



MATUSON
ASSOCIATES

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

Registration number 1960/001900/06

("The Company")

January / February 2020

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 - Business Rescue Practitioner ("BRP")

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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. Key conditions precedents relating to the structural mill transaction expected to be fulfilled in Quarter 2 of 2020. Affected Persons will be advised of further updates.
- 2.2. Employees have been paid approximately 73% (R235 million) of the total amount owed to them. The previous payment to employees was made in February 2020.

3. Proof of Claims

- 3.1. The claims submission period has closed.
- 3.2. Please refer any questions or queries relating to your claim to evrazhighveld@matusonassociates.co.za

4. Litigation

- 4.1. Affected Persons will be advised of further updates.

5. Suggested Way Forward

- 5.1. 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

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