



MATUSON
ASSOCIATES

Evraz Highveld Steel and Vanadium Limited (in business rescue)

Registration number 1960/001900/06

("The Company")

August 2017

Report to the Companies and Intellectual Property Commission

and to all Affected Persons

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

Prepared by:

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

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1. Introduction

- 1.1.** The business rescue proceedings of the Company have not been concluded within three months of the date of commencement thereof, and therefore this update report is being tabled in terms of section 132(3)(a) of the Companies Act 71 of 2008 ("Act").
- 1.2.** It is important to read this report in conjunction with the Business Rescue Plan ("Plan") and previous update reports.

2. Update on Business Rescue Proceedings

2.1. Structural Mill

Production continues in terms of the contract manufacturing agreement.

2.2. Other Strategic Asset

The joint BRPs continue to engage with buyers on several of the Company's strategic assets.

2.3. Employee Payments

Employees have been paid approximately 21% (R 57 072 189) of the total amount owed to them. The last payment to employees was made on 30 August 2017.

3. Proof of Claims

- 3.1.** The claims submission period has closed.
- 3.2.** Creditors are still being informed on a) whether their claim has been accepted and b) the quantum of such claim.
- 3.3.** Please refer any questions or queries relating to your claim to evrazhighveld@matusonassociates.co.za

4. Update Meeting

- 4.1.** A further general meeting of affected persons has been convened for 10h00 on 09 October 2017 at the offices of Edward Nathan Sonnenbergs Inc., 150 West Street, Sandton, to provide affected persons with an update on the business rescue proceedings and to discuss the way forward.

5. Litigation

- 5.1.** The papers filed to date in the application and action against Air Liquide (Pty) Limited are available on the Company's website.
- 5.2.** Affected Persons will be advised of further updates.



6. Suggested Way Forward

In terms of the Plan, the business rescue is proceeding in accordance with Proposal 3, i.e. the wind-down of the Company.

7. Conclusion

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

Companies and Intellectual Property Commission
Republic of South Africa

Business Rescue Status Report

Form CoR 125.1

About this Form

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

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

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

www.cipc.co.za

Date: 31 August 2017

Customer Code: BOWMCT

Concerning

(Name and Registration Number of Company)

Name: EVRAZ HIGHVELD STEEL AND VANADIUM LIMITED

Registration No: 1960/001900/06

The above named company commenced business rescue proceedings on 13/04/2015

Because the business rescue proceedings have not concluded within three months, the appointed business rescue practitioner provides the attached report in terms of section 132 (3).

Name and Title of person signing on behalf of the Practitioner:

Piers Marsden - Joint Business Resuce Practitioner

Authorised Signature:

