

## TO ALL CREDITORS

Date: 5 March 2020

Dear Sir/Madam

### ELITHENI COAL (PTY) LIMITED (IN BUSINESS RESCUE) (“THE COMPANY”) FURTHER EXTENSION OF PUBLICATION OF BUSINESS RESCUE PLAN

1. We refer to previous correspondence regarding extensions of the date for the publication of the business rescue plan.
2. The interested party who had signed an exclusivity agreement for four months commencing 1 August 2019 was unable to complete the purchase of the shares and the business of the Company.
3. We have continued to discuss a sale with interested parties and are in advanced negotiations with a party to recommence mining operations with a view of a sale later.
4. The largest creditor (holding circa 80% of the debt) and largest shareholder (holder of 74% of the equity) has therefore asked that we grant a further extension of the date by which the business rescue plan must be published by us. Please see attached letter from Quantuma. It is hoped that the business rescue plan will be published by 31 May 2020.
5. As they are the holders of the majority of the creditors' voting interest in terms of the Companies Act 71 of 2008, we have acceded to their request.
6. We accordingly delay the publication of the Business Rescue plan until 31 May 2020.

Yours faithfully



A N FLYNN and J F KLOPPER

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VAT number: 4610217830

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• IM Scott • MS Willimott

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