



KLEINFONTEIN COLLIERY (PTY) LTD (IN BUSINESS RESCUE)

REGISTRATION NUMBER: 2003/017639/07

BUSINESS RESCUE STATUS REPORT IN TERMS OF SECTIONS 132 AND 141 OF THE COMPANIES ACT, 71 OF 2008 READ WITH REGULATION 125 OF THE COMPANIES ACT FILED BY THE BUSINESS RESCUE PRACTITIONER LDR VAN DER MERWE

1. Important Information and Actions

•Board of directors passes resolution for Business Rescue on	16/01/2020
•Notice of resolution filed with CIPC on	24/01/2020
•Notice to affected parties on filing for Business Rescue on	30/01/2020
•Company nominated a BRP on	24/01/2020
•CIPC confirmed certification of BRP on	24/01/2020
•File notice to CIPC re BRP appointment on	24/01/2020
•Publish notice to affected parties of BRP appointment on	30/01/2020
•First meeting of creditors held on	05/02/2020
•First meeting of employees held on	05/02/2020
•Publish Business Plan on/ due by	22/07/2020
•Publish notice of meeting to consider proposed Business Rescue Plan on	22/07/2020
•Meeting to determine the future of the business held on	31/07/2020

2. Current Status of Business Rescue Proceedings

Kindly note: This status report must be read together with all previous status reports and that the information contained in this status report is a record of events and/or information that have transpired subsequent to the publication of the previous month's status report:

- 2.1 Progress on Implementation of the Adopted Business Rescue Plan- Arbitrations
 - 2.1.1 There is nothing further to report under this heading at present
- 2.2 Debtors:
 - 2.2.1 An interlocutory application to introduce new evidence was launched by Eskom, however such application was dismissed with costs.
 - 2.2.2 Following closing arguments on 4 February 2022, the arbitration award will be handed down.
- 2.3 Properties:
 - 2.3.1 We remain dependant on a Court process by the Seller to secure clearances from the local authorities before we can take transfer of the properties into the name of Kleinfontein, but these assets have been included in the parcel of assets to be sold to the purchaser.
- 2.4 Mining Right:
 - 2.4.1 As with the properties and the wash plant the mining right has been included in the parcel of assets made available for sale to the purchaser, as provided for in the BR Plan.
- 2.5 Dispose of the assets of Kleinfontein:
 - 2.5.1 The BRP conducted a bespoke disposal process on 16 November 2021 that sought the sale of the business of the Company, by way of a private boardroom bid process.
 - 2.5.2 This bespoke process has resulted in the BRP identifying a purchaser for the business of the Company and the BRP and the Company's attorneys have now concluded the sale of business agreement with the purchaser.
 - 2.5.3 The purchaser has now taken ownership of the wash plant and the BRP and his attorneys are now focusing their efforts on the statutory process to transfer the mining right to the purchaser together with the transfer of the properties.
 - 2.5.4 The full purchase price for the business has been secured by way of cash, with a portion of the sale proceeds being held in the BRPs attorneys trust account, pending the finalisation of the conditions to the sale of business agreement with the purchaser.