

Our Reference: C van Zuylen / N Wright Your Reference:
Direct Line: 011 669 9234/9540 Date: 21 April 2015
E-mail Address: c.vanzuylen@bowman.co.za /
n.wright@bowman.co.za

BY E-MAIL

To all Creditors, Shareholders, Employees & Trade Unions

Dear Sir/Madam

NOTICE OF BEGINNING OF BUSINESS RESCUE PROCEEDINGS IN TERMS OF SECTION 129 OF THE COMPANIES ACT, 2008 (the "Act") IN RESPECT OF MAPOCHS MINE PROPRIETARY LIMITED (the "Company")

1. On 20 April 2015 the Company filed a resolution adopted by its board of directors to voluntarily begin business rescue proceedings (the **Resolution**).
2. As required in terms of S129(3)(a) of the Act, we enclose the following for your attention –
 - 2.1 a copy of the duly filed Form CoR123.1 (Notice of Beginning of Business Rescue Proceedings);
 - 2.2 a copy of the Resolution; and
 - 2.3 a copy of a sworn statement of the facts relevant to the grounds on which the Resolution was founded.
3. The effective date of the Resolution is 20 April 2015.
4. Please note that this notice, and all subsequent notices regarding the Company's business rescue proceedings, will be accessible from 21 April 2015 at <http://www.bowman.co.za/business-rescue/mapochs-mine-proprietary-limited>.

5. If this transmission is incomplete or the attachments cannot be conveniently viewed, please contact Valencia Khan on 011 669 9540 or v.khan@bowman.co.za.

Yours faithfully



Bowman Gilfillan Inc
per: Nigel Wright

111128640

Companies and Intellectual Property Commission
Republic of South Africa

Notice of Beginning of Business Rescue Proceedings

Date: 20 April 2015
Customer Code: BOWMCT

Form CoR 123.1

About this Form

- This form is issued in terms of section 129 and 131 of the Companies Act, 2008, and Regulation 123 of the Companies Regulations, 2011.
- A company resolution to commence business rescue proceedings has no force or effect until it has been filed with this notice.
- This notice must be published to every affected person within 5 business days after:
 - it has been filed, in the case of a resolution; or
 - the date of the court order, in such a case.
- If this notice is issued following a board resolution:
 - the company must appoint a business rescue practitioner within 5 business days after filing this notice; and
 - any affected person may apply to a court in terms of section 130 for an order setting aside the resolution.
- The fee for filing this notice is R0.

Concerning

(Name and Registration Number of Company)

Name: MAPOCHS MINE PROPRIETARY LIMITED

Registration number: 2008/009382/07

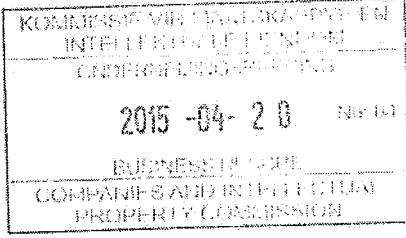
The above named company advises that business rescue proceedings have commenced in terms of Chapter 6 of the Companies Act, as a result of:

- The Board of the company having adopted the attached resolution in terms of section 129, on 17 April 2015.
- A court having made the attached order in terms of section 131, on

In terms of section 132(1)(a), the company's business rescue proceedings commenced on 17 April 2015, being the date on which:

- This notice was filed with the Commission.
- The court issued the attached order.

(Only in the case of a company resolution)
In support of this Notice, the company has attached a sworn statement of the relevant facts upon which the resolution was founded by a director representing the Board.



Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address
PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472
www.cipc.co.za

Name and Title of person signing on behalf of the Company:
Jacques Bonnet - CFO (Director)

Authorised Signature: [Signature]

**Minutes of the Meeting of the Board of Directors of Mapochs Mine Proprietary Limited
held at the offices of Bowman Gilfillan, 165 West Street, Sandton on Friday,
17 April 2015 at 11:00**

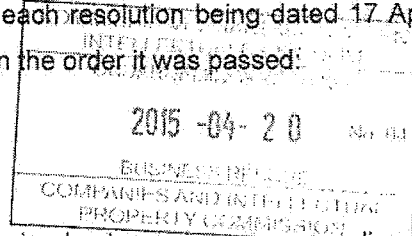
PRESENT:	Mr IJ Burger	(Chairman EVRAZ Highveld) ("EH")
	Mr JJ Nel	(EVRAZ Highveld)
	Mr M Curror	(EVRAZ Highveld)
	Mr J Bonnet	(EVRAZ Highveld)
	Mr J Fourie	(EVRAZ Highveld)
	Mr T Molebatsi	(Umnotho Iron and Vanadium) ("Umnotho")
	Mr V Nkosi	Umnotho
	Mr Ballin Sivalingum	Umnotho
	Mr EM Reato	(Vanchem Vanadium Products) ("VVP")
	Mr J Nell	(Vanchem Vanadium Products)
APOLOGIES:	Mr J Zitha	(EVRAZ Highveld)
IN ATTENDANCE:	Ms A Weststrate	(EVRAZ Highveld)
BY INVITATION:	Ms C van Zuylen	(Bowman Gilfillan)

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 17 April 2015, and each resolution being sequentially numbered in the order it was passed:

RESOLUTIONS:

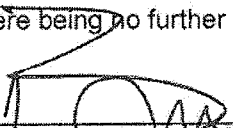


1. **RESOLVED THAT** the Company voluntarily begins business rescue proceedings and the Company is placed under supervision in terms of section 129(1) of the Companies Act 71 of 2008, it being recorded that the board has reasonable grounds to believe that:
 - 1.1 the Company is in financial distress 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** Mr John Evans and John Lightfoot be and are hereby appointed as the joint business rescue practitioners of the Company.

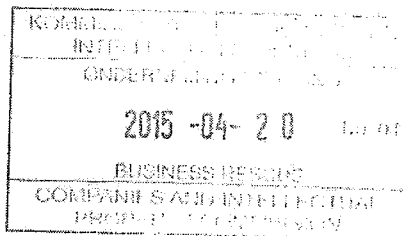
3. **RESOLVED THAT** Johannes Jacobus Fourie (and any other director of the Company) be and is hereby authorised on behalf of the Company, to do or cause to be done, all such things, and sign, and cause to be signed, all such documentation, as may be necessary or desirable to give effect to the foregoing, and insofar as any director has done any of the foregoing 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

Mr IJ Burger



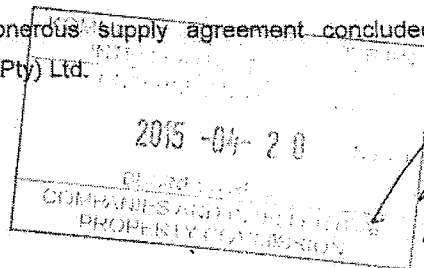
SWORN AFFIDAVIT IN TERMS OF SECTION 129(3)(a) OF THE COMPANIES ACT 71 OF 2008 (as amended) IN RELATION TO THE BUSINESS RESCUE PROCEEDINGS OF MAPOCHS MINE (PROPRIETARY) LIMITED registration number: 2008/009382/07

I, the undersigned,

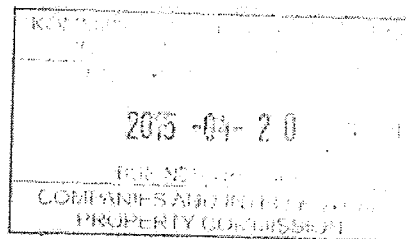
JACQUES BONNET
(ID number: 720605 5147 082)

do hereby state under oath as follows-

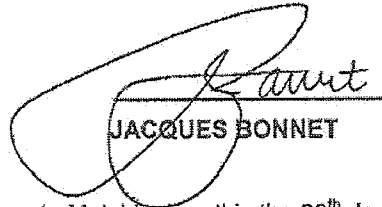
1. I am a director of MAPOCHS MINE (PROPRIETARY) LIMITED, registration number: 2008/009382/07 (the Company). The Company conducts its operations in the jurisdiction of the local Municipality of Elias Motsoaledi, district Roossenkall, Limpopo and has its registered address at Old Pretoria Road, Portion 93 of the Farm Schoongezicht No. 308 JS, eMalaheni (Witbank), Mpumalanga.
2. Save where the contrary is stated or appears from the context, the facts to which I depose in this affidavit are within my personal knowledge and are to the best of my belief both true and correct.
3. On 17 April 2015, the board of directors of the Company adopted a resolution, *inter alia*, for the Company to voluntarily begin business rescue proceedings and place itself under supervision. As appears from the resolution, I am authorized to represent the Company and sign all required documents to give effect to the business rescue resolution.
4. I make this affidavit setting out the facts relevant to the grounds on which the business rescue resolution was founded –
 - 4.1 the Company does not have adequate funding to meet its financial obligations for the short term. This is as a result of, *inter alia*, -
 - 4.1.1 historical operational difficulties at the steelworks (Evraz Highveld Steel and Vanadium Ltd ("EHSV")), the Company's main customer and sole shareholder;
 - 4.1.2 the filing by EHSV for business rescue, which places in doubt the Company's ability to source funding that it historically obtained from EHSV; and
 - 4.1.3 the effect of the onerous supply agreement concluded with Vanchem Vanadium Products (Pty) Ltd.




- 4.2 This is also despite the current relative operational stability achieved through the recent implementation of the Company's operational turnaround plan and the subsequent operational cutbacks introduced to reduce stock levels at the mine, as well as other steps taken to reduce costs.
- 4.3 The Company's financial position has further been negatively impacted by the weakening of global steel and vanadium markets and a severe reduction of domestic steel demand, resulting in reduced demand for the Company's ore.
- 4.4 The Board has accordingly resolved that it will be in the best interests of the Company and its stakeholders to commence with voluntary business rescue proceedings in terms of section 129 of the Companies Act, 2008 (as amended). The resolution to this effect will be filed with the Companies and Intellectual Property Commission.
5. In light of the above, the Company is reasonably unlikely to be able to pay its debts that are due and payable within the ensuing six months.
6. Accordingly, the Company resolved that the business is in financial distress and to consider what options are open to it. The Board has decided that voluntary business rescue is in the best interests of the Company as it will allow for the following:
- 6.1.1 the Board believes that implementation of voluntary business rescue will afford the business practitioner the opportunity to consider the continued implementation of the operational turnaround plan and successfully re-establish the Company;
- 6.1.2 a better return for the creditors of the Company than would be achieved in a liquidation of the Company;
- 6.1.3 the collection of all the debts owed to the Company in the ordinary course (whilst under business rescue proceedings); and
- 6.1.4 the possibility of selling the Company or its assets as a going concern – again achieving a better outcome for the Company's creditors.



7. The Company is not currently involved in any litigation.


JACQUES BONNET

I certify that this affidavit was signed and sworn to before me at eMalaheni on this the 20th day of APRIL 2015, the deponent who acknowledgement that he knew and understood the content of this affidavit, had objection to taking this oath, considered this oath to be binding on her conscience and who uttered the following word: "I swear that the content of this affidavit are true, so help me God".


Conrad Alton Schultz
Commissioner of Oaths
Ex: Officio: Practising Attorney
RSA
c/o Mandela + Woltemade Streets
Emalaheni.

