



**MATUSON**  
ASSOCIATES

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

**Registration number 1960/001900/06**

**("The Company")**

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**May 2018**

**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 as well as the presentation given at the general meeting of affected persons, which was held on 19 February 2018. The presentation presented is available on the Company’s website. ([www.evrazhighveld.co.za](http://www.evrazhighveld.co.za))

## **2. Update on Business Rescue Proceedings**

### **Structural Mill:**

- 2.1.** Production continues in terms of the contract manufacturing agreement.

### **Piers Marsden - Joint Business Rescue Practitioner**

### **Other Strategic Assets**

- 2.2.** The joint BRPs continue to engage with buyers on several of the Company’s strategic assets.

### **Employee Payments**

- 2.3.** Employees have been paid approximately 35% (R 110 323 328) of the total amount owed to them. The last payment to employees was made in May 2018.

## **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](mailto:evrazhighveld@matusonassociates.co.za)

## **4. Litigation**

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



## **5. 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.

## **6. Conclusion**

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