 **Title:** It has and will maintain good and valid legal title to the assets it owns and will keep these in good order and repair to the satisfaction of the Lender;

11.1.7 **Information:** It has not knowingly withheld any information which, if disclosed, would reasonably be expected to materially and adversely affect the decision of the Lender to provide finance to the Borrower;

11.1.8 **Authorisations:** All authorisations necessary including, but not limited to environmental laws to enable the Borrower to lawfully enter into, exercise its rights, conduct its business and comply with its obligations under the Finance Documents to which it is a party and to ensure that the obligations expressed to be assumed by it thereunder are legal, valid, binding and enforceable; have been obtained or effected (as appropriate) and are and will remain in full force and effect;

11.1.9 **Taxes:** It has duly and will continue to punctually pay and discharge all taxes imposed upon it or its assets within a time period allowed without incurring penalties;

11.1.10 **Improper Conduct:** No part of its business has been conducted in a manner which is corrupt or has involved the payment of any bribe or improper consideration or violates any Applicable Law;

11.1.11 **Distribution:** Other than as contemplated in the Finance Documents, it will not, without the Lender's prior written consent, make a distribution or allow change of shareholders or any action that may have an impact on the Lender's security.

11.2 The Lender has entered into the Finance Documents to which it is a party on the strength of, and relying on the representations and warranties given to it by the Borrower in this Agreement and on the basis that such representation and warranty will, save as specifically otherwise stated, be true and correct. Each representation and warranty shall be deemed to be a separate representation and warranty given without prejudice to any other representation and warranty and deemed to be a material representation inducing the Lender to enter into this Agreement or any other Finance Document to which it is a party. The Borrower will promptly inform the Lender of any event or any circumstance whatsoever which is likely to affect the accuracy of or modify any representation, warranty, undertaking or covenant of or by the Borrower in terms of this Agreement.

12. UNDERTAKINGS

The Borrower undertakes that as long as any amount is owing in terms of the Finance Documents, it shall:

12.1 **Authorisations:** Promptly renew from time to time all consents, licenses, approvals and authorisations as may be required under any applicable law or regulation to enable it to perform its obligations under this Agreement, or as may be required for the validity or enforceability of this Agreement or other agreements related to this Agreement, and shall comply with the terms of all governmental consents in relation to all or any such agreements;

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12.2 **Inspection:** Allow the duly authorised representatives of the Lender (and/or of any international development funding institution providing funds to the Lender for purposes of this Loan) at all reasonable times to inspect its premises, works and equipment and its books, documents and records and to make extracts from or copies of the latter on the understanding that information obtained from the Borrower will remain confidential (except where disclosure to relevant authorities is required under Applicable Laws) and restricted to the Lender, any such institution and their respective personnel;

12.3 **Financial Information:** it shall furnish to the Lender:

12.3.1 its audited annual financial statements, as soon as such documents are available, but within 7 (seven) calendar months after the end of the financial year concerned;

12.3.2 its monthly management accounts, acceptable to the Lender, within 15 (fifteen) calendar days of the month end;

12.3.3 any information regarding its financial affairs or business as the Lender may reasonably require from time to time and on request, in order for the Lender to assess and/or protect its rights under any Finance Document, and including any information relating to job creation and job maintenance, and company and/or accounting records;

12.3.4 any written agreements entered into with a Related Person, as and when requested by the Lender, to the satisfaction of the Lender;

12.3.5 semi-annually, its assets register; and

12.3.6 annually, and as applicable, proof of filing of annual returns with the Companies and Intellectual Property Commission;

12.4 **Restructuring**: Not, without the prior written consent of the Lender which consent shall not be unreasonably withheld:

12.4.1 as applicable, redeem or purchase any of its shares or otherwise reduce its share capital in any manner and to any extent;

12.4.2 sell, transfer, encumber or otherwise dispose of any of its assets or revenue other than in the normal course of business and on an arms-length basis;

12.4.3 enter into any mergers, consolidations and amalgamations or transactions that have a similar effect;

12.5 **Non-solicitation:** Not employ or appoint, directly or indirectly, in any capacity (either as principal, agent, partner, representative, shareholder, director, consultant, adviser, employee or in any other like capacity) any employee or former employee of the Lender who was integrally or materially involved in providing services to the Borrower that are generally provided by the Lender, in its ordinary course of business, to its clients (at any time during a period of 2 years after the date of departure of such an employee or former employee from the employment of the Lender).

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12.6 **Contract/s:** Duly execute each Contract in accordance with the terms thereof as disclosed to the Lender and not materially change any terms thereof without the prior written consent of the Lender, which consent shall not be unreasonably withheld.

12.7 **L/Cs:** if applicable, not request or allow an amendment of the L/C, without the prior written consent of the Lender.

12.8 **Restrictive Covenant**: Not grant any loans to its directors or shareholders, managers or members, or any other person], repay any existing shareholders' / members' loans (as the case may be) and/or existing loans to any other person, pay any interest on shareholders' / members' loans (as the case may be), make payments of any kind whatsoever to its directors, managers, members and/or shareholders (as the case may be) other than monthly bona fide directors fees and bona fide monthly salaries in aggregate exceeding the annualised monthly amounts paid to the directors in the financial year which ended on 31 December 2014;

12.9 **Retrenchment:** not retrench any employees without the prior written consent of the Lender, which consent shall not be unreasonably withheld.

12.10 **Indebtedness**: not incur any indebtedness outside of its ordinary course of business without IDC's prior written consent.

12.11 **Other Sources of Funding**: Inform the Lender of its pursuits of other sources of funding as a substitute for the transaction contemplated by this Agreement and the term sheet signed by the Borrower on 17 May 2015.

12.12 **New Investor**: Within 3(three) months of the Signature Date, procure a binding offer from an equity investor who will either totally or partially exit the majority shareholder in the Borrower.

12.13 **Security Documents**: within 30 (thirty) days of the first Advance, sign all the documents necessary/required to enable the Lender's conveyancer to have the GNB, MB(s) and any other security as may be required by the Lender, registered in favour of the Lender.

12.14 **EHS Review:** undertake a full review by 31 August 2015 of the environmental legal compliance requirements, the integrated water and waste management plan action plan dates, as well as the costing of these commitments.

12.15 **CAPEX Projects:** review by 31 August 2015, the prioritisation of CAPEX projects for compliance and identify critical, moderate and low risk items. For purposes of this clause, "critical items" are those items which are required immediately to avoid legal action.

13. **BREACH**

13.1 Should the Borrower fail for any reason whatsoever to make any payment on the due date of any amount due and payable to the Lender under any Finance Document or should the Borrower commit any breach or fail to observe any of the provisions of the Finance Documents, then:

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13.1.1 without prejudice to the Lender's rights under clause 13.2, the Interest Rate applicable to the Loan shall be increased to the Default Rate for the duration of such breach or failure; and/or

13.1.2 the full amount owing under the Facility plus all other amounts and costs shall, failing rectification of such breach or failure, where such rectification or remedy is possible, within 14 (fourteen) Business Days of having been given notice in writing by the Lender of such breach or failure, forthwith and without any further notice become payable by the Borrower and the Lender shall be entitled to withhold any amount not yet Advanced to the Borrower; and

13.1.3 without prejudice to the Lender's right under clause 13.2, all rights which shall accrue to the Lender shall be without prejudice and shall further be in addition to any other rights at law.

13.2 Without prejudice to the rights which the Lender may have under this Agreement and in law, any amount owing under this Agreement or any other Finance Document shall immediately and without notice become payable upon the happening of any of the following events which shall be deemed to be a breach of this Agreement by the Borrower namely, if:

13.2.1 **Material Adverse Event:** A Material Adverse Event occurs.

13.2.2 **Termination/Breach:** Termination or amendment without the Lender's consent of the Finance Documents.

13.2.3 **Judgment:** A judgment is validly entered against the Borrower and the Borrower fails within 14 (fourteen) Business Days after becoming aware of such judgment either to satisfy the same or to apply for it to be set aside or to appeal against it and in the event of such application or appeal being unsuccessful, failing to make immediate payment.

13.2.4 **Cessation of Business:** Without the prior written consent of the Lender, the Borrower ceases to conduct its business.

13.2.5 **Repudiation:** The Borrower repudiates a Finance Document to which it is a party.

13.2.6 **Misrepresentation:** Any representation, warranty or statement made or deemed to be made by the Borrower in any of the Finance Documents is proved to have been incorrect or misleading in any material way.

13.2.7 **Authorisation:** Any material authorisation including but not limited to authorisation, licences and permits necessary for the Borrower's business is withdrawn, terminates, lapses or is cancelled for any reason whatsoever prior to its specified maturity.

13.2.8 **Breach:** A breach of any of the provisions of the Contract, the L/C, any insurance applicable to the Borrower is committed by the Borrower and such breach is not remedied within the period allowed in any such agreement, and such agreement is cancelled, withdrawn or becomes invalid for any reason whatsoever, in so far as such document relates to an Advance.

13.2.9 **Change in Control:** Without the prior written consent of the Lender, which consent shall not be unreasonably withheld, there is a Change in Control in respect of the Borrower.

13.2.10 **Disposal:** Without the prior written consent of the Lender, the Borrower, other than in its ordinary course of business, disposes or encumbers its assets or incurs additional liabilities and/or the Borrower disposes of any of the assets acquired by way of advances under this Agreement or fails to utilise the said assets for the business of the Borrower, save as provided for in the business rescue plan.

13.2.11 **Sanctions**: The Borrower, any of its directors, officers and/or Mastercroft S.a.r.l. (registration number B186304), Hochvanadium, Hochvanadium Handles GmbH (registration number FN169875) and/or EVRAZ plc (registration number 7784342) is listed on a Sanctions List and/or becomes a person or entity with whom transactions are prohibited under any sanctions enforced from time to time by the United Nations, European Union, Her Majesty's Treasury of the United Kingdom, the United States of America through OFAC and/or any of its enforcement agencies and France.

14. BANK CHARGES

14.1 All Advances to be made by the Lender in terms of this Agreement shall have deducted there from the relevant bank charges which shall be for the account of the Borrower.

14.2 All bank charges incurred or arising in connection with L/C's or howsoever otherwise arising shall be for the account of the Borrower.

14.3 All payments to be made by the Borrower in terms of this Agreement shall be made free of bank charges into a bank account nominated by the Lender.

15. TERMS AND CONDITIONS APPLICABLE TO L/C'S

The following terms and conditions shall apply in the event of the Lender requesting the Borrower to furnish it with an L/C:

15.1 The Lender shall not be liable nor be responsible:

15.1.1 for the form, accuracy, authenticity, late presentation, validity or enforceability of the L/C or for the general and/or particular conditions stipulated in the L/C;

15.1.2 in the event that the Bank that has confirmed the L/C, fails to make payment under the L/C for any reason whatsoever;

15.1.3 for the consignor's or other charges on any merchandise or the terms, conditions or sufficiency of any insurance policy or any default of the insurers.

15.1.4 In the event of a dispute arising between the Borrower and the Lender, the Borrower will have no right to countermand payment of any drawing under the L/C and if any such drawings are presented for payment, these will be honoured as if no such dispute exists.

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15.1.5 The Borrower undertakes not to institute any legal action to prevent the bank to which payment under the L/C will be presented, from making such payment where the documents are, *prima facie*, according to the terms of the L/C.

15.1.6 All risks, including risks of currency exchange rate fluctuations arising out of or consequent upon the issue of the L/C are to be borne by the Borrower alone and the Lender will not be held responsible for any errors or delays on the part of postal or telecommunication companies or authorities in the transmission of any instructions or correspondence regarding the L/C's.

16. **GENERAL**

16.1 The Borrower shall within 5 (five) Business Days of demand indemnify the Lender against any reasonable and properly evidenced costs, loss or liability incurred by the Lender as a result of any breach by the Borrower of any Finance Document or by the Lender having to investigate any such breach and a failure by the Borrower to pay any amount due under a Finance Document on its due date, save to the extent compensated by way of any defaulted interest.

16.2 If, at any time, it is or will become unlawful for the Lender to make or fund any payment under this Agreement or to allow the Facility or any substantial part of it to remain outstanding or otherwise to comply with any of its material obligations under this Agreement, or any of the Borrower's obligations under this Agreement is not, or ceases to be, legal, valid, binding and enforceable, including, without being limited to, any obligation of the Borrower to increase any sum payable by it to account for any deduction or withholding of tax referred to in clause 10 the Lender may terminate this Agreement by written notice to the Borrower and:

16.2.1 the Borrower shall cease to be entitled to receive any advance under this Agreement;

16.2.2 all the Borrower's indebtedness under this Agreement shall immediately become due without demand, presentment, protest, or other notice of formality of any kind, all of which are expressly waived by the Borrower; and

16.2.3 the Lender may exercise all, or any of, the rights and remedies available to it under this Agreement and otherwise.

16.3 The entire provisions of this Agreement shall be governed by and construed in accordance with the laws of the Republic of South Africa and the Parties hereby irrevocably and unconditionally consent to the non-exclusive jurisdiction of the South Gauteng High Court, Johannesburg (or any successor to that division) in regard to all matters arising from this Agreement.

16.4 The amount of the Borrower's indebtedness to the Lender in terms of this Agreement shall be determined and proved by the mere production of a certificate purporting to have been signed by any official or authorised signatory of the Lender, whose appointment, qualification and authority need not be proved.

16.5 The Borrower shall not be entitled to cede, delegate or assign (as the case may be) all or any of their rights, benefits and obligations under this Agreement to any person, without the prior written consent of the Lender.

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The Lender may, at any time, sell down all or any part of its proportionate share of the outstandings, and assign its corresponding rights and obligations under this Agreement and any other relevant Finance Document to any person. The Borrower hereby consents to any splitting of claims that may arise from this assignment by the Lender.

16.6 The Parties choose the addresses set out under their names as the addresses to which any written notice in connection with this Agreement may be addressed and as their respective *domicilium citandi et executandi* at which documents in legal proceedings in connection with this Agreement may be served.

16.7 No alteration, variation or consensual cancellation of this Agreement shall be of any effect unless it is recorded in writing and signed by all the Parties to this Agreement or their respective successors in title;

16.8 No relaxation which the Lender may allow the Borrower at any time in regard to the carrying out of this Agreement shall:

16.8.1 prejudice any of the Lender's rights under this Agreement in any manner whatsoever; and

16.8.2 be regarded as a waiver of any of those rights.

16.9 This Agreement contains the entire Agreement between the Parties and no representation, warranty or undertaking, whether express, implied or tacit, not contained in this Agreement, may be relied on by either Party.

16.10 All fees and costs payable under this Agreement are exclusive of VAT.

16.11 This Agreement may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

[SIGNATURES FOLLOW ON THE NEXT PAGE]

IDC

SIGNED at Sandton on 29/MAY/2015

For: EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED (IN BUSINESS RESCUE)

CAPACITY: JOINT BUSINESS RESCUE PRACTITIONER

who warrants that he is duly authorised thereto

AS WITNESSES:

1.

2.

SIGNED at SANDTON on 8 JUNE 2015

For:

INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED

AS WITNESSES:

1.

2.

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ANNEXURE "A": INDIVIDUAL LOAN AUTHORISATION

To Agreement Signed on	
Name of Lender	
Name of Borrower	
Individual Loan Agreement No.	

NOTE:
1. This ILA form shall be concluded, for every Advance authorised under the Facility, relating to a new Buyer and shall form an integral part of the Agreement.
2. All the terms and conditions of the Agreement shall apply to this ILA form

TERMS OF ADVANCE

▪ Loan amount			
▪ Description of goods to be Delivered			
▪ Name of Buyer		▪ Interest Rate	
▪ Order number		▪ Date of order	
If an LC is applicable:			
▪ Amount of LC		▪ LC number	
▪ Issuing bank			
▪ Confirming bank			
If a credit insurance policy is issued:			
▪ Name of insurer		▪ Limit on Buyer	

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▪ Policy number		▪ Expiry Date	

2. **ILA CONDITIONS PRECEDENT**

The Borrower shall have fulfilled the following conditions precedent to the satisfaction of the Lender (unless waived in writing by the Lender) prior to any Advance:

2.1 The Borrower shall have furnished the Lender with proof in form and substance acceptable to the Lender that it has paid the Borrower's contribution referred to in the Agreement.

2.2 The Borrower shall have ceded the proceeds of the L/C in favour of the Lender in such form and subject to such terms and conditions as the Lender may reasonably require.

2.3 The Borrower shall have furnished the Lender with written acknowledgement from the confirming bank that the Lender's interest has been noted in the L/C.

2.4 The Borrower shall have:

2.4.1 ceded the credit insurance policy in favour of the Lender, in such form and subject to such terms and conditions as the Lender may reasonably require, which policy shall contain the credit limited on the Buyer;

2.4.2 furnished the Lender with written acknowledgement from the insurer that the Lender's interest has been noted in the insurance policy;

2.5 The Borrower shall have ceded its rights, title and interest in the proceeds of the Contract financed in terms of this ILA and RFA pursuant thereto in favour of the Lender in such form and subject to such terms and conditions.

2.6 The Borrower shall furnish the Lender with the following documents prior to any Advance:

2.6.1 a written request for the Advance by the Borrower;

2.6.2 the original or certified copy of the Contract setting out payment terms and Delivery or related dates, as applicable

2.6.3 a cost breakdown schedule detailing all costs incurred by the Borrower relevant to the Contract. All relevant costs shall be approved by the Lender;

2.6.4 if applicable, an original or certified copy of an invoice from the Supplier, on the Supplier's letterhead, to the Borrower recording the total amount payable and bank details of the Supplier.

2.7 Advance details:

2.7.1 Payment made directly to the Borrower (bank details as per clause 6.5 of the Agreement).	Yes/No
2.7.2 Payment made to Supplier	Yes/No

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▪ Name of Supplier			
▪ Fax number of Supplier			
2.7.3 Supplier's Bank Details:			
▪ Bank		▪ Bank account	
▪ Branch		▪ Branch code	
More than one Supplier?	Yes/No	If yes, please provide details stated in clauses 2.7.2 and 2.7.3 as an attachment clearly marked "Supplier Details".	

3. **Repayment details and Delivery date:**

▪ Final Repayment Date	The Facility, interest and all amounts payable to the Lender shall be fully repaid or paid (as applicable) in 1 (one) bullet payment on 31 August 2015	▪ Delivery Date	
▪ Repayment in one bullet payment with interest			YES/NO
▪ Repayment in one bullet with interest monthly			YES/NO
"**Interest**-Prior to 31 August 2015, Interest shall be paid monthly in arrears on the outstanding amount "**Capital**: Prior to 31 August 2015, Capital shall be repaid from proceeds of the Contracts held in the Joint Bank Account as the Lender may require. On 31 August 2015, the Facility must be fully repaid in 1 (one) bullet from proceeds of the Contracts held in the Joint Bank Account as the Lender may require or any other source(s).			

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CESSION OF THE PROCEEDS OF THE CONTRACT (Not applicable)

by

[INSERT BORROWER'S NAME, REGISTRATION NUMBER]

(the "Cedent")

in favour of

INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED

(the "Cessionary")

in respect of a contract between the Cedent and ***[INSERT BUYER'S NAME]*** (the "Buyer") for the supply of **[insert]** by the Cedent to the Buyer (the "**Contract**").

1. **CESSION**

1.1 The Cedent hereby, as continuing and covering security for the due and proper fulfilment of all the terms and conditions of the Loan Agreement concluded on ***[INSERT DATE]*** between, *inter alia*, the Cedent and the Cessionary (the "Agreement"), irrevocably and unconditionally cedes and transfers to the Cessionary all of its right, title and interest in and to all proceeds payable to the Cedent in terms of the Contract, upon the terms and conditions contained in this Cession.

1.2 The Cessionary hereby accepts this cession.

2. **TERMS OF CESSION**

2.1. This cession is given as continuing covering security for all sums of money that the Cedent may now owe, and at any time in the future may owe, to the Cessionary in terms of the Agreement notwithstanding any temporary extinction of such indebtedness.

2.2. The Cedent hereby nominates, constitutes and appoints the Cessionary (whose appointment it shall not be necessary to prove) with power of substitution as its agent to execute such document(s) and do such other thing(s) as may in the Cessionary's discretion be necessary or requisite in order to give due and proper effect to the terms hereof, including the right to claim from all or any of the Cedent's debtors the whole or any portion of their indebtedness to the Cedent, to give a valid receipt or discharge from any such indebtedness, to take action in the Cedent's own name in any Court having jurisdiction and to proceed to execution thereunder against all or any of the said debtors, to cede, transfer, negotiate, pledge or otherwise deal with all or any bills of exchange, promissory notes, cheques or other securities as hereinbefore referred to, and generally to deal therewith as fully and effectually as the Cedent might do, hereby ratifying, and agreeing to ratify, allow and confirm all and whatsoever the said agent will lawfully do or cause to be done by virtue hereof.

2.3. The Cedent agrees that the security afforded hereby shall not be in substitution of but shall be in addition to and without prejudice to any other security which the Cessionary may now or in the future hold in respect of the Loan Agreement.

MM
M.K
SR

IDC

3. **WARRANTY**

The Cedent warrants that no valid cession is or will be in existence now or in future in respect of the Contract.

4. **UNDERTAKINGS**

4.1 The Cedent undertakes to ensure that the proceeds of the Contract are deposited into a bank account opened in terms of the Agreement.

4.2 The Cedent hereby undertakes to reimburse the Cessionary upon demand with all costs of and incidental to this deed of cession and any other document prepared in connection therewith, as well as all other costs and expenses which the Cessionary may at any time incur in or about the exercise of any of its rights hereunder or otherwise against the Cedent, all legal costs to be borne by the Cedent on the scale as between attorney and client.

5. **ACKNOWLEDGEMENT**

The Cedent acknowledges the validity of this cession and agrees that an auditor's certificate certifying the amounts due to the Cedent shall at all times be deemed, in absence of proof to the contrary, to constitute sufficient and satisfactory proof of the correctness of such amounts. The Borrower agrees to obtain and to furnish promptly to the Cessionary such certificate whenever requested thereto by the Cessionary.

6. **DOMICILIUM**

For the purposes of this Cession, the parties choose *domicilium citandi et executandi at*:

Name	Physical Address	Telefax
Cessionary	19 Fredman Drive Sandown 2196	011 269 3116

Marked for the attention of: Head: Legal and International Finance

Name	Physical Address	Telefax
Cedent		

Marked for the attention of: [•]

IDC

Name	Physical Address	Telefax
[•]	[•]	[•]
	[•]	

Marked for the attention of: [•]

SIGNED at on 20__

For and on behalf of: [*INSERT CEDENT'S NAME*]

_____

who warrants that he is duly authorised thereto

AS WITNESSES:

1. _____

2. _____

SIGNED at on 20__

For and on behalf of: **INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED**

_____

_____

who warrant that they are duly authorised thereto

AS WITNESSES:

1. _____

2. _____

IDC

ANNEXURE "B": REQUEST FOR ADVANCE FORM

REQUEST FOR ADVANCE FORM NUMBER_____

TO BE PRINTED ON BORROWER'S LETTERHEAD

INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED

19 Fredman Drive

Sandown

Sandton

Fax: (011) 269 3230

Tel: (011) 269 3291/3716

ATTENTION:

Dear Sirs

REQUEST FOR APPROVAL OF AN ADVANCE UNDER A LOAN AGREEMENT DATED _____ ("Agreement")

We refer to the Agreement and further to the ILA number _____ and dated _____, all the terms and conditions of which shall apply *mutatis mutandis* to this Advance.

We hereby apply for an Advance in terms of the Agreement in the amount of R _____ (words). **[into our bank account, the details of which are contained in the Agreement OR supplier's bank account, the details of which are contained in the Supplier's invoice attached hereto]**.

In terms of Agreement, we declare that all the terms and conditions of the Contract under which we request this Advance are substantially the same as the terms and conditions of the above-mentioned ILA, except for the following details:

1. **Advance Amount**:

2. **Details of L/C**:

2.1 Amount:

Initial

IDC

2.2 L/C Number:

2.3 Name of Confirming Bank

3. **Delivery Date:**

4. **Repayment Date:**

5. **Contract Number:**

5.1 Dated:

6. **Name of Supplier:**

We enclose all documents required in order to fulfil the conditions precedent as recorded in the ILA.

Yours faithfully

_____

MR/S .....

(AUTHORISED SIGNATORY)

TITLE: _____

NAME OF BORROWER: _____

FOR OFFICE USE ONLY

BUYER		FACILITY AMOUNT	
LIMIT ON BUYER		BALANCE AVAILABLE	
AVAILABLE AMOUNT		COST TO EXECUTE	
		75% OF COSTS	

IDC

ANNEXURE "C": AUDITORS CERTIFICATE IN TERMS OF CLAUSE 4 ((Not Applicable)

At the request of _____ ("the company/close corporation"), we completed an audit to confirm that an amount of R_____ (_____ Rand) has been paid to the company/close corporation by the shareholders/members by way of shareholders'/members' funds advanced in cash and is still standing to their credit in the books and records of the company/close corporation. We have been requested to provide this certificate pursuant to clause [ ] of the loan agreement between Industrial Development Corporation of South Africa Limited and the company/close corporation dated _____.

We conducted an audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance that, in all material respects, a fair presentation is achieved. An audit includes an examination on a test basis, of evidence that the amount was paid to the company/close corporation. We consider that our auditing procedures were appropriate in the circumstances to express our opinion presented below.

In our opinion, the amount of R_____ (_____ Rand) was paid to the company/close corporation by the shareholders/members and is still standing to their credit, in accordance with the loan agreement and the books and records of the company/close corporation.

_____

ACCOUNTING OFFICERS

TO BE REDRAFTED ON YOUR AUDITOR'S/ACCOUNTING OFFICER'S LETTERHEAD

Initial

IDC

ANNEXURE "D": RESOLUTION

(To be printed on the company letterhead)

RESOLUTION

It was resolved at a meeting by the shareholders/members of (Company name) held on ..... at ....., that:

1. **(Company name)** name be authorised to enter into a Loan Agreement and [insert security documents] with Industrial Development Corporation for the provision of R (amount) for the purposes of financing export and local contracts/orders; and
2. (.....) and (.....), be authorised to sign all documents with regard to the agreement referred to in paragraph 1 above on behalf of **(Company name).**
3. Specimen signatures:

Mr.... _____

Mrs... _____

SIGNED at .....on.....20

For and behalf of:

(COMPANY NAME)

_____

who warrants that he/she is duly authorised thereto

_____

who warrants that he/she is duly authorised thereto

IDC

ANNEXURE E

FORM OF SHAREHOLDER UNDERTAKINGS (Not Applicable)

To: Industrial Development Corporation of South Africa Limited

19 Fredman Drive

Sandown

2196

South Africa

Attention: _____

Date: [*insert*]

Dear Sir/s

REVOLVING CREDIT FACILITY AGREEMENT CONCLUDED BETWEEN INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED AND_____ ON OR ABOUT _____ 20__

1. We refer to the Revolving Credit Facility Agreement dated _____ 20__ made between the Industrial Development Corporation of South Africa Limited and _____ (the **"Loan Agreement"**).

2. The terms defined in the Loan Agreement shall have the same meanings where used in this shareholders warranties and undertakings letter.

3. We, _____ and _____ (the **"Shareholder(s)"**) of _____ give the below mentioned undertakings.

4. **Positive Undertaking:**

   The Shareholder(s) undertake(s) that as long as any amount is owing in terms of the Finance Documents, **[it / they]** shall procure that the Borrower complies with its obligations under the Finance Documents.

IDC

5. **Restriction on Disposal of Shares**

5.1 The Shareholder(s) undertake(s) that until repayment of the Loan in full and payment of all other amounts under the Finance Documents, it shall ensure that the Borrower will not issue any further shares in its (the Borrower's) share capital or sub-divide or alter its share capital in any way other than to the Shareholders as at the Signature Date and the Shareholders will not sell or in any other way dispose of any of their shares in the Borrower without the prior written consent of the Lender.

5.2 The Shareholder(s) shall ensure that until repayment of the Loan in full there shall be no change in control of either the Borrower or the Shareholders, whether directly or indirectly which has the effect of changing the ability to appoint the directors of the Borrower or the Shareholders, as the case may be or to exercise any voting rights (directly or indirectly) at any meeting of directors, shareholders respectively as from the position existing as at the Signature Date, without the prior written consent of the Lender.

Yours faithfully

_____ _____

[Shareholder] [Shareholder]

MM m-k SR TM