Evraz Highveld Steel and Vanadium Limited (in business rescue)
Registration number 1960/001900/06
(“The Company”)

October 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”)
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 Assets**

       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 25% (R 66 931 509) of the total amount owed to them. The last payment to employees was made on 31 October 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 general meeting of affected persons was convened on 09 October 2017 to provide affected persons with an update on the business rescue proceedings and to discuss the way forward.

   4.2. The presentation is available on the Company’s website.

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.
Business Rescue Status Report

Date: 31/10/2017

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 Rescue Practitioner

Authorised Signature:

This form is prescribed by the Minister of Trade and Industry in terms of section 223 of the Companies Act, 2008 (Act No. 71 of 2008).