



**MATUSON**  
ASSOCIATES

---

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

**Registration number 1960/001900/06**

**("The Company")**

---

**February 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")**

Matuson & Associates (Pty) Ltd Reg Nr: 2009/008967/07 VAT Nr: 4780253763

Directors: Les Matuson | Piers Marsden | Gary Kaplan | John Lightfoot

t: +27 (0)11 728 7166/7 f: +27 (0)86 554 9998 w: www.matusonassociates.co.za

1<sup>st</sup> Floor, One on Ninth, Cnr Glenhove Road & Ninth Street, Melrose Estate, Johannesburg, 2196 | PO Box 92796, Norwood, 2117



## **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**

### **Structural Mill:**

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

### **Other Strategic Assets**

- 2.2. Highveld has commenced with a bidding process for the sale of Iron Plant 1.
  - 2.2.1. The closing date to register an interest to purchase Iron Plant 1 is 9 March 2018.
  - 2.2.2. Register your interest by emailing: [ironplant@hipark.co.za](mailto:ironplant@hipark.co.za)
- 2.3. The joint BRPs continue to engage with buyers on several of the Company’s strategic assets.

### **Employee Payments**

- 2.4. Employees have been paid approximately 30% (R 96 465 321) of the total amount owed to them. The last payment to employees was made in January 2018 for January and February 2018, therefor no payment was made in February. We require February to complete all the regulatory submissions. We plan to continue making payments from March again, subject to interruption, protest and strike free operations and achieving production targets.

### **Update Meeting:**

- 2.5. A general meeting of affected persons was held on 19 February 2018 to provide affected persons with an update on the business rescue proceedings and to discuss the way forward. The presentation presented is available on the Company’s website.

## **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.