



**Evraz Highveld Steel and Vanadium Limited
(in business rescue)**

Registration number 1960/001900/06

(“The Company”)

May 2021

**Report to the Companies and Intellectual Property Commission and to all Affected
Persons**

In terms of Section 132(3)(a) of the Companies Act 71 of 2008

Prepared by:

Piers Marsden - Business Rescue Practitioner (“BRP”)

Matuson and Associates (Pty) Ltd | 2009/008967/07

Directors: Les Matuson | Piers Marsden

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Attention: **All Affected Persons of Evraz Highveld Steel and Vanadium Limited (in business rescue) ("Evraz")**

RE: REPORT ON THE PROGRESS OF THE BUSINESS RESCUE PROCEEDINGS OF EVRAZ

Introduction

1. In terms of section 132(3) of the Companies Act 71 of 2008 ("Act"), if a company's business rescue proceedings have not ended within three (3) months after the start of those proceedings, or such longer time as the Court, on application by the practitioner, may allow, the practitioner must –
 - 1.1. prepare a report on the progress of the business rescue proceedings, and update it at the end of each subsequent month until the end of those proceedings; and
 - 1.2. deliver the report and each update in the prescribed manner to each affected person, and to the:
 - 1.2.1. Court, if the proceedings have been the subject of a court order; or
 - 1.2.2. Commission ("**CIPC**"), in any other case.
2. Therefore, as required, this **Update Report** is being delivered by the business rescue practitioner ("**BRP**") in terms of section 132(3) of the Act.
3. Reference is made in this Update Report to the adopted business rescue plan ("**Plan**"). Any capitalised terms not defined herein shall have the meaning ascribed to same in the Plan. It is therefore important that this Update Report be read in conjunction with the Plan and the previous update reports.

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Business Rescue Proceedings

4. The business rescue continues in accordance with Proposal 3, i.e. the wind-down of Evraz, as contemplated in the Plan.
5. Affected Persons will be notified of any major developments, including the sale of major assets, by way of further Update Reports but are also encouraged to visit <http://evrazhighveld.co.za/> for the latest presentations, updates and correspondence relating to the business rescue proceedings of Evraz.
6. The Business Rescue (BR) has to date paid R576m to creditors and the BR will now focus on:
 - 6.1. collection of purchase price payments from Purchasers of strategic assets and the Titanium and Vanadium bearing resources.
 - 6.2. preparing and managing creditor dividend payments, and
 - 6.3. reporting on dividend payment projections.
7. Significant reduction in retrenched employee debt, to date employee debt of R269m has been paid.

Claims

8. The claims submission period has closed.
9. Please refer any questions or queries relating to your claim to evrazhighveld@matusonassociates.co.za

General meeting of Affected Persons

10. The BRP held a virtual update meeting on 16 March 2021 in which he presented an update to Affected Parties, which presentation was also published on the website and be found at <http://www.evrazhighveld.co.za/BusinessRescue/Highveld%20Creditors%20Meeting%20March%202021.pdf>.
11. The focus of the business rescue is the collection of payments for assets and distribution to the creditors, with a dividend of 3.35 cents in the rand already having been paid to concurrent creditors.
12. Please refer any questions or queries relating to your claim to finance@hipark.co.za

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Conclusion

13. It is the BRP's view that Proposal 3 will result in a better outcome for all affected persons than a liquidation.