

I N D E P E N D E N T

C O R P O R A T E R E C O V E R Y A D V I S O R S

Independent Trustees (Pty) Limited (Reg No 2002/025164/07)
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TO ALL KNOWN CREDITORS

Your Ref:

Our Ref: **J F KLOPPER / M Wilson**

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Date: **17 January 2007**

Dear Sir / Madam

**SOLELE GAME RESERVE (PTY) LIMITED (IN LIQUIDATION) (“THE COMPANY”)
COMPANY REGISTRATION NUMBER: 2002/00327/07
MASTER’S REFERENCE NUMBER: C382/2006**

We refer to the above-mentioned matter and enclose a copy of the Joint Liquidators’ Report, together with Resolutions, to be adopted at the Second Meeting of Creditors and Members to be held before the Magistrate, Wynberg, on Thursday, 15 February 2006 at 09h00.

We reiterate and confirm that there is no danger of a contribution being levied upon creditors in this matter. Based on asset realisations and known claims, there would appear to be a prospect of a dividend award due to creditors claims which have been submitted.

Yours faithfully
INDEPENDENT TRUSTEES (PTY) LTD

**J F KLOPPER
JOINT LIQUIDATOR**

Sent electronically and therefor not signed

SOLOLE GAME RESERVE (PTY) LIMITED (IN LIQUIDATION)
("the Company")

REGISTRATION NUMBER: 2002/003278/07

MASTER'S REFERENCE NUMBER: C382/2006

REPORT OF THE JOINT LIQUIDATORS, JOHANNES FREDERICK KLOPPER, HILLARY ANNE PLAATJIES AND DAVID CHARLES OCTOBER, IN TERMS OF SECTION 402 OF THE COMPANIES ACT, ACT NO. 61 OF 1973, AS AMENDED, ("THE ACT"), TO BE SUBMITTED TO CREDITORS AND CONTRIBUTORIES AT THE SECOND MEETING OF CREDITORS TO BE HELD BEFORE THE MAGISTRATE, WYNBERG, ON THURSDAY, 15 FEBRUARY AT 09H00

ORDER OF THE COURT AND MEETINGS

1. The company was provisionally liquidated by an order of the High Court of South Africa (Cape of Good Hope Provincial Division) on 15th September 2006 pursuant to an application by John Frederick Hume under Case Number 9846/2006.
2. Mr J F Klopper and Mrs H A Plaatjies of Independent Trustees and Mr David Charles October of OZ Accounting Services CC were appointed as Joint Provisional Liquidators by the Master of the High Court, Cape Town, under Certificate of Appointment Number 382/2006.
3. The provisional order of liquidation was made final on 27 October 2006.
4. The first meeting of creditors was convened to take place before the Magistrate, Wynberg, on 21 December 2006 and was postponed to 11 January 2007 for the proof of claims, at which meeting 4 claims totalling R 33, 844.18 were submitted and proved by the presiding officer.
5. No voting took place at that meeting of creditors and the Joint Provisional Liquidators were appointed as Final Liquidators by the Master of the High Court, Cape Town.

HISTORY AND INFORMATION OF THE COMPANY

The Company was incorporated under registration number 2002/00327/07 on 14 February 2002.

The company's authorised share capital, consist of 100 ordinary shares of R1.00 each of which 100 shares were issued.

The company operated as a private game reserve which is approximately 310 hectares in extent and has nine species of antelope such as buffalo, bontebok and springbok, amongst others. One guest cottage accommodating two people have been built. The company does not own the land on which the game reserve was operated upon.

A restaurant, Mnandis Restaurant, was open to the public for breakfast, lunch and dinner. The restaurant was licensed and could accommodate 60 to 80 patrons. A farm stall and curio shop is also on the premises and sold deli lines and home bakes.

REGISTERED ADDRESS

The registered address of the company is reflected as being 15 Greenwich Grove, Station Road, Rondebosch, Western Cape.

DIRECTORS AND SHAREHOLDERS

It appears from our investigations that the registered and sole beneficial owner of 100% of the issued shares in the Company as at date of liquidation was:

Lindsay Aprilante Hunt.

BUSINESS OF THE COMPANY

The principal business of the company was that of a game reserve and restaurant.

AUDITORS

The auditor of the company is reflected as being R S M Betty and Dickson (Cape Town) at 15 Greenwich Grove, Station Road, Rondebosch, Western Cape.

STATEMENT OF AFFAIRS

We have not been placed in possession of a Statement of Affairs by the director as required in terms of Section 363 of the Companies Act, No 61 of 1973, as amended.

SECTION 402(a) : FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

The following represents estimates of the assets and liabilities of the company at date of liquidation and are subject to verification and adjustment depending on the claims submitted for proof.

ASSETS	AMOUNT {R}	AMOUNT{R}
<u>Movable Assets</u>		
Vehicle: 1999 Land Rover 110 Defender 2.5 TDI valued at <i>(Subject to Instalment Sale Agreement in favour of Stannic)</i>		R 70,000.00
Vehicle: 2004 Polaris 4X4 Quad Bike valued at <i>(Subject to Instalment Sale Agreement in favour of Wesbank)</i>		R 30, 000.00
Furniture and equipment valued at <i>(Subject to Special Notarial Bond in favour of Mr J F Hume.</i>		R 114, 170.00
Furniture and equipment valued at		R 85, 840.00
Game and livestock valued at		R 1, 122, 700.00
<i>SUB-TOTAL</i>		<i>R1, 422, 710.00</i>
LIABILITIES	AMOUNT {R}	AMOUNT {R}
Secured Creditors estimated at	R 115, 000.00	
Preferent Creditors estimated at	R 410, 000.00	
Creditors estimated at	R10, 000, 000.00	
SHORTFALL		R9, 102, 290.00
TOTAL	R10, 525,000.00	R10, 525,000.00

NOTE:
Assets:

The assets, subject to a special Notarial Bond, have been identified.

The vehicles are subject to installment sale agreements and the movable assets and game will be sold upon adoption of the resolutions referred to hereunder.

SECTION 402(b) : CAUSES OF THE COMPANY'S FAILURE

Although we have not been provided with a Statement of Affairs from the company's director it would appear from the application for liquidation and investigations conducted that the company was unable to meet its basic monthly overheads and was forced to close the doors to its restaurant on or about 30 June 2006 effectively bringing to an end its principle source of income and rendering effective operation impossible.

The company was relying on the sale of land and a development, which was delayed by two years, to fund the game reserve and the restaurant.

The company could not pay rent to it's landlord, Eland Trust, and as result of that Eland Trust failed to pay its instalments in terms of the BOE loan. BOE Bank instituted action against Eland Trust, Lindsay Hunt and other parties.

SECTION 402(c): REPORT TO THE MASTER IN TERMS OF SECTION 400 (2) OF THE COMPANIES ACT

Save to state that the director failed to submit a Statement of Affairs, it is not at this stage certain what other contraventions of the Act have been committed by the director. This is still under investigation and a report will be submitted should it become necessary.

The director has been requested to submit a Statement of Affairs. The books and records are alleged to have been properly kept but we have been unable to determine as yet whether the legal provisions as required in respect of the keeping of such records have been complied with. A report will be submitted should it become necessary.

SECTION 402(d) : PERSONAL LIABILITIES OF DIRECTORS OR OFFICERS

At this stage it is not clear whether the former director of the company can be held personally liable for the debts of the company. Investigations are being conducted and a report will be submitted should it become necessary.

SECTION 402(e) : LEGAL PROCEEDINGS

We have no knowledge of any legal proceedings pending or threatened by or against the company as at date of liquidation other than actions relating to the recovery of debt.

SECTION 402(f) : ENQUIRY

Based upon the information available to us at this stage, we do not intend to convene an enquiry into the affairs of the company in terms of the provisions of the Act.

SECTION 402(g) : BOOKS AND RECORDS

We have received the books and records relating to the company's financial affairs, but cannot comment as yet on to whether adequate books and records have been kept.

SECTION 402(h) : ESTIMATED DIVIDEND

Based on asset realisations and known claims, there would appear to be a prospect of a dividend to creditors whose claims have been submitted.

SECTION 402(i) : MATTERS REQUIRING THE FURTHER DIRECTIONS OF CREDITORS

Such directions as are required of creditors are contained in the draft resolutions numbers 1 – 13 which are submitted for consideration and adoption by the creditors as well as the director at the second meeting of creditors in conjunction with this report. Creditors are requested to adopt these resolutions to enable the administration of the company in liquidation to be continued and finalised.

**JOHANNES FREDERICK KLOPPER
JOINT LIQUIDATOR**

**HILLARY ANNE PLAATJIES
JOINT LIQUIDATOR**

**DAVID CHARLES OCTOBER
JOINT LIQUIDATOR**

**C/O INDEPENDENT TRUSTEES (PTY) LIMITED
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SOLOLE GAME RESERVE (PTY) LIMITED (IN LIQUIDATION)
("the Company")

REGISTRATION NUMBER: 2002/003278/97

MASTER'S REFERENCE NUMBER: C382/2006

RESOLUTIONS

RESOLUTIONS TO BE SUBMITTED AT THE SECOND MEETING OF CREDITORS AND MEMBERS TO BE HELD BEFORE THE MAGISTRATE, WYNBERG, ON THURSDAY, 15 FEBRUARY 2007 AT 09H00

RESOLVED THAT:

1. The report of the Provisional Joint Liquidators or Joint Liquidators, as the case may be, hereinafter referred to as "the Joint Liquidators", as submitted, be received and adopted and all their actions referred to therein be and are hereby confirmed, ratified and approved.
2. All actions of whatsoever nature heretobefore taken by the Joint Liquidators be and are hereby confirmed, ratified and approved.
3. The Joint Liquidators be granted the authority and is vested with all the powers mentioned in Section 386(4) (a) – (i) of the Companies Act No 61 of 1973, as amended, ("The Act") such powers to be exercised at their sole and absolute discretion.
4. The Joint Liquidators be and are hereby authorised in their sole and absolute discretion to:
 - 4.1. Take legal advice on any question of law affecting the administration and distribution of the company;

- 4.2. Institute or defend on behalf of the company any action or other legal proceedings of a civil nature for the recovery of monies due to the company or otherwise and subject to the provisions of any law relating to criminal procedure, institute any criminal proceedings;
 - 4.3. Hold any enquiry into the affairs of the company and/or any matter relating thereto;
 - 4.4. Investigate and institute legal proceedings for the recovery of any voidable or undue preferences, voidable dispositions of property or any other impeachable transactions of whatsoever nature and to abandon same at any time;
 - 4.5. Write up the books of the company as may be required, and if necessary, to produce a balance sheet, audited or not, as at the date of liquidation, either for the purpose of investigating the affairs of the company, establishing the claims of creditors, or any other purpose.
5. The Joint Liquidators be and are hereby authorised in their sole and absolute discretion to employ and engage the services of attorneys and/or counsel (senior and/or junior) and/or accountants and/or bookkeepers and/or any employee of the company and/or recording agents and/or any other person who in the sole discretion of the Joint Liquidators may be of assistance in the winding-up of the company in relation to any matter referred to in 4 above and further to pay all the costs thereof of whatsoever nature out of the estate as costs incurred in the liquidation.
 6. The Joint Liquidators be and are hereby authorised to collect any debts due to the company and for the purpose thereof to sell or compound or compromise any of these debts for such sum and upon such terms and conditions as they in their sole discretion may deem fit, and to accept any part of the debt in settlement thereof, and to grant an extension of time for the payment of any such debt, and to abandon any debt which they in their sole discretion may deem to be irrecoverable.
 7. The Joint Liquidators be and are hereby authorised to dispose of any movable and immovable property of the company, whether in their possession or under their control now or to come into their possession or under their control in the future by public auction, private treaty or public tender upon such terms and conditions as they in their sole and absolute discretion shall determine and to abandon any such assets for which they can find no purchaser or abandon them to a secured creditor at the value placed thereon by such creditor or at such value as is agreed upon by the Joint Liquidators and the creditor if such creditor's claim is secured by such assets and to sign all such documents as may be necessary to give effect to such disposition.

8. The Joint Liquidators be and are hereby authorised and empowered in their sole discretion to compromise and admit any claim against the company of whatsoever nature and howsoever arising and whether disputed or not and whether actual, contingent, prospective, conditional, unconditional, assessed, unassessed, liquidated or unliquidated as a liquidated claim in terms of Section 78(3) of the Insolvency Act No 24 of 1936, as amended, read with Section 339 of the Act, at such amount as may be agreed upon by the Joint Liquidators, provided that proof thereof has been tendered at a meeting of creditors.
9. The Joint Liquidators be and are hereby authorised to make application for the destruction of books and records of the estate six months after the confirmation of the Final Liquidation and Distribution Account.
10. The Joint Liquidators be and are hereby authorised to perform any act or exercise any power for which they are not expressly required by the Companies Act No 61 of 1973, as amended, to obtain the leave of the Court.
11. The Joint Liquidators be and are hereby authorised to submit to the determination of arbitrators any dispute concerning the company or any claim or demand by or upon the company.
12. The Joint Liquidators be and are hereby authorised to carry on or discontinue any part of the business of the company insofar as may be necessary for the beneficial winding-up thereof.
13. The Joint Liquidators be and are hereby authorised to exercise *mutatis mutandis* the powers conferred upon a Liquidator by Section 35 (uncompleted acquisition of immovable property before liquidation) and 37 (effect of liquidation upon a lease) of the Insolvency Act No 24 of 1936, as amended, read with Section 339 of the Act.
14. The creditors hereby consent to the Joint Liquidators' remuneration ("the remuneration") being taxed by The Master of High Court in terms of Section 384 of the Act at the **higher figure of:**
 - 14.1. the prescribed tariff as is contained in Annexure CM 104 to the Winding Up Regulations to the Act;
 - 14.2. the increased amount of work done by the Joint Liquidators in terms of the actual time spent by them or their staff in the discharge of their duties in the winding-up as is reflected on properly kept timesheets at the charge out tariff of the respective professional and administrative staff and which will be deemed to be good cause for the increase of such remuneration.
15. The remuneration referred to in 14 above may further be increased based on aspects such as:

- 15.1. the complexity of the estate in question;
 - 15.2. the degree of difficulty encountered by the Joint Liquidators in the administration of the estate, and
 - 15.3. particular difficulties experienced by the Joint Liquidators because of the nature of the assets or some other similar feature connected with the winding-up.
16. The further administration of the affairs of the company be left entirely in the hands and at the discretion of the Joint Liquidators.

q.q. CREDITORS

q.q. DIRECTOR